



**Membership Agreement for Phase Two Space, LLC  
5877 Obama Boulevard, Los Angeles CA 90016**

We want your membership at Phase Two to be an exceptional experience for you and all of the other members in the Phase Two community. To make it official we ask you to sign this Membership Agreement (the "Agreement") that sets out the terms of your membership ("Membership").

**A. Definitions:**

"we" or "us" or "**Phase Two**" means Phase Two Space, LLC.

"you" means the company or individual or other entity signing this Agreement.

"**Initial Invoice**" means the invoice we will provide you together with this Agreement detailing the specific details of your Membership. "**Current Invoice**" or "**Your Invoice**" means the most recent invoice we have issued to you.

"**Membership Fee**" is the fee you are required to pay for one of the membership options available at Phase Two. The types of Memberships are defined in this Agreement at paragraph 7.

"**Total Fees**" means the Membership Fee and any all fees associated with Optional Services, or other charges on your account.

"**Space**" means the building and all contiguous areas located at 5877 Obama Boulevard, Los Angeles, CA 90016.

"**Start Date**" means the date specified on the Initial Invoice as the date your Membership will begin.

"**Notice Period**" is a period of time of **not less than thirty (30) days if this pertains to a Virtual, Hot Desk, Dedicated Desk Membership or Team Office Membership.**

"**Termination Date**" means the date on which this Agreement terminates in accordance with the terms of this Agreement.

"**Space**" means the workspace facility operated by Phase Two.

## **B. The Details in Plain English (we hope)**

### **1. IT IS A MEMBERSHIP FEE, BUT IT WORKS LIKE YOUR RENT (see Section 10 for full details)**

On the first calendar day of every month you are billed and are required to pay for that entire month. All billing operates on a monthly cycle (unless it stipulated in writing otherwise). Your Initial Invoice when you join includes your first month Membership Fee, a one-month security deposit and any related services and start-up fees. If you have a Team Office Membership, we may require an additional one-month security deposit.

### **2. CANCELLATION (See Section 11 for full details)**

If you want to cancel your Membership you are required to notify us at [dan@phasetwospace.com](mailto:dan@phasetwospace.com) and [peter@phasetwospace.com](mailto:peter@phasetwospace.com).

Your Membership continues through the Notice Period (see definition above) and is then canceled **on the last day of the month following the expiration of the Notice Period.**

[For example, if you have a Team Office Membership and you want to cancel on June 30, give your notice on or before May 31 (30 days). Also, for example, if you have a Hot Desk Membership and you give your 30-day notice on May 15, as the last day of the month following the expiration of that 30-day notice is June 30, that will be your Termination Date.]

### **3. YOU CAN CHANGE YOUR MEMBERSHIP (See Section 11 for full details)**

If you want to upgrade or downgrade your membership level or add services, just let us know and we'll take care of it. If you are moving up, you will be asked to top-off your security deposit. If you are moving down, we will make it effective at the end of your Notice Period and credit any excess fees on deposit with us towards your future membership.

### **4. PAYMENT IS NOT OPTIONAL**

Membership has its privileges, it is not a right. You need to pay your Total Fees on time. In order to do this, we require that you keep an active form of payment on file that we are authorized to charge automatically. We may restrict the use of credit cards for payment of any fees.

## 5. SHARED WORKSPACE

Phase Two is a shared workspace. It needs to be kept clean and orderly. That means cleaning up after yourself at your workstation, in the kitchen and in the bathrooms. Leave personal belongings and valuables here at your own risk. We have cameras, but we are not responsible for your personal belongings and valuables. Respect the professional work environment of your fellow members. This includes using your “inside voice” when having discussions or phone calls.

## 6. GUEST POLICY

All guests and visitors must check in at one of our reception desks. Guests may be required to identify themselves and provide basic information before meeting with you at Phase Two. Guest information will be subject to our Privacy Policy. Anyone you allow to enter the Space, even if you are just opening the door for someone, is considered your guest. Finally, and most importantly, **you agree to take legal responsibility for your guests and their action while they are in the Space.** If Guest parking is available at Phase Two (with or without a fee), your guest will be restricted to a maximum of three hours. Phase Two cannot guarantee that daily guest parking will be available to any guest or visitor.

## 7. TYPES OF MEMBERSHIP

The following types of memberships are available at Phase Two and will be specified in your invoice.

