

ATM SUBLICENSE AGREEMENT

Location of Leased Premises:

**MISSION VALLEY STATE OFFICE BUILDING
7575 METROPOLITAN DRIVE
SAN DIEGO, CALIFORNIA 91950**

LICENSE NO.: L-2704

Agency:

**DEPARTMENT OF GENERAL SERVICES
REAL PROPERTY NO. 10388**

LICENSEE: USE Credit Union

THIS SUBLICENSE, hereinafter referred to as "License," dated for reference purposes only, May 26, 2015, is by and between the State of California, acting by and through its Director of **General Services (DGS)**, hereinafter referred to as "**STATE**", and **USE Credit Union**, a California not-for-profit Corporation, hereinafter referred to as "**LICENSEE**". This Sublicense, as stated above, is actually a sublease that is subordinate and subject to the Facility Lease, dated March 1, 2002, as it may be amended, by and between the State Public Works Board (SPWB), as Lessor, and the Department of General Services, as Lessee, relative to the Mission Valley State Office Building (hereinafter the "SPWB Facility Lease"). SPWB is not a party to this Lease; however, LICENSEE acknowledges that SPWB shall enjoy the same protections and rights enjoyed by, but not the responsibilities, obligations, or liabilities of the STATE under this Lease. A copy of the Facility Lease is available upon request.

RECITALS

WHEREAS, pursuant to Section 14670(a)(2) of the Government Code, the DGS with the consent of the State agency concerned may sublet any real or personal property leased by the State, the subletting of which is not expressly prohibited by law, if it deems such subletting is in the best interest of the State; and

WHEREAS, the DGS has under its jurisdiction certain real property in the County of San Diego, State of California commonly referred to as the Mission Valley State Office Building; and

WHEREAS, LICENSEE desires to lease the property described herein from the STATE; and

WHEREAS, it is in the best interests of the STATE that such a License be consummated between the STATE and LICENSEE on the terms and conditions herein contained;

NOW THEREFORE, the parties agree to the provisions that follow and are incorporated herein as:

Section 1: Site Specific Provisions
Section 2: Building Specific Provisions
Section 3: Standard Provisions

SECTION 1 –SITE SPECIFIC PROVISIONS**WITNESSETH:****PROPERTY
DESCRIPTION**

1. STATE does hereby License to the LICENSEE, and LICENSEE hereby hires from STATE, upon the terms, agreements, and conditions hereinafter set forth, those certain Premises located in the Mission Valley State Office Building project located at 7575 Metropolitan Drive, San Diego, California, as outlined on the attached floor plan, designated as Exhibit "A", which is incorporated herein and by this reference made a part hereof and more particularly described as follows:

Approximately ten (10) square feet of building space located in the Lobby area, within the Mission Valley State Office Building, hereinafter referred to as Premises.

LICENSEE shall have non-exclusive rights of access through the common areas of the Office Building during the term of this License Agreement for Ingress and egress from the Premises.

USE

2. The Premises shall be used during the License term solely for the purpose of installing, maintaining, repairing and operating an automated teller machine (ATM), described below and for no other purposes whatsoever.

LICENSEE shall have the right to promote its products and services on the ATM enclosure and ATM screen itself, and via point-of-sale collateral such as posters, brochures, take-one displays and financial education seminars. All marketing collateral and seminars are subject to prior approval by the Building management.

LICENSEE agrees to provide the minimum services as follows:

ATM SERVICES

- a. Withdrawal of cash from checking or regular savings.
- b. Obtain account information that is associated with the card.
- c. Access to Statewide network system.

VENDER SERVICES

- a. Help Desk Hours: Monday-Saturday 8am-5pm Pacific Time
- b. Repair service within forty-eight (48) hours of notification.
- c. Maintain ATM in good sanitary and operating condition.
- d. 97% uptime service level agreement

Any physical change to the improvements at the facility shall comply with the California Environmental Quality Act.

