

## **ARTICLE 25**

### **LATE CHARGES**

If any installment of Rent or any other sum due from Tenant shall not be received by Landlord or Landlord's designee within five (5) days after said amount is due, then Tenant shall pay to Landlord a late charge equal to five percent (5%) of the amount due plus any attorneys' fees incurred by Landlord by reason of Tenant's failure to pay Rent and/or other charges when due hereunder. The late charge shall be deemed Additional Rent and the right to require it shall be in addition to all of Landlord's other rights and remedies hereunder or at law and shall not be construed as liquidated damages or as limiting Landlord's remedies in any manner. If Tenant is subject to a late charge for two (2) consecutive months, or three (3) months in any twelve (12)-month period, then within ten (10) days after request by Landlord, Tenant shall increase the Security Deposit by an amount equal to two (2) additional monthly installments of Base Rent. In addition to the late charge described above, any Rent or other amounts owing hereunder which are not paid within three (3) days after the date they are due shall thereafter bear interest until paid at a rate per annum equal to eighteen percent (18%) per annum, provided that in no case shall such rate be higher than the highest rate permitted by applicable law.

## **ARTICLE 26**

### **LANDLORD'S RIGHT TO CURE DEFAULT; PAYMENTS BY TENANT**

26.1 Landlord's Cure. All covenants and agreements to be kept or performed by Tenant under this Lease shall be performed by Tenant at Tenant's sole cost and expense and without any reduction of Rent. If Tenant shall fail to perform any of its obligations under this Lease, within a reasonable time after such performance is required by the terms of this Lease, Landlord may, but shall not be obligated to, after reasonable prior notice to Tenant, make any such payment or perform any such act on Tenant's part without waiving its right based upon any default of Tenant and without releasing Tenant from any obligations hereunder.

26.2 Tenant's Reimbursement. Except as may be specifically provided to the contrary in this Lease, Tenant shall pay to Landlord, within fifteen (15) days after delivery by Landlord to Tenant of statements regarding expenditures, sums equal to expenditures reasonably made and obligations incurred by Landlord in connection with the remedying by Landlord of Tenant's defaults pursuant to the provisions of Section 26.1. Tenant's obligations under this Section 26.2 shall survive the expiration or sooner termination of the Lease Term.

## ARTICLE 27

### ENTRY BY LANDLORD

Landlord reserves the right at all reasonable times during business hours and upon reasonable notice not less than 48 hours to the Tenant to enter the Premises to: (i) inspect them; (ii) during the last nine (9) months of the Lease term or any extension of the Lease term, show the Premises to prospective purchasers, mortgagees or tenants, or to the ground or underlying lessors; (iii) post notices of non-responsibility; or (iv) alter, improve or repair the Premises or the Building if necessary to comply with current building codes or other applicable laws, or for structural alterations, repairs or improvements to the Building. Notwithstanding anything to the contrary contained in this Article 27, Landlord may enter the Premises at any time to (A) perform services required of Landlord; (B) take possession due to any breach of this Lease in the manner provided herein; and (C) perform any covenants of Tenant which Tenant fails to perform. Any such entries shall be without the abatement of Rent and shall include the right to take such reasonable steps as required to accomplish the stated purposes. Tenant hereby waives any claims for damages or for any injuries or inconvenience to or interference with Tenant's business, lost profits, any loss of occupancy or quiet enjoyment of the Premises, and any other loss occasioned thereby. For each of the above purposes, Landlord shall at all times have a key with which to unlock all the doors in the Premises. In an emergency, Landlord shall have the right to use any means that Landlord may deem proper to open the doors in and to the Premises. Any entry into the Premises in the manner hereinbefore described shall not be deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an actual or constructive eviction of Tenant from any portion of the Premises.

## ARTICLE 28

### TENANT PARKING

28.1 Parking Spaces. Tenant shall have the right, but not the obligation, to rent the number of parking passes set forth in Section 12 of the Summary on a monthly basis throughout the Lease Term. Tenant shall pay to Landlord for automobile parking passes rented by Tenant pursuant to this Lease on a monthly basis the prevailing rate charged for such parking passes at the location of such passes.

28.2 Compliance with Rules. Tenant's continued right to use the parking passes is conditioned upon Tenant abiding by all rules and regulations which are prescribed from time to time for the orderly operation and use of the Parking Facilities (including, but not limited, to those set forth on Exhibit D attached hereto) and upon Tenant's cooperation in seeing that Tenant's employees and visitors also comply with such rules and regulations. Landlord specifically reserves the right to change the size, configuration, design, layout, location and all other aspects of the Parking Facilities and Tenant acknowledges and agrees that Landlord may, without incurring any liability to Tenant and without any abatement of Rent under this Lease, from time to time, close-off or restrict access to the Parking Facilities, or relocate Tenant's parking passes to other parking structures and/or surface parking areas, for purposes of permitting or facilitating any such construction, alteration or improvements or to accommodate or facilitate renovation, alteration, construction or other modification of other improvements or

structures located on the Real Property. Landlord may delegate its responsibilities hereunder to a parking operator in which case such parking operator shall have all the rights of control attributed hereby to the Landlord and such owner. The parking rates charged by Landlord for Tenant's parking passes shall be exclusive of any parking tax or other charges imposed by governmental authorities in connection with the use of such parking, which taxes and/or charges shall be paid directly by Tenant or the parking users, or, if directly imposed against Landlord, Tenant shall reimburse Landlord for all such taxes and/or charges concurrent with its payment of the parking rates described herein. The parking passes rented by Tenant pursuant to this Article 28 are provided to Tenant solely for use by Tenant's own personnel and such passes may not be transferred, assigned, subleased or otherwise alienated by Tenant without Landlord's prior approval. Tenant's invitees and guests may use parking spaces in such parking areas which are not allocated or reserved for Tenant or other occupants or visitors of the Building or Real Property on a first-come, first-serve basis, upon payment of Landlord's then prevailing parking rate. The parking passes allocated to Tenant are not for long term (i.e., more than 48 hours) storage of automobiles, or for short or long term storage of boats, trailers, recreational vehicles, motorcycles or other vehicles or equipment.

28.3 Storage Spaces. From time to time, if Landlord determines they are available, Tenant may rent storage spaces in the Building on a month-to-month basis; provided that Landlord may elect to terminate such month-to-month storage space rights at any time at Landlord's discretion. Tenant shall pay to Landlord for storage spaces rented by Tenant pursuant to this Lease on a monthly basis the prevailing rate charged for such storage spaces, as determined by Landlord, from time to time.

## ARTICLE 29

### MISCELLANEOUS PROVISIONS

29.1 Terms. The necessary grammatical changes required to make the provisions hereof apply either to corporations or partnerships or individuals, men or women, as the case may require, shall in all cases be assumed as though in each case fully expressed.

29.2 Binding Effect. Each of the provisions of this Lease shall extend to and shall, as the case may require, bind or inure to the benefit not only of Landlord and of Tenant, but also of their respective successors or assigns, provided this clause shall not permit any assignment by Tenant contrary to the provisions of Article 14 of this Lease.

29.3 No Air Rights. No rights to any view or to light or air over any property, whether belonging to Landlord or any other person, are granted to Tenant by this Lease. If at any time any windows of the Premises are temporarily darkened or the light or view therefrom is obstructed by reason of any repairs, improvements, maintenance or cleaning in or about the Building, the same shall be without liability to Landlord and without any reduction or diminution of Tenant's obligations under this Lease.

29.4 Modification of Lease. Should any current or prospective mortgagee or ground lessor for the Building require a modification or modifications of this Lease, which modification or modifications will not cause an increased cost or expense to Tenant or in any other way

materially and adversely change the rights and obligations of Tenant hereunder, then and in such event, Tenant agrees that this Lease may be so modified and agrees to execute whatever documents are required therefor that are reasonably acceptable to Tenant and deliver the same to Landlord within ten (10) business days following the request therefor. Should Landlord or any such current or prospective mortgagee or ground lessor require execution of a short form of Lease for recording, containing, among other customary provisions, the names of the parties, a description of the Premises and the Lease Term, Tenant agrees to execute such short form of Lease and to deliver the same to Landlord within ten (10) days following the request therefor.

29.5 Transfer of Landlord's Interest. Tenant acknowledges that Landlord has the right to transfer all or any portion of its interest in the Real Property and Building and in this Lease, and Tenant agrees that in the event of any such transfer, Landlord shall automatically be released from all liability under this Lease thereafter accruing and Tenant agrees to look solely to such transferee for the performance of Landlord's obligations hereunder after the date of transfer. The liability of any transferee of Landlord shall be limited to the interest of such transferee in the Real Property and Building. Tenant further acknowledges that Landlord may assign its interest in this Lease to a mortgage lender as additional security and agrees that such an assignment shall not release Landlord from its obligations hereunder and that Tenant shall continue to look to Landlord for the performance of its obligations hereunder.

