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	1	Andrew G. Watters	
	2	118 South B1vd. San Mateo, CA 94402	San Francisco County Superior Court
	3	+1 (415) 261-8527 andrew@andrewwatters.com	AUG 2 6 2020 34
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	5	Pro Per	BY:
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	8	SUPERIOR COURT OF TH	E STATE OF CALIFORNIA
; ;	9	IN AND FOR THE COUN	NTY OF SAN FRANCISCO
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	11		Case no.: CGC -20-586215
	12	ANDREW G. WATTERS,	COMPLAINT
	13	Plaintiff,	1. Fraud
	14	V.	<ol> <li>Breach of Contract</li> <li>Declaratory Relief</li> </ol>
	15	BENJAMIN P.D. CANNON, an individual;	4. Wage Theft 5. Theft
	16	6X7 NETWORKS, LLC, a Delaware Limited Liability Company;	<ol> <li>Conversion</li> <li>Labor Code sec. 2802</li> </ol>
	17	DOES 1 through 10, Defendants.	<ol> <li>False Advertising</li> <li>Unfair Competition</li> </ol>
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Plaintiff Andrew G. Watters ("Plaintiff") complains against
 the defendants, Benjamin P.D. Cannon and 6x7 Networks, LLC
 ("Defendants" or "Cannon") as follows:

PARTIES, JURISDICTION, AND VENUE

Plaintiff Andrew G. Watters is an attorney licensed to
practice law in the State of California (#237990). His offices
are located in San Mateo, California.

8 2. Defendant Benjamin P.D. Cannon is a resident of the9 City and County of San Francisco.

10 3. Defendant 6x7 Networks, LLC is a Delaware Limited
11 Liability Company that is registered to do business in
12 California.

4. The amount in controversy exceeds \$25,000 and the
action includes a cause for declaratory relief as well as a claim
for punitive damages, therefore this matter is Unlimited Civil.

16 5. Defendants Does 1-10 are persons whose names and 17 capacities are unknown at this time. Plaintiff names those 18 persons as Does pursuant to CCP sec. 474 and will amend at the 19 time those persons' identities and capacities are discovered.

5.1. Venue is proper in San Francisco because a substantial
portion of the events giving rise to the action occurred here,
and Cannon also lives here.

23

4

# GENERAL ALLEGATIONS

6. It wasn't the fraud. It wasn't the grandiose and unrealistic visions. It wasn't the autism<sup>1</sup>. It wasn't the broken promises. It wasn't even the failure to deliver services

28 1 Ben freely states she is autistic.

1 I paid for. I'm talking about the last straw in my relationship 2 with this company, which is what put me over the edge into 3 litigation. The last straw was Ben's unauthorized charges of \$1,600 on my credit card for services that I had canceled, but 4 5 which Ben continued charging me for despite owing me around \$20,000. It's sad that things have deteriorated to the point 6 7 of me putting up a web page about my experience, but there is 8 nothing else I can do at this point. This page is an effort to 9 share my experience with the company and its CEO as a hopefully entertaining look at how not to run a telecom company, and as a 10 11 warning to anyone considering doing business with them.

12

# The Colocation Agreement

13 7. I saw a Craigslist ad in 2018 with the amusing 14 title of "Find me colocation clients!" or something similar (I 15 will look back and get the exact title). I had been looking 16 for a datacenter to host my equipment following my general 17 dissatisfaction with the on-premise option at my office. I emailed the person who posted the ad about obtaining colocation 18 19 services, and this turned out to be Benjamin P.D. Cannon, CEO/ owner of 6x7 Networks, LLC. Side note: this is the same Ben 20 21 Cannon who founded calguns.net, the popular shooting sports/ 22 Second Amendment discussion board, but who was later forced 23 out after allegedly impersonating a police officer. The same Ben Cannon who allegedly contributed to the Ghost Ship fire, 24 25 which took the lives of 36 people, through unlicensed electrical 26 work (Alameda County case no. RG16843631 and RG18928379, among others. Ben has settled with the Plaintiffs in the lead case 27 28 for insurance policy limits). The same Ben Cannon who held a

COMPLAINT

1 contractor license that has been suspended since 2010. The same Ben Cannon who owns a RV park that has been the subject of 2 3 abatement proceedings in Sonoma County. But I didn't know any of 4 that at the beginning.

5

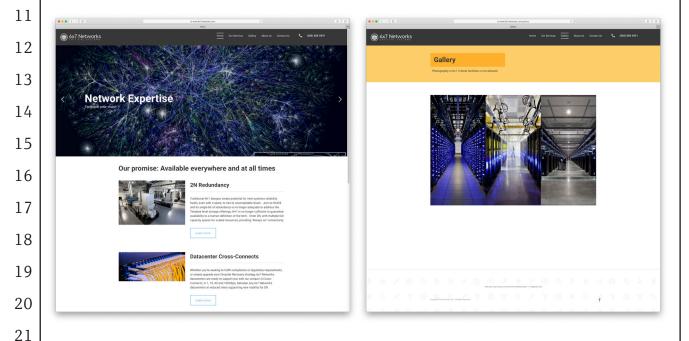
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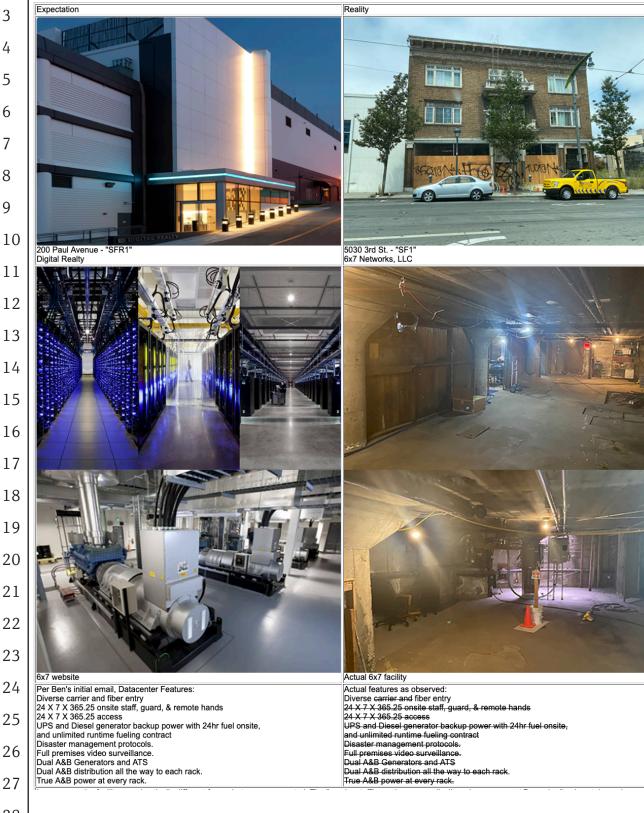
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What I did do, before I signed the contract in 2019, 8. was visit the 6x7 website, which turned out to be a study in stock photography-- I did not know that at the time. There are pictures of gleaming generators and polished concrete floors, which I believed were representative of 6x7's facilities. See for yourself: 10



22 9. This, of course, turned out not to be the case. Based on my conversations with Ben, she<sup>2</sup> led me to believe her facility 23 was comparable to a real datacenter, such as the "nearby" 200 24 25 Paul Avenue that 6x7 claims to have "massive" connections to 26 (there is a 10 gigabit fiber line supplied by Cogent, which I 27 Ben is biologically male, but identifies as female and is in transition. 28

#### would not call "massive", but I digress). Compare expectation versus reality:



# 

1 In summary, the facility was drastically different from what 2 was represented. The "on-site staff" was there sporadically, 3 unless you count Ben, who lived upstairs and never answered her phone (and never returned voicemails). There was no guard, 4 5 unless you count the part-time "NOC" operator (whose frequent 6 consumption of marijuana on the premises would give anyone 7 pause). I wouldn't trust the remote hands for the same reason. 8 There was not 24x7x365 access...I had to call in advance to make 9 sure someone was there, and even then, the doorbell didn't work so I was texting Ben to have someone unlock the front door, and 10 11 I had to wait as much as 20 minutes to get in. Once in, the 12 datacenter was either open, or closed up with screws that had 13 to be unscrewed. There appear to be no generators on the site, and my rack had a PDU, but not a UPS. There were definitely 14 15 not A&B generators (101), which is also inconsistent with the 16 2N+1 representations on the 6x7 website. I discovered this 17 when the utility power went out on one occasion and my server crashed-- that is not supposed to happen with "true A&B power," 18 19 and would never happen with a UPS and backup generator(s) with an ATS (Automatic Transfer Switch). If you look at the above 20 21 photos of the actual 6x7 facility, you'll see there are two 22 conduits from the utility meter running along the ceiling, but 23 there is only one conduit running from the utility meter to the Is that really two separate and independent power lines? 24 street. 25 I doubt it, and in any case, if both lines are to PG&E, there is 26 no point in having two of the same connections without having backup generators. The "diverse carrier" representation appears 27 untrue because I was provided a Cogent fiber connection and it 28

COMPLAINT

1 was unclear who the other carrier may have been (I discovered 2 that it was Cogent when the fiber went out on one occasion, the 3 NOC operator stated it was a Cogent issue, and the Cogent website stated there was an outage; I verified that by looking up the IP 4 5 address of my server on whois and learning that it was actually 6 part of the Cogent network). There were two entry points for 7 fiber on the property, but it was unclear whether that was the 8 same carrier; "diverse carrier" implies that if one carrier 9 goes down, the other will take over so that connectivity is not 10 lost...that also didn't happen during my outages, which shows 11 another untrue representation. The "full premises surveillance" 12 was a couple of consumer security cameras, not an actual security 13 system. I did not see any cameras in the basement either. As for 14 "disaster management protocols," there were none that I could 15 The whole operation nearly ground to a halt during one of see. 16 Ben's hospital stays, for example, and that prompted Ben to talk 17 about establishing contingency plans, which shows there were none in place. 18

19 10. In those initial conversations via email and phone, Ben 20 told me that she had a datacenter in San Francisco near 200 Paul Avenue. I interpreted "near" 200 Paul Avenue to mean within a 21 22 couple of blocks or on the same street, and a similar facility. 23 After Ben and I discussed my colocation needs, she sent me a quote. Everything seemed to be in order at this point. 24 The deal 25 seemed amazing and impossible to pass up: 10 gig connectivity 26 and a full cabinet in a datacenter in San Francisco for \$800 per month! I signed the papers in 2019. 27

28

11. When I arrived at the "SF1" facility in December 2019,

1 I was shocked. Everything about the facility was wrong. This 2 was a converted light industrial building with ground floor retail, not a datacenter. "SF1" is a mile away from 200 Paul 3 4 Avenue-- and a block from 3rd and Palou, which appears to be 5 ground zero for drug dealing in the Bayview, with a rotating cast 6 of people who hang out on the street all day. This was not at 7 all "near" 200 Paul Avenue in the sense that Ben used that word. 8 The doorbell didn't even work, so I could not initially get in. 9 When I did get in, it was clear that the facility was drastically 10 different from what was represented. The ground floor was a 11 very messy open office with equipment in the lobby and wire 12 shelving holding computer parts everywhere. The "NOC" (Network Operations Center) was a single desk with a disinterested guy 13 14 who was on Facebook Messenger, and the whole place reeked of 15 marijuana. Someone's bed was behind a cubicle wall, and there 16 was even a bathtub in another part of the floor. There was no elevator to the basement level; instead, it was a set of rickety, 17 half-broken stairs and I had to carry everything individually 18 19 downstairs. Downstairs, it was a converted industrial basement. My cabinet was in the center of a partitioned off area with a 20 21 portable air conditioner running and cables everywhere. Although 22 it was obvious at that point that I had been fooled, I decided to 23 give Ben and 6x7 a chance because I had nowhere else to put the equipment and I wanted to turn it up ASAP. 24

25 11. As I was installing my equipment, I looked through 26 the screen door of the cabinet and saw a female-looking figure 27 walking toward me. She was wearing a full-length black dress, 28 makeup, and a pink wig. I realized this was Ben, who had not

1 previously told me she was in transition. Ben helped out with 2 installing the fiber cable to my firewall/router, and I finished 3 installing the equipment. I went back upstairs and had a pleasant conversation with Ben about her company, her ambitions 4 5 and goals, and similar matters. At that point, despite the poor quality of the facility, it seemed like things were still 6 7 promising. Ben did not tell me at that point that she lived 8 upstairs, instead stating that she lived "in San Francisco." I 9 later learned that there had been an unlawful detainer lawsuit at the subject property earlier in 2019, although it is presently 10 11 unclear what portion of the property that related to. It was 12 settled.