- (a) **A “Virtual Desk”.** This Membership allows you to have Phase Two receive and hold mail and deliveries for you and entitles you to use the Phase Two street address for your business. This Membership also allows limited other access, as defined from time-to-time.
- (b) **A “Hot Desk”.** This membership allows you the use of an unassigned seat in an open workspace within the Space, plus the use of the community amenities.
- (c) **A “Dedicated Desk”.** This membership includes Hot Desk privileges, and also allows our members to reserve a specific desk within a lockable space that the member has sole access to on a monthly basis. The location of your desk is listed on Your Invoice.
- (d) **“Team Office Membership”.** Under this type of membership, companies (including other entities and individuals) are permitted to enter into this

Agreement and obtain a membership on behalf of a group of people and obtain multiple memberships for its Team Members. The company signs this Agreement and you are deemed the representative for the Team Members and are responsible for any and all acts, omissions, actions or inactions of your guests, your Team Members, and their guests. It is your responsibility to maintain an up to date list of Team Members with us. Only those individuals listed on file with us will be considered "Team Members" and entitled to the benefits described in this Agreement. If you request an increase in the number of Team Members to be included in your Membership, it is subject to availability and may result in additional charges. The Team Members shall be provided an assigned segment of the Space (the "office(s)") for their exclusive use. Phase Two shall be entitled to change or vary the exact segment of the Space utilized by the Team Members. [See Section 17 for further details.] Memberships cannot be shared by Team Members. Everyone must have their own membership or shall be considered a guest.

## **8. UNMETERED MEMBERSHIP PERKS**

There are some Membership amenities that can be used by you freely for "normal use" (like the internet and use of the kitchens.) Use of these resources is based on the honor system, and if we notice these resources are being abused or used beyond what we consider "normal use", we reserve the right to restrict your use of them or, if we have provided you notice that your use exceeds "normal use" and such excessive use continues after that notice, to terminate your Membership. Your Membership will also include: client and guest reception during regular business hours (9:00am to 6:00pm, Monday through Friday, excluding holidays), filtered water, select beverages, free access to select Phase Two sponsored functions, mail receipt, courier service drop-off, select concierge style services, kitchen amenities, shared internet, general utilities and building services, cleaning services and trash removal.

## **9. FEE-BASED PERKS**

Some Phase Two resources will be available at an additional charge either as listed on Your Invoice or as may be posted on the premises and are referred to as "Optional Services". These may include things like food or premium beverages, printing and copying, as well as those services listed below.

- (a) **Conference Rooms.** As of February 2019, Phase Two does not meter for payment the use of its conference rooms but reserves the right to do so in the future. If we switch to a paid conference room system, conference rooms may then be reserved at an additional charge and are subject to availability. Conference rooms can also be used on an "un-metered" basis if they are available but be aware that you can be removed by a member who chooses to go on the meter and reserve the room. Details of any proposed fee

structure will be provided to the Members at least 30 days prior to implementation.

- (b) **Mail Handling.** Subject to the terms of Virtual Mail Service Agreement (a separate mail-handling addendum) to be executed by the parties, you may have the right to use the Phase Two address as a mailing address and get business related mail sent to the Phase Two address.
- (c) **Storage.** The right to use storage areas provided by Phase Two, including bicycle lockers, filing cabinets, general storage lockers, bar storage lockers and any other storage facility within the space. Any such storage provided by Phase Two to you must be used for lawful purposes only. Phase Two reserves the right, if Phase Two has reason to suspect that you have breached this clause, to inspect such storage, remove your property from storage, and rescind your right to use such storage.
- (d) **Parking.** Subject to availability and to the terms of a separate parking addendum to be executed by the parties, parking may be available to you. However, note that this Membership neither creates an obligation on the part of Phase Two to provide parking to you, nor a guarantee that parking will be available for the vehicle or vehicles of you or any Team Member or guest. In some situations, the ability of Phase Two to provide parking to you depends on the availability of parking to Phase Two from third party providers.
- (e) **Technical Services & Support.** The right to use certain dedicated technical services and support as offered by us such as VLAN setup, equipment colocation, dedicated and/or routed public IP addresses, dedicated hardline connections, and technical consulting services and support. From time to time, at your request, we or an affiliate may help troubleshoot problems you may have in trying to access certain functionalities, such as printing or accessing the Internet, and in connection therewith it may be necessary for us to install software on your computer. Regarding the foregoing, you agree that we and our affiliates (i) are not responsible for any damage to your computer in connection with such technical support or downloading and installation of any software; (ii) do not assume any liability or warranty in the event that any manufacturer warranties are voided; and (iii) do not offer any verbal or written warranty, either expressed or implied, regarding the success of any technical support.

## 10. FEES ASSOCIATED WITH MEMBERSHIP

- (a) **Membership Fee.** Your Membership is granted in exchange for a monthly Membership Fee, the initial amount of which is reflected in the Initial Invoice.

This is a membership fee, but it works like your rent. On the first calendar day of every month, you are billed and pay for that entire month. Your first month fee is prorated from the date you join to the end of that month (for example, join on November 16., and you'll get billed for 15 days in November). After that, all billing operates on a monthly cycle. Payment of the monthly Membership Fee is non-refundable, regardless of date of termination of the Membership by you and no proration of fees will be made for termination of Membership Fee or Membership Fee changes initiated by you in the middle of a calendar month.