29.6 Prohibition Against Recording. Except as provided in Article 18 and in Section 29.4 of this Lease, neither this Lease, nor any memorandum, affidavit or other writing with respect thereto, shall be recorded by Tenant or by anyone acting through, under or on behalf of Tenant, and the recording thereof in violation of this provision shall make this Lease null and void at Landlord's election.

29.7 Landlord's Title. Landlord's title is and always shall be paramount to the title of Tenant. Nothing herein contained shall empower Tenant to do any act which can, shall or may encumber the title of Landlord.

29.8 Captions. The captions of Articles and Sections are for convenience only and shall not be deemed to limit, construe, affect or alter the meaning of such Articles and Sections.

29.9 Relationship of Parties. Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent, partnership, joint venturer or any association between Landlord and Tenant. Neither the method of computation of Rent nor any act of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

29.10 Application of Payments. Landlord shall have the right to apply payments received from Tenant pursuant to this Lease, regardless of Tenant's designation of such payments, to satisfy any obligations of Tenant hereunder, in such order and amounts as Landlord, in its sole discretion, may elect.

29.11 Time of Essence. Time is of the essence of this Lease and each of its provisions.

29.12 Partial Invalidity. If any term, provision or condition contained in this Lease shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of

such term, provision or condition to persons or circumstances other than those with respect to which it is invalid or unenforceable, shall not be affected thereby, and each and every other term, provision and condition of this Lease shall be valid and enforceable to the fullest extent possible permitted by law.

29.13 No Warranty. In executing and delivering this Lease, Tenant has not relied on any representation, including, but not limited to, any representation whatsoever as to the amount of any item comprising Additional Rent or the amount of the Additional Rent in the aggregate or that Landlord is furnishing the same services to other tenants, at all, on the same level or on the same basis, or any warranty or any statement of Landlord which is not set forth herein or in one or more of the exhibits attached hereto.

29.14 Landlord Exculpation. Notwithstanding anything in this Lease to the contrary, and notwithstanding any applicable law to the contrary, the liability of Landlord hereunder and any recourse by Tenant against Landlord shall be limited solely and exclusively to the interest of Landlord in and to the Real Property and Building. None of Landlord's beneficial owners shall have any personal liability hereunder, and Tenant hereby expressly waives and releases such personal liability on behalf of itself and all persons claiming by, through or under Tenant. Notwithstanding any contrary provision of this Lease, neither Landlord nor the Landlord Parties shall be liable under any circumstances for injury or damage to, or interference with, Tenant's business, including but not limited to, loss of profits, loss of rents or other revenues, loss of business opportunity, loss of goodwill or loss of use, in each case, however occurring.

29.15 Entire Agreement. There are no oral agreements between the parties hereto affecting this Lease and this Lease supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements and understandings, if any, between the parties hereto or displayed by Landlord to Tenant with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this Lease. This Lease and any side letter or separate agreement executed by Landlord and Tenant in connection with this Lease and dated of even date herewith contain all of the terms, covenants, conditions, warranties and agreements of the parties relating in any manner to the rental, use and occupancy of the Premises, shall be considered to be the only agreement between the parties hereto and their representatives and agents, and none of the terms, covenants, conditions or provisions of this Lease can be modified, deleted or added to except in writing signed by the parties hereto. All negotiations and oral agreements acceptable to both parties have been merged into and are included herein. There are no other representations or warranties between the parties, and all reliance with respect to representations is based totally upon the representations and agreements contained in this Lease.

29.16 Right to Lease. Landlord reserves the absolute right to effect such other tenancies in the Building as Landlord in the exercise of its sole business judgment shall determine to best promote the interests of the Building. Tenant does not rely on the fact, nor does Landlord represent, that any specific tenant or type or number of tenants shall, during the Lease Term, occupy any space in the Building.

29.17 Force Majeure. Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain services, labor, or materials or reasonable substitutes therefor, governmental actions, civil commotions, fire or other casualty, and other causes beyond

the reasonable control of the party obligated to perform, except with respect to the obligations imposed with regard to Rent and other charges to be paid by Tenant pursuant to this Lease (collectively, the "Force Majeure"), notwithstanding anything to the contrary contained in this Lease, shall excuse the performance of such party for a period equal to any such prevention, delay or stoppage and, therefore, if this Lease specifies a time period for performance of an obligation of either party, that time period shall be extended by the period of any delay in such party's performance caused by a Force Majeure.

29.18 Waiver of Redemption by Tenant. Tenant hereby waives for Tenant and for all those claiming under Tenant all right now or hereafter existing to redeem by order or judgment of any court or by any legal process or writ, Tenant's right of occupancy of the Premises after any termination of this Lease.

29.19 Notices. All notices, demands, statements or communications (collectively, "Notices") given or required to be given by either party to the other hereunder shall be in writing, shall be sent by United States certified or registered mail, postage prepaid, return receipt requested, by a national messenger service (such as FedEx or UPS) regularly providing proof of delivery, or delivered personally: (i) to Tenant at the appropriate address set forth in Section 5 of the Summary, or to such other place as Tenant may from time to time designate in a Notice to Landlord; or (ii) to Landlord at the addresses set forth in Section 3 of the Summary, or to such other firm or to such other place as Landlord may from time to time designate in a Notice to Tenant. Any Notice will be deemed given on the date it is mailed or delivered to the messenger service as provided in this Section 29.19 or upon the date personal delivery is made. If Tenant is notified of the identity and address of Landlord's mortgagee or ground or underlying lessor, Tenant shall give to such mortgagee or ground or underlying lessor written notice of any default by Landlord under the terms of this Lease by registered or certified mail, or by a national messenger service (such as FedEx or UPS) and such mortgagee or ground or underlying lessor shall be given a reasonable opportunity to cure such default prior to Tenant's exercising any remedy available to Tenant.

29.20 Joint and Several. If there is more than one Tenant, the obligations imposed upon Tenant under this Lease shall be joint and several. If there is more than one Landlord, the obligations imposed upon Landlord under this Lease shall be joint and several.

29.21 Authority. If Tenant is a corporation, partnership, or limited liability company, Tenant represents and warrants that Tenant is a duly formed and existing entity qualified to do business in California and that Tenant has full right and authority to execute and deliver this Lease and that each person signing on behalf of Tenant is authorized to do so. For so long as Landlord comprises tenants in common, each of the tenants in common shall be deemed the agent of all of them for the purposes of this Lease. Tenant may rely on the written consent or agreement of any of the Landlord tenants in common, which shall be deemed the binding consents or agreements of all of them.

29.22 Attorneys' Fees. If either party commences litigation against the other for the specific performance of this Lease, for damages for the breach hereof or otherwise for enforcement of any remedy hereunder, the parties hereto agree to and hereby do waive any right to a trial by jury and, in the event of any such commencement of litigation, the prevailing party

shall be entitled to recover from the other party such costs and reasonable attorneys' fees as may have been incurred, including any and all costs incurred in enforcing, perfecting and executing such judgment.

29.23 Governing Law. This Lease shall be construed and enforced in accordance with the laws of the State of California.

29.24 Submission of Lease. Submission of this instrument for examination or signature by Tenant does not constitute a reservation of or an option for lease, and it is not effective as a lease or otherwise until execution and delivery by both Landlord and Tenant.

29.25 Brokers. Landlord and Tenant hereby warrant to each other that they have had no dealings with any real estate broker or agent in connection with the negotiation of this Lease, excepting only the real estate broker(s) or agent(s) specified in Section 13 of the Summary (the "**Broker(s)**"), and that they know of no other real estate broker or agent who is entitled to a commission in connection with this Lease. Each party agrees to indemnify and defend the other party against and hold the other party harmless from any and all claims, demands, losses, liabilities, lawsuits, judgments, and costs and expenses (including without limitation reasonable attorneys' fees) with respect to any leasing commission or equivalent compensation alleged to be owing on account of the indemnifying party's dealings with any real estate broker or agent other than the Broker(s).

29.26 Independent Covenants. This Lease shall be construed as though the covenants herein between Landlord and Tenant are independent and not dependent and Tenant hereby expressly waives the benefit of any statute to the contrary and agrees that if Landlord fails to perform its obligations set forth herein, Tenant shall not be entitled to make any repairs or perform any acts hereunder at Landlord's expense; provided, however, that the foregoing shall in no way impair the right of Tenant to commence a separate action against Landlord for any violation by Landlord of the provisions hereof so long as notice is first given to Landlord and any holder of a mortgage or deed of trust covering the Building, Real Property or any portion thereof, of whose address Tenant has theretofore been notified, and an opportunity is granted to Landlord and such holder to correct such violations as provided above.

29.27 Building Name and Signage. Landlord shall have the right at any time to change the name of the Building and to install, affix and maintain any and all signs on the exterior and on the interior of the Building as Landlord may, in Landlord's sole discretion, desire. Other than as a business address on its stationary and business cards, Tenant shall not use the name of the Building or use pictures or illustrations of the Building in advertising or other publicity, without the prior written consent of Landlord.