13 12. Due to the terrible condition of SF1, my initial plan 14 of hosting subtenants in my cabinet was shot to hell. I was 15 stuck with unmarketable space in a light industrial basement, but 16 I still tried to make the best of it.

17 There was an unexpected total power loss at one point 13. in May or June 2020, which caused my server to go down. 18 This 19 should not happen because there is supposed to be 2N redundant power with a generator on the roof. Apparently, there is no 20 21 generator, contrary to Ben's representations and my understanding 22 from the beginning. Satellite imagery from 2020 does not show a generator. 23

14. During the course of my colocation arrangement, the connectivity was satisfactory, however, nothing else was. I could not access the facility on demand, and there was no way to get downstairs if the door to the basement was locked, as happened when Ben was in the hospital in June 2020. When I did

COMPLAINT

get downstairs during one of Ben's hospital stays, the basement was extremely warm and potentially damaging to my equipment-- a \$25,000 server. Although it appears now that it was not damaged, this was a source of worry that I did not need. At this point, someone threw a brick through a front window and there was a large hole and open space until boards went up. The facility was never secure, and this was another constant worry for me.

8

#### The Undelivered Fiber

9 15. In January 2020, I moved my office to a new space in San Mateo. The space had no internet, and AT&T had initially 10 11 missed our installation appointment, which really irritated me 12 since I waited all day for them. 6x7 offers fiber internet. So 13 I asked Ben about servicing my office with gigabit fiber internet 14 for the same price as AT&T. Ben "sharpened her pencils" on the 15 price and was able to quote me symmetric gigabit fiber with a 16 backup microwave antenna for \$500 per month, with \$5,000 up front 17 for construction costs and an install within 45 days. I paid the \$5,000. For the next six months, I regularly followed up 18 19 with Ben, who blamed her failure to deliver the services on the City of San Mateo's permitting process. It's now August 2020 and 20 21 the service was never installed -- not even the microwave backup 22 antenna, which only required placing a book-sized antenna on the 23 roof and some outside wiring. I finally gave up and called AT&T in early August, and AT&T had my fiber installed within about 24 25 a week of placing the order. I had been using a LTE modem and 26 paying overage charges on data for seven months! Completely 27 unacceptable for a telecom company.

28 //

#### Chief Legal Officer

2 In late May 2020, Ben was in need of legal services. 16. 3 On June 1, 2020, Ben offered to hire me in a capacity to be 4 determined. I thought about it and proposed that I join 6x7 as 5 Chief Legal Officer part-time to start, at a rate of \$250,000 per year (\$125,000 per year until the company grossed at least \$10 6 7 million). Although this deferral is illegal, I agreed to defer 8 my first paycheck to August 1, 2020 in order to help out the 9 company. In other words, I would be earning just over \$10,000 10 per month starting June 1, 2020, but I would be paid the first two months' salary on August 1, 2020. Ben accepted the offer 11 12 enthusiastically, and so we had an employment contract. I worked my butt off for Ben for a month and a half, including extensive 13 14 personal matters involving Ben's poor health situation and 15 multiple hospitalizations. During this time, I discovered that 16 Ben was not only not paying multiple employees, but employees were advancing their own personal funds to keep the business 17 operating! I feel really bad for Kar Dhillon, Chief Business 18 19 Officer, who (on top of not getting paid properly) advanced the cost of putting plywood boards over the front of the building. 20 21 Although Kar was later reimbursed, that is not the point; Ben was 22 acting like it was this grand gesture to reimburse Kar when Kar 23 should not have had to advance personal funds in the first place. Kar later told me via email that his family poured \$20,000 into 24 25 6x7 in order to keep the company afloat! Kar definitely drank 26 the Kool-Aid, because he was talking about "investing" in 6x7 through his effort when Ben is not offering any stock options 27 28 and Kar is not going to end up an owner of the company. In any

1

1 case, when Ben returned from the hospital and, according to her, 2 withdrew from the medications they put her on, she called me 3 on July 12, 2020. Ben said she would be unable to fulfill her promises to me in our contract, and it was unclear when she would 4 5 be able to do so. She wanted me to keep working without getting 6 paid. I did not agree to that, and I suspended my work for 6x7 7 at that point. I didn't actually resign until July 29, 2020, 8 which was when I removed my equipment from SF1 and gave notice 9 of rescission of all my contracts. In the course of exchanging emails and calls with Ben in mid-July, it became obvious that Ben 10 11 could not recall what promises she had made to other employees, 12 and it turns out that the other 20 or so employees were not getting paid (or at least fully paid) either. It was at this 13 point that Ben started talking about drilling a tunnel under San 14 Francisco Bay using the Boring Company to get a vehicle-sized 15 16 tunnel from SFl to a fiber landing in Oakland. I asked Ben when 17 that would happen, and Ben said she had \$7 million pledged so far but was unsure of the timeline. Lol. Over the following two 18 19 weeks, I thought about the situation a lot and ultimately decided to cut my losses. 20

21 17. In the course of working for the company, I obtained 22 a sense of the scale of Ben's ambitions. They are mind-boggling. 23 In addition to her basic telecom business, Ben wants to do "6x7 Maritime," "6x7 Mobile," "6x7 Nairobi," plus have a fleet of 24 25 cable-laying ships/yachts that travel around the world visiting 26 various ports of call. To say that Ben's vision is grandiose is an understatement. The problem is: Ben is simply unable to 27 accomplish these lofty goals with her current resources. 28 What

1 Ben is good at is getting people to give more than they receive 2 back, which is a terrible quality in a person. In addition, Ben 3 seems to have this delusional belief that she is more important 4 than she actually is; Ben stated at one point that she needs a 5 "President's Daily Brief" and was constantly harping on employees 6 not to bother her with routine inquiries or things that needed 7 to be explained. I attended many nearly daily conference calls 8 during which nothing was accomplished except giving me the strong 9 sense that Ben is an incompetent manager and Kar is an enabler. To add to this are Ben's random, alarming comments about such 10 11 plans as establishing her own railroad in order to enable her and 12 her employees to become a private police force (sounds like the civil rights lawsuit filed by Ben arising out of her arrest for 13 impersonating an officer may have been frivolous, and Ben having 14 15 now been *twice* arrested for and once charged with impersonating a 16 police officer is at the very least *incredibly unlucky*). Ben, as the founder of calguns.net, is a shooting sports enthusiast and 17 relishes the opportunity to exercise her Second Amendment rights. 18 19 However, her health situation causes me concern in that area.

20 I also had a sales representative contract with 6x7, 18. 21 and part of that job was essentially vouching for the company 22 in the sale of its services. I sent out a number of packets or 23 inquiries to prospective customers who would have been great for the company. Unfortunately, the company screwed up those leads 24 25 on top of being unable to deliver. Example: with one lead, a 26 guy who owns about 25 buildings, a 6x7 executive assistant sent a very blunt email to him that probably caused him to think he 27 was being told what to do by a bossy secretary-- big mistake 28

1 with a high net worth individual. The conversation did not 2 progress beyond the initial email. The emails from 6x7 personnel 3 to leads that I saw were generally inappropriate because they did not account for, let alone explain, why 6x7 would be the 4 5 best choice for telecom services in a crowded marketplace and 6 actually benefit the customer. So much of the communications 7 from 6x7 personnel merely assumed that 6x7 was awesome, which it 8 is not, and the tone of the messages was such that everyone at 9 6x7 believed they did not have to explain the actual mechanism 10 of customers realizing benefits from the company's services. 11 Although 6x7 has access to a large fiber network, it was unclear 12 even as a (brief) insider who actually owns the fiber network. 13 6x7 itself is serviced by Cogent at the SF1 facility, so it 14 would make sense if 6x7 merely purchases access to Cogent's 15 fiber network. Essentially, 6x7 is able to compete on price, 16 but not quality of service. And there is no public phone number if the service goes down, as I found out when I had to resort to 17 emailing the "NOC" about outages. 18 19 The Last Straw 20 19. I wrote this email on July 29, 2020: 21 Hi Ben, 22 Thanks for your call this morning 7/29/2020. Ι 23 understand you are taking some well-deserved time off 24 and resting so that you can clear your head. You also 25

apologized for being rude during our last series of communications, and I appreciate that.

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I sincerely hope that you feel better soon and that youcontinue to improve with your health. That said, I have

given your situation a lot of thought. The simple fact 1 2 is: due to your erratic behavior and unreliable health, 3 I cannot trust 6x7 as my telecom provider-- especially not for the cloud-type 100% uptime services that I am 4 5 very close to providing to several customers of my law 6 practice management system. One example is that the 7 \$25,000 computer that I had in SF1 until today was always on my mind as a risk due to the vandalism that 8 9 the property has experienced lately (see attached photo from today). You still have boarded-up windows after 10 11 nearly a month since the window was broken, and they are 12 covered with graffiti. That is, of course, not the only concern. The facility is completely insecure and also 13 14 lacks any of the amenities expected in a conventional 15 datacenter, which is again not the point. 16 In any case, I am giving you notice under our contracts 17 that I am rescinding all of our agreements on all 18 available statutory grounds. I have removed all of my 19 equipment from your SF1 facility and I will be making 20 other arrangements for my telecom needs moving forward. 21 Regarding each contract specifically: 22 As to the colocation agreement, the facility you 1. 23 have (SF1) is inconsistent with the representations made on your website as to the quality of the facility, 24 25 as well as your sales-related representations before I 26 signed the contract. I thought I was getting into a 27 real datacenter of the caliber shown on your website, 28 and this was always your representation. But "SF1" COMPLAINT

turned out to be a converted basement in a random light industrial building, in which you live upstairs. Obviously I noticed the poor quality of the facility on day one, but I had nowhere else to put the equipment, so I thought I would give you a chance. Unfortunately, the facility has not met my expectations, and in no way can it be considered a datacenter, on top of the other issues I experienced with you.

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2. As to the 118 South Blvd. fiber internet, you never delivered the service and it's been almost seven months. I don't appreciate having paid \$5,000 NRC for an install within 30 days and never getting the service. I need my \$5,000 back.

3. As to the Woodlake complex, you cannot possibly deliver 10 gig connectivity for \$199/mo., and Kar indicated there was a mistake on the quote anyway regarding the NRC. This is unfortunate because when I last checked, the board was considering the proposal. Regarding my sales representative agreement, I have 4. no real desire to market your services now that I have seen behind the curtain. Since I made no sales (unless Woodlake pans out), there is no harm to either side. Regarding my employment contract, I hereby resign 5. and demand my final paycheck of \$14,383.56 within 24 hours. This is 42 days of service (June 1 to July 12, 2020 x \$342.47 per day (\$125,000 per year / 365). I am mailing you back my key fob.

I also spent money for Lauren and Lizbeth to do work for

vou. I am willing to waive this approximately \$1,300.00 if I get paid back on #2 and #5. By my calculation, I am owed \$19,383.56 in wages and unused NRC. I am not asking for anything beyond what we agreed to at this time. Please make the necessary arrangements immediately, or I will respectfully seek redress in the courts and/or with the Labor Commissioner, because I doubt I am ever going to get paid voluntarily. Obviously, if I have to go to court, 10 I will seek all available remedies as well as attorney 11 fees.