- (b) **Start-up and Commitment Fee.** Upon execution of this Agreement you may be required to pay a one-time, non-refundable, start-up fee and a separate commitment fee which will convert to a security deposit as set forth below (the "Commitment Fee"), in the separate amounts listed in the Initial Invoice. Phase Two will ordinarily request this when your Start Date is more than two weeks away and you have requested that we hold a particular space for you.
- (c) **Security Deposit.** On the Start Date the Commitment Fee (if any) will convert automatically into your Security Deposit. The Security Deposit will be held by Phase Two, without interest, and may be commingled with other assets of Phase Two. The Security Deposit may be used by Phase Two in its discretion to pay for any damages to the Space caused by you or any of your Team Members or guests or any unpaid amounts due under to this Agreement. Upon terminating the Membership, Phase Two can use the Security Deposit to pay any portion of fees that accrue between the last date of payment of Total Fees and the Termination Date. The Security Deposit (or any remaining Security Deposit, if any) will be returned to you at the address provided by you for notices within 30 days after the Termination Date (or later if damages to the space have not yet been finally repaired or finally priced).
- (d) **Payment and Invoicing.** On the first day of each calendar month, you will pay to Phase Two the Total Fees by automatic bank withdrawal (preferred), credit card (as may be permitted) or bank draft. Checks are allowed but must be drawn on a US Bank with operations in California. Checks from Banks with operations outside of California are required to be delivered at least seven (7) days prior to month end. We do not accept checks drawn on banks located outside the US. Sorry, we don't accept cryptocurrencies just yet. But, stay tuned. The Total Fees will be due in full and you may not make any adjustments thereto based on what services you feel were or were not received during that period. Phase Two will provide you with an Initial Invoice and, in the future, one or more Current Invoices, that will include and Identify all Total Fees that you must pay, as well as any modifications to the terms and conditions of the Membership. The Initial Invoice will control and govern the amount of the Total Fees until such time as Phase Two issues one

or more revised Current Invoices, from time to time. Phase Two is not obligated to provide any advance notice before issuing a revised Current Invoice and charging any credit card or ACH bank account on file.

- (e) **Payment on File.** You agree to keep an active form of payment on file with Phase Two at all times and authorize us to initiate entries to credit cards or bank accounts in order to pay any Total Fees or other charges for which you are responsible. If we agree to allow you to pay invoices by check, then payment must be made in accordance with 10(d) above.
- (f) **Other Applicable Charges.** You will also be responsible for the following charges:
  - (i) If Membership Fees or any other outstanding fees are not paid by the due date, you will be subject to a \$50 late fee.
  - (ii) Delinquent payment of Total Fees shall bear interest at the rate of 18% per annum (or the highest rate permitted by law, if less) from the due date of the Total Fees until paid in full.
  - (iii) If credit card charge attempts are declined, in addition to interest accrued, Phase Two may impose a \$50 fee on the Membership and/or immediately cancel the Membership, in the sole discretion of Phase Two.
  - (iv) All checks or bank drafts that are returned unpaid by your bank, in addition to accrued interest on the unpaid amount will be subject to a \$50 surcharge unless the reason for the return is due to Phase Two's or Phase Two's bank error.
  - (v) Phase Two may charge you a replacement fee for lost, damaged or non-returned items. The current charges are shall: fobs (\$100), access cards (\$25 each), office keys (\$25 each), locker keys (\$25 each), bicycle locker keys (\$50 each), etc. If locks have to be changed or replaced due to lost keys, there will be additional charges being the cost of the replacement plus a \$50 administration fee for each lost item or service required, plus the key cost.
- (g) **Changes to Membership Fees or Optional Services Fees.** Phase Two reserves the right to increase any Membership Fees or fees for Optional Services from

time to time. Prior to any such increase we will provide you with at least 30-days advance written notice.

## 11. TERM AND TERMINATION

- (a) **Membership Term.** Your Membership will be effective when you sign this Agreement and the fees listed in the Initial Invoice have been paid. Once effective, the Membership will begin on the Start Date and will continue on a month-to-month basis, automatically extended for successive periods of one month each upon the same terms and conditions in this Agreement, unless otherwise agreed upon by Phase Two and you in writing or terminated under this Agreement. Any month-to-month membership is subject to change with a 30-day notice.
- (b) **Fixed Term Membership** As an alternative to our month-to-month memberships, you may agree to a fixed term for your Membership. This will require the dates to be specified for the Start Date and the Termination Date. In the event that at the end of a Fixed Term Membership you continue in the Space, your membership will automatically convert to a month-to-month membership and be subject to all of the terms and conditions within this Agreement, including the 30-day or 60-day Notice Period provisions for a termination of a month-to-month membership.
- (c) **You can Change Your Membership.** If you want to upgrade or downgrade your Membership level or add services. just let us know and we'll take care of it.

If you're moving up, you'll be asked to top-off your Security Deposit. If you are moving down, we'll make it effective at the end of your Notice Period and credit any excess fees on deposit with us towards your future Membership.

If you are the signing member in a Team Membership, then you are the only person who may make changes to or terminate this Agreement. You may, however, designate one other Team Member to share this authority with and such Team Member will be noted on Your Invoice.

