



Los Angeles
World Airports

December 10, 2020

Sent via email to derryl.benton@hmshost.com

Derryl Benton
EVP Business Development
Host International, Inc.
6905 Rockledge Drive
Bethesda MD 20817 USA

LAX

Van Nuys

City of Los Angeles

Eric Garcetti
Mayor

**Board of Airport
Commissioners**

Sean O. Burton
President

Valeria C. Velasco
Vice President

Gabriel L. Eshaghian
Beatrice C. Hsu
Nicholas P. Roxborough
Dr. Cynthia A. Telles
Karim Webb

Justin Erbacci
Chief Executive Officer

Re: LETTER AMENDING Food and Beverage Concession Agreement (HMS Host Corp) LAA-8586 dated June 24, 2011 between CITY OF LOS ANGELES DEPARTMENT OF AIRPORTS and Host International, Inc. (said agreement as may have been heretofore amended is referred to herein as the "Agreement").

This second letter ("Second Letter") is made and entered into this _____ day of _____, 2020, at Los Angeles, California by and between the CITY OF LOS ANGELES, a municipal corporation (hereinafter referred to as "City"), acting by and through its Board of Airport Commissioners (the "Board") and Host International, Inc. ("Concessionaire"). In consideration of the recent decline in flight and passenger traffic at Los Angeles International Airport and the resulting temporary decline in airport revenue generating opportunities, by this Second Letter, the parties to the above-referenced Agreement hereby amend the Agreement in order to provide temporary rental relief on the terms and subject to the conditions set forth in this Second Letter.

1. Pre-conditions to Second Letter. The temporary rental relief under this Second Letter is only available to Concessionaire under the following conditions:

a. First Letter. Concessionaire may execute this Second Letter if it previously agreed to and timely signed the first letter for temporary rent relief from the City ("First Letter") and Concessionaire is, and will continue to be, in compliance with the requirements under the First Letter; or

b. Current on All Rent Payments Due to the City. Even if Concessionaire did not sign the First Letter, Concessionaire may execute this Second Letter if Concessionaire remains current on all monetary obligations under the Agreement, as well as under any other currently existing contract, agreement, lease, permit, or license, with the City, up to the date of execution of this Second Letter by Concessionaire and through the end of the Duration Period, as defined under Section 2.a below. For purposes of this section, the term "current" means in accordance with the "Los Angeles World Airports – Accounts Receivable Collection Policies and Procedures for Leases/Licenses/Permits/Concession Agreements, dated July 1, 2019," as may be amended from time to time.



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c. Failure to Comply Under Section 1(a) or 1(b). If Concessionaire fails to comply, as required under Section 1.a or 1.b above, any abated, adjusted or deferred rent or fees shall immediately become due and payable in full upon demand by the City, and the City shall have the right to enforce the Agreement as if there were no such abatement, adjustment or deferral.

d. Bankruptcy. If Concessionaire has filed for bankruptcy, or files for bankruptcy during the Duration Period, Concessionaire agrees and acknowledges that this Second Letter is entered into subject to the approval of the bankruptcy court in its bankruptcy case. In the event the Court does not approve this Second Letter, including the requirement that Concessionaire pay all prepetition and post-petition obligations it owes to the City, this Second Letter will no longer be in force and Concessionaire will be liable for all obligations it owes under the Agreement.

2. Temporary Abatement or Adjusted MAG. Subject to the terms and conditions set forth in this Second Letter, the Agreement is temporarily modified as follows:

a. Temporary Abatement of MAG. If, at the time that Concessionaire executes this Second Letter, Concessionaire has not received, and does not receive for the twelve (12) month period beginning on July 1, 2020 and ending on June 30, 2021 (the "Duration Period), any grant through the Coronavirus Aid Relief and Economic Security Act, more commonly known as the CARES Act, or any other similar grant through a Federal program, that can be used to pay for any monetary obligations under the Agreement ("Federal Grant"), the portion of the minimum annual guaranteed rent/fees (also sometimes referred to as MAG) is hereby abated for the Duration Period. For the Duration Period, Concessionaire shall pay percentage rent/fees on gross revenues from Concessionaire's operations for such period based on the applicable percentage rate(s) or multiplier(s) set forth in the Agreement. Commencing on July 1, 2020, Concessionaire shall pay to City such percentage rent/fees on a current monthly basis.