I would like to stress that this is not personal in any way. You are trying hard with what you have, and that's admirable. Unfortunately, what you have is not competitive with real datacenter operators such as Digital Realty, which has given me a very reasonable quote on a cabinet at 200 Paul Avenue. I anticipate 18 giving AT&T another opportunity to install my office 19 fiber as well. Bottom line, you had a full and fair opportunity to deliver what we agreed, and you didn't deliver. Nor did you honor our employment agreement. 22 That is enough for me to cut my losses. I sincerely wish you the best, however, this will be

- the end of our business relationship until such time as 24 25 your health improves and/or 6x7 becomes a more reliable 26 provider of its services.
- 27 Best,

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28 Andrew 1 20. There was no response, and as of this writing, there is 2 still no response. Despite making it clear that I was canceling all the services due to fraud, mistake, etc., and despite Ben 3 4 owing me nearly \$20,000, Ben ran my American Express card for 5 \$1,600 on August 9-10, 2020 (two charges of \$800 each). I never authorized the charges and I disputed them with American Express. 6 7 As of this writing, the dispute has been resolved in my favor and 8 the charges reversed.

# Behind the Curtain

9

21. 10 I don't understand how this clown show is possible. 11 A person should not make promises she knows she cannot fulfill, 12 and can barely even remember making. An employer cannot treat employees this way-- the things Ben is doing are illegal and the 13 14 business could get shut down by the State or Federal employment 15 authorities at any moment. In all likelihood, Ben's company will 16 fail not through a lack of proper service offerings, but because of its erratic and unreliable CEO and its failure to deliver 17 services to customers. Customers have signed contracts and paid 18 19 NRC (non-recurring charges) to get services turned up, and 6x7 owes those customers service turn-ups. I doubt the company is 20 21 going to survive, and in my opinion it's going to end badly. 22 22. If I had to trace the dysfunction at 6x7 to any one cause, it would be Ben's autism. Ben freely states that she 23 is autistic, although this was not disclosed to me until June 24 25 2020. This appears to cause her to disregard other people's

26 needs and expectations, and also reduces her ability to tell the 27 truth. Had I known in 2018 any of the important things I know 28 now, I would never have responded to that initial Craigslist

1 ad. I would have gone with a real datacenter operator such as 2 Digital Realty, which recently quoted me a very reasonable price 3 for a cabinet at 200 Paul Avenue. At least that way, I would 4 not be out \$20,000 and a month and a half of my life, plus the 5 incredible stress of being pulled in so many directions by an erratic and ultimately unreliable individual. To think that Ben 6 7 considered me a close friend is laughable...friends don't defraud 8 each other. I hope whoever reads this page in its entirety 9 thinks twice about doing business with Ben or 6x7.

10 23. Ben was charged with impersonating a police officer 11 in 1999, (Sonoma County no. TCR-344115-1). The charge appears to 12 have been dimissed as part of a plea bargain, because Ben pled no contest to giving a false vehicle registration and the other 13 14 charges were dismissed. Side note: there appears to be an active 15 bench warrant for Ben in Sonoma County case no. SCR-717747-1 16 filed in 2018 arising out of unlawful timber harvesting and two counts of contempt. Ben's other criminal cases in Sonoma County 17 have all been dismissed-- at least one case (two counts of theft 18 19 in 2006) through volunteer work, with multiple bench warrants 20 for her failures to appear (Sonoma County case no. SCR-487556-1). 21 I don't know what her situation is in San Francisco due to the 22 unavailability of criminal cases online.

#### FIRST CAUSE OF ACTION

FRAUD

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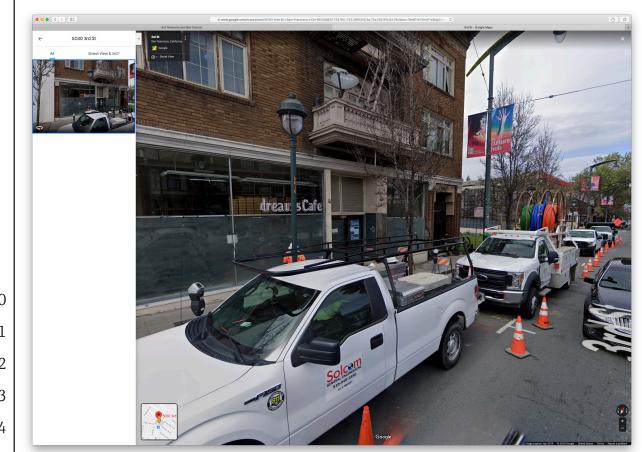
24

# (Against all defendants)

26 24. Plaintiff incorporates by reference all preceding27 allegations in this complaint.

25. Through the foregoing course of conduct, Cannon made

1	multiple false representations to Plaintiff. These include, but		
2	are not limited to, the following false representations:		
3	a. On April 7, 2018, Cannon represented in an email		
4	message that she had a datacenter with the following features:		
5	<ul> <li>Diverse carrier and fiber entry</li> </ul>		
6	• 24 X 7 X 365.25 onsite staff, guard, & remote hands		
7	• 24 X 7 X 365.25 access		
8	• UPS and Diesel generator backup power with 24hr fuel		
9	onsite, and unlimited runtime fueling contract		
10	• Disaster management protocols.		
11	• Full premises video surveillance.		
12	• Dual A&B Generators and ATS		
13	• Dual A&B distribution all the way to each rack.		
14	• True A&B power at every rack.		
15	The representations were false in that:		
16	i. Cannon did not actually have the datacenter. She		
17	had not even occupied the building yet, which Plaintiff only		
18	discovered in August 2020 when he reviewed the lease attached		
19	to the building owner's unlawful detainer suit from June 2019.		
20	Cannon had signed a lease for 5030 3rd Street on March 1, 2018		
21	for the basement and a residential unit at \$2,100 per month,		
22	but the start date was June 1, 2018, after Cannon claimed in		
23	April 2018 to already have the datacenter. Cannon had not even		
24	built any of the datacenter at the time she claimed to have the		
25	datacenter and all the above features! Google Street View images		
26	reveal that the fiber at Ben's facility was not installed until		
27	April 2019, a year after Ben's representations:		
28	//		
	COMPLATNT		



Further, although Plaintiff had signed a quote for the supposed San Mateo facility and Cannon led Plaintiff to believe for over a year that that was where Plaintiff would be installing his equipment, the San Mateo facility also did not yet exist. This was supposedly because Cannon did not have permits yet from the City of San Mateo (according to her email of August 7, 2019). This appears to be why Cannon instructed Plaintiff to install at Defendants' San Francisco facility, contrary to the parties' contract. This was seriously inconvenient to Plaintiff, whose whole point in desiring colocation in San Mateo was for his convenience, since he lives in San Mateo and the Union Bank building in San Mateo would have been very easy to access, unlike Defendants' San Francisco location in the Bayview.

1 ii. Cannon's lease in San Francisco was for the 2 basement and a residential unit. Despite this, she occupied the 3 entire ground floor retail space as well-- this prompted the property owner to send a letter in May 2019 accusing Cannon of 4 5 various breaches including trespass, and then serve 3-day notices to quit or cure in May and June 2019. The unlawful detainer 6 7 action was actually filed on June 28, 2019-- right around the 8 time Plaintiff signed the contract for colocation space with Defendants. In other words, Cannon was in breach of her lease 9 from the beginning of Plaintiff's service contract due to 10 11 Cannon's unauthorized construction on the property and occupancy 12 of more space than she agreed to, among other breaches noted by the owner. The unlawful detainer was not settled until *February* 13 2020. Thus, Cannon had no right to occupy the property at the 14 15 time she and Plaintiff signed Plaintiff's contract for space 16 in the building, and for the first several months Plaintiff's 17 equipment was actually in the facility! This is the very definition of a fraudulent promise and representation. 18

19 iii. To make matters worse, the "datacenter" as ultimately built in San Francisco did not have any of the 20 21 represented features, with the possible exception of "diverse fiber entry" since there are, technically, two fiber entry points 22 23 on the property. However, it was unclear who the carrier(s) were, making "diverse" likely untrue. The falsity of this 24 25 particular representation is shown by a fiber outage at Cogent 26 that occurred in 2020-- which completely surprised Plaintiff because the service at his cabinet was supposed to be diverse 27 28 in order to prevent just such an outage! There were also no

1 generators, contrary to Cannon's express representations, which 2 Plaintiff only discovered when the utility power went out on one 3 occasion and crashed his server. That is not supposed to happen with "true A&B power at each rack," a "UPS" (uninterruptible 4 5 power supply), and "dual generators with ATS" (automated transfer 6 switch) -- all features represented by Cannon as being present in 7 April 2018, but which were in reality never in the facility even 8 when it was actually built.

9 The "datacenter" as built was not actually a iv. 10 datacenter. It was a converted industrial basement that was 11 totally unsuited for datacenter use and completely different 12 from the gleaming facilities that appear on the 6x7 website. The partial list of deficiencies in the "SF1" facility appears in 13 para. 9 above, starting with the false representation on the 6x7 14 15 website that the facility had 2N+1 reliability (which Plaintiff 16 only discovered was false through the aforementioned server 17 crash).

18 Cannon represented verbally on or about December 8, Ъ. 19 2019 when Plaintiff met her for the first time after installing his equipment that Cannon had an option to purchase the building. 20 21 This was completely false because the lease Cannon signed shows 22 no option to purchase. Indeed, as indicated above, Cannon 23 and 6x7 were still in the midst of defending their unlawful detainer proceedings even as late as Plaintiff's install date in 24 25 December 2019. This is important because Cannon's lease is only 26 three years and contains no options to renew, while Plaintiff's colocation contract with Cannon is *five years*. In other words, 27 28 Cannon committed to serve Plaintiff colocation at "SF1" for five

1 years when she knew she only had three years in the property! 2 This is the very definition of a fraudulent promise made without 3 the intent (or even the ability) of performance. Cannon's 4 motivation for fraudulently promising five years of colocation 5 was simple: as she freely told Plaintiff in 2020, Cannon wanted 6 to finance her contracts by borrowing money against the total 7 contract value (TCV) in order to expand her business. It was 8 therefore in Cannon's interest to maximize the length of the 9 services agreements in order to make the total contract value higher than it would otherwise be when taking those contracts to 10 11 a bank-- without telling the bank that *Cannon could not actually* 12 *deliver services* for the full length of the contracts! Indeed, Cannon solicited Plaintiff to obtain exactly that in return for 13 14 a commission -- investors who would be willing to loan money to 15 6x7 secured by the services contracts, including Plaintiff's 16 contract. Cannon never disclosed that the contracts were longer than her lease, or that she actually had no option to buy the 17 *building*. This was problematic for Plaintiff, who actually 18 19 did pitch the opportunity to two of his wealthy legal clients and vouched for the company in a detailed letter that Cannon 20 21 personally approved. Fortunately, those clients declined the 22 opportunity.

c. Cannon represented at various times between 2018 and 2020 that 6x7 has its own fiber internet network with approximately 100,000 on-network buildings. This is false in that Defendants apparently merely re-sell or lease access to Cogent's fiber network and do not actually own the fiber they are claiming to own. This became obvious (1) in the course

COMPLAINT

1 of Defendant's breach of their fiber internet contract with 2 Plaintiff, and (2) the Cogent outage in 2020 that took down 3 Plaintiff's server. To wit, as to (1), on or about January 10, 2020, Plaintiff and Defendants signed a contract for the 4 5 installation of gigabit fiber internet service in Plaintiff's 6 office in San Mateo. Defendants promised an install within 7 45 days in return for \$5,000 NRC<sup>3</sup> paid by Plaintiff that was 8 intended for Defendants' supposed construction costs. The service was never delivered, much less within the agreed-upon 9 forty-five days. Over the following seven months from January 10 11 2020 to July 2020, Cannon gave nothing but excuses for her 12 failure to deliver the fiber-- and her failure to deliver even the backup microwave antenna that was (according to Cannon) 13 14 a simple book-sized device with some outside wiring. Cannon 15 blamed the City of San Mateo's permitting process throughout 16 the seven months. However, once Plaintiff became Chief Legal 17 Officer in June 2020 and inquired who at the City of San Mateo was the problem (so that Plaintiff could contact that person 18 19 and clear the obstacle), Cannon suddenly said there had been some progress and to not worry about it. Cannon also directed 20 21 Plaintiff not to contact the City of San Mateo yet because 22 she was handling it. This turned out to be false; the true 23 reasons for Cannon's inability to deliver the fiber were (1) Defendants do not actually own their supposed fiber network and 24 25 (2) Cannon had already spent Plaintiff's \$5,000 deposit on other 26 unrelated projects instead of using it for Plaintiff's fiber.

