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VENTURA
SUPERIOR COURT
FILED

MAY 16 2024

BRENDA L. McCORMICK
Executive Officer and Clerk
By: _____, Deputy
JAY CAMACHO

7 Attorneys for Plaintiff, Bell Canyon Community
Services District
8

9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
10 **COUNTY OF VENTURA**

11 BELL CANYON COMMUNITY SERVICES
12 DISTRICT, a California special district
13 Plaintiff,
14 v.
15 BELL CANYON COMMUNITY CENTER,
INC., a California corporation; and DOES 1
16 through 50, inclusive
17 Defendants.

Case No. **2024CUBCO25001**

**BELL CANYON COMMUNITY
SERVICES DISTRICT COMPLAINT
FOR:**

- (1) DECLARATORY RELIEF**
- (2) BREACH OF THE COVENANT OF
QUIET ENJOYMENT AND
POSSESSION**
- (3) BREACH OF THE COVENANT OF
GOOD FAITH AND FAIR DEALING;
AND**
- (4) BREACH OF CONTRACT**

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20 **INTRODUCTION**

21 1. Plaintiff Bell Canyon Community Services District brings this action against
22 Defendant Bell Canyon Community Center, Inc. for breach of the covenant of quiet enjoyment and
23 possession; breach of the covenant of good faith and fair dealing; breach of contract; and to obtain
24 a judicial declaration validating the parties' legal rights and obligations pursuant to an executed
25 lease agreement.

26 **PARTIES**

27 2. Plaintiff Bell Canyon Community Services District ("District") is a special district,
28 duly organized under the Constitution and the laws of the State of California. The District's

1 functions include, but are not limited to: (a) rubbish, recycling, and green waste removal; (b)
2 enhanced traffic patrol under the provisions of a contract with the California Highway Patrol; (c)
3 emergency medical (advanced life support) services under the provisions of a contract with the City
4 of Los Angeles Fire Department; (d) organization, promotion, conducting, and advertisement of
5 community recreation programs; (e) security services, including but not limited to burglar and fire
6 alarm services to protect lives and property; and (f) graffiti abatement.

7 3. The District is governed by a Board of Directors, which is a legislative body
8 comprised of five (5) members elected to four (4) year terms by the registered voters of the District.

9 4. Defendant Bell Canyon Community Center, Inc. (“BCCC”) is a California
10 corporation duly organized under the laws of the State of California. The BCCC owns and operates
11 a community center building located at 30 Hackamore Lane, Bell Canyon, California 91307
12 (“Community Center”) for office/business and recreation activities—including, but not limited to,
13 private events for residents, musical performances, the Bell Canyon Gym, and offices for both the
14 District and Bell Canyon Association (“BCA”), which is the homeowners association for the Bell
15 Canyon community where both the District and BCCC are located.

16 5. The BCCC is comprised of a five-member Board of Directors and between three to
17 four officers including the President, Secretary, Treasurer, and the Chairperson of the Board.
18 Further, the District is informed and believes and on that basis alleges that BCCC is owned or is
19 controlled by the BCA.

20 6. The true names and capacities, whether individual, corporate, or otherwise, of
21 Defendant DOES 1 through 50, inclusive, are unknown to Plaintiff at this time, and such Defendants
22 are, therefore, sued by fictitious names. Plaintiff will seek leave of court to amend this Complaint
23 to reflect the true names and capacities of these fictitiously named Defendants when they have been
24 ascertained. Plaintiff is informed and believes, and based thereon alleges, that each of the
25 Defendants named herein as DOES 1 through 50, inclusive, are legally responsible in some manner
26 for the actions challenged herein and, therefore, should be bound by the relief sought herein.

27 7. The District is informed and believes and on that basis alleges that at all times
28 mentioned herein, each of the Defendants was and now is the agent, servant, employee,

1 representative and alter ego of each of the remaining Defendants, and, in doing the things hereinafter
2 alleged, was acting within the scope of his/her or its authority as such an agent, servant, employee,
3 representative and alter ego, with the knowledge, permission, consent and ratification of the
4 remaining Defendants.

5 **JURISDICTION AND VENUE**

6 8. This Court has jurisdiction over this action pursuant to Article VI, Section 10 of the
7 California Constitution and Sections 392 and 410.10 of the Code of Civil Procedure, because the
8 real property in question is located in the unincorporated community of Bell Canyon, within the
9 County of Ventura, and the agreement that is the subject of this dispute was made and deemed to
10 have been entered into within the County of Ventura.

11 9. Venue is proper in this court pursuant to Section 395 of the Code of Civil Procedure.
12 The real property in question is located in the unincorporated community of Bell Canyon, within
13 the County of Ventura, and the parties contracted to perform their obligations in Ventura County
14 and the agreement that is the subject of this dispute was made and deemed to have been entered into
15 within the County of Ventura.

16 **FACTUAL ALLEGATIONS**

17 10. For at least five (5) years prior to the events set forth below, the District leased Suite
18 2B at the Community Center from BCCC, paying \$275 per month in rent.

19 11. Prior to the adoption of its annual budget for the 2023-2024 fiscal year in July 2023,
20 the District Board of Directors, at its June 19, 2023 and July 24, 2023 Board meetings, contemplated
21 a rent increase to \$300 per month of the lease of Suite 2B at the Community Center as of July 1,
22 2023. The District Board of Directors also contemplated leasing additional space at the Community
23 Center to house its equipment and supplies, as Suite 2B could not accommodate all of the District's
24 supplies and equipment, while simultaneously serving as the District's working office. The District
25 Board of Directors, at its July 24, 2023 Board meeting, approved the annual budget for the 2023-
26 2024 fiscal year, which included office rent of up to \$500 per month.

27 12. On Monday, November 6, 2023, the District and BCCC entered into the Bell Canyon
28 Community Center Lease ("Lease Agreement"). Pursuant to the Lease Agreement, the BCCC

1 agreed to lease to the District Suites 2A and 2B at the Community Center, as the District was already
2 occupying Suite 2B. Suites 2A and 2B are two adjoining spaces with an internal access door between
3 them. The District agreed to a monthly payment of \$500 for both Suites 2A and 2B. The term of the
4 Lease Agreement is for a period of three (3) years—commencing on November 6, 2023 and
5 terminating on November 6, 2026. A true and correct copy of the executed November 6, 2023 Lease
6 Agreement is attached hereto and incorporated herein as **Exhibit A**.

7 13. The District is informed and believes, and on that basis alleges that the BCCC Board
8 conducted a vote to approve the Lease Agreement with the District via email on the morning of
9 November 6, 2023. The BCCC Board members included the following individuals: Garrett Clancy,
10 Christopher Shubeck, Jeff Pressman, Geoff Abadee, and Andrew Forchelli. The BCCC Board
11 approved the Lease Agreement. A true and correct copy of the BCCC Board’s approval is attached
12 hereto and incorporated herein as **Exhibit B**.

13 14. Thereafter, BCCC President Clancy signed the Lease Agreement on behalf of the
14 BCCC and Interim General Manager Gregory McHugh signed on behalf of the District.

15 15. On Thursday, November 9, 2023 at a special District Board meeting, the District
16 Board of Directors ratified the Lease Agreement.

17 16. Also on Thursday, November 9, 2023, Michael Rabkin, Esq., legal counsel for the
18 BCCC, sent a letter to the District’s General Counsel regarding the Lease Agreement. Mr. Rabkin’s
19 letter alleged, without evidence, that the Lease Agreement was never approved by the BCCC, that
20 the Lease Agreement was a forgery, and declared the BCCC would not honor the Lease Agreement.
21 A true and correct copy of the BCCC’s November 9, 2023 letter is attached hereto and incorporated
22 herein as **Exhibit C**.

23 17. Furthermore, by November 25, 2023, every member of the then-BCCC Board was
24 removed and replaced with all new BCCC Board members. The new BCCC Board contends that
25 the Lease Agreement is invalid, despite the prior Board members’ approval and execution of the
26 Lease Agreement, in accordance with the terms and practices of the BCCC.

27 18. Despite numerous communications by the District contending that the Lease
28 Agreement is valid and requests for the keys and access to Suite 2A, the BCCC never provided the

1 District with keys to Suite 2A. Accordingly, on February 27, 2024, the District’s General Counsel
2 sent a letter to BCCC’s counsel explaining the Lease Agreement is valid and legally binding, and
3 not a forgery, for the following reasons:

- 4 • There is time-stamped written documentation that approval of the Lease Agreement by the
5 BCCC, and an affirmative vote of the majority of the then-BCCC Board at the time,
6 occurred on the morning of Monday, November 6, 2023;
- 7 • BCCC President Clancy specifically affirmed the vote and approval that morning on
8 November 6, 2023 before signing the Lease Agreement; and
- 9 • Both District Interim General Manager McHugh and BCCC President Clancy have stated
10 that they indeed personally signed the Lease Agreement on November 6, 2023.

11 A true and correct copy of the District’s February 27, 2024 letter is attached hereto and incorporated
12 herein as **Exhibit D**.

13 19. To date, the BCCC continues to deny the District access to and use of Suite 2A,
14 despite the validly executed Lease Agreement. Further, the BCCC continues to deny the validity of
15 the Lease Agreement despite receiving rental payments by the District that have been made for the
16 same. The BCCC cannot choose to ignore the validity of the Lease Agreement as it pertains to Suite
17 2A while collecting rent under the Lease Agreement for Suite 2B. A true and correct copy of the
18 District’s rent payments to the BCCC is attached hereto and incorporated herein as **Exhibit E**.

19 20. Based on the foregoing, the District is informed and believes, and based thereon
20 alleges, that BCCC has no intention to honor the Lease Agreement. The District brings this instant
21 action for breach of the covenant of quiet possession and enjoyment; breach of the covenant of good
22 faith and fair dealing; breach of contract; and contract and declaratory relief.

23 21. At or before the time of trial, the District will move the Court to amend this
24 Complaint to include any relevant information discovered after filing this Complaint, if necessary.

25 **FIRST CAUSE OF ACTION**

26 **DECLARATORY RELIEF**

27 **(Against BELL CANYON COMMUNITY CENTER, INC. and DOES 1-50)**

1 22. The District hereby re-alleges paragraphs 1 through 21, inclusive, and incorporates
2 them herein by reference as if fully set forth below.

3 23. Any person claiming rights under a contract (oral or written) or under a written
4 instrument (other than a will or trust), or with respect to property, may bring an action for a
5 declaration of the person’s rights or duties with respect to another. (Code Civ. Proc. § 1060; *Market*
6 *Lofts Comm. Ass’n v. 9th St. Market Lofts, LLC* (2014) 222 Cal.App.4th 924, 931.)

7 24. The main requirement for declaratory relief is a present and actual controversy
8 between the parties. (*City of Cotati v. Cashman* (2002) 29 Cal.4th 69, 80; *Lee v. Silveira* (2016) 6
9 Cal.App.5th 527, 549 [declaratory relief not available to redress past wrongs]; *Artus v. Gramercy*
10 *Towers Condominium Ass’n* (2018) 19 Cal.App.5th 923, 934 [declaratory relief not appropriate
11 where only speculation suggests defendant will violate law].)

12 25. A complaint for declaratory relief is sufficient “if it sets forth facts showing the
13 existence of an actual controversy relating to the legal rights and duties of the respective parties
14 under a written instrument ... and requests that the rights and duties of the parties be adjudged by
15 the court.” (*Wellenkamp v. Bank of America* (1978) 21 Cal.3d 943, 947 (superseded by statute on
16 other grounds); *Ludgate Ins. Co. v. Lockheed Martin Corp.* (2000) 82 Cal.App.4th 592, 605.)

17 26. The District and BCCC are each interested in the legal validity, rights, and
18 obligations of the Lease Agreement, and there is an actual and present controversy between the
19 parties.

20 27. The District asserts that the Lease Agreement is legally valid as of the November 6,
21 2023 execution date (or at the latest by the November 9, 2023 ratification date), that the BCCC is
22 required to perform its obligations under the Lease Agreement to uphold the terms thereof, that the
23 BCCC is wrongfully withholding the new office space, and the BCCC is in breach of the Lease
24 Agreement.

25 28. Defendant BCCC asserts that the Lease Agreement is invalid and unenforceable, that
26 therefore it does not have to honor the terms thereof, and that the District has no rights thereunder.

1 29. A judicial declaration is appropriate and necessary at this time under the
2 circumstances to resolve the parties' controversy and determine the validity and enforceability of
3 the Lease Agreement.

4 30. The District is presently and continuously injured by Defendant BCCC
5 nonperformance under the Lease Agreement, insofar as it violates the District's contractual rights.
6 The District has no plain, speedy, and adequate remedy at law, and damages are indeterminable or
7 unascertainable, and in any event, would not fully redress any harm suffered by the District.
8 Accordingly, the Court must enjoin Defendant BCCC from withholding access to the new office
9 space and compelling Defendant BCCC to allow the District to enter and use the office space
10 pursuant to the Lease Agreement.

11 **SECOND CAUSE OF ACTION**
12 **BREACH OF THE COVENANT OF QUIET ENJOYMENT AND POSSESSION**
13 **(Against BELL CANYON COMMUNITY CENTER, INC. and DOES 1-50)**

14 31. The District hereby re-alleges paragraphs 1 through 30, inclusive, and incorporates
15 them herein by reference as if fully set forth below.

16 32. On or about November 6, 2023, the District and BCCC entered into the Lease
17 Agreement, upon which BCCC agreed to lease office spaces located 30 Hackamore Lane, Suites 2A
18 and 2B, Bell Canyon, CA 91307.

19 33. Pursuant to the Lease Agreement, in November 2023, BCCC promised to lease office
20 spaces located 30 Hackamore Lane, Suites 2A and 2B, Bell Canyon, CA 91307. Particularly, Section
21 30.8 of the Lease Agreement provides:

22 “Upon Tenant paying the rent reserved hereunder and observing and performing all of the
23 covenants, conditions and provisions on Tenant's part to be observed and performed
24 hereunder, Tenant shall have quiet possession of the Premises for the entire term hereof,
25 subject to all the provisions of this Lease.”

26 34. This clause memorializes the covenant of quiet possession and enjoyment implicit in
27 all leases.

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1 35. The District has performed all conditions, covenants, and promises required of it
2 pursuant to the Lease Agreement, except to the extent that such performance has been prevented,
3 excused, hindered, or waived. Yet BCCC has deprived the District of its right to quiet enjoyment
4 and possession under the Lease Agreement by wrongfully withholding access to Suite 2A and
5 falsely claiming the Lease Agreement is a forgery and fraudulent.

6 36. The District has been harmed, and continues to be harmed, by BCCC's actions and
7 omissions in disregard of the covenant of quiet enjoyment and possession. The District is informed,
8 believes, and thereon alleges that, as a direct and proximate result of BCCC's breach of the covenant
9 of quiet enjoyment and possession, the District has sustained damages in an amount presently
10 unknown, but in excess of \$25,000. The District will establish the precise amount of damages at
11 trial, according to proof.

12 37. As a direct and proximate result of the breach of the covenant of quiet enjoyment and
13 possession by the BCCC, legal remedies are inadequate and the District is entitled to specific
14 performance of the Lease Agreement.

15 38. Further, pursuant to Section 30.15 of the Lease Agreement, the District is entitled to
16 recover reasonable attorneys' fees and costs related to BCCC's breach of the Lease Agreement.

17 **THIRD CAUSE OF ACTION**

18 **BREACH OF THE COVENANT OF GOOD FAITH AND FAIR DEALING**

19 **(Against BELL CANYON COMMUNITY CENTER, INC. and DOES 1-50)**

20 39. The District hereby re-alleges paragraphs 1 through 38, inclusive, and incorporates
21 them herein by reference as if fully set forth below.

22 40. All contracts entered into in California, including the Lease Agreement, contain an
23 implied covenant of good faith and fair dealing, requiring that the parties to the contract not act
24 unreasonably or in bad faith to deprive others of benefits or rights under the contracts. The covenant
25 of good faith and fair dealing imposes upon each contracting party—here, the District and BCCC—
26 the duty to do everything that the Lease Agreement presupposes that each party will do to
27 accomplish its purpose.