RENT PAYMENTS

3. (a) LICENSEE shall make rental payments for the Premises, monthly, in advance, as follows:

TWO HUNDRED AND NO/100 DOLLARS (\$200.00)

(b) All payments are to be made payable to Department of General Services and must include the following information: 1) State's License number L-2704, 2) Cost Center 33905, and 3) Revenue Code 733003-ATM. Payments are to be made directly to the following address no later than 30 days following installation of the ATM, then monthly in equal installments during the life of the contract:

SECTION 1 –SITE SPECIFIC PROVISIONS**RENT PAYMENTS
(CONT)**

Department of General Services
Attn: Accounts Receivable - (L-2704)
(for the Benefit of State Public Works Board Bond Payment)
PO Box 989053
West Sacramento, California 95798-9053

(c) LICENSEE acknowledges that rent and past due rent shall be due and payable to STATE whether or not an actual invoice is sent by STATE or received by LICENSEE. LESSEE may schedule rental payments by electronic funds transfer or credit card transaction upon prior arrangements with the STATE.

SURCHARGE

4. A minimal surcharge may be assessed by LICENSEE for each use by non-member card users. This surcharge shall be at a rate not to exceed other comparable banking institutions.

UTILITIES

5. State shall provide the Premises with utility services such as (1) electricity for lighting and operation; (2) trash removal from the dock; (3) heat and air conditioning to the extent reasonably required for the comfortable occupancy by LICENSEE in its use of the Premises during the period from 6:00 A.M. to 6:00 P.M. on weekdays (except holidays), or such shorter period as may be prescribed by any applicable policies or regulations adopted by any utility or governmental agency; and (4) building standard lighting and ballast replacement. STATE may establish reasonable measures to conserve energy so long as such measure does not unreasonably interfere with LICENSEE's use of the Premises.

STATE or SPWB shall not be liable to LICENSEE or third parties for failure to provide electricity due to rolling blackouts or other causes beyond STATE's control. LICENSEE shall comply with energy conservation measures, Governor's Executive Orders, other orders required by law, or reasonably required by STATE as the result of a crisis of any kind. In the event any utility service to the building is interrupted, STATE shall use its best efforts to restore such utility service within 24 hours.

TERM

6. The Term of this License shall commence August 1, 2015 and shall end July 31, 2020 with such rights of termination as are hereinafter expressly set forth.

**EARLY
TERMINATION**

7. STATE and LICENSEE agree that either party may terminate this License at any time during the term hereof by giving written notice to the other party, thirty (30) days prior to the date when such termination shall become effective. If LICENSEE fails to complete its move out within the notice period and remains on the Premises, additional rent shall be paid and prorated based on the actual number of days the LICENSEE occupies the Premises following the effective date of termination.

HOLDING OVER

8. Any holding over after the expiration of the term of this License with the consent of the STATE, expressed or implied, shall be deemed to be a tenancy only from month-to-month. During hold over, LICENSEE's rental rate shall, at the option of the STATE, be adjusted to be consistent with the most current established rent rate for the premises, payable on a monthly basis in advance.

Said month-to-month tenancy shall be subject otherwise to all the terms and conditions of this License insofar as applicable. STATE offers and LICENSEE accepts no assurance that the Premises or any other comparable space or facilities at the site described herein will be made available to LICENSEE beyond the term stated above or as said term is reduced as provided herein.

SECTION 1 –SITE SPECIFIC PROVISIONS

- SUBORDINATION** 9. Notwithstanding any provision in this License, all rights of control, use, occupancy and enjoyment of the Premises by LICENSEE are subordinate and subject to the rights, covenants and obligations of the SPWB and the STATE as set forth in the SPWB Facility Lease.
- CANCELLATION** 10. Any willful violation of the terms of this License or the State Office Building's rules and regulations shall be grounds for cancellation of the License and removal of the LICENSEE, except that LICENSEE shall have the right to receive notice of such violation and a period of 10 calendar days, only if such violation is curable, to cure prior to any such cancellation, and only if LICENSEE fails to cure the specified violation shall cancellation be permitted pursuant to this section.
- NOTICES** 11. All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered (including by means of professional messenger service) or sent by overnight courier, or sent by registered or certified mail, postage prepaid, return receipt requested to the addresses set forth below. All such notices or other communications shall be deemed received upon the earlier of (i) if personally delivered or sent by overnight courier, the date of delivery to the address of the person to receive such notice, or (ii) if mailed as provided above, on the date of receipt or rejection, when received by the other party if received Monday through Friday between 6:00 a.m. and 5:00 p.m. Pacific Standard Time, so long as such day is not a state or federal holiday and otherwise on the next day provided that if the next day is Saturday, Sunday, or a State or Federal holiday, such notice shall be effective on the following business day.