29.28 Transportation Management. Tenant shall fully comply with all present or future government mandatory programs intended to manage parking, transportation or traffic in and around the Building, and in connection therewith, Tenant shall take responsible action for the transportation planning and management of all employees located at the Premises by working directly with Landlord, any governmental transportation management organization or any other transportation-related committees or entities. Such programs may include, without limitation: (i) restrictions on the number of peak-hour vehicle trips generated by Tenant; (ii) increased

vehicle occupancy; (iii) implementation of an in-house ridesharing program and an employee transportation coordinator; and (iv) working with employees and any Building or area-wide ridesharing program manager.

29.29 Hazardous Material. As used herein, the term "**Hazardous Material**" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of California or the United States Government. Tenant acknowledges that Landlord may incur costs (A) for complying with laws, codes, regulations or ordinances relating to Hazardous Material, or (B) otherwise in connection with Hazardous Material, including, without limitation, the following: (i) Hazardous Material present in soil or ground water; (ii) Hazardous Material that migrates, flows, percolates, diffuses or in any way moves onto or under the Real Property; (iii) Hazardous Material present on or under the Real Property as a result of any discharge, dumping or spilling (whether accidental or otherwise) on the Real Property by other tenants of the Real Property or their agents, employees, contractors or invitees, or by others; and (iv) material which becomes Hazardous Material due to a change in laws, codes, regulations or ordinances which relate to hazardous or toxic material, substances or waste. Tenant agrees that the costs incurred by Landlord with respect to, or in connection with, complying with laws, codes, regulations or ordinances relating to Hazardous Material shall be an Operating Expense (provided that the allocation of such particular element of the Operating Costs allocated to the Premises shall not exceed \$2,000 per year), unless the Hazardous Material is on the Real Property prior to the Commencement Date or unless the cost of such compliance is made the responsibility of tenants under their lease agreements with Landlord. To the extent any such Operating Expense relating to Hazardous Material is subsequently recovered or reimbursed through insurance, or recovery from responsible third parties, or other action, Tenant shall be entitled to a proportionate share of such Operating Expense to which such recovery or reimbursement relates. If any Hazardous Material is released, discharged or disposed of on or about the Real Property and such release, discharge or disposal is not caused by Tenant, such release, discharge or disposal shall be deemed casualty damage under Article Eleven to the extent that the Premises are affected thereby; in such case, Landlord and Tenant shall have the obligations and rights respecting such casualty damage provided under such Article.

29.30 Confidentiality. Tenant acknowledges that the content of this Lease and any related documents are confidential information. Tenant shall keep such confidential information strictly confidential and shall not disclose such confidential information to any person or entity other than Tenant's financial, legal, and space planning and other consultants or administrators, regulators and affiliates.

29.31 Landlord Renovations. Landlord has no obligation and has made no promises to alter, remodel, improve, renovate, repair or decorate the Premises, Building, or any part thereof and that no representations respecting the condition of the Premises or the Building have been made by Landlord to Tenant except as specifically set forth herein or in the Tenant Work Letter. However, Tenant acknowledges that Landlord is currently renovating or may during the Lease Term renovate, improve, alter, or modify (collectively, the "**Renovations**") the Building, Premises, and/or Real Property, including without limitation the Parking Facilities, common areas, Systems and Equipment, roof, and structural portions of the same, which Renovations may include, without limitation: (i) modifying the common areas and tenant spaces to comply with applicable laws and regulations, including regulations relating to the physically disabled, seismic



conditions, and building safety and security; (ii) installing new carpeting, lighting, and wall coverings in the Building common areas; (iii) renovation of the main entry to the Building and the main Building lobby area; (iv) renovation of the elevator lobbies, elevator doors and frames; and (v) conversion of lobby area to retail area, including the re-working of retail entries and installation of doors and new signage. In connection with such Renovations, Landlord may, among other things, erect scaffolding or other necessary structures in the Building, limit or eliminate access to portions of the Real Property, including portions of the common areas, or perform work in the Building, which work may create noise, dust or leave debris in the Building. Tenant hereby agrees that such Renovations and Landlord's actions in connection with such Renovations shall in no way constitute a constructive eviction of Tenant nor entitle Tenant to any abatement of Rent so long as Tenant's access to the Premises is not materially impaired. Landlord shall have no responsibility or for any reason be liable to Tenant for any direct or indirect injury to or interference with Tenant's business arising from the Renovations, nor shall Tenant be entitled to any compensation or damages from Landlord for any inconvenience or annoyance occasioned by such Renovations or Landlord's actions in connection with such Renovations.

29.32 Counterparts. This Lease may be executed in multiple counterparts, all of which shall constitute one and the same Lease.

29.33 Communications and Computer Lines. Tenant may install, maintain, replace, remove or use any communications or computer wires and cables serving the Premises (collectively, the "**Lines**"), provided that (i) Tenant shall obtain Landlord's prior written consent, use an experienced and qualified contractor approved in writing by Landlord, and comply with all of the other provisions of Articles 7 and 8 of this Lease, (ii) an acceptable number of spare Lines and space for additional Lines shall be maintained for existing and future occupants of the Building, as determined in Landlord's reasonable opinion, (iii) the Lines therefor (including riser cables) shall be appropriately insulated to prevent excessive electromagnetic fields or radiation, shall be surrounded by a protective conduit reasonably acceptable to Landlord, and shall be identified in accordance with the "Identification Requirements," as that term is set forth hereinbelow, (iv) any new or existing Lines servicing the Premises shall comply with all applicable governmental laws and regulations, (v) as a condition to permitting the installation of new Lines, Landlord may require that Tenant remove existing Lines located in or serving the Premises and repair any damage in connection with such removal, and (vi) Tenant shall pay all costs in connection therewith. All Lines shall be clearly marked with adhesive plastic labels (or plastic tags attached to such Lines with wire) to show Tenant's name, suite number, telephone number and the name of the person to contact in the case of an emergency (A) every four feet (4') outside the Premises (specifically including, but not limited to, the electrical room risers and other Common Areas), and (B) at the termination point for each of the Lines (collectively, the "**Identification Requirements**"). Upon the expiration of the Lease Term, or immediately following any earlier termination of this Lease, Tenant shall, at Tenant's sole cost and expense, remove all Lines installed by Tenant, and repair any damage caused by such removal. In the event that Tenant fails to complete such removal and/or fails to repair any damage caused by the removal of any Lines, Landlord may do so and may charge the cost thereof to Tenant. In addition, Landlord reserves the right at any time to require that Tenant remove any Lines located in or serving the Premises which are installed in violation of these provisions, or which are at any time in violation of any laws or represent a dangerous or potentially dangerous condition.

29.34 No Violation. Tenant hereby warrants and represents that neither its execution of nor performance under this Lease shall cause Tenant to be in violation of any agreement, instrument, contract, law, rule or regulation by which Tenant is bound, and Tenant shall protect, defend, indemnify and hold Landlord harmless against any claims, demands, losses, damages, liabilities, costs and expenses, including, without limitation, reasonable attorneys' fees and costs, arising from Tenant's breach of this warranty and representation.

29.35 Asbestos. Tenant specifically acknowledges that Tenant has been advised that asbestos-containing materials were used in the initial construction of the Building, and may have been used in connection with various additions and improvements made thereafter from time to time. Landlord represents that, to Landlord's actual knowledge, all asbestos-containing materials are encapsulated.

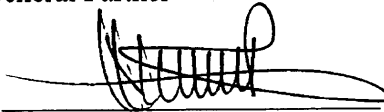
*[Signature page immediately follows.]*

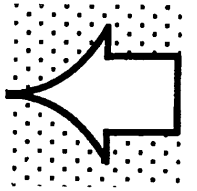
IN WITNESS WHEREOF, Landlord and Tenant have caused this Lease to be executed the day and date first above written.

**"Landlord":**

SHERMAN OAKS CAPITAL ASSOCIATES, LP,  
a California limited partnership  
as to a fifty percent (50%) tenant-in-common  
interest

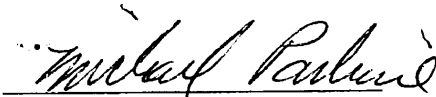
By: Sherman Oaks GP, LLC,  
a Delaware limited liability company  
Its General Partner

By:   
Albert Taban  
Manager



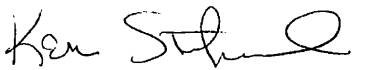
PASADENA HOLDINGS, LLC,  
a California limited liability company  
as to a fifty percent (50%) tenant-in-common  
interest

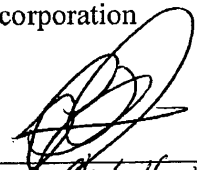
By: Pasadena Holdings Management, LLC,  
a Delaware limited liability company  
Its Manager

