

## TERMS AND CONDITIONS

The following Terms and Conditions form a binding agreement between the above-named Client (the “**Client**”) and Chameleon Business Centres (hereinafter “**CBC**”):

1. **Definitions.** (a) “**CBC Premises**” means the business premises of CBC, at 22 King Street South, Suite 300 Waterloo Ontario N2J1N8; and (b) “**Office Premises**” means the office and meeting space that CBC provides and maintains for use by Client.
2. **Term.** The term of this Agreement will commence on the date hereof stated at the beginning of this Agreement as the *Services Start Date* (the “**Start Date**”), and continue for a period of 12 months thereafter, unless terminated sooner strictly in accordance with the terms hereof (the “**Term**”). Alternatively, if Client has elected to pay the *Monthly Contract Option* surcharge, the Term shall be *month-to-month* from the Start Date specified at the beginning of this Agreement wherein each monthly Term commences on the first day of the month.
3. **Renewal.** If throughout the Term, the Client has fully complied with all terms and conditions herein, this Agreement, unless terminated otherwise, shall automatically continue on a *month-to-month* basis until terminated in writing by either party in accordance with Section 4. Client accepts that the rates charged by CBC for the Services may change, upon 30 days’ notice to Client, after the end of the Term.
4. **Termination.** The Client may terminate this Agreement at any time by providing CBC with written notice of its intent to terminate and strictly complying with the provisions of this Agreement as set out below:
  - (a) In the case of any Client who is on and within a 12-month Term, such Client may terminate this Agreement by giving notice to CBC and in such event, this Agreement will immediately terminate upon notice being given. Such termination shall be subject to the Client paying an early termination penalty equal to the value of the monthly fees for two full months of service;
  - (b) In the case of a Client whose term is running *month-to-month*, this Agreement will terminate on the last day of the first full month following the date Client gives notice to CBC and the Client shall pay all amounts owing under this Agreement through and including the date of termination.

In all of the foregoing circumstances, CBC shall invoice Client upon receiving a termination notice from Client for all amounts owing hereunder for which invoice shall be immediately due and payable. If payment is not received within 5 days of invoice delivery, CBC shall have the right to immediately terminate all Services and all deposits shall be forfeited by Client.

Client agrees that upon termination of this Agreement and the Services provided herein: (i) Client shall immediately cease to use the mailing address of the CBC Premises as their business address, if applicable, and shall remove such addresses from any and all marketing material, business cards, websites, and other relevant advertising of the Client; (ii) notify all parties of termination of the use of the CBC Premise Address; (iii) Client agrees not to subscribe to any mail-forwarding service offered by Canada Post for mail delivered to the CBC Premises address; and (iv) in the case of a Dedicated Office, surrender possession and vacate the Dedicated Office immediately provided that for every month or portion thereof that Client retains possession of the Dedicated Office after the termination of this Agreement, without the express written consent of CBC, Client shall pay CBC, as liquidated damages, an amount equal to double the Monthly Fixed Fee for each month or portion thereof that Client remains in possession and provided further that Client may not retain possession of the Office without maintaining the Services and paying the Monthly Fixed Fee as required to be paid thereby when due.

CBC has the right to terminate this Agreement, without prejudice to any other legal right or remedy, if Client is in default of its obligations hereunder and fails to rectify the default within three business days of receiving written notice from CBC detailing the default. Without limitation, “default” includes any of the following:

- (a) failure by Client to pay amounts due hereunder;
- (b) Client or any of its Members are not in conformance with CBC’s Code of Conduct, herein attached, and as amended from time to time;
- (c) In the case of having a *Dedicated Office*, the Client has abandoned the office, which for clarity shall be defined as not having attended to the Office Premises anytime within a fourteen (14) day period without having first provided prior notice to CBC Staff of their intent to be absent from the Office Premises; or
- (d) Otherwise breach any term or condition of this Agreement.

Additionally, CBC has the right to immediately terminate this Agreement, without prejudice to any other legal right or remedy, upon providing written notice to the Client if it is determined or there are reasonable grounds to assume at CBC's sole discretion that the Client is involved in illegal or suspicious business activities.

