
**THE CITY OF LOS ANGELES,
DEPARTMENT OF AIRPORTS,**

Landlord

and

DELTA AIR LINES, INC.

Tenant

TERMINAL FACILITIES LEASE AND LICENSE AGREEMENT

Dated as of _____

**Terminal 2 and Terminal 3
Los Angeles International Airport**

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TERMINAL FACILITIES LEASE AND LICENSE AGREEMENT

THIS TERMINAL FACILITIES LEASE AND LICENSE AGREEMENT (this "Lease") is made as of _____, 2016 between the CITY OF LOS ANGELES, acting by and through the Board of Airport Commissioners of its Department of Airports, as landlord and licensor (the "Landlord"), and DELTA AIR LINES, INC., as tenant and licensee (the "Tenant") and shall be effective on the Lease Commencement Date (as defined below).

RECITALS

WHEREAS, the Tenant currently leases space in Terminal 5 and Terminal 6 at the Airport pursuant to the Amended and Restated Terminal Facilities Lease and License Agreement dated September 16, 2011 (LAA-4983), as amended (the "Delta T5/6 Lease");

WHEREAS, the Tenant wishes to relocate its operations at the Airport from Terminal 5 and Terminal 6 to Terminals 2 and 3 (Terminals 2 and 3 together, the "Terminals") for operational reasons including, but not limited to, access to the Tom Bradley International Terminal ("TBIT") where its code sharing partners are located;

WHEREAS, the Tenant acknowledges that the Landlord leases space in the Terminals to other tenants such as airlines, government agencies and concession management companies, and understands that in order for the Tenant to relocate to the Terminals, the tenants currently occupying the Terminals will need to be accommodated in other terminals at the Airport;

WHEREAS, the Tenant wishes to make significant renovations in the Terminals and therefore seeks to enter into a lease with the Landlord for space in the Terminals;

WHEREAS, the Tenant and the Landlord intend to terminate the Delta T5/6 Lease upon the relocation of the Tenant's operations to the Terminals;

NOW, THEREFORE, in consideration of the mutual agreements contained in this Lease, the Landlord and the Tenant agree with each other as follows (certain terms used in this Lease and not defined elsewhere in the text of this Lease, are used with the meanings specified in Section 24; terms defined elsewhere in the text of this Lease are listed in the Index of Defined Terms appearing following the Table of Contents):

AGREEMENT

1. Term; Right of Entry and Demise (including Termination of Delta T5/6 Lease); Grant of License and TBIT Use; Terminal Renovations

1.1. Term.

1.1.1. This Lease shall commence on the first day of the month following Board and City Council approval of this Lease (the "Lease Commencement Date") and shall terminate on April 30, 2039 (the "Term"); unless earlier terminated pursuant to the terms hereinafter set forth. The Landlord and the Tenant agree that the CEO shall issue a side

letter, subject to City Attorney approval as to form, confirming the Lease Commencement Date when it is identified.

1.1.2. Early Termination Option - Rate Agreement.

(a) The Airlines operating at the Airport, including the Tenant, and the Landlord are parties to a rate agreement ("Rate Agreement") governing the rates and charges methodology for space in the terminals at the Airport. As of the Lease Commencement Date, the expiration date of the Rate Agreement is December 31, 2022. The Landlord shall have the option to terminate this Lease as of the expiration date of the Rate Agreement by providing the Tenant a 180 day advance written notice and reimbursing the Tenant the undepreciated value of any Delta Renovations constructed pursuant to Board-approved DTIPs (as described in Section 1.4.4 below).

(b) Notwithstanding Subsection 1.1.2(a) above, the Landlord's termination option in Subsection 1.1.2(a) shall be null and void with no further effect if, prior to the Landlord's exercise of the option in Subsection 1.1.2(a) above, the Landlord does not offer the Tenant one of the following: (i) a Board-approved form amendment to the Rate Agreement that is offered to all Airlines then operating at the Airport, that extends the term of the Rate Agreement through the then-anticipated term of this Lease, (ii) a new Board-approved form agreement that is offered to all Airlines then operating at the Airport, that establishes the rates and charges methodology for the use of terminals at the Airport and covers the period of the then-anticipated term of this Lease, or (iii) an agreement that establishes the rates and charges methodology for the then-anticipated term of this Lease, which agreement is submitted by the CEO or his or her designee to the Board and/or City Council, as appropriate, for approval, and is approved by the applicable governmental body.

1.1.3. Reduction of Term. The Tenant acknowledges the term of this Lease was determined by the Landlord on the assumption that the Tenant intends to make Terminal Renovations. Notwithstanding Section 1.1.1, this Lease shall be subject to earlier termination as follows:

(a) Relocation. If the Delta Relocation Date does not occur before December 31, 2018 (the "Relocation Deadline"), this Lease shall terminate on the Relocation Deadline; *provided, however*, that the CEO, upon the Tenant's written request, may extend the Relocation Deadline by up to 24 months in his or her sole discretion.

(b) Remaining Investment Requirement.

(i) If the Tenant does not submit an Initial DTIP (as described in Section 1.4.4 below) for at least one of the components listed in Schedule 1-A attached hereto by March 31, 2018, this Lease shall terminate on October 31, 2025.

(ii) If the Tenant does not submit DTIPs (as described in Section 1.4.4 below) to the CEO sufficient to fulfill the Remaining Investment Requirement by October 31, 2025 at a level of detail similar to previously approved definitive terminal improvement plans submitted by the Tenant and other Airlines at the Airport, this Lease shall terminate on November 1, 2025. Notwithstanding the foregoing, if the Tenant submits DTIPs at a level of detail similar to previously approved definitive terminal improvement plans submitted by the Tenant and other Airlines at the Airport, and the Landlord documents in writing to the Tenant that it did not approve such DTIPs because, in its reasonable judgment, the projects in such DTIPs are not operationally feasible, then the Lease shall terminate on November 1, 2028 instead of November 1, 2025.

(iii) If, after obtaining CEO approval of the DTIPs for the Remaining Investment Projects, the Tenant fails to expend the Total Investment Requirement by November 1, 2025, the termination date of this Lease shall be October 31, 2025 plus A months¹ calculated as follows:

$$\text{"A"}^2 = \text{B} * \text{C}$$

“B” means the number of months from November 1, 2025 to the Scheduled Lease Expiration Date.

“C” means the actual costs expended by the Tenant to date on Remaining Investment Projects divided by the Remaining Investment Requirement.

“Scheduled Lease Expiration Date” means the date the Lease is then expected to terminate if this Subsection 1.1.3(b)(iii) did not take effect.

(c) Exercise of Option to Purchase Non-Proprietary Terminal Renovations. If the Landlord exercises its option to purchase all of the Non-Proprietary Terminal Renovations constructed pursuant to the terms of this Lease rather than provide rent credits as provided in Section 1.4.3(d)(ii)(A) and

¹ For example, if the Scheduled Lease Expiration Date is December 31, 2032, the Remaining Investment Requirement is \$750 million, and the actual costs expended by the Tenant for Remaining Investment Projects is \$500 million:

B=86; C=500,000/750,000=0.66667; Additional Months=86*0.66667=58. Under this scenario, the termination date of the Lease under Subsection (b)(iii) is October 31, 2025 plus 58 months, or August 31, 2030.

² Number of months shall be rounded up.

Schedule 1-B, Section 2(b)(i), this Lease shall terminate on December 31, 2032, subject to earlier termination pursuant to the terms in this Lease.

1.1.4. All dates for performance or deadlines in this Section 1.1.3 shall be extended by the Landlord to the extent the ability of the Tenant to meet the date for performance or deadline is impacted by a Force Majeure event. Such extension shall be for the number of days of delay caused by the Force Majeure event and the applicability of the Force Majeure event to the particular date for performance or deadline shall be determined by the CEO in his or her reasonable discretion.

