

FIFTH AMENDMENT TO PERMIT NO. 881
BETWEEN THE CITY OF LOS ANGELES AND TRAPAC, LLC

THIS FIFTH AMENDMENT ("Fifth Amendment") to Permit No. 881 ("Permit") is made and entered by and between the CITY OF LOS ANGELES, a municipal corporation, acting by order of and through its Board of Harbor Commissioners, ("Board") of the Harbor Department ("Harbor Department" or "City") and TRAPAC, LLC (referred to as "Tenant").

RECITALS

WHEREAS, on or about August 2009, the Board approved the Permit for the lease of terminal berths 136-147 at the Port of Los Angeles; and

WHEREAS, the Permit was amended on June 15, 2010 ("First Amendment"), December 5, 2013 ("Second Amendment"), January 18, 2019 ("Third Amendment"), and December 21, 2020 ("Fourth Amendment"); and

WHEREAS, Section 5.4.4 and 5.6.4 of the Permit requires compensation under Section 4 of the Permit to be adjusted on every fifth anniversary of the Effective Date, which Effective Date is September 29, 2009; and

WHEREAS, the parties desire to modify and add certain provisions in the Permit; and

NOW, THEREFORE, in consideration of the terms, covenants, and conditions hereinafter contained to be kept and performed by the respective parties hereto, IT IS MUTUALLY AGREED that the Permit be amended as follows:

Section 1. The Permit is hereby amended to include the following as Section 5.6.5:

"Section 5.6.5 2024-2025 Credit, 2026 Credit, and Release and Waiver:

5.6.5.1 City shall issue to Tenant a one-time credit in the amount of Nine Million Eight Hundred Nine Thousand One Hundred Thirty Dollars and Sixty-Eight Cents (\$9,809,130.68) ("2024-2025 Credit"). The 2024-2025 Credit shall be applied to the new compensation from the Adjusted 5-year Period of September 29, 2024 to September 28, 2029. The credit shall be applied until consumed by City within invoices sent to Tenant.

5.6.5.2 In addition to the 2024-2025 Credit, the City has determined that a credit in the amount of Eight Hundred Thirty-Nine Thousand Three Hundred Thirty-Nine Dollars (\$839,339.00) ("2026 Credit") is due to Tenant. The 2026 Credit shall be applied within 60 days of the conclusion of the 2026 Compensation Year as part of the Annual Reconciliation process outlined within Section 5.4.2.

5.6.5.3 Release and Waiver; No Admission of Liability.

(a) In consideration of the 2024-2025 Credit and 2026 Credit, Tenant and City forever release and discharge each other and their former, present, and future boards, elected and appointed officials, employees, officers, directors, representatives, agents, departments, subsidiary and affiliates, assigns, insurers, attorneys, predecessors, successors, divisions, subdivisions, and parents, and all persons or entities acting by, through, under, or in concert with, any of the foregoing ("Releasees") from and against any and all rights, claims, demands, damages, debts, liabilities, accounts, reckonings, liens, attorney's fees, costs, expenses, actions, and causes of action of every kind and nature whatsoever, known or unknown, suspected to exist or not suspected to exist, anticipated or not anticipated that are based in whole or in part on, consist of, or which do or may arise out of, or which are or may be related to or in any way connected to those matters alleged in Claim No. C26-06578 filed by Tenant with City of Los Angeles City Clerk that accrued as of June 1, 2026 ("Released Matters"). Within thirty (30) days following the effective date of this Fifth Amendment, Tenant shall withdraw and shall provide Executive Director with written confirmation of the withdrawal, with prejudice, of Claim No. C26-06578.

(b) With respect to the Released Matters, the parties hereby waive any and all rights that they may have pursuant to California Civil Code section 1542, which reads as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

With respect to the Released Matters, the parties hereby expressly waive and relinquish for all purposes, any and all rights and benefits conferred by Section 1542 of the California Civil Code, and by any law of the United States or of any state or territory of the United States or of any other relevant jurisdiction, or principle of common law, which is similar, comparable or equivalent to Section 1542 of the California Civil Code, and does so understanding and acknowledging the significance and consequence of the specific waiver of such a provision.

The parties recognize and acknowledge that factors which have induced it to enter into this release and waiver may turn out to be incorrect or to be different from what it had previously anticipated, and the parties hereby expressly assume any and all of the risks thereof and further

expressly assume the risks of waiving the rights provided by California Civil Code section 1542.