5. **Services Provided by CBC.** CBC agrees to provide Client with, and Client agrees to pay for, any one or combination of the following services pursuant to the terms of this Agreement on a non-exclusive basis and upon the terms and conditions specified by CBC from time to time (the "**Services**"): **(a)** office premises service, including mail handling services, the use of office and meeting space, photocopier machines, telephones and facsimile machines and access to mailbox facilities; **(b)** telephone messaging and notification service, including transmission of telephone messages to Client by means of voice, email, facsimile or other means; **(c)** telephone answering service, with live receptionists; and **(d)** business administrative support services as specified by the Client and performed by CBC employees. The Client acknowledges that certain Services may incur incidental charges or services from time to time based on usage by Client and provided by CBC and agrees to accept such charges as they are billed (the '**Incidental Charges**').
6. **Obligations of Client.** Client shall pay to CBC throughout the Term and any renewal thereof, a monthly fee which amount shall be based upon the services provided by CBC, such fee to be payable in arrears on or before the 10th day of every month, for the month for which payment is being made. Client shall comply with any reasonable instructions given by CBC to Client relating to the Office Premises and take all reasonable measures to prevent damage to the Office Premises.
7. **Security Deposits.** As part of the Services the Client may be provided with one or more Mailbox Keys and/or Access Cards ("**Keys**"). Client acknowledges receipt of the Keys and agrees to pay to CBC a refundable security deposit in the amount of \$20 per key issued to the Client. Client acknowledges and agrees that if all Keys are not returned to CBC upon termination of this agreement, or specifically upon the termination of any services requiring the Client to hold such Keys for the purposes of receiving such Services dependent on the Client holding such keys, Client will be required to pay a re-keying fee in the amount of \$50.00.
8. **Building Standards.** Any standards or rules and regulations of the building in which the Office Premises is located and of CBC are expressly made a part of this Agreement and Client expressly agrees to abide by all of the standards, as may be amended from time to time, as well as such reasonable modifications as may be hereafter adopted by CBC.
9. **Payment Terms.** Upon execution of this Agreement, Client shall be required to pay a deposit in the amount based upon services provided by CBC to client, inclusive of applicable taxes, on account of the first and last month's Services. CBC shall provide Client with an invoice for the monthly fee owing by Client on or about the first day of every month, sent by CBC to Client at the most current e-mail address provided by Client. Client agrees to promptly inform CBC of any changes to its e-mail address and/or other contact information. In the event that the first day of the month is a Saturday, Sunday, or statutory holiday in the province of Ontario, CBC shall send the monthly invoice to Client via e-mail on the preceding Friday, or other day which is not a statutory holiday. Client may choose to receive its monthly invoices from CBC via Canada Post regular mail for an additional \$5 on each such invoice. All amounts due to CBC by Client shall bear interest after the due date at a rate of five percent, calculated and payable monthly, not in advance, both before and after default, expiration or termination of this agreement for any reason. All amounts listed in this agreement are in, and are to be paid in, the currency of Canada, exclusive of applicable taxes that Client is required to pay, unless stated otherwise. Client shall pay all amounts owing to CBC by way of cash, electronic funds transfer, cheque or credit card, subject to CBC's consent. CBC reserves the right to charge a security deposit or billing fee, in an amount specified by CBC from time to time, for fees paid by Client. Client shall be required to pay all installation fees and charges, or as specified by CBC from time to time. If CBC chooses to require payments by way of electronic funds transfer, Client agrees to provide any documentation, including pre-authorized payment forms, required by CBC's bankers, from time to time.
10. **Confidentiality.** CBC acknowledges that throughout the Term and any renewal thereof, it may receive confidential information relating to Client's business affairs ("**Confidential Information**"). CBC agrees during and after the Term to use all reasonable efforts to maintain the confidentiality of all Confidential Information, and not to disclose any Confidential Information other than as required by law, to enable CBC to provide any of the Services to Client, and not to use any Confidential Information for its own or a third party's benefit or in any manner not approved in writing by Client.
11. **Non-Solicitation.** Client agrees that it will not, without CBC's prior written consent, during the Term and for a period of one year following the expiration or termination of this agreement, directly or indirectly, hire, solicit, interfere with or entice away, from CBC, any employee of CBC. In the event of a breach of this paragraph, Client agrees to pay to CBC as liquidated damages, and not

as a penalty, a sum equal to 100% of the employee's annual salary as of such employee's last day of employment with CBC, such payment shall be due and payable on written demand.