LICENSEE: **USE CREDIT UNION**
Attn: Director of Lending and Operations
10120 Pacific Heights Boulevard, Suite 100
San Diego, CA 92121
(858) 795-6163

STATE: **DEPARTMENT OF GENERAL SERVICES**
Real Estate Services Division
P. O. Box 989052
West Sacramento, CA 95798-9052
Phone: (916) 375-4025

With Copies to: **DGS-BUILDING AND PROPERTY MANAGEMENT**
Building Manager's Office
7575 Metropolitan Dr. Suite 101
San Diego, CA 92108
(619) 688-0209

Notice of change of address or telephone number shall be given by written notice in the manner described in this section. LICENSEE is obligated to notice all State offices listed above and the failure to provide notice to all State offices shall constitute a lack of notice. Nothing contained herein shall preclude the giving of any such notice by personal service

End of Section 1

SECTION 2 – BUILDING SPECIFIC PROVISIONS**1. ACCESS TO PREMISES.**

All access to the Premises shall be through the main entrance of the Office Building.

2. RIGHT TO ENTER.

During continuance in force of this License, there shall be and is hereby expressly reserved to STATE and to any of its agencies, contractors, agents, employees, representatives or licensees, the right at any and all times, and any and all places, to temporarily enter upon said Premises for survey, inspection, or any other lawful STATE purposes.

3. PROPERTY INSPECTION.

LICENSEE has visited and inspected the Premises and it is agreed that the area described herein is only approximate and the STATE does not hereby warrant or guarantee the actual area included hereunder.

4. REGULATION BY STATE.

STATE shall, through the Building Manager, have the full power and right to determine and regulate the operations of the LICENSEE insofar as they affect the operation, safety, and effective use of STATE activities conducted at the same location.

All contractors, agents, employees, representatives, or licensees of the LICENSEE shall be subject to the rules and regulations of the STATE as they relate to conduct on the grounds, security, and general use of facilities. LICENSEE will conduct its operations in such a manner so as to minimize any interference with the STATE's activities.

LICENSEE will comply with all hospital rules and regulations adopted by said authorities in charge. No article or material deemed by said authorities in charge to be considered as contraband shall be brought on said real property. Contraband includes, but is not limited to, alcoholic beverages, explosives or edged weapons, and restricted controlled substances. Any willful violation of said rules and regulations are grounds for immediate termination of the License.

5. DISPOSITION OF LICENSEE'S PROPERTY.

(a) During the term of this License, all personal property placed in, upon, or under the Premises by LICENSEE shall remain the property of

LICENSEE and shall be removed by LICENSEE, at its sole cost and expense within thirty (30) days after expiration or termination of LICENSEE's tenancy.

(b) Should LICENSEE fail to remove said equipment and personal property within thirty (30) days after expiration or termination of the License, STATE may do so at the risk of LICENSEE. Upon written demand by STATE, LICENSEE shall immediately pay all costs and expenses of the removal of LICENSEE'S personal property and equipment.

(d) Upon termination of this License for any cause, the LICENSEE shall remove any and all of LICENSEE'S equipment and personal property and restore the entire Premises to its condition prior to the execution of this License, except however, the STATE may approve, in writing, any deviation from this requirement.

6. ALTERATIONS AND REPAIRS.

LICENSEE shall make no changes, alterations or post signs to the Premises without first obtaining consent of STATE in writing. No alterations to the Premises or construction of improvements shall be permitted until STATE has approved the complete plans and specifications for the project, the plans to be prepared by an architect registered by the State of California. Request for alterations, additions or improvements shall not be unreasonably denied.

LICENSEE shall, at the time of the request, specify if it desires to retain ownership and/or possession of the alteration, addition, or improvement.

Should requested alterations and repairs be approved by STATE, LICENSEE shall not suffer or permit any mechanics' or other liens (or claims thereof) to be filed against the Premises or LICENSEE'S leasehold interest therein or hereunder by reason of work, labor, services, or materials holding the Premises or any part thereof through or under LICENSEE.

STATE shall have the right at all reasonable times to post and keep posted on the Premises any notices that STATE may deem necessary or advisable for the protection of STATE and Premises from mechanics' liens. If any such liens or claims thereof shall at any time be filed

SECTION 2 – BUILDING SPECIFIC PROVISIONS

against the Premises, LICENSEE shall cause the same to be discharged of record within forty-five (45) days after the filing date.