- (d) **Termination of the Membership by You.** If you ever want to terminate your month-to-month Membership, all you need to do is notify us in writing using the correct Notice Period, that is, **a date that is not less than thirty (30) days (if you have a Virtual, Hot Desk, Dedicated Desk Membership or Team Office Membership. Upon receipt of your written notice, this Membership will terminate on the final day of the calendar month that your notice expires. (e.g. If you have a Hot Desk Membership and wish to terminate on**

**October 1, give your notice not later than September 1. If you have a Team Office Membership and you provide notice on August 15, as the last day of the month following the expiration of that 30 day notice is September 30, that would be the date of the termination).** It would be helpful to Phase Two to have as much notice as possible when you are planning to leave, so the more advance notice you can provide, the better.

Upon notice of termination, Phase Two will terminate any recurring billing beyond the Termination Date.

- (e) **Termination of the Membership by Us.** If any individual engages in behavior that, in the discretion of Phase Two, is inappropriate, detrimental to the community, dangerous, or illegal, then Phase Two shall have the right to immediately remove the individual responsible from Phase Two and bar that individual's re-entry. For a Team Membership, such behavior will not result in a cancellation of the Membership, but the individual responsible will not be allowed in the Space at Phase Two.

For an individual Membership, where a cancellation of the Membership occurs under this section. The individual member shall have no right to receive any membership fee return and their deposit shall be forfeited in lieu of appropriate notice being given. Notwithstanding any withholding of funds or forfeiture in lieu of notice, Phase Two shall continue to be able to seek compensation for any other losses suffered under this Agreement or otherwise as against the Individual.

For any other breach of this Agreement, Phase Two shall deliver written notice describing the breach to you, and you shall have five (5) business days to remedy the breach to the satisfaction of Phase Two. If the breach is not remedied within said five-day period. Phase Two will have the right to terminate the Membership immediately. Phase Two will determine whether the Membership will be terminated in regard to individual Team Members, all Team Members and/or to you.

Notwithstanding anything to the contrary herein, in the event Phase Two's right to occupy the Space is terminated for any reason, Phase Two shall have the right to terminate this Membership immediately.

- (f) **Office Space Not Timely Available.** If we are unable to make the particular segment of the Space listed on your Initial Invoice available by the Start Date, Phase Two will attempt to provide you with an equivalent or superior location (at the same cost) and Phase Two shall relocate you to your designated segment once available. If the segment of the Space is not

made available to you within 60 days of the Start Date, you may terminate this Agreement by providing us with notice of such termination at any time following the expiration of such 60-day period and before the segment of Space is made available to you. Upon timely notice of termination Phase Two will immediately accept this notice of termination and refund any funds then owing.

- (g) **Termination Due to Vacation or Abandonment of Workspace.** If you vacate with no apparent intent to return or abandon the workspace(s) assigned to you by Phase Two, such vacation or abandonment will be considered a breach of this Agreement and Phase Two is entitled to take such actions as available to it herein.
- (h) **Effect of Termination.** Upon the termination, cancellation or expiration of this Membership, your right to use your assigned seats or segment of the Space will end and you will remove all of your's and your guests' property from the Space. Note that you will have no right to any of the property provided by Phase Two, including, but not limited to: the IT-related equipment and software, office equipment, phones and office furniture. Any of your personal property not removed within 48 hours after the termination of this Membership will, at our election, become our property, which may be disposed of by us at any time and in any manner we deem appropriate.

## 12. THE PHASE TWO COMMUNITY CONCEPT

- (a) **Shared Workspace.** Phase Two is a shared workspace, which means you will be working in an open workspace and sharing the space with others. It needs to be kept clean and orderly. That means cleaning and/or storing your personal belongings and valuables from your shared workspace when you leave. If you leave your property at the Space, it is at your own risk. We have security cameras. but we're not responsible for your property or the actions of any third parties.
- (b) **Moving for Phase Two Events.** We host events, both public and members-only, several times per week and usually at night. At those times, we may ask you to move your workstation. When possible, we will try to reserve for you a quiet place within the Space to work through during the event but we can't guarantee that there will be sufficient availability within the Space to support your specific needs. Please also note that we are 24/7, but not 365. Every now and then - just a few times a year - we may close entirely as a workspace in order to host large community events. Your Membership Fee will NOT be prorated as these events are an important part of what makes Phase Two special. If you have a dedicated desk you will rarely be asked to move for an

event. If you have an office, you will probably never be asked to move for an event (unless special events require unusual security or preparation protocols).

- (c) **Moving Offices or Dedicated Desks.** Because we are managing the Space for the good of all the community, and not an office building with individual tenants, there may be situations where we ask you to relocate your reserved desk or office. We will do our best to relocate you to a similar desk or office. However, if we are unable to accommodate you, you will be allowed to terminate your Membership without notice or penalty. And, if we have to relocate you to an office or desk that has a lower base membership fee associated with it, we will adjust your fees and deposit accordingly. At the close of business on the third business day after a relocation request, if you have not yet voluntarily relocated to your new assigned workspace(s), Phase Two has the right to move your property to your new workspace(s) and will not be liable for any damage caused by such relocation.
- (d) **Suitability and Comfort.** The very nature of a large, shared working environment is such that the standards for issues such as aesthetics and room temperature vary from individual to individual. In attempting to satisfy the collective and varied standards of the large group of people working in the Space, it is sometimes possible that an individual's standards will not match those of the majority of occupants and so, unfortunately, your standards may not be met from time to time. If this ever happens and you feel that the Space is not meeting your individual standards, you may terminate this Agreement as described herein.