1.2. Right of Entry and Demise.

1.2.1. Right of Entry. In connection with the Terminal Renovations, the Landlord grants to the Tenant, from the Lease Commencement Date to the Delta Relocation Date, a temporary non-exclusive right of entry to the areas in the Terminals as identified in Exhibit A-1 not leased or otherwise being used by other tenants pursuant to the Tariff as identified in each Terminal Renovations project's construction approval/notice to proceed document. The right of entry shall be for the following purpose and no other: to assess the Terminals for design and engineering purposes for Terminal Renovations, to facilitate preparation of construction plans for the Landlord's approval pursuant to Section 4 for the Terminal Renovations, and upon receipt of such approval, to construct the approved improvements. This Section 1.2.1 shall not be deemed to grant the Tenant an easement, lease or any other property interest in the Terminals. The Tenant agrees to coordinate all work related to the Terminal Renovations with the Tom Bradley International Terminal Equipment Company and the Airlines then using the Terminals. The Tenant also agrees to not unreasonably affect operations in the Terminals during such period.

1.2.2. Demise. The Tenant and the Landlord acknowledge that during the Term the Demised Premises may be adjusted as described below to accommodate other Airlines' relocation from the Terminals and associated construction projects. Upon and subject to the conditions and limitations set forth in this Lease, from the Rent Commencement Date to the end of the Term (the "Rental Period"), the Landlord shall lease to the Tenant, and the Tenant shall lease from the Landlord, the Demised Premises as described and delineated below:

(a) Conversion of Right of Entry Space to Demised Premises. The Tenant agrees that upon the Tenant's Beneficial Use of any space identified in Exhibit A-1, such space will be deemed Demised Premises and the Tenant will be subject to the rates and charges in Section 3 applicable for the use of such space as Demised Premises. The CEO shall issue a confirmation letter to the Tenant each time space in Exhibit A-1 is deemed Demised Premises pursuant to this Section 1.2.2(a) and the CEO shall issue a revised Exhibit A-1, subject to City Attorney approval as to form, identifying the Demised Premises as of the date of such confirmation letter without the need for prior approval or later ratification by the Board or City Council. Up to 45,600 square feet of space in Exhibit A-1 may be deemed Demised Premises pursuant to this Section 1.2.2(a).

(b) Assignment of Space. Upon the termination of use by third parties of any space identified in Exhibit A-1 (either using such space pursuant to a lease or pursuant to the terms of the Tariff), and the subsequent assignment of such space by the Landlord to the Tenant as Demised Premises, the Tenant will be subject to the rates and charges in Section 3 applicable for the use of such space as Demised Premises. The CEO shall issue a confirmation letter to the Tenant each time space in Exhibit A-1 is assigned to the Tenant as Demised Premises pursuant to this Section 1.2.2(b) and the CEO shall issue a revised Exhibit A-1, subject to City Attorney approval as to form, identifying the Demised Premises as of the date of such confirmation letter without the need for prior approval or later ratification by the Board or City Council. Up to 26,500 square feet of space in Exhibit A-1 may be assigned to the Tenant as Demised Premises pursuant to this Section 1.2.2(b).

(c) Delta Relocation Date. On the Delta Relocation Date, the Demised Premises shall be amended as described and delineated in Exhibit A-2 such that the Tenant shall have 340,000 square feet of Demised Premises in the Terminals.

(d) Post-Delta Relocation Date. The Tenant's Demised Premises in the Terminals shall be amended as follows after the Delta Relocation Date:

- January 1 following the Delta Relocation Date ("Post Delta Relocation Date"): 352,000 square feet of Demised Premises;
- first anniversary following the Post Delta Relocation Date: 364,000 square feet of Demised Premises;
- second anniversary following the Post Delta Relocation Date: 376,000 square feet of Demised Premises;
- third anniversary following the Post Delta Relocation Date: 396,000 square feet of Demised Premises; and
- fourth anniversary following the Post Delta Relocation Date: 451,000 square feet of Demised Premises.

The CEO shall amend Exhibit A-2 following each increase to the Demised Premises as described in this subsection (d) subject to City Attorney approval as to form.

1.2.3. Terminal Renovations. Following the Terminal Renovations, (i) minor modification(s) of the Demised Premises, not to exceed a cumulative rental adjustment of \$150,000, may be made by the CEO by an amendment to Exhibit A-2, subject to City Attorney approval as to form, with an appropriate adjustment in rental charges without the prior approval or later ratification by the Board or the City Council, and (ii) minor modification(s) of the Demised Premises, greater than as set forth in clause (i) above but

not to exceed a cumulative total of ten percent (10%) of the Demised Premises as delineated in Exhibit A-2, may be made by the Board by an amendment to Exhibit A-2, subject to City Attorney approval as to form, with an appropriate adjustment in rental charges without the prior approval or later ratification by the City Council. If, following the completion of the Terminal Renovations, minor modification(s) of the Demised Premises exceed a cumulative total of ten percent (10%) of the Demised Premises as delineated in Exhibit A-2, such modification shall be subject to approval by the Board and City Council.

1.2.4. Termination of Delta T5/6 Lease. The parties agree that the Delta T5/6 Lease shall be deemed terminated on the Delta Relocation Date.

1.3. Grant of License and TBIT Use.

1.3.1. Grant of License. In connection with the lease of the Demised Premises, during the Rental Period, the Landlord shall grant to the Tenant a non-exclusive license to use the Common Use Areas and Public Area in the Terminals.

1.3.2. TBIT. The Tenant acknowledges and agrees that the use by the Tenant of Common-Use Gates, Preferential-Use Gates, if any, Common Use Areas and any other space in TBIT shall be governed by the terms of the Tariff.

1.3.3. During the Term, the Landlord reserves the right to require the Tenant to obtain a permit from the Landlord for the use of curbside check-in kiosks placed outside of the Terminals at the Airport and be subject to the standard charges thereunder.

1.4. Terminal Renovations.

1.4.1. Generally. The Terminal Renovations shall be subject to Section 4 of this Lease. In addition to the requirements of Section 4, the Tenant shall also provide with its request for consent for the Terminal Renovations pursuant to Section 4, detailed drawings, plans and cost estimates, which shall include all estimated soft and hard costs, of each of the Terminal Renovations. The Landlord also acknowledges that in connection with such Terminal Renovations, certain entities may need to be relocated, as more particularly described in Section 1.4.2 below (the "Relocations," and together with the Terminal Renovations, the "Renovations"). The Landlord and the Tenant agree that the Tenant shall pay for any and all costs associated with the Renovations, subject to purchase as provided below.

(a) Prevailing Wage. Construction, alteration, demolition, installation, repair or maintenance work performed on the Landlord's property may require payment of prevailing wages in accordance with federal or state prevailing wage and apprenticeship laws. The Tenant is obligated to make the determination as to whether prevailing wage laws are applicable, and shall be bound by and comply with all applicable provisions of the California Labor Code and federal, state and local laws related to labor. The Tenant shall indemnify and pay or reimburse the Landlord for any damages, penalties or fines (including, but not limited to,

attorneys' fees and costs of litigation) that the Landlord incurs, or pays, as a result of noncompliance with applicable prevailing wage laws in connection with the work performed for the Renovations.

(b) Competitive Bidding/Proposals. The Tenant recognizes and accepts that the contractor selection procedures specified herein are intended to promote pricing and responsive and responsible proposals in a fair and reasonable manner. As such, the selection of contractors for the design and construction of the Renovations shall be based upon competitive bids or proposals as follows:

(i) The Tenant shall use reasonable efforts to secure the commitment to bid or propose on the Renovations from a minimum of three (3) bidders or proposers.

(ii) In the event that the Tenant obtains fewer than three (3) bids or proposals, it shall provide the Landlord with a written description of its efforts to obtain competition and, if it believes that it should proceed to award the bid or proposal with fewer than three (3) bidders or proposers, the justification therefor, including why the Tenant believes the cost of such bid or proposal is reasonable.

(iii) In the event that the Tenant elects not to proceed to award the bid or proposal solely on the basis of price, it shall provide the Landlord with a written justification of the reasons therefor.

(c) Warranty. The Tenant warrants that the services provided herein shall conform to the highest professional standards pertinent to respective industry. The Tenant warrants that all materials and equipment furnished for the Renovations will be new and of good quality unless otherwise specified, and that all workmanship will be of good quality, free from faults and defects and in conformance with the design documents approved by the City of Los Angeles Department of Building and Safety.