7. REPAIR AND MAINTENANCE.

During the License term, STATE shall be responsible for structural components including the roofing, plumbing (leading to and within the building), electrical wiring (leading to and within the building) heating, air conditioning if so equipped, furnaces, exterior plaster, attached porch, and rain gutters.

8. CONDITION OF PREMISES.

LICENSEE is aware of the current condition of the Premises and accepts the Premises in "as is" condition. LICENSEE accepts the Premises as being in good order, condition and repair, unless otherwise specified herein, and agrees that on the last day of the term, or sooner termination of this License, to surrender up to STATE the Premises, with any appurtenances or improvements therein, in the same condition as when received, reasonable use and wear thereof and damage by act of Nature, excepted.

9. ASBESTOS/ LEAD-BASED PAINT/ SEISMIC.

LICENSEE, by acceptance of this Agreement, is hereby notified and informed that the Leased structure may contain Asbestos, Lead-Based Paint, or may have seismic deficiencies.

LICENSEE acknowledges that LICENSEE is renting and accepting said structure in its "as is" condition and shall hold harmless the State of California; its officers, agents and employees from any liability which may occur to any real or personal property or persons by the presence of any of the above mentioned conditions currently in or on the Premises.

10. LICENSEE GUARANTEES.

LICENSEE hereby guarantees, for the term of this License any and all work or services performed by LICENSEE or LICENSEE'S properly qualified or authorized agents, employees, and contractors in order to accomplish the installation and/or maintenance of the facilities.

11. TRASH.

All trash generated from the ATM will be picked up and disposed of by STATE in the appropriate trash receptacles. Any excess envelopes or receipts considered trash and removed as part of servicing and/or maintenance of the ATM shall be disposed of by LICENSEE and/or its approved service contractor in the nearest trash receptacle.

End of Section 2

SECTION 3 – STANDARD PROVISIONS**1. PERMITS AND APPROVALS.**

STATE and LICENSEE agree that LICENSEE'S ability to use the Premises is dependent upon LICENSEE obtaining all of the certificates, permits, licenses, and other approvals that may be required from any third party. State will cooperate with LICENSEE, if at no expense to State, in LICENSEE'S effort to obtain such approvals in connection with said permits, licenses or other approvals.

2. DEFAULT.

LICENSEE shall make all payments to the STATE without deduction, default or delay. In the event of the failure of LICENSEE to do so, or in the event of a breach of any of the other terms, covenants or conditions herein contained on the part of LICENSEE to be kept and performed, and if such default continues for a period of thirty (30) days after receipt of written notice from STATE to LICENSEE of such default, this License may, at the STATE'S sole discretion, be terminated.

In the event of termination of this License, it shall be lawful for STATE to reenter into and upon the Premises and every part thereof and to remove and store at LICENSEE'S expense all property there from and to repossess and occupy the Premises. In the event STATE terminates this License pursuant to this Paragraph, the STATE shall not be required to pay LICENSEE any sum or sums whatsoever.

3. INTEREST ON PAST DUE OBLIGATIONS.

STATE may charge interest, for any amount due to STATE but not paid when due, at a rate equal to the annual maximum rate allowable by law from the due date. Payment of such interest together with the amount due shall excuse or cure any default by LICENSEE under the "Default" Paragraph herein.

4. COMPLIANCE WITH LAWS.

LICENSEE shall at its sole cost and expense comply with all the statutes, laws, ordinances and regulations of all municipal, state and federal authorities now in force or which may hereafter be in force pertaining to the Premises and use of the Premises as provided by this License.

5. ASSIGNMENT, SUBLETTING & CHANGE IN USE.

LICENSEE shall not transfer or assign ("assign" shall include any transfer of any ownership interest in the License by LICENSEE or by any partner, principal, or controlling stockholder, as the case may be, from the original LICENSEE, its partner or principal) this License, and shall not sublet, license, permit or suffer any use of the Premises or any part thereof without first obtaining the written consent of the STATE, which consent is at the sole discretion of the STATE.

6. EASEMENTS AND RIGHTS OF WAY.

This License is Subject To all existing easements and rights of way. STATE further reserves the right to grant additional public utility easements as may be necessary and licensee hereby consents to the granting of any such easement.

7. ACTS OF NATURE.

If any of LICENSEE'S improvements or equipment is destroyed by acts of nature, LICENSEE may replace them with improvements or equipment of the same general type that meets or exceeds the technical specifications of the original equipment, which occupies no more physical space and that consumes no more electrical power. LICENSEE shall immediately notify STATE of such items and the date the replacement is completed.

