

Attachment 7
REVOCABLE, NON-EXCLUSIVE LICENSE FOR THE USE OF REAL PROPERTY FOR FOOD SERVICE FACILITY

Disclaimer: This is a draft that will need to be revised, with Legal input, once a vendor is awarded.

Judicial Council of California
Facilities Services
455 Golden Gate Avenue, San Francisco, CA 94102

**REVOCABLE, NON-EXCLUSIVE LICENSE FOR
THE USE OF REAL PROPERTY FOR FOOD SERVICE FACILITY**

This Revocable, Non-Exclusive License for the Use of Real Property for Food Service Facility (“**License**”) is made and entered into, as of the date this License is signed by the last Party to sign, by and between the Judicial Council of California (“**Judicial Council**” or “**Licensor**”) and _____ (“**Licensee**”). In this License, the Judicial Council and Licensee are sometimes referred to individually as a “**Party**” and collectively as the “**Parties.**”

RECITALS

A. The Judicial Council has jurisdiction over the facility (“**Building**”) located at Insert Address, or the portion thereof that is the subject of this License, commonly known as Insert Courthouse/Building Name (Judicial Council #__-__), collectively referred to herein as applicable as the “**Property.**”

B. The Property is occupied and used by the Superior Court of California, County of _____ (“**Court**”), and managed by the Judicial Council.

C. Notwithstanding the foregoing, the Court’s occupancy and use of the Property **is** –or– **is not** shared with the County of _____ (“**County**”).

D. Licensee desires to obtain from the Judicial Council, and the Judicial Council desires to grant to Licensee, rights to access and use the portion of the Property set forth herein (“**Premises**”) for the purpose of maintaining and operating a facility (“**Food Service Facility**”) for the preparation and sale of food, beverages, sundries, and/or related items to users of the Building including, without limitation, employees, staff, invitees, guests, and members of the public along with those who may furnish their own such items (“**Licensed Use**”), as more fully described in and pursuant to the terms of this License.

E. The Judicial Council **has** –or– **has not** financed the construction of the Building through issuance of State Public Works Board (“SPWB”) lease revenue bonds (“**Bonds**”), which were in part secured by site and facility leases between the Judicial Council and SPWB pertaining to the Property (“**Bond Documents**”). If the Building is subject to such Bond Documents as determined by the Judicial Council, then the Parties acknowledge and agree that the following provisions (“**Bond Provisions**”) apply to and govern this License; alternatively, if the Building is not subject to any Bond Documents, the following Bond Provisions are of no force or effect:

E-1. Bond Documents. This License is subordinate to the Bond Documents including, but not limited to, that certain Site Lease (“**Site Lease**”) and that certain Facility Lease (“**Facility Lease**”), both dated as of [INTENTIONALLY OMITTED], entered into by and between the SPWB and Judicial Council, and any and all amendments, extensions, renewals, modifications, refinances, and replacements of the Site Lease and Facility Lease. The Site Lease was recorded in the Official Records of [INTENTIONALLY OMITTED] County on [INTENTIONALLY OMITTED], as Document No. [INTENTIONALLY OMITTED], and the Facility Lease was recorded in the Official Records of [INTENTIONALLY OMITTED] County on [INTENTIONALLY OMITTED], as Document No. [INTENTIONALLY OMITTED]. Copies of the Bond Documents are available upon request. The SPWB is not a party to this License; however, Licensee acknowledges that the SPWB shall enjoy the same protections and rights enjoyed by, but not the responsibilities, obligations, or liabilities of, the Judicial Council under this License.

E-2. Quiet Enjoyment. As a condition to issuing the Bonds, it is required, among other things, that the Judicial Council and SPWB’s quiet enjoyment and beneficial use of the Building not be materially impaired at any time during the term of the Bond Documents.

E-3. Subordination to Bonds. Notwithstanding any provision of the License to the contrary, all rights of control, use, occupancy, and enjoyment of the Premises by Licensee are hereby subordinate and subject to the rights, covenants, and obligations as set forth in the Bond Documents.

E-4. Bond Refinancing(s). To the extent the Bonds have previously been or will be refunded or refinanced at any time on one or more instance(s) including, but not limited to, the terminating, amending, and/or restating of the Facility Lease and Site Lease, the foregoing subordination of this License to the Bonds and the Bond Documents shall be automatically self-executing without any further requirement or action on the Parties to maintain said subordination. Notwithstanding, upon request of the Judicial Council or SPWB, Licensee shall execute any further writings as may be reasonably required to separately memorialize and confirm this License’s continued subordination to the Bonds.

E-5. Consent of the SPWB. The grant of rights to Licensee in this License is conditioned upon the written consent of the SPWB to this License, and without this consent, as evidenced by SPWB's signature below, this License is null and void.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto mutually agree as follows:

AGREEMENT

1. Incorporation of Recitals. The foregoing provisions of the Recitals are true and correct and are incorporated into this License by this reference.

2. Grant of License; Purpose.

2.1 The Judicial Council hereby grants to Licensee and its agents, employees, and invitees a revocable License to enter and use the Premises for the purposes set forth in this License. This License is subject to all existing covenants, conditions, reservations, contracts, leases, licenses, easements, encumbrances, restrictions, and rights of way with respect to the Property and the Premises, whether or not of record.

2.2 The purpose of this License is to allow Licensee to enter, occupy, and use the Premises for the sole purpose of conducting the Licensed Use, and other purposes reasonably related thereto, and for no other purpose whatsoever, subject to the terms, conditions, and restrictions set forth in this License.

2.3 This License is personal to Licensee and does not grant Licensee, nor has Licensee acquired or will Licensee acquire by Licensee's use and occupancy of the Premises, any ownership, leasehold, easement, or other real property interest, right, or estate in the Premises or the Property. Licensee does not have nor will it ever obtain any right or claim to the continued use of the Premises, Building, or any other part of the Property beyond those specifically given in and by this License. In no event shall Licensee represent itself or its operations in the Premises as being a part of, affiliated with, or an agent or partner of, or in a joint venture with, any of the Judicial Council, Court, or any of their respective programs or operations.

3. Description of Premises Licensed.

3.1 The Premises consist of approximately Insert # square feet describe the space being used and/or its location (ex: "on the third floor" or "in the lobby of") in the Building, as shown on **Exhibit "A"** attached hereto and incorporated herein.

3.2 Licensee has personally inspected the Premises, and its surrounding area, and has evaluated its suitability for Licensee's use in conducting the Licensed Use. Licensee

acknowledges and agrees to the acceptability of the Premises for Licensee's purposes. Licensee accepts the Premises in its present physical condition as of the Commencement Date, and agrees to make no demands of the Judicial Council for any improvements or alterations of the Premises or elsewhere on the Property.

3.3 Licensee may only make or construct, or cause to be made or constructed, improvements or alterations to the Premises in compliance with the terms and conditions of this License and at Licensee's sole cost and expense.

4. Term and Termination.

4.1 License Commencement Date. This License shall be effective as of and commence on Insert Date, 20__ (“**Commencement Date**”), and shall continue until it is terminated as provided for herein (“**Term**”).

4.2 Commencement of Licensed Use. Licensee may commence occupancy of the Premises immediately upon the Commencement Date, but Licensee may not commence its operation of the Food Service Facility for the Licensed Use unless and until Licensee has obtained all Permits and Licenses (defined below), delivered copies of said Permits and Licenses to the Judicial Council, and received the Judicial Council's written acknowledgment of receipt of those copies of the Permits and Licenses, all as required under this License (“**Licensed Use Commencement**”).

4.3 Judicial Council Termination. From and after the Commencement Date, the Judicial Council shall have the right and option to terminate this License, with or without cause, at any time by giving thirty (30) days' prior written notice of the termination of this License to Licensee. In addition to the foregoing, (i) the Judicial Council shall have the right to terminate or suspend this License immediately in the event of an emergency that results in damage to, loss of, or an unsafe condition of the Premises or the Property, as determined in the Judicial Council's sole discretion; (ii) the Judicial Council shall have the right to terminate or suspend this License if Licensee fails to satisfy the Court's requirements for any Background Checks (defined below) or any other material requirement of Licensee provided for in this License; and (iii) unless otherwise agreed to in writing by the Parties, this License shall immediately and automatically terminate upon: (a) the sale or other conveyance of the Property to a party other than the State of California; or (b) relocation of the operations of the Court at the Property to an alternate location.

4.4 Licensee Termination. From and after the Commencement Date, Licensee shall have the right and option to terminate this License, with or without cause, at any time by giving ninety (90) days' prior written notice of the termination of this License to the Judicial Council.

4.5 DOR Election. In the event that the California Department of Rehabilitation (“DOR”) either (i) has indicated to the Judicial Council its desire to turn over food vending services in the Building to a DOR-approved vendor pursuant to the Randolph Sheppard Act (20 U.S.C. § 107 et seq.) and California Welfare and Institutions Code section 19626 et seq., or (ii) has selected a blind vendor to operate a vending facility (as defined in California Code of Regulations, title 9, section 7211(a)(53)) in the Premises and, in either instance, the selected DOR-approved vendor both is ready, willing, and able to operate a vending facility in the Premises and has entered into a contract with DOR to do so, then the Judicial Council may also terminate this License upon written notice thereof to Licensee effective as indicated in said notice. The Parties acknowledge that Licensee’s right to perform the Licensed Use at the Premises is currently and otherwise subject to DOR’s waiver of its election to place at the Property such a DOR-approved or -blind vendor for the operation of a Food Service Facility (“DOR Waiver”); as of the Commencement Date, the current DOR Waiver for Licensee’s conducting of the Licensed Use has been granted through Insert Waiver Expiration Date, 20__, a copy of which is attached hereto as **Exhibit “E”** and incorporated herein for reference purposes with any subsequently obtained DOR Waiver(s) incorporated herein by this reference.