b. Temporary Adjusted MAG. If, at the time that Concessionaire executes this Second Letter, Concessionaire has received, or receives during the Duration Period, any Federal Grant, for the Duration Period, Concessionaire shall pay percentage rent/fees on gross revenues from Concessionaire's operations for such period based on the applicable percentage rate(s) or multiplier(s) in addition to the MAG set forth in the Agreement; *provided, however*, that, for the Duration Period, such MAG amount due will be equal to the amount of any Federal Grant used by Concessionaire to pay for any of its monetary obligations under the Agreement ("Adjusted MAG"), but such Adjusted MAG will not be more than that set forth in the Agreement.¹ Commencing on July 1, 2020,

¹ For example, if Concessionaire received \$100 from Federal Grant and applied \$80 to any of its monetary obligations under the Agreement, Concessionaire will pay \$80 for the MAG provided, however, that the Adjusted MAG will not be more than the MAG set forth in the Agreement.

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Concessionaire shall pay to the City such percentage rent/fees and Adjusted MAG on a current monthly basis.

c. Written Documentation. Concessionaire shall provide written documentation to the City as follows:

- Name/type of the Federal Grant received and used by Concessionaire, if any, and applied to payment of any monetary obligation under the Agreement (“Concession Monetary Obligations”); and
- A verification of the amount of Adjusted MAG, which shall include, but is not limited to, the amount and proportion of Federal Grant used by Concessionaire and applied to the payment of Concession Monetary Obligations, and the total amount of Federal Grant received (collectively “Written Verification”), if any.

i. Due Date for Written Documentation. The written documentation required above regarding the Concession Monetary Obligations and Written Verification shall be provided to the City no later than thirty (30) days after Concessionaire has paid an Adjusted MAG to the City. Concessionaire shall provide any other written documentation requested by City within ten (10) business days of such request, unless otherwise extended, in writing, by the Chief Executive Officer.

ii. Audit. The City’s rights under the Agreement to audit and/or examine Concessionaire’s books and records, as well as all of Concessionaire’s obligations under the Agreement regarding such City’s rights, apply to this Second Letter.

d. No Late Charges/Fees. For the Duration Period, Concessionaire will not incur any late charges or be charged late fees or interest regarding the date for payment of the MAG under the Agreement.

e. Adjustment of MAG.

i. If it appears to the City, on the basis of information it is able to accumulate during the Duration Period, that Concessionaire (a) received or is receiving Federal Grant and (b) utilized such Federal Grant for Concession Monetary Obligations, but to date has not paid any Adjusted MAG, the City shall invoice Concessionaire the Adjusted MAG that is owed to date, and Concessionaire agrees to pay such delinquent amount within 15 days of the invoice date.

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ii. If it appears to the City, on the basis of information it is able to accumulate during the Duration Period, that Concessionaire has not been paying the correct amount of Adjusted MAG under Section 2.b above, the City shall make necessary adjustments to the Adjusted MAG and any resulting debit that is owed to date will be invoiced by the City, and Concessionaire agrees to pay such amount within 15 days of the invoice date.

3. In-Terminal Concession Storage Rent. Notwithstanding the First Letter, the payment of any in-terminal concession storage rents payable under the Agreement for the period beginning on April 1, 2020 and ending on December 31, 2020 (the "Storage Rent Deferral Duration") shall be either: (a) paid on a current monthly basis; or (b) deferred such that the amount of in-terminal concession storage rent accrued for the Storage Rent Deferral Duration is paid by Concessionaire to City in six (6) equal consecutive monthly installments beginning January 1, 2021 and continuing through June 30, 2021, at the option of Concessionaire. The City will not impose any late fees or interest charges on such deferred payments provided that they are timely paid as set forth above.