### 13. PHASE TWO COMMUNITY RULES

- (a) **Access to the Space.** Members will be provided a key card to access the Space and you are required to scan your key card every time you come to the Space to work. If you're here only for a public event or members-only event, then you aren't required to scan. The key cards and other such items used to gain physical access to the building or the office space remain our property and you will be responsible for safeguarding our property and will be liable for replacement fees should any such property be lost, stolen or destroyed. You will not make any copies of any keys or other means of entry to the space or lend, share or transfer any keys or key cards to any third party.
- (b) **Use of the Space.** The Phase Two space may only be used for general office purposes and all legal uses ancillary thereto that are in compliance with this Agreement and the Initial Invoice and any subsequent Current Invoice or other written notices from us.

- (c) **Guest Policy.** You can bring guests and visitors to the Phase Two space so long as they check in at the front desk, including entry into the Phase Two Check-in Application and abide by the rules specified in this Agreement. You are limited at any one time to having a maximum of three guests for a maximum of three hours at a time, and such guests must at all times be accompanied by or working with you while within the Space. Guests are permitted to visit not more than five times in any calendar month, after which they shall be required to take on a membership. Note that anyone you allow to enter the Space, even if you are just opening the door for someone, is considered your guest and you agree to take legal responsibility for your guests and their actions while they within the Space. Guests are allowed in the Space during regular business hours only. This does not apply to events where the guests have been invited to attend and have accepted the invitation.
- (d) **Cleanliness.** You will maintain in good condition, at your sole cost and expense, the workspace(s) assigned to you by Phase Two. That means cleaning up after yourself at your workstation, in the kitchen and in the bathrooms. If you use any Phase Two equipment (monitors, adapters, etc.), we ask that you put them back where you found them.
- (e) **Decorum.** You will not harm or damage in any way the Space or any part of it, commit waste, create nuisance (including bothering neighbors of the Space or other members at the Space), make any use of the Space which is offensive, in the sole discretion of Phase Two, and/or commit any act which would tend to injure the reputation of Phase Two or the Space, in the sole discretion of Phase Two.
- (f) **Respect Your Neighbors.** While at the Phase Two space, respect the professional work environment of your fellow members. This includes using your "inside voice" when having discussions or phone calls. Also, Phase Two space may feel like a comfortable space, but it is not your living room. Be considerate of how your actions affect your fellow members. Do not misrepresent yourself to Phase Two or to the Phase Two community, either in person or online. Finally, all members are expected to be a positive influence on neighbors on and off the Space. Treat the community around Phase Two with care. That means no loitering, smoking (except in designated areas – if any), littering or phone calls in the areas adjacent to Phase Two.
- (g) **Non-solicitation.** While at Phase Two you will not employ or solicit for employment any other member or guest. Please note, however, Phase Two has no obligation to enforce this provision and in no way will be liable to you for any breach of this provision by any other member or guest of the Space.

- (h) **Internet.** You may not use the ethernet/internet service provided by Phase Two for any unlawful or illegal purpose, including unauthorized BitTorrent downloads or for viewing pornography or other improper material. You agree not to send unsolicited commercial email (spam) using the internet services provided by Phase Two and to cooperate as requested by Phase Two in the event Phase Two needs to remove viruses, worms, Trojans, bots and any and all other malware or interference in its computer systems. To minimize interference with the common wireless data and voice network(s) Phase Two provides for the use of all members and guest(s) of the Space, you agree that you will not set up an independent wireless network or VoIP system at the Space without prior consultation and written approval from Phase Two. Please remember that if your internet usage appears to be more than normal, Phase Two may limit your bandwidth or take other remedial action within the system. This includes electrical usage.
- (i) **Phase Two Property.** You may not remove any of Phase Two's property, including furniture, kitchen supplies, restroom supplies, towels, waste bins, equipment or materials from the Space at any time without the prior written approval of an authorized representative of Phase Two. You will only use the workspace(s) assigned by Phase Two and won't encroach upon or obstruct the neighboring members, any common areas of the space, passageways or use any other areas for any other purpose unless otherwise provided for herein without the prior written consent of Phase Two. You may not attach or affix any items to the walls, install antennas, or telecommunication lines or devices in the office space or bring additional furniture into the office space, in each case without our prior written consent.
- (j) **Damage or Repairs.** Basically, if you break it (or lose it) you bought it. This means that we will have to charge you for replacement of lost keys, key cards or other items you receive or borrow from us, or any damage done to the space by you or your guests. You agree to reimburse Phase Two for the cost of any repairs made due to any damage or defacement caused by you, beyond ordinary wear and tear, within 10 days following Phase Two's notice to you of such repairs. At the end of your term of membership, we will conduct an inspection of your occupied space(s) and any damage repair or cleaning required to be undertaken will be done by Phase Two and the cost of same charged back to you and ordinarily taken from your security deposit before the balance is returned to you. We encourage you to repair and clean your space before you complete your membership term.
- (k) **Compliance with Laws.** You will comply with all laws, ordinances, orders and regulations affecting your business and this Membership. You acknowledge that no trade or occupation will be conducted in the space or use made