8. HAZARDOUS WASTE.

LICENSEE agrees that it shall comply with all laws, federal, state, or local, existing during the term of this License pertaining to the use, storage, transportation, and disposal of any hazardous substance as that term is defined in such applicable law.

(a) In the event STATE or any of its affiliates, successors, principals, employees, or agents should incur any liability, cost, or expense, including attorney's fees and costs, as a result of the LICENSEE'S illegal use, storage, transportation, or disposal of any hazardous substance, including any petroleum derivative, the LICENSEE shall indemnify, defend, and hold harmless any of these individuals against such liability.

SECTION 3 – STANDARD PROVISIONS

(b) Where LICENSEE is found to be in breach of this Paragraph due to the issuance of a government order directing the LICENSEE to cease and desist any illegal action in connection with a hazardous substance, or to remediate a contaminated condition caused by LICENSEE or any person acting under LICENSEE'S direct control and authority, LICENSEE shall be responsible for all costs and expenses of complying with such order, including any and all expenses imposed on or incurred by STATE in connection with or in response to such government order.

9. VACATING THE PREMISES.

LICENSEE shall, on the last day of said term or sooner termination of this License, peaceably and quietly leave, surrender, and yield up to STATE, the Premises in good order, condition, and repair, reasonable use and wear thereof and damage by acts of nature, excepted.

10. AUDIT.

LICENSEE shall keep available, for a period of two (2) years after each year of operation, the books and records and information of accounts of Licensee for such year, showing the amount of revenues from the ATM from business conducted under this License, the deductions therefrom, and other pertinent information required by the STATE. Such books and records of account shall be made available to STATE or its duly authorized agents or auditors during the regular business hours of STATE for the purpose of verifying the information for the purpose of verifying compliance by Licensee and/or the ATM provider with the terms of this License and compliance with the rules, regulations and statutes of the STATE.

11. RECOVERY OF LEGAL FEES.

If action is brought by the STATE for the recovery of any rent due under the provisions hereof or for any breach hereof, or to restrain the breach of any agreement contained herein, or for the recovery of possession of said Premises, or to protect any rights given to the STATE against LICENSEE, and if the STATE will prevail in such action, the LICENSEE shall pay to the STATE such amount in attorney's fees in said action as the court shall determine to be reasonable, which shall be fixed by the court as part of the costs of said action.

12. AMERICAN WITH DISABILITIES ACT.

LICENSEE shall comply with all federal requirements established under 28 Code of Regulations, Part 36, Americans with Disabilities Act, in order to make programs accessible to all participants and to provide equally effective communications. By signing this License, LICENSEE assures STATE it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. 12101 et seq.), which prohibits discrimination on the basis of disability, as well as applicable regulations and guidelines issued pursuant to the ADA.

13. TAXES AND ASSESSMENTS.

LICENSEE agrees to pay all lawful taxes, assessments or charges that at any time may be levied upon any interest in this License. It is understood that this License may create a possessory interest subject to property taxation and LICENSEE may be subject to the payment of property taxes levied on such interest.

14. NON-DISCRIMINATION.

(a) In the performance of this License, the LICENSEE shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability (including HIV and AIDS), mental disability, medical condition, age (over 40), marital status, sex, sexual orientation, use of family care leave, or any other State, Federal or local laws. LICENSEE shall insure that the evaluation and treatment of its employees and applicants for employment are free from such discrimination and harassment.

(b) Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

(c) LICENSEE shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12990 (a-f) et seq.) and the applicable regulations promulgated there under (California Code of Regulations, Title 2, Section 7285 et seq.) The applicable regulations of the Fair Employment and Housing Commission implementing

SECTION 3 – STANDARD PROVISIONS

Government Code (GC) Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this License by reference and made a part thereof as if set forth in full. LICENSEE shall give written notice of its obligations under this clause to any labor organizations with which they have collective bargaining or other agreement.

Further, LICENSEE shall post in conspicuous places available to employees and applicants for employment, notices to be provided by the STATE setting forth the provisions of this Fair Employment Practices Section. (GC, Section 12920-12994).

(d) Remedies for willful violations:

(1) The STATE may determine a willful violation of the Fair Employment Practices provision to have occurred upon the receipt of a final judgment having that effect from a court in an action to which LICENSEE was a party, or upon receipt of a written notice from the Fair Employment Practices Commission that it has investigated and determined that the LICENSEE has violated the Fair Employment Practices Act and has issued an order pursuant to the appropriate provisions of the GC.