5. **Consideration.**

5.1 License Fee. In addition to Licensee’s full and timely compliance with the terms, conditions, and restrictions set forth in this License, consideration for this License shall be Licensee’s payment to the Judicial Council of a monthly license fee (“License Fee”) during the Term in the following amounts:

5.1.1 *Monthly Gross Receipts Less than \$5,000*. Zero percent (0%) of Licensee’s monthly Gross Receipts (defined below) arising from or relating to the Licensed Use during the applicable month when Licensee’s monthly Gross Receipts for that month total less than Five Thousand Dollars (\$5,000); and

5.1.2 *Monthly Gross Receipts of \$5,000 or More*. Three percent (3%) of Licensee’s monthly Gross Receipts arising from or relating to the Licensed Use during the applicable month when Licensee’s monthly Gross Receipts for that month total Five Thousand Dollars (\$5,000) or more.

5.2 Payment; Late Fees.

5.2.1 Following the Licensed Use Commencement Date, Licensee’s monthly payment of the License Fee shall be due and payable within thirty (30) days following the last day of each and every month during the Term.

5.2.2 Each monthly installment of the License Fee shall reference Facility No. "Insert Facility #"; shall be made payable to: *The State of California, Judicial Council*; and sent to:

Judicial Council of California
Attn: Branch Accounting & Procurement
(for the Benefit of the State Public Works Board Bond Payment)
455 Golden Gate Avenue, 6th Floor
San Francisco, California 94102

5.2.3 If the License Fee is not received by the Judicial Council within ten (10) days following the date that the License Fee is due, then in addition to such License Fee, Licensee shall promptly deliver to the Judicial Council a late fee ("**Late Fee**") equal to five percent (5%) of the License Fee, or Fifty Dollars (\$50.00), whichever amount is greater.

5.2.4 If the Building is subject to the Bond Documents as indicated above and determined by the Judicial Council, then the Judicial Council shall deposit all sums paid under this License into the State Court Facilities Construction Fund to be applied toward debt service payments for the Building.

6. Gross Receipts; Accounting Records.

6.1 Gross Receipts. For purposes of this License, the term "**Gross Receipts**" means all money, cash, receipts, assets, property, or other things of value including, but not limited to, gross charges, sales, rentals, fees, and commissions made or earned by Licensee and/or any sub-licensees or permittees of Licensee, whether collected or accrued from business, use, or occupation, or any combination thereof, transacted or performed, in whole or in part, on the Premises. Gross Receipts shall not include the following:

6.1.1 Sales and excise taxes required to be collected by Licensee.

6.1.2 Federal, state, municipal, or other taxes collected from the consumers, regardless of whether the amount thereof is stated to the consumer as a separate charge; provided, however, that the amount of such taxes shall be shown on Licensee's accounting records.

6.1.3 Receipts from the sale or trade-in value of any equipment used on the Premises and owned by Licensee.

6.1.4 Receipts in the form of refunds from or the value of merchandise, supplies, or equipment returned to the shippers, suppliers, or manufacturers.

6.1.5 Receipts with respect to any sale where the subject of such sale or some part thereof is thereafter returned by the purchaser and accepted by Licensee to the extent of any refund actually granted or adjustment actually made, either in the form of cash or credit.

6.2 Method of Accounting. Licensee shall be required to maintain a method of accounting which shall, to the Judicial Council's satisfaction, correctly and accurately reflect the Gross Receipts and disbursements of Licensee in connection with the Licensed Use ("**Method of Accounting**"). The Method of Accounting, including bank accounts established for the Licensed Use, shall be separate from the accounting system used for any other business operated by Licensee or for recording Licensee's personal financial affairs. The Method of Accounting shall include the keeping of the following documents:

6.2.1 Regular books of accounting such as general ledgers.

6.2.2 Journals including any supporting and underlying documents such as vouchers, checks, tickets, bank statements, etc.

6.2.3 State and federal income tax returns and sales tax returns and checks and other documents providing payment of sum shown which shall be kept in confidence by the Judicial Council.

6.2.4 Cash register records; daily records may be separated, but shall be retained so that day-to-day sales can be identified.

6.2.5 Any other accounting records that the Judicial Council deems reasonably necessary for proper reporting of Licensee's Gross Receipts.

6.3 Recording Sales; Cash Registers. All sales shall be recorded by means of cash registers which publicly display the amount of each sale and automatically issue a customer's receipt or certify the amount recorded in a sales slip. Licensee's cash register(s) shall have locked-in sales totals and transaction counters which are constantly accumulating and cannot be reset. Licensee's cash register(s) shall record transaction numbers and sales details. Beginning and ending cash register readings shall be made a matter of daily record. The Judicial Council shall be furnished with and retain all the reset keys for the cash registers upon request.

6.4 Monthly and Annual Reports.

6.4.1 Licensee shall provide the Judicial Council with a report reasonably acceptable to the Judicial Council of Licensee's Gross Receipts for each month within thirty (30) days after the end of each month. The report shall reflect the amount payable to the Judicial Council from Licensee's monthly Gross Receipts in the form of **Exhibit**

“B” (“Monthly Gross Receipts Report”), attached hereto and incorporated herein, which form may be reasonably updated, modified, or revised from time-to-time by the Judicial Council.

6.4.2 Licensee shall submit each Monthly Gross Receipts Report to the Judicial Council via email at JCCRealEstate@jud.ca.gov (or as otherwise directed by the Judicial Council). For each month that Licensee owes and pays a License Fee to the Judicial Council (i.e., any monthly License Fee greater than zero dollars), Licensee shall also include with each of its Monthly Gross Receipts Reports a copy of Licensee’s corresponding check to the Judicial Council for Licensee’s payment of that month’s License Fee.

6.4.3 Licensee shall provide the Judicial Council with an annual profit-and-loss statement and balance sheet for each year during the Term (**“Annual Financial Report”**). Licensee’s Annual Financial Reports shall be prepared by an authorized representative of Licensee on a form reasonably acceptable to the Judicial Council. Licensee shall submit each Annual Financial Report to the Judicial Council via email at JCCRealEstate@jud.ca.gov (or as otherwise directed by the Judicial Council) within one hundred twenty (120) days of the close of each calendar year.

6.5 Licensee Records; Inspection. All of Licensee’s documents, books, and accounting records maintained in connection with the Licensed Use pursuant to this License (**“Licensee Records”**) shall be open for inspection and re-inspection at any reasonable time upon request during the Term of this License. The Judicial Council may from time to time conduct an audit and re-audit of the Licensee Records and business conducted by Licensee in connection with the Licensed Use, and may also observe Licensee’s operation of the Licensed Use, so that the accuracy of any Licensee Records can be confirmed. In the conducting of such audit(s) and observation(s), if any Monthly Gross Receipts Report or Annual Financial Report should be found to be less than the amount of Gross Receipts disclosed by Licensee or otherwise inaccurate or in conflict with the Licensee Records, then Licensee shall be responsible for and pay the delinquent amount of any License Fee determined to be owed within thirty (30) days after receipt of an invoice for that delinquent amount. If the delinquent amount due for any month exceeds two percent (2%) of the License Fee already paid for that month and there is or was no reasonable basis for Licensee’s failure to have correctly reported and paid the full License Fee, Licensee shall also pay in addition to the delinquent amount(s) the Judicial Council’s costs of the audit along with all applicable Late Fees.

6.6 Confidential Records. All information obtained in connection with the Judicial Council’s inspection of the Licensee Records or audit shall be treated as confidential information by the Judicial Council to the extent permitted by applicable law. The Judicial Council shall not be liable or responsible for the disclosure of any Licensee

Records, including those marked as trade secret, confidential, or proprietary, if such disclosure is deemed to be required by law or an order of the court.

6.7 Maintenance of Records. All Licensee Records including, but not limited to, all financial records, journals, vouchers, checks, state and federal income tax returns and sales tax returns, cash register tapes, and proprietary data and information shall be kept and maintained by Licensee and shall be made available to the Judicial Council during the Term of this License and for a period of four (4) years thereafter, unless the Judicial Council gives Licensee express, written permission to dispose of any such material prior to said time. All such material shall be maintained by Licensee at a location in the county in which the Premises are located; provided, however, that, if any such material is located outside the county in which the Premises are located, then, at the Judicial Council's option, Licensee shall pay the Judicial Council for travel, per diem, and other costs incurred to examine, audit, excerpt, copy, and transcribe such material at such other location.

7. **Food Service Facility Operations.**

7.1 Compliance with All Laws.

7.1.1 *Applicable Laws; Rules*. In the exercise of any privilege granted by this License, Licensee shall at all times comply with all federal, state, and local laws, regulations, orders, rules, and requirements of any governmental departments and bureaus applicable to the Property and the Licensed Use ("**Applicable Laws**"). Licensee must also comply with all Judicial Council and Court rules and regulations relating to the use of the Premises and Property that are currently in effect or may be implemented, as updated from time to time.

7.1.2 *Health and Safety Directives*. Licensee must at all times adhere to all applicable local, state, and national health and safety directives, as well as any current operating plan of the Court in compliance therewith, that are in effect or may become effective during Licensee's use and occupancy of the Premises including, but not limited to, social distancing, face covering requirements, self-assessments, medical screenings, and proper cleaning procedures. Failure of Licensee to so comply with such health and safety directives of any authority having jurisdiction or of the Court shall be considered a material breach of this License and grounds for its immediate termination in the Judicial Council's sole discretion.