thereof, which will be unlawful, improper or offensive, or contrary to any law or any municipal by-law or ordinance in force by the respective city, county, state or Federal authority. We must also comply with applicable laws, and as such we may disclose information about you or your Team Members as necessary to satisfy any applicable law, regulation, legal process or government request.

- i. **Open Flames and Flammables.** You will have no open flames within the Space, including, without limitation, scented candles, sparking devices or flammable substances.
- ii. **No Smoking/No Marijuana.** You will not smoke any substance or allow the possession or consumption of marijuana or any derivative of any kind while in the Space.
- iii. **Food Storage.** You will monitor your food storage both within your unit and within the fridge and freezer. You will ensure that all out-of-date food is immediately removed or disposed of and you agree that Phase Two shall be entitled to dispose of any out-of-date or otherwise spoiled food. You will properly store all food within your area to prevent access by insects or rodents or other pests.

#### **14. ADDITIONAL AGREEMENTS**

- (a) **This Agreement Grants You A Membership.** In exchange for the Membership Fee, Phase Two grants you a revocable (meaning we can revoke it at any time), non-exclusive (as in other people will also have a right to use the space) and conditional (meaning the license is conditioned upon you abiding by the terms of this Agreement) license to use and occupy, from time to time, one or more seats at the Space (i.e. your "Membership"). Your Membership is not a "lease" and does not give you any right, title or interest in or to any part of all of the Phase Two Space or the right to possess or enjoy any part or all of the Space. Phase Two retains all rights to legal possession and control of the Space. As such, any applicable Landlord-Tenant laws do not govern this Agreement and by signing below you are specifically waiving any and all rights that you may have under any applicable Landlord-Tenant laws.
- (b) **Access by Phase Two.** You acknowledge that the active management by Phase Two of the Space necessitates that Phase Two be able to access all parts of the Space, without advance notice, in order to, among other things, provide services to the Space, view the condition of the Space, and make

alterations and repairs as necessary. Phase Two will make reasonable efforts to ensure that such visits do not disrupt your operations, but Phase Two is not liable for any damages to you that result from any such disruptions.

- (c) **Dogs.** Phase Two is currently a 'dog friendly' space and if you or one of your Team Members plans on regularly bringing a dog to the Space, we may require you to produce proof of vaccination and local licensing for such dog in a form satisfactory to us. All dogs should remain inside the segmented office space unless accompanied by you or a Team Member. All dogs must be on leash and fully controlled by the owner while in any common area of the Space. If you bring a dog into the building, you will be responsible for any injury caused by this dog to other members or guests or to the property of the foregoing, and you must abide by all building rules. Neither we nor our employees will be responsible for any injury to such dogs. We reserve the right to restrict your right to bring a dog to the Space. We reserve the right to restrict certain breeds of dogs or individual dogs in our sole unfettered discretion, and any change to this dog policy shall not, unless specifically stated in writing between Phase Two and the Member, allow the Member to terminate the Membership otherwise than as otherwise provided in this Agreement. Other pets may be allowed within the Space with special written consent issued on a case by case basis and based on whatever conditions or restrictions may be imposed at that time.
  
- (d) **Filming, Photography and Intellectual Property.** We regularly film or photograph our workspace and maintain a website and other marketing materials for promotional purposes. Unless you notify us otherwise, you grant Phase Two permission to use your image, likeness, name(s), mark(s) and sound of voice as recorded on audio or video and waive any right to royalties or other compensation arising therefrom. Note that your image may be edited, copied, exhibited, published or distributed and you waive the right to inspect or approve the finished product wherein their likeness appears. There is no time limit on the validity of this release nor is there any geographic limitation on where these materials may be distributed. If you request that your corporate logo not appear in any video or photo, you must notify us in writing and, not later than 5 business days following your request we will remove all references to your name or mark on Phase Two website and any other print or electronic publications created on behalf of Phase Two. You will not use the word "Phase Two" or other distinctive brand features of Phase Two in any of Membership's name(s), logo(s) or other means of identifying Membership or its business without the prior written consent of Phase Two.
  