(d) Rules and Regulations.

(i) The Tenant shall have sole responsibility for fully complying with any and all present and future rules, regulations, restrictions, ordinances, statutes, laws and/or orders of any federal, state, and/or local government applicable to the Renovations. The Tenant shall be solely responsible for fully complying with any and all applicable present and/or future orders, directives, or conditions issued, given or imposed by the CEO which are now in force or which may be hereafter adopted by the Board and/or the CEO with respect to the operation of the Airport. In addition, the Tenant agrees to specifically comply with any and all Federal, State, and/or local security regulations, including, but not limited to, 14 CFR Parts 107 and 108, regarding unescorted access privileges.

(ii) The Tenant shall comply with the Title VI of the Civil Rights Act of 1964 relating to nondiscrimination. Additionally, FAR Clause 52.203-11 "Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions" is incorporated herein by reference into this Lease. Contracts awarded by the Tenant as a result of the Renovations must comply with Federal provisions established by laws and statutes.

(iii) The Tenant and its contractors shall be responsible for all civil penalties assessed as a result of their failure to comply with any and all present and future rules, regulations, restrictions, ordinances, statutes, laws and/or orders of any federal, state, and/or local government regarding the Renovations. The Tenant and its contractors shall hold the Landlord harmless and indemnify the Landlord for all civil penalties resulting from such failure.

(e) Independent Contractor. In furnishing the services provided in this Section 1.4, the Tenant is acting as an independent contractor. The Tenant is to furnish such services in its own manner and method and is in no respect to be considered an officer, employee, servant or agent of the Landlord.

(f) Project Labor Agreement. The Landlord, through its agreement coordinator, has entered into a project labor agreement with various trades (the "PLA"). The Tenant agrees to require its general contractor(s) to sign the Letter of Assent, attached hereto as Exhibit B, agreeing to be subject to the terms of the PLA.

(g) The Tenant agrees that it will manage the Renovations in such a manner that the Terminals operate efficiently during such construction so as to minimize disruptions to operations and to the passengers.

(h) MBE/WBE/SBE Policy. The Tenant has advised the Landlord that it intends to employ a MBE/WBE/SBE policy for the construction of the Renovations at twenty percent (20%), and will report the status of attainment of the policy on a quarterly basis to the Landlord.

(i) Gate Management During Construction of Terminal Renovations. Except as provided in this subsection (i), the Tenant shall only have a maximum of three (3) gates out of service in the Terminals due to the construction of the Renovations; *provided, however*, if the Tenant chooses to deactivate more than three (3) Gates during such construction, the Tenant shall manage its flight schedule on the number of active Gates without causing any airfield operational impacts and without asking the CEO for additional Gates.

(j) The Tenant shall include in its construction contracts for the Terminal Renovations that in the event of termination of the Lease, the Landlord shall have the right, in its sole discretion, to have the Tenant's construction contracts for the uncompleted Terminal Renovations assigned to the Landlord.

1.4.2. Relocations.

(a) Relocation Plan. In accordance with Section 633 of the Los Angeles City Charter, the CEO has the authority to designate and assign space in the terminals. Accordingly, the CEO shall designate and assign space as appropriate to support the Tenant's relocation to the Terminals. To assist the CEO, the Tenant has developed and provided the Landlord with a relocation plan (the "Relocation Plan") attached hereto as Schedule 1-C, which plan outlines (i) the relocation schedule, (ii) the terminal in which Other Airlines and Other Users would be relocated and the estimated space allocations, (iii) the location and the number of Gates that the Other Airlines will have access to, (iv) where the Other Airlines and Other Users will be accommodated during the Relocation Transition Period, and (v) the estimated Relocation Expenses, which cost estimates include specific line item costs. The Relocation Plan has been approved by the CEO. The Tenant may not amend the Relocation Plan without the Landlord's prior written approval. The Tenant also acknowledges that the Tenant has accommodation obligations in Section 19.11 which require the accommodation of Southwest Airlines ("Southwest") on certain Gates after the Delta Relocation Date and therefore the Tenant acknowledges and agrees that the relocation schedule of Southwest under the Relocation Plan may not be amended without the prior written approval of the Landlord. The Tenant shall consult the Landlord and the Other Airlines at all stages of the implementation of the Relocation Plan.

(b) Relocation Transition Period.

(i) During the Relocation Transition Period, as outlined in the Relocation Plan, the Tenant acknowledges that Other Airlines and Other Users will need to occupy space in Terminal 5 and Terminal 6 leased to the Tenant pursuant to the Delta T5/6 Lease, and the Tenant will need to occupy space that Other Airlines and Other Users are then leasing in the Terminals. The Tenant agrees that any proposed agreement between the Tenant and the Other Users and Other Airlines pursuant to the Relocation Plan will not charge more than out-of-pocket or reasonably allocated costs incurred by the Tenant.

(ii) During the Relocation Transition Period, to the extent the Tenant requires the use of space in the terminals at the Airport for construction related to the Relocation Plan that is not part of the areas subject to the right of entry as identified in Exhibit A-1 or in the Demised Premises, the Tenant shall use such space pursuant to the terms of the Tariff.

(iii) If, following the Relocation Transition Period and pursuant to the Relocation Plan, there will be Other Airlines and Other Users that remain in the Terminals and would need to sublease space from the Tenant, the Tenant agrees that such subleases will only charge its subtenants out-of-pocket or reasonably allocated costs incurred by the Tenant; provided, however, that the Tenant may also charge such sublessees an administrative fee no greater than fifteen percent (15%) if they are Affiliates. Any additional terms, operational or otherwise, that the Tenant intends to include in such subleases shall be subject to the approval of the CEO, which approval shall not be unreasonably withheld.

(c) Relocation Expenses.

(i) The Tenant agrees to pay for the Relocation Expenses. Relocation Expenses that are incurred by the Tenant pursuant to the Relocation Plan shall be approved and qualify for a Relocation Rental Credit pursuant to Subsection (c)(iv) below.

(ii) The Landlord agrees that the Tenant shall not be obligated to spend any amount in excess of the amount that is identified as Relocation Expenses in the approved Relocation Plan unless the parties agree for the Tenant to spend an additional amount for Relocation Expenses.

(iii) The Landlord agrees to issue a Relocation Rental Credit to the Tenant which may be applied against any amounts due to the Landlord from the Tenant for the use of space in terminals at the Airport; provided, however, in no event shall the total amount of Relocation Rental Credit issued by the Landlord pursuant to this Subsection 1.4.2(c)(iii) exceed the lesser of (X) the Relocation Expenses and (Y) Sixty Million Dollars (\$60,000,000). The Tenant agrees that the amount of Relocation Rental Credit that the Tenant may use in any given Lease Year shall not exceed Fifteen Million Dollars (\$15,000,000).

(iv) On or after the Relocation Completion Date, the Tenant shall submit a request to the Landlord for the Relocation Rental Credit along with all documentation requested by the Landlord to make its determination of the amount of the Relocation Rental Credit. The CEO, or his or her designee, after receipt of such request, shall make his or her determination of the amount of the Relocation Rental Credit and shall issue such credit within sixty (60) days of receipt of all documentation requested by the Landlord to make its determination of the amount of the Relocation Rental Credit.

(v) To the extent that the Landlord disputes a portion of the request for Relocation Rental Credit or there is insufficient documentation, the Landlord shall have the right to withhold crediting any disputed or

undocumented amounts until such amounts have been verified and documented to the reasonable satisfaction of the Landlord. If there is any dispute regarding the amount of, or insufficient documentation with respect to, such credit, then the Landlord shall issue the amount of Relocation Rental Credit that is not disputed and has been documented within sixty (60) days. The Landlord shall also submit to the Tenant an explanation of the disputed amount or the required documentation within the above sixty (60) days. The Tenant shall respond within thirty (30) days and the parties shall meet to resolve any disputes or documentation issues within thirty (30) days of the Tenant's response.

(vi) Upon the issuance of any amount of the Relocation Rental Credit, title to all improvements constituting Relocation Expenses shall vest in the Landlord.