7.2 Permits and Licenses.

7.2.1 Prior to the Licensed Use Commencement, Licensee shall obtain all permits and licenses required for: (i) Licensee's occupancy and operation of the Premises for the Licensed Use; and (ii) the construction or installation of any Licensee

Improvements (defined below) prior to the commencement of any such work as provided for in this License (collectively, “**Permits and Licenses**”).

7.2.2 Licensee is required to provide the Judicial Council with copies of the Permits and Licenses prior to Licensee’s commencement of operations at the Premises, receipt of which will be acknowledged in writing by the Judicial Council.

7.2.3 Licensee shall comply in all respects with all applicable conditions and restrictions of the Permits and Licenses as well as any permits or licenses obtained or required to be obtained by the Judicial Council with respect to Licensee’s occupancy and use of the Premises including, but not limited to, any industrial wastewater permit required for operation of the Building; and Licensee will be responsible directly, or by reimbursing the Judicial Council upon demand, for any fee, fine, penalty, or other assessment arising out of Licensee’s failure to comply with any such permit or license or any other cost arising thereunder as a result of Licensee’s occupancy of the Premises.

7.3 Equipment, Supplies, and Other Personal Property.

7.3.1 *Licensee Equipment.* Licensee shall provide all equipment, trade fixtures, and other personal property required for the Licensed Use including, without limitation, kitchen equipment, cash registers, and anything else necessary for the satisfactory operation of the Licensed Use and the Food Service Facility (“**Licensee Equipment**”). All Licensee Equipment shall be repaired and maintained in accordance with this License’s provisions below therefor.

7.3.2 *Equipment Ownership.* Without waving any lien rights it may have, statutory or otherwise, ownership of all equipment, trade fixtures, and other personal property brought onto the Premises by Licensee shall at all times be and remain with Licensee.

7.3.3 *Risk of Loss.* Licensee will be solely responsible for any risk of loss, damage to, or destruction of the Licensee Equipment and Licensee’s other personal property located within the Premises or otherwise on the Property. The Judicial Council shall not be responsible for any damage to or destruction of any personal property of Licensee, its employees, or invitees, or for any compensation or claim for inconvenience, loss of business, or annoyance arising from Licensee’s loss of use of the Premises or any such personal property. Any property of Licensee installed or located on the Premises must be removed promptly upon expiration, termination, or abandonment of this License. Any property of Licensee not removed within that time may be removed, stored, or disposed of by the Judicial Council at the expense of Licensee.

7.3.4 *Court- and Judicial Council-Owned Furniture.* Notwithstanding the foregoing, the Premises contains or has access to the use of certain Court-owned and/or

Judicial Council-owned furniture or equipment, an inventory of which is set forth in **Exhibit “C-1”** and **Exhibit “C-2,”** respectively, attached hereto and incorporated herein (collectively, **“Court-Owned Furniture”**). The Parties agree that Licensee may use the Court-Owned Furniture for purposes of the Licensed Use during the Term of this License; provided, however, that, at all times during such use, Licensee shall be responsible for all maintenance and repairs required to keep the Court-Owned Furniture in good, working condition for its intended function as well as its cleanliness and appearance as if the Court-Owned Furniture is subject to all the same requirements and expectations of the Licensee Equipment. Except as otherwise agreed to in writing by the Parties, upon the expiration or termination of this License, Licensee shall surrender and return all Court-Owned Furniture in satisfactory condition, reasonable wear and tear excepted.

7.4 Food Service Facility Staff.

7.4.1 *Adequate Staffing.* Licensee shall maintain an adequate and proper staff for the sufficient operation of the Food Service Facility.

7.4.2 *Licensee Manager.* Licensee shall designate one member of the staff as the Licensee’s manager (**“Licensee Manager”**) and shall notify the Judicial Council and the Court in writing if and at the time Licensee should change the Licensee Manager. The Licensee Manager shall be responsible for interacting and coordinating with the Judicial Council and Court on a regular basis and for all day-to-day matters. The Licensee Manager shall be skilled in the management of conducting the Licensed Use and shall be subject to the reasonable approval by the Judicial Council and Court. The Licensee Manager shall be fully acquainted with the Licensed Use, familiar with the terms and conditions prescribed by this License, and authorized to act in the day-to-day operation thereof. Licensee and/or the Licensee Manager shall attend any required meetings.

7.4.3 *Employment Eligibility.* Licensee warrants that it will fully comply with all statutes, requirements, and laws regarding the employment eligibility of aliens and other documented and undocumented immigrants, and that its employees performing services hereunder meet the citizenship or alien status requirements contained in the Applicable Laws including, but not limited to, the Immigration Reform and Control Act of 1986 (P.L. 99-603). Licensee shall obtain from all covered employees documentation of eligibility status required by the Applicable Laws as such currently exist and as they may be hereafter amended. Licensee shall retain such documentation for all covered employees for the period required by law. Licensee shall indemnify, defend, and hold harmless the Judicial Council, Court, and their respective officers, judicial officers, directors, employees and agents from any damages, claims, loss, costs, or expenses arising out of or related to any employer sanctions and any other liability which may be assessed against Licensee or the Judicial Council, or both, in connection with any alleged violation of the Applicable Laws pertaining to the eligibility for employment of persons performing services under this License.

7.4.4 *Qualified Workers; Roster.* All persons employed by Licensee under this License shall be competent, trustworthy, and well-qualified for their work. Licensee shall submit to the Judicial Council and Court a roster of employees who are required to enter the Premises or Property (“**Employee Roster**”). Licensee shall keep the Employee Roster current throughout the Term of this License and, if there are any subsequent changes to the Employee Roster, promptly provide all updated copies thereof to the Judicial Council and Court. Licensee and its employees will be required to provide picture identification for entry into the Building and to comply with all applicable regulations of the Judicial Council and the Court regarding their presence on the Property.

7.4.5 *Employee Dress Code.* Licensee shall ensure all employees wear appropriate attire with name tags/badges while working at the Food Service Facility.

7.4.6 *Employee Background Checks.* Licensee and its employees shall comply with all provisions of this License for Background Checks (defined below).

7.4.7 *Tuberculosis Certificate.* For each employee or independent contractor of Licensee working at the Food Service Facility, Licensee shall obtain all certifications required by and in compliance with law as applicable to the Food Service Facility or Licensed Use evidencing that such person has been examined and has been found to be free of communicable tuberculosis within the appropriate timeframes. Licensee shall provide past and current copies of all such certifications upon request from the Judicial Council.

7.4.8 *Detrimental Conduct.* The Judicial Council may, at any time, give Licensee written notice that the conduct or actions of a designated employee of Licensee is, in the reasonable belief of the Judicial Council or Court, detrimental to the interests of the public using the Building. In the event of such notice, the Licensee shall take reasonable measures under the circumstances to satisfy and assure the Judicial Council that the conduct and activities of Licensee’s employee in question will be addressed accordingly. In the Judicial Council’s sole and reasonable discretion, Licensee shall permanently remove designated employee from the Premises upon the Judicial Council’s request.

7.5 Operation of Food Service Facility.

7.5.1 *General Operations.* Licensee shall confine its activities on the Premises strictly to those necessary for the enjoyment of the privilege hereby licensed, and shall refrain from (i) marring or impairing the appearance of the Property, (ii) obstructing access to the Premises or Property or any area or space within the Premises or Property, (iii) interfering with the transaction of Court business in, or the convenience of the public in accessing or using, the Premises or Property, (iv) jeopardizing the safety or security of

persons or property on or in the Property, or (v) causing justifiable public criticism of Licensee's activities conducted in the Premises or on the Property. Any use made of the Premises and any construction, maintenance, repair, or other work performed thereon by Licensee, including the installation and removal of any article or thing, shall be accomplished in a manner satisfactory to the Judicial Council. Licensee's use of the Premises shall at all times be subject and subordinate to those necessary uses of the Court. Licensee shall ensure its activities do not interfere with the carrying on of the business of the Court.

7.5.2 Merchandise. Licensee shall provide and maintain the necessary inventory of merchandise required to meet the needs of the public in connection with the Licensed Use. All food, beverages, and other items sold or kept for sale by Licensee shall be (i) first class in quality, wholesome, free from spoilage, and safe for human consumption; (ii) shall conform to all Applicable Laws in all respects; and (iii) stored and handled with due regard for sanitation. No adulterated, misbranded, or impure articles shall be sold or kept for sale by Licensee. Licensee shall promptly address and rectify any item that is or becomes below first class in quality upon discovery and as requested by the Judicial Council and Court.

7.5.3 Days and Hours of Operation. The minimum hours of operation of the Food Service Facility shall be from 7:30 a.m. to 4:00 p.m., Monday through Friday, except Court holidays ("**Minimum Hours**"). In addition, Licensee shall keep the Food Service Facility open to employees at such other reasonable times as may be requested by the Judicial Council or Court. In the event of emergencies and to the extent feasible, the Judicial Council or Court may reasonably request that Licensee keep the Food Service Facility open and available for service. The Food Service Facility shall not be open for services on the days that the Building is closed to the public, whether such closure is due to budgetary conditions, or any other reason; the Judicial Council will make best efforts to notify Licensee in writing of the commencement and expiration dates of any such closures.

7.5.4 Menu. Licensee's proposed menu, including all subsequent updates thereto, is to be prepared and submitted for the Court's final approval and shall include prices, a description of each item, the weight of each portion, and the government grades for its component items. No menu shall misrepresent the quality, grade, or weight of any item.