1 41. As set forth above, the District has performed all of its conditions, covenants, and
2 promises required of it pursuant to the Lease Agreement, except to the extent that such performance
3 has been prevented, excused, hindered, or waived. Yet BCCC has destroyed or injured the District's
4 rights to receive the benefits of the Lease Agreement.

5 42. In committing the acts and omissions alleged above, BCCC has acted in bad faith,
6 violating both its express and implied duties of good faith and fair dealing under the Lease
7 Agreement as follows:

- 8 • By failing to adhere to the terms and conditions of the Lease Agreement;
- 9 • By refusing to provide the District access to Suite 2A;
- 10 • By negating the enforceability and validity of the Lease Agreement; and
- 11 • By refusing to charge full rent to and/or accept full rent from the District for Suite 2A.

12 43. As stated above, the District has been harmed, and continues to be harmed, by
13 BCCC's actions and omissions in disregard of the covenant of good faith and fair dealing. The
14 District is informed, believes, and thereon alleges that, as a direct and proximate result of BCCC's
15 breach of covenant of good faith and fair dealing, the District has sustained damages in an amount
16 presently unknown, but in excess of \$25,000. The District will establish the precise amount of
17 damages at trial, according to proof.

18 44. As a direct and proximate result of the breach of the covenant of good faith and fair
19 dealing by BCCC, legal remedies are inadequate and the District is entitled to specific performance
20 of the Lease Agreement.

21 45. Pursuant to Section 30.15 of the Lease Agreement, the District is entitled to recover
22 reasonable attorney's fees and costs related to BCCC's breach of the Lease Agreement.

23 **FOURTH CAUSE OF ACTION**

24 **BREACH OF CONTRACT**

25 **(Against BELL CANYON COMMUNITY CENTER, INC. and DOES 1-50)**

26 46. The District hereby re-alleges paragraphs 1 through 45, inclusive, and incorporates
27 them herein by reference as if fully set forth below.

1 47. Pursuant to the Lease Agreement, in November 2023, BCCC promised to lease office
2 spaces located 30 Hackamore Lane, Suites 2A and 2B, Bell Canyon, CA 91307.

3 48. The primary purpose of the Lease Agreement is to provide offices spaces—Suites
4 2A and 2B—to ensure the District could perform its functions: providing necessary services to
5 protect the safety and property and improve the quality of life of the community.

6 49. The District has performed all conditions, covenants, and promises required of it
7 pursuant to the Lease Agreement, except to the extent that such performance has been prevented,
8 excused, hindered, or waived.

9 50. BCCC has materially breached the Lease Agreement by outright refusing to provide
10 the District access to office 2A. As a result of BCCC’s breach of the Lease Agreement, the District
11 is limited in its administration and provision of necessary community services, including but not
12 limited to rubbish, recycling, and green waste removal; enhanced traffic patrol; and the provision of
13 recreational programs. The District has requested BCCC to provide it access to office 2A. Yet BCCC
14 has failed and refused to provide access; instead, BCCC has resorted to calling the Lease Agreement
15 a “forgery” and asserting its position to “not honor” the Lease Agreement.

16 51. The District is informed, believes, and thereon alleges that, as a direct and proximate
17 result of the breach of the Lease Agreement by BCCC, the District has sustained damages in an
18 amount presently unknown, but in excess of \$25,000. The District will establish the precise amount
19 of damages at trial, according to proof.

20 52. As a direct and proximate result of the breach of the Lease Agreement by BCCC,
21 legal remedies are inadequate and the District is entitled to specific performance of the Lease
22 Agreement.

23 53. Pursuant to Section 30.15 of the Lease Agreement, the District is entitled to recover
24 reasonable attorney’s fees and costs related to BCCC’s breach of the Lease Agreement.

25 **PRAYER FOR RELIEF**

26 WHEREFORE, the District prays for judgment as follows:


- 27 1. For judgment for the District;
- 28 2. For judgment declaring the existence and terms of the Lease Agreement;

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- 3. For judgment declaring that the Lease Agreement is valid and enforceable;
- 4. For judgment enjoining Defendant BCCC from withholding access to Suite 2A;
- 5. For judgment compelling Defendant BCCC to provide the District access and use of Suite 2A pursuant to the Lease Agreement;
- 6. For specific performance of the terms and conditions of the Lease Agreement;
- 7. For the District's costs of suit;
- 8. For an award of attorneys' fees incurred pursuant to Section 30.15 the Lease Agreement; and
- 9. For such other and further relief as the Court, in its discretion, may deem just and proper and according to law and equity.

DATED: May 16, 2024

ALESHIRE & WYNDER, LLP
PAM K. LEE
ROBERT M. HENSLEY
ALEXIS L. HALL

By: 

ROBERT M. HENSLEY
Attorneys for Plaintiff, Bell Canyon Community
Services District

EXHIBIT A

Bell Canyon Community Center Lease

THIS LEASE is made on November 6, 2023:

The Landlord hereby agrees to lease to the Tenant, and the tenant hereby agrees to hire and take from the Landlord, the Leased Premises described below pursuant to the terms and conditions specified herein:

LANDLORD:

**Bell Canyon Community Center, Inc.
30 Hackamore Lane
Bell Canyon, CA 91307**

TENANT(S):

**Bell Canyon Community Service District
30 Hackamore Lane, Suites #2A and 2B
Bell Canyon, CA 91307**

1 **LEASED PREMISES.** The Leased Premises are those premises containing **760 square feet** and described as 30 Hackamore Lane **Suites #2A and 2B**. The suites are located in an Office Building known as the Bell Canyon Community Center.

2 **TERM.** The term of the Lease shall be for a period of 3 years commencing on November 6, 2023, and ending on November 6, 2026, unless sooner terminated as hereinafter provided.

3 **RENT.** The Tenant agrees to pay the MONTHLY RENT of:
Five Hundred Fifty Dollars (\$550.00)

payable in advance before the first day of each calendar month during the full term of this lease. **Commencing November 6, 2024, the above rent shall be increased annually by the change in the consumer price index.** Rent for any period which is for less than one (1) month shall be a prorated portion of the monthly installment herein based upon a thirty (30) day month. All money, except security deposits, due from Tenant to Landlord under this Lease shall be deemed to be rent and all rent shall be paid to Landlord, without deduction or offset, in lawful money of the United States of America and at such place as Landlord may from time to time designate in writing.

4 **RENT PAID UPON EXECUTION :** Tenant to pay the sum of NA upon execution of this lease. This sum is advanced payment for the period NA being the first month of the lease and the period NA through NA being the last month of the lease. If this lease provides for rent adjustments, then the payment made in advance for the last month of the lease shall be applied to the amount then due.

5 **USE AND HOURS OF OPERATION.** Tenant shall use the Premises solely for business purposes and shall not use or permit the Premises to be used for any other purpose. Tenant acknowledges that neither Landlord nor Landlord's agents or employees have made any representation or warranty, express or implied, as to the suitability of the Premises for Tenant's intended use. Tenant shall not be limited as to its hours of operation. However, Tenant's hours of operation shall not create a nuisance to adjoining Tenant's or other property owners in Bell Canyon. Landlord shall provide operation of the Heating and Air Conditioning systems only during the following hours: Monday through Friday: 7AM to 7PM and Saturday: 7AM to 5PM.

6 **SECURITY DEPOSIT.** Concurrently with Tenant's execution of this Lease, Tenant has deposited with Landlord a security deposit in the amount of **\$0.00**. Said Security Deposit shall be held by Landlord as security for the faithful performance by Tenant of all the terms, covenants, and conditions of this Lease to be kept and performed by

Tenant during the term hereof. If Tenant defaults with respect to any provision of this Lease, including, but not limited to the provisions relating to the payment of rent, Landlord may (but shall not be required to) use, apply or retain all or any part of this security deposit for the payment of any rent or any other sum in default, or for the payment of any amount which Landlord may spend or become obligated to spend by reason of Tenant's default, or to compensate Landlord for any other loss or damage which Landlord may suffer by reason of Tenant's default. If any portion of said deposit is so used or applied Tenant shall, within five (5) days after written demand therefor, deposit cash with Landlord in an amount sufficient to restore the security deposit to its original amount and Tenant's failure to do so shall be a default under this Lease. Landlord shall not be required to keep the security deposit separate from its general funds, and Tenant shall not be entitled to interest on such deposit. If Tenant shall fully and faithfully perform every provision of this Lease to be performed by it, the security deposit or any balance thereof shall be returned to Tenant (or, at Landlord's option, to the last assignee of Tenant's interest hereunder) within thirty (30) days following expiration of the Lease term. In the event of termination of Landlord's interest in this Lease, Landlord shall transfer said deposit to Landlord's successor-in-interest and Landlord shall thereafter have no further responsibility to Tenant for the Security Deposit. In the event of any bankruptcy or creditor proceedings involving Tenant, the deposit shall be deemed applied to the payment of rent due Landlord for the period before the proceeding.

- 7 **USES PROHIBITED.** Tenant shall not do or permit anything to be done in or about the Premises nor bring or keep anything therein which is not within the permitted use of the Premises or which will in any way increase the existing rate of or affect any fire or other insurance upon the Office Building or any of its contents, or cause a cancellation of any insurance policy covering said Office Building or any part thereof or any of its contents. Tenant shall not do or permit anything to be done in or about the Premises which will in any way obstruct or interfere with the rights of other Tenants or occupants of the Office Building or injure or annoy them or use or allow the Premises to be used for any improper, immoral, unlawful or objectionable purpose; nor shall Tenant cause, maintain or permit any nuisance in or about the Premises. Tenant shall not commit or allow to be committed any waste in or about the Premises.
- 8 **COMPLIANCE WITH LAW.** Tenant shall not use the Premises, or permit anything to be done in or about the Premises, which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. Tenant shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force and with the requirements of any board of fire underwriters or other similar bodies now or hereafter constituted relating to or affecting the condition, use or occupancy of the Premises, excluding structural changes not related to or affected by Tenant's improvements or acts. The judgment of any court of competent jurisdiction or the admission of Tenant in any action against Tenant, whether Landlord be a party thereto or not, that Tenant has violated any law, statute, ordinance or governmental rule, regulation or requirement, shall be conclusive of that fact as to Tenant. Further, Tenant agrees to abide by all applicable provisions of the CC&Rs and of the rules and regulations adopted by Bell Canyon Association in connection with the property of which the leased premises is a part as well as the rules about the gate and roads.
- 9 **ALTERATIONS AND ADDITIONS.** Tenant shall not make or allow to be made any alterations, additions or improvements to or of the Premises or any part thereof without first obtaining the written consent of Landlord and any alterations, additions or improvements to or of said Premises, including, but not limited to, wall covering, paneling and built-in cabinet work, but excepting movable furniture and trade fixtures, shall at once become a part of the realty and belong to the Landlord and shall be surrendered with the Premises without any compensation to Tenant. In the event Landlord consents to the making of any alterations, additions or improvements to the Premises by Tenant, the same shall be made by Tenant at Tenant's sole cost and expense. Upon the expiration or sooner termination of the term hereof, Tenant shall, upon written demand by Landlord, given at least fifteen (15) days prior to the end of the term, at Tenant's sole cost and expense, forthwith and with all due diligence, remove any alterations, additions, or improvements made by Tenant, designated by Landlord to be removed, and Tenant shall, forthwith and with all due diligence, at its sole cost and expense, repair any damage to the Premises caused by such removal.

10 **REPAIRS AND IMPROVEMENTS.**

10.1 By entry hereunder, Tenant shall be deemed to have accepted the Premises as being in good, sanitary order, condition and repair. Tenant shall, at Tenant's sole cost and expense, keep the Premises and every part thereof in good condition and repair (except as hereinafter provided with respect to Landlord's obligations). Tenant shall, upon the expiration or sooner termination of this Lease hereof, surrender the Premises to the Landlord in good condition, broom clean, ordinary wear and tear and damage from causes beyond the reasonable control of Tenant excepted. Any damage to adjacent premises caused by Tenant's use of the Premises shall be repaired at the sole cost and expense of Tenant. If Tenant after not less than 10 days' notice fails to have the necessary work performed, Landlord may, but shall not have the obligation to, have such work performed and charge Tenant the entire cost, rather than a proportionate share thereof, as additional rent.

10.2 Notwithstanding the provisions of Article 10.1, hereinabove, Landlord shall repair and maintain the structural portions of the Office Building, including the exterior walls and roof, unless such maintenance and repairs are caused in part or in whole by the act, neglect, fault or omission of any duty by Tenant, its agents, servants, employees, invitees, or any damage caused by breaking and entering, in which case Tenant shall pay to Landlord the actual cost of such maintenance and repairs. Landlord shall not be liable for any failure to make such repairs or to perform any maintenance unless such failure shall persist for an unreasonable time after written notice of the need of such repairs or maintenance is given to Landlord by Tenant. Landlord shall at all times have the right to renovate, remodel, improve or alter any portion of the Office Building or Premises as Landlord in Landlord's sole discretion desires. Except as provided in Article 24 hereof, there shall be no abatement of rent and no liability of Landlord by reason of any injury to or interference with Tenant or Tenant's business arising from the making of any repairs, renovation, remodeling, alterations or improvements in or to any portion of the Office Building or the Premises or in or to fixtures, appurtenances and equipment therein. Tenant waives the right to make repairs at Landlord's expense under any law, statute or ordinance now or hereafter in effect.

10.3 Except as may otherwise be provided herein, the Premises are being leased to Tenant in their present physical condition "AS IS"

10.4 Landlord and its agents shall have the right, subject to prior notice to the tenant, to enter the Premises to inspect them, to show them to prospective purchasers, tenants or lenders, to post notices of non-responsibility, to cure any default of Tenant, to repair, restore or rebuild the Premises or any portion of the Office Building in which the Premises are located, to comply with any governmental or insurance requirements, to construct and install a mechanical shaft in the interior portions of the Premises (without a rental reduction) for ventilation, exhaust, refrigeration, electrical, plumbing or data transmission (including telephone and cable television) for the benefit of another Lessee or portion of the Office Building and to enter for any other lawful purpose relating to Landlord's rights or obligations under this Lease.

11 **LIENS.** Tenant shall keep the Premises and the property in which the Premises are situated free from any liens arising out of any work performed, materials furnished or obligations incurred by or on behalf of Tenant. Landlord may require, at Landlord's sole option, that Tenant shall provide to Landlord, at Tenant's sole cost and expense, a lien and completion bond in an amount equal to one and one-half (1-1/2) times the estimated cost of any improvements, additions, or alterations in the Premises which Tenant desires to make, to insure Landlord against any liability for mechanics' and material men's liens and to insure completion of the work. Landlord may require that Tenant provide Landlord, at Tenant's sole cost, a set of plans and specifications approved by the applicable building department, a copy of the building permit, and a lien payment and completion bond in favor of Landlord in an amount equal to 100 the estimated cost of any alterations that Tenant proposes to make.

12 **ASSIGNMENT AND SUBLETTING.** Tenant shall not either voluntarily, or by operation of law, assign, transfer, mortgage, pledge, hypothecate or encumber this Lease or any interest therein, and shall not sublet the said

Premises or any part thereof, or any right or privilege appurtenant thereto, or allow any other person (the employees, agents, servants and invitees of Tenant excepted) to occupy or use the said Premises, or any portion thereof, without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld. A consent to one assignment, subletting, occupation or use by any other person shall not be deemed to be a consent to any subsequent assignment, subletting, occupation or use by another person. Consent to any such assignment or subletting shall in no way relieve Tenant of any liability under this Lease. Any such assignment or subletting without such consent shall be void, and shall, at the option of the Landlord, constitute a default under the terms of this Lease. Prior to any assignment, transfer, mortgage, pledge, hypothecation, or encumbrance of this Lease or any interest therein, or any subletting of the Premises or any part thereof, or any right or privilege appurtenant thereto, Tenant shall make a written request of Landlord for consent thereto and shall accompany each such written request by a deposit of \$1,000.00 for Landlord's attorney's fees and other expenses in evaluating each request and along with said request, Tenant shall furnish Landlord with current financial statements and Federal Income Tax Returns for the last two (2) years for the proposed assignees and subtenants. Landlord shall refund to Tenant any unused portion of the \$1,000.00 deposit. Landlord shall forward to Tenant a copy of the actual attorney's fees and other expenses. In addition to said financial statements and income tax returns, Tenant shall also thereafter provide Landlord with any other additional written information which Landlord may from time to time request prior to the assignment. Landlord and Tenant agree that no such request by Tenant shall be valid or in good faith, or of any force or legal effect, unless the request is accompanied by the aforesaid payment. Absent such a concurrent payment, Landlord may disregard the request. Any consideration in excess of the amount of rent due from Tenant to Landlord under this Lease that is obtained by Tenant through any assignment or subletting shall be paid to Landlord by Tenant regardless of the source or form of payment. Such consideration may include, without limitation, higher rental and/or security deposit, above-market sales price of equipment, fixtures and/or improvements, or other payments made by or on behalf of the sub-lessee or assignee.