4. Mid-Term Refurbishment. The Chief Executive Officer may, in his or her sole discretion, exercise two consecutive twelve-month options to delay the dates or time period specified in the Agreement for mid-term refurbishment. If such option(s) is exercised, the Chief Executive Officer shall provide Concessionaire with written notice of the extensions.

5. Extension of Current Expiration Date of Agreement. The current expiration date of the Agreement, as specified in the Agreement, is extended by twenty-four (24) months from June 30, 2023 to June 30, 2025, only if, in addition to meeting the pre-conditions under Section 1.a or 1.b above, Concessionaire has paid the Health Insurance Contribution, as required under Section 6.a below, and Concessionaire provides to the City, no later than ten (10) days after City Council approval, written documentation satisfactory to the City in its sole discretion, that demonstrates that such payment was made, either through financial proof that such payment was made to the appropriate and applicable health insurance entity, or a letter from the appropriate and applicable health insurance entity stating that such payment was made.

6. Concessionaire Covenants. In consideration for the benefits provided to Concessionaire under this Second Letter (and as a condition to Concessionaire's right to receive such benefits), Concessionaire hereby agrees as follows:

a. For each employee who (1) has been laid off, furloughed, or experienced reduced hours since March 1, 2020 and before June 30, 2020, and (2) for whom in February 2020 Concessionaire made contributions or premium payments for healthcare coverage, Concessionaire shall, no later than ten (10) days after City Council approval, make contributions or premium payments in the same amount and for the same level of coverage as the Concessionaire made for the employee in February 2020 for each of the four consecutive calendar months immediately subsequent to the employee's layoff, furlough, or reduction in hours during which such employee remained laid off,

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furloughed, or experienced reduced hours ("Health Insurance Contribution"). Concessionaire shall be credited with a month for each of the required four months in which Concessionaire has previously made the above required contributions or payments. Alternatively, if Concessionaire declined relief under the First Letter and has paid the MAG otherwise owed by Concessionaire to LAWA for the months of April, May and June 2020, Concessionaire shall receive credit for two (2) months of Health Insurance Contribution. Any percentage rents/fees already paid to LAWA for April, May and June 2020 will be credited towards any MAG owed for the same time period.

b. Concessionaire may (at Concessionaire's discretion) add a surcharge of up to three percent (3%) on concession sales to guests to be applied to the costs of the health insurance contribution requirement set forth in Section 6.a above, until such time as the cumulative total amount of such surcharge equals the total amount of the Health Insurance Contribution paid by Concessionaire, or if such total amount has not been reached, until September 30, 2021, whichever comes first; and provided that such health insurance contribution is being made on a current basis during the period of such surcharge ("Surcharge Period"). However, the actual surcharge received during the Surcharge Period will not be considered to be a part of the gross revenues from Concessionaire's operations received and applied to the Health Insurance Contribution during the Surcharge Period when calculating the percentage rent/fees to be paid by Concessionaire to the City pursuant to Section 6.a above.

c. Concessionaire shall demonstrate to the City's reasonable satisfaction that Concessionaire is not entitled to any business interruption insurance proceeds or similar benefits that are redundant to the rental relief provided in this Second Letter, and in the event that the City determines that Concessionaire is or becomes entitled to any such benefits, the City reserves the right to decrease or limit the rental relief provided herein accordingly.

d. Additionally, Concessionaire shall adhere to all federal requirements with respect to use of funds in the event they qualify for and receive Coronavirus Aid Relief and Economic Security Act, more commonly known as the CARES Act, or any similar grant through a Federal program.

e. Concessionaire shall pass along to all of its sub-concessionaires the same abatement, adjustment and deferral benefits received by Concessionaire pursuant to this Second Letter on a pro-rata and nondiscriminatory basis.