7.5.5 Menu Prices. Licensee shall at all times maintain a complete list or schedule of the prices charged for all goods and services, or combinations thereof, supplied to the public on or from the Premises. The prices shall be fair and reasonable based upon the following considerations: (i) that the Licensed Use is intended to serve the needs of the public for the goods and/or services supplied at a fair and reasonable cost; (ii) comparability with prices charged for similar goods and/or services supplied in the market in which the Premises are located; and (iii) reasonableness of profit margin in view

of the cost of providing the same in compliance with the obligations assumed in this License.

7.5.6 Publicly Displayed Menu. The Food Service Facility's menu along with the prices for each item the Food Service Facility sells shall be conspicuously and clearly displayed. The information given, design, type, size, style, color, and all other specifics shall be to the reasonable satisfaction of the Judicial Council and Court.

7.5.7 Menu Revisions. The Judicial Council and Court may re-evaluate at any time the Food Service Facility's menu, offerings, and prices during the Term of this License. In their reasonable discretion, the Judicial Council or Court may notify Licensee that the Food Service Facility's offered selection is inadequate, includes any excessive prices, includes a deficient quality or quantity of any item, or is otherwise unsatisfactory and may request Licensee to promptly take all appropriate steps to address such concerns.

7.6 Removal of Objectionable Goods and Services. Licensee shall immediately remove or withdraw from sale any goods or services which are or may be found to be objectionable by the Judicial Council, Court, their employees, invitees, or members of the public, as reasonably determined by the Judicial Council in its discretion.

7.7 Food Service Facility Sanitation.

7.7.1 General Sanitation Obligation. Licensee shall at all times be responsible for maintaining the Food Service Facility in the Premises in a clean and sanitary condition, reasonably acceptable to the Judicial Council and Court.

7.7.2 Hazardous Substances. No offensive matter, refuse, or substance containing an unnecessary, unreasonable, or unlawful fire hazard or material detrimental to the public health shall be permitted or shall remain on the Premises, and Licensee shall prevent any accumulation thereof from occurring.

7.7.3 Food Service Areas. Licensee shall at all times keep the Food Service Facility's kitchen, dish room, serving line, equipment, materials located thereon, and any other components thereof sanitary and free from rubbish, refuse, food scraps, garbage, dust, dirt, flies and other insects, rodents, and vermin.

7.7.4 Appliances and Utensils. All apparatus, appliances, utensils, devices, equipment, and piping used by Licensee in the Food Services Facility (i) shall be constructed so as to facilitate the cleaning and inspection thereof; (ii) shall be thoroughly and properly cleaned after each period of use with hot water and suitable soap, detergents, and sterilizing agents; and (iii) shall be rinsed by flushing with hot water.

7.7.5 *Dishware and Cutlery.* All trays, dishware, crockery, glassware, cutlery, and other equipment of such type shall be cleaned by Licensee immediately after using the same and shall be kept clean until reused.

7.7.6 *Spills.* Floors, tables, chairs, equipment, and other furnishings throughout the Premises shall be promptly cleaned by Licensee of all food, beverage, and other substances spilled thereon. Licensee shall implement procedures to routinely monitor on regular intervals throughout the day the walkways and other flooring of the Premises to avoid, prevent, and immediately address any slip or trip-and-fall hazards that may be present or exist, and shall promptly place safety signs or take other appropriate actions at the hazard to clearly warn of the risk until the hazard is properly resolved.

7.7.7 *Fumigation.* Licensee shall provide, at its cost, all applicable fumigation services for the Food Service Facility at appropriate intervals and upon request if reasonably determined to be so needed. The fumigation services shall be intended to, or as otherwise specifically requested, address any and all types of pests, insects, rodents, or any other animal or creature of any kind without limitation.

7.7.8 *Health Rating.* Licensee shall at all times maintain the highest reasonable rating available for the Food Service Facility (e.g., “A,” “Green,” “Good,” or other top classification utilized) as determined by the local Environmental Health Department or other authority having jurisdiction for the Premises.

7.8 Signs. Unless previously approved in writing by the Judicial Council, Licensee shall not (i) post signs or banners or advertising matter on any part of the Premises or the Property, notwithstanding any posted menus or food/drink specials related to the Food Service Facility, or (ii) alter any existing structures or improvements in or on the Premises or the Property, or (iii) install stakes, poles, or other materials of any kind into any hardscape or landscape on the Property.

7.9 Security Equipment. Licensee may provide, at its own cost and expense, any legal devices or equipment designed for the purpose of protecting the Premises from theft, burglary, or vandalism. The installation of any such security equipment in the Premises shall be subject to and in accordance with all other terms of this License including the Judicial Council’s advance, written consent. Licensee agrees to reasonably coordinate with the Judicial Council and Court on access to any clearances or deactivations of said security equipment in the event such is needed and Licensee is unavailable.

7.10 Safety. Licensee shall immediately address and correct any unsafe condition or practices at the Premises. Licensee shall obtain emergency medical care for any person within the Premises that is suffering from illness or injury and in need of such emergency medical care. Licensee shall cooperate fully with the Judicial Council in the investigation and prompt reporting of any injury, death, or damage occurring on the Premises.

7.11 Damage. Licensee shall not damage, destroy, or displace any part of the Property or any personal property for which the Judicial Council, or the Court, is responsible in the exercise of the privilege granted by this License without the prior written consent of the Judicial Council and the express agreement of Licensee to promptly replace, return, repair, and restore the Property or any such personal property to a condition satisfactory to the Judicial Council and the Court.

7.12 Failure to Operate. Licensee acknowledges that Licensee's failure to operate the Food Service Facility for the Licensed Use on the days and during the Minimum Hours or to comply with any material requirement of this License including, without limitation, ceasing operations during the event of any required closure will result in the Judicial Council incurring costs, expenses, and damages that are not contemplated by this License as a result of such failure or noncompliance ("**Failure to Operate**"). Licensee further acknowledges that the exact amounts of such costs, expenses, and damages for Licensee's Failure to Operate are extremely difficult to ascertain. The Parties accordingly agree that Licensee shall pay to the Judicial Council on demand the sum of Two Hundred Fifty Dollars (\$250) for each and every day of any Failure to Operate as liquidated damages, which sum shall be payable in addition to any other amounts due and owing under this License and in addition to without waiving any other rights or remedies available to the Judicial Council. The Parties agree that such amounts represent a fair and reasonable estimate of the costs, expenses, and damages that the Judicial Council would incur by reason of a Failure to Operate.

8. Maintenance and Repairs; Custodial Services.

8.1 Licensee's Maintenance and Repair Obligations. Licensee shall be responsible for maintaining and repairing the Premises in good order and condition and, in compliance therewith, shall perform all repairs to and replacements of all improvements, equipment, and trade fixtures in the Premises. Licensee shall also be responsible for maintaining and repairing any personal property brought onto the Property by Licensee. Licensee shall perform any and all repairs required for the maintenance of the Premises in compliance with all Applicable Laws. Licensee's maintenance and repair obligations include, but are not limited to:

8.1.1 Regular preventive maintenance including, without limitation, maintaining and clearing all grease traps and hood vents.

8.1.2 Replacing broken window glass within the Premises.

8.1.3 Repairing and/or replacing all exposed plumbing, electrical, and lighting fixtures within the Premises.

8.1.4 Clearing clogged drains and floor sinks within the Premises.

8.1.5 Replacing broken or damaged doors of the Premises.

Licensee shall promptly commence and diligently prosecute to completion all required maintenance and repairs of the Premises. If completion of the required maintenance and repairs will exceed fourteen (14) days after the need for such work has been identified, Licensee shall submit a schedule for completion to the Judicial Council and Court for review and acceptance. If the state of disrepair is such that an emergency or hazard is created thereby, Licensee shall immediately take steps to correct and address the emergency or hazard.

8.1.6 *Maintenance and Repair of Licensee Equipment.* Licensee shall repair, maintain, operate, and replace all Licensee Equipment as is reasonably necessary at Licensee's sole cost. Licensee shall also be responsible for providing all additional supplies needed to properly conduct the Licensed Use as determined by the Judicial Council and otherwise required under this License including, without limitation, any expendable items such as flatware, dishes, trays, glasses, cooking utensils, condiment dispensers, and decorative items.

8.2 Judicial Council Repairs and Maintenance. Except as otherwise set forth herein and without modifying or minimizing any other obligation of Licensee under this License, the Judicial Council shall be responsible for maintaining and repairing:

8.2.1 All structural and exterior portions of the Building and Premises.

8.2.2 All Building systems and equipment including electrical, plumbing, fire sprinkler, fire suppression system, fire/life/safety system, elevators, security systems, lighting, heating, ventilating and air conditioning systems (HVAC), loading doors, if any, that serve the Premises and the Building and all other such elements in the Building, other than those installed or constructed by Lessee.

8.2.3 All unexposed electrical and plumbing fixtures of the Building.

Except as otherwise expressly set forth in this License or agreed to in writing by the Parties, the Judicial Council and Court shall not have or owe any obligation, responsibility, or liability to Licensee for any maintenance, repair, replacement, improvement, alteration, or expense of or to the Premises, Court-Owned Furniture, or any other appliances, tools, equipment, furniture, and fixtures otherwise present in the Premises or provided to or supplied by Licensee at any time for its use in conducting the Licensed Use (including the Licensee Equipment).

8.3 Licensee's Default. The Judicial Council may elect, in its sole determination, to cure or otherwise remedy any failure or other default of Licensee with respect to Licensee's compliance with Licensee's maintenance and repair obligations pursuant to this License, and Licensee shall be responsible for promptly reimbursing the Judicial Council for all costs incurred therefor.

8.4 Damage. Licensee shall be responsible for the repair and/or replacement of all improvements and equipment wherever located on the Property that is damaged and/or destroyed by the negligent and/or willful acts or omissions of Licensee, its employees, agents, suppliers, and/or contractors.