- 27 28
- 3 Non-Recurring Charges (NRC).

1 The reasons for Cannon's failure to deliver even the microwave 2 antenna are unknown to Plaintiff at this time, but Plaintiff 3 anticipates there will be yet another fraudulent representation 4 on that issue. In any case, the failure to deliver fiber was 5 a substantial burden on Plaintiff, who had to use a mobile LTE 6 hotspot and pay substantial data overages. Plaintiff finally 7 gave up in August 2020 and ordered fiber internet from AT&T, 8 which had the fiber installed within 10 days and (due to a 9 promotional rate) cost half as much as the 6x7 fiber that never came. (The 6x7 fiber was going to be \$500 per month for 10 11 symmetric gigabit service; AT&T is presently about \$250 per month 12 for 300 megabit down/75 megabit up service with five static IP's 13 and two phone lines, that is upgradeable to a symmetric gigabit 14 level anytime for approximately \$500 per month). Plaintiff 15 observed that the fiber install by AT&T was a very simple single 16 fiber cable run from the utility pole outside his office to the rear of his office, and the entire process took an AT&T 17 technician approximately two hours, about a week after Plaintiff 18 19 placed the order. As to (2), Plaintiff only discovered that his connection at the SF1 facility was furnished by Cogent when 20 21 the 2020 outage happened and there was a notice on the Cogent 22 website. This prompted Plaintiff to trace the server IP address, which is actually on the Cogent network. The 6x7 "NOC" confirmed 23 it was a Cogent issue. At no point did Cannon ever disclose that 24 25 Plaintiff's internet service at the cabinet was actually provided 26 by Cogent and not Defendants. This was important because Cannon had represented that there was "diverse carrier" internet at 27 28 SF1, which means an outage at one carrier was not supposed to

COMPLAINT

take down Plaintiff's server. With Plaintiff's internet at the 1 cabinet being supposedly provided by 6x7, it was not Plaintiff's 2 3 obligation to specifically request or order diverse fiber to his cabinet; 6x7 was supposed to make whatever arrangements it had 4 5 to make in order to provide reliable internt service with at 6 least 99.999% uptime or whatever the SLA said. The SLA was not 7 met because there were at least three outages just over a two or 8 three month period in 2020: Cogent (hours long), PG&E (minutes 9 long), and 450 Mission (hours long), which collectively took down Plaintiff's server for more than the maximum 0.001% time period. 10 11 Finally, Plaintiff threw up his hands in July 2020 and decided to 12 hold Defendants responsible for their false promises, breaches, and fraud. 13

14 d. On or about June 2, 2020, Plaintiff proposed an employment contract with Defendants in a lengthy email laying 15 16 out the terms of the agreement, a copy of which is attached as 17 Exhibit A. In summary, Plaintiff would be paid \$250,000 per year for 20 hours per week of legal work, with half of that 18 19 salary deferred until the company grossed at least \$10 million in a year. Plaintiff's actual pay would be \$125,000 per year 20 21 until the company grossed \$10 million per year, with the first 22 paycheck deferred to August 1, 2020. Cannon enthusiastically 23 accepted the proposal in its entirety. Thus, Plaintiff joined 6x7 as Chief Legal Officer, an employee, retroactive to June 24 1, 2020. Despite Cannon's enthusiasm, she had no intention of 25 26 performing the contract, and indeed, no ability to perform the terms of the contract. Cannon had only \$250,000 in the 6x7 bank 27 account in June 2020 and later admitted that all of those funds 28

1 would be needed to deliver services to customers rather than to pay employees. Thus, Cannon had no way to pay Plaintiff (or 2 3 the other employees) what they were actually going to be owed at the time she made the promises. Indeed, Cannon admitted on 4 5 July 12, 2020 that she could not remember what promises she had 6 made to employees, and further, she denied having any employees 7 at all! This would have surprised the twenty or so employees of 8 the company. Cannon directed Plaintiff to "unhitch yourself" 9 and the other employees, or words to that effect -- Plaintiff has no access to the 6x7 email system now that Cannon has cut off 10 11 Plaintiff's access. Plaintiff asked Cannon to cool off and think 12 hard about firing everyone before actually firing everyone, but this was not resolved before Plaintiff's departure. 13

e. Cannon made multiple other false representations and
promises at various points in time, the nature of which are more
within Cannon's knowledge than Plaintiff's, and which Plaintiff
has not yet discovered are false. Thus, Plaintiff alleges on
information and belief that there was even more fraud than
disclosed here.

20 26. Defendants knew their representations and promises were 21 false at the time they were made, for the reasons stated above 22 and otherwise.

23 27. Plaintiff believed all of the representations and 24 promises at the time they were made, and had no reason to doubt 25 Defendants' representations and promises, nor could Plaintiff 26 have discovered Defendants' fraud in the exercise of reasonable 27 diligence.

28

28. Plaintiff suffered damages from Defendants' fraudulent

1 representations and promises in amounts that are difficult to ascertain at this time, but which will be proved at trial through 2 3 the course of discovery to establish exactly which fraud caused what damages. At a minimum, Plaintiff has lost \$20,000 that 4 5 Defendants clearly owe him, but there is also the opportunity cost of what Plaintiff could have earned had he not wasted at 6 7 least 120 hours of his billable time on Defendants. This amount 8 is estimated at \$36,000 (120 x \$300/hr.), which represents the reasonable value of Plaintiff's time. 9 10 Wherefore, Plaintiff prays for special damages, general 29. 11 damages, and punitive damages according to proof. 12 SECOND CAUSE OF ACTION 13 BREACH OF CONTRACT 14 (Against all defendants) 15 Plaintiff incorporates the above paragraphs by 30. 16 reference. 17 Plaintiff and Defendants had a contract for the payment 31. 18 of wages/salary by Defendants to Plaintiff for his services at 19 the rate of \$250,000 per year. 20 Plaintiff performed his services as agreed, and has 32. 21 done all or substantially all of the things he was supposed to do 22 or was excused from doing those things by Defendants' conduct. 23 33. Defendants breached the contract by failing to pay Plaintiff as agreed. 24 25 34. Wherefore, Plaintiff prays for special damages of 26 at least \$14,400 representing the wages he was not paid, plus interest and attorney fees. 27 28 11

### THIRD CAUSE OF ACTION

#### DECLARATORY RELIEF

(Against all defendants)

35. Plaintiff incorporates the above paragraphs by reference.

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# Count One -- Colocation

36. Plaintiff and Defendants had a contract for colocation space in Defendants' facility, a copy of which is attached as <u>Exhibit B</u>. The contract was unilaterally modified by Defendants to place Plaintiff at the San Francisco facility, even though Plaintiff agreed and thought he was getting into the San Mateo facility (which did not even exist at the time of the contract or install date).

37. Plaintiff only agreed to the contract due to
Defendants' fraud as described above, and/or mistakes of fact as
to which Plaintiff did not bear the risk of loss.

39. Plaintiff gave notice of rescission on July 29,
2020, but this was not responded to by Defendants. Instead,
Defendants acted as if the contracts were still binding because
they fraudulently charged Plaintiff's credit card for additional
services beyond the cancellation date. Thus, there is now a
controversy between Plaintiff and Defendants as to their rights
and duties under the contract.

40. Wherefore, Plaintiff prays for (1) a judicial decree of rescission and (2) incidental damages, including but not limited to the difference between what Plaintiff was paying for colocation with Defendants (\$800 per month) and what an actual datacenter with comparable services would charge (\$2,500 per

month) for the remaining term of Plaintiff's agreement. This is estimated at \$1,700 per month for a cabinet at Digital Realty's facility at 200 Paul Avenue with 10 gigabit connectivity, which is the substantial equivalent of what Defendants represented Plaintiff was getting when Plaintiff and Defendants signed the initial contract.

#### Count Two -- Fiber Internet

8 41. Plaintiff and Defendants had a contract for fiber
9 internet service at Plaintiff's office, a copy of which is
10 attached as <u>Exhibit C</u>.

42. Plaintiff only agreed to the contract due to
Defendants' fraud as described above, and/or mistakes of fact as
to which Plaintiff did not bear the risk of loss.

43. Plaintiff gave notice of rescission on July 29, 2020,
but this was not responded to by Defendants. Thus, there is now
a controversy between Plaintiff and Defendants as to their rights
and duties under the contract.

44. Wherefore, Plaintiff prays for (1) a judicial decree of rescission and (2) incidental damages, including but not limited to the overage charges for his mobile LTE hotspot from February to August 2020 when the AT&T fiber was installed. This amount is unknown at this time.

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# Count Three -- Sales Representative Agreement

24 45. Plaintiff and Defendants had a sales representative
25 agreement, a copy of which is attached as <u>Exhibit D</u>.

46. No sales were made (as far as Plaintiff knows).
Plaintiff seeks a judicial decree of rescission of the agreement
and incidental damages.

# Count Four -- Residential Fiber

47. Plaintiff and Defendants had a contract for the installation of fiber internet at Plaintiff's residence, a copy of which is attached as <u>Exhibit E</u>.

48. Plaintiff only agreed to the contract due to Defendants' fraud as described above, and/or mistakes of fact as to which Plaintiff did not bear the risk of loss. Plaintiff seeks a judicial decree of rescission of the agreement.

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# Count Five -- VirtuaScribe Joint Venture

49. Plaintiff and Defendants had a joint venture contract
for the establishment of an innovative online platform for
experts to assist customers with urgent problems, known as
VirtuaScribe. A copy of the agreement is attached as <u>Exhibit F</u>.

14 50. Plaintiff only agreed to the contract due to 15 Defendants' fraud as described above, and/or mistakes of fact 16 as to which Plaintiff did not bear the risk of loss. Plaintiff 17 seeks a judicial decree of rescission of the agreement, 18 incidental damages such as the cost of the part-time secretary 19 who was hired to work for the joint venture during the time 20 she actually worked for the joint venture, and a decree that Plaintiff is the owner of all of VirtuaScribe and its assets and 21 22 intellectual property.

FOURTH CAUSE OF ACTION

## WAGE THEFT/PAGA

(Against all defendants)

26 51. Plaintiff incorporates the above paragraphs by27 reference.

52. Defendants are *still* engaged in blatant wage theft

against their employees, including Plaintiff, and Defendants
 *refuse to follow the law* even after being warned multiple times
 that they are breaking the law.

53. Wherefore, Plaintiff prays for a Private Attorney
General Act injunction, receivership, and any other available
penalties and remedies.

#### FIFTH CAUSE OF ACTION

#### THEFT

(Against all defendants)

10 54. Plaintiff incorporates the above paragraphs by 11 reference.

12 55. On August 9-10, 2020, Defendants stole \$1,600.00
13 from Plaintiff by way of fraudulent and unauthorized credit
14 card charges on the card Plaintiff had been using to pay for
15 colocation services, in violation of Penal Code sec. 484.

16 56. Although the charges were initially reversed, Plaintiff 17 expects Defendants will lie to American Express about the 18 incident and, as a result of yet more fraud, potentially have the 19 reversal reversed.

57. Wherefore, Plaintiff prays for special damages,
punitive damages, an injunction preventing further charges, and
any other relief authorized by law.

### SIXTH CAUSE OF ACTION

#### CONVERSION

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(Against all defendants)

26 58. Plaintiff incorporates the above paragraphs by27 reference.

59. Through the foregoing course of conduct, Defendants

1	converted Plaintiff's \$5,000.00 NRC deposit for the fiber
2	internet service at his office.
3	60. Wherefore, Plaintiff prays for attachment, return of
4	the funds, plus interest at 10% per year.
5	SEVENTH CAUSE OF ACTION
6	LABOR CODE SEC. 2802 REIMBURSEMENT
7	(Against all defendants)
8	61. Plaintiff incorporates the above paragraphs by
9	reference.
10	62. Plaintiff incurred at least \$67.00 of unreimbursed
11	expenses on Defendants' behalf that Defendants failed to pay.
12	63. Wherefore, Plaintiff prays for reimbursement plus
13	attorney fees.
14	EIGHTH CAUSE OF ACTION
15	FALSE ADVERTISING
16	(Against all defendants)
17	64. Plaintiff incorporates the above paragraphs by
18	reference.
19	65. Through the foregoing course of conduct, Defendants
20	falsely advertised their products and services by, including
21	but not limited to, making knowingly false representations on
22	their website as to the quality of the 6x7 facilities. The
23	representations were false and led customers to believe that the
24	products and services were drastically different from how they
25	actually are.
26	66. In reality, Cannon was "bootstrapping a telecom
27	company" (her actual words) by tricking people into funding her
28	vision, which she had no way of accomplishing otherwise, such as

1 through honest and straightforward means.