(2) The STATE will have the right to terminate this License and any loss or damage sustained by the STATE by reason thereof will be borne and paid for by the LICENSEE.

15. INSURANCE.

Prior to or at License execution LICENSEE shall furnish to the STATE a certificate of insurance, along with all policy endorsements, with the STATE's License Number L-2704 indicated on the face of said certificate or endorsements, issued to the STATE with evidence of insurance as follows:

COMMERCIAL GENERAL LIABILITY

LICENSEE shall maintain general liability coverage with limits of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate annually for bodily injury and property damage liability combined and Fire Legal Liability of not less than \$500,000.

The policy shall include coverage for liabilities arising out of Premises, operations, independent contractors, products, completed operations, personal & advertising injury, and

liability assumed under an insured contract. The policy must include State of California, their officers, agents, and employees as additional insured, but only insofar as the operations under the License are concerned.

The policy must include State of California, and their officers, agents and employees as additional insureds, but only insofar as the operations under the License are concerned. The additional insured endorsement must be provided with the certificate of insurance.

AUTOMOBILE LIABILITY

LICENSEE shall maintain motor vehicle liability with limits of not less than \$1,000,000 per accident for bodily injury and property damage. The State of California and Department of General Services are to be additional insured with respect to liability arising out of all vehicles owned, hired and non-owned. The additional insured endorsement must be provided with the certificate of insurance.

WORKERS' COMPENSATION

LICENSEE shall maintain statutory workers' compensation and employer's liability coverage for all its employees who will be engaged in the performance of the License, including special coverage extensions where applicable. Employer's liability limits of \$1,000,000 shall be required, and the policy shall include a waiver of subrogation in favor of the State of California. The waiver of subrogation endorsement must be provided with the certificate of insurance.

GENERAL REQUIREMENTS

LICENSEE shall ensure that the following general requirements are met:

a. Insurance Companies must be acceptable to Department of General Services, Office of Risk and Insurance Management.

b. LICENSEE shall provide STATE with a true copy of the policy in place providing coverage for General Liability, within thirty (30) days after each insurance policy renewal.

c. Coverage needs to be in-force for complete term of this License. If insurance expires during the term of the License, a new certificate must be received by the STATE within thirty (30) days of the expiration date of the existing policy.

SECTION 3 – STANDARD PROVISIONS

This new insurance must still meet the terms of the original contract.

d. LICENSEE shall notify the State within five business days of LICENSEE's receipt of any notice of cancellation or non-renewal of any insurance required by this License.

e. LICENSEE is responsible for any deductible or self-insured retention contained within the insurance program.

f. In the event LICENSEE fails to keep in effect at all times the specified insurance coverage, the STATE may, in addition to any other remedies it may have, terminate this License upon the occurrence of such event, subject to the provisions of this License.

g. Any insurance required to be carried shall be primary, and not excess, to any other insurance carried by the STATE.

h. If LICENSEE is self-insured in whole or in part as to any of the above described types and levels of coverage, LICENSEE shall provide STATE with written acknowledgment of this fact at the time of the execution of this License. The State may require financial information to justify LESSÉ's self-insured status. If, at any time after the execution of this License, LICENSEE abandons its self-insured status, LICENSEE shall immediately notify STATE of this fact and shall comply with all of the terms and conditions of this Insurance clause pertaining to policies of insurance in regard to those types and levels of insurance.

It is agreed that STATE shall not be liable for the payment of any premiums or assessments on the required insurance coverage.

16. FIRE AND CASUALTY DAMAGES.

STATE will not keep improvements which are constructed or installed by LICENSEE under the provisions of this License insured against fire or casualty, and LICENSEE shall make no claim of any nature against STATE by reason of any damage to the business or property of LICENSEE in the event of damage or destruction by fire or other cause, arising other than from or out of negligence or willful misconduct of agents or employees of the STATE in the course of their employment.

17. HOLD HARMLESS INDEMNIFICATION.

This License is made upon the express condition that the State of California is to be free from all liability and claims for damages by reason of any injury to any person or persons, including LICENSEE, or property of any kind whatsoever and to whomsoever belonging, including LICENSEE, from any cause or causes whatsoever while in, upon, or in any way connected with the Premises during the term of this License or any occupancy hereunder, holdover periods or any other occupancy of the Premises by LICENSEE, except those arising out of the sole negligence or willful misconduct of the STATE, its employees, agents, and invitees.