13 **EXEMPTION AND INDEMNIFICATION OF LANDLORD PARTIES** For purposes of this Lease, "Landlord's Parties" shall mean singularly and collectively Landlord and its officers, directors, shareholders, members, agents and employees, and "Tenant's Parties" shall mean singularly and collectively Tenant and its officers, directors, shareholders, members, agents and employees. As a material inducement for Landlord's entering into this Lease, Tenant knowingly and voluntarily agrees as follows.

Indemnity. Except for Landlord's Parties' gross negligence or willful misconduct, Tenant shall indemnify, protect, defend and hold harmless the property subject to the Lease and Landlord's Parties and each of them from and against any and all claims, loss of rents and/or damages, liens, judgments, penalties, attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, the use and/or occupancy of the Premises by Tenant. If any action or proceeding is brought against Landlord's Parties or any of them by reason of any of the foregoing matters, Tenant shall upon notice defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord and Landlord shall cooperate with Tenant in such defense. Landlord's Parties need not have first paid any such claim in order to be defended or indemnified.

13.1 **Exemption of Landlord's Parties from Liability.** Landlord's Parties shall not be liable for injury or damage to the person or goods, wares, merchandise or other property of Tenant's Parties, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, whether the said injury or damage results from conditions arising upon the Premises or upon other portions of the Building of which the Premises are a part, or from other sources or places. Landlord's parties shall not be liable for any damages arising from any act or neglect of any other tenant of Landlord. Notwithstanding negligence of Landlord's Parties, or breach of this Lease by Landlord, Landlord's Parties shall under no circumstances be liable for injury to Tenant's business or for any loss of income or profit therefrom.

- 13.2 **Survival of Exemption and Indemnification.** The clauses of this section 13 shall survive the expiration or earlier termination of this Lease until all claims within the scope of this section 13 are fully, finally, and absolutely barred by the applicable statutes of limitations.
- 13.3 **Tenant's Acknowledgment of Fairness.** Tenant acknowledges that this section 13 was negotiated with Landlord, that the consideration for it is fair and adequate, and that Tenant had a fair opportunity to negotiate, accept, reject, modify, or alter any of its provisions.

14 **TENANT PROPERTY INSURANCE AND WAIVER OF SUBROGATION.** Tenant at its cost shall either by separate policy or, at Landlord's option, by endorsement to a policy already carried, maintain all-risk insurance coverage on all of Tenant's personal property and fixtures, and any alterations owned by Tenant, in, on, or about the Premises in the amount of the full replacement cost of Tenant's interests. The proceeds of such insurance shall be used by Tenant for the replacement of personal property and fixtures, and the restoration of any Tenant owned alterations. Tenant shall provide Landlord with written evidence that such insurance is in force. Tenant hereby waives all rights of subrogation against Landlord including Tenant's rights of recovery against Landlord for any loss insured by fire, extended coverage and other property insurance policies existing for the benefit of Tenant.

15 **LIABILITY INSURANCE.**

- 15.1 **Compliance with Insurer Requirements.** Tenant shall, at Tenant's sole expense, comply with all requirements, guidelines, rules, orders, and similar mandates and directives pertaining to the use of the Premises and the Building, whether imposed by Tenant's insurers, Landlord's insurers, or both. If Tenant's business operations, conduct, or use of the Premises or the Building cause any increase in the premium for any insurance policies carried by Landlord, Tenant shall, within ten (10) business days after receipt of written notice from Landlord, reimburse Landlord for the increase. Tenant shall, at Tenant's sole expense, comply with all rules, orders, regulations, or requirements of the American Insurance Association (formerly the National Board of Fire Underwriters) and of any similar body.
- 15.2 **Tenant's Liability Coverage.** Tenant shall, at Tenant's sole expense, maintain the coverages set forth in this section 15.
- 15.3 **Commercial General Liability Insurance.** Tenant shall obtain commercial general liability insurance written on an "occurrence" policy form, covering bodily injury, property damage, personal injury, and advertising injury arising out of or relating (directly or indirectly) to Tenant's business operations, conduct, assumed liabilities, or use or occupancy of the Premises or the Building.
- 15.4 **Broad Form Coverage.** Tenant's liability coverage shall include all the coverages typically provided by the Broad Form Comprehensive General Liability Endorsement to Insurance Services Office's 1973 commercial general liability form, including broad form property damage coverage (which shall include coverage for completed operations). Tenant's liability coverage shall further include premises-operations coverage, products-completed operations coverage, owners and contractors protective coverage (when reasonably required by Landlord), and the broadest available form of contractual liability coverage. It is the parties' intent that the Tenant's contractual liability coverage provide coverage to the maximum extent possible of Tenant's indemnification obligations under this Lease.
- 15.5 **Primary Insured.** Tenant shall be the first or primary named insured.
- 15.6 **Additional Insureds.** Landlord Parties shall be named by endorsement as additional insureds under Tenant's general liability coverage. The additional insured endorsement must be on ISO Form CG 20 11 11 85 or an equivalent acceptable to Landlord, with such modifications as Landlord may require.
- 15.7 **Cross-Liability: Severability of Interests.** Tenant's general liability policies shall be endorsed as needed to provide cross-liability coverage for Tenant and Landlord and to provide severability of interests.

- 15.8 **Primary Insurance Endorsements for Additional Insureds.** Tenant's general liability policies shall be endorsed as needed to provide that the insurance afforded by those policies to the additional insureds is primary and that all insurance carried by Landlord Parties is strictly excess and secondary and shall not contribute with Tenant's liability insurance.
- 15.9 **Delivery of Certificate, Policy, and Endorsements.** Before the Lease Commencement Date, Tenant shall deliver to Landlord the endorsements referred to in this section 15 as well as a certified copy of Tenant's liability policy or policies and an original certificate of insurance, executed by an authorized agent of the insurer or insurers, evidencing compliance with the liability insurance requirements. If reasonably available, the certificate shall provide for no less than thirty (30) days' advance written notice to Landlord from the insurer or insurers of any cancellation, non-renewal, or material change in coverage or available limits of liability and shall confirm compliance with the liability insurance requirements in this Lease.
- 15.10 **Concurrency of Primary, Excess, and Umbrella Policies.** Tenant's liability insurance coverage may be provided by a combination of primary, excess, and umbrella policies, but those policies must be absolutely concurrent in all respects regarding the coverage afforded by the policies. The coverage of any excess or umbrella policy must be at least as broad as the coverage of the primary policy.
- 15.11 **Liability Limits.** Tenant's liability insurance coverage shall be in an amount not less than \$500,000.00 per occurrence, and a general aggregate limit of \$1,000,000.00.
- 15.12 **Survival of Insurance Requirements.** Tenant shall, at Tenant's sole expense, maintain in full force and effect the liability insurance coverages required under this Lease and shall maintain Landlord Parties as additional insureds, as required by this Lease, for a period of no less than one (1) year after expiration or earlier termination of this Lease.

16 **PERSONAL PROPERTY TAXES.** Tenant shall pay, or cause to be paid, before delinquency any and all taxes levied or assessed and which become payable during the term hereof upon all Tenant's leasehold improvements, equipment, furniture, fixtures, and any other personal property located in the Premises. In the event any or all of the Tenant's leasehold improvements, equipment, furniture, fixtures and other personal property shall be assessed and taxed with the real property, Tenant shall pay to Landlord its share of such taxes within ten (10) days after delivery to Tenant by Landlord of a statement in writing setting forth the amount of such taxes applicable to Tenant's property.

17 **RULES AND REGULATIONS.** Tenant shall faithfully observe and comply with the rules and regulations that Landlord shall from time to time promulgate and/or modify. The rules and regulations shall be binding upon the Tenant upon delivery of a copy of them to Tenant. Landlord shall not be responsible to Tenant for the nonperformance of any said rules and regulations by any other tenants or occupants.

18 **HOLDING OVER.** If Tenant remains in possession of the Premises or any part thereof after the expiration of the term hereof with the express written consent of Landlord, such occupancy shall be a tenancy from month to month at a rental in the amount of the last Monthly Minimum Rent, plus all other charges payable hereunder, and upon all the terms hereof applicable to a month to month tenancy. If Tenant holds over after the expiration of the term hereof without express written consent of Landlord, Tenant shall be liable to Landlord for damages not less than 150 of the last Rent for each month Tenant holds over.

19 **ENTRY BY LANDLORD.** Landlord reserves the right to enter the Premises to inspect the same, subject to prior notice to the tenant, to submit said Premises to prospective purchasers or Tenants, to post notices of non-responsibility, to repair the Premises, to comply with any governmental or insurance requirements, to post ordinary signs advertising the Premises for lease during the last 120 days of the Lease term, and for any other lawful purpose relating to Landlord's rights and obligations under this Lease, and any portion of the Office Building of which the Premises are a part that Landlord may deem necessary or desirable, without abatement of rent, and may for that purpose erect scaffolding and other necessary structures where reasonably required by the

character of the work to be performed, always providing that the entrance to the Premises shall not be unreasonably blocked thereby. Tenant hereby waives any claim for damages or for any injury or inconvenience to or interference with Tenant's business, any loss of occupancy or quiet enjoyment of the Premises, and any other loss occasioned thereby. For each of the aforesaid purposes, Landlord shall at all times have and retain a key with which to unlock all of the doors in, upon and about the Premises, excluding Tenant's vaults, safes and files, and Landlord shall have the right to use any and all means which Landlord may deem proper to open said doors in a bona-fide emergency, in order to obtain entry to the Premises without liability to Tenant except for any failure to exercise due care for Tenant's property and any entry to the Premises obtained by Landlord by any of said means, or otherwise, shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an eviction of Tenant from the Premises or any portion thereof.

20 **TENANT'S DEFAULT.** The occurrence of anyone or more of the following events shall constitute a default and breach of this Lease by Tenant:

21.1 The vacating or abandonment of the Premises by Tenant.

21.2 The failure by Tenant to make any payment of rent or any other payment required to be made by Tenant hereunder, as and when due, where such failure shall continue for a period of three (3) days after written notice thereof by Landlord to Tenant.

21.3 The failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by the Tenant, other than described in Article 21.2 above, where such failure shall continue for a period of five (5) days after written notice thereof by Landlord to Tenant; provided, however, that if the nature of Tenant's default is such that more than five (5) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commences such cure within said five (5) day period and thereafter diligently prosecutes such cure to completion.

21.4 The making by Tenant of any general assignment or general arrangement for the benefit of creditors; or the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt, or a petition or reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); or the appointment of a trustee or a receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within thirty (30) days.

21 **REMEDIES IN DEFAULT.** In the event of any such default or breach by Tenant, Landlord may at any time thereafter, in its sole discretion, with or without notice or demand and without limiting Landlord in the exercise of a right or remedy which Landlord may have by reason of such default or breach:

21.1 Terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease and the term hereof shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event Landlord shall be entitled to recover from Tenant: (i) the worth at the time of the award of the unpaid rent which has been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; and (iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including but not limited to the cost of recovering possession of the Premises, expense of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of the leasing commission paid by Landlord applicable to the unexpired term of this Lease. The worth at the time of award of the amount

referred to in provision (iii) of the prior sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent. Efforts by Landlord to mitigate damages caused by Tenant's Default or Breach of this Lease shall not waive Landlord's right to recover damages under this Article 22.1. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Landlord shall have the right to recover in such proceeding the unpaid rent and damages as are recoverable therein, or Landlord may reserve therein the right to recover all or any part thereof in a separate suit for such rent and/or damages. If a notice and grace period required under Article 21.2, 21.3, or 21.4., was not previously given, a notice to pay rent or quit, or to perform or quit, as the case may be, given to Tenant under any statute authorizing the forfeiture of Leases for unlawful detainer shall also constitute the applicable notice for grace period purposes required by Article 21.2, 21.3, or 21.4. In such case, the applicable grace period under Article 21.2, 21.3, or 21.4. and under the unlawful detainer statute shall run concurrently after the one such statutory notice, and the failure of Tenant to cure the Default within the greater of the two such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Landlord to the remedies provided for in this Lease and/or said statute.

- 21.2 Continue the Lease and Tenant's right to possession in effect after Tenant's breach and abandonment and recover the rent as it becomes due pursuant to the remedy described in California Civil Code §-1951.4, provided Tenant has the right to sublet or assign, subject only to reasonable limitations, which Landlord and Tenant agree are reasonable. Acts of maintenance or preservation, efforts to relet the Premises, or the appointment of a receiver to protect the Landlord's interest under the Lease, shall not constitute a termination of the Tenant's right to possession.
- 21.3 If Landlord has paid Tenant an allowance for Tenant's work or a Lease commission to a broker for Tenant's entering into this Lease, Tenant agrees that if this Lease is terminated by Landlord because of default by Tenant in the performance of Tenant's obligations under this Lease, Tenant shall promptly pay to Landlord the entire portion of the allowance and/or leasing commission, amortized on a straightline basis over the Lease term, applicable to the period from the termination through the Expiration Date.
- 21.4 Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of California.
- 21.5 The expiration or termination of this Lease and/or the termination of Tenant's right to possession shall not relieve Tenant from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Tenant's occupancy of the Premises.

22 **DEFAULT BY LANDLORD.** Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within thirty (30) days after written notice by Tenant to Landlord specifying wherein Landlord has failed to perform such obligation; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance then Landlord shall not be in default if Landlord commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion. In no event shall Tenant have the right to terminate this Lease or offset any rent due as a result of Landlord's default and Tenant's remedies shall be limited to damages and/or an injunction.

23 **RECONSTRUCTION.** In the event the Premises are damaged by fire or other perils covered by insurance, Landlord agrees to repair same, and this Lease shall remain in full force and effect, except that Tenant shall be entitled to a proportionate reduction of the rent from the date of damage and while such repairs are being made, such proportionate reduction to be based upon the extent to which the damage and making of such repairs shall interfere with the business carried on by the Tenant in the Premises. If the damage is due to the fault or neglect of Tenant or its employees, there shall be no abatement of rent.

- 23.1 In the event the Premises are damaged as a result of any cause other than the perils covered by insurance, then Landlord shall repair the same, provided the extent of the destruction be less than ten (10) percent of the then full replacement cost of the Premises. In the event the destruction of the Premises is to an extent of ten (10) percent or more of the full replacement cost then Landlord shall

have the option: (1) to repair or restore such damage, this Lease continuing in full force and effect, but the rent to be proportionately reduced as hereinabove in this Article provided; or (2) give notice to Tenant at any time with sixty (60) days after such damage, terminating this Lease as of the date specified in such notice, which date shall be no more than thirty (30) days after the giving of such notice. In the event of giving such notice, this Lease shall terminate and all interest of the Tenant in the Premises shall terminate on the date so specific in such notice and the rent, reduced by a proportionate reduction, based upon the extent, if any, to which such damage interfered with the business carried on by the Tenant in the Premises, shall be paid up to date of said such termination

- 23.2 Notwithstanding anything to the contrary contained in this Article, Landlord shall not have any obligation whatsoever to repair, reconstruct or restore the Premises when the damage resulting from any casualty occurs during the last twenty-four months of the term of this Lease or any extension thereof.
- 23.3 Landlord shall not be required to repair any injury or damage by fire or other cause, or to make any repairs or replacements, of any leasehold improvements, fixtures, or other personal property of Tenant.
- 23.4 In the event that the Premises are destroyed within the last six months of this Lease or during the Option Period, Landlord shall have the option to either repair the Premises or terminate this Lease. Landlord shall notify Tenant within thirty (30) days of the date that the Premises are destroyed, Landlord's decision whether to rebuild the Premises or terminate the Lease.