67. Plaintiff and other consumers believed the false advertising and have suffered actual damages in an amount that is simply unknown.

68. Wherefore, Plaintiff prays for all available legal
remedies, including an injunction taking down Defendants' website
in its current unlawful form.

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# 9 10

UNFAIR COMPETITION (Against all defendants)

NINTH CAUSE OF ACTION

11 69. Plaintiff incorporates the above paragraphs by12 reference.

13 70. Through the foregoing course of conduct, Defendants
14 violated the Unfair Competition Law at Bus. and Prof. Code sec.
15 17200, by (including but not limited to) (1) committing theft in
16 violation of PC sec. 484, (2) committing wage theft in violation
17 of various Labor Code provisions, and (3) violating the False
18 Advertising Law at B&P sec. 17500.

19 71. Wherefore, Plaintiff prays for restitution and a20 permanent injunction enjoining the violations of law.

21

#### PRAYER

1. A judicial decree of rescission of the contracts
described above and any other contracts that may exist between
the parties, plus incidental damages.

25 2. A permanent injunction prohibiting Defendants from
26 charging Plaintiff any more money or attempting to charge
27 Plaintiff's credit cards in any way.

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3. Receivership of the LLC and a kick-out order against

1	Cannon in order to ensure that its limited funds remain available
2	to satisfy wage claims.
3	4. Special damages according to proof.
4	5. General damages according to proof.
5	6. Punitive damages according to proof.
6	7. Attorney fees and costs.
7	8. Restitution and injunctive relief under the False
8	Advertising Law and Unfair Competition Law.
9	Andrew all ottan
10	Date: August 23, 2020 Andrew G. Watters
11	Plaintiff
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	COMPLAINT 35

# Exhibit A

#### Hi Ben,

As we discussed, here is my basic proposal for how we might work together:

I. Executive

Position: Chief Legal Officer

Duties: Supervise the company's legal affairs, including but not limited to: (1) conducting investigations, (2) managing outside counsel handling litigation matters, (3) assembling and reviewing transactional documents such as corporate contracts, (4) ensuring compliance, and (5) handling infrastructure security.

Commitment: 20 hours per week maximum, 90% of which shall be remote. In other words, a maximum of 2.0 hours per week on site (one visit), unless otherwise agreed. I need to cap my commitment at 20 hours per week and make it 90% remote due to my multiple other business ventures and my need to continue those ventures from my existing office in San Mateo. I also live in San Mateo and it's a big production going to SF1 whenever I do go, due to parking challenges and otherwise.

Compensation: since you are not doing stock options, I propose a base salary of \$125,000 per year paid twice monthly, plus a deferred portion of \$125,000 per year that is paid at the conclusion of the first year that the company makes at least \$10 million in gross receipts. So for \$125k per year, you would have an all-in-one on-call attorney, investigator, advisor, security supervisor, etc. and up to 20 hours per week of work, which includes one site visit of up to 2.0 hours per week. This does not affect or include our existing sales rep agreement. This executive role works out to at least 1,000 hours of service per year for \$125k which is \$125/hr., or about one-third of what I would otherwise charge. I can wait up to two months from now to get paid in order for you to wrap up the Bahrain deal, but I would be accruing compensation in the meantime and I would need the salary to be paid starting August 1, 2020 at the latest, or whenever the Darari funds are in your account, whichever is earlier. For outside purposes other than taxes, the salary would be \$250,000 per year (so if I buy a house, for example, that would be the salary the company would certify, but my W-2 would say \$125,000 unless more is actually That way I'm not taking steps back in terms of my earnings, paid). and the risk is acceptable to me in light of the potential payoff of an extra \$125k per year for a half-time job.

II. R&D

Position: Director of 6x7 Labs

Duties: Manage the company's R&D efforts.

Commitment: ad hoc, not to exceed the 20 hours a week figure above unless otherwise agreed. Also remote.

Compensation: salary included in the CLO role above; joint venture ownership TBD, depending on further discussions regarding how much of my IP the company wishes to participate in developing and how much money the company can spend on my projects. For original IP I have created, I would automatically be Program Manager of all of those projects and the time cap would not apply. For the company's IP that has nothing to do with me or my projects, I would not exceed the 20 hour per week cap unless otherwise agreed.

What do you think?

Andrew G. Watters
andrew.watters@6by7.net
+1 (415) 261-8527
https://www.andrewwatters.com

Hey Andrew, this is awesome, exactly along the lines and numbers I was thinking, a great deal for both of us! I accept! If you want to formalize it more competent please feel free, otherwise, let's just roll right into business together! -Ben On Jun 2, 2020, at 4:19 PM, Andrew Watters <andrew.watters@6by7.net> wrote: Hi Ben, As we discussed, here is my basic proposal for how we might work together: I. Executive Position: Chief Legal Officer Duties: Supervise the company's legal affairs, including but not limited to: (1) conducting investigations, (2) managing outside counsel handling litigation matters, (3) assembling and reviewing transactional documents such as corporate contracts, (4) ensuring compliance, and (5) handling infrastructure security. Commitment: 20 hours per week maximum, 90% of which shall be remote. In other words, a maximum of 2.0 hours per week on site (one visit), unless otherwise agreed. I need to cap my commitment at 20 hours per week and make it 90% remote due to my multiple other business ventures and my need to continue those ventures from my existing office in San Mateo. I also live in San Mateo and it's a big production going to SF1 whenever I do go, due to parking challenges and otherwise. Compensation: since you are not doing stock options, I propose a base salary of \$125,000 per year paid twice monthly, plus a deferred portion of \$125,000 per year that is paid at the conclusion of the first year that the company makes at least \$10 million in gross receipts. So for \$125k per year, you would have an all-in-one oncall attorney, investigator, advisor, security supervisor, etc. and up to 20 hours per week of work, which includes one site visit of up to 2.0 hours per week. This does not affect or include our existing sales rep agreement. This executive role works out to at least 1,000 hours of service per year for \$125k which is \$125/hr., or about onethird of what I would otherwise charge. I can wait up to two months from now to get paid in order for you to wrap up the Bahrain deal,

but I would be accruing compensation in the meantime and I would need

the salary to be paid starting August 1, 2020 at the latest, or

BC

whenever the Darari funds are in your account, whichever is earlier. For outside purposes other than taxes, the salary would be \$250,000 per year (so if I buy a house, for example, that would be the salary the company would certify, but my W-2 would say \$125,000 unless more is actually paid). That way I'm not taking steps back in terms of my earnings, and the risk is acceptable to me in light of the potential payoff of an extra \$125k per year for a half-time job.

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Position: Director of 6x7 Labs

Duties: Manage the company's R&D efforts.

Commitment: ad hoc, not to exceed the 20 hours a week figure above unless otherwise agreed. Also remote.

Compensation: salary included in the CLO role above; joint venture ownership TBD, depending on further discussions regarding how much of my IP the company wishes to participate in developing and how much money the company can spend on my projects. For original IP I have created, I would automatically be Program Manager of all of those projects and the time cap would not apply. For the company's IP that has nothing to do with me or my projects, I would not exceed the 20 hour per week cap unless otherwise agreed.

What do you think?

Andrew G. Watters andrew.watters@6by7.net +1 (415) 261-8527 https://www.andrewwatters.com

## Exhibit B

## Quotation

Date: 03/14/2019

**Client: Andrew Waters** 

## Location: 6x7 SM1 Carrier-Neutral Datacenter Facility – 4 w 4<sup>th</sup> Ave, San Mateo, CA

Service:

1 42U full locked cab MRC \$800 NRC \$1500
 30A 208v power A&B drops with PDU MRC \$1000 NRC \$1000
 INCLUDED PER BEN
 1,000Mbit / 1,000Mbit L3 SMF 1310nm MRC \$1300 NRC \$1300
 INCLUDED PER BEN

## Total \$800MRC \$1500NRC

IPs: 8 Static.

SLA: 99.9\*%

Term: 5 year

Install lead time: **30 days** from executed contract, quote, and payment of NRC and 1<sup>st</sup> month MRC.

This quotation is invalid without a companion Master Services Agreement. This quotation expires 30 days from the date above. This quotation is invalid unless signed by the Customer.

\*= Requires if applicable 24/7/365.25 access to all of customer's facilities including roof, riser, and MPOE, otherwise best-effort.

Signed:
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Name:	:	

Email:					

Address:
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DocuSign Envelope ID: 09270C5F-545B-4623-BD80-E72DF85D9A12

\_\_\_\_\_



6x7 Networks, LLC 4104 24<sup>th</sup> st #403 San Francisco CA 94114

## Master Service Agreement

This Master Service Agreement (the "Agreement") is between 6x7 Networks, LLC. ("6x7") and the Customer shown at the end of this document and consists of (i) this document and (ii) the Customer's Order(s). 6x7 will begin installation and Service only after it receives and accepts: (i) a signed Order; (ii) this Agreement signed by a Customer authorized representative; and (iii) the Initial Payment due under Section 1.1 of this Agreement.

1. Service Fees and Billing. Customer agrees to pay the monthly charges for Service, the activation and other charges indicated on the Order(s) or otherwise due hereunder (collectively, "Fees"). Fees do not include applicable taxes (if any), shipping charges (if any), all of which shall be billed in addition to the Fees and shall be the responsibility of the Customer.

1.1 Initial Payment. Upon 6x7's acceptance of the Order and full execution of this Agreement, Customer shall be invoiced for all Service Activation Charges and the first full month's Fees which shall be due within thirty (30) days after the execution of this Agreement.

2. Recurring Fees. 6x7 will bill Customer monthly in advance for all recurring Fees and in arrears for usage-based or non-recurring Fees. Billing for monthly Fees will begin on the earlier of: (a) the date that Customer starts using the Service or installs Customer Equipment in 6x7's premises (b) within thirty (30) days after the Ready For Service Date. If, however, Customer is unable to use the Services due solely to delays caused by and within the reasonable control of 6x7, then the date on which monthly Service Fees billing begins will be extended by one day for each such day of delay.

3. Payment. Customer will pay in full all invoices from 6x7 in U.S. dollars within thirty (30) days of the date of invoice. Late payments will accrue interest at a rate of ten percent (10%) per month or the highest rate allowed by applicable law, whichever is lower. If payment is returned to 6x7 with insufficient funds, Customer is considered to not to have paid and subject to a returned check charge of \$25 and may be terminated for Nonpayment as described in 13.1.

4. Local and Long Distance Carriers. Customer is responsible for ordering, maintaining, terminating and paying for any data and telecommunications circuits

PAGE 1 OF 13 6X7 Master Services Agreement - CONFIDENTIAL



provided to Customer by local and long-distance carriers including cross-connects from 6x7.

5. Other Networks. Customer is responsible for paying any fees, obtaining any required approvals and complying with any laws or usage policies applicable to transmitting data beyond the Network and/or through other public and private networks. 6x7 is not responsible or liable for performance or non- performance of such networks or their inter-connection points.

6. This paragraph intentionally deleted.

7. NO WARRANTY. EXCEPT AS SPECIFICALLY SET FORTH HEREIN, THE SERVICES ARE PROVIDED ON AN "AS IS" BASIS, AND CUSTOMER'S USE OF THE SERVICES AND THE COLOCATION SPACE ARE AT CUSTOMER'S OWN RISK. 6X7 DOES NOT MAKE, AND HEREBY DISCLAIMS, ANY AND ALL OTHER EXPRESS AND IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NONINFRINGEMENT AND TITLE, AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE, OR TRADE PRACTICE. 6X7 DOES NOT WARRANT THAT THE SERVICES WILL BE UNINTERRUPTED, ERROR-FREE, OR COMPLETELY SECURE.