- (e) **Indemnification (Member to Phase Two).** You agree to indemnify, defend and hold Phase Two, Pastewka (SM) Properties, LLC and JSBC, LLC and each

of their managers, employees, agents, contractors, lessees, parents, subsidiaries, affiliates, and the successors or assigns of any of the above mentioned parties harmless from and against any and all claims, actions, liens, demands, expenses and judgments for loss, damage or injury to property or persons in any way connected with, the conduct or management of your business, or otherwise arising from this Membership or your activities hereunder, including all costs, expenses and reasonable attorneys' fees. You will also indemnify Phase Two, Pastewka (SM) Properties, LLC and JSBC, LLC for all costs, expenses and reasonable attorneys' fees incurred by such party to enforce this indemnity provision of the Agreement. To qualify for indemnification under this section, the indemnitees listed above cannot have engaged in fraud or willful misconduct.

- (f) **Insurance.** You, at your sole cost and expense, shall obtain insurance for your own protection. We, at our sole cost and expense will obtain insurance for our own protection. In no event will Phase Two be liable for any loss or damages to you, your Team Members, your guests or your property. This is what your insurance is for.

Phase Two may require that you provide a Certificate of Insurance that is effective during your tenure at Phase Two naming Phase Two and such other parties who have an insurable interest in the property as "additional named insureds".

- (g) **Waiver of Claims.** To the fullest extent permitted by law, You, on your own behalf and on behalf of any Team Members, guests and invitees and affiliates, do hereby forever release, waive, acquit and discharge any and all demands, settlements, damages, actions, causes of action, suits, covenants and liabilities against us and our affiliates (as defined below) on account of, arising out of or related to loss, theft, damage or injury to persons, property or businesses, regardless of the cause. As used above, "affiliates" will mean any and all parent, sister and/or subsidiary companies, agents, partners, attorneys, family members, employees, independent contractors, officers, directors, shareholders, managers, members, insurers, consultants, predecessors, successors, or assigns. Without restricting the generality of the foregoing, this waiver applies to any situation where Phase Two, its employees, consultants, independent contractors or others attempt to act as a "good Samaritan" to assist you in or around Phase Two and fails to meet the standard of care that may have been expected of them or others in such actions.

- (h) **Limitation of Liability.** The aggregate monetary liability of us or our Affiliates to you, any of your Team Members, or you or their guests for any reason and all causes of action, will not exceed the total fees paid by you to us under this

Agreement. We and our Affiliates will not be liable under any cause of action for any indirect, special, incidental, consequential or punitive damages, including loss of profits or business interruption. You may not commence any action or proceeding against us or our Affiliates, whether in contract, tort or otherwise, unless the action, suit or proceeding is commenced within one (1) year of the accrual of the cause of action.

#### **15. [NEW] COVID-19 ADDITION**

Coronavirus, COVID-19 (the "Virus") is an extremely contagious virus that spreads easily through person-to-person contact, contact with an infected surface, contact with airborne particles and otherwise. Federal, State and local authorities recommend social distancing, enhanced hygiene and wearing of masks and other personal protection equipment as means to prevent the spread of the Virus. The Virus can lead to severe illness, personal injury, permanent disability, and death. Entering into the premises of Phase Two Space, LLC ("Phase Two") at 5877 Obama Blvd, Los Angeles and adjacent parking and out-buildings (the "Facility") may enhance the risk that you will contract the Virus. While Phase Two takes recommended measures to ensure the health and safety of all who work or visit the Facility, Phase Two does not warrant or in any way promise that the Virus will not be present within the Facility or that persons who may enter our Facility have not contracted the Virus in the past or are currently infected with the Virus.

In consideration of Phase Two allowing you entry into the Facility you warrant to Phase Two that you do not have the Virus; that you have shown no symptoms of the Virus; that you routinely take all recommended steps to prevent yourself or others around you from contracting the Virus; and you have not come into contact with anyone that you know has had the Virus or symptoms of the Virus in the past 14 days. You also agree that you will follow all recommended health and safety guidelines mandated by Phase Two while at the Facility.

In consideration of Phase Two allowing you to enter and utilize the Facility in any way you, and on behalf of your household, your family, your heirs, representatives, executors, administrators, and assigns DO HEREBY RELEASE Phase Two Space, LLC, Pastewka (SM) Properties, LLC and JSBC, LLC and each of their officers, directors, employees, volunteers, agents, representatives and insurers (the "Releasees") from any causes of action, claims, or demands of any nature whatsoever including, but in no way limited to, claims of negligence, which you, you heirs, household and family, representatives, executors, administrators and assigns may have now or in the future, against any Releasees on account of personal injury, property, damage, death or

accident of any kind, arising out of in any way related to the contraction of the Virus while using the Facilities.

I hereby certifies that I have full knowledge of the nature and extent of the risks posed by the Virus and that I am voluntarily assuming these risks. I understand that I will be solely responsible for any loss or damage, including personal injury, property damage or death, that or others who may be in contact with me may sustain during or after my entry into the Facility by reason of the Virus.