24 **EMINENT DOMAIN.** If more than twenty-five (25) percent of the Premises shall be taken or appropriated by any public or quasi-public authority under the power of eminent domain, either party hereto shall have the right, at its option, within sixty (60) days after said taking, to terminate this Lease upon thirty (30) days written notice. If either less than or more than 25 of the Premises are taken (and neither party elects to terminate as herein provided), the rent thereafter to be paid shall be equitably reduced. If any part of the Office Building other than the Premises may be so taken or appropriated, Landlord shall within sixty (60) days of said taking have the right at its option to terminate this Lease upon written notice to Tenant. In the event of any taking or appropriation whatsoever, Landlord shall be entitled to any and all awards, payments and/or settlements which may be given, including any compensation for the goodwill of Tenant's business, and Tenant shall have no claim against Landlord for the value of any unexpired term of this Lease.

25 **PARKING.**

- 25.1 **Parking Spaces.** Tenant has not been assigned any specific parking spaces
- 25.2 **General Parking Provisions.** Landlord shall at all times have the right and privilege of determining the nature and extent of the parking facilities and of making changes thereto from time to time which in its opinion are deemed to be desirable and for the best interest of all persons using the same, including the location and relocation of driveways, entrances, exits, automobile parking spaces, the direction and flow of traffic, installation of prohibited areas, and all other facilities thereof.
- 25.3 Landlord shall have the right to establish, and from time to time change, alter or amend, and to enforce against Tenant and the other users of the parking facilities, such rules and regulations (including the exclusion of employees' parking therefrom) as Landlord in its sole discretion deems are necessary or advisable for the proper and efficient operation and maintenance of the parking facilities. The rules and regulations provided may include, without limitation, the hours during which the parking facility shall be open for use, the establishment of a system of validation or other type operation, including a system of charges against non-validated parking checks of users, and Tenant agrees to conform to and abide by all such rules and regulations in its use and the use of its customers with respect to the parking facilities.
- 25.4 Landlord may cause the parking facilities to be closed at any time and from time to time when reasonably deemed necessary by Landlord to avoid the acquisition by anyone of prescriptive rights therein. The parking facilities may also be closed from time to time for repairs, improvements, maintenance or by reason of matters beyond reasonable control of Landlord, including, but not limited to, labor disputes, governmental orders, civil unrest, and acts of God. No closure by Landlord pursuant

to Article 26 hereof shall be deemed a violation of this Lease by Landlord or give rise to any right on the part of Tenant to terminate this Lease or to recover damages from Landlord.

- 26.5 Landlord shall, at all times, have the right to designate where the Tenant's parking space(s) shall be located, and such locations may be changed from time to time, upon thirty (30) days' prior written notice. Landlord may from time to time, as often as Landlord deems desirable, upon thirty (30) days' prior written notice, change the nature of the parking spaces from reserved to unreserved, or vice versa.
- 26.6 Landlord shall not be responsible to or have any liability for any party parking on the Premises' parking facilities concerning any loss or damage which may be occasioned by or arising out of such parking, including but not limited to loss of property or damage to person from any cause whatsoever.
- 26.7 Tenant, in consideration of the parking privileges hereby conferred, waives any and all future claims of any kind or nature as against Landlord by reason of any acts, omissions or occurrences within the Premises' parking facilities and the driveway exits and entrances thereto. Tenant shall have no parking rights other than those set forth in Article 26.

27 **SIGNS.** Tenant may not affix or maintain upon the glass panes or supports of the show windows or within twelve (12) inches of any window or upon the exterior walls of the Premises any signs, advertising placards, names, insignia, trademarks or descriptive material, nor shall Tenant affix any sign to the roof. Tenant may, place one sign on the front door of the Premises in accordance with a design to be prepared by Tenant and approved in writing by Landlord and any other paragraph of this Lease that may relate to signs. Landlord may, at Tenant's cost, remove any item installed or maintained by Tenant that fails to comply with this paragraph. At termination of lease, Tenant shall remove its signs or Landlord shall remove at Tenant's cost.

28 **DISPLAYS.** Tenant may not display or sell merchandise or allow grocery carts or other similar devices within the control of Tenant to be stored or to remain outside the defined exterior walls and permanent doorways of the Premises. Tenant further agrees not to install any exterior lighting, amplifiers or similar devices or use in or about the Premises any advertising medium which may be heard or seen outside the Premises, such as flashing lights, searchlights, loudspeakers, phonographs or radio broadcasts.

29 **AUCTIONS.** Tenant shall not conduct or permit to be conducted any sale by auction in, upon or from the Premises whether said auction be voluntary, involuntary, pursuant to any assignment for the payment of creditors or pursuant to any bankruptcy or other insolvency proceeding.

30 **GENERAL PROVISIONS.**

- 30.1 **Plats, Riders, and Exhibits.** All plats, riders, exhibits and addendums, if any, affixed to this Lease are a part hereof.
- 30.2 **Waiver.** The waiver by Landlord of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition on any subsequent occasion or of any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any preceding default by Tenant of any term, covenant or condition of this Lease, other than the failure of the Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding default at the time of the acceptance of such rent.
- 30.3 **Joint Obligation.** If there be more than one Tenant designated, the obligations hereunder imposed shall be joint and several.
- 30.4 **Marginal Headings.** The marginal headings and article titles to the Articles of this Lease are for convenience only and shall have no effect upon the construction or interpretation of any part hereof.
- 30.5 **Time.** Time is of the essence of this Lease and each and all of its provisions.

- 30.6 **Successors and Assigns.** The covenants and conditions herein contained, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators, personal representatives and assigns of the parties hereto.
- 30.7 **Recordation.** Neither Landlord nor Tenant shall record this Lease, but a short form memorandum hereof may be recorded at the request of the Landlord.
- 30.8 **Quiet Possession.** Upon Tenant paying the rent reserved hereunder and observing and performing all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises for the entire term hereof, subject to all the provisions of this Lease. However, nothing herein shall prevent Landlord from erecting any signs or billboards on or about the roof or other portions of the Office Building. Landlord also reserves the exclusive use of the exterior walls (other than the storefronts), the space above the interior surfaces of the ceilings, the roof, the airspace above the roof, the space below the floor slab, and the right to install, maintain, use, repair and replace pipes, ducts, conduits and wires in the space above the interior surfaces of the ceilings, below the finished floor and inside and along the demising walls of the Premises.
- 30.9 **Late Charges.** Tenant hereby acknowledges that late payment by Tenant to Landlord of rent or other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult for Landlord to ascertain. Such costs include, but are not limited to, processing and accounting charges. Accordingly, if any payment of rent due from Tenant is not actually received by Landlord or Landlord's designee within three (3) days after the amount becomes due, then a late charge of 6% of the amount due shall be additionally due as additional rent from Tenant to Landlord. Tenant shall pay said late charge to Landlord immediately after it becomes due. The parties agree that such late charge represents fair and reasonable estimate of the costs that Landlord will incur by reason of any such late payment by Tenant. Acceptance of such late Charge by Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any other rights or remedies granted hereunder. The late charge provisions of this paragraph shall apply each time any payment of rent due under this Lease remains due and unpaid by Tenant to Landlord for a period of three days after it becomes due. However, any delayed payment of a late charge shall not itself bear a late charge.
- 30.10 **Prior Understandings.** Tenant acknowledges that neither Landlord nor anyone representing Landlord has made statements of any kind whatsoever on which Tenant has relied in entering into this Lease, including, without limitation (a) warranties or representations that are not contained in this Lease concerning the physical condition or suitability for Tenant's use and business of the Premises or the Office Building, and (b) statements to the effect that any number of Tenants or any specific Tenant or Tenants will operate in the Office Building during the Lease term. Tenant further acknowledges that Tenant has made a thorough inspection of the Premises and the Office Building and has relied solely on Tenant's independent investigation and its own business judgment in entering into this Lease. Landlord and Tenant agree that: This Lease supersedes all prior and contemporaneous understandings and agreements; the provisions of this Lease are intended by them as the final expression of their agreement; this Lease constitutes the complete and exclusive statement of its terms; and no extrinsic evidence whatsoever may be introduced in any judicial proceeding contradicting this Lease. No provision of this Lease may be amended except by an agreement in writing Signed by the parties hereto or their respective successors in interest, whether or not such amendment is supported by new consideration.
- 30.11 **Inability to Perform.** This Lease and the obligations to Tenant hereunder shall not be affected or impaired because Landlord is unable to fulfill any of its obligations hereunder or is delayed in doing so, if such inability or delay is caused by reason of strike, labor troubles, acts of God, civil unrest or any other cause beyond the reasonable control of Landlord.
- 30.12 **Partial Invalidity.** Any provision of this Lease which shall prove to be invalid, void, or illegal shall in no way affect, impair or invalidate any other provision hereof and such other provision shall remain in full force and effect.

- 30.13 **Cumulative Remedies.** No remedy or election hereunder shall be deemed exclusive but shall, whenever possible, be cumulative with all other remedies at law or in equity.
- 30.14 **Choice of Law.** This Lease shall be governed by the laws of the State of California. In the event that any action or proceeding is brought under this Lease, the parties agree that Ventura County shall be the only location of proper venue.
- 30.15 **Attorney's Fees.** In the event any action or proceeding is brought by either party against the other to enforce or construe this Lease, the prevailing party shall be entitled to recover its reasonable attorney's fees and costs.
- 30.16 **Sale of Premises by Landlord.** In the event of any sale of the Premises by Landlord, Landlord shall be and is hereby entirely freed and relieved of all liability under any and all of its covenants and obligations contained in or derived from this Lease arising out of any act, occurrence or omission occurring after the consummation of such sale; and the purchaser, at such sale or any subsequent sale of the Premises shall be deemed, without any further agreement between the parties or their successors-in-interest or between the parties and any such purchaser, to have assumed and agreed to carry out any and all of the covenants and obligations of Landlord under this Lease.
- 30.17 **Subordination, Attornment.** This Lease shall be subordinate to the lien of any present or future mortgage or deed of trust encumbering the Premises and to all advances made or to be made upon the security thereof, and upon request of Landlord, Tenant will in writing subordinate its rights hereunder to the lien of any mortgage or deed of trust to any bank, insurance company or other lending institution, now or hereafter in force against the Premises, and to all advances made or hereafter to be made upon the security thereof. In the event any proceedings are brought for foreclosure, or in the event of the exercise of the power of sale under any mortgage or deed of trust made by the Landlord covering the Premises, Tenant shall, at the option of the purchaser, attorn to the purchaser upon any such foreclosure or sale and recognize such purchaser as Landlord under this Lease.
- 30.18 **Notices.** All notices and demands which may or are to be required or permitted to be given by either party on the other hereunder shall be in writing. All notices and demands by Landlord to Tenant shall be sent by United States Mail, postage prepaid, addressed to Tenant at the Premises or to such other place as Tenant may from time to time designate in a notice to Landlord. All notices and demands by Tenant to Landlord shall be sent by United States Mail, postage prepaid, addressed to Landlord at Landlord's address set forth herein, and to such other person or place as Landlord may from time to time designate in a notice to the Tenant.
- 30.19 **Estoppel Certificate.** Tenant shall at any time and from time to time, upon not less than three (3) days' prior written notice from Landlord, execute, acknowledge and deliver to Landlord a statement in writing (a) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease as so modified is in full force and effect), and the date to which the rental and other charges are paid in advance, if any, and (b) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of the Landlord hereunder, or specifying such defaults if any are claimed, and (c) setting forth the date of commencement of rents and expiration of the term hereof, and (d) setting forth any other accurate information concerning this Lease as requested by Landlord. Any such statement may be relied upon by the prospective purchaser or encumbrancer of all or any portion of the real property of which the Premises are a part. Tenant agrees to consent to and to execute immediately any amendment of this Lease that may be requested by a lender; provided that the term hereof shall not be changed and that the amount or proportionate share of rent, taxes, insurance or other charges shall not be increased or any of Tenant's rights decreased. If Tenant fails to consent to any such amendment, Landlord, at its option, may terminate this Lease on 30 days' notice to Tenant without liability to Tenant.
- 30.20 **Authority of Tenant.** If Tenant is a corporation, each individual executing this Lease on behalf of said corporation represents and warrants that he is duly authorized to execute and deliver this Lease on behalf of said corporation, in accordance with the bylaws of said corporation, and that this Lease is binding upon said corporation.


30.21 **Surrender of Premises.** Tenant shall peacefully surrender the Premises to Landlord upon the termination or expiration of the Lease in broom-clean condition and in as good condition as when Tenant took possession, except for (a) reasonable wear and tear, (b) loss by fire or other casualty, and (c) loss by condemnation. Concurrently therewith, Tenant shall remove all of Tenant's personal property from the Premises, Office Building, and surrounding common areas and promptly repair all damage to the Premises, Office Building and common areas caused by such removal. If Tenant abandons or surrenders the Premises, or is dispossessed by process of law or otherwise, any of Tenant's personal property left on the Premises shall be deemed to be abandoned, and, at Landlord's option, title shall pass to Landlord under this Lease as by a bill of sale. If Landlord elects to remove all or any part of such Tenant's property, the cost of removal, including repairing any damage to the Premises, Office Building or common areas, caused by such removal shall be paid by Tenant. At the termination or expiration of this Lease, Tenant shall immediately deliver to Landlord all keys to the Premises and the Office Building.

31 **DESCRIPTION OF LEASEHOLD IMPROVEMENTS BY TENANT.** All improvements shall be made by Tenant, and Tenant is accepting the Premises in its current condition. All plans and specifications, for work that Tenant desires, must be by licensed architect and must first be submitted to Landlord for Landlord's approval and/or Bell Canyon Architectural Committee approval. Any approval by Landlord must be in writing, prior to the commencement of any work. Landlord to have the right but not the obligation to inspect building work progress and verify that work meets all applicable codes, and Landlord's Standards. Tenant drawings shall include details and finishes of cabinetry, flooring, wall coverings, and furniture. All improvements made by Tenant shall be pursuant to Building Permits obtained and paid for by Tenant.

IN WITNESS WHEREOF, the Parties hereto have executed this Lease the day and year first written above.

LANDLORD:

Bell Canyon Community Center, Inc.




Garrett Clancy, President

Date: 11/6/2023

TENANT:

Bell Canyon Community Service District



Gregory McHugh, Interim General Manager

Date: 11-6-2023

EXHIBIT B

Alexis L. Hall

From: Garrett <garrett.clancy@yahoo.com>
Sent: Friday, November 10, 2023 3:08 PM
To: Pam K. Lee; Michael Robkin; Greg McHugh
Subject: Fwd: BCCC lease renewal - Suites #2A and 2B
Attachments: CSD - Lease contract Suites 2A & 2B.docx

Follow Up Flag: Follow up
Flag Status: Flagged

*** EXTERNAL SENDER ***

Sent from my iPhone

Begin forwarded message:

From: Bell Canyon Operations Administrator <opadmin@bellcanyon.com>
Date: November 6, 2023 at 4:47:49 PM PST
To: garrett.clancy@yahoo.com, Jeff Pressman <jpressman@puretekcorp.com>, Geoff Abadee <geoffbts@gmail.com>, Christopher Shubeck <chris@bellcanyonlaw.com>, Andrew Forchelli <aforchelli@gmail.com>
Cc: mikerobkin@gmail.com, Gregory McHugh <gregory.mchugh@bellcanyoncsd.ca.gov>
Subject: BCCC lease renewal - Suites #2A and 2B

Dear All:

Attached is the lease renewal contract for the CSD, for Suites #2A and 2B. Please review and let me know if everything is fine.

I can print the original hard copy for your signature.