By:   
Michael Pashaie  
Manager

**"Tenant":**

PASADENA COMMUNITY ACCESS  
CORPORATION,  
a California corporation

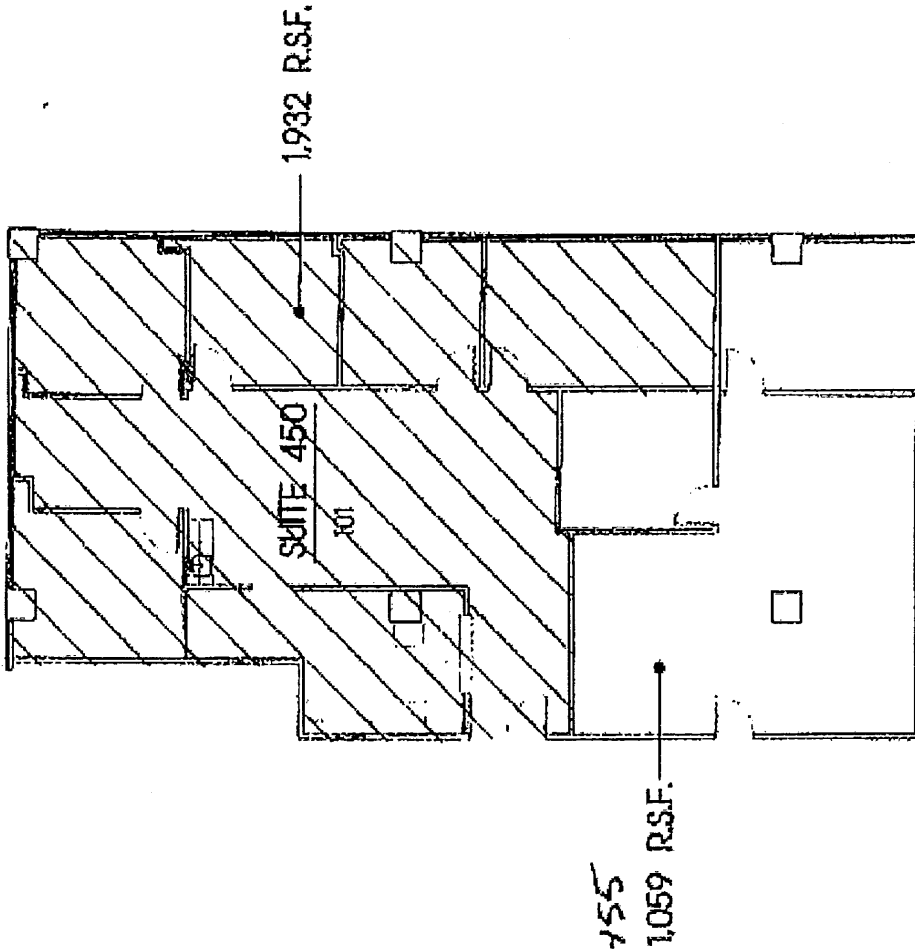
  
Ken Stuchlik  
KCAI STREETS  
Executive Director

By:   
Name: Phil Hopkins  
Title: CEO President

**EXHIBIT A**  
**OUTLINE OF FLOOR PLAN OF PREMISES**



**SUITE 450**  
(TOTAL RENTABLE)  
2,991 R.S.F.  
SCALE: 1/16"=1'-0"



**Pasadena Office Tower**  
150 S. Los Robles Ave. Pasadena, California 91101

## **EXHIBIT B**

### **TENANT WORK LETTER**

This Lessee Work Letter shall set forth the terms and conditions relating to the construction of the Tenant improvements in the Premises. This Tenant Work Letter is essentially organized chronologically and addresses the issues of the construction of the Premises, in sequence, as such issues will arise during the actual construction of the Premises. All references in this Tenant Work Letter to Articles or Sections of "this Lease" shall mean the relevant portion of Article 1 through Article 29 of the Lease to which this Tenant Work Letter is attached as **Exhibit B** and of which this Tenant Work Letter forms a part, and all references in this Tenant Work Letter to Sections of "this Tenant Work Letter" shall mean the relevant portion of Sections 1 through 6 of this Tenant Work Letter.

#### **SECTION 1** **DELIVERY OF THE PREMISES**

Tenant acknowledges that Tenant has thoroughly examined the Premises. Upon the full execution and delivery of this Lease, by Landlord and Tenant, Landlord shall deliver the Premises and Tenant shall accept the Premises from Landlord in their presently existing, "as-is" condition as of the date of this Lease.

#### **SECTION 2** **TENANT IMPROVEMENTS**

2.1 **Tenant Improvements.** "Tenant Improvements" means all improvements to be made to the Premises under the terms of this Lease, excluding the "Landlord's Work" (defined below).

2.2 **Tenant Improvement Allowance.** None.

2.3 **Disbursement of the Tenant Improvement Allowance.** None.

2.4 **Standard Tenant Improvement Package.** Landlord has established specifications (the "**Specifications**") for the Building standard components to be used in the construction of the Tenant Improvements in the Premises (collectively, the "**Standard Improvement Package**"), which Specifications shall be supplied to Tenant by Landlord. The quality of Tenant Improvements shall be equal to or of greater quality than the quality of the Specifications, provided that Landlord may, at Landlord's option, require the Tenant Improvements to comply with certain Specifications. Landlord may make changes to the Specifications for the Standard Improvement Package from time to time.

**SECTION 3**  
**CONSTRUCTION DRAWINGS**

3.1 **Selection of Architect/Construction Drawings.** Tenant shall retain an architect or a space planner (the "**Architect**") to prepare the "Construction Drawings," as that term is defined in this Section 3.1. Landlord shall retain any engineering consultants Landlord determines to be necessary (the "**Engineers**") to prepare all plans and engineering working drawings relating to the structural, mechanical, electrical, plumbing, HVAC, life safety, and sprinkler work of the Tenant Improvements. The plans and drawings to be prepared by Architect and the Engineers hereunder shall be known collectively as the "**Construction Drawings.**" All Construction Drawings shall comply with the drawing format and specifications as determined by Landlord, and shall be subject to Landlord's prior written approval.

3.2 **Final Space Plan.** On or before the date set forth in Schedule 1, attached hereto, Landlord and Tenant shall agree upon the final space plan for Tenant Improvements in the Premises (collectively, the "**Final Space Plan**"), which Final Space Plan shall include a layout and designation of all offices, rooms and other partitioning, their intended use, and equipment to be contained therein.

3.3 **Final Working Drawings.** Tenant shall cause the Architect and the Engineers to complete the architectural and engineering drawings for the Premises, and the final architectural working drawings in a form which is complete to allow subcontractors to bid on the work and to obtain all applicable permits (collectively, the "**Final Working Drawings**"). Tenant shall submit the Final Working Drawings to Landlord for its review and approval. Landlord shall review and approve or comment on the Final Working Drawings within seven (7) days after they are submitted to Landlord for approval.

3.4 **Permits.** Tenant shall submit the Final Working Drawings to the appropriate municipal authorities for all applicable building permits necessary to allow "Contractor," as that term is defined in Section 4.1, below, to commence and fully complete the construction of the Tenant Improvements (the "**Permits**"). No changes, modifications or alterations in the Final Working Drawings may be made without the prior written consent of Landlord.

3.5 **Time Deadlines.** Tenant shall use its best, good faith, efforts and all due diligence to cooperate with the Architect, the Engineers, and Landlord to complete all phases of the Construction Drawings and the permitting process and to receive the permits, and with Contractor, as soon as possible after the execution of the Lease, and, in that regard, shall meet with Landlord on a scheduled basis to be determined by Landlord, to discuss the progress of the same. The applicable dates for approval of items, plans and drawings as described in this Section 3, Section 4, below, and in this Tenant Work Letter are set forth and further elaborated upon in Schedule 1 (the "**Time Deadlines**"), attached hereto. Tenant agrees to comply with the Time Deadlines. Regardless of the date on which Tenant completes the Tenant Work, the Lease Commencement Date shall be the date set forth in the Summary of this Lease.

3.6 **Landlord's Work.** Landlord is not required to perform any "Landlord's Work" in connection with the Premises. Tenant has inspected the Premises prior to the execution of this Lease and shall take possession of the Premises in their "as-is, where-is" condition.

**SECTION 4**  
**CONSTRUCTION OF THE TENANT IMPROVEMENTS**

4.1 **Contractor.** A contractor selected by Tenant ("Contractor") shall construct the Tenant Improvements.

4.2 **Intentionally Omitted.**

4.3 **Construction of Tenant Improvements by Contractor.**

4.3.1 **Intentionally Omitted.**

4.3.2 **Intentionally Omitted.**

4.3.3 **Contractor's Warranties and Guaranties.** Tenant hereby waives all claims against Landlord relating to, or arising out of the construction of, the Tenant Improvements.

4.3.4 **Intentionally Omitted.**

**SECTION 5**  
**COMPLETION OF THE TENANT IMPROVEMENTS;**  
**LEASE COMMENCEMENT DATE**

5.1 **Ready for Occupancy.** The Premises shall be deemed "Ready for Occupancy" upon the execution of this Lease. For purposes of this Lease, "Substantial Completion" of the Premises has occurred upon the execution of this Lease.