7. Compliance With Agreement. Concessionaire acknowledges and agrees that Concessionaire's right to receive the benefit of any abatement, adjustment and/or deferral of rent or fees set forth herein is absolutely conditioned upon Concessionaire's full, faithful and punctual performance of its obligations under the Agreement. The Bureau of Contract Administration ("BCA") may recommend termination of this Second Letter if, following an investigation, BCA makes a final determination that Concessionaire is not in compliance with

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the provisions of the Living Wage Ordinance, Los Angeles Administrative Code section 10.37 et seq. If Concessionaire defaults in the performance of any of its obligations under the Agreement, such abated, adjusted or deferred rent or fees shall immediately become due and payable in full upon demand by the City, and the City shall have the right to enforce the Agreement as if there were no such abatement, adjustment or deferral. Without limiting the generality of the foregoing, Concessionaire acknowledges and agrees that: (i) Concessionaire shall comply with all applicable City of Los Angeles ordinances, (ii) Concessionaire shall have fully funded its Faithful Performance Guarantee as specified in the Agreement (and without reduction with regard to the temporary MAG abatement or reduction contemplated herein) and acknowledges that the City may draw upon the Faithful Performance Guarantee immediately and without prior notice in the event of a default by Concessionaire under the Agreement, (iii) in the event that the City draws upon the Faithful Performance Guarantee, Concessionaire agrees to replenish the Faithful Performance Guarantee to its full amount immediately upon request by City, and (iv) Concessionaire shall continue to be current with respect to all payment obligations under the Agreement.

8. Subordinate to Applicable Laws. The provisions of this Second Letter are intended to be subject and subordinate to any applicable federal, state or local laws and orders now or hereafter in effect to the extent that the terms of this Second Letter are inconsistent therewith.

9. No Third Party Beneficiaries. Nothing in this Second Letter, whether express or implied, is intended to grant to, or confer upon, any person or entity any rights or remedies under, or by reason of, this Second Letter other than the parties hereto, and no person or entity shall be deemed a third party beneficiary of this Second Letter or any provision hereof; provided however that the health plan or insurer to which contributions or premium payments in Section 6.a are due, may enforce such contributions or premium payments/obligations to Concessionaire in accordance with the terms of the plan or insurance policy. Such enforcement shall not preclude or interfere with the City's right to take enforcement action.

10. Full Force and Effect. Except as expressly amended and modified as set forth in this Second Letter, the terms and provisions of the Agreement remain the same and in full force and effect.

This Second Letter and any other document necessary for the consummation of the transaction contemplated by this Second Letter 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 amendment, 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 Second Letter and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-

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called PDF format shall be legal and binding and shall have the same full force and effect as if a paper original of this amendment had been delivered that had been signed using a handwritten signature. All parties to this Second Letter (i) agree that an electronic signature, whether digital or encrypted, of a party to this Second Letter 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 Second Letter based on the foregoing forms of signature. If this Second Letter 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

(CONTINUED ON NEXT PAGE)

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constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

IN WITNESS WHEREOF, City has caused this Second Letter to be executed on its behalf by the Chief Executive Officer, or his or her designee, and Concessionaire has caused the same to be executed by its duly authorized officers, all as of the day and year first hereinabove written.

APPROVED AS TO FORM:

CITY OF LOS ANGELES

Michael N. Feuer,
City Attorney

By: 
Deputy/Assistant City Attorney

By: _____
Chief Executive Officer
Department of Airports

By: _____
Chief Financial Officer
Department of Airports

The undersigned Concessionaire hereby agrees to the foregoing Second Letter:

Date: Dec., 11, 2020

Host International, Inc.


ATTEST:

DocuSigned by:

By: _____
7BFC21C5EAC8495...

Name: Philip Fletcher

Title: Senior Paralegal

DocuSigned by:

By: _____
DC0D1E16E92A4D0...

Name: Paul Mamalian

Title: President



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World Airports

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Derryl Benton
EVP Business Development
Host International, Inc.
6905 Rockledge Drive
Bethesda MD 20817 USA

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Eric Garcetti
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Justin Erbacci
Chief Executive Officer

Re: LETTER AMENDING Food and Beverage Concession Agreement (HMS Host Corp) LAA-8587 dated June 24, 2011 between CITY OF LOS ANGELES DEPARTMENT OF AIRPORTS and Host International, Inc. (said agreement as may have been heretofore amended is referred to herein as the "Agreement").