12. **No Liability.** Client acknowledges and agrees that, except where CBC's employees display gross negligence, to the extent permitted by applicable law, CBC and its employees, officers, directors, shareholders, affiliates, suppliers, authorized contractors and agents shall not be liable or obligated in any manner for any damages of any kind (including lost profits) regardless of the form of action, whether in contract, tort, negligence, strict product liability, or otherwise, even if CBC has been informed of the possibility of such damages in advance. For greater certainty, and to the extent applicable and to the extent permitted by applicable law, CBC and its employees, officers, directors, shareholders, affiliates, suppliers, authorized contractors and agents will not be liable to Client or any third party, whether in contract, tort or otherwise for:
- (a) any direct, indirect, special, consequential, exemplary, punitive or incidental damages of any kind or for any reason whatsoever, including without limitation lost time, business interruption, loss of use of the Services, loss of profits, loss of business opportunity resulting from missed, delayed or other failures to record or transmit messages to Client, human error in delivery of messages or Services, manner in which any CBC employee answers any telephone or greets any client of a Member, or any other damages, including any such damages which result from the breakdown or failure of any External Device, or any other equipment, delays in servicing or inability to access the network or signal, or any such damages that arise in connection with or result in any way from any claim, allegation or action relating to personal injury, property damage or death; and/or
  - (b) any losses, expenses (including without limitation legal fees) or other amounts arising out of, or in connection with this Agreement, including, without limitation, any allegation, claim, suit or other proceeding based upon a contention that the use of the Services or any External Device by Client or a third party infringes the intellectual property rights or contractual rights of any third party. To the extent permitted by applicable law, CBC provides no express or implied warranties, representations or conditions of any kind whatsoever respecting any External Device or any other equipment including without limitation any warranties of title or non-infringement, or implied warranties or conditions of merchantability, state or condition, quantity, design, workmanship, durability for any period of time, efficacy, capacity, performance or fitness to receive the Services, as applicable, or fitness for any other purpose, its freedom from liens or encumbrances, compliance with all or any federal and provincial health, safety and quality standards or quality, coverage, performance or availability of the Services at any time in any given geographic area or at any given location or positioning. All such representations, conditions and warranties are hereby expressly disclaimed except to the extent where, under applicable law, they cannot be disclaimed, waived or limited.
13. **Indemnification.** Client agrees, during and after the Term, to indemnify CBC and its affiliates, and their respective directors, shareholders, officers, employees and agents from:
- (a) any and all liabilities, losses, claims, demands, costs, penalties, fines and actions of any kind which they may suffer by reason of any breach, violation or non-performance by Client of any law, regulation, or term or condition herein;
  - (b) any loss or damage to any person, equipment and/or property on which any External Device is located or to which it may be connected to or integrated with;
  - (c) all claims, losses, injuries, taxes, expenses, costs or other amounts related to or in connection with this Agreement and any document forming part hereof, including without limitation the use, maintenance or condition of any External Device or other equipment, sale of any External Device to the Client or Client's termination of or default under, or breach of any of, this Agreement, whether or not Client receives the Services; and
- any injury to person or damage to, or loss or destruction of any property of Client, its employees, authorized persons and invitees due to any act, omission or occurrences in or about the CBC Premises including, without limitation any Dedicated Office and/or use thereof, if applicable.
14. **Termination of Operations of CBC.** This Agreement will terminate simultaneously with the termination of the CBC operations for any reason. Notwithstanding anything to the contrary contained herein, Client shall look solely to the interest of CBC in the underlying lease for the satisfaction of any of Client's remedies with regard to the payment of money or otherwise and no other property or assets of CBC shall be subject to levy, execution or other enforcement procedures for the satisfaction of Client's remedies or with respect to this Agreement, the relationship of the parties hereunder or Client's use of the Office such exculpation of personal liability to be absolute.
15. **Severability.** If any provision herein is held to be invalid or unenforceable in any way, all other provisions herein will be unaffected and separately valid and enforceable.

16. **Survival.** All provisions of this agreement which by their nature survive the expiration or termination hereof shall survive the expiration or termination hereof.
17. **Assignment.** This agreement may not be assigned by Client without the prior written consent of CBC.
18. **Waivers.** All waivers must be in writing and signed by the waiving party. CBC's failure to enforce any provision of this Agreement or its acceptance of fees is not a waiver and will not prevent CBC from enforcing any provisions of this Agreement in the future.
19. **Notice.** All notices or other communications given hereunder must be in writing, and delivered personally, by fax, registered mail, postage prepaid, or email to the recipient at the address (or email address) stated herein, or at such other address as may be given by the recipient in writing. Such notices will be deemed to have been given on the day of delivery if a business day or, if not, on the next business day, if delivered personally, by fax or email, or if delivered by registered or postage prepaid mail then on the third business day following mailing.
20. **General.** This Agreement will be construed and governed in accordance with the laws of Ontario. The parties hereto agree, that, except as expressly provided herein, each is an independent contractor, no party shall be considered to be the agent, representative, master or servant of any other party hereto for any purpose, and no party has any authority to enter into any contract, assume any obligations or to give any representations on behalf of any other party hereto. Nothing herein may be construed to create a relationship of partners, joint venturers, fiduciaries, or any other similar relationship among the parties. This Agreement and any schedules are the entire agreement between the parties, and supersede all previous agreements relating to the subject matter hereof. This Agreement will enure to the benefit of, and be binding upon, the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. If two or more individuals, corporations, partnerships or other entities (or a combination thereof) sign or are subject to the terms and conditions herein as Client or as Guarantor, each will be jointly and severally liable hereunder.

Client acknowledges that they have read all the provisions of this Agreement and agrees to be bound by those provisions.

ACCEPTANCE:

Client Name:

\_\_\_\_\_  
Chameleon Business Centres

Signature:

Signed Digitally on

Your Name:

(I have the authority to bind the corporation)



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