5.2 **Intentionally Omitted.**

**SECTION 6**  
**MISCELLANEOUS**

6.1 **Tenant's Entry Into the Premises Prior to Substantial Completion.** Provided that Tenant and its agents do not interfere with Contractor's work in the Building and the Premises, Contractor shall allow Tenant access to the Premises prior to the Substantial Completion of the Premises for the purpose of Tenant installing overstandard equipment or fixtures (including Tenant's data and telephone equipment) in the Premises. Prior to Tenant's entry into the Premises as permitted by the terms of this Section 6.1 and Section 1.4 of this Lease, Tenant shall submit a schedule to Landlord and Contractor, for their approval, which schedule shall detail the timing and purpose of Tenant's entry. Tenant shall hold Landlord harmless from and indemnify, protect and defend Landlord against any loss or damage to the Building or Premises and against injury to any persons caused by Tenant's actions pursuant to this Section 6.1.

6.2 **Freight Elevators.** Landlord shall, consistent with its obligations to other Tenants of the Building, make the freight elevator reasonably available to Tenant in connection with initial decorating, furnishing and moving into the Premises.

6.3 **Tenant's Representative.** Tenant has designated \_\_\_\_\_ as its sole representative with respect to the matters set forth in this Tenant Work Letter, who, until further notice to Landlord, shall have full authority and responsibility to act on behalf of the Tenant as required in this Tenant Work Letter.

6.4 **Landlord's Representative.** Landlord has designated Gloria French of Morlin Asset Management as its sole representative with respect to the matters set forth in this Tenant Work Letter, who, until further notice to Tenant, shall have full authority and responsibility to act on behalf of the Landlord as required in this Tenant Work Letter.

6.5 **Time of the Essence in This Tenant Work Letter.** Unless otherwise indicated, all references herein to a "number of days" shall mean and refer to calendar days. In all instances where Tenant is required to approve or deliver an item, if no written notice of approval is given or the item is not delivered within the stated time period, at Landlord's sole option, at the end of such period the item shall automatically be deemed approved or delivered by Tenant and the next succeeding time period shall commence.

6.6 **Tenant's Lease Default.** Notwithstanding any provision to the contrary contained in this Lease, if an Event of Default under the Lease, or a default by Tenant under this Tenant Work Letter, has occurred at any time on or before the Substantial Completion of the Premises, then (i) in addition to all other rights and remedies granted to Landlord pursuant to the Lease, Landlord shall have the right to withhold payment of all or any portion of the Tenant Improvement Allowance and/or Landlord may cause Contractor to cease the construction of the Premises (in which case, Tenant shall be responsible for any delay in the Substantial Completion of the Premises caused by such work stoppage as set forth in Section 5 of this Tenant Work Letter), and (ii) all other obligations of Landlord under the terms of this Tenant Work Letter shall be forgiven until such time as such default is cured pursuant to the terms of the Lease.



**SCHEDULE 1**

**TIME DEADLINES**

	Dates	Actions to be Performed
A.	Fifteen (15) calendar days after the execution of this Lease.	Final Space Plan to be completed by Tenant.
B.	Fifteen (15) calendar days after Landlord's approval of the Final Space Plan.	Tenant to deliver Final Working Drawings to Landlord to review and approve.

**EXHIBIT C**

**FORM OF NOTICE OF LEASE TERM DATES**

To: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Re: Office Lease dated \_\_\_\_\_, 2013 between SHERMAN OAKS CAPITAL ASSOCIATES, L.P., a California limited partnership, and PASADENA HOLDINGS, LLC, a California limited liability company, d/b/a PASADENA TRI CITY VENTURES (“Landlord”), and PASADENA COMMUNITY ACCESS CORPORATION, a California corporation (“Tenant”) concerning Suite 450 on the fourth floor of the office building located at 150 South Los Robles Avenue, Pasadena, California.

Gentlemen:

In accordance with the Office Lease (the “Lease”), we wish to advise you and/or confirm as follows:

1. That Landlord has caused the Substantial Completion of the Improvement in the Premises, and the Lease Term shall commence on or has commenced on \_\_\_\_\_ for a term of \_\_\_\_\_ ending on \_\_\_\_\_.
2. Rent commenced to accrue on \_\_\_\_\_, in the amount of \_\_\_\_\_.
3. If the Lease Commencement Date is other than the first day of the month, the first billing will contain a pro rata adjustment. Each billing thereafter, with the exception of the final billing, shall be for the full amount of the monthly installment as provided for in the Lease.
4. Rent is due and payable in advance on the first day of each and every month during the Lease Term. Your rent checks should be made payable to \_\_\_\_\_ at \_\_\_\_\_.

Failure of Tenant to timely execute and deliver this Notice of Lease Term Dates shall constitute an acknowledgment by Tenant that the statements included in this notice are true and correct, without exception.

**“Landlord”:**

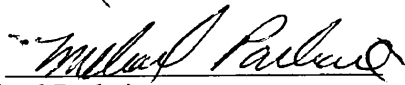
SHERMAN OAKS CAPITAL ASSOCIATES, LP,  
a California limited partnership  
as to a fifty percent (50%) tenant-in-common  
interest

By: Sherman Oaks GP, LLC,  
a Delaware limited liability company  
Its General Partner

By: \_\_\_\_\_  
Albert Taban  
Manager

PASADENA HOLDINGS, LLC,  
a California limited liability company  
as to a fifty percent (50%) tenant-in-common  
interest

By: Pasadena Holdings Management, LLC,  
a Delaware limited liability company  
Its Manager

By:   
Michael Pashaie  
Manager

Agreed to and Accepted as of  
\_\_\_\_\_, 20\_\_.

**“Tenant”:**

PASADENA COMMUNITY ACCESS  
CORPORATION,  
a California corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## EXHIBIT D

### RULES AND REGULATIONS

Tenant shall faithfully observe and comply with the following Rules and Regulations. Landlord shall not be responsible to Tenant for the nonperformance of any of said Rules and Regulations by or otherwise with respect to the acts or omissions of any other tenants or occupants of the Building. In the event of any conflict between the Rules and Regulations and the other provisions of this Lease, the latter shall control.

1. Tenant shall not alter any lock or install any new or additional locks or bolts on any doors or windows of the Premises without obtaining Landlord's prior written consent. Tenant shall bear the cost of any lock changes or repairs required by Tenant. Two (2) keys will be furnished by Landlord for the Premises, and any additional keys required by Tenant must be obtained from Landlord at a reasonable cost to be established by Landlord. Upon the termination of this Lease, Tenant shall restore to Landlord all keys of stores, offices, and toilet rooms, either furnished to, or otherwise procured by, Tenant and in the event of the loss of keys so furnished, Tenant shall pay to Landlord the cost of replacing same or of changing the lock or locks opened by such lost key if Landlord shall deem it necessary to make such changes.

2. All doors opening to public corridors shall be kept closed at all times except for normal ingress and egress to the Premises, unless electrical hold backs have been installed.

3. Landlord reserves the right to close and keep locked all entrance and exit doors of the Building during such hours as are customary for comparable buildings in the Pasadena, California area. Tenant, its employees and agents must be sure that the doors to the Building are securely closed and locked when leaving the Premises if it is after the normal hours of business for the Building. Any tenant, its employees, agents or any other persons entering or leaving the Building at any time when it is so locked, or any time when it is considered to be after normal business hours for the Building, may be required to sign the Building register when so doing. Access to the Building may be refused unless the person seeking access has proper identification or has a previously arranged pass for access to the Building. The Landlord and his agents shall in no case be liable for damages for any error with regard to the admission to or exclusion from the Building of any person. In case of invasion, mob, riot, public excitement, or other commotion, Landlord reserves the right to prevent access to the Building during the continuance of same by any means it deems appropriate for the safety and protection of life and property.

4. No furniture, freight or equipment of any kind shall be brought into the Building without prior notice to Landlord. All moving activity into or out of the Building shall be scheduled with Landlord and done only at such time and in such manner as Landlord designates. Landlord shall have the right to prescribe the weight, size and position of all safes and other heavy property brought into the Building and also the times and manner of moving the same in and out of the Building. Safes and other heavy objects shall, if considered necessary by Landlord, stand on supports of such thickness as is necessary to properly distribute the weight. Landlord will not be responsible for loss of or damage to any such safe or property in any case. Any damage to any part of the Building, its contents, occupants or visitors by moving or

maintaining any such safe or other property shall be the sole responsibility of Tenant and any expense of Tenant.

5. No furniture, freight, packages, supplies, equipment or merchandise will be brought into or removed from the Building or carried up or down in the elevators, except upon prior notice to Landlord, and in such manner, in such specific elevator, and between such hours as shall be designated by Landlord. Tenant shall provide Landlord with not less than 24 hours prior notice of the need to utilize an elevator for any such purpose, so as to provide Landlord with a reasonable period to schedule such use and to install such padding or take such other actions or prescribe such procedures as are appropriate to protect against damage to the elevators or other parts of the Building. In no event shall Tenant's use of the elevators for any such purpose be permitted during the hours of 7:00 a.m. – 9:00 a.m., 11:30 a.m. – 1:30 p.m. and 4:30 p.m. – 6:30 p.m.