This second letter ("Second Letter") is made and entered into this _____ day of _____, 2020, at Los Angeles, California by and between the CITY OF LOS ANGELES, a municipal corporation (hereinafter referred to as "City"), acting by and through its Board of Airport Commissioners (the "Board") and Host International, Inc. ("Concessionaire"). In consideration of the recent decline in flight and passenger traffic at Los Angeles International Airport and the resulting temporary decline in airport revenue generating opportunities, by this Second Letter, the parties to the above-referenced Agreement hereby amend the Agreement in order to provide temporary rental relief on the terms and subject to the conditions set forth in this Second Letter.

1. Pre-conditions to Second Letter. The temporary rental relief under this Second Letter is only available to Concessionaire under the following conditions:

a. First Letter. Concessionaire may execute this Second Letter if it previously agreed to and timely signed the first letter for temporary rent relief from the City ("First Letter") and Concessionaire is, and will continue to be, in compliance with the requirements under the First Letter; or

b. Current on All Rent Payments Due to the City. Even if Concessionaire did not sign the First Letter, Concessionaire may execute this Second Letter if Concessionaire remains current on all monetary obligations under the Agreement, as well as under any other currently existing contract, agreement, lease, permit, or license, with the City, up to the date of execution of this Second Letter by Concessionaire and through the end of the Duration Period, as defined under Section 2.a below. For purposes of this section, the term "current" means in accordance with the "Los Angeles World Airports – Accounts Receivable Collection Policies and Procedures for Leases/Licenses/Permits/Concession Agreements, dated July 1, 2019," as may be amended from time to time.



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c. Failure to Comply Under Section 1(a) or 1(b). If Concessionaire fails to comply, as required under Section 1.a or 1.b above, any abated, adjusted or deferred rent or fees shall immediately become due and payable in full upon demand by the City, and the City shall have the right to enforce the Agreement as if there were no such abatement, adjustment or deferral.

d. Bankruptcy. If Concessionaire has filed for bankruptcy, or files for bankruptcy during the Duration Period, Concessionaire agrees and acknowledges that this Second Letter is entered into subject to the approval of the bankruptcy court in its bankruptcy case. In the event the Court does not approve this Second Letter, including the requirement that Concessionaire pay all prepetition and post-petition obligations it owes to the City, this Second Letter will no longer be in force and Concessionaire will be liable for all obligations it owes under the Agreement.

2. Temporary Abatement or Adjusted MAG. Subject to the terms and conditions set forth in this Second Letter, the Agreement is temporarily modified as follows:

a. Temporary Abatement of MAG. If, at the time that Concessionaire executes this Second Letter, Concessionaire has not received, and does not receive for the twelve (12) month period beginning on July 1, 2020 and ending on June 30, 2021 (the "Duration Period), any grant through the Coronavirus Aid Relief and Economic Security Act, more commonly known as the CARES Act, or any other similar grant through a Federal program, that can be used to pay for any monetary obligations under the Agreement ("Federal Grant"), the portion of the minimum annual guaranteed rent/fees (also sometimes referred to as MAG) is hereby abated for the Duration Period. For the Duration Period, Concessionaire shall pay percentage rent/fees on gross revenues from Concessionaire's operations for such period based on the applicable percentage rate(s) or multiplier(s) set forth in the Agreement. Commencing on July 1, 2020, Concessionaire shall pay to City such percentage rent/fees on a current monthly basis.

b. Temporary Adjusted MAG. If, at the time that Concessionaire executes this Second Letter, Concessionaire has received, or receives during the Duration Period, any Federal Grant, for the Duration Period, Concessionaire shall pay percentage rent/fees on gross revenues from Concessionaire's operations for such period based on the applicable percentage rate(s) or multiplier(s) in addition to the MAG set forth in the Agreement; *provided, however*, that, for the Duration Period, such MAG amount due will be equal to the amount of any Federal Grant used by Concessionaire to pay for any of its monetary obligations under the Agreement ("Adjusted MAG"), but such Adjusted MAG will not be more than that set forth in the Agreement.¹ Commencing on July 1, 2020,

¹ For example, if Concessionaire received \$100 from Federal Grant and applied \$80 to any of its monetary obligations under the Agreement, Concessionaire will pay \$80 for the MAG provided, however, that the Adjusted MAG will not be more than the MAG set forth in the Agreement.