(c) The parties intend that the provisions regarding the releases in this Section 5.6.5 be construed as broadly as possible. The parties understand and agree that the provisions set forth in this Section 5.6.5 extends to all disputes or claims of every nature and kind, known or unknown, suspected or unsuspected, past or present, arising from or attributable to the Released Matters. The parties acknowledge and understand that they might later discover facts in addition to or different from those which they now know or believe to be true with respect to the subject matter of this release, but that it is their intention to fully, finally, and forever settle and release all matters, known or unknown, suspected or unsuspected, which now exist, might exist or previously existed as against the City Releasees that is based on or in any way related to the Released Matters. In furtherance of such intention, the Tenant agrees that the releases shall remain in effect as a full and complete release, notwithstanding the discovery or existence of any such additional or different facts.

(d) Each party shall bear its/his/her own costs, expenses and attorneys' fees incurred in connection with the proceedings and/or events resulting in and/or preceding this Agreement, or in connection with any other claims made or investigated by either party against the other in any forum, and each of the parties hereto expressly waives any claim for recovery of any such costs, expenses or attorneys' fees from the other party. Attorneys/representatives for all parties to this release do likewise expressly waive any claim for recovery of costs, expenses and/or attorney's fees from the opposing party(ies).

(e) This Agreement and the 2024-2025 Credit and 2026 Credit shall not in any way be construed as an admission by the City Releasees of the truth of any allegations set forth in the Claim, or an admission of any unlawful acts or other liability based on or in any way related to the Released Matters. The 2024-2025 Credit and 2026 Credit cannot be used by a Party to demonstrate any admission of liability or wrongdoing by the City Releasees whatsoever.

(f) Tenant further represents that it has not assigned or transferred, or purported to assign or transfer, to any person or entity, any claim or any portion thereof or interest therein based on or in any way related to the Released Matters."

Section 2. Section 5.6.4 is hereby deleted in its entirety and replaced with the following:

"5.6.4 Five-Year Rate Adjustments.

5.6.4.1 Compensation Adjustment. Commencing on September 29, 2024 and every fifth anniversary of the Effective Date thereafter, the Fourth Amendment Compensation Factors shall be adjusted (in no event downward) and Exhibit "P" shall be amended in accordance therewith, with such adjustments established by Order of the Board as set forth herein. The five-year periods in which such adjusted rates shall apply shall be referred to as "Adjusted 5-Year Periods." Upon the conclusion of the process to reset the Fourth Amendment Compensation Factors, which process is set forth below, the exhibit reflecting such adjustments shall be numbered Exhibit "P-[Compensation Year of the adjustment]" such that, for example, the exhibit setting forth the adjustment of the Fourth Amendment Compensation Factors in Compensation Year 2024 would be denominated Exhibit "P-2024." Upon City's transmittal to Tenant, such exhibit shall be deemed to: (i) be incorporated into this Agreement without further action of Board or Council; (ii) supersede any earlier issued Exhibits "P" or successors.

5.6.4.2 Adjustment Factors. The process set forth below is effective on the effective date of the Fifth Amendment. Not fewer than three hundred and sixty-five (365) calendar days before the commencement of each Adjusted 5-Year Period, Tenant and City shall undertake best efforts to negotiate and mutually agree upon adjusted Fourth Amendment Compensation Factors that shall apply at the commencement of each such period. Such negotiations (and any appraisal or arbitration that may subsequently occur) shall take into consideration the character of the Premises (including size, configuration, access, berthing capacity and any other factor that may affect operating expenses), the rental value of similar premises and facilities within the Harbor District (as referenced in Section 13.1(e)) devoted to similar use, the terms, conditions and restrictions of marine container terminal agreements for similar premises and facilities within the Harbor District, the volume of cargo handled at, on or from the Premises, the return on investment to City, maintenance costs, insurance, taxes and any other facts and data necessary for the determination of such adjusted Fourth Amendment Compensation Factors ("Terminal Criteria"). If, despite best efforts, City and Tenant are unable to mutually agree upon such adjusted Fourth Amendment Compensation Factors, either party may provide a written notice to the other, no sooner than one hundred and eighty (180) calendar days prior to the

commencement of the upcoming Adjusted 5-Year Period, to initiate commencement of the process set forth below ("Appraisal Process").