Thank you,
Lulu

From: Jeff Pressman <jpressman@puretekcorp.com>
Sent: Monday, November 6, 2023 11:00 AM
To: garrett.clancy@yahoo.com; Geoff Abadee <geoffbts@gmail.com>; Bell Canyon Operations Administrator <opadmin@bellcanyon.com>; Andrew Forchelli <aforchelli@gmail.com>; Chris Shubeck <shubecklaw@gmail.com>
Subject: RE: BCCC lease renewals

Yes

From: Geoff Abadee <geoffbts@gmail.com>
Sent: Monday, November 6, 2023 10:58 AM
To: Christopher Shubeck <chris@bellcanyonlaw.com>
Cc: Andrew Forchelli <aforchelli@gmail.com>; Bell Canyon Operations Administrator <opadmin@bellcanyon.com>; Chris Shubeck <shubecklaw@gmail.com>; garrett.clancy@yahoo.com;

Jeff Pressman <jpressman@puretekcorp.com>

Subject: Re: BCCC lease renewals

I vote yes

On Mon, Nov 6, 2023 at 10:39 AM Christopher Shubeck <chris@bellcanyonlaw.com> wrote:

I vote yes.

On Mon, Nov 6, 2023, 10:38 AM Garrett Clancy <garrett.clancy@yahoo.com> wrote:

Hi BCCC Board

We need to do an immediate e-mail vote on the extension of the CSD suite lease, including adding Suite 2 to 2B, and combining the rent amount under one monthly total. Also, we need to extend the lease with the BCA, which expired last year.

All in favor?

Thanks,
Garrett Clancy -- YES vote

EXHIBIT C



LAW OFFICES
WOLF, RIFKIN, SHAPIRO, SCHULMAN & RABKIN, LLP

Michael W. Rabkin
mrabkin@wrslawyers.com

08937-001

November 9, 2023

VIA ELECTRONIC MAIL ONLY

plee@awattorneys.com

Pam Lee, Esq.
Aleshire & Wynder LLP
18881 Von Karman Avenue, Suite 1700
Irvine, CA 92612

Re: Bell Canyon Association (“Association”) and The Bell Canyon Community Center, Inc.

Dear Ms. Lee:

This law firm represents The Bell Canyon Community Center, Inc (which is a subsidiary of the Bell Canyon Association) and the Bell Canyon Association.

I am writing to you because I understand that tonight, the Bell Canyon Community Services District, for whom you are counsel, will be meeting to ratify the enclosed Bell Canyon Community Center lease, “dated” November 6, 2023. I am putting you on notice that this alleged lease was not approved or even reviewed by The Bell Canyon Community Center board, nor the Bell Canyon Association board, and was never approved, accepted, agreed to or ratified by them. Simply put, The Bell Canyon Community Center Board will not honor this lease and considers it a forgery.

Please do not ratify or accept this lease tonight, because if you do so, both of my client associations will have no choice but to take action against The Community Services District for participation in this fraudulent transaction.

Nothing contained herein or omitted herefrom shall be deemed to be an admission, limitation or waiver of any of the Associations’ rights, remedies or defenses, either at law, or in equity, all of which rights, remedies and defenses are hereby expressly reserved.

Very truly yours,

WOLF, RIFKIN, SHAPIRO, SCHULMAN & RABKIN, LLP


MICHAEL W. RABKIN

MWR:aak
Enclosure

4521564.1

11400 West Olympic Boulevard, 9th Floor, Los Angeles, California 90064-1582

Tel 310.478.4100 Fax 310.479.1422

www.wrslawyers.com

Los Angeles • Las Vegas

Bell Canyon Community Center Lease

THIS LEASE is made on November 6, 2023:

The Landlord hereby agrees to lease to the Tenant, and the tenant hereby agrees to hire and take from the Landlord, the Leased Premises described below pursuant to the terms and conditions specified herein:

<p><u>LANDLORD:</u></p> <p>Bell Canyon Community Center, Inc. 30 Hackamore Lane Bell Canyon, CA 91307</p>

<p><u>TENANT(S):</u></p> <p>Bell Canyon Community Service District 30 Hackamore Lane, Suites #2A and 2B Bell Canyon, CA 91307</p>

1 **LEASED PREMISES.** The Leased Premises are those premises containing **760 square feet** and described as 30 Hackamore Lane **Suites #2A and 2B**. The suites are located in an Office Building known as the Bell Canyon Community Center.

2 **TERM.** The term of the Lease shall be for a period of 3 years commencing on November 6, 2023, and ending on November 6, 2026, unless sooner terminated as hereinafter provided.

3 **RENT.** The Tenant agrees to pay the MONTHLY RENT of:
Five Hundred Fifty Dollars (\$550.00)

payable in advance before the first day of each calendar month during the full term of this lease. **Commencing November 6, 2024, the above rent shall be increased annually by the change in the consumer price index.** Rent for any period which is for less than one (1) month shall be a prorated portion of the monthly installment herein based upon a thirty (30) day month. All money, except security deposits, due from Tenant to Landlord under this Lease shall be deemed to be rent and all rent shall be paid to Landlord, without deduction or offset, in lawful money of the United States of America and at such place as Landlord may from time to time designate in writing.

4 **RENT PAID UPON EXECUTION :** Tenant to pay the sum of NA upon execution of this lease. This sum is advanced payment for the period NA being the first month of the lease and the period NA through NA being the last month of the lease. If this lease provides for rent adjustments, then the payment made in advance for the last month of the lease shall be applied to the amount then due.

5 **USE AND HOURS OF OPERATION.** Tenant shall use the Premises solely for business purposes and shall not use or permit the Premises to be used for any other purpose. Tenant acknowledges that neither Landlord nor Landlord's agents or employees have made any representation or warranty, express or implied, as to the suitability of the Premises for Tenant's intended use. Tenant shall not be limited as to its hours of operation. However, Tenant's hours of operation shall not create a nuisance to adjoining Tenant's or other property owners in Bell Canyon. Landlord shall provide operation of the Heating and Air Conditioning systems only during the following hours: Monday through Friday: 7AM to 7PM and Saturday: 7AM to 5PM.

6 **SECURITY DEPOSIT.** Concurrently with Tenant's execution of this Lease, Tenant has deposited with Landlord a security deposit in the amount of **\$0.00**. Said Security Deposit shall be held by Landlord as security for the faithful performance by Tenant of all the terms, covenants, and conditions of this Lease to be kept and performed by

Tenant during the term hereof. If Tenant defaults with respect to any provision of this Lease, including, but not limited to the provisions relating to the payment of rent, Landlord may (but shall not be required to) use, apply or retain all or any part of this security deposit for the payment of any rent or any other sum in default, or for the payment of any amount which Landlord may spend or become obligated to spend by reason of Tenant's default, or to compensate Landlord for any other loss or damage which Landlord may suffer by reason of Tenant's default. If any portion of said deposit is so used or applied Tenant shall, within five (5) days after written demand therefor, deposit cash with Landlord in an amount sufficient to restore the security deposit to its original amount and Tenant's failure to do so shall be a default under this Lease. Landlord shall not be required to keep the security deposit separate from its general funds, and Tenant shall not be entitled to interest on such deposit. If Tenant shall fully and faithfully perform every provision of this Lease to be performed by it, the security deposit or any balance thereof shall be returned to Tenant (or, at Landlord's option, to the last assignee of Tenant's interest hereunder) within thirty (30) days following expiration of the Lease term. In the event of termination of Landlord's interest in this Lease, Landlord shall transfer said deposit to Landlord's successor-in-interest and Landlord shall thereafter have no further responsibility to Tenant for the Security Deposit. In the event of any bankruptcy or creditor proceedings involving Tenant, the deposit shall be deemed applied to the payment of rent due Landlord for the period before the proceeding.

- 7 **USES PROHIBITED.** Tenant shall not do or permit anything to be done in or about the Premises nor bring or keep anything therein which is not within the permitted use of the Premises or which will in any way increase the existing rate of or affect any fire or other insurance upon the Office Building or any of its contents, or cause a cancellation of any insurance policy covering said Office Building or any part thereof or any of its contents. Tenant shall not do or permit anything to be done in or about the Premises which will in any way obstruct or interfere with the rights of other Tenants or occupants of the Office Building or injure or annoy them or use or allow the Premises to be used for any improper, immoral, unlawful or objectionable purpose; nor shall Tenant cause, maintain or permit any nuisance in or about the Premises. Tenant shall not commit or allow to be committed any waste in or about the Premises.
- 8 **COMPLIANCE WITH LAW.** Tenant shall not use the Premises, or permit anything to be done in or about the Premises, which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. Tenant shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force and with the requirements of any board of fire underwriters or other similar bodies now or hereafter constituted relating to or affecting the condition, use or occupancy of the Premises, excluding structural changes not related to or affected by Tenant's improvements or acts. The judgment of any court of competent jurisdiction or the admission of Tenant in any action against Tenant, whether Landlord be a party thereto or not, that Tenant has violated any law, statute, ordinance or governmental rule, regulation or requirement, shall be conclusive of that fact as to Tenant. Further, Tenant agrees to abide by all applicable provisions of the CC&Rs and of the rules and regulations adopted by Bell Canyon Association in connection with the property of which the leased premises is a part as well as the rules about the gate and roads.
- 9 **ALTERATIONS AND ADDITIONS.** Tenant shall not make or allow to be made any alterations, additions or improvements to or of the Premises or any part thereof without first obtaining the written consent of Landlord and any alterations, additions or improvements to or of said Premises, including, but not limited to, wall covering, paneling and built-in cabinet work, but excepting movable furniture and trade fixtures, shall at once become a part of the realty and belong to the Landlord and shall be surrendered with the Premises without any compensation to Tenant. In the event Landlord consents to the making of any alterations, additions or improvements to the Premises by Tenant, the same shall be made by Tenant at Tenant's sole cost and expense. Upon the expiration or sooner termination of the term hereof, Tenant shall, upon written demand by Landlord, given at least fifteen (15) days prior to the end of the term, at Tenant's sole cost and expense, forthwith and with all due diligence, remove any alterations, additions, or improvements made by Tenant, designated by Landlord to be removed, and Tenant shall, forthwith and with all due diligence, at its sole cost and expense, repair any damage to the Premises caused by such removal.

10 **REPAIRS AND IMPROVEMENTS.**

- 10.1 By entry hereunder, Tenant shall be deemed to have accepted the Premises as being in good, sanitary order, condition and repair. Tenant shall, at Tenant's sole cost and expense, keep the Premises and every part thereof in good condition and repair (except as hereinafter provided with respect to Landlord's obligations). Tenant shall, upon the expiration or sooner termination of this Lease hereof, surrender the Premises to the Landlord in good condition, broom clean, ordinary wear and tear and damage from causes beyond the reasonable control of Tenant excepted. Any damage to adjacent premises caused by Tenant's use of the Premises shall be repaired at the sole cost and expense of Tenant. If Tenant after not less than 10 days' notice fails to have the necessary work performed, Landlord may, but shall not have the obligation to, have such work performed and charge Tenant the entire cost, rather than a proportionate share thereof, as additional rent.
- 10.2 Notwithstanding the provisions of Article 10.1, hereinabove, Landlord shall repair and maintain the structural portions of the Office Building, including the exterior walls and roof, unless such maintenance and repairs are caused in part or in whole by the act, neglect, fault or omission of any duty by Tenant, its agents, servants, employees, invitees, or any damage caused by breaking and entering, in which case Tenant shall pay to Landlord the actual cost of such maintenance and repairs. Landlord shall not be liable for any failure to make such repairs or to perform any maintenance unless such failure shall persist for an unreasonable time after written notice of the need of such repairs or maintenance is given to Landlord by Tenant. Landlord shall at all times have the right to renovate, remodel, improve or alter any portion of the Office Building or Premises as Landlord in Landlord's sole discretion desires. Except as provided in Article 24 hereof, there shall be no abatement of rent and no liability of Landlord by reason of any injury to or interference with Tenant or Tenant's business arising from the making of any repairs, renovation, remodeling, alterations or improvements in or to any portion of the Office Building or the Premises or in or to fixtures, appurtenances and equipment therein. Tenant waives the right to make repairs at Landlord's expense under any law, statute or ordinance now or hereafter in effect.
- 10.3 Except as may otherwise be provided herein, the Premises are being leased to Tenant in their present physical condition "AS IS"
- 10.4 Landlord and its agents shall have the right, subject to prior notice to the tenant, to enter the Premises to inspect them, to show them to prospective purchasers, tenants or lenders, to post notices of non-responsibility, to cure any default of Tenant, to repair, restore or rebuild the Premises or any portion of the Office Building in which the Premises are located, to comply with any governmental or insurance requirements, to construct and install a mechanical shaft in the interior portions of the Premises (without a rental reduction) for ventilation, exhaust, refrigeration, electrical, plumbing or data transmission (including telephone and cable television) for the benefit of another Lessee or portion of the Office Building and to enter for any other lawful purpose relating to Landlord's rights or obligations under this Lease.

11 **LIENS.** Tenant shall keep the Premises and the property in which the Premises are situated free from any liens arising out of any work performed, materials furnished or obligations incurred by or on behalf of Tenant. Landlord may require, at Landlord's sole option, that Tenant shall provide to Landlord, at Tenant's sole cost and expense, a lien and completion bond in an amount equal to one and one-half (1-1/2) times the estimated cost of any improvements, additions, or alterations in the Premises which Tenant desires to make, to insure Landlord against any liability for mechanics' and material men's liens and to insure completion of the work. Landlord may require that Tenant provide Landlord, at Tenant's sole cost, a set of plans and specifications approved by the applicable building department, a copy of the building permit, and a lien payment and completion bond in favor of Landlord in an amount equal to 100 the estimated cost of any alterations that Tenant proposes to make.

12 **ASSIGNMENT AND SUBLETTING.** Tenant shall not either voluntarily, or by operation of law, assign, transfer, mortgage, pledge, hypothecate or encumber this Lease or any interest therein, and shall not sublet the said

Premises or any part thereof, or any right or privilege appurtenant thereto, or allow any other person (the employees, agents, servants and invitees of Tenant excepted) to occupy or use the said Premises, or any portion thereof, without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld. A consent to one assignment, subletting, occupation or use by any other person shall not be deemed to be a consent to any subsequent assignment, subletting, occupation or use by another person. Consent to any such assignment or subletting shall in no way relieve Tenant of any liability under this Lease. Any such assignment or subletting without such consent shall be void, and shall, at the option of the Landlord, constitute a default under the terms of this Lease. Prior to any assignment, transfer, mortgage, pledge, hypothecation, or encumbrance of this Lease or any interest therein, or any subletting of the Premises or any part thereof, or any right or privilege appurtenant thereto, Tenant shall make a written request of Landlord for consent thereto and shall accompany each such written request by a deposit of \$1,000.00 for Landlord's attorney's fees and other expenses in evaluating each request and along with said request, Tenant shall furnish Landlord with current financial statements and Federal Income Tax Returns for the last two (2) years for the proposed assignees and subtenants. Landlord shall refund to Tenant any unused portion of the \$1,000.00 deposit. Landlord shall forward to Tenant a copy of the actual attorney's fees and other expenses. In addition to said financial statements and income tax returns, Tenant shall also thereafter provide Landlord with any other additional written information which Landlord may from time to time request prior to the assignment. Landlord and Tenant agree that no such request by Tenant shall be valid or in good faith, or of any force or legal effect, unless the request is accompanied by the aforesaid payment. Absent such a concurrent payment, Landlord may disregard the request. Any consideration in excess of the amount of rent due from Tenant to Landlord under this Lease that is obtained by Tenant through any assignment or subletting shall be paid to Landlord by Tenant regardless of the source or form of payment. Such consideration may include, without limitation, higher rental and/or security deposit, above-market sales price of equipment, fixtures and/or improvements, or other payments made by or on behalf of the sub-lessee or assignee.

13 **EXEMPTION AND INDEMNIFICATION OF LANDLORD PARTIES** For purposes of this Lease, "Landlord's Parties" shall mean singularly and collectively Landlord and its officers, directors, shareholders, members, agents and employees, and "Tenant's Parties" shall mean singularly and collectively Tenant and its officers, directors, shareholders, members, agents and employees. As a material inducement for Landlord's entering into this Lease, Tenant knowingly and voluntarily agrees as follows.