(d) Termination Prior to Relocation Completion Date. If this Lease is terminated prior to the Relocation Completion Date, the Landlord shall reimburse the Tenant as follows:

(i) If the Tenant has not commenced construction on the Relocation Plan and the Lease is terminated pursuant to Section 1.1.3(a), the Landlord shall purchase the design plans for fifty percent (50%) of the actual verified design costs expended as of the termination date of the Lease.

(ii) If the Tenant commenced construction on the projects in the Relocation Plan but has not completed construction of such projects as of the termination date of this Lease, the Landlord shall purchase the design plans at the total actual, verified costs ("Design Plan Costs") to prepare such design plans.

(iii) Further, if this Lease is terminated pursuant to Section 1.1.3(a) because of the Tenant's inability to timely execute the Relocation Plan due to an event or series of events caused by third parties not within the Tenant's control, the Landlord shall issue a rental credit (the "Termination Rental Credit") for the Partial Relocation Expenses. The Termination Rental Credit may be applied against any amounts due to the Landlord from the Tenant for the use of space in terminals at the Airport; *provided, however*, in no event shall the total amount of Termination Rental Credit issued by the Landlord pursuant to this Subsection 1.4.2(d)(iii) exceed the lesser of (X) the Partial Relocation Expenses and (Y) Sixty Million Dollars (\$60,000,000). The Tenant agrees that the amount of Termination Rental Credit that the Tenant may use in any given year shall not exceed Fifteen Million Dollars (\$15,000,000).

X. Within 30 days after the termination date of this Lease, the Tenant shall submit a request to the Landlord for the

Termination Rental Credit along with all documentation requested by the Landlord to make its determination of the amount of the Termination Rental Credit. The CEO, or his or her designee, after receipt of such request, shall make his or her determination of the amount of the Termination Rental Credit and shall issue such credit within sixty (60) days of receipt of all documentation requested by the Landlord to make its determination of the amount of the Termination Rental Credit.

Y. To the extent that the Landlord disputes a portion of the request for Termination Rental Credit or there is insufficient documentation, the Landlord shall have the right to withhold crediting any disputed or undocumented amounts until such amounts have been verified and documented to the reasonable satisfaction of the Landlord. If there is any dispute regarding the amount of, or insufficient documentation with respect to, such credit, then the Landlord shall issue the amount of Termination Rental Credit that is not disputed and has been documented within sixty (60) days. The Landlord shall also submit to the Tenant an explanation of the disputed amount or the required documentation within the above sixty (60) days. The Tenant shall respond within thirty (30) days and the parties shall meet to resolve any disputes or documentation issues within thirty (30) days of the Tenant's response.

Z. Upon the issuance of any amount of the Termination Rental Credit, title to all improvements constituting Partial Relocation Expenses shall vest in Landlord. Section 1.4.2(d) and its subsections shall survive the termination of this Lease.

(iv) The Tenant agrees that the materials provided to the Landlord pursuant to Section 1.4.2(d) shall belong to and be the sole property of the Landlord. The Tenant warrants that the deliverables provided to the Landlord under this section will not infringe any intellectual property rights of any third party.

1.4.3. Minimum Investment Requirement.

(a) The Tenant agrees to expend a minimum of Three Hundred Fifty Million Dollars (\$350,000,000)(the "Minimum Investment Requirement") to (i) design and construct the Minimum Investment Projects, and (ii) complete the relocations contemplated under the Relocation Plan. The Tenant shall be required to complete all of the Minimum Investment Projects and expend the Minimum Investment Requirement by the end of the 36-month period from the Delta Relocation Date (the "Minimum Investment Requirement Deadline"). If the Tenant does not expend the Minimum Investment Requirement by the Minimum

Investment Requirement Deadline, the number of Tenant's Preferential-Use Gates shall be reduced as provided in Subsection 19.4.1 of this Lease. The CEO shall have sole discretion to extend the Minimum Investment Requirement Deadline by up to an additional 12 months; *provided, however*, that if a Force Majeure event causes the delay of the construction of the Minimum Investment Projects, the CEO may extend the Minimum Investment Requirement Deadline by up to an additional 24 months in his or her reasonable discretion.

(b) Prior to the Tenant's request for consent for the Minimum Investment Projects pursuant to the requirements of Section 4, the Landlord and the Tenant shall mutually agree on which Minimum Investment Projects are (i) Delta Renovations or (ii) Non-Proprietary Renovations. The Landlord and the Tenant shall amend Schedule 1-D to reflect such agreement. The CEO shall have the authority to execute such amendment, subject to approval as to form by the City Attorney, without further approval of the Board; *provided, however*, that such amendment shall not increase the amount to be paid by the Landlord to the Tenant pursuant to the terms of this Lease.

(c) Non-Proprietary Renovations- Airline Space.

(i) The Tenant shall sell, and the Landlord shall purchase, the Minimum Investment Projects that are Non-Proprietary Airline Renovations. The Non-Proprietary Airline Renovations that are Minimum Investment Projects are identified in Schedule 1-D. The Landlord shall pay the Tenant, within sixty (60) days of the Minimum Investment Projects' Non-Proprietary Airline Renovations Component Completion Date, the amount of the Minimum Investment Projects' Non-Proprietary Airline Renovations Component Acquisition Cost. The aggregate amount of Non-Proprietary Airline Renovations Component Acquisition Cost for all Non-Proprietary Airline Renovations Components that are Minimum Investment Projects, including principal and interest, payable by the Landlord to the Tenant, shall not exceed One Hundred Thirty-Four Million Seven Hundred Fifty Thousand Dollars (\$134,750,000).

(ii) Disputes. Notwithstanding the foregoing, the Landlord shall have the right to dispute the amount of the Minimum Investment Projects' Non-Proprietary Airline Renovations Component Acquisition Cost. To the extent that the Landlord disputes a portion of such Non-Proprietary Airline Renovations Component Acquisition Cost, or there is insufficient documentation with respect thereto, the Landlord shall so notify the Tenant within sixty (60) days ("Non-Proprietary Airline Renovations Component Payment Date") of any Non-Proprietary Airline Renovations Component Completion Date and shall have the right to withhold any disputed amounts until such amounts have been verified and documented to the reasonable satisfaction of the Landlord. The Landlord shall also submit to the Tenant an explanation of the disputed amount or the required documentation prior to the Non-Proprietary Airline

Renovations Component Payment Date. The Tenant shall respond within thirty (30) days and the Landlord and the Tenant shall meet to resolve any disputes or documentation issues within thirty (30) days of the Tenant's response.

(iii) For each Non-Proprietary Airline Renovations Component that is a Minimum Investment Project, upon the payment of such Non-Proprietary Airline Renovations Component Acquisition Cost, title to such Non-Proprietary Airline Renovations Component shall vest in the Landlord.

(d) Non-Proprietary Renovations – Terminal Space. The Landlord shall have the option to purchase the Minimum Investment Projects that are Non-Proprietary Terminal Renovations at any time during the term of the Lease.

(i) Prior to First Option Date.

(A) If the Landlord wishes to exercise its option under Section 1.4.3(d) by the First Option Date, the CEO, subject to Board approval, shall provide written notice of its intent to purchase the Minimum Investment Projects that are Non-Proprietary Terminal Renovations and shall pay the Tenant the undisputed amount of the Non-Proprietary Terminal Renovations Acquisition Cost for the Minimum Investment Projects according to Section 1.4.3(d)(i)(B) below. The total amount of the Non-Proprietary Terminal Renovations Acquisition Cost for the Minimum Investment Projects shall not exceed One Hundred Ten Million Two Hundred Fifty Thousand Dollars (\$110,250,000).

(B) If the Landlord has exercised its option pursuant to Section 1.4.3(d), the Landlord shall pay the Tenant, within sixty (60) days of each Minimum Investment Projects' Non-Proprietary Terminal Renovations Component Completion Date, the amount of such Non-Proprietary Terminal Renovations Component Acquisition Cost. Upon payment of such Non-Proprietary Terminal Renovations Component Acquisition Cost, title to such Non-Proprietary Terminal Renovations Component shall vest in the Landlord.