LICENSEE agrees to defend, indemnify, and save harmless the STATE from all liability, loss, cost or obligation on account of or arising out of any such injury or loss, however occurring.

18. LOSSES.

STATE will not be responsible for losses or damage to personal property, equipment or materials of LICENSEE and all losses shall be reported to STATE immediately upon discovery.

19. DEBT LIABILITY DISCLAIMER.

STATE, including but not limited to STATE's General Fund or any special self-insurance programs, is not liable for any debts, liabilities, settlements, liens or any other obligations of the LICENSEE or its heirs, successors or assigns. The STATE has no obligation to defend or undertake the defense on behalf of the LICENSEE or its heirs, successors or assigns.

20. RELOCATION.

(a) In the event STATE terminates this License pursuant to its terms, LICENSEE acknowledges and agrees that it has no claim against the STATE for Relocation Payments, Relocation Advisory Assistance, or costs pursuant to the Government Code sections 7260 et seq., or any regulations implementing or interpreting such sections. LICENSEE further agrees that it has no claim in either law or equity against the STATE for damages or other relief should the License be terminated pursuant to its terms, and waives any such claims it may have.

(b) In the event subleasing, under the terms of this License, is permitted, LICENSEE shall incorporate this Paragraph into the sublease.

SECTION 3 – STANDARD PROVISIONS

Failure to do so may obligate LICENSEE for damages and costs resulting from claims for relocation payments by Sublicensee.

(c) The location of the Premises to be used by LICENSEE for the purpose of this License may be changed as required by the STATE in the event of circumstances arising to warrant such a change. LICENSEE agrees to accept another functionally equivalent location within the facility grounds within which to operate under the same general provisions of this License. In the event that new quarters are different in size from present quarters, there shall be an adjustment in rental rate on a proportionate square footage basis at the discretion of the STATE, either greater or smaller, as the case may be.

In the event the STATE is unable to relocate the LICENSEE within the facility grounds, the STATE, upon reasonable notice, may require the LICENSEE to leave the STATE premises. Reasonable notice is defined herein as to be at least thirty (30) days.

21. SMOKING RESTRICTIONS.

Per Government Code 7597, Smoking shall not be allowed inside any building, or within 20 feet of any entrance or operable window of any building.

22. RECORDING.

LICENSEE shall not record this License or a short form memorandum thereof. Any such recordation will, at the option of STATE, constitute a non-curable default by LICENSEE hereunder.

23. AUTHORITY TO CONTRACT.

If LICENSEE is a corporation, each individual executing this Lease on behalf of said corporation represents and warrants that he/she is duly authorized to execute and deliver this Lease on behalf of said corporation in accordance with a duly adopted resolution of the Board of Directors of said corporation or in accordance with the Bylaws of said corporation, and that this Lease is binding upon said corporation in accordance with its terms. If LICENSEE is a corporation, LICENSEE shall deliver to LESSOR, prior to lease execution, a certified copy of the resolution of the Board of Directors of said corporation authorizing or ratifying the execution of this Lease.

24. PARTNERSHIP DISCLAIMER.

LICENSEE its agents and employees shall act in an independent capacity and not as officers or employees of STATE. Nothing herein contained will be construed as constituting the parties herein as partners.

25. BANKRUPTCY.

In no event shall this License or the Leasehold estate become an asset of LICENSEE in bankruptcy, receivership or other judicial proceedings. LICENSEE shall be in default under this License in the event of any of the following:

(a) LICENSEE becomes insolvent or makes an assignment for the benefit of creditors; (b) a petition in bankruptcy is filed by or against LICENSEE; (c) a writ of execution is levied against this License or the Leasehold estate;

(b) LICENSEE abandons or does not continuously occupy or safeguard the Premises.

26. AMENDMENTS AND MODIFICATIONS.

No amendment, modification, or supplement to this License shall be binding on either party unless it is in writing and signed by the party to be bound by the modification.

27. MUTUAL CONSENT.

Notwithstanding anything herein contained to the contrary, this License may be terminated and the provisions of the License may be altered, changed, or amended by mutual consent of the parties hereto in writing.