8. Disclaimer of Third Party Actions and Control. 6x7 does not and cannot control the flow of data to or from the Network and other portions of the Internet. Such flow depends in large part on the performance of Internet services provided or controlled by third parties. At times, actions or inactions caused by these third parties can produce situations in which Customer connections to the Internet (or portions thereof) may be impaired or disrupted. 6x7 cannot guarantee that such situations will not occur and, accordingly, 6x7 disclaims any and all liability resulting from or related to such events. In the event that Customer's use of the Service or interaction with the Internet or such third parties is causing harm to or threatens to cause harm to the Network or its operations, 6x7 shall have the right to suspend the Service. 6x7 shall restore Service at such time as it reasonably deems that there is no further harm or threat of harm to the Network or its operations.

9. Insurance. Customer will keep in full force and effect during the term of this Agreement: (i) commercial general liability insurance; (ii) workers' compensation insurance in an amount not less than that required by applicable law; and (iii)

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business property insurance covering Customer's equipment in the amount of its replacement value, and shall furnish certificates of additionally insured naming 6x7 as the insured party, upon reasonable request of 6x7.

10. Limitations of Liability.

10.1 Personal Injury. 6x7 will not be liable for any harm or personal injury to Customer personnel resulting from any cause, other than 6x7's gross negligence or willful misconduct.

10.2 Damage to Customer Equipment. 6x7 is not liable for damage to, or loss of any of Customer Equipment resulting from any cause, other than 6x7's gross negligence or willful misconduct and then only in an amount not to exceed the replacement value of the damaged Customer Equipment, or the total amount paid by Customer to 6x7 for one month's service, whichever is lower.

10.3 Damage to Customer Business. In no event will 6x7 be liable for any incidental, punitive, indirect, or consequential damages (including without limitation any lost revenue or lost profits) or for any loss of technology, loss of data, or interruption or loss of use of Service (except as set forth in Section 6) or any other similar claims by Customer or related to Customer's business, even if 6x7 is advised of the possibility of such damages. 6x7 will not be liable for any damages or expenses incurred by Customer as a result of any deficiency, error, or defect in 6x7's service whether due to equipment, hardware, software, or 6x7's failure to correct the same.

10.4 Maximum Liability. Notwithstanding anything to the contrary in this Agreement, 6x7's maximum aggregate liability to Customer related to or in connection with this Agreement whether under theory of contract, tort (including negligence), strict liability or otherwise will be limited to the total amount paid by Customer to 6x7 for one month's service.

11. Customer will indemnify, defend and hold harmless the 6x7 Parties from and against any and all claims, actions or demands arising out of Customer's use of the Service alleging: (a) with respect to the Customer's business: infringement or misappropriation of any intellectual property rights; defamation, libel, slander, obscenity, pornography, or violation of the rights of privacy or publicity; or spamming or any other offensive, harassing or illegal conduct or violation of the Acceptable Use Guidelines; (b) any loss suffered by, damage to or injury of any other 6x7 customer, any other customer equipment or personnel, which loss,

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damage or injury is caused by acts or omissions by Customer personnel; (c) any personal injury suffered by any Customer personnel arising out of such individual's activities related to the Services, unless such injury is caused by 6x7's gross negligence or willful misconduct; or (d) any other damage arising from the Customer Equipment or Customer's business. Customer agrees to reimburse 6x7 for the expense and cost of handling such claims including, without limitation, legal fees.

12. Term. This Agreement will commence on the Effective Date and shall expire at the end of the last "Term" specified in any Order, unless sooner terminated as provided in Section 13 below, provided, however, that each Order shall automatically renew for additional periods of the same length as the initial Term upon the end of its Term unless one party provides the other written notice that it is terminating such Order not more than 90 days and not less than 30 days prior to the end of the Term specified in the Order.

12.1 Rate Adjustments. After the initial term, 6x7 has the right to increase rates by giving Customer 90 days advance notice of its intention to do so. Customer may terminate service within the 90 day period or continue to use service and pay the increased rate.

13. Termination.

13.1 Nonpayment. 6x7 may suspend Service to Customer if any amount due hereunder is not paid in full within fifteen (15) days after Customer is sent an overdue notice. To reinstate Service, 6x7 will require payment of the overdue amount. 6x7 may terminate this Agreement (or at its option, only the relevant Order) if any amount due hereunder is not paid in full within thirty (30) days after Customer is sent an overdue notice.

13.2 Bankruptcy. 6x7 may terminate this Agreement upon written notice to Customer if Customer becomes the subject of a petition in bankruptcy or any proceeding relating to insolvency, receivership, or liquidation for the benefit of creditors, if such petition or proceeding is not dismissed within 60 days of filing.

13.3 Unacceptable Use. 6x7 may immediately terminate this Agreement if Customer violates any provision of the 6x7 Acceptable Use Guidelines that results or could result in suspension by 6x7.

13.4 For Other Cause. Except as otherwise stated, either party may terminate this

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Agreement if the other party breaches any material term or condition of this Agreement and fails to cure such breach within ten (10) days after receipt of written notice of the same.

13.5 6x7 shall have the right to terminate Customer's use of the Colocation space or the Service delivered at a specific facility therein in the event that 6x7's rights to use the facility terminates or expires for any reason.

13.6 Effect of Termination. Upon expiration or termination of this Agreement: (a) 6x7 will cease providing the Services; (b) except in the case of termination by Customer pursuant to Section 12.1, 13.4, or 13.5, all of Customer payment obligations under this Agreement, including but not limited to monthly Service Fees through the end of the Term indicated on the Order(s) will become due in full immediately; and (c) within ten (10) days, Customer will remove all of Customer Equipment and any other property from 6x7's premises and return the Colocation Space to 6x7 in the same condition as it was prior to Customer installation. If Customer does not remove such property within the ten (10) day period, 6x7, at its option and at Customer expense, may remove and store any and all such property, return such Equipment to the Customer, or dispose of such equipment without liability for any related damages. In addition, 6x7 reserves the right to hold any Customer Equipment until it has received payment in full.

14. Survival. The Parties' respective representations, warranties, and covenants, together with obligations of indemnification, confidentiality and limitations on liability will survive the expiration, termination or rescission of this Agreement and continue in full force and effect.

15. Miscellaneous Provisions.

15.1 Force Majeure. Other than with respect to failure to make payments due hereunder, neither party shall be liable under this Agreement for delays, failures to perform, damages, losses or destruction, or malfunction of any equipment, or any consequence thereof, caused or occasioned by, or due to fire, earthquake, flood, water, the elements, labor disputes or shortages, utility curtailments, power failures, explosions, civil disturbances, governmental actions, shortages of equipment or supplies, unavailability of transportation, acts or omissions of third parties, or any other cause beyond its reasonable control.

15.2 No Lease. This Agreement is a services agreement and is not intended to and will not constitute a lease of or tenancy or other interest in the Colocation Space or

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other 6x7 premises, the 6x7 Equipment or any other real or personal property.

15.3 Government Regulations. Customer will not export, re-export, transfer, or make available, whether directly or indirectly, any regulated item or information to anyone outside the U.S. in connection with this Agreement without first complying with all export control laws and regulations which may be imposed by the U.S. Government and any country or organization of nations within whose jurisdiction Customer operates or does business.

15.4 Assignment. Neither party may assign its rights or delegate its duties under this Agreement either in whole or in part without the prior written consent of the other party, except to an affiliate or a party that acquires substantially all of the assigning party's assets or a majority of its stock as part of a corporate merger or acquisition. Any attempted assignment or delegation without such consent will be void. This Agreement will bind and inure to the benefit of each party's successors and permitted assigns.

15.5 Notices. Any required notice hereunder may be emailed to ben@6by7.net delivered personally or by courier; sent by confirmed facsimile; or mailed by registered or certified mail, return receipt requested, postage prepaid, to either party at the name and address on the signature page of this Agreement, or at such other address as such party may provide to the other by written notice. Such notice will be deemed to have been given as of the date it is delivered personally or by courier, or five (5) days after it is sent by confirmed facsimile or mailed.

15.6 Relationship of Parties. This Agreement will not establish any relationship of partnership, joint venture, employment, franchise or agency between the parties.

15.7 Changes Prior to Execution. Customer represents and warrants that any changes to this Agreement made by it were properly marked as changes and that Customer made no changes to the Agreement that were not properly identified as changes.

15.8 Choice of Law. This Agreement will be governed by and construed in accordance with the laws of the State of California, excluding its conflict of laws principles.

15.9 Confidential Information. The terms and conditions of this Agreement, any Order(s) and other related 6x7 documents are confidential information.



16. General. This Agreement (including Appendix A and B below), together with the Order(s) and 6x7 policies referred to in this Agreement, as well as any Addendum executed by both parties in good faith, is the complete agreement and understanding of the parties with respect to the subject matter hereof, and supersedes any other agreement or understanding, written or oral. In the event of a conflict in terms between this MSA and any Addendum, the language in the Addendum shall control. This Agreement may be executed in two or more counterparts (and the signature pages may be delivered with ink or electronic signature or by facsimile or email), each will be deemed an original, but all together will constitute one and the same instrument. This Agreement may be modified only through a written instrument signed by both parties. Should any provision of this Agreement be declared void or unenforceable, such provision will be deemed amended to achieve as nearly as possible the same economic effect as the original terms and the remainder of this Agreement will remain in full force and effect. If a conflict arises between Customer's purchase order terms and this Agreement and Order(s), this Agreement and Order(s) shall take precedence. In the case of international, federal, state or local government orders, Customer purchase order must contain the following language: "This purchase order is being used for administrative purposes only and is subject to the terms and conditions of the 6x7 Master Service Agreement executed between Customer and 6x7."

## 17. Definitions

"Bandwidth Fees" Fees for usage of bandwidth provided under this Agreement as set forth in the Order.

"Colocation Space" The physical area within 6x7's Colocation facility identified in an Order.

"Customer Equipment" The computer, network, or other equipment placed by or for Customer in the Colocation Space, other than 6x7 Equipment.

"Fees" Charges and fees for Services charged to Customer by 6x7, exclusive of Taxes.

"6x7 Equipment" All computer equipment, software, networking hardware, shelving, cabling, cross-connects or other materials belonging to or furnished by 6x7.

"6x7 Parties" 6x7 and its affiliates, owners, partners, trustees, officers, directors,

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employees, and agents.

"Network" The network of routers, switches and circuits that are owned or controlled by 6x7.

"Order" An order for Service prepared by 6x7, submitted by Customer, and accepted by 6x7. 6x7 is under no obligation to accept an Order. For legacy purposes, an Order may also be called Quotation of Services ("Quote"). Customer and 6x7 may enter into subsequent Order(s), which will automatically become part of this Agreement. In the event of conflict between the terms of this Agreement and the terms of an Order, the terms of the Order shall control.

"Personnel" refers to employees, representatives, agents, contractors, or subcontractors.

"Ready For Service Date" refers to the date 6x7 has delivered the Service ready for customer use.

"Service" All services, goods and other offerings provided by 6x7 under an Order pursuant to this Agreement.

APPENDIX A: INTERNET SERVICE This appendix only applies if Customer is receiving Internet Service from 6x7 Electric.

A.1 Acceptable Use Guidelines. Customer will at all times comply with and conform its use of the Service to the 6x7 Acceptable Use Guidelines (set forth at 6x7's website), as updated from time to time. In the event Customer violates 6x7's Acceptable Use Guidelines, 6x7 shall have the right to immediately suspend Service. 6x7 will provide notice and opportunity to cure, if and to the extent 6x7 deems practicable, depending on the nature of the violation and availability of the Customer. 6x7, in its reasonable and sole discretion, may re-enable the Service upon satisfaction that all violations have ceased and with adequate assurance that such violations will not occur in the future.

A.2 Updates. 6x7 may update the 6x7 Acceptable Use Guidelines from time to time by posting such updates on 6x7's website. References herein to the 6x7 Acceptable Use Guidelines shall mean the most updated version of such policies or procedures posted on 6x7's web site. 6x7 shall notify Customer of any material changes to its policies and procedures.