(ii) After the First Option Date.

(A) If the Landlord does not exercise its option under Section 1.4.3(d) by the First Option Date, the Landlord shall issue to the Tenant, within sixty (60) days of each Minimum Investment Projects' Non-Proprietary Terminal Renovations Component Completion Date, a rental credit (the "Non-Proprietary Terminal Renovations Component Rental Credit") in the undisputed amount

of the Non-Proprietary Terminal Renovations Component Acquisition Cost, which rental credit shall be applied against any amounts due to the Landlord from the Tenant for the use of space in terminals at the Airport; provided, however, that the total amount of all such Non-Proprietary Terminal Renovations Component Rental Credit for Minimum Investment Projects shall not exceed Two Hundred Sixty-Seven Million Eight Hundred Sixty Thousand Dollars (\$267,860,000). Such Non-Proprietary Terminal Renovations Component Rental Credit shall be applied in equal installments over the period from the First Option Date to the end of the Term and shall include Interest Costs on the outstanding principal that is unpaid as of such application date. Upon the issuance of such Non-Proprietary Terminal Renovations Component Rental Credit, title to such Non-Proprietary Terminal Renovations Component shall vest in the Landlord.

(B) Notwithstanding Section 1.4.3(d)(ii)(A), the Landlord shall always have the option to purchase the Non-Proprietary Terminal Renovations that are Minimum Investment Projects at any time during the term of the Lease. If the Landlord wishes to exercise its option under Section 1.4.3(d) after the First Option Date, the CEO, subject to Board approval, shall provide written notice of its intent to purchase the Non-Proprietary Terminal Renovations that are Minimum Investment Projects and shall pay the Tenant an amount equal to the remaining unused Non-Proprietary Terminal Renovations Component Rental Credit (such unused amount, the "Post-Construction Non-Proprietary Terminal Renovations Acquisition Cost"). Upon the payment of such Post-Construction Non-Proprietary Terminal Renovations Acquisition Cost, the unused Non-Proprietary Terminal Renovations Component Rental Credit shall be extinguished.

(iii) Disputes. Notwithstanding the foregoing, the Landlord shall have the right to dispute the amount of the Minimum Investment Projects' Non-Proprietary Terminal Renovations Component Acquisition Cost. To the extent that the Landlord disputes a portion of such Non-Proprietary Terminal Renovations Component Acquisition Cost, or there is insufficient documentation with respect thereto, the Landlord shall so notify the Tenant within sixty (60) days ("Non-Proprietary Terminal Renovations Component Payment Date") of any Non-Proprietary Terminal Renovations Component Completion Date and shall have the right to withhold any disputed amounts until such amounts have been verified and documented to the reasonable satisfaction of the Landlord. The Landlord shall also submit to the Tenant an explanation of the disputed amount or the required documentation prior to the Non-Proprietary Terminal Renovations Component Payment Date. The Tenant shall respond within thirty (30) days and the Landlord and the Tenant shall

meet to resolve any disputes or documentation issues within thirty (30) days of the Tenant's response.

(e) Termination Prior to Completion Date. If this Lease is terminated prior to the Non-Proprietary Airline Renovations Component Completion Date or the Non-Proprietary Terminal Renovations Component Completion Date for the Minimum Investment Projects, the Landlord shall reimburse the Tenant as follows:

(i) If the Tenant has not commenced construction on a Non-Proprietary Airline Renovations Component or a Non-Proprietary Terminal Renovations Component for the Minimum Investment Projects and the Lease is terminated pursuant to Section 1.1.3(a), the Landlord shall purchase the design plans for fifty percent (50%) of the actual verified design costs expensed as of the termination date of the Lease for such component(s).

(ii) If the Tenant has commenced construction on a Non-Proprietary Airline Renovations Component or a Non-Proprietary Terminal Renovations Component for the Minimum Investment Projects as of the termination date of the Lease, the Landlord shall purchase the design plans at the total actual, verified costs to prepare such design plans for such component(s).

(iii) The Tenant agrees that the materials provided to the Landlord pursuant to Section 1.4.3(d) shall belong to and be the sole property of the Landlord. The Tenant warrants that the deliverables provided to the Landlord under this section will not infringe any intellectual property rights of any third party.

1.4.4. Definitive Terminal Improvement Plan for Remaining Investment Requirement.

(a) In addition to the Minimum Investment Requirement, the Tenant agrees to expend the Remaining Investment Requirement during the Term for projects in the Terminals as described in Schedule 1-A, subject to the approval process outlined in Section 1.4.4 and its subsections. The Tenant shall prepare and deliver to the CEO for review and approval (such approval not to be unreasonably, withheld, conditioned or delayed) one or more definitive and comprehensive plans for the development and implementation of the definitive terminal improvement plan for the Remaining Investment Projects (each, an "Initial DTIP").

(i) Contents of Initial DTIP. The Initial DTIP should include, but not necessary be limited to:

(A) A summary of the scope of the proposed improvements in the Terminals.

(B) Order of magnitude cost estimates for the proposed construction, including hard costs, soft costs and financing costs.

(C) A detailed development schedule showing the phasing and timing plan for development and completion milestones, including design development, the Landlord's design and construction approvals, processing and permitting from all authorities having jurisdiction, and construction start and completion dates.

(D) An assessment of operational risks and construction impacts, with a particular focus on passengers using the Terminals.

(E) If applicable, the integration plan with the proposed concession improvements in the Terminals.

(F) A not-to-exceed amount for each proposed component of the project and identification of Delta Renovations and Non-Proprietary Renovations (including further identification of Non-Proprietary Airline Renovations and Non-Proprietary Terminal Renovations).

(G) Such other information as may be reasonably requested by the CEO, either before or after the submittal of the Initial DTIP.

(H) CEQA/NEPA. The Tenant acknowledges that the projects contemplated in the Initial DTIP may be subject to the California Environmental Quality Act ("CEQA") or National Environmental Policy Act ("NEPA") requirements. To the extent any project in the Initial DTIP constitutes a project that is subject to CEQA or NEPA requirements, the Tenant acknowledges and agrees that architectural and engineering plans will comply with CEQA and NEPA environmental documents (if any) and the Tenant shall cooperate with the Landlord in the preparation of any required environmental documents. The Tenant shall provide a status update of environmental documents, if any, in the Initial DTIP.

(I) LAWA Landside Plan Conformity. The Tenant acknowledges that the Landlord is currently in the process of planning ground transportation and related passenger mobility improvements (collectively, the "LAWA Landside Plan"). In connection with such planning, the Landlord may establish additional requirements for the Initial DTIPs so that the Initial DTIPs are consistent and compatible with the LAWA Landside Plan. The review and approval by the CEO of the Initial DTIPs

shall also include a review of the conformity of the Initial DTIPs with the LAWA Landside Plan requirements; provided, however, if the Landlord has not provided the LAWA Landside Plan requirements to the Tenant within 180 days of receiving a written request from the Tenant for such plan, the Tenant shall make a good faith effort to conform the Initial DTIPs consistent with the discussions between the Tenant and the Landlord regarding the LAWA Landside Plan and the information regarding the Landlord's proposed ground transportation and passenger mobility plans posted on the Landlord's website.

(ii) Review of Initial DTIP. The Landlord will schedule at least one (1) meeting (the "DTIP Review Meeting") to review the Initial DTIP with the Tenant within thirty (30) days (the "DTIP Deadline") following receipt of the Initial DTIP by the CEO, which DTIP Deadline may be extended by mutual agreement of the parties. Within thirty (30) days following the DTIP Review Meeting, the CEO shall provide a written response (the "LAWA Response") to the Initial DTIP of any requested revisions, comments, observations or deficiencies regarding the Initial DTIP and any additional information that the Landlord provided to the Tenant during the DTIP Review Meeting. Any requested revisions or comments by the CEO will not be unreasonable. The Tenant acknowledges and agrees that compliance with CEQA may require modifications to the projects contemplated in the Initial DTIP. Further, the Landlord expressly reserves the right to consider all CEQA mitigation measures and alternatives for any project proposed hereunder, including the "no project" alternative.