6. Landlord shall have the right to control and operate the public portions of the Building, the public facilities, the heating and air conditioning, and any other facilities furnished for the common use of tenants, in such manner as is customary for comparable buildings in the area.

7. No sign, advertisement, notice or handbill shall be exhibited, distributed, painted or affixed by Tenant on any part of the Premises or the Building without the prior written consent of the Landlord. The requirements of Tenant will be attended to only upon application at the Office of the Building or at such office location designated by Landlord. Employees of Landlord shall not perform any work or do anything outside their regular duties unless under special instructions from Landlord.

8. Tenant shall not disturb, solicit, or canvass any occupant of the Building and shall cooperate with Landlord or Landlord's agents to prevent same.

9. The toilet rooms, 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 whatsoever shall be thrown therein. The expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by the tenant who, or whose employees or agents, shall have caused it. Tenant shall not purchase spring water, ice, towel, linen, maintenance or other like services from any person or persons not approved by Landlord.

10. Tenant shall not overload the floor of the Premises, nor mark, drive nails or screws, or drill into the partitions, woodwork or plaster or in any way deface the Premises or any part thereof without Landlord's consent first had and obtained.

11. Except for vending machines intended for the sole use of Tenant's employees and invitees, no vending machine or machines of any description other than fractional horsepower office machines shall be installed, maintained or operated upon the Premises without the written consent of Landlord.

12. Tenant shall not use or keep in or on the Premises or the Building any kerosene, gasoline or other inflammable or combustible fluid or material.

13. Tenant shall not use any method of heating or air conditioning other than that which may be supplied by Landlord, without the prior written consent of Landlord.

14. Tenant shall not use, keep or permit to be used or kept, any foul or noxious gas or substance in or on the Premises, or permit or allow the Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Building by reason of noise, odors, or vibrations, or interfere in any way with other tenants or those having business therein, whether by the use of any musical instrument, radio, phonograph, or in any other way. Tenant shall not throw anything out of doors, windows or skylights or down passageways.

15. Tenant shall not bring into or keep within the Building or the Premises any animals, birds, aquariums, firearms, or, except in areas designated by Landlord, bicycles or other vehicles.

16. No cooking shall be done or permitted by any tenant on the Premises, nor shall the Premises be used for the storage of merchandise, for lodging or for any improper, objectionable or immoral purposes. Notwithstanding the foregoing, Underwriters' laboratory-approved equipment and microwave ovens may be used in the Premises for heating food and brewing coffee, tea, hot chocolate and similar beverages for employees and visitors, provided that such use is in accordance with all applicable federal, state and city laws, codes, ordinances, rules and regulations, and does not cause odors which are objectionable to Landlord and other Tenants.

17. Landlord will approve where and how telephone and telegraph wires are to be introduced to the Premises. No boring or cutting for wires shall be allowed without the consent of Landlord. The location of telephone, call boxes and other office equipment affixed to the Premises shall be subject to the approval of Landlord.

18. Landlord reserves the right to exclude or expel from the Building any person who, in the judgment of Landlord, is intoxicated or under the influence of liquor or drugs, or who shall in any manner do any act in violation of any of these Rules and Regulations.

19. Tenant, its employees and agents shall not loiter in the entrances or corridors, nor in any way obstruct the sidewalks, lobby, halls, stairways or elevators, and shall use the same only as a means of ingress and egress for the Premises.

20. Tenant shall not waste electricity, water or air conditioning and agrees to cooperate fully with Landlord to ensure the most effective operation of the Building's heating and air conditioning system, and shall refrain from attempting to adjust any controls. This includes the closing of exterior blinds, disallowing the sun rays to shine directly into areas adjacent to exterior windows.

21. Tenant shall store all its trash and garbage within the interior of the Premises. No material shall be placed in the trash boxes or receptacles if such material is of such nature that it may not be disposed of in the ordinary and customary manner of removing and disposing of trash and garbage without violation of any law or ordinance governing such disposal. All trash,

garbage and refuse disposal shall be made only through entry-ways and elevators provided for such purposes at such times as Landlord shall designate.

22. Tenant shall comply with all safety, fire protection and evacuation procedures and regulations established by Landlord or any governmental agency.

23. Tenant shall assume any and all responsibility for protecting the Premises from theft, robbery and pilferage, which includes keeping doors locked and other means of entry to the Premises closed, when the Premises are not occupied.

24. Landlord may waive any one or more of these Rules and Regulations for the benefit of any particular tenant or tenants, but no such waiver by Landlord shall be construed as a waiver of such Rules and Regulations in favor of any other tenant or tenants, nor prevent Landlord from thereafter enforcing any such Rules or Regulations against any or all tenants of the Building.

25. No awnings or other projection shall be attached to the outside walls of the Building without the prior written consent of Landlord. No curtains, blinds, shades or screens shall be attached to or hung in, or used in connection with, any window or door of the Premises without the prior written consent of Landlord. All electrical ceiling fixtures hung in offices or spaces along the perimeter of the Building must be fluorescent and/or of a quality, type, design and bulb color approved by Landlord.

26. The sashes, sash doors, skylights, windows, and doors that reflect or admit light and air into the halls, passageways or other public places in the Building shall not be covered or obstructed by Tenant, nor shall any bottles, parcels or other articles be placed on the windowsills.

27. The washing and/or detailing of or, the installation of windshields, radios, telephones in or general work on, automobiles shall not be allowed on the Real Property.

28. Food vendors shall be allowed in the Building upon receipt of a written request from the Tenant. The food vendor shall service only the tenants that have a written request on file in the Building Management Office. Under no circumstance shall the food vendor display their products in a public or common area including corridors and elevator lobbies. Any failure to comply with this rule shall result in immediate permanent withdrawal of the vendor from the Building.

29. Tenant must comply with requests by the Landlord concerning the informing of their employees of items of importance to the Landlord.

30. Landlord reserves the right at any time to change or rescind any one or more of these Rules and Regulations, or to make such other and further reasonable Rules and Regulations as in Landlord's judgment may from time to time be necessary for the management, safety, care and cleanliness of the Premises and Building, and for the preservation of good order therein, as well as for the convenience of other occupants and tenants therein. Landlord shall not be responsible to Tenant or to any other person for the nonobservance of the Rules and Regulations by another tenant or other person. Tenant shall be deemed to have read these Rules and Regulations and to have agreed to abide by them as a condition of its occupancy of the Premises.

EXHIBIT D

31. Tenant must comply with the State of California "No Smoking" law set forth in California Labor Code Section 6404.5, and any local "No Smoking" ordinance which may be in effect from time to time and which is not superseded by such State law.

32. Tenant hereby acknowledges that Landlord shall have no obligation to provide guard service or other security measures for the benefit of the Premises, the Building or the Real Property. Tenant hereby assumes all responsibility for the protection of Tenant and its agents, employees, contractors, invitees and guests, and the property thereof, from acts of third parties, including keeping doors locked and other means of entry to the Premises closed, whether or not Landlord, at its option, elects to provide security protection for the Real Property or any portion thereof. Tenant further assumes the risk that any safety and security devices, services and programs which Landlord elects, in its sole discretion, to provide may not be effective, or may malfunction or be circumvented by an unauthorized third party, and Tenant shall, in addition to its other insurance obligations under this Lease, obtain its own insurance coverage to the extent Tenant desires protection against losses related to such occurrences. Tenant shall cooperate in any reasonable safety or security program developed by Landlord or required by law.

33. All office equipment of any electrical or mechanical nature shall be placed by Tenant in the Premises in settings approved by Landlord, to absorb or prevent any vibration, noise and annoyance.

34. Tenant shall not use in any space or in the public halls of the Building, any hand trucks except those equipped with rubber tires and rubber side guards.

35. No auction, liquidation, fire sale, going-out-of-business or bankruptcy sale shall be conducted in the Premises without the prior written consent of Landlord.

36. No tenant shall use or permit the use of any portion of the Premises for living quarters, sleeping apartments or lodging rooms.

37. The Premises shall not be used for manufacturing or for the storage of merchandise except as such storage may be incidental to the use of the Premises provided for in the Summary. Tenant shall not occupy or permit any portion of the Premises to be occupied as an office for a messenger-type operation or dispatch office, public stenographer or typist, or for the manufacture or sale of liquor, narcotics, or tobacco in any form, or as a medical office, or as a barber or manicure shop, or as an employment bureau without the express prior written consent of Landlord. Tenant shall not engage or pay any employees on the Premises except those actually working for such tenant on the Premises nor advertise for laborers giving an address at the Premises.



**150 SOUTH LOS ROBLES AVENUE**

**PARKING RULES & REGULATIONS**

1. Tenant may rent from Landlord up to the number of parking passes designated in Tenant's Office Lease per the terms of said Lease. Additional passes may be rented on a month-to-month basis at the Landlord's discretion. Individual employees may rent parking passes at Landlord's discretion, however said passes will count towards Tenant's parking allotment.

2. Tenant shall pay to Landlord for automobile parking passes on a monthly basis at the prevailing rate charged from time to time for such parking passes in the Parking Facilities. Payment in full is due on the first of every month and may be subject to late fees and/or revocation of parking privileges upon delinquency.