A.3 Illegal Use. Customer will cooperate in any investigation of Customer's

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alleged illegal use of 6x7's facilities or other networks accessed through 6x7. If Customer fails to cooperate with any such investigation, 6x7 may suspend Customer's Service immediately. Additionally, 6x7 may modify or suspend Customer's Service in the event of illegal use of the Network or as necessary to comply with any law or regulation, including the Digital Millennium Copyright Act of 1998, 17 U.S.C. 512, as reasonably determined by 6x7.

A.4 Address Space. 6x7 will assign IP addresses to Customer based upon ARIN guidelines. Addresses assigned to Customer by 6x7 may only be used while a 6x7 Internet Service customer. If Customer has a valid address allocation from ARIN, RIPE, APNIC, LACNIC, or AFRINIC Customer may request 6x7 to announce it via BGP at no additional charge.

A.5 Bandwidth Measurement. Bandwidth usage will be calculated by 6x7 using the 95<sup>th</sup> percentile of samplings taken at 5 minute intervals on a monthly basis. Samples are taken by 6x7 via SNMP from the 6x7 switch or router port Customer is directly connected to and are the greater of input or output bits per second. 95th percentile is determined by sorting the sample data from smallest to largest and discarding the top 5 percent, with the remaining largest sample designated as the 95<sup>th</sup> percentile.

## APPENDIX B: COLOCATION IN 6X7 FACILITIES

This appendix only applies if Customer is receiving Colocation from 6x7 in a 6x7 data center.

B.1 Use of Space. 6x7 grants Customer the right to operate Customer Equipment at the Colocation Space, as specified on Customer's Order. Except as specifically provided herein, Customer expressly assumes all risk of loss to Customer Equipment in the Colocation Space. Customer shall be liable to 6x7 for any damage to the Colocation facility, 6x7 Equipment or equipment of other 6x7 customers caused by Customer, Customer Equipment, or Customer's personnel. Customer Equipment shall be industry-accepted information and communication technology equipment suitable for use in a data center and shall retain the appropriate government approvals including without limitation CE, UL, and NEBS.

B.2 Customer Equipment Installation and Removal. Customer is responsible for all aspects of installation and removal of Customer Equipment, including bringing appropriate equipment, tools and packaging materials. Customer will install

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Customer Equipment in the Colocation Space after obtaining the appropriate authorization from 6x7 to access 6x7 premises. Customer will remove all packaging for Customer Equipment promptly after installation. Should Customer use an agent or other third party to deliver, install or remove Customer Equipment, Customer will be solely responsible for the acts of such party. At Customer's option, 6x7 will remove and package Customer Equipment and place Customer Equipment in a designated area for pick-up, on the condition that Customer either provide or pay for all needed packaging plus pay 6x7's packaging fees and charges. Within five (5) days after authorization from 6x7, Customer will remove Customer Equipment from the designated area or arrange on a pre-paid basis for a carrier to pick-up and ship such equipment to Customer. Customer may request remote hands service for the purpose of installation of equipment that has been shipped preconfigured by Customer to 6x7.

B.3 Designated Space. 6x7 will designate space for Customer. All of Customer's equipment and property must be stored in Customer's designated space or removed from the premises by Customer. Equipment and other property left by Customer in an area other than the Customer's designated space may be considered abandoned by 6x7. In that event, 6x7 may, at its option either (a) retain such items as its property or dispose of them without accountability in such a manner as 6x7 shall determine, at Customer's expense, or (b) remove and store such items for Customer, at Customer's expense.

B.4 Electrical Power. Unless otherwise specified on Customer's Order, each cabinet or rack shall be supplied with TWO 110 VAC 15A electrical circuits connected to its own circuit breaker, however they are A and B feeds, therefore the combined power draw may only be  $\frac{1}{2}$  of the total continuous 80% de-rated load. At it's sole option, 6x7 may elect to provide 208/240v power, in which case the amperage of circuits will be reduced accordingly. Customers may upgrade their power needs through placing an Order for upgraded services at anytime. Any power distribution provided by 6x7 are subject to the Limitations of Liability contained within this Agreement. 6x7 does not keep track of the power requirements of customer equipment and will not be held liable by Customer if Customer, by action of Customer's personnel or by 6x7's personnel at the request of Customer, exceeds the rating of an electrical circuit, power strip, and/or circuit breaker. 6x7 Electric is not responsible for damage caused by loss of power due to a circuit breaker tripping, equipment failure, or other reason. If Customer uses more than <sup>1</sup>/<sub>2</sub> of 80 percent the rated number of amps on an A/B redundant electrical circuit (or in the case of shared cabinet customers more than the number

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of amps contracted) 1) 6x7 will notify Customer that they are over amperage on the circuit 2) After thirty days (30) if the over amperage condition is not cured, for each over amperage electrical circuit Customer will pay an additional over amperage fee equal to the monthly cost of the electrical circuit or the monthly cost of the cabinet if the electricity was included in the cabinet pricing. Customer is responsible for any damage to the circuit breaker, wiring, electrical outlet, power strip, or other electrical equipment caused by a sustained over amperage condition.

B.5 Cross Connects. Customer may run cross connects between Customer's adjacent cabinets at no charge. In addition to any cross connects between Customer's adjacent cabinets, Customer may request cross-connects through Customer's nonadjacent cabinets, within 6x7's facility, by placing an Order. Customer may request cross connects at the then current rate. All cross connects to cabinets other than Customer's cabinets or between Customer's nonadjacent cabinets shall be installed solely by 6x7 and no cross connects shall be performed in any other manner or location, unless otherwise permitted by 6x7 in writing at its sole discretion. 6x7 provides only SMF 1310nm LR optic cross-connects, no copper or MMF infrastructure is available. The term of the license of any such cross connects shall commence on the date of installation. Customer may terminate the license of any such cross connection upon at least thirty (30) days advance written notice to 6x7 (provided that, without limiting such notice period, the effective date of termination must be the first day of a calendar month). Customer shall not be entitled to any other cross connects or other connections. All cross connects shall be subject to the consent of the party with whom Customer wishes to connect.

B.6 Remote Hands Service. Customer may request 6x7 to perform "remote hands" service on Customer's equipment within 6x7's facilities. Remote hands service involves 6x7 personnel physically touching or inspecting Customer's equipment at Customer request. Remote hands tasks are limited to simple tasks such as pressing a button, flipping a switch, or hooking up a monitor and reporting what is on the screen, that take no longer than 15 minutes to perform. Remote hands tasks do not include configuration of customer equipment. Remote hands service does not include daily scheduled tasks such as tape changing. Customer may request a maximum of 1 hour of remote hands service per month at no charge. Remote hands service in excess of 1 hour is available at additional charge. Customer is not required to use the remote hands service. Customer may choose to use its own personnel to perform any task on its equipment at any time. Customer understands that computers and telecommunications equipment (hardware) are

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electromechanical devices and may fail. Customer is solely responsible for the maintenance and replacement of its hardware. 6x7 does not warrant either the results to be obtained from the remote hands service or that the remote hands service will be error free. Customer agrees to indemnify and hold harmless 6x7 against any loss, damage, cost and expense due to claims from Customer or third parties arising out of Customer's remote hands requests.

B.7 Access and Security. Customer personnel may access the Colocation Space as allowed by the access list provided by Customer to 6x7. 6x7 reserves the right to deny access to specific Customer personnel for billing or security reasons. Customer shall be responsible for any authorized or unauthorized access to Customer Equipment through the Internet and any resulting use of Service.

B.8 Prohibited Uses. Customer shall not do or allow any use which in the opinion of 6x7 (a) causes or is likely to cause damage or constitutes a nuisance or annoyance to the facility, equipment, personnel, or other customers (b) would violate a condition of standard fire insurance policy for data processing centers in California (c) would violate any certificate of occupancy for the building.



CUSTOMER Docusigned by:	
Andrew G. Watters	Signature
Andrew G. Watters	(Print Name)
Andrew G. Watters/owner	Title
3/14/2019	Date
Rællic Systems	Company Name
801 N. Humboldt St. #208	Address
San Mateo, CA 94401	City, State, Postal Code
USA	Country
+1 (415) 261-8527	Telephone
andrew@andrewwatters.com	Email

## Exhibit C



### Quotation

Date: 12/20/2019

Client: Andrew Waters.

Location A: **118 South Blvd, San Mateo, CA** Location Z: **n**/**a** 

Service:

### 1,000Mbit / 1,000Mbit Layer 3 - DIA 1310nm HARDWARE ENCRYPTED. MRC \$2400 MRC \$500 NRC \$5000

THIS PRICING IS CONFIDENTIAL and requires a signed counterpart

Term: 3 year

Install lead time: <mark>45days</mark> from executed contract, quote, and payment of NRC and 1<sup>st</sup> month MRC.

This quotation is invalid without a companion Master Services Agreement. This quotation expires **15days** from the date above.

Prices indicate price for qty1, qty actually used to be billed.

This quotation is invalid unless signed by the Customer.

This quotation excludes any building or riser access fees, charged by any owner or owner's agent.

This quotation assumes additional cross-connect fees, if any, are to be born by the Customer.

\*= Requires if applicable 24/7/365.25 access to all of customer's facilities including roof, riser, and MPOE, otherwise best-effort.

Phone:\_\_\_\_\_

Andrew Watters	
Signed:	Name:

Address:			

Email:

## **HELLOSIGN**

TITLE	6x7 1gb for 118 S Blvd
FILE NAME	6x7 Networks QuotMateo[2][1g].docx
DOCUMENT ID	efcbeb32623e03512c4a39d72fbd8e4a482c406a
AUDIT TRAIL DATE FORMAT	MM / DD / YYYY
STATUS	<ul> <li>Completed</li> </ul>

## Document History

() SENT	<b>12 / 20 / 2019</b> 20:36:32 UTC	Sent for signature to Andrew Watters (andrew@andrewwatters.com) from ben@6by7.net IP: 206.80.236.18
© VIEWED	<b>12 / 20 / 2019</b> 20:42:00 UTC	Viewed by Andrew Watters (andrew@andrewwatters.com) IP: 107.77.211.109
SIGNED	<b>12 / 20 / 2019</b> 20:42:56 UTC	Signed by Andrew Watters (andrew@andrewwatters.com) IP: 107.77.211.109
COMPLETED	<b>12</b> / <b>20</b> / <b>2019</b> 20:42:56 UTC	The document has been completed.

## Exhibit D



## **6x7 Channel Sales Agreement**

This Channel Sales Agreement ("Agreement") is made as of this <u>17th</u> day of <u>November</u>, 2019 (the "Effective Date") between 6x7 Networks, LLC a Delaware Limited Liability Company ("6X7"), and:

Andrew G. Watters

(Agent).

6X7 provides certain space, power, network and colocation services ("6X7 Services"). Agent desires to refer potential customers to 6X7 in exchange for certain commissions ("Commissions") under the terms and conditions set forth below.

NOW, THEREFORE, 6X7 and Agent agree as follows:

1. 6X7 Paid Commission. 6X7 will pay Commission(s) to Agent for every 6X7 Sale Contract arranged and procured by Agent. An eligible 6X7 Sale Contract is a contract for which Agent has obtained a Lead Registration, created a Quote, and procured and delivered a signed contract for the purchase of 6X7 Services. Commission rates are identified in the Attachment(s) to this agreement.

a. The scope of any Lead Registration is limited to a specific "deal" identified by Agent in its request, which shall include service type(s), location(s) where 6X7 services would be delivered, company name(s), specific contact person(s), and the ASN -- or in the case of a company which has no assigned ASN, the domain name(s). (Location means the 6X7 service location, not the customer's street address.) The duration of a Lead Registration will normally be 90 days, and may be renewed with reasonable justification. The duration and scope of a Lead Registration may be modified or extended by agreement of the parties.

2. Evergreen Commission. 6X7 will continue to pay commissions for the duration of the Sale Contract (excluding those qualifying under the one-time bonus promotion in Attachment A), including any modifications, substitutions, or additions procured by Agent's efforts, and if Agent remains fully engaged in the sale process, continuing thereafter for any extension or renewal terms (including autorenewals). Termination of this Agreement for any reason (including by 6X7 for cause unless such cause has materially harmed 6X7) shall not cancel 6X7's obligation to continue to pay any and all commissions owed to Agent. In no event may the commission rates or percentages payable to Agent be reduced or



decreased in any manner on a retroactive basis; any such reduction shall only apply to Sales Contracts procured or modified after the effective date of the reduction. In the event of any conflict between the terms of this Section 2 and the terms of any attachment, exhibit or schedule hereto, the terms of this Section shall govern and control.