(iii) Resubmittal of Revised DTIP for Approval. The Tenant, within 30 days following receipt of the LAWA Response, shall prepare and deliver to the CEO for review and approval a revised or supplemental DTIP (the "Revised DTIP") which addresses any requested revisions, comments, observations or deficiencies in the LAWA Response.

(iv) Approval/Rejection of Revised DTIP.

(a) An approval of the Revised DTIP by the CEO shall be in writing. If the CEO does not provide the Tenant with a written approval of the Revised DTIP within thirty (30) days following receipt of the Revised DTIP from the Tenant, the Revised DTIP shall be deemed rejected, unless the Tenant provides written notice to the CEO waiving the thirty (30) day requirement and providing the CEO additional time for review and approval.

(b) Any rejection ("DTIP Rejection Notification") of the Revised DTIP shall be in writing and shall include the reasons for such rejection. Upon receipt of the DTIP Rejection

Notification, the Tenant may, within thirty (30) days of receipt of the DTIP Rejection Notification, resubmit a revised DTIP (the "Final DTIP," and together with the Revised DTIP, the "DTIPs") to the CEO for approval, which Final DTIP shall address the CEO's rejection reasons raised in the DTIP Rejection Notification. The CEO shall approve or reject the Final DTIP within ten (10) Business Days following receipt from the Tenant.

(v) Board Approval of the Remaining Investment Projects.

(a) Upon the approval of the Revised DTIP or the Final DTIP, as applicable, by the CEO, the Landlord shall seek Board approval of the Remaining Investment Projects as described in the Revised DTIP or Final DTIP, as applicable, that are identified as Non-Proprietary Renovations, and pursuant to the terms and conditions listed in Schedule 1-B.

(b) In the event the Board does not approve the Remaining Investment Projects, the Landlord shall issue to the Tenant a rental credit (the "DTIP Rental Credit") in the amount of fifty percent (50%) of the Tenant's documented actual out-of-pocket expenses (if any) incurred for the development of the Initial DTIP, the Revised DTIP and the Final DTIP for non-proprietary improvements, which expenses shall be subject to review and approval by the Landlord prior to the issuance of the DTIP Rental Credit, and which approval shall not be unreasonably withheld. Non-proprietary improvements are those improvements that could readily be utilized by the Landlord or other Airlines operating in the Terminals without substantial additional costs to the Landlord or such Airlines. The Tenant shall provide any and all materials developed in connection with the Initial DTIP, Revised DTIP and Final DTIP for non-proprietary improvements to the Landlord. The DTIP Rental Credit shall be applied against any rents due under this Lease; provided, however, that the total amount of the DTIP Rental Credit shall not exceed Fifty Million Dollars (\$50,000,000). The DTIP Rental Credit shall be issued in equal installments over the period from the disapproval by the Board of the Remaining Investment Projects purchase to the end of the Term. The Tenant agrees that the materials provided to the Landlord pursuant to this section shall belong to and be the sole property of the Landlord. The Tenant warrants that the deliverables provided to the Landlord under this section will not infringe any intellectual property rights of any third party.

(c) In the event the Tenant decides not to proceed with the Remaining Investment Projects, the Landlord may construct similar renovations in the Terminals. If the Landlord decides to

undertake such construction, the Landlord reserves the right to plan, schedule and construct components of the Remaining Investment Projects, and close Gates and impose other operational impacts that the Landlord deems necessary to complete such construction. The Tenant agrees that the Landlord shall not be responsible to compensate the Tenant for any inconveniences caused by such operational impacts. The Landlord shall use its reasonable efforts to limit Gate closures to two (2) Gates at a time. In the event that the Landlord finds it necessary to close more than two (2) Gates at any given time, the Landlord shall provide the Tenant with sixty (60) days advance written notice and shall not charge the Tenant a Terminal Buildings Charge for any holdroom in the Tenant's Demised Premises in excess of two (2) holdrooms taken out of service by the Landlord at a given time.³

1.4.5. Maximum Acquisition Amount.

(a) The Tenant may submit definitive terminal improvement plans ("Additional DTIPs") for the Terminals in excess of the Remaining Investment Requirement; *provided, however*, that the Tenant acknowledges that the Landlord will not purchase any Terminal Renovations over the Maximum Acquisition Amount.

(b) The Additional DTIPs shall be subject to the same terms and conditions as for the Remaining Investment Projects described in Section 1.4.4 above.

1.4.6. Financing of Terminal Renovations with Credit Facility. The Tenant has advised the Landlord that some or all of the construction of the Terminal Renovations, including the Remaining Investment Projects, may be financed by a Credit Facility (as defined herein) obtained through (i) a lender or lending institution, (ii) a special purpose entity, or (iii) the Regional Airports Improvement Corporation ("RAIC") or a similar entity, which terms may require the Landlord's consent, which consent shall not be unreasonably withheld. If the Tenant finances some or all of the construction of the Terminal Renovations by using RAIC or a similar financing entity (the "Borrower"), the Landlord and the Tenant agree to the following with respect to any financing agreement with the Borrower for the construction of the Terminal Renovations:

(a) The Borrower may obtain funds pursuant to a credit facility that may be in the form of a revolving credit facility, a loan or loans evidenced by

³ For example, if the Landlord closes three (3) Gates and associated holdrooms, the Landlord shall deduct from the Tenant's monthly rent the Terminal Buildings Charge for one (1) holdroom during the period the three (3) holdrooms are closed. As soon as one (1) of the three (3) holdrooms is reopened, the rent abatement shall terminate.

notes from the Borrower or the Tenant, bonds offered to the public, private placement instruments, other term debt or a combination thereof (the “Credit Facility”). The banks, financial institutions, note holders, bondholders and/or other entities loaning funds under the Credit Facility are hereinafter referred to as the “Lenders.” The Borrower and the initial administrative and collateral agents for the Lenders, if any (the “Lender Agents”) shall be subject to the written approval of the CEO, which approval shall not be unreasonably withheld, delayed or conditioned.

(b) The Tenant shall have the right to assign, which assignment shall not constitute an assignment of the Lease for purposes of Section 16.1, the Tenant’s rights to receive the payments from the Landlord for the purchase of the Non-Proprietary Airline Renovations and the Non-Proprietary Terminal Renovations contemplated in Sections 1.4.3(c)(i), 1.4.3(d) and Schedule 1-B (the “Landlord Payments”) to the Borrower.

(c) The Borrower shall have the right to assign, which assignment shall not constitute an assignment of the Lease for purposes of Section 16.1, the Landlord Payments to a trustee acting for the benefit of the Lenders (the “Trustee”) and grant a security interest therein to the Lender Agents.

(d) The Tenant may execute any and all instruments in connection with the Credit Facility, and the principal instruments (i.e., the agency agreement between the Borrower and the Tenant, the credit and security agreement between the Borrower and the Lenders, and the trust agreement between the Borrower and the Trustee) shall be subject to the prior review and written approval of the CEO for the sole purpose of ensuring conformance with this Lease, which approval shall not be unreasonably withheld; *provided, however*, that the Tenant covenants that such principal instruments shall include the following covenants and representations by the Tenant and the Borrower:

(i) The Tenant shall indemnify the Borrower and the Trustee, as applicable, and their successors, assigns, members, officers, agents and employees from, and defend the same against, any and all claims, liens, liability, expenses (including attorneys’ fees) losses and judgments arising from (i) death or personal injury or from the loss, damage or destruction of property of any person whomsoever resulting from any acts, omissions or negligence of the Tenant, its officers, agents or employees with respect to its or their use of, occupancy of, or operation in, on or about the Terminal Renovations, and (ii) the Credit Facility.

(ii) The Tenant and the Borrower agree that title to any Terminal Renovations financed by the Borrower shall be in the Tenant; *provided, however*, that title to any completed Non-Proprietary Airline Renovations Component and Non-Proprietary Terminal Renovations Component financed by the Borrower shall vest in the Landlord upon the

payment of the Landlord Payments for such component to either (A) the Tenant, if the Landlord Payments are not assigned, (B) the Borrower, if the Tenant assigns the Landlord Payments to the Borrower, or (C) the Trustee, if the Borrower is the assignee of the Landlord Payments and the Borrower assigns the Landlord Payments to the Trustee. Notwithstanding the foregoing, the Tenant and the Borrower agree that title to any Terminal Renovations (whether the construction for such renovations are completed or not) financed by the Borrower shall vest in the Landlord upon the termination of the Lease if the Lease is terminated for any reason.