Indemnity. Except for Landlord's Parties' gross negligence or willful misconduct, Tenant shall indemnify, protect, defend and hold harmless the property subject to the Lease and Landlord's Parties and each of them from and against any and all claims, loss of rents and/or damages, liens, judgments, penalties, attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, the use and/or occupancy of the Premises by Tenant. If any action or proceeding is brought against Landlord's Parties or any of them by reason of any of the foregoing matters, Tenant shall upon notice defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord and Landlord shall cooperate with Tenant in such defense. Landlord's Parties need not have first paid any such claim in order to be defended or indemnified.

13.1 **Exemption of Landlord's Parties from Liability.** Landlord's Parties shall not be liable for injury or damage to the person or goods, wares, merchandise or other property of Tenant's Parties, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, whether the said injury or damage results from conditions arising upon the Premises or upon other portions of the Building of which the Premises are a part, or from other sources or places. Landlord's parties shall not be liable for any damages arising from any act or neglect of any other tenant of Landlord. Notwithstanding negligence of Landlord's Parties, or breach of this Lease by Landlord, Landlord's Parties shall under no circumstances be liable for injury to Tenant's business or for any loss of income or profit therefrom.

- 13.2 **Survival of Exemption and Indemnification.** The clauses of this section 13 shall survive the expiration or earlier termination of this Lease until all claims within the scope of this section 13 are fully, finally, and absolutely barred by the applicable statutes of limitations.
- 13.3 **Tenant's Acknowledgment of Fairness.** Tenant acknowledges that this section 13 was negotiated with Landlord, that the consideration for it is fair and adequate, and that Tenant had a fair opportunity to negotiate, accept, reject, modify, or alter any of its provisions.

14 **TENANT PROPERTY INSURANCE AND WAIVER OF SUBROGATION.** Tenant at its cost shall either by separate policy or, at Landlord's option, by endorsement to a policy already carried, maintain all-risk insurance coverage on all of Tenant's personal property and fixtures, and any alterations owned by Tenant, in, on, or about the Premises in the amount of the full replacement cost of Tenant's interests. The proceeds of such insurance shall be used by Tenant for the replacement of personal property and fixtures, and the restoration of any Tenant owned alterations. Tenant shall provide Landlord with written evidence that such insurance is in force. Tenant hereby waives all rights of subrogation against Landlord including Tenant's rights of recovery against Landlord for any loss insured by fire, extended coverage and other property insurance policies existing for the benefit of Tenant.

15 **LIABILITY INSURANCE.**

- 15.1 **Compliance with Insurer Requirements.** Tenant shall, at Tenant's sole expense, comply with all requirements, guidelines, rules, orders, and similar mandates and directives pertaining to the use of the Premises and the Building, whether imposed by Tenant's insurers, Landlord's insurers, or both. If Tenant's business operations, conduct, or use of the Premises or the Building cause any increase in the premium for any insurance policies carried by Landlord, Tenant shall, within ten (10) business days after receipt of written notice from Landlord, reimburse Landlord for the increase. Tenant shall, at Tenant's sole expense, comply with all rules, orders, regulations, or requirements of the American Insurance Association (formerly the National Board of Fire Underwriters) and of any similar body.
- 15.2 **Tenant's Liability Coverage.** Tenant shall, at Tenant's sole expense, maintain the coverages set forth in this section 15.
- 15.3 **Commercial General Liability Insurance.** Tenant shall obtain commercial general liability insurance written on an "occurrence" policy form, covering bodily injury, property damage, personal injury, and advertising injury arising out of or relating (directly or indirectly) to Tenant's business operations, conduct, assumed liabilities, or use or occupancy of the Premises or the Building.
- 15.4 **Broad Form Coverage.** Tenant's liability coverage shall include all the coverages typically provided by the Broad Form Comprehensive General Liability Endorsement to Insurance Services Office's 1973 commercial general liability form, including broad form property damage coverage (which shall include coverage for completed operations). Tenant's liability coverage shall further include premises-operations coverage, products-completed operations coverage, owners and contractors protective coverage (when reasonably required by Landlord), and the broadest available form of contractual liability coverage. It is the parties' intent that the Tenant's contractual liability coverage provide coverage to the maximum extent possible of Tenant's indemnification obligations under this Lease.
- 15.5 **Primary Insured.** Tenant shall be the first or primary named insured.
- 15.6 **Additional Insureds.** Landlord Parties shall be named by endorsement as additional insureds under Tenant's general liability coverage. The additional insured endorsement must be on ISO Form CG 20 11 11 85 or an equivalent acceptable to Landlord, with such modifications as Landlord may require.
- 15.7 **Cross-Liability: Severability of Interests.** Tenant's general liability policies shall be endorsed as needed to provide cross-liability coverage for Tenant and Landlord and to provide severability of interests.

- 15.8 **Primary Insurance Endorsements for Additional Insureds.** Tenant's general liability policies shall be endorsed as needed to provide that the insurance afforded by those policies to the additional insureds is primary and that all insurance carried by Landlord Parties is strictly excess and secondary and shall not contribute with Tenant's liability insurance.
- 15.9 **Delivery of Certificate, Policy, and Endorsements.** Before the Lease Commencement Date, Tenant shall deliver to Landlord the endorsements referred to in this section 15 as well as a certified copy of Tenant's liability policy or policies and an original certificate of insurance, executed by an authorized agent of the insurer or insurers, evidencing compliance with the liability insurance requirements. If reasonably available, the certificate shall provide for no less than thirty (30) days' advance written notice to Landlord from the insurer or insurers of any cancellation, non-renewal, or material change in coverage or available limits of liability and shall confirm compliance with the liability insurance requirements in this Lease.
- 15.10 **Concurrency of Primary, Excess, and Umbrella Policies.** Tenant's liability insurance coverage may be provided by a combination of primary, excess, and umbrella policies, but those policies must be absolutely concurrent in all respects regarding the coverage afforded by the policies. The coverage of any excess or umbrella policy must be at least as broad as the coverage of the primary policy.
- 15.11 **Liability Limits.** Tenant's liability insurance coverage shall be in an amount not less than \$500,000.00 per occurrence, and a general aggregate limit of \$1,000,000.00.
- 15.12 **Survival of Insurance Requirements.** Tenant shall, at Tenant's sole expense, maintain in full force and effect the liability insurance coverages required under this Lease and shall maintain Landlord Parties as additional insureds, as required by this Lease, for a period of no less than one (1) year after expiration or earlier termination of this Lease.

16 **PERSONAL PROPERTY TAXES.** Tenant shall pay, or cause to be paid, before delinquency any and all taxes levied or assessed and which become payable during the term hereof upon all Tenant's leasehold improvements, equipment, furniture, fixtures, and any other personal property located in the Premises. In the event any or all of the Tenant's leasehold improvements, equipment, furniture, fixtures and other personal property shall be assessed and taxed with the real property, Tenant shall pay to Landlord its share of such taxes within ten (10) days after delivery to Tenant by Landlord of a statement in writing setting forth the amount of such taxes applicable to Tenant's property.

17 **RULES AND REGULATIONS.** Tenant shall faithfully observe and comply with the rules and regulations that Landlord shall from time to time promulgate and/or modify. The rules and regulations shall be binding upon the Tenant upon delivery of a copy of them to Tenant. Landlord shall not be responsible to Tenant for the nonperformance of any said rules and regulations by any other tenants or occupants.

18 **HOLDING OVER.** If Tenant remains in possession of the Premises or any part thereof after the expiration of the term hereof with the express written consent of Landlord, such occupancy shall be a tenancy from month to month at a rental in the amount of the last Monthly Minimum Rent, plus all other charges payable hereunder, and upon all the terms hereof applicable to a month to month tenancy. If Tenant holds over after the expiration of the term hereof without express written consent of Landlord, Tenant shall be liable to Landlord for damages not less than 150 of the last Rent for each month Tenant holds over.

19 **ENTRY BY LANDLORD.** Landlord reserves the right to enter the Premises to inspect the same, subject to prior notice to the tenant, to submit said Premises to prospective purchasers or Tenants, to post notices of non-responsibility, to repair the Premises, to comply with any governmental or insurance requirements, to post ordinary signs advertising the Premises for lease during the last 120 days of the Lease term, and for any other lawful purpose relating to Landlord's rights and obligations under this Lease, and any portion of the Office Building of which the Premises are a part that Landlord may deem necessary or desirable, without abatement of rent, and may for that purpose erect scaffolding and other necessary structures where reasonably required by the

character of the work to be performed, always providing that the entrance to the Premises shall not be unreasonably blocked thereby. Tenant hereby waives any claim for damages or for any injury or inconvenience to or interference with Tenant's business, any loss of occupancy or quiet enjoyment of the Premises, and any other loss occasioned thereby. For each of the aforesaid purposes, Landlord shall at all times have and retain a key with which to unlock all of the doors in, upon and about the Premises, excluding Tenant's vaults, safes and files, and Landlord shall have the right to use any and all means which Landlord may deem proper to open said doors in a bona-fide emergency, in order to obtain entry to the Premises without liability to Tenant except for any failure to exercise due care for Tenant's property and any entry to the Premises obtained by Landlord by any of said means, or otherwise, shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an eviction of Tenant from the Premises or any portion thereof.

20 **TENANT'S DEFAULT.** The occurrence of anyone or more of the following events shall constitute a default and breach of this Lease by Tenant:

21.1 The vacating or abandonment of the Premises by Tenant.

21.2 The failure by Tenant to make any payment of rent or any other payment required to be made by Tenant hereunder, as and when due, where such failure shall continue for a period of three (3) days after written notice thereof by Landlord to Tenant.

21.3 The failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by the Tenant, other than described in Article 21.2 above, where such failure shall continue for a period of five (5) days after written notice thereof by Landlord to Tenant; provided, however, that if the nature of Tenant's default is such that more than five (5) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commences such cure within said five (5) day period and thereafter diligently prosecutes such cure to completion.

21.4 The making by Tenant of any general assignment or general arrangement for the benefit of creditors; or the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt, or a petition or reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); or the appointment of a trustee or a receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within thirty (30) days.

21 **REMEDIES IN DEFAULT.** In the event of any such default or breach by Tenant, Landlord may at any time thereafter, in its sole discretion, with or without notice or demand and without limiting Landlord in the exercise of a right or remedy which Landlord may have by reason of such default or breach:

21.1 Terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease and the term hereof shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event Landlord shall be entitled to recover from Tenant: (i) the worth at the time of the award of the unpaid rent which has been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; and (iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including but not limited to the cost of recovering possession of the Premises, expense of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of the leasing commission paid by Landlord applicable to the unexpired term of this Lease. The worth at the time of award of the amount

referred to in provision (iii) of the prior sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent. Efforts by Landlord to mitigate damages caused by Tenant's Default or Breach of this Lease shall not waive Landlord's right to recover damages under this Article 22.1. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Landlord shall have the right to recover in such proceeding the unpaid rent and damages as are recoverable therein, or Landlord may reserve therein the right to recover all or any part thereof in a separate suit for such rent and/or damages. If a notice and grace period required under Article 21.2, 21.3, or 21.4., was not previously given, a notice to pay rent or quit, or to perform or quit, as the case may be, given to Tenant under any statute authorizing the forfeiture of Leases for unlawful detainer shall also constitute the applicable notice for grace period purposes required by Article 21.2, 21.3, or 21.4. In such case, the applicable grace period under Article 21.2, 21.3, or 21.4. and under the unlawful detainer statute shall run concurrently after the one such statutory notice, and the failure of Tenant to cure the Default within the greater of the two such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Landlord to the remedies provided for in this Lease and/or said statute.

- 21.2 Continue the Lease and Tenant's right to possession in effect after Tenant's breach and abandonment and recover the rent as it becomes due pursuant to the remedy described in California Civil Code §-1951.4, provided Tenant has the right to sublet or assign, subject only to reasonable limitations, which Landlord and Tenant agree are reasonable. Acts of maintenance or preservation, efforts to relet the Premises, or the appointment of a receiver to protect the Landlord's interest under the Lease, shall not constitute a termination of the Tenant's right to possession.
- 21.3 If Landlord has paid Tenant an allowance for Tenant's work or a Lease commission to a broker for Tenant's entering into this Lease, Tenant agrees that if this Lease is terminated by Landlord because of default by Tenant in the performance of Tenant's obligations under this Lease, Tenant shall promptly pay to Landlord the entire portion of the allowance and/or leasing commission, amortized on a straightline basis over the Lease term, applicable to the period from the termination through the Expiration Date.
- 21.4 Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of California.
- 21.5 The expiration or termination of this Lease and/or the termination of Tenant's right to possession shall not relieve Tenant from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Tenant's occupancy of the Premises.

22 **DEFAULT BY LANDLORD.** Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within thirty (30) days after written notice by Tenant to Landlord specifying wherein Landlord has failed to perform such obligation; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance then Landlord shall not be in default if Landlord commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion. In no event shall Tenant have the right to terminate this Lease or offset any rent due as a result of Landlord's default and Tenant's remedies shall be limited to damages and/or an injunction.

23 **RECONSTRUCTION.** In the event the Premises are damaged by fire or other perils covered by insurance, Landlord agrees to repair same, and this Lease shall remain in full force and effect, except that Tenant shall be entitled to a proportionate reduction of the rent from the date of damage and while such repairs are being made, such proportionate reduction to be based upon the extent to which the damage and making of such repairs shall interfere with the business carried on by the Tenant in the Premises. If the damage is due to the fault or neglect of Tenant or its employees, there shall be no abatement of rent.

- 23.1 In the event the Premises are damaged as a result of any cause other than the perils covered by insurance, then Landlord shall repair the same, provided the extent of the destruction be less than ten (10) percent of the then full replacement cost of the Premises. In the event the destruction of the Premises is to an extent of ten (10) percent or more of the full replacement cost then Landlord shall

have the option: (1) to repair or restore such damage, this Lease continuing in full force and effect, but the rent to be proportionately reduced as hereinabove in this Article provided; or (2) give notice to Tenant at any time with sixty (60) days after such damage, terminating this Lease as of the date specified in such notice, which date shall be no more than thirty (30) days after the giving of such notice. In the event of giving such notice, this Lease shall terminate and all interest of the Tenant in the Premises shall terminate on the date so specific in such notice and the rent, reduced by a proportionate reduction, based upon the extent, if any, to which such damage interfered with the business carried on by the Tenant in the Premises, shall be paid up to date of said such termination

- 23.2 Notwithstanding anything to the contrary contained in this Article, Landlord shall not have any obligation whatsoever to repair, reconstruct or restore the Premises when the damage resulting from any casualty occurs during the last twenty-four months of the term of this Lease or any extension thereof.
- 23.3 Landlord shall not be required to repair any injury or damage by fire or other cause, or to make any repairs or replacements, of any leasehold improvements, fixtures, or other personal property of Tenant.
- 23.4 In the event that the Premises are destroyed within the last six months of this Lease or during the Option Period, Landlord shall have the option to either repair the Premises or terminate this Lease. Landlord shall notify Tenant within thirty (30) days of the date that the Premises are destroyed, Landlord's decision whether to rebuild the Premises or terminate the Lease.

24 **EMINENT DOMAIN.** If more than twenty-five (25) percent of the Premises shall be taken or appropriated by any public or quasi-public authority under the power of eminent domain, either party hereto shall have the right, at its option, within sixty (60) days after said taking, to terminate this Lease upon thirty (30) days written notice. If either less than or more than 25 of the Premises are taken (and neither party elects to terminate as herein provided), the rent thereafter to be paid shall be equitably reduced. If any part of the Office Building other than the Premises may be so taken or appropriated, Landlord shall within sixty (60) days of said taking have the right at its option to terminate this Lease upon written notice to Tenant. In the event of any taking or appropriation whatsoever, Landlord shall be entitled to any and all awards, payments and/or settlements which may be given, including any compensation for the goodwill of Tenant's business, and Tenant shall have no claim against Landlord for the value of any unexpired term of this Lease.