8.5 *"As-Is" Condition; No Judicial Council Warranty.* At all times during the Term, except as specifically provided for herein, Licensee hereby acknowledges and agrees that the Premises, Court-Owned Furniture, and any other appliances, tools, equipment, furniture, and fixtures otherwise present in the Premises or provided to or supplied by Licensee at any time for its use in conducting the Licensed Use (including the Licensee Equipment) are in an *"AS-IS, WHERE-IS, AND WITH ALL FAULTS"* basis with no right of set-off or reduction in payment to the Judicial Council; without representation or warranty by the Judicial Council of any kind, express or implied (including, without limitation, any warranty of income potential, operating expenses, uses, merchantability, or fitness for a particular purpose); and the Judicial Council disclaims and renounces any such representation or warranty.

8.6 Custodial Services. Licensee *or* The Court shall be responsible for providing all custodial services reasonably needed for the Premises and Licensee's conducting of the Licensed Use.

9. Utilities Services.

9.1 Utilities. The Judicial Council shall provide and pay for all utilities serving the Premises, excluding telecommunications services, reasonably necessary for Licensee's conducting of the Licensed Use.

9.2 Outages. Licensee waives any and all claims against the Judicial Council for compensation for loss or damage caused by a defect, deficiency, outage, or impairment of any utility system, water supply system, drainage system, waste system, heating or gas system, or electrical apparatus or wires serving the Premises.

9.3 Refuse Trash Collection and Disposal. The Judicial Council will provide all refuse collection and disposal services for the Building and Licensee's Licensed Use of the Premises. Licensee shall bring all refuse and trash originating from or collected in the Premises and Food Service Facility to the Building's central repository and collection location(s) as directed by the Court and may change from time to time.

9.4 Refuse Sorting; Zero Waste. Licensee must at all times comply with all refuse sorting and zero waste requirements and protocols for the Building (i.e., Building users depositing of recyclables, compostables, and landfill refuse materials in only the appropriate receptacle bins) as may change from time to time.

10. **Building Security.**

10.1 Security/Access. Licensee shall at all times comply with all security access and screening requirements in effect at the Property. Licensee will have no access to any area within the Property that is either connected to or contains confidential records or information including, but not limited to, Court files, the California Law Enforcement Telecommunications System, the Criminal Offender Records Information, or the Department of Motor Vehicles computer database.

10.2 Background Checks.

10.2.1 Licensee shall coordinate with the Court regarding any background checks and security clearances of Licensee, its employees, agents, contractors, and vendors which are or may be required by the Court (“**Background Check(s)**”).

10.2.2 The Court will conduct the background checks and notify Licensee if each applicable individual is approved to have access to the Premises. If allowable by the Court, Licensee may instead conduct any such necessary Background Checks in lieu of the Court and provide to the Court suitable documentation evidencing Licensee’s completion of any necessary Background Checks.

10.2.3 Licensee shall not allow any individual(s) to have access to the Premises for the privileges or purposes granted pursuant to this License unless and until the individual(s) completes a Background Check to the satisfaction of the Court.

10.2.4 Licensee shall be responsible for all costs and expenses related to Background Checks and, to the extent applicable, Licensee shall promptly reimburse the Court for all actual and reasonable costs and expenses associated with any Background Checks required hereunder.

10.2.5 If Licensee does not comply with these terms or does not satisfy the Court’s requirements to pass any such Background Checks, the Judicial Council may terminate this License effective upon delivery of written notice to Licensee upon which Licensee will not be permitted to access the Premises except as specifically allowed and conditioned by the Court.

10.3 Key Cards; Badges. Any and all security badges, keys, access cards, or other security clearance items distributed or provided to Licensee, its employees, agents, and contractors shall be exclusively and solely for official purposes to access and use the Premises pursuant to this License and to otherwise perform the Licensed Use; shall not be used for any unpermitted, inappropriate, or other purposes whatsoever; and shall be immediately returned and relinquished either (i) upon the expiration or earlier termination of this License, the Licensed Use, and/or any Licensee employee, agent, or contractor's relationship with Licensee or (ii) upon specific request by the Judicial Council or Court in their sole determination and for any or no reason whatsoever.

11. **Improvements and Alterations.**

11.1 Licensee Improvements. Licensee shall not make any improvements or alterations of any kind to the Premises or the Property including, without limitation, the placement or construction on, over, or under any part of the Property of any permanent structure, fixture, or installation of any kind, size, or character whatsoever, or the modification of any improvements or alterations already installed or existing ("**Licensee Improvements**"), without the prior and express written approval of the Judicial Council, which approval will be given or withheld in the sole discretion of the Judicial Council.

11.2 Ownership. Except as otherwise agreed to in writing by the Parties, ownership of all Licensee Improvements approved by the Judicial Council and made by Licensee pursuant to this License shall remain with Licensee during the Term of this License. Licensee shall be responsible at its sole cost and expense for acquiring, delivering, constructing, and/or installing all approved Licensee Improvements in accordance herewith that Licensee deems necessary for its occupancy and use of the Premises for the Licensed Use.

11.3 Performance of Licensee Improvements.

11.3.1 *Performance.* Licensee shall exercise reasonable precautions to generally avoid damage to the Property and to protect persons and property in the performance of any Licensee Improvements. Licensee shall cause the performance of all Licensee Improvements to be constructed by well-trained, adequately supervised workers in a good and workmanlike manner, free from design, material, and workmanship defects, and with high quality materials. Licensee's contractors and subcontractors of every tier shall secure and maintain at all times all licenses and certifications required by law to perform the Licensee Improvements. Licensee shall furnish, at Licensee's sole cost and expense, all tools, equipment, apparatus, facilities, transportation, labor, and materials necessary to perform any Licensee Improvements. No construction materials or debris may be stored in or on the Property without the express prior written consent of the Judicial Council.

11.3.2 *Contractor Insurance.* Licensee shall require Licensee’s contractors, and any subcontractor thereof, performing any Licensee Improvements to obtain and keep in force the following policies of insurance: (i) commercial general liability insurance coverage with a minimum limit of liability of \$1,000,000 per occurrence and a \$2,000,000 aggregate; (ii) workers’ compensation insurance as required by law; (iii) employers’ liability coverage with limits not less than \$1,000,000 per person per accident; and (iv) builder’s risk or installation insurance that covers the work of the applicable Licensee Improvements for direct physical loss or damage while in the course of transportation, erection, installation, or completion with limits of liability equal to the final completed value of the Licensee Improvements. Prior to commencing the performance of any Licensee Improvements, Licensee shall obtain and provide to the Judicial Council certificates of insurance from Licensee’s contractors for the required insurance which shall name Licensee; the Judicial Council; the State of California; and the Court; and their respective officers, agents, and employees as additional insureds. Licensee’s contractors shall not commence work until all required certificates of insurance are provided to the Judicial Council.

11.3.3 *Compliance with Laws and Codes.* Licensee shall cause all Licensee Improvements to be constructed in compliance with all applicable laws and regulations including, without limitation, the Americans with Disabilities Act and all relevant building codes. Licensee acknowledges that the performance of any Licensee Improvements in the Building may be subject to the prevailing wage requirements set forth in California Labor Code section 1720 et seq.

11.3.4 *Approvals.* Prior to commencing the performance of any Licensee Improvements, Licensee shall procure, obtain, and maintain any and all required approvals, permits, licenses, variances, permissions, certificates, or other approvals (“**Approvals**”) that are necessary to perform any Licensee Improvements from all federal, state, and local governmental authorities having jurisdiction over the Premises and Licensed Use (“**Authorities Having Jurisdiction**”) including, without limitation, the Division of the State Architect and/or the Office of the State Fire Marshal. The Judicial Council agrees to reasonably cooperate with and assist Licensee in so obtaining all necessary Approvals from any Authorities Having Jurisdiction. Notwithstanding or limiting the foregoing, Licensee is hereby advised that the Judicial Council’s Quality Compliance Manager serves as the Building Official and authority having jurisdiction under the California Building Code (Cal. Code Regs., tit. 24) for the plan review, permitting, and inspecting of any work on Property. Licensee shall provide the Judicial Council with copies of all Approvals obtained pursuant to this section.

11.3.5 *Schedule; Interference.* Prior to Licensee’s commencement of any Licensee Improvements, Licensee shall provide a proposed construction schedule for review and approval by the Judicial Council, which approval will not be unreasonably withheld, conditioned, or delayed so long as the proposed construction schedule will not

unreasonably interfere with operations at the Property, create an undue safety risk, or otherwise conflict with the terms and conditions of this License. Licensee agrees to use all commercially reasonable efforts to limit as much interference and disruption as possible to the operations and facilities of, and to not create an undue safety risk at, the Property in the performance of any Licensee Improvements. Licensee shall not obstruct nor allow any of its contractors to obstruct access to the Property without the Judicial Council's express prior, written consent. To the extent possible, Licensee shall perform all Licensee Improvements in the manner most likely to minimize injury, damage, loss, and negative impacts to the Property.

11.3.6 *Inspection.* Licensee will permit the Judicial Council, its employees, agents, and contractors to inspect the Premises during the course of construction of any Licensee Improvements in order to conduct inspections, testing, and approvals of the work. If the construction work requires a permit, such construction work shall remain accessible and exposed for inspection purposes until approved.

11.3.7 *Asbestos Containing Materials.* Licensee acknowledges that the Building may contain asbestos materials. Prior to the commencement of any Licensee Improvements, Licensee shall consult with the Judicial Council to determine whether asbestos containing materials ("ACMs") are present in the materials being altered, demolished, or renovated. If ACMs are or may be contained in such materials, Licensee shall, at its sole cost, conduct its construction work as required under the Judicial Council Asbestos Work Permit and Management Process.