(iii) Notwithstanding any other provision of the Lease, the Borrower, Trustee or Lenders shall not have any right to commence construction of any Non-Proprietary Airline Renovations Component and/or a Non-Proprietary Terminal Renovations Component. The financing arrangement may include (but is not required to) a right on the part of the Borrower, Trustee or Lenders to complete construction of any Non-Proprietary Airline Renovations Component and/or a Non-Proprietary Terminal Renovations Component that the Tenant has commenced, and to receive the Landlord payment that would otherwise be due to the Tenant had such construction been completed for such component.

(iv) The Landlord agrees that the financing documents may include the following: the Tenant shall assign the Landlord Payments to the Borrower, and the Borrower in turn shall assign the Landlord Payments to the Trustee, and the Tenant, the Borrower, and the Trustee shall provide written notice to the Landlord of such assignments (a "Direction") and in such Direction provide the following information: (1) a list of the Terminal Renovations that will be financed by the Borrower, and (2) direction from the Tenant and the Borrower to the Landlord to make any Landlord Payments for the Terminal Renovations that will be financed by the Borrower to the Trustee upon the terms and conditions of the Lease. The Landlord will make payment only in accordance with the terms of the Direction and will not accept further payment instruction in respect of the Landlord Payments from the Tenant or the Borrower unless accompanied by the written direction of the Lenders acting through the applicable Lender Agents.

(e) In the event the Landlord Payments are assigned, except as expressly provided in this Section 1.4.6, the Landlord shall not be bound, nor shall the terms, conditions and covenants of this Lease nor the rights and remedies of the Landlord hereunder be in any manner limited, restricted, modified or affected, by reason of the terms or provisions of the instruments in connection therewith.

(f) The Landlord agrees that any notice requirements pursuant to the

Lease to the Tenant for the termination of the Lease will also be provided to the Borrower, the Trustee and the Lenders.

(g) At the request of the Tenant, the CEO shall enter into a written agreement pursuant to this Section 1.4.6 (the “Consent to Financing”) with the Tenant whereby (1) the CEO acknowledges that all or some of the Non-Proprietary Airline Renovations and the Non-Proprietary Terminal Renovations may be financed through a financing arrangement with the Borrower, (2) the CEO approves of the appointment of the Borrower to assist in the financing as described herein, (3) unless previously approved, the CEO approves the Lender Agents and the Credit Facility instruments, each as provided above, (4) the specific terms of the Direction are described, and (5) the parties address such other incidental matters as are required by Section 1.4.6(g)(1) through (4) above.

2. Use.

2.1 Permitted Uses. The Tenant may, subject to any applicable Legal Requirements and to all other applicable Legal Requirements provisions of this Lease, use and occupy the Tenant Areas only for the uses reflected on the Basic Information Schedule as the “Permitted Uses”.

2.2 Prohibited Uses. Notwithstanding anything in Section 2.1 to the contrary, without the prior consent of the Landlord the Tenant will not use or occupy, or permit any portion of the Tenant Areas to be used or occupied for any other use not specifically permitted.

2.3 Other Use Limitations. The Tenant will conduct its operations at the Tenant Areas in such a manner as to reduce as much as is reasonably practicable, considering the nature and extent of the Tenant’s operations, any and all activities that interfere unreasonably (whether by reason of noise, vibration, air movement, fumes, odors or otherwise) with the use by any other Person of space in the Terminals or other facilities at the Airport. Without the prior consent of the Landlord, the Tenant will not install or use any wireless workstations, access control equipment, wireless internet servers, transceivers, modems or other hardware that transmit or otherwise access radio frequencies.

3. Rent. During the Rental Period, the Tenant shall pay as rent the fees and charges calculated pursuant to the Board-adopted rates and charges methodology for the Tariff (the “Rate Methodology”) and as set forth in this Lease. The Board-adopted Rate Methodology is attached hereto as Exhibit C. The rents described in Sections 3.1 to 3.4 are subject to adjustment by the Board by resolution, and the Tenant shall pay the rent based on the then Board-approved rates. The methodology of calculating the rent under Section 3 is the methodology that is, as of the Execution Date, the methodology used in the Tariff. The Tariff contains the terms and conditions applicable to all Airlines using terminal space at the Airport that do not have a lease. The Tenant acknowledges that the Tariff may be amended from time to time. Upon the amendment of the methodology for calculating rates and charges under the Tariff, the Tenant acknowledges and agrees to be subject to such new methodology for calculating rates and charges and agrees that such new methodology as described and defined under the Tariff shall be incorporated into this Lease by reference and Sections 3.1 through 3.4 shall be deemed amended

without the need for any further action. In addition to the Tenant's audit right pursuant to Section 3.10, the Landlord agrees to consult with the Tenant before adopting a replacement methodology for calculating terminal rates and charges and to provide the Tenant with 60 days to provide written comments on such replacement methodology.

3.1. Terminal Buildings Charge. During the Rental Period, the Tenant shall pay to the Landlord a "Terminal Buildings Charge" for the use of the Demised Premises. The Terminal Buildings Charge is comprised of the Unified Capital Charge and an Operations and Maintenance Charge for the use of the Demised Premises. The Terminal Buildings Charge shall be calculated in an amount equal to the Terminal Buildings Rate under the Tariff multiplied by the square footage of the Demised Premises. The Terminal Buildings Rate in effect as of January 1, 2016 is the amount reflected on the Basic Information Schedule as the "Terminal Buildings Rate."

3.2. FIS Fee. During the Rental Period, the Tenant shall pay to the Landlord an "FIS Fee" for the use of the FIS Areas. The FIS Fee shall be calculated for each calendar month in an amount equal to the FIS Rate multiplied by the number of Tenant's Deplaned International Passengers in the Terminals for the month. The FIS Rate in effect as of January 1, 2016 is the amount reflected on the Basic Information Schedule as the "FIS Rate."

3.3. Common Use Areas Fees and Charges. During the Rental Period, the Tenant shall pay the following fees and charges for the use of Common Use Areas in the Terminals. Each of these is based upon the Terminal Buildings Rate and includes the Unified Capital Charge and Operations and Maintenance Charge for the use of the Common Use Areas.

3.3.1. Common Use Baggage Claim System Fee. If there is a Common Use Baggage Claim System in the Terminals and the Tenant uses such Common Use Baggage Claim System, the Tenant shall pay to the Landlord a "Common Use Baggage Claim System Fee" for the use of the Common Use Baggage Claim System. The Common Use Baggage Claim System Fee shall be calculated for each calendar month in an amount equal to the Common Use Baggage Claim System Rate under the Tariff multiplied by the number of the Tenant's Deplaned Domestic Passengers in the Terminals for the month. The Common Use Baggage Claim System Rate in effect as of January 1, 2016 is the amount reflected on the Basic Information Schedule as the "Common Use Baggage Claim System Rate."

3.3.2. Common Use Outbound Baggage System Fee.

(a) If there is a Common Use Outbound Baggage System in the Terminals and the Tenant uses such Common Use Outbound Baggage System, the Tenant shall pay to the Landlord a "Common Use Outbound Baggage System Fee" for the use of such Common Use Outbound Baggage System. The Common Use Outbound Baggage System Fee shall be calculated for each calendar month in an amount equal to the Common Use Outbound Baggage System Rate under the Tariff multiplied by the number of the Tenant's Enplaned Passengers in the Terminals for the month the Tenant used the Outbound Baggage System. The Common Use Outbound Baggage System Rate in effect as of January 1, 2016 is

the amount reflected on the Basic Information Schedule as the “Common Use Outbound Baggage System Rate.”