- 3. Pricing and Discounts. Agent may quote pricing and terms only as authorized by 6X7, and shall provide Quotes only in the format(s) authorized and provided by 6X7; all other communications which reference pricing or terms shall clearly indicate that such communications are not a quote or offer of service. In some cases, if special discounts are authorized by 6X7, Agent's Commissions may also be reduced, as mutually agreed by the parties. Agent shall disclose to 6X7 any rebates, discounts, markups, or payments (related to the Sale Contract) promised by Agent to customer but not expressly disclosed in the Sale Contract.
- 4. Independent Contractors. The relationship of 6X7 and Agent established by this Agreement is that of independent contractors, and nothing contained in this Agreement shall be construed to: (i) give either party the power to direct and control the day-to-day activities of the other; (ii) deem the parties to be acting as agents, joint-venture, co-owners, or otherwise as participants in a joint undertaking; or (iii) permit either party or any of either party's officers, directors, employees, agents, or representatives to create or assume any obligation on behalf of the other party for any purpose whatsoever. 6X7 acknowledges that Agent retains the right to market services which are the same or substantially similar to the communications products and services provided by 6X7 as referenced herein.
- 5. Effect of Termination. The provisions of Sections 2, 3, 6, 7, 10, 11, 13 and 6X7's payment obligations pursuant to Section 1 for any Sale Contract executed prior to the termination date, shall survive termination of this Agreement. All other rights and obligations of the parties shall cease upon termination of this Agreement.

6. LIMITATION OF LIABILITY AND DAMAGES. DAMAGES. EACH PARTY'S LIABILITY FOR ALL CLAIMS ARISING OUT OF THIS AGREEMENT, WHETHER IN CONTRACT, TORT, OR OTHERWISE, SHALL BE LIMITED TO THE AMOUNT OF FEES PAID BY 6X7 TO AGENT UNDER THIS AGREEMENT. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE



OTHER OR ANY THIRD PARTY (INCLUDING ANY CUSTOMER) FOR ANY SPECIAL, INCREMENTAL, CONSEQUENTIAL, OR INDIRECT DAMAGES ARISING FROM OR IN RELATION TO THIS AGREEMENT, HOWEVER CAUSED AND REGARDLESS OF THEORY OF LIABILITY. THIS LIMITATION WILL APPLY EVEN IF SUCH PARTY HAS BEEN ADVISED OR IS AWARE OF THE POSSIBILITY OF SUCH DAMAGES.

- 7. Agent Circumvention. Other than as expressly contemplated hereunder, 6X7 agrees not to circumvent Agent by soliciting or otherwise doing business with: (a) any Registered Lead, during the term of such Lead Registration or during the term of any Sale Contract; or (b) any sub-agent of Agent who has registered an opportunity through Agent to 6X7 within 12 months. The parties understand that many prospects for 6X7 services are large companies with multiple subsidiaries, divisions, and locations, and acquisitions or mergers may occur. At any time it is likely that more than one salesperson (direct staff or Agent) may be working with different operations within the same company. Thus, there can be more than one Lead Registration and more than one Sale Contract active for a single company, each earning compensation for a different salesperson (direct staff or agent). See 6X7 shall not modify its rules of engagement in such a way as to prevent Agent from servicing their leads, including but not limited to the renewal, add-on, or substitution of Services.
- 8. Training. 6X7 shall, in its reasonable discretion and as appropriate, provide Agent with training and training materials to reasonably enable such Agent's sales and support staff to become knowledgeable about the service offerings.
- 9. Joint Marketing. 6X7 and Agent shall each, the extent to which shall be determined in each party's sole discretion, engage in joint marketing and sales activities to promote 6X7 Services:
- a. 6X7 may, in its discretion, provide Agent with a sales and marketing literature relating to 6X7 Services for Agent to distribute to its prospects. Upon notice from 6X7, Agent shall discontinue use of any marketing literature or promotional materials that 6X7 no longer deems appropriate.
- b. Agent will use commercially reasonable efforts to promote 6X7 at appropriate trade shows and conferences.



The Parties may agree to issue a joint press release announcing the Channel c. Sales Agreement between the two companies; provided, however, that such press release will be subject to the mutual approval of the Parties. SEP

10. Marks Each party's use, display or reference to the other party's proprietary indicia, trademarks, service marks, trade names, logos, symbols and or brand names (collectively "Marks") shall be subject to the advance written approval of that party, which approval shall not be unreasonably withheld. Neither party may remove, destroy or alter the other party's Marks. In the event this Agreement expires or is terminated, each party will promptly cease using the Marks of the other party. Neither party grants any rights in the Marks of such party except as expressly permitted hereunder. Each party expressly agrees to allow the other party to identify such party as a Agent and/or service provider (as applicable). Each party's use of the other party's Marks shall at all times be in accordance with said party's logo and trademark usage guidelines.

11. Payment. 6X7 will begin paying the Agent Fees no later than the 31st day following the calendar month when payments have been received and applied to the customer's current account charges by 6X7, provided that service pursuant to the Sale Contract has been activated.

12. Commissions not paid by the due date specified herein shall accrue interest at a rate of one and one-half percent (1.5%) per month or the maximum amount allowable under applicable state law, whichever is less.

13. General. Agent may not assign this Agreement without the prior written consent of the other party, and any attempt to do so shall be void. This Agreement shall be governed by and construed in accordance with the laws of the State of California. Any suit hereunder shall be brought in the federal or state courts of the District of California and Agent hereby submits to the personal jurisdiction thereof. This Agreement constitutes the entire agreement between 6X7 and Agent pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements of such parties in connection herewith. This Agreement may be changed only by written agreement signed by both 6X7 and Agent. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be deemed an original, and all of which shall constitute one and the same Agreement.

14. Confidentiality. Each party agrees to protect any confidential information disclosed in furtherance of this agreement (including pricing and commission information, and



information regarding the identity of prospects, customers, agents, or sub-agents of either party), either during the term of this Agreement or at any time thereafter. For any confidential information disclosed in furtherance of this agreement, each party shall use no less care and caution than is used to protect its own confidential information from disclosure to unauthorized persons (including competitors of the either party).

15. Force Majeure. Notwithstanding anything to the contrary contained herein, neither party shall be liable under this Agreement for delays, failures to perform, damages, losses or destruction, or malfunction of any equipment, or any consequence thereof, caused or occasioned by, or due to fire, earthquake, flood, water, the elements, labor disputes or shortages, utility curtailments, power failures, explosions, civil disturbances, governmental actions, shortages of equipment or supplies, unavailability of transportation, acts or omissions of third parties, or any other cause beyond its reasonable control.

IN WITNESS WHEREOF, each of the parties, by its duly authorized representative, has entered into this Agreement as of the Effective Date.

For: 6x7 Networks, LLC

Signed: \_\_\_\_\_

Printed Name: Ben Cannon

Title: CEO

Date:

Andrew G. Watters

Address: 801 N. Humboldt St. #208

San Mateo, CA 94401



Signed: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_\_

Date:	
-------	--

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

ATTACHMENT A – Promotions and Commission Schedule

III. Standard Commission Schedule

1. For each calendar month, 6X7 will pay to Agent Commission(s) on revenues actually received pursuant to all then-eligible Sale Contracts procured by Agent, for each calendar month:

- a. Ten percent (10%) of MRC for each executed Sales Contract.
- 2. Agent will be compensated for all services contracted in any Sale Contract, including:
  - a) Internet Access in buildings.
  - b) Colocation cabinets in 6X7's own colocation facilities;
  - c) Colocation in 6X7 controlled POP colocation facilities; EFF
  - d) IP Transit (network bandwidth) in any facility where 6X7 maintains a datacenter or point-of-presence (POP); and/or [stp]
  - e) Layer 2 Transport between any two 6X7 POPs or inside 6X7's colocation facilities.
  - f) Additional IPv4 addresses; [1]
  - g)Managed Services including Datacenter Migration, smart-hands, Custom Private Cloud, etc; [1]
  - h)Cross-connect fees; [L]



- i) Co-Working in the MVERSE spaces;
- j) Upgraded Power Circuit (Beyond 20A 110v or 10A 208v) in a colocation cabinet.
- 3. Agent will not receive compensation for any setup fees, nor for any taxes (including sales or use taxes) or license fees collected pursuant to the Sale Agreement or under applicable law.

# Exhibit E



44 Montgomery St, Suite 2310, San Francisco CA SF1: 5030 3rd st, San Francisco, CA \* SM1: 4 w 4th Ave, San Mateo, CA www.6x7networks.com

#### Quotation

Date: June 18, 2020

Client: Andrew G. Watters

Location: 801 N. Humboldt St. #208 San Mateo, CA 94401

Service:

 1x 10,000Mbit / 10,000Mbit Layer3 SMF 1310nm HARDWARE ENCRYPTED MRC: \$4800 \$199, NRC: \$48,000 \$0

**Customer** (Company Name) to provide:

• Wiring access to unit

### MRC: \$199 NRC: \$0

THIS PRICING IS CONFIDENTIAL and requires a signed counterpart to be effective.

Term: 3 year

Install lead time: **30-60 days** from executed contract, quote, and payment of NRC and 1<sup>st</sup> month MRC.

This quotation is invalid without a companion Master Services Agreement.

This quotation expires 7 days from the date above.

Prices indicate price for a quantity of one (1), The total quantities actually used will be billed. This quotation is invalid unless signed by the Customer.

This quotation excludes any building or riser access fees, charged by any owner or owner's agent. This quotation assumes additional cross-connect fees, if any, are to be borne by the Customer.

\*= Requires if applicable 24/7/365.25 access to all of customer's facilities including roof, riser, and MPOE, otherwise best-efforts.

Signed:	Name:
---------	-------

Email:	Phone:	

Address:\_\_\_\_\_

# Exhibit F

#### JOINT VENTURE AGREEMENT

### VirtuaScribe, J.V.

This joint venture agreement is entered into on June 15, 2020 between Benjamin P.D. Cannon (Ms. Cannon) and Andrew G. Watters (Mr. Watters) in San Francisco County and San Mateo County, California (together, "the parties" or "the venture").

The purpose of this agreement is to form and set the expectations for a joint venture between the parties in order to pursue the parties' joint idea for a 24x7x365 professional virtual scribe service. The basic concept is that the parties need a service to transcribe and develop their many ideas, tasks, and directives, and so the parties wish to (1) jointly hire, train, and retain professional virtual scribes for their own use, and (2) offer the services of professional virtual scribes to selected clients and customers in return for service fees.

Each of the two parties is a fifty percent equity owner of the venture, which is a separate business from the parties' existing businesses. Each party has suitable office space for the purpose of hosting one or more virtual scribes. Neither party shall be deemed to be the manager or decision maker with respect to the venture, therefore major decisions (including but not limited to financing and debt) shall require the agreement of both parties. The parties shall split all costs equally, including but not limited to the estimated \$5,000.00 required to program a basic app. To the extent the parties utilize the services of the hired professional scribes, they shall attempt to use the scribes' services approximately in equal proportion so that neither is gaining a benefit at the expense of the other. To that end, initially the parties shall hire one full-time virtual scribe who will alternate locations between Ms. Cannon's facility in San Francisco and Mr. Watters's facility in San Mateo, spending approximately twenty hours per week at each site. Initially, the parties shall each separately pay the scribe for his or her twenty hours of services per week. As services are offered to customers, additional scribes may be hired as needed and the portions each scribe spends at either location or the portions paid by either party are subject to further agreement based on the needs of the service.

This agreement is not to be deemed a partnership agreement under the law. Each party is responsible for fifty percent of the obligations of the joint venture, but each shall defend, indemnify, and hold the other harmless from any obligations incurred without the consent of the other, with choice of counsel to the defended party.

This agreement contains the entire agreement of the parties on the subjects herein and shall supersede any prior or contemporaneous agreements, with modifications required to be in a signed writing (including email).

|| || || Benjamin P.D. Cannon ben@6by7.net

Andrew G. Watters andrew@raellic.com