28. FORCE MAJEURE.

If either LICENSEE or STATE will be delayed or prevented from the performance of any act required hereunder by reason of acts of Nature, governmental restrictions, regulations or controls (except those reasonably foreseeable in connection with the uses contemplated by this License) or other cause without fault and beyond the control of the party obligated (except financial inability), performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

SECTION 3 – STANDARD PROVISIONS

Nothing in this Paragraph shall excuse LICENSEE from prompt payment of any rent, taxes, insurance or any other charge required of LICENSEE, except as may be expressly provided in this License.

29. WAIVER.

If the STATE waives the performance of any term, covenant or condition contained in this License, such waiver shall not be deemed to be a waiver of that or any subsequent term, covenant or condition. Failure by STATE to enforce any of the terms, covenants or conditions of this License for any length of time shall not be deemed to waive or decrease STATE'S right to insist thereafter upon strict performance by LICENSEE.

Waiver by STATE of any term, covenant, or condition contained in this License may only be made by a written document properly signed by an authorized STATE representative.

30. GOVERNING JURISDICTION.

This contract is governed by and construed under the laws of the State of California. Any proceeding arising out of or relating to this agreement may be brought in the courts of the State of California, county of San Diego.

31. ENTIRE AGREEMENT.

This License and its exhibits constitute the entire agreement between STATE and LICENSEE. No prior written or prior, contemporaneous or subsequent oral promises or representations shall be binding.

32. PARAGRAPH HEADINGS.

All Paragraph headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this License.

33. SEVERABILITY.

If any term, covenant, condition, or provision of this License or any application thereof, to any extent, is found invalid, void, or unenforceable by a court of competent jurisdiction, the remainder of this License will not be affected thereby, and will be valid and enforceable to the fullest extent permitted by law.

34. SEPARATE COUNTERPARTS.

This License may be executed counterparts, each of which when so executed shall be deemed to be an original. Such counterparts shall, together, constitute and be one and the same instrument.

35. SUPERSEDEDURE.

This License supersedes and voids any prior license, lease or agreement of any kind between the STATE and the LICENSEE identified in this License with regards to the Premises.

36. BINDING.

The terms of this License and covenants and agreements herein contained shall apply to and shall bind and inure to the benefit of the heirs, representatives, assigns and successors in interest of the parties hereto.

37. ESSENCE OF TIME.

Time is of the essence for each and all of the provisions, covenants and conditions of this License.

End of Section 3

IN WITNESS WHEREOF, this License has been executed by the parties hereto as of the date written below.

**STATE OF CALIFORNIA
APPROVED:**

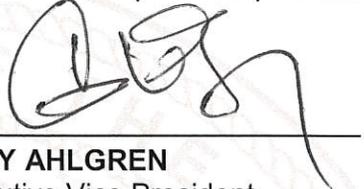
DIRECTOR OF DEPARTMENT OF
GENERAL SERVICES

By: 
TONY PSIHOPAIDAS, Manager
State Owned Leasing and Development

Date Executed: 7/16/15

LICENSEE:

USE CREDIT UNION
a California Not for profit Corporation

By: 
GARY AHLGREN
Executive Vice President

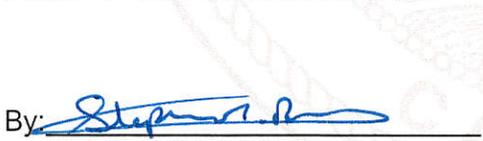
Date: _____

APPROVAL RECOMMENDED:

STATE OWNED LEASING AND
DEVELOPMENT

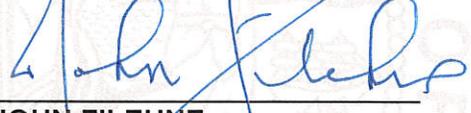
By: 
KIMBERLEY TSUMURA
Senior Real Estate Officer

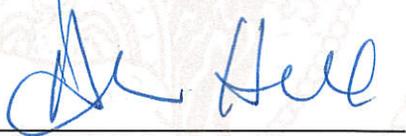
**CONSENT
STATE PUBLIC WORKS BOARD**

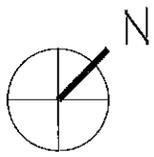
By: 
STEPHEN BENSON
Deputy Director

CONSENT:

DEPARTMENT OF GENERAL SERVICES
BUILDING AND PROPERTY MANAGEMENT

By: 
JOHN FILEHNE
Building Manager
Mission Valley State Office Building

By: 
DIANNE HILL
Branch Chief
Building and Property Management



BUILDING
ENTRANCE