3. Parking passes are subject to a deposit as well as a fee for replacement of lost cards.

4. Landlord specifically reserves the right to change the size, configuration, design, layout and all other aspects of the Parking Facilities at any time. Tenant acknowledges and agrees that Landlord may, without incurring any liability to Tenant and without any abatement of Rent, from time to time, close off or restrict access to the Parking Facilities for purposes of permitting or facilitating any such construction, alteration or improvements.

5. Landlord may delegate its responsibilities to a parking operator in which case such parking operator shall have all the rights of control attributed hereby to the Landlord.

6. The parking passes rented by Tenant are provided solely for use by Tenant's own personnel and such passes may not be transferred, assigned, subleased or otherwise alienated by Tenant without Landlord's prior approval.

7. Parking stickers or any other device or form of identification supplied by Landlord as a condition of use of the parking facility shall remain property of Landlord. Such parking identification device must be displayed as requested and may not be mutilated in any manner. The serial number of the parking identification device may not be obliterated. Devices are not transferable and any device in the possession of an unauthorized holder will be void. Lost or stolen identification devices must be reported to the parking operator immediately. Landlord has the right to exclude any vehicle from the parking facility that does not have an identification device.

8. Tenant's invitees and guests may use parking spaces in such parking areas which are not allocated or reserved for Tenant or other occupants or visitors of the Building or the Real Property on a first-come, first-serve basis, upon payment of Landlord's then prevailing parking rate.

9. Landlord or the parking operator, as applicable, may establish from time to time the rates generally applicable to visitor parking.

10. The parking passes allocated to Tenant are not for long term (i.e. more than 48 hours) storage of automobiles, or for short or long term storage of boats, trailers, recreations vehicles, motorcycles or other vehicles or equipment.

11. Tenant shall not park or permit the parking of any vehicle under its control in any parking area designated by Licensor as areas for parking by visitors.

12. All monthly parkers shall park in the area(s) designated by the Landlord for monthly parking or in any other area designated by Landlord or parking operator, which may change from time to time.

13. All vehicles must be parked entirely within the painted stall lines of a single parking stall.

14. All directional signs and arrows must be observed.

15. The speed limit within all parking areas shall be five (5) miles per hour

16. Parking is prohibited in the following areas:

Areas reserved for use by others

Areas not striped for parking

Driveways

Where "no parking" signs are posted

In cross hatched areas

In such other areas as may be designated by Landlord or its' parking operator

17. Vehicles parked in prohibited areas are subject to towing at their owner's expense.

18. Storage of vehicles for periods exceeding one week is prohibited and said vehicles shall be subject to towing at their owner's expense.

19. Every person is required to park and lock his own vehicle unless Landlord furnishes valet or valet assist service. Valet parking attendants may refuse to drive any vehicle reasonably believed to be unsafe.

20. Landlord and its agent(s) shall not be liable for any claimed damage or loss unless caused directly by its employees in which case a claim must be filed in the parking facility office or garage manager's office within five (5) business days.

EXHIBIT D

21. Washing, waxing, cleaning or servicing of any vehicle in any area not specifically reserved for such purpose is prohibited.

22. Tenant shall be responsible to inform all of its employees, agents and invitees to whom parking is assigned of these Rules and Regulations and shall cause each of them to comply with these Rules and Regulations.

23. Parking facility managers or attendants are not authorized to make or allow any exceptions to these Rules and Regulations.

24. Landlord or its agent(s) may cite, fine or tow any person who willfully refuses to comply with these Rules and Regulations and reserves the right to refuse the sale of monthly stickers or other parking identification devices to such persons.

25. Tenant's continued right to utilize the parking facility is conditioned upon Tenant abiding by all rules and regulations which are prescribed from time to time for the orderly operation and use of the Real Property parking areas and upon Tenant's cooperation in seeing that Tenant's employees and visitors also comply with such rules and regulations.

26. Any parking use in the Lease or pursuant to these Rules and Regulations is intended merely as a license only and no bailment is intended or shall be created hereby.

27. Landlord reserves the right to modify these rules and/or adopt such other reasonable and non-discriminatory rules and regulations as it may deem necessary for the proper operation of the parking areas.

**EXHIBIT E**

**FORM OF TENANT'S ESTOPPEL CERTIFICATE**

The undersigned as Tenant under that certain Office Lease (the "Lease") made and entered into as of \_\_\_\_\_, 2013 and between SHERMAN OAKS CAPITAL ASSOCIATES, L.P., AND PASADENA HOLDINGS, LLC (collectively, d/b/a PASADENA TRI CITY VENTURES) as Landlord, and the undersigned as Tenant, for Premises in Suite 450 on the fourth floor of the Office Building located at 150 S. Los Robles, Pasadena, California certifies as follows:

1. Attached hereto as **Exhibit A** is a true and correct copy of the Lease and all amendments and modifications thereto. The documents contained in **Exhibit A** represent the entire agreement between the parties as to the Premises.

2. The undersigned has commenced occupancy of the Premises described in the Lease, currently occupies the Premises, and the Lease Term commenced on \_\_\_\_\_.

3. The Lease is in full force and effect and has not been modified, supplemented or amended in any way except as provided in **Exhibit A**.

4. Tenant has not transferred, assigned, or sublet any portion of the Premises nor entered into any license or concession agreements with respect thereto except as follows:

5. Tenant shall not modify the documents contained in **Exhibit A** or prepay any amounts owing under the Lease to Landlord in excess of thirty (30) days without the prior written consent of Landlord's mortgagee.

6. Base Rent became payable on \_\_\_\_\_.

7. The Lease Term expires on \_\_\_\_\_.

8. All conditions of the Lease to be performed by Landlord necessary to the enforceability of the Lease have been satisfied and Landlord is not in default thereunder.

9. No rental has been paid in advance and no security has been deposited with Landlord except as provided in the Lease.

10. As of the date hereof, there are no existing defenses or offsets that the undersigned has, which preclude enforcement of the Lease by Landlord.

11. All monthly installments of Base Rent, all Additional Rent and all monthly installments of estimated Additional Rent have been paid when due through \_\_\_\_\_. The current monthly installment of Base Rent is \$ \_\_\_\_\_.

12. The undersigned acknowledges that this Estoppel certificate may be delivered to Landlord's prospective mortgagee, or a prospective purchaser, and acknowledges that it

recognizes that if same is done, said mortgagee, prospective mortgagee, or prospective purchaser will be relying upon the statements contained herein in making the loan or acquiring the property of which the Premises are a part, and in accepting an assignment of the Lease as collateral security, and that receipt by it of this certificate is a condition of making of the loan or acquisition of such property.

13. If Tenant is a corporation or partnership, each individual executing this Estoppel Certificate on behalf of Tenant hereby represents and warrants that Tenant is a duly formed and existing entity qualified to do business in California and that Tenant has full right and authority to execute and deliver this Estoppel Certificate and that each person signing on behalf of Tenant is authorized to do so.

Executed at \_\_\_\_\_ on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

“Tenant”:

\_\_\_\_\_  
a \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**EXHIBIT A TO EXHIBIT E**

**OFFICE LEASE**

**[TO BE ATTACHED]**

EXHIBIT A TO  
EXHIBIT E

-1-

**PASADENA COMMUNITY ACCESS CORPORATION  
EMPLOYMENT AGREEMENT**

This Employment Agreement ("Agreement") is made and entered into on November 2, 2011 by and between Pasadena Community Access Corporation, a non-profit corporation ("Employer") and Keri Stokstad ("Employee") for the position of Executive Director.

**AGREEMENTS**

1. **EMPLOYMENT.** Employer shall employ Employee as the Executive Director of the Pasadena Community Access Corporation and Employee agrees to be employed as its Executive Director for the term and under the conditions set forth in this Agreement.
2. **TERM OF AGREEMENT.** The term of this Agreement shall be for a period of three (3) years commencing on January 2, 2012, and ending on January 1, 2015. The first year shall be probationary. At its sole discretion, Employer shall have the option of extending the term of this agreement for an additional one (1) year. During the term of this Agreement, Employee shall not seek or accept any other concurrent employment without prior consultation with the Pasadena Community Access Corporation Board of Directors.
3. **SALARY.** As compensation for the services to be performed hereunder, Employee shall receive an annual base salary of ninety thousand dollars (\$90,000.00). Employee shall receive compensation bi-weekly. Employee shall be eligible to receive increases in salary as may be determined by Employer's Board of Directors in its sole and absolute discretion. Employer, in considering any appropriate increases in salary, shall consider factors including but not limited to: (1) Employee's performance; (2) inflation factors; and (3) overall funding available to provide access services. Within the first three months of employment, the Board of Directors will work with the Employee to develop a written set of performance objectives consistent with organizational objectives. Prior to the anniversary date of the first year of employment, the performance objectives will be evaluated. A decision relating to merit increase in pay will be based on these performance objectives. Nothing in this Agreement shall be construed as a promise by Employer to increase Employee's salary during the term of this Agreement. Employer shall have the right to deduct or withhold from the compensation due to Employee any and all sums required by law to be deducted or withheld, including without limitation, federal income and Social Security taxes and all state or local taxes now applicable or that may be enacted and become applicable in the future.
4. **POSITION.** Employee shall be the Executive Director for Employer with power and authority to manage and conduct the business of Employer, subject to review by the Board of Directors of Employer. The Executive Director shall assist the Board of Directors of Employer in developing policies and shall implement the policies set by the Board of Directors. Employee shall not, however, take any of the following actions on behalf of Employer without the prior approval of the Board of Directors or its designated Executive Committee:
  - a. Borrow or obtain credit in any amount or execute any guaranty;
  - b. Expend funds for capital equipment in excess of budgeted expenditures for any calendar month;
  - c. Execute any contract or make any commitment for the purchase or sale of Employer's assets in excess of \$1,000.00.