11.3.8 *Removal.* Except as otherwise agreed to in writing by the Parties, the removal of all Licensee Improvements shall be pursuant to and in compliance with the License's provisions for Licensee's surrender of the Premises to the Judicial Council.

11.4 Costs; Liens. Licensee shall pay, or cause to be paid, all costs for work of any Licensee Improvements on the Premises, and for all materials furnished for or in connection with any such work. If any lien is filed against the Premises in the course of any Licensee Improvements, Licensee shall cause the lien to be discharged of record within fifteen (15) days of Licensee receiving notice that such a lien has been filed. Licensee shall indemnify, defend, and hold the Judicial Council, State of California, and Court harmless from any and all liability, loss, damage, costs, attorneys' fees, and all other expenses on account of claims of liens or laborers or materialmen or others for work performed or materials or supplies furnished for Licensee or persons claiming under Licensee. It is acknowledged and agreed that, if the Property is subject to Bond Documents, in no event whatsoever will any lien attempted to be filed against the Property be superior to said Bond Documents and will instead at all times remain subordinate thereto.

11.5 Unapproved Improvements. The Judicial Council may remove any Licensee Improvements that are (i) not properly approved by the Judicial Council, but that are

nevertheless installed by or on behalf of Licensee, or (ii) that are not performed in compliance with this License, or (iii) that are not removed by Licensee when required to do so in accordance herewith. Any such removal of Licensee Improvements by the Judicial Council shall be at Licensee's sole cost and expense including, without limitation, any costs associated with the repair of any damage done to the Premises or the Property in removing those Licensee Improvements, which shall be paid to the Judicial Council within thirty (30) days of Licensee's receipt of any invoice therefor.

12. Expense; Reimbursement.

12.1 Expense. Any cost, expense, or liability connected with or in any manner incident to the granting, exercise, enjoyment, or relinquishment of this License shall be assumed and discharged by Licensee.

12.2 Demand for Reimbursement. In the event that the Judicial Council requires reimbursement from Licensee for expenses incurred by the Judicial Council or Court, the Judicial Council shall deliver to Licensee a written invoice for such amounts, and Licensee shall reimburse the Judicial Council therefor within thirty (30) days of Licensee's receipt of such invoice. If Licensee fails to reimburse the Judicial Council as described herein, any such reimbursement amounts shall become subject to a Late Fee.

13. Rules of Conduct on the Property.

13.1 No Disturbances. Licensee, its employees, and invitees shall refrain from disorderly conduct, or conduct that creates loud and unusual noises or unpleasant odors, or that obstructs the customary use of the common areas of the Property including, without limitation, the entrances, exits, foyers, corridors, offices, elevators, stairways, and parking lots, or that otherwise impedes or disturbs (i) Court judges, staff, or jurors in the performance of their duties; (ii) members of the public in transacting business or obtaining services provided on the Property; or (iii) other occupants, employees, and invitees of the Property from accessing or using the Property.

13.2 No Gambling. Licensee, its employees, and invitees shall refrain from conducting or participating in games for money or other personal property, the operation of gambling devices, the conduct of a lottery or pool, or the selling or purchasing of lottery tickets at, on, or in the Property.

13.3 Drug Free Environment. Licensee shall not knowingly permit any person under the influence of any non-prescribed drug defined by the state or federal government as a "controlled substance" or that is otherwise intoxicated to enter upon the Property. The possession, sale, or use of any "controlled substance" (except when permitted by law) on the Property is prohibited.

13.4 No Weapons or Explosives. Licensee, its employees, and invitees, while on the Property, are prohibited from carrying firearms, other dangerous or deadly weapons, or explosives, either openly or concealed, and from storing any such weapons or explosives on or within the Property, except for permitted official purposes.

13.5 No Smoking. Smoking in any form or manner including, without limitation, vaping shall not be permitted on the Premises at any time, and Licensee, its employees, and invitees shall additionally comply with all applicable laws and ordinances regarding smoking in the vicinity of all entrances to and the exterior of the Property.

13.6 No Loitering. Licensee shall not permit any loud, boisterous, or disorderly persons to loiter about the Premises.

13.7 No Habitation. Neither the Premises nor the Property may be used for human habitation.

13.8 No Illegal Activity. Licensee shall not permit any illegal activities to be conducted upon the Premises.

14. Indemnification.

14.1 Licensee shall and hereby does agree to indemnify, defend (with counsel satisfactory to the Judicial Council), and save harmless the Judicial Council, State of California, Court, and their respective judicial officers, employees, and agents (“**State Parties**”) from and against any and all liability, damages, attorneys’ fees, costs, expenses, or losses of any kind whatsoever including, without limitation, damages related to decreases in the value of the Property and claims for damages or decreases in the value of any adjoining property (“**Indemnified Loss**”). An Indemnified Loss includes, without limitation, court costs, penalties, fines, liens, judgments, consultants’ fees, investigation and remediation costs, and other expenses of every kind asserted against or incurred by the State Parties directly or indirectly arising from or related to the exercise by Licensee, its officers, employees, agents, or invitees, of the privilege granted by this License, its or their use of the Premises or the Property, the Licensed Use, or any other act or omission of Licensee, including from any failure by Licensee to comply with the terms of this License.

14.2 Licensee’s obligation to defend will commence immediately upon the assertion of any claim or demand for an Indemnified Loss by or against the State Parties that is tendered to Licensee; shall apply to any claim that actually or potentially falls within the coverage of this indemnity provision, even if such allegation is or may be groundless, fraudulent, or false; and will continue at all times after such tender until each such claim is fully and finally resolved. Licensee’s indemnification and defense obligations under this section shall survive the termination or expiration of this License.

14.3 Notwithstanding the foregoing, this indemnity shall not apply to those losses solely and directly caused by the gross negligence or willful misconduct of the State Parties.

15. Insurance. Licensee will, at all times during the period of Licensee's occupancy of the Premises, provide and maintain, at its sole expense, insurance of the type and with coverage amounts set forth in **Exhibit "D,"** attached hereto and incorporated herein.

16. Taxes and Assessments.

16.1 *Taxes Levied.* Licensee shall pay before delinquency all lawful taxes, assessments, fees, and charges which at any time may be levied by the state, county, city, or any other tax or assessment-levying body upon Licensee's equipment and any improvements constructed or installed by Licensee located in the Premises.

16.2 *Taxes on Goods.* Licensee shall also pay all taxes, assessments, fees, and charges on goods, merchandise, fixtures, appliances, and equipment owned or used in the Licensed Use.

16.3 *Possessory Interest Taxes.* Pursuant to California Revenue and Taxation Code section 107.6, notice is hereby given that Licensee is responsible for any possessory interest taxes that may be imposed as the result of, or related to, this License. Licensee shall have the right, with the cooperation of the Judicial Council and at no cost to the Judicial Council, to contest any such possessory interest taxes.

17. Right of Entry; Abandonment.

17.1 The Judicial Council, Court, and its employees and agents may enter the Premises at any reasonable time for the purpose of determining whether or not Licensee is complying with the terms and conditions of this License and as otherwise permitted hereunder.

17.2 In the event that Licensee either abandons or vacates the Premises or discontinues the Licensed Use, or appears to have done so in the Judicial Council or Court's reasonable determination, for a period in excess of five (5) business days, Licensee hereby irrevocably appoints the Judicial Council and/or Court as an agent for continuing the operation of the Licensed Use at the Premises and, in connection therewith, authorizes the officers and employees thereof to: (i) take possession of the Premises including all improvements, equipment, and inventory thereon; (ii) remove any and all persons or property on the Premises and place any such property in storage for the account of and at the expense of Licensee; (iii) sublease or sublicense the Premises; and (iv) after payment of all expenses of such subleasing or sublicensing, apply all payment realized therefrom to the satisfaction or mitigation of all damages arising from Licensee's breach of this License.

Any entry upon the Premises by the Judicial Council or Court pursuant hereto shall be without prejudice to or waiver of any other rights or remedies available under this License or law.

18. Non-Responsibility for Sales Proceeds.

18.1 Licensee hereby acknowledges and represents that Licensee has made its own determinations as to the profitability and viability of the Licensed Use at the Premises including traffic counts of possible patrons and previous sales history, if any; and Licensee has not relied on any representations made by the Judicial Council, Court, or their respective officers, judicial officers, directors, employees, or agents with respect thereto.

18.2 Neither the Judicial Council, Court, nor their respective officers, judicial officers, directors, employees, or agents assume any liability whatsoever for any loss or limitation of Licensee's sales caused by, related to, or arising from (i) the reduction of users of the Building or Property including a reduction in the number of Court staff or members of the public for any reason or period of time; (ii) damages to the Premises or Building; (iii) the temporary or permanent relocation of patron traffic or access; (iv) boycotts or strikes; (v) relocation of the Premises within the Building; (vi) or any other reason whatsoever, foreseeable or unforeseeable.

19. Surrender; Holdover.

19.1 Surrender of Premises. Upon the expiration or termination of this License, Licensee shall peaceably vacate and surrender the Premises, and shall deliver up the Premises to the Judicial Council in reasonably good condition as the Premises were in when received by Licensee on the Commencement Date (ordinary wear and tear excepted), free from hazards, and clear of all debris. At such time, Licensee shall remove all of its property from the Property, except as otherwise provided in this License or agreed to in writing by the Judicial Council and Licensee.