(a) Within ten (10) calendar days following written notice of the commencement of the Appraisal Process, City and Tenant shall utilize best efforts to agree upon a single appraiser to determine the value of the as-is, fee simple interest of the Premises (including total property, land and/or improvements) based upon the existing use as set forth in Exhibit "H" hereto and the Terminal Criteria ("Market Rent"), which appraiser shall possess the qualifications set forth on the attached Exhibit "I." Such appraiser's determination shall be binding upon the parties and shall be retroactive to the commencement of the applicable 5-year period. If, despite best efforts, City and Tenant cannot agree upon such single appraiser within such ten (10) calendar days, City and Tenant shall, within sixty (60) calendar days after the expiration of such ten (10) calendar day period, appoint one appraiser each to determine Market Rent pursuant to Exhibit "H" and the Terminal Criteria and shall provide written notice of such appointment to the other party, which notice shall summarize or attach the retained appraiser's qualifications and certify that such appraiser has been retained to determine Market Rent pursuant to Exhibit "I." (For purposes of this Fifth Amendment, Exhibits "H" and "I" shall remain identical and unchanged from those Exhibits "H" and "I" attached to the Agreement on the Effective Date.) Fees and costs for such single appraiser shall be borne equally by City and Tenant.

(b) If either party fails to appoint an appraiser and provide the required written notice thereof within such sixty (60) calendar day period, the one appraiser appointed shall be directed to determine Market Rent pursuant to Exhibit "H" and the Terminal Criteria and such appraiser's determination shall be binding upon the parties and shall be retroactive to the commencement of the applicable 5-year period.

(c) If City and Tenant appoint appraisers within such sixty (60) day period, such two appraisers so appointed shall be directed to use good faith efforts to separately determine Market Rent pursuant to Exhibit "H" and the Terminal Criteria within ninety (90) calendar days of the expiration of the aforementioned sixty (60) day period. The appraisal generated on behalf of City shall be referred to as "City Appraisal," and shall be generated at City's sole cost and expense. The appraisal generated on behalf of Tenant shall be referred to as "Tenant Appraisal," and shall be generated at

Tenant's sole cost and expense. City and Tenant thereafter shall exchange appraisals. If the determinations of the City Appraisal and the Tenant Appraisal are within ten percent (10%) of one another, the Market Rent shall be the average of the two and shall be binding upon the parties.

(d) If the determination of Market Rent of the two appraisers differs by more than ten percent (10%), then the two appraisers shall choose a third appraiser possessing the qualifications set forth on Exhibit "I" within fourteen (14) calendar days from the date of the determination is completed by both City and Tenant appraisers, who shall not make an independent determination of Market Rent, but rather shall determine, within thirty (30) days from the date the third appraiser is chosen, only which, the City Appraisal or the Tenant Appraisal, is closest to that third appraiser's estimate of Market Rent, and Market Rent shall be equal to the then-applicable amount so determined in the appraisal selected by such third appraiser. Fees and costs for such third appraiser shall be borne equally by City and Tenant. If the two appraisers fail to select a third appraiser within such time or the third appraiser fails to make its determination as set forth herein, the determination of Market Rent shall be submitted to final and binding arbitration at the request in writing of either City or Tenant before one arbitrator appointed by the Judicial Arbitration and Mediations Services, Inc. ("JAMS") or an alternate arbitration firm mutually agreed upon in writing by Tenant and Executive Director acting pursuant to JAMS's arbitration rules and procedures last in effect at the time a request for arbitration is filed. The arbitrator shall review at minimum the scope of work attached hereto as Exhibit "H" and the Terminal Criteria, and copies of the City Appraisal and the Tenant Appraisal, but shall not make an independent determination of Market Rent, but rather shall determine only which, the City Appraisal or the Tenant Appraisal, is closest to the arbitrator's estimate of Market Rent, and Market Rent shall be equal to the then-applicable amount so determined in the appraisal selected by such arbitrator. Such determination of the arbitrator shall be binding on the parties and effective upon the effective date of the adopted Board Order consistent with the arbitrator's determination and shall be retroactive to the commencement of the applicable 5-year period. Fees and costs incurred by such arbitrator and/or JAMS shall be borne equally by City and Tenant.

(e) If despite best efforts City and Tenant are unable to mutually agree upon such adjusted Fourth Amendment

Compensation Factors upon the commencement of the Adjusted Five-Year Period, the City may assess a surcharge in the following manner: City may, upon written notice from Executive Director, establish the Fourth Amendment MAG, the First Incremental Premises TEU Rates, and the Second Incremental Premises TEU Rates at amounts not to exceed one hundred twenty-five percent (125%) of the Fourth Amendment MAG, the First Incremental Premises TEU Rates, and the Second Incremental Premises TEU Rates in effect at the end of the fifth year of the five-year period preceding the Adjusted 5-Year Period (125% Charge), monetary amounts of which shall be paid in the same manner as provided in Section 5.5 unless and until either party initiates arbitration as set forth in Section 5.6.4.2(d). Upon the commencement of the final and binding arbitration procedure set forth in 5.6.4.2 (d), the Harbor Department shall suspend 125% Charge, and Tenant shall be subject to the Fourth Amendment MAG, the First Incremental Premises TEU Rates, and the Second Incremental Premises TEU Rates in effect at the end of the fifth year of the five-year period preceding the Adjusted 5-Year Period, until the determination is made by arbitrator. Following the effective date of the adopted Board Order consistent with the determination of Fourth Amendment Compensation by the appraiser or arbitrator pursuant to this Section 5.6.4, Tenant's rent shall be adjusted and reconciled pursuant to subpart (f).