25 **PARKING.**

- 25.1 **Parking Spaces.** Tenant has not been assigned any specific parking spaces
- 25.2 **General Parking Provisions.** Landlord shall at all times have the right and privilege of determining the nature and extent of the parking facilities and of making changes thereto from time to time which in its opinion are deemed to be desirable and for the best interest of all persons using the same, including the location and relocation of driveways, entrances, exits, automobile parking spaces, the direction and flow of traffic, installation of prohibited areas, and all other facilities thereof.
- 25.3 Landlord shall have the right to establish, and from time to time change, alter or amend, and to enforce against Tenant and the other users of the parking facilities, such rules and regulations (including the exclusion of employees' parking therefrom) as Landlord in its sole discretion deems are necessary or advisable for the proper and efficient operation and maintenance of the parking facilities. The rules and regulations provided may include, without limitation, the hours during which the parking facility shall be open for use, the establishment of a system of validation or other type operation, including a system of charges against non-validated parking checks of users, and Tenant agrees to conform to and abide by all such rules and regulations in its use and the use of its customers with respect to the parking facilities.
- 25.4 Landlord may cause the parking facilities to be closed at any time and from time to time when reasonably deemed necessary by Landlord to avoid the acquisition by anyone of prescriptive rights therein. The parking facilities may also be closed from time to time for repairs, improvements, maintenance or by reason of matters beyond reasonable control of Landlord, including, but not limited to, labor disputes, governmental orders, civil unrest, and acts of God. No closure by Landlord pursuant

to Article 26 hereof shall be deemed a violation of this Lease by Landlord or give rise to any right on the part of Tenant to terminate this Lease or to recover damages from Landlord.

- 26.5 Landlord shall, at all times, have the right to designate where the Tenant's parking space(s) shall be located, and such locations may be changed from time to time, upon thirty (30) days' prior written notice. Landlord may from time to time, as often as Landlord deems desirable, upon thirty (30) days' prior written notice, change the nature of the parking spaces from reserved to unreserved, or vice versa.
- 26.6 Landlord shall not be responsible to or have any liability for any party parking on the Premises' parking facilities concerning any loss or damage which may be occasioned by or arising out of such parking, including but not limited to loss of property or damage to person from any cause whatsoever.
- 26.7 Tenant, in consideration of the parking privileges hereby conferred, waives any and all future claims of any kind or nature as against Landlord by reason of any acts, omissions or occurrences within the Premises' parking facilities and the driveway exits and entrances thereto. Tenant shall have no parking rights other than those set forth in Article 26.

27 **SIGNS.** Tenant may not affix or maintain upon the glass panes or supports of the show windows or within twelve (12) inches of any window or upon the exterior walls of the Premises any signs, advertising placards, names, insignia, trademarks or descriptive material, nor shall Tenant affix any sign to the roof. Tenant may, place one sign on the front door of the Premises in accordance with a design to be prepared by Tenant and approved in writing by Landlord and any other paragraph of this Lease that may relate to signs. Landlord may, at Tenant's cost, remove any item installed or maintained by Tenant that fails to comply with this paragraph. At termination of lease, Tenant shall remove its signs or Landlord shall remove at Tenant's cost.

28 **DISPLAYS.** Tenant may not display or sell merchandise or allow grocery carts or other similar devices within the control of Tenant to be stored or to remain outside the defined exterior walls and permanent doorways of the Premises. Tenant further agrees not to install any exterior lighting, amplifiers or similar devices or use in or about the Premises any advertising medium which may be heard or seen outside the Premises, such as flashing lights, searchlights, loudspeakers, phonographs or radio broadcasts.

29 **AUCTIONS.** Tenant shall not conduct or permit to be conducted any sale by auction in, upon or from the Premises whether said auction be voluntary, involuntary, pursuant to any assignment for the payment of creditors or pursuant to any bankruptcy or other insolvency proceeding.

30 **GENERAL PROVISIONS.**

- 30.1 **Plats, Riders, and Exhibits.** All plats, riders, exhibits and addendums, if any, affixed to this Lease are a part hereof.
- 30.2 **Waiver.** The waiver by Landlord of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition on any subsequent occasion or of any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any preceding default by Tenant of any term, covenant or condition of this Lease, other than the failure of the Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding default at the time of the acceptance of such rent.
- 30.3 **Joint Obligation.** If there be more than one Tenant designated, the obligations hereunder imposed shall be joint and several.
- 30.4 **Marginal Headings.** The marginal headings and article titles to the Articles of this Lease are for convenience only and shall have no effect upon the construction or interpretation of any part hereof.
- 30.5 **Time.** Time is of the essence of this Lease and each and all of its provisions.

- 30.6 **Successors and Assigns.** The covenants and conditions herein contained, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators, personal representatives and assigns of the parties hereto.
- 30.7 **Recordation.** Neither Landlord nor Tenant shall record this Lease, but a short form memorandum hereof may be recorded at the request of the Landlord.
- 30.8 **Quiet Possession.** Upon Tenant paying the rent reserved hereunder and observing and performing all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises for the entire term hereof, subject to all the provisions of this Lease. However, nothing herein shall prevent Landlord from erecting any signs or billboards on or about the roof or other portions of the Office Building. Landlord also reserves the exclusive use of the exterior walls (other than the storefronts), the space above the interior surfaces of the ceilings, the roof, the airspace above the roof, the space below the floor slab, and the right to install, maintain, use, repair and replace pipes, ducts, conduits and wires in the space above the interior surfaces of the ceilings, below the finished floor and inside and along the demising walls of the Premises.
- 30.9 **Late Charges.** Tenant hereby acknowledges that late payment by Tenant to Landlord of rent or other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult for Landlord to ascertain. Such costs include, but are not limited to, processing and accounting charges. Accordingly, if any payment of rent due from Tenant is not actually received by Landlord or Landlord's designee within three (3) days after the amount becomes due, then a late charge of 6% of the amount due shall be additionally due as additional rent from Tenant to Landlord. Tenant shall pay said late charge to Landlord immediately after it becomes due. The parties agree that such late charge represents fair and reasonable estimate of the costs that Landlord will incur by reason of any such late payment by Tenant. Acceptance of such late Charge by Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any other rights or remedies granted hereunder. The late charge provisions of this paragraph shall apply each time any payment of rent due under this Lease remains due and unpaid by Tenant to Landlord for a period of three days after it becomes due. However, any delayed payment of a late charge shall not itself bear a late charge.
- 30.10 **Prior Understandings.** Tenant acknowledges that neither Landlord nor anyone representing Landlord has made statements of any kind whatsoever on which Tenant has relied in entering into this Lease, including, without limitation (a) warranties or representations that are not contained in this Lease concerning the physical condition or suitability for Tenant's use and business of the Premises or the Office Building, and (b) statements to the effect that any number of Tenants or any specific Tenant or Tenants will operate in the Office Building during the Lease term. Tenant further acknowledges that Tenant has made a thorough inspection of the Premises and the Office Building and has relied solely on Tenant's independent investigation and its own business judgment in entering into this Lease. Landlord and Tenant agree that: This Lease supersedes all prior and contemporaneous understandings and agreements; the provisions of this Lease are intended by them as the final expression of their agreement; this Lease constitutes the complete and exclusive statement of its terms; and no extrinsic evidence whatsoever may be introduced in any judicial proceeding contradicting this Lease. No provision of this Lease may be amended except by an agreement in writing Signed by the parties hereto or their respective successors in interest, whether or not such amendment is supported by new consideration.
- 30.11 **Inability to Perform.** This Lease and the obligations to Tenant hereunder shall not be affected or impaired because Landlord is unable to fulfill any of its obligations hereunder or is delayed in doing so, if such inability or delay is caused by reason of strike, labor troubles, acts of God, civil unrest or any other cause beyond the reasonable control of Landlord.
- 30.12 **Partial Invalidity.** Any provision of this Lease which shall prove to be invalid, void, or illegal shall in no way affect, impair or invalidate any other provision hereof and such other provision shall remain in full force and effect.

- 30.13 **Cumulative Remedies.** No remedy or election hereunder shall be deemed exclusive but shall, whenever possible, be cumulative with all other remedies at law or in equity.
- 30.14 **Choice of Law.** This Lease shall be governed by the laws of the State of California. In the event that any action or proceeding is brought under this Lease, the parties agree that Ventura County shall be the only location of proper venue.
- 30.15 **Attorney's Fees.** In the event any action or proceeding is brought by either party against the other to enforce or construe this Lease, the prevailing party shall be entitled to recover its reasonable attorney's fees and costs.
- 30.16 **Sale of Premises by Landlord.** In the event of any sale of the Premises by Landlord, Landlord shall be and is hereby entirely freed and relieved of all liability under any and all of its covenants and obligations contained in or derived from this Lease arising out of any act, occurrence or omission occurring after the consummation of such sale; and the purchaser, at such sale or any subsequent sale of the Premises shall be deemed, without any further agreement between the parties or their successors-in-interest or between the parties and any such purchaser, to have assumed and agreed to carry out any and all of the covenants and obligations of Landlord under this Lease.
- 30.17 **Subordination, Attornment.** This Lease shall be subordinate to the lien of any present or future mortgage or deed of trust encumbering the Premises and to all advances made or to be made upon the security thereof, and upon request of Landlord, Tenant will in writing subordinate its rights hereunder to the lien of any mortgage or deed of trust to any bank, insurance company or other lending institution, now or hereafter in force against the Premises, and to all advances made or hereafter to be made upon the security thereof. In the event any proceedings are brought for foreclosure, or in the event of the exercise of the power of sale under any mortgage or deed of trust made by the Landlord covering the Premises, Tenant shall, at the option of the purchaser, attorn to the purchaser upon any such foreclosure or sale and recognize such purchaser as Landlord under this Lease.
- 30.18 **Notices.** All notices and demands which may or are to be required or permitted to be given by either party on the other hereunder shall be in writing. All notices and demands by Landlord to Tenant shall be sent by United States Mail, postage prepaid, addressed to Tenant at the Premises or to such other place as Tenant may from time to time designate in a notice to Landlord. All notices and demands by Tenant to Landlord shall be sent by United States Mail, postage prepaid, addressed to Landlord at Landlord's address set forth herein, and to such other person or place as Landlord may from time to time designate in a notice to the Tenant.
- 30.19 **Estoppel Certificate.** Tenant shall at any time and from time to time, upon not less than three (3) days' prior written notice from Landlord, execute, acknowledge and deliver to Landlord a statement in writing (a) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease as so modified is in full force and effect), and the date to which the rental and other charges are paid in advance, if any, and (b) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of the Landlord hereunder, or specifying such defaults if any are claimed, and (c) setting forth the date of commencement of rents and expiration of the term hereof, and (d) setting forth any other accurate information concerning this Lease as requested by Landlord. Any such statement may be relied upon by the prospective purchaser or encumbrancer of all or any portion of the real property of which the Premises are a part. Tenant agrees to consent to and to execute immediately any amendment of this Lease that may be requested by a lender; provided that the term hereof shall not be changed and that the amount or proportionate share of rent, taxes, insurance or other charges shall not be increased or any of Tenant's rights decreased. If Tenant fails to consent to any such amendment, Landlord, at its option, may terminate this Lease on 30 days' notice to Tenant without liability to Tenant.
- 30.20 **Authority of Tenant.** If Tenant is a corporation, each individual executing this Lease on behalf of said corporation represents and warrants that he is duly authorized to execute and deliver this Lease on behalf of said corporation, in accordance with the bylaws of said corporation, and that this Lease is binding upon said corporation.


30.21 **Surrender of Premises.** Tenant shall peacefully surrender the Premises to Landlord upon the termination or expiration of the Lease in broom-clean condition and in as good condition as when Tenant took possession, except for (a) reasonable wear and tear, (b) loss by fire or other casualty, and (c) loss by condemnation. Concurrently therewith, Tenant shall remove all of Tenant's personal property from the Premises, Office Building, and surrounding common areas and promptly repair all damage to the Premises, Office Building and common areas caused by such removal. If Tenant abandons or surrenders the Premises, or is dispossessed by process of law or otherwise, any of Tenant's personal property left on the Premises shall be deemed to be abandoned, and, at Landlord's option, title shall pass to Landlord under this Lease as by a bill of sale. If Landlord elects to remove all or any part of such Tenant's property, the cost of removal, including repairing any damage to the Premises, Office Building or common areas, caused by such removal shall be paid by Tenant. At the termination or expiration of this Lease, Tenant shall immediately deliver to Landlord all keys to the Premises and the Office Building.

31 **DESCRIPTION OF LEASEHOLD IMPROVEMENTS BY TENANT.** All improvements shall be made by Tenant, and Tenant is accepting the Premises in its current condition. All plans and specifications, for work that Tenant desires, must be by licensed architect and must first be submitted to Landlord for Landlord's approval and/or Bell Canyon Architectural Committee approval. Any approval by Landlord must be in writing, prior to the commencement of any work. Landlord to have the right but not the obligation to inspect building work progress and verify that work meets all applicable codes, and Landlord's Standards. Tenant drawings shall include details and finishes of cabinetry, flooring, wall coverings, and furniture. All improvements made by Tenant shall be pursuant to Building Permits obtained and paid for by Tenant.

IN WITNESS WHEREOF, the Parties hereto have executed this Lease the day and year first written above.

LANDLORD:

Bell Canyon Community Center, Inc.




Garrett Clancy, President

Date: 11/6/2023

TENANT:

Bell Canyon Community Service District



Gregory McHugh, Interim General Manager

Date: 11-6-2023

EXHIBIT D

February 26, 2024

VIA EMAIL

BELL CANYON ASSOCIATION
30 Hackamore Lane, Ste. 8
Bell Canyon, CA 91307

BELL CANYON COMMUNITY CENTER, INC.
30 Hackamore Lane, Ste. 8
Bell Canyon, CA 91307

Michael W. Rabkin
WOLF, RIFKIN, SHAPIRO, SCHULMAN &
RABKIN, LLP
11400 West Olympic Blvd., 9th floor
Los Angeles, CA 90064

Re: November 6, 2023 Lease Between Bell Canyon Community Center, Inc. and Bell Canyon Community Services District

Mr. Kevin Keegan (BCCC President), Ms. Melissa Raff (HOA President), and Mr. Rabkin (HOA and BCCC counsel):

We represent the Bell Canyon Community Services District (“District”), the California State municipal government that serves the residents of Bell Canyon. On November 9, 2023 the District received a letter from Mr. Rabkin as legal counsel to Bell Canyon Association (“HOA”) and BCCC (Bell Canyon Community Center, Inc., the corporation that owns/manages the Community Center building and parking lot), alleging that the lease dated November 6, 2023 between the BCCC as landlord and the District as tenant for Community Center office 2A and 2B (“Office Lease”) was a forgery and fraudulent. In other words, the HOA is claiming that one or more of the signatures on the Office Lease is falsified and that the document is counterfeit, created with a fraudulent intent. This is completely **untrue** – the Office Lease is a valid and legally binding document.

Both the BCCC and HOA issued that letter without conducting any due diligence to determine whether the Office Lease was a valid legal document and properly executed. Prior to November 9, 2023, no one contacted either the Interim General Manager of the District, Greg McHugh, or the then-President of the BCCC, Garrett Clancy, who are both signatories to the Office Lease. Both Mr. McHugh and Mr. Clancy have stated that they indeed personally signed the lease on November 6, 2023. Furthermore, there is time-stamped written documentation that approval of the Office lease by the BCCC, and an affirmative vote of the majority of the BCCC Board at the time, occurred on the morning of Monday, November 6, 2023. Mr. Clancy specifically affirmed the vote and approval that morning before signing the Office Lease. It is confounding that the BCCC alleges in its November 9, 2023 letter that its own BCCC board never approved, accepted, or agreed to the Office Lease, but there is documentary evidence that clearly shows a majority of the BCCC board did vote to approve the Office Lease that morning of November 6, 2023.

The November 9, 2023 letter issued by the HOA and BCCC, and signed by Mr. Rabkin, indicates not only a lack of due diligence, but also lack of transparency and candor in the governing body

February 26, 2024

Page 2

of the HOA and BCCC in authorizing the issuance of that letter. In claiming that the Office Lease is a forgery, the HOA and BCCC have accused its own then-President of a crime under Penal Code section 470. More importantly, the HOA and BCCC have flippantly accused the Interim General Manager of the District, a public official, of a crime without any evidence – which the District takes very seriously.