19.2 Removal of Licensee Improvements. In addition to the foregoing, at the expiration or termination of this License, unless otherwise agreed to in writing by the Judicial Council and Licensee, Licensee shall, at Licensee's sole cost and expense, remove all Licensee Improvements from the Premises and Property and repair the Premises and Property due to such removal to its original condition, reasonable wear and tear excepted. Should Licensee fail to properly remove any Licensee Improvements and/or Licensee Equipment from the Premises or Property, the same may be sold, removed, or demolished in the Judicial Council's discretion and Licensee shall promptly reimburse the Judicial Council upon demand for any cost or expense incurred by the Judicial Council in connection therewith in excess of any consideration received by the Judicial Council as a result of said sale, removal, or demolition.

19.3 Holding Over. Any holding over by Licensee after the termination or expiration of this License will be deemed to be a month-to-month tenancy upon the same terms and conditions as set forth in this License except that each installment of the monthly License Fee due to the Judicial Council shall be deemed to automatically include an additional fee of Five Thousand Dollars (\$5,000) for each and every month during which Licensee so holds over.

20. Destruction of Premises.

20.1 In the event that the Premises are totally or partially destroyed by fire, earthquake, flood, storms, war, insurrection, riot, or public disorder (each a “**Casualty Event**”), the Judicial Council shall, in its sole discretion, either restore the Premises or terminate this License.

20.2 Should the Judicial Council elect to restore the Premises, this License shall continue in full force and effect except that the payments to be made by Licensee shall be abated or other relief afforded to the extent that the Judicial Council may determine the damage or restoration interferes with the Licensed Use and Licensee’s occupancy of the Premises.

20.3 Licensee agrees to cooperate with the Judicial Council in the restoration of the Premises by vacating and removing all items of inventory, trade fixtures, equipment, and furnishings for such periods as are required for the restoration thereof. Licensee further agrees to cooperate in the determination of the abatement and/or other relief to be provided by furnishing all requested information related to the Licensed Use or otherwise.

20.4 The provisions of this section are also applicable to any total or partial closure of the Premises by a Casualty Event, except that the relief to be provided shall be based upon the extent the Judicial Council may determine that the reduction in the public’s use of the Premises due to the partial or total closure thereof has affected the Licensed Use.

20.5 Licensee agrees to accept the remedy provided under this section in the event of the destruction of the Premises, and hereby waives any or all additional rights and remedies for relief or compensation that are presently available or may hereinafter be made available under the laws and statutes of California including any possible application of California Civil Code sections 1932(2) and 1933(4).

21. Relocation Assistance.

21.1 Licensee is hereby informed of and acknowledges the following:

21.1.1 By entering into this License and becoming a licensed user of the Premises, Licensee may become entitled to receipt of certain relocation assistance benefits

(“**Relocation Benefits**”) pursuant to the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. § 4601 et seq.) and/or the California Relocation Assistance Act (Gov. Code § 7260 et seq.) (collectively, the “**Relocation Statutes**”) should Licensee be deemed to be a “displaced person” because the Judicial Council at some time makes use of the Premises in such a way as to “displace” Licensee from the Premises (as those terms are more fully set forth in the Relocation Statutes). Pursuant to the Relocation Statutes, the Judicial Council may then be obligated to make payments for such relocation assistance to Licensee even where such displacement of Licensee does not otherwise constitute a breach or default by the Judicial Council of its obligations hereunder.

21.1.2 Under the Relocation Statutes in effect as of the date of this License, Relocation Benefits may include payment to such a “displaced person” of (i) the actual and reasonable expense of moving himself, herself, a family, business, or farm operation including personal property, (ii) the actual direct loss of reestablishing a business or farm operation, but not to exceed \$10,000, or (iii) payment in lieu of moving expenses of not less than \$1,000 or more than \$20,000.

21.2 In consideration of the Judicial Council’s agreement to enter into this License, Licensee hereby waives any and all rights it may now have, or may hereafter obtain, to Relocation Benefits arising out of the Judicial Council’s assertion or exercise of its contractual rights to terminate this License pursuant to its terms, whether or not such rights are contested by Licensee or any other entity, and Licensee hereby releases the Judicial Council from any responsibility for the payment of such Relocation Benefits; provided, however, that Licensee does not waive its rights to Relocation Benefits to the extent that Licensee’s entitlement thereto may arise out of any condemnation or pre-condemnation actions taken by any public agency with respect to the Premises or as otherwise expressly set forth in this License. As reasonably required by the Judicial Council, Licensee shall execute any further documentation of the release and waiver provided hereby.

22. Transfers and Assignments. This License is personal to Licensee. Licensee shall not assign or otherwise transfer this License or any rights, privileges, or obligations hereunder to any other person or entity, nor shall Licensee permit the use of any portion of the Premises by others, without the prior written consent of the Judicial Council, which consent will be given or withheld by the Judicial Council in its sole discretion.

23. Independent Contractor; Relationship of the Parties.

23.1 Licensee and the Judicial Council hereby confirm and agree that, in performing their respective obligations and exercising their respective rights under this License, each Party is at all times an independent contractor with respect to the other Party, and that no relationship of employer-employee, partnership, or joint venture is created by

this License between Licensee and any of the State of California, the Judicial Council, or the Court.

23.2 Neither Licensee nor the Judicial Council, nor any other person or entity performing services on behalf of either Party pursuant to this License, will have any right or claim against the other Party under this License for social security benefits, workers' compensation benefits, health benefits, vacation pay, sick leave, or any other employee benefits of any kind or nature whatsoever. Each Party is responsible to provide and maintain its own workers' compensation insurance covering its own employees, and neither Party will have any liability or responsibility for workers' compensation insurance coverage for employees of the other Party.

24. Default and Remedies.

24.1 Event of Default. After the expiration of the applicable grace or cure period, any of the following breaches will constitute an event of default by Licensee under this License (“**Event of Default**”):

24.1.1 *Monetary Breach*. Licensee's failure to pay any amount in full when it is due under this License following five (5) days written notice to Licensee therefor.

24.1.2 *Breach of Other Terms*. Licensee's failure to observe or perform any other provision of this License, or the breach of any of Licensee's representations or warranties hereunder, if such failure or breach continues for thirty (30) days after written notice from the Judicial Council of the failure or breach specifying in reasonably sufficient detail the nature of the failure or breach; provided, however, if the breach is such that it is capable of being cured, but cannot be completely cured within said thirty (30) day cure period, Licensee will not have defaulted if Licensee begins to cure within the thirty (30) day cure period and diligently performs the cure to completion.

24.2 Remedies. Upon the occurrence of an Event of Default by Licensee, the Judicial Council, in addition to any other rights or remedies available to it at law or in equity, will have the right to cure any Event of Default by Licensee at Licensee's cost and expense following the applicable notice and cure period, and/or to elect to terminate this License immediately upon written notice to Licensee thereof.

25. Notices. Any notices required or permitted to be given under the terms of this License must be in writing and may be: (i) personally delivered; (ii) mailed by depositing such notice in the United States mail, first class postage prepaid; or (iii) sent by reputable overnight delivery service, addressed as follows or to such other place as each Party hereto may designate by subsequent written notice to the other Party:

If to the Judicial Council: Judicial Council of California
Facilities Services
Attention: Associate Facilities Analyst
455 Golden Gate Avenue
San Francisco, CA 94102

OR

2860 Gateway Oaks Drive, Suite 400
Sacramento, CA 95833
Voice: ____ - ____ - ____
Email: JCCRealEstate@jud.ca.gov

With a copy to: Judicial Council of California
Facilities Services
Attention: Manager, Real Estate
2860 Gateway Oaks Drive, Suite 400
Sacramento, CA 95833
Voice: 916-263-7999

In addition, all notices by Licensee relating to termination of this License or an alleged breach or default by the Judicial Council of this License must also be sent to:

Judicial Council of California
Branch Accounting & Procurement
Attention: Manager, Contracts
455 Golden Gate Avenue
San Francisco, CA 94102
Voice: 415-865-7989

If to Licensee: Insert Licensee Name
Attention: _____
Street Address
City, State, Zip
Voice: ____ - ____ - ____
E-mail: _____@_____

26. Miscellaneous.

26.1 Entire Agreement. This License contains the entire and complete agreement of the Parties with respect to the subject matter of this License, and supersedes any and all other previous or concurrent understandings, arrangements, or agreements, oral or written. No promises, representations, warranties, or inducements of any kind exist between any of the Parties to this License except as expressly set forth in this License.

26.2 Waivers. Any waiver of any right under this License must be in writing and signed by the waiving Party. The waiver by either Party at any time of any breach of this License shall not be deemed a waiver of or consent to a breach of any other provision of this License or a consent to any succeeding breach of the same or another provision of this License. No waiver of any provision of this License shall be implied by any failure of either Party to enforce any remedy for the violation of that provision, even if that violation continues or is repeated.

26.3 Attempted Variations. There shall be no variation or departure from the terms of this License without the prior written consent of the Judicial Council.

26.4 Future Requirements. In addition to the terms of this License, the Judicial Council and Court shall have the right to impose reasonable rules and requirements for use of the Premises and/or the Property from time to time, and Licensee shall promptly and continuously comply with any such further rules and requirements as the Judicial Council or Court may hereafter impose and deliver to Licensee.

26.5 Anti-Discrimination.

26.5.1 Licensee shall comply with all applicable federal and California laws relating to discrimination against employees or members of the public because of, without limitation, the race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status of any person, including, but not limited to, the California Fair Employment and Housing Act, the California Unruh Civil Rights Act, the Civil Rights Act of 1964, and the Americans with Disabilities Act of 1990 (collectively, the “**Anti-Discrimination Laws**”).

26.5.2 Licensee hereby certifies and agrees that: (i) all persons employed by Licensee and the affiliates, subsidiaries, or holding companies thereof are and shall be treated equally in compliance with the Anti-Discrimination Laws; and (ii) all sub-licensees, bidders, and vendors are and shall be selected in compliance with the requirements of the Anti-Discrimination Laws.

