

**SEVENTH AMENDMENT TO
DUTY FREE MERCHANDISE
CONCESSION AGREEMENT NO. LAA-8647
BETWEEN THE CITY OF LOS ANGELES DEPARTMENT OF AIRPORTS
AND DFS GROUP L.P.
AT LOS ANGELES INTERNATIONAL AIRPORT**

THIS SEVENTH AMENDMENT TO THE LOS ANGELES INTERNATIONAL AIRPORT DUTY FREE MERCHANDISE CONCESSION AGREEMENT (this "Seventh Amendment") is made and entered into as of _____, 2025 (the "Effective Date") by and between the CITY OF LOS ANGELES, a municipal corporation, acting by order of and through its Board of Airport Commissioners (the "Board") of the DEPARTMENT OF AIRPORTS also known as Los Angeles World Airports (hereinafter referred to as "LAWA" or "Lessor"), and DFS Group L.P., a Delaware limited partnership (hereinafter referred to as "DFO" or "Concessionaire") (sometimes herein referred to individually as a "party," or together as "parties"). Los Angeles International Airport is referred to herein as "LAX" or "Airport".

RECITALS

The Parties hereby acknowledge and agree that their respective decisions to enter into this Seventh Amendment are premised on the following recitals which set forth certain facts upon which the Parties agree:

A. On August 15, 2012, City and DFO entered into the Los Angeles International Airport Duty Free Merchandise Concession Agreement, LAA-8647, as amended by that First Amendment dated February 26, 2015, the Second Amendment dated May 28, 2020, Third Amendment dated December 18, 2020, Fourth Amendment dated March 11, 2021, Fifth Amendment dated December 15, 2021, Sixth Amendment dated September 8, 2023 (as amended, the "Agreement"). Unless otherwise specified, all capitalized terms in this Seventh Amendment shall have their meanings as set forth in the Agreement.

B. The Parties have agreed to amend the Agreement to amend the Base Rent terms for the Per International Passenger Payment element and Minimum Annual Guarantee element, under the terms and conditions of this Seventh Amendment.

AGREEMENT

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Jays
9/11/2025

Section 1. Temporary Suspension of Prior Year Element. Notwithstanding anything to the contrary in the Agreement, for purposes of determining the Minimum Annual Guaranteed Rent: (i) there shall be no Prior Year Element for the period April 1, 2025 through June 30, 2026; and (ii) Commencing July 1, 2026, the Prior Year Element shall be 90% of the Base Rent for the Prior Year.

Section 2. Adjustment to PIPP (Per International Passenger Enplanement) Element Amount.

- a. **PIPP Adjustment Period.** For purposes of this Section, "PIPP Adjustment Period" shall mean the period commencing April 1, 2025 until the international passenger enplanements to the People's Republic of China ("PRC Enplanements") reaches 90% of PRC Enplanements for the period beginning January 1, 2019 and ending December 31, 2019.
- b. **Excluded enplanements.** During the PIPP Adjustment Period, notwithstanding anything to the contrary in the Agreement, the number of enplaned international passengers for determining the PIPP Element Amount shall exclude international passenger enplanements at the Midfield Satellite Concourse (TBIT West Gates).

Section 3. Effect of This Seventh Amendment. Except as modified by this Seventh Amendment, the Agreement is hereby ratified and confirmed and all other terms of the Agreement shall remain in full force and effect, unaltered and unchanged by this Seventh Amendment. If there is any conflict between the provisions of this Seventh Amendment and the provisions of the Agreement, the provisions of this Seventh Amendment shall prevail. Whether or not specifically amended by this Seventh Amendment, all terms and provisions of the Agreement are amended to the extent necessary to give effect to the purpose and intent of this Seventh Amendment.

Section 4. Integration: No Third Party Beneficiaries. No provisions of the Seventh Amendment may be further amended or added to except by a written agreement signed by the Parties or their respective successors-in-interest. Except as expressly provided for herein, this Seventh Amendment is not intended to confer upon any person other than the Parties any rights or remedies hereunder.

Section 5. Governing Law: Interpretation. This Seventh Amendment shall be governed by, and construed in accordance with, the laws of the State of California. The Agreement and this Seventh Amendment are subject to the provisions of the Los Angeles Administrative Code. Each Party represents and warrants that this Seventh Amendment has been negotiated and drafted at arm's length by equally sophisticated parties, and any ambiguity cannot be attributed to either Party hereto. If any provision of this Seventh Amendment, or the application thereof to any persons or circumstances, shall be invalid or unenforceable, the remainder of this Seventh Amendment shall not be affected thereby, and each provision of this Seventh Amendment shall be valid and shall be enforceable to the fullest extent permitted by law.

Jay P
4/4/2025

Section 6. Rights of United States Government: National Emergency. The Agreement and this Seventh Amendment shall be subordinate to the provisions and requirements of any existing or future agreement(s) between City and the United States relative to the development, operation or maintenance of LAX, including but not limited to Airport Grant Assurances. Furthermore, the Agreement and this Seventh Amendment shall be subject to whatever right the United States Government now has or in the future may have or acquire affecting the control, operation, regulation, taking over, or use (whether exclusive or nonexclusive) of LAX during war or a national emergency.

Section 7. Counterparts and Electronic Signatures. This Seventh Amendment and any other document necessary for the consummation of the transaction contemplated by this Seventh Amendment may be executed in counterparts, including counterparts that are manually executed and counterparts that are in the form of electronic records and are electronically executed. An electronic signature means a signature that is executed by symbol attached to or logically associate with a record and adopted by a party with the intent to sign such record, including facsimile or e-mail signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Seventh Amendment and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called PDF format shall be legal and binding and shall have the same full force and effect as if a paper original of this Seventh Amendment had been delivered that had been signed using a handwritten signature. All parties to this Seventh Amendment (i) agree that an electronic signature, whether digital or encrypted, of a party to this Seventh Amendment is intended to authenticate this writing and to have the same force and effect as a manual signature; (ii) intended to be bound by the signatures (whether original, faxed, or electronic) on any document sent or delivered by facsimile or electronic mail or other electronic means; (iii) are aware that the other party(ies) will rely on such signatures; and, (iv) hereby waive any defenses to the enforcement of the terms of this Seventh Amendment based on the foregoing forms of signature. If this Seventh Amendment has been executed by electronic signature, all parties executing this document are expressly consenting, under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-SIGN") and the California Uniform Electronic Transactions Act ("UETA") (California Civil Code §1633.1 et seq.), that a signature by fax, e-mail, or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

Jay/S
9/4/2025

SIGNATURE BLOCKS

IN WITNESS WHEREOF, the parties hereto have themselves or through their duly authorized officers caused this Seventh Amendment to be executed as of the day and year herein below written.

APPROVED AS TO FORM:

Hydee Feldstein Soto,
City Attorney

Date: _____

CITY OF LOS ANGELES

By signing below, the signatory attests that they have no personal, financial, beneficial, or familial interest in this Amendment.

By: _____
Deputy/Assistant City Attorney

By: _____
Chief Executive Officer
Department of Airports

DFS GROUP L.P.

Date: Sept 9, 2025

By: Jayci
Its: General Partner Finance Director