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Concessionaire shall pay to the City such percentage rent/fees and Adjusted MAG on a current monthly basis.

c. Written Documentation. Concessionaire shall provide written documentation to the City as follows:

- Name/type of the Federal Grant received and used by Concessionaire, if any, and applied to payment of any monetary obligation under the Agreement (“Concession Monetary Obligations”); and
- A verification of the amount of Adjusted MAG, which shall include, but is not limited to, the amount and proportion of Federal Grant used by Concessionaire and applied to the payment of Concession Monetary Obligations, and the total amount of Federal Grant received (collectively “Written Verification”), if any.

i. Due Date for Written Documentation. The written documentation required above regarding the Concession Monetary Obligations and Written Verification shall be provided to the City no later than thirty (30) days after Concessionaire has paid an Adjusted MAG to the City. Concessionaire shall provide any other written documentation requested by City within ten (10) business days of such request, unless otherwise extended, in writing, by the Chief Executive Officer.

ii. Audit. The City’s rights under the Agreement to audit and/or examine Concessionaire’s books and records, as well as all of Concessionaire’s obligations under the Agreement regarding such City’s rights, apply to this Second Letter.

d. No Late Charges/Fees. For the Duration Period, Concessionaire will not incur any late charges or be charged late fees or interest regarding the date for payment of the MAG under the Agreement.

e. Adjustment of MAG.

i. If it appears to the City, on the basis of information it is able to accumulate during the Duration Period, that Concessionaire (a) received or is receiving Federal Grant and (b) utilized such Federal Grant for Concession Monetary Obligations, but to date has not paid any Adjusted MAG, the City shall invoice Concessionaire the Adjusted MAG that is owed to date, and Concessionaire agrees to pay such delinquent amount within 15 days of the invoice date.

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ii. If it appears to the City, on the basis of information it is able to accumulate during the Duration Period, that Concessionaire has not been paying the correct amount of Adjusted MAG under Section 2.b above, the City shall make necessary adjustments to the Adjusted MAG and any resulting debit that is owed to date will be invoiced by the City, and Concessionaire agrees to pay such amount within 15 days of the invoice date.

3. In-Terminal Concession Storage Rent. Notwithstanding the First Letter, the payment of any in-terminal concession storage rents payable under the Agreement for the period beginning on April 1, 2020 and ending on December 31, 2020 (the "Storage Rent Deferral Duration") shall be either: (a) paid on a current monthly basis; or (b) deferred such that the amount of in-terminal concession storage rent accrued for the Storage Rent Deferral Duration is paid by Concessionaire to City in six (6) equal consecutive monthly installments beginning January 1, 2021 and continuing through June 30, 2021, at the option of Concessionaire. The City will not impose any late fees or interest charges on such deferred payments provided that they are timely paid as set forth above.

4. Mid-Term Refurbishment. The Chief Executive Officer may, in his or her sole discretion, exercise two consecutive twelve-month options to delay the dates or time period specified in the Agreement for mid-term refurbishment. If such option(s) is exercised, the Chief Executive Officer shall provide Concessionaire with written notice of the extensions.

5. Extension of Current Expiration Date of Agreement. The current expiration date of the Agreement, as specified in the Agreement, is extended by twenty-four (24) months from June 30, 2023 to June 30, 2025, only if, in addition to meeting the pre-conditions under Section 1.a or 1.b above, Concessionaire has paid the Health Insurance Contribution, as required under Section 6.a below, and Concessionaire provides to the City, no later than ten (10) days after City Council approval, written documentation satisfactory to the City in its sole discretion, that demonstrates that such payment was made, either through financial proof that such payment was made to the appropriate and applicable health insurance entity, or a letter from the appropriate and applicable health insurance entity stating that such payment was made.