## 16. MISCELLANEOUS

- (a) **Modification of Terms.** We reserve the right to make changes to this Agreement from time to time, upon the delivery of a written notice at least 30 days in advance of the effective modification (the " Modification Notice "). If you object to any such changes, you must provide a written notice of your objection within ten days of the Modification Notice, after which you will have the right to continue to use the Space for an additional 30 days before this Agreement will terminate without penalty and you must cease using the Space. You will be deemed to have accepted any such modifications, and such modifications will automatically become part of this Agreement, if you do not provide written notice of your objection within ten days of the Modification Notice, and, in any event, upon payment of any Current Invoice containing such modification of terms, this Agreement, as modified by any Modification Notice not objected to by you, contains all covenants, promises, agreements, conditions and understandings between Phase Two and you with respect to the subject matter contained herein, and supersedes and replaces all prior or contemporaneous understandings or agreements, either oral or written, between them other than those specified in this Agreement. Phase Two is entitled to waive or vary any Modification Notice on a member-by-member basis.
- (b) **Not a Partnership.** Nothing contained in this Agreement will be considered, in any way, to constitute a partnership between Phase Two and you.
- (c) **Severability.** If any provision of this Agreement is held to be void, invalid or otherwise unenforceable (either in whole or in part), the remaining portions of this Agreement will remain in effect and the parties hereto will use their best efforts to substitute the void, invalid or unenforceable provision with a new provision of like intent and effect.
- (d) **Assignment.** You will not sell, assign, mortgage, pledge, sublicense, grant concessions or transfer this Membership or any interest in it, without prior written approval from Phase Two, which may be withheld at the sole and

absolute discretion of Phase Two. Any financial gain associated with such a transaction shall accrue to Phase Two only.

- (e) **Subordination.** Your rights under this Membership will be subject and subordinate at all times to: (i) all ground leases, underlying leases, and subleases that may now exist or hereafter be executed affecting either or both of the seat(s) assigned by Phase Two and the space; and (ii) any mortgage or deed of trust that may now exist or hereafter be placed upon all or any portion of the space or any ground leases or underlying leases for the benefit of Phase Two.
- (f) **Alternative Dispute Resolution.** Except for a claim for unpaid fees, Optional Services or additional charges, Phase Two and you agree to first mediate any dispute or claim arising between them out of this Agreement or any resulting transaction before resorting to arbitration or court action. Mediation fees, if any, will be divided equally among the parties involved. If any dispute or claim between Phase Two and you is not settled through mediation within 90 days of the notice to mediate, then such claim or dispute will be decided by neutral, binding arbitration, and arbitrated by a retired judge or justice provided by the American Arbitration Association unless the parties mutually agree to a different arbitrator. Enforcement of this agreement to arbitrate will be governed by the Federal Arbitration Act.
- (g) **Attorneys' Fees and Costs.** You will reimburse Phase Two for all reasonable expenses and attorneys' fees and disbursements that Phase Two incurs in connection with a default by you under this Agreement or the enforcement of any provision or covenant of this Agreement against you, regardless whether a suit is commenced or judgment is entered. In any action at law or in equity to enforce any of the provisions or rights under this Agreement, the unsuccessful party must pay to the prevailing party all costs, expenses and reasonable attorneys' and experts' fees and costs as well as costs of suit that the prevailing party incurs therein.
- (h) **Jurisdiction** This Membership will be governed by, construed, and enforced in accordance with the laws of the State of California without application of its conflict of laws principles.
- (i) **Notices.** Any notice required by any provision hereof will be given in writing and either personally delivered or delivered by electronic mail to Phase Two or you, as the case may be, at each of our respective addresses. Every such notice will be deemed to have been given when actually received by the recipient or four (4) business days after sending, whichever is earlier. Either party may designate another address for notice by providing notice to the other in compliance with this provision. The address, email and/or phone

number for you shall be the last known address, email and/or phone number provided to Phase Two during or following your occupancy. The address, emails and contact phone number for Phase Two is:

Phase Two Space LLC  
5877 Obama Blvd.  
Los Angeles, CA 90016  
Attn: Dan Pastewka or Manager

Phone: 424.603.7936

Email: dan@phasetwospace.com and info@phasetwospace.com

- (j) **Waiver.** Neither Phase Two nor you will be deemed by any act or omission to have waived any of its rights or remedies under this Agreement unless such waiver is in writing and signed by the waiving party.
- (k) **Survival.** All provisions of this Agreement reasonably expected to survive the termination of this Agreement, will do so.
- (l) **Headings.** The heading in this Agreement are for convenience only and are not to be used to interpret or construe any provision of this Agreement.

Agreed to and Accepted by Phase Two Space, LLC, by its manager this \_\_\_\_\_ (date)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print name: Phase Two Representative

Agreed to and Accepted by \_\_\_\_\_ this \_\_\_\_\_  
(date)

Name of Member

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name of Member Representative

If signing on behalf of a  
company, please complete. If  
not, mark as "n/a"

Title: \_\_\_\_\_ N/A \_\_\_\_\_

Company Name: \_\_\_\_\_ N/A \_\_\_\_\_

Type of Entity: \_\_\_\_\_ N/A \_\_\_\_\_

State of Residence /  
Incorporation: \_\_\_\_\_ N/A \_\_\_\_\_