(f) If the City imposes the 125% Charge, Tenant shall be entitled to a reconciliation and credit for excess payments only as follows:

(i) If there is an adopted Board Order concerning the adjusted Fourth Amendment Compensation Factors within thirty (30) days of the commencement of the Adjusted 5-Year Period, One Hundred Percent (100%) of any monies in excess of the Fourth Amendment MAG, the First Incremental Premises TEU Rates, and the Second Incremental Premises TEU Rates (referred to hereafter collectively as "Fourth Amendment Compensation") in effect at the end of the fifth year of the five-year period preceding the Adjusted 5-Year Period shall be reconciled and any over-payment credited to Tenant against the new compensation due which shall accrue from the beginning of the new Adjusted 5-Year Period. Any credit due shall be paid within fourteen (14) business days of the effective

date of a Board Order consistent with the terms of the executed agreement.

(ii) If there is an adopted Board Order between the parties concerning the adjusted Fourth Amendment Compensation Factors within thirty-one (31) to ninety (90) days of the commencement of the Adjusted 5-Year Period, fifty percent (50%) of any monies in excess of the Fourth Amendment Compensation in effect at the end of the fifth year of the five-year period preceding the Adjusted 5-Year Period shall be reconciled and 50% of any over-payment credited to Tenant against the new compensation due which shall accrue from the beginning of the new Adjusted 5-Year Period. Any credit due shall be paid within fourteen (14) business days of the effective date of a Board Order consistent with the terms of the executed agreement.

(iii) If there is an adopted Board Order concerning the adjusted Fourth Amendment Compensation Factors Ninety-one (91) or more days from the commencement of the Adjusted 5-Year Period, none of any monies in excess of the Fourth Amendment Compensation in effect at the end of the fifth year of the five-year period preceding the Adjusted 5-Year Period shall count against the new compensation due which shall accrue from the new Adjusted 5-Year Period.

(iv) Within fourteen (14) business days of the effective date of the adopted Board Order consistent with the determination of Fourth Amendment Compensation by the appraiser or arbitrator pursuant to this Section 5.6.4, the City shall reconcile any rent paid by Tenant during the Adjusted 5-Year Period and the new Fourth Amendment Compensation. If the new Fourth Amendment Compensation is more than compensation paid by Tenant during the Adjusted 5-Year Period, Tenant shall pay the difference between the new Fourth Amendment Compensation and the amount actually paid during the Adjusted 5-Year Period. If Tenant fails to pay the difference between the new Fourth Amendment Compensation and the amount actually paid during the Adjusted 5-Year Period within fourteen days of the

reconciliation, interest shall accrue as provided in Item No. 270 of the Tariff.

If the new Fourth Amendment Compensation is more than the increased amount paid by Tenant, Tenant shall pay City the difference due within seven (7) days of the arbitrator's determination. Interest shall accrue on late payments at the rate provided in Item No. 270 of the Tariff.

Notwithstanding the foregoing, monies collected in excess of the Fourth Amendment Compensation in effect at the end of the fifth year of the five-year period preceding the Adjusted 5-Year Period prior to the initiation of arbitration shall not be refundable unless there is an adopted Board order in effect within the time periods set forth above in subsections (i) and (ii)."

Section 3. Except as specifically provided herein, this Fifth Amendment shall not in any manner alter, change, modify, or affect any of the rights, privileges, duties, or obligations of either of the parties hereto under or by any reason of said Lease, and except as expressly exercised herein, all of the terms, covenants, and conditions of said Lease, as exercised, shall remain in full force and effect.

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IN WITNESS WHEREOF, the parties hereto have executed this Fifth Amendment on the date of the left of their signatures.

THE CITY OF LOS ANGELES, by its
Board of Harbor Commissioners

Dated: _____

By: _____
Executive Director

Attest: _____
Board Secretary

TRAPAC, LLC

Dated: 07/10/26

By: 
CAMERON THORPE, CEO
(Type/Print Name and Title)

By: 
CYNTHIA F. CHAN, CFO
(Type/Print Name and Title)

APPROVED AS TO FORM AND LEGALITY

July 15, 2026
HYDEE FELDSTEIN SOTO, City Attorney
STEVEN Y. OTERA, General Counsel

By: 
Helen J. Sok, Deputy City Attorney