6. Concessionaire Covenants. In consideration for the benefits provided to Concessionaire under this Second Letter (and as a condition to Concessionaire's right to receive such benefits), Concessionaire hereby agrees as follows:

a. For each employee who (1) has been laid off, furloughed, or experienced reduced hours since March 1, 2020 and before June 30, 2020, and (2) for whom in February 2020 Concessionaire made contributions or premium payments for healthcare coverage, Concessionaire shall, no later than ten (10) days after City Council approval, make contributions or premium payments in the same amount and for the same level of coverage as the Concessionaire made for the employee in February 2020 for each of the four consecutive calendar months immediately subsequent to the employee's layoff, furlough, or reduction in hours during which such employee remained laid off,

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furloughed, or experienced reduced hours ("Health Insurance Contribution"). Concessionaire shall be credited with a month for each of the required four months in which Concessionaire has previously made the above required contributions or payments. Alternatively, if Concessionaire declined relief under the First Letter and has paid the MAG otherwise owed by Concessionaire to LAWA for the months of April, May and June 2020, Concessionaire shall receive credit for two (2) months of Health Insurance Contribution. Any percentage rents/fees already paid to LAWA for April, May and June 2020 will be credited towards any MAG owed for the same time period.

b. Concessionaire may (at Concessionaire's discretion) add a surcharge of up to three percent (3%) on concession sales to guests to be applied to the costs of the health insurance contribution requirement set forth in Section 6.a above, until such time as the cumulative total amount of such surcharge equals the total amount of the Health Insurance Contribution paid by Concessionaire, or if such total amount has not been reached, until September 30, 2021, whichever comes first; and provided that such health insurance contribution is being made on a current basis during the period of such surcharge ("Surcharge Period"). However, the actual surcharge received during the Surcharge Period will not be considered to be a part of the gross revenues from Concessionaire's operations received and applied to the Health Insurance Contribution during the Surcharge Period when calculating the percentage rent/fees to be paid by Concessionaire to the City pursuant to Section 6.a above.

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9. No Third Party Beneficiaries. Nothing in this Second Letter, whether express or implied, is intended to grant to, or confer upon, any person or entity any rights or remedies under, or by reason of, this Second Letter other than the parties hereto, and no person or entity shall be deemed a third party beneficiary of this Second Letter or any provision hereof; provided however that the health plan or insurer to which contributions or premium payments in Section 6.a are due, may enforce such contributions or premium payments/obligations to Concessionaire in accordance with the terms of the plan or insurance policy. Such enforcement shall not preclude or interfere with the City's right to take enforcement action.

10. Full Force and Effect. Except as expressly amended and modified as set forth in this Second Letter, the terms and provisions of the Agreement remain the same and in full force and effect.

This Second Letter and any other document necessary for the consummation of the transaction contemplated by this Second Letter 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 amendment, 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 Second Letter and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-

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called PDF format shall be legal and binding and shall have the same full force and effect as if a paper original of this amendment had been delivered that had been signed using a handwritten signature. All parties to this Second Letter (i) agree that an electronic signature, whether digital or encrypted, of a party to this Second Letter 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 Second Letter based on the foregoing forms of signature. If this Second Letter 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

(CONTINUED ON NEXT PAGE)

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constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

IN WITNESS WHEREOF, City has caused this Second Letter to be executed on its behalf by the Chief Executive Officer, or his or her designee, and Concessionaire has caused the same to be executed by its duly authorized officers, all as of the day and year first hereinabove written.

APPROVED AS TO FORM:

CITY OF LOS ANGELES

Michael N. Feuer,
City Attorney

By:


Deputy/Assistant City Attorney

By:

Chief Executive Officer
Department of Airports

By:


Chief Financial Officer
Department of Airports

The undersigned Concessionaire hereby agrees to the foregoing Second Letter:

Date: Dec., 11, 2020


Host International, Inc.

ATTEST:

DocuSigned by:

By: 7BFC21C5EAC8495...

Name: Philip Fletcher

Title: Senior Paralegal

DocuSigned by:

By: DC0D1E16E92A4D0...

Name: Paul Mamalian

Title: President