26.6 Governing Law; Venue. This License is governed by and will be construed in accordance with the laws of the State of California without regard to its conflict of law provisions. The venue for any action brought with respect to the enforcement or interpretation of the provisions herein or otherwise related to this License shall be with the Superior Court of California.

26.7 License Temporary in Nature. Licensee agrees that the rights herein are of a temporary, non-exclusive, non-possessory nature and in no event will this License or any memorandum of this License be recorded with the Recorder’s Office, nor will Licensee

have a claim to any right or interest in the Premises or the Property other than as specifically provided for in this License.

26.8 Authority. Licensee and the Judicial Council each certifies that it is duly authorized and empowered to execute, enter into, and perform its obligations set forth in this License; and that the individual(s) signing this License on its behalf has authority to execute this License on its behalf and may legally bind it to the terms and conditions of this License and all exhibits attached hereto.

26.9 Severability. If any term, provision, covenant, or restriction in this License is determined to be invalid, void, unenforceable, or otherwise inconsistent with applicable law, the remainder of the terms, provisions, covenants, and restrictions of this License will remain in full force and effect and will in no way be affected, impaired, or invalidated. It is hereby stipulated and declared to be the intention of Licensee and the Judicial Council that they would have executed the remaining terms, provisions, covenants, and restrictions set forth in this License without including any of such terms, provisions, covenants, or restrictions that may be hereafter declared invalid, void, or unenforceable.

26.10 Counterparts and Electronic Execution. This License may be executed in counterparts (including PDF copies), each of which shall be deemed an original as against the Party signing such counterpart and which together shall constitute one and the same instrument. The Parties agree that the signature pages of this License may be executed, scanned, and transmitted electronically and electronic signatures shall be deemed original signatures for purposes of this License, with such scanned and electronic signatures having the same legal effect as original signatures.

[SIGNATURES ON FOLLOWING PAGE(S)]

ACCEPTED AND AGREED TO:

LICENSEE:

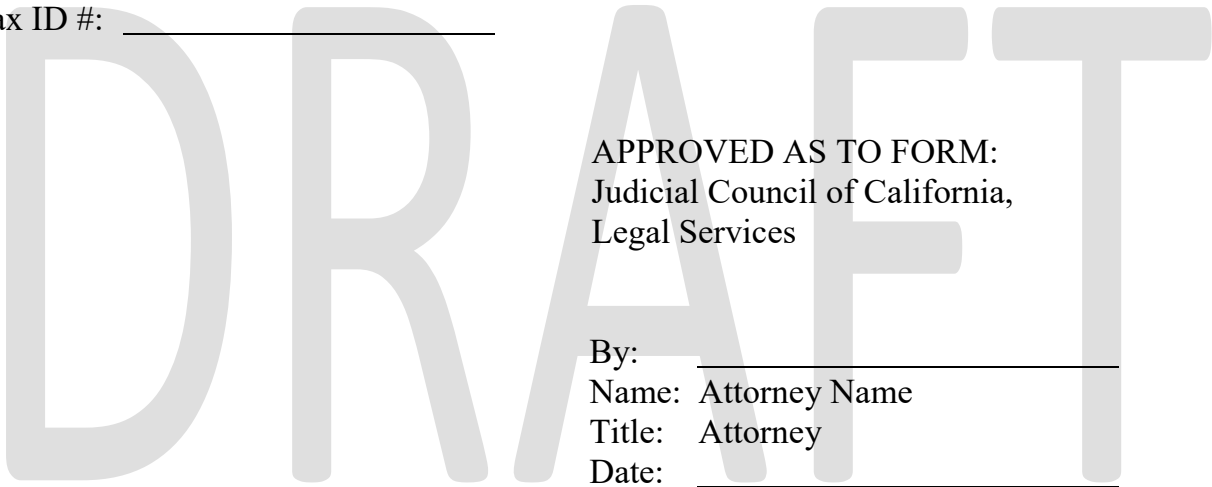
LICENSOR:

NAME OF LICENSEE

JUDICIAL COUNCIL OF CALIFORNIA

By: _____
Name: Insert Name
Title: Insert Title
Date: _____
Tax ID #: _____

By: _____
Name: Stephen Saddler
Title: Manager, Contracts
Date: _____



APPROVED AS TO FORM:
Judicial Council of California,
Legal Services

By: _____
Name: Attorney Name
Title: Attorney
Date: _____

Only if subject to the Bond Provisions, as indicated in the Recitals above:

CONSENT

STATE PUBLIC WORKS BOARD

By: _____
Name: Koreen H. van Ravenhorst
Title: Deputy Director
Date: _____

EXHIBIT “A”

DEPICTION OF PREMISES

[To Be Inserted]

DRAFT

EXHIBIT “B”

**FORM OF
MONTHLY GROSS RECEIPTS REPORT**

In accordance with the License’s terms, Licensee shall provide the Judicial Council with a report of Licensee’s Gross Receipts for each month that also shows the amount payable to the Judicial Council from Licensee’s monthly Gross Receipts on the form enclosed with this Exhibit.

[Form of Monthly Gross Receipts Report on following page(s)]

DRAFT

Monthly Gross Receipts Report

Sales Month:

Sales Year:

Vendor Name: _____

Lease ID: _____

Building Number: _____

Building Name: _____

Date of Report: _____

Check Number: _____

Gross Receipts: _____

(as defined in the License)

License Fee: \$0.00

If Gross Receipts total \$0.00 - \$4,999.99, License Fee is 0% of Gross Receipts.

If Gross Receipts total \$5,000.00 or more, License Fee is 3% of Gross Receipts.

NOTES:

EXHIBIT "C-1"

**INVENTORY OF
COURT-OWNED FURNITURE AND EQUIPMENT**

- If checked, it is acknowledged and agreed that there is no Court-Owned furniture and equipment located in the Premises or otherwise available to Licensee for the Licensed Use.

No.	Item	Quantity	Description / Notes
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			
14.			
15.			

EXHIBIT "C-2"

**INVENTORY OF
JUDICIAL COUNCIL-OWNED FURNITURE AND EQUIPMENT**

- If checked, it is acknowledged and agreed that there is no Judicial Council-Owned furniture and equipment located in the Premises or otherwise available to Licensee for the Licensed Use.

No.	Item	Quantity	Description / Notes
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			
14.			
15.			

EXHIBIT "D"

INSURANCE REQUIREMENTS

1. General Requirements.

1.1 During the period of time Licensee occupies or uses space at or in the Property, Licensee will maintain, or cause to be maintained, insurance that is issued by an insurance company or companies that are rated "A-VII" or higher by A.M. Best's key rating guide and are approved to do business in the State of California, or that is through a program of self-insurance with excess coverage.

1.2 Before commencement of its use, Licensee will provide the Judicial Council with certificates of insurance, on forms acceptable to the Judicial Council, as evidence that all required insurance is in full force and effect. The certificates of insurance must clearly indicate the following:

1.2.1 The State of California, Judicial Council, and Court as well as either or both the County (if a joint occupant of the Property, as indicated in the Recitals above) and the SPWB (if this License is subject to the Bond Provisions, as indicated in the Recitals above), including their respective elected and appointed officials, judges, subordinate judicial officers, officers, employees, and agents, if any, have been added as additional insureds on the insurance policy being referenced, but only with respect to liability assumed by Licensee under the terms of this License;

1.2.2 The insurance policy being referenced will not be materially changed or cancelled without thirty (30) days' prior written notice to the Judicial Council;

1.2.3 The insurance policy being referenced is primary and non-contributing with any insurance, self-insurance, or other risk management program maintained by the State of California, Judicial Council, or Court as well as the County or SPWB (if either or both applicable), including their respective elected and appointed officials, judges, subordinate judicial officers, officers, employees, and agents, if any; and

1.2.4 Licensee and its insurers providing the insurance contracts being referenced waive any right of subrogation or recovery they may have against any of the State, Judicial Council, or Court as well as the County or SPWB (if either or both applicable), including their respective elected and appointed officials, judges, subordinate judicial officers, officers, employees, and agents for loss or damage to the Premises or Property.

1.3 The Certificates of Insurance shall be addressed as follows:

Judicial Council of California
Facilities Services
455 Golden Gate Avenue, 8th Floor
San Francisco, CA 94102
Attn: Risk Management
Fax: rmu@jud.ca.gov

2. Insurance Requirements. Before the commencement of the use of the Premises authorized by the terms of this License, Licensee will furnish to the Judicial Council verification that the following insurance is in force:

2.1 Commercial General Liability. Commercial general liability insurance written on an occurrence form with limits of not less than \$1,000,000 per occurrence, and a \$1,000,000 per location annual aggregate. Each policy must include coverage for liabilities arising out of premises, operations, independent contractors, products and completed operations, personal and advertising injury, and liability assumed under an insured contract. This insurance must apply separately to each insured against whom a claim is made or lawsuit is brought, subject only to the insurance policy's limit of liability.

2.2 Commercial Automobile Liability. When an automobile is used in connection with the use of the Premises, automobile liability insurance with limits of not less than \$500,000 per accident. Such insurance must cover liability arising out of a motor vehicle, including owned, hired, and non-owned motor vehicles, assigned to or used in connection with this License.

2.3 Workers' Compensation and Employer's Liability. Workers' compensation insurance as required by law. Employer's liability limits not less than \$1,000,000 for each accident, \$1,000,000 as the aggregate disease policy limit, and \$1,000,000 as the disease limit for each employee.

EXHIBIT “E”

DOR WAIVER

[Copy of DOR Waiver on following page(s)]

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