- d. Execute any lease of real or personal property; and
  - e. Exercise any discretionary authority over the management of any employee welfare or pension benefit plan, or arrange the disposition of assets of any such plan.
5. **DUTIES.** Under the general direction of the Board of Directors of Employer, Employee shall be responsible for the operation and the general management of Employer's activities and services. Employee's specific duties and responsibilities shall include the following:
- a. Give direction and leadership to the formulation and achievement of the organization's philosophy, mission, and its annual goals and objectives.
  - b. Work with the Board of Directors and staff to develop policies, procedures, and long-range strategic plans and implement the policies set by the Board of Directors.
  - c. Oversee administrative, financial, and program operations, and all personnel matters (design of staff organizational structure, hiring and firing responsibilities, etc.).
  - d. Prepare and, following Board approval, administer the Employer's annual budget.
  - c. Negotiate and ensure compliance with Employer's contracts.
  - f. Manage the overall operation of Employer's production facilities and equipment.
  - g. Establish and oversee training programs for PEG access development.
  - h. Maintain a close working relationship with representatives from the community.
  - i. Develop new and expanded sources of revenue.
  - j. Keep informed of trends, issues, events and developments within the PEG access field through professional peer contacts, conference attendance, etc.
  - k. Perform such other duties and responsibilities as may be determined by the Board of Directors of Employer.
6. **EDUCATIONAL CONFERENCES, WORKSHOPS AND SEMINARS.** Employee will be expected to attend educational conferences, workshops and seminars which will enhance the Employee's ability to perform employee's job functions, and as a part of Employee's continuing professional development. The extent of such participation shall be determined jointly by the Employee and the Board of Directors, although Employee is allowed to take at least five (5) days per year for attendance at these conferences, workshops and seminars. Funding for these efforts will be provided to Employee for up to \$3,000 per year (receipts required).
7. **EXTENT OF SERVICES.** Employee shall diligently and conscientiously devote employee's time, attention and energies to Employer's business. Employee understands and agrees that Employee's position entails certain responsibilities, which might require Employee to work in excess of forty (40) hours per week. The hours worked in excess of forty (40) shall not be compensated by Employer.
8. **BOARD OF DIRECTORS.** Employee shall at all times discharge employee's duties in consultation with and under the supervision of Employer's Board of Directors. In the performance of employee's



duties, Employee shall make employee's principal office in such place as the Board of Directors shall determine.

9. EXPENSES.

- a. **AUTOMOBILE EXPENSES.** In recognition of Employee's potential need for transportation to conduct Employer's business (with employee's own vehicle), Employer shall pay to Employee \$100.00 per month for car expenses (which is inclusive of mileage, parking expenses, maintenance and all other related automobile expenses).
- b. **TELECOMMUNICATION EXPENSES.** In recognition of Employee's potential need to monitor the channels and need for connectivity to the facility to conduct Employer's business, Employer shall pay to Employee a flat rate of \$75.00 per month to go towards cable/telecommunications expenses.
- c. **RELOCATION EXPENSES.** Relocation expenses will be reimbursed with the approval of the President or Vice President of the Board of Directors, up to a maximum of \$3,000 (receipts required). It is expected that the employee will present estimates of relocation costs, based upon at least two bids, to the President or Vice President, prior to engaging relocation professionals. All expenses will require documentation prior to reimbursement or pre-payment.

10. **ADDITIONAL BENEFITS.** During the employment term, Employee shall be entitled to receive health benefits as described in the employee policy manual incorporated as Exhibit B.

- a. **SICK LEAVE.** Paid sick leave shall accrue at the rate of eight (8) hours every month of full-time employment under this Agreement. Sick leave may be used when the Employee's personal attendance is required to care for an immediate family member who is ill or injured. For the purposes of this provision, immediate family is defined as a husband, wife, son, daughter, father, mother, or close relation residing in the Employee's household.

Employee may begin using earned sick leave after completion of one (1) month of full employment. Earned, unused sick leave may be carried forward into a succeeding year of employment, but no sick leave shall be carried forward beyond the end of one (1) succeeding year of employment. Unused sick leave has no cash value.

- b. **BEREAVEMENT LEAVE.** Three (3) days of bereavement leave (five days if travel more than 500 miles is required) are available for the death of a family member (as defined by the laws of the state of California).
- c. **PAID FAMILY LEAVE.** Paid Family Leave is granted pursuant to the laws of the State of California.

11. **HOLIDAYS.** Employee shall be entitled to the following paid holidays:

New Year's Day	Martin Luther King's Birthday
Presidents Day	Memorial Day
Independence Day	Labor Day



Thanksgiving Day

Christmas Day

Friday following Thanksgiving Day

Veteran's Day

Should any of the holidays enumerated above fall on a Saturday or Sunday, Employee shall be entitled to a Friday or Monday holiday in lieu of the weekend date. Employee shall be entitled to any additional holidays as declared to be a holiday by the Board of Directors.

12. **EVALUATION.** The Executive Director's performance shall be evaluated after one year of full-time employment by the Employee, and after each twelve months thereafter.

The process of evaluation shall be as follows:

- a. The Employee shall prepare a written self-appraisal in which employee discusses employee's performance of stated objectives, assesses employee's skills in management of the Corporation and its employees, and proposes a set of personal performance objectives for the next appraisal period.
- b. The President of the Board of Directors, and/or the President's designee(s), shall consult with each member of the Board of Directors, staff members, key clients, and selected community producers on the Employee's performance, and shall write an appraisal based upon this information.
- c. The Employee and the President shall meet together to discuss and consolidate the two appraisal documents, including the performance objectives for the coming period. At this meeting, the President may be accompanied by one or more members of the Board of Directors, in the discretion of the Board.
- d. The President shall present the completed appraisal to the Board of Directors in an executive session with the Executive Director. Board discussion with the Executive Director should include (although not be limited to) the performance objectives for the coming period.

13. **DISMISSAL.** During the term of this Agreement, Employee may be removed from employee's employment for good and sufficient cause. All statutory provisions of law, standards and regulations governing dismissal or discipline shall be applicable to any proceeding regarding termination of Employee. Good and sufficient cause shall include, but shall not be limited to, acts of material dishonesty, disclosure of confidential information, gross or careless misconduct, any criminal act, or if Employee unjustifiably neglects employee's duties under this Agreement.

14. **TERMINATION BY EMPLOYEE.** Employee may terminate this Agreement on sixty (60) days written notice to Employer.

15. **SALARY CONTINUATION DURING DISABILITY.** If Employee for any reason whatsoever becomes totally disabled so that employee is unable to perform the duties prescribed herein, Employer's obligations under this Agreement shall terminate six (6) weeks after the determination of such disability.

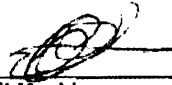
16. **WAIVER.** Waiver by Employer of any breach of contract by Employee shall not operate or be construed as a continuing waiver or as a waiver of any subsequent breach of contract by Employee.

17. **REPRESENTATIONS.** Employee represents and warrants that employee has had an opportunity to review this Agreement and to consult with independent counsel, and that employee has availed himself of that opportunity to the extent employee desires. Employee further represents that employee has participated in the drafting of this Agreement, and that the Agreement should not be construed for or against either party but according to ordinary principles of contract construction. Employee further represents that employee is unaware of any legal restriction on employee's ability to enter into this contract.
18. **GOVERNING LAW.** This Agreement shall be construed in accordance with the applicable laws of the State of California.
19. **ENTIRE AGREEMENT; MODIFICATION.** This Agreement constitutes the entire agreement and understanding between the parties regarding the subject matter addressed herein and supersedes all prior agreements, understandings and negotiations. No modification or extensions of this Agreement shall be effective unless in writing and signed by the parties hereto, excepting therefrom the areas of discretion reserved by Employer as set forth herein.

**EMPLOYER:**

Pasadena Community Access Corporation

DATE: November 7, 2011 BY: \_\_\_\_\_

  
Phil Hopkins  
President, Board of Directors, on behalf of  
Pasadena Community Access Corporation

**EMPLOYEE:**

Keri Stokstad

DATE: November 7, 2011 BY: \_\_\_\_\_

  
Keri Stokstad