To this day, the BCCC and HOA continue to claim that the Office Lease is not valid. There is no dispute that the District has lawfully occupied office 2B and has paid rent for office 2B for many years, and that the BCCC has accepted the rent for said office. Thus, the District has a right to quiet possession of office 2B under California Law without substantial interference from the Landlord. Moreover, because the Office Lease is valid and legally binding, the District has the right to quiet possession of office 2A. However, the District has been denied access to office 2A.

Accordingly, the District demands that the HOA and the BCCC immediately take the following actions to rectify this situation:

1. Retract the false claims and accusations contained in the November 9, 2023 letter, specifically that the Office Lease is a forgery and that the District, its Interim General Manager, and the then-President of the BCCC committed a crime.
2. Issue a written statement of apology to Mr. Clancy, Mr. McHugh, and the residents of Bell Canyon for falsely accusing that a forgery occurred.
3. Identify and explain what errors occurred that resulted in the false accusations, and implement corrective measures to ensure proper due diligence is conducted in all BCCC and HOA operations.
4. Instruct the BCCC or HOA's general manager to provide keys to office 2A and honor the terms of the Office Lease.

If the District does not hear from the BCA and/or BCCC Boards by February 29, 2024 of their intention to comply, the District will have no choice but to consider further legal action.

Sincerely,

ALESHIRE & WYNDER, LLP



Pam K. Lee, District General Counsel

copy: District President and Boardmembers
Interim General Manager

EXHIBIT E

Bell Canyon Community Services District RENT PAYMENTS - NOV - PRESENT

November 1, 2023 through May 8, 2024

Accrual Basis

Type	Date	Num	Name	Memo	Debit
Nov 1, '23 - May 8, 24					
Check	04/17/2024	10165	Bell Canyon Community Center Inc.	ACCT #1831618-SUITE 2-A/B MAY 2024	
Check	04/17/2024	10165	Bell Canyon Community Center Inc.	MAY	550.00
Check	03/14/2024	10146	Bell Canyon Community Center Inc.	ACCT #1831618-SUITE 2-A/B APRIL	
Check	03/14/2024	10146	Bell Canyon Community Center Inc.	APRIL	550.00
Check	02/14/2024	10131	Bell Canyon Community Center Inc.	ACCT #1831618-SUITE 2-B - RENT FEB	
Check	02/14/2024	10131	Bell Canyon Community Center Inc.	FEB	550.00
Check	02/14/2024	10132	Bell Canyon Community Center Inc.	ACCT #1831618-SUITE 2-B - RENT MARCH	
Check	02/14/2024	10132	Bell Canyon Community Center Inc.	MARCH	550.00
Check	01/17/2024	10128	Bell Canyon Community Center Inc.	ACCT #1831618-SUITE 2-B - RENT JAN	
Check	01/17/2024	10128	Bell Canyon Community Center Inc.	JANUARY	275.00
Check	01/17/2024	10128	Bell Canyon Community Center Inc.	TO BRING JAN RENT TO \$550/MO	275.00
Check	01/17/2024	10128	Bell Canyon Community Center Inc.	\$20x9 SUITE 1 AUG-NOV	180.00
Check	01/17/2024	10128	Bell Canyon Community Center Inc.	TO ADJUST TO JENNI'S BALANCE	
Check	01/17/2024	10129	Bell Canyon Community Center Inc.	ACCT #1831618-SUITE 2-B - RENT NOV/DEC	
Check	01/17/2024	10129	Bell Canyon Community Center Inc.	NOV - RAISE TO \$550	275.00
Check	01/17/2024	10129	Bell Canyon Community Center Inc.	DEC - RAISE TO \$550	275.00
Check	01/03/2024	10123	Bell Canyon Community Center Inc.	VOID: ACCT #1831618-SUITE 2-B - RENT JANUAR...	0.00
Check	01/03/2024	10123	Bell Canyon Community Center Inc.	JANUARY	0.00
Check	01/03/2024	10123	Bell Canyon Community Center Inc.	AUG-NOV \$20x9 SUITE #1 RENT	0.00
Check	01/03/2024	10123	Bell Canyon Community Center Inc.	TO ADJUST TO JENNI'S INCORRECT STMT BALA...	0.00
Check	11/27/2023	10103	Bell Canyon Community Center Inc.	ACCT #1831618-SUITE 2-B - RENT DEC	
Check	11/27/2023	10103	Bell Canyon Community Center Inc.	DECEMBER	275.00
Check	11/27/2023	10103	Bell Canyon Community Center Inc.	\$20/EA MAY, JUN, JUL SUITE 1	100.00
Nov 1, '23 - May 8, 24					3,855.00



Bell Canyon Community Services District

(<https://bellcanyoncsd.specialdistrict.org/>)

[Contact Us \(/contact-us\)](/contact-us)

Search...	Go!
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CURRENT STATUS OF OFFICE LEASE ALLEGED AS FRAUD BY HOA AND BCCC

(/CURRENT-STATUS-OF-CSD-OFFICE-LEASE-ALLEGED-AS-FRAUD-BY-HOA-AND-BCCC)

Current status of CSD office lease alleged as fraud by HOA and BCCC

Letter to the Residents

📄 [Letter to Residents.pdf \(/files/18256e1c5/Letter+to+Residents.pdf\)](/files/18256e1c5/Letter+to+Residents.pdf)

Letter to HOA, BCCC and Michael Rabkin (HOA/BCCC Counsel) from Pam Lee (CSD Counsel) requesting retraction and apology

📄 [letter requesting retraction and apology.pdf \(/files/98d73e988/letter+requesting+retraction+and+apology.pdf\)](/files/98d73e988/letter+requesting+retraction+and+apology.pdf)

Letter to Pam Lee (CSD Counsel) from Michael Rabkin (HOA/BCCC Counsel) alleging fraud

📄 [Letter to Pam Lee from Michael Rabkin.pdf \(/files/fac615606/Letter+to+Pam+Lee+from+Michael+Rabkin.pdf\)](/files/fac615606/Letter+to+Pam+Lee+from+Michael+Rabkin.pdf)

In response to a false statement (see statement to the right) that we have not paid our rent, we posted cleared check images below proving that rent has been paid on the new lease from Nov through Feb. We just mailed the March check and will continue to post rent checks as they clear.

Rent checks paid to BCCC and cashed by them for November, December 2023 and January, February 2024

Date	No.	Payee	Memo	Amount (\$)	Date cleared
10/11/23	10070	Bell Canyon Community Center	Nov Rent	275.00	10/17/23
11/27/23	10103	Bell Canyon Community Center	Dec Rent plus Room 1 five times	375.00	12/4/23
1/17/24	10128	Bell Canyon Community Center	Jan Rent \$550 plus \$180 for Room 1 nine times minus \$43.71 credit	686.29	2/20/24
1/17/24	10129	Bell Canyon Community Center	Balance of rent for Nov and Dec	550.00	2/20/24
2/14/24	10132	Bell Canyon Community Center	Feb Rent \$550	550.00	2/27/24



Site	VIEWPOINTE	Paid Date	10172023	Serial No	10070
Routing	10700543	Account		PC	000060
Amount	275.00	Sequence	8348946984	Capture Source	00017110

Front Black & White Image

10070

BELL CANYON COMMUNITY SERVICES DISTRICT
30 HACKAMORE LN STE 2B
BELL CANYON, CA 91307

WELLS FARGO BANK N.A.
11-24/1210

10/11/2023

PAY TO THE ORDER OF **Bell Canyon Community Center**

\$ **275.00

Two Hundred Seventy-Five and 00/100***** DOLLARS

Bell Canyon Community Center Inc.
c/o Seabreeze Management
PO Box 25189
Santa Ana, CA 92799-5189

MEMO **ACCT #1831618-SUITE 2-B - RENT**

AUTHORIZED SIGNATURE

Security features. Details on back.

⑈010070⑈ ⑆121000248⑆

Back Black & White Image

ENDORSE HERE

CREDIT TO PAYEE ACCT
ABSENCE OF ENDORSE GUART
SUNWEST BANK - IRVINE, CA
714-730-4444

CHECK HERE FOR MOBILE OR REMOTE DEPOSIT ONLY

AT _____ NAME OF FINANCIAL INSTITUTION _____ DATE _____

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE
RESERVED FOR FINANCIAL INSTITUTION USE *

10/16/2023 C6940 0040 0001



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Site	VIEWPOINTE	Paid Date	12042023	Serial No	10103
Routing	10700543	Account	PC	000060	
Amount	375.00	Sequence	8244830458	Capture Source	00017110

Front Black & White Image

10103

<p>BELL CANYON COMMUNITY SERVICES DISTRICT 30 HACKAMORE LN STE 2B BELL CANYON, CA 91307</p> <p>PAY TO THE ORDER OF Bell Canyon Community Center</p> <p>Three Hundred Seventy-Five and 00/100*****</p> <p>Bell Canyon Community Center Inc. c/o Seabreeze Management PO Box 25189 Santa Ana, CA 92799-5189</p> <p>MEMO ACCT #1831618-SUITE 2-B - RENT DEC</p>	<p>WELLS FARGO BANK N.A. 11-24/1210</p>	<p>11/27/2023</p> <p>\$ **375.00</p> <p>DOLLARS</p> <p><i>[Signature]</i> AUTHORIZED SIGNATURE</p>
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⑈010103⑈ ⑆121000248⑆ [REDACTED]

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ENDORSE HERE

CHECK HERE FOR MOBILE OR REMOTE DEPOSIT ONLY

CREDIT TO PAYEE ACCT
 ABSENCE OF ENDORSE GUART
 SUNWEST BANK - IRVINE, CA
 714-730-4444

DO NOT WRITE STAMP OR SIGN BELOW THIS LINE
 RESERVED FOR FINANCIAL INSTITUTION USE X

AT _____ DATE _____
 NAME OF FINANCIAL INSTITUTION



Site	VIEWPOINTE	Paid Date	02202024	Serial No	10128
Routing	10700543	Account		PC	000060
Amount	686.29	Sequence	8342255598	Capture Source	00017110

Front Black & White Image

10128

041301831618

BELL CANYON COMMUNITY SERVICES DISTRICT
30 HACKAMORE LN STE 2B
BELL CANYON, CA 91307

WELLS FARGO BANK N.A.
11-24/1210

11/17/2024

PAY TO THE ORDER OF **Bell Canyon Community Center**

\$ **686.29**

~~Six Hundred Eighty Six and 29/100~~ ***** DOLLARS

Bell Canyon Community Center Inc.
c/o Seabreeze Management
PO Box 25189
Santa Ana, CA 92799-5189

MEMO **ACCT #1831618 SUITE 2-B - RENT JAN**

[Signature]
AUTHORIZED SIGNATURE

010128 1210002481

Back Black & White Image

ENDORSE HERE **Pay To The Order Of**
Sunwest Bank
122228003

For Deposit Only (A-I-SC)

Bell Canyon Community Center
Acct Ending ...8591

02/16/2024 14:56

DO NOT WRITE STAMP OR SIGN BELOW THIS LINE



Site	VIEWPOINTE	Paid Date	02202024	Serial No	10129
Routing	10700543	Account		PC	000060
Amount	550.00	Sequence	8342255599	Capture Source	00017110

Front Black & White Image

041301831618 10129

BELL CANYON COMMUNITY SERVICES DISTRICT
 30 HACKAMORE LN STE 2B
 BELL CANYON, CA 91307

WELLS FARGO BANK N.A. 11-24/1210

11/17/2024

PAY TO THE ORDER OF **Bell Canyon Community Center** \$ **550.00

Five Hundred Fifty and 00/100***** DOLLARS

Bell Canyon Community Center Inc.
 c/o Seabreeze Management
 PO Box 25189
 Santa Ana, CA 92799-5189

MEMO **ACCT #1831618-SUITE 2-R - RENT NOV/DEC**

[Signature]
 AUTHORIZED SIGNATURE

01010129 021000248

Back Black & White Image

ENDORSE HERE Pay To The Order Of
 Sunwest Bank
 122228003

For Deposit Only(AI-SC)
 Bell Canyon Community Center
 Acct Ending ...8591
 02/16/2024 14:56 DATE

CHECK HERE FOR MOBILE OR TABLET DEPOSIT ONLY



Operation Image Browser 2.0

ite	VIEWPOINTE	Paid Date	02272024	Serial No	10132
outing	10700543	Account	PC		000060
amount	550.00	Sequence	8633649836	Capture Source	00017110

Front Black & White Image

10132

BELL CANYON COMMUNITY SERVICES DISTRICT
30 HACKAMORE LN STE 2B
BELL CANYON, CA 91307

WELLS FARGO BANK N.A.
11-24/1210

2/14/2024

PAY TO THE ORDER OF Bell Canyon Community Center

\$ **550.00

Five Hundred Fifty and 00/100***** DOLLARS

Bell Canyon Community Center Inc.
c/o Seabreeze Management
PO Box 25189
Santa Ana, CA 92799-5189

MEMO ACCT #1831618-SUITE 2-B - RENT MARCH

AUTHORIZED SIGNATURE

⑈ 0 1 0 1 3 2 ⑈ ⑈ 1 2 1 0 0 0 2 4 8 ⑈

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2/26/2024 M7672 0001 0003

ACCOUNT FEATURES

ENDORSE HERE

CREDIT TO PAYEE ACCT
ABSENCE OF ENDORSE GUART
SUNWEST BANK - IRVINE, CA
714-730-4444

CHECK HERE FOR MOBILE OR REMOTE DEPOSIT ONLY

AT _____ DATE _____
NAME OF FINANCIAL INSTITUTION _____
DO NOT WRITE STAMP OR SIGN BELOW THIS LINE
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Big Lie No. 3 – The Threat of a New Lawsuit

– However, losing the case and costing the HOA close to \$10 million just isn't enough for Eric. Now, as a member of the Community Services District (CSD), Eric voted to use your taxpayer money (because the CSD is a small governmental agency) to threaten to sue the HOA (in other words, using our tax money to sue ourselves).

This threat relates to a lease they claim to have on our property. But they have failed to pay the HOA even 1¢ of rent for that “lease”. Clearly, this threat is not in the best interest of the Bell Canyon community. And it is being spearheaded by Eric, the main supporter of the “independent candidates.”

By Yossi Kviatkovsky on March 7 on Facebook –
“Official” age

By Bill Napier and Michael Robbins – in a
political letter to residents on or about March
13, 2024

MISSTATEMENT BY YOSSI KVIATKOVSKY, BILL NAPIER AND MICHAEL ROBBINS

[READ MORE »](#)

[\(/misstatement-by-yossi-kviatkovsky-bill-napier-and-michael-robbins-1eab2ba\)](/misstatement-by-yossi-kviatkovsky-bill-napier-and-michael-robbins-1eab2ba)

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30 HACKAMORE LANE, SUITE #2B, BELL CANYON CA 91307

[INTRANET \(HTTPS://BCCSDPORTAL.SPECIALDISTRICT.ORG/\)](https://bccsdportal.specialdistrict.org/)

[PRIVACY POLICY \(/PRIVACY-POLICY\)](/privacy-policy)

[DISTRICT TRANSPARENCY \(TRANSPARENCY.HTML\)](transparency.html)

[POWERED BY STREAMLINE \(HTTP://WWW.GETSTREAMLINE.COM/\)](http://www.getstreamline.com/) | [SIGN IN](#)

[\(/HTTPS://BELLCANYONCSD.SPECIALDISTRICT.ORG/USERS/SIGN_IN?DESTINATION=%2FCURRENT-STATUS-OF-CSD-OFFICE-LEASE-ALLEGED-AS-FRAUD-BY-HOA-AND-BCCC\)](https://bellcanyoncsd.specialdistrict.org/users/sign_in?destination=%2FCURRENT-STATUS-OF-CSD-OFFICE-LEASE-ALLEGED-AS-FRAUD-BY-HOA-AND-BCCC)