(b) If the Tenant uses a portion of an outbound baggage system owned or leased by another Airline in the Terminals and pays such Airline for such use, the Tenant shall be subject the “Baggage Make-Up Fee” for the use of baggage make-up devices owned by the Landlord. The Baggage Make-Up Fee in effect as of January 1, 2016 is the amount reflected on the Basic Information Schedule as the “Baggage Make-Up Fee.”

3.4. Terminal Special Charges. In addition to the rents described in Sections 3.1 through 3.3, Airlines subject to the Tariff pay additional rent (such rent, “Terminal Special Charges”) for the use of certain space or equipment for the recovery of Capital Costs and Operations and Maintenance Expenses incurred by the Landlord that are not otherwise billed to the Airlines through the rates and charges described in Section 2.2 through 2.7 of the Rate Methodology. During the Rental Period, the Tenant shall be subject to the following Terminal Special Charges and shall pay the Landlord the Terminal Special Charges. The Terminal Special Charges as of January 1, 2016 are listed on the Basic Information Schedule.

3.4.1. Custodial Fees. During the Rental Period, the Tenant shall pay to the Landlord a “Custodial Fee” for the use of the holdroom, baggage claim areas, outbound baggage system areas and ticket counters in their Demised Premises if such area(s) is/are maintained by the Landlord pursuant to Section 9. The Custodial Fees shall be calculated for each calendar month in an amount equal to the Average Custodial Rate for Common Use Holdrooms, Common Use Baggage Claim Areas, Common Use Outbound Baggage System Areas and Common Use Ticket Counters as prescribed in the Rate Methodology for the Terminals for the month multiplied by the square footage of the area that is maintained by the Landlord pursuant to Section 9. The Average Custodial Rate in effect as of January 1, 2016 is reflected on the Basic Information Schedule as the “Average Custodial Rates.”

3.4.2. Outbound Baggage System Maintenance Fee. During the Rental Period, if there is a Common Use Outbound Baggage System in the Terminals and the Tenant uses such Common Use Outbound Baggage System, the Tenant shall pay to the Landlord an “Outbound Baggage System Maintenance Fee” for the use of such Common Use Outbound Baggage System. The Outbound Baggage System Maintenance Fee shall be calculated for each calendar month in an amount equal to the Outbound Baggage System Maintenance Rate under the Tariff multiplied by the number of the Tenant’s Enplaned Passengers in the Terminals for the month. The Outbound Baggage System Maintenance Rate in effect as of January 1, 2016 is reflected on the Basic Information Schedule as the “Outbound Baggage System Maintenance Rate.”

3.4.3. Terminal Airline Support System Fee. During the Rental Period, if there is a common use Terminal Airline Support System in the Terminals and the Tenant uses such common use Terminal Airline Support System, the Tenant shall pay to the Landlord a “Terminal Airline Support System Fee” for the use of the Terminal Airline Support System. The Terminal Airline Support System Fee shall be calculated for each calendar

month in an amount equal to the Terminal Airline Support System Rate under the Tariff multiplied by the number of the Tenant's Turns in the Terminals for the month. The Terminal Airline Support System Rate in effect as of January 1, 2016 is reflected on the Basic Information Schedule as the "Terminal Airline Support System Rate."

3.4.4. Loading Bridge O&M Fee. During the Rental Period, the Tenant shall pay to the Landlord a "Loading Bridge O&M Fee" for the use of the Loading Bridges if the Loading Bridges are maintained by the Landlord pursuant to Section 9. The Loading Bridge O&M Fee shall be calculated for each calendar month in an amount equal to the Loading Bridge O&M Rate under the Tariff multiplied by the number of the Tenant's Turns on the Loading Bridges in each designated aircraft class as prescribed in the Rate Methodology for the month. The Loading Bridge O&M Rate in effect as of January 1, 2016 is reflected on the Basic Information Schedule as the "Loading Bridge O&M Rate."

3.5. TBIT. During the Rental Period, the Tenant shall pay as rent the fees and charges calculated pursuant to the Tariff for any space that is used by the Tenant in TBIT, including, but not limited to, any Common-Use Gates that are converted to Preferential-Use Gates pursuant to Section 19.12.

3.6. Rate Agreement. The Tenant has entered into a Rate Agreement with the Landlord, which Rate Agreement remains in effect. Notwithstanding Sections 3.1 through 3.3 and 3.5, the Tenant's Terminal Buildings Charge and Common Use Areas fees and charges and the FIS Fee shall be adjusted pursuant to the terms and conditions of the Rate Agreement while the Rate Agreement is in effect. If the Board adopts another rate agreement and the Tenant and the Landlord enter into such an agreement, the terms of such agreement shall be applicable to this Lease.

3.7. Payments; Adjustments.

3.7.1. Rental Payments. The Tenant shall be subject to the payment terms for fees and charges as set forth in the Tariff for its payment of Base Rent and additional rent to the Landlord.

3.7.2. Rental Adjustments. Any adjustment of Base Rent and additional rent shall be pursuant to the terms of the Tariff.

3.8. Percentage Rent.

3.8.1. For each calendar month during the Term, the Tenant will pay to the Landlord, as additional rent, a percentage of the Tenant's gross receipts, if any, from the sale by the Tenant at the Terminals of goods (including food and beverages) and services (other than air transport services and services related to air transport services such as handling services) to the Tenant's passengers and invitees (the additional rent payable is referred to as the "Percentage Rent"). The percentage of the gross receipts to be used in calculating the Percentage Rent payable by the Tenant for any calendar month will be the same as the highest percentage rates then being paid to the Landlord by concessionaires selling similar goods or services in the terminal buildings at the Airport. The Tenant will

pay installments of Percentage Rent on the first day of each calendar month, with the amount of each installment of Percentage Rent being calculated based on the Tenant's gross receipts from sales for the last month for which the Tenant's records of sales are complete, but in any event not further in arrears than the second complete month prior to the date that the Percentage Rent is due. After the expiration or termination of the Term, the Tenant will continue to pay installments of Percentage Rent for the calendar months falling within the Term and for which payments have not been made during the Term.

3.8.2 Notwithstanding Section 3.8.1, the Tenant shall not be subject to Section 3.8.1 with respect to the sale of alcohol or food in its airport lounge if such alcohol or food was purchased from the Landlord's concessionaire.

3.9. Other Charges. The Landlord and the Tenant may from time to time agree upon the installation for the Tenant's use at the Terminals of special equipment that is not generally available to all of the Terminal Users or for the provision of services to the Tenant that are not generally provided to all of the Terminal Users, in which case the Landlord and the Tenant (and any other Terminal Users by which the equipment or services will be used) will enter into a separate agreement allocating the cost associated with the equipment or services. In the absence of such a separate agreement, the Tenant will pay for the use of the equipment or services the assessments, fees and charges as shall be set by the Landlord and generally applicable to similarly situated airline tenants at the Airport. Any costs payable by the Tenant in connection with such a separate agreement (or in the absence of such a separate agreement, the assessments, fees and charges set by the Landlord) shall be deemed additional rent payable under this Lease.

3.10. Books and Records; Annual Consultation.

3.10.1. Landlord's Records. The Landlord will keep books and records sufficient for the purpose of substantiating for auditing purposes all amounts of Base Rent and additional rent. The Tenant may from time to time, but no more often than once during any calendar year, examine (and, in the course of the examination, may copy) and audit the Landlord's books and records for the purpose of verifying the amounts of Base Rent and additional rent payable by the Tenant (whether or not already paid). The Tenant shall only be permitted to examine and audit the Landlord's books and records using a nationally recognized independent accounting firm or its own internal auditors. The expense of any such examination or audit shall be borne by the Tenant. The conduct of any examination or audit as provided in this Section 3.10.1 shall not affect the Tenant's obligations to pay all amounts due and payable in accordance with the provisions of this Lease. The Tenant will keep all information obtained from the Landlord's books and records confidential, and the Tenant will use good faith efforts to cause the Tenant's agents and employees to keep all information obtained from the Landlord's books and records confidential.

3.10.2. Tenant's Records. The Landlord's accurate calculation of the Base Rent, additional rent, and the Landlord's verification of the Tenant's gate utilization are dependent upon receiving from the Tenant timely and accurate information regarding the Tenant's operations, including the number of passengers using the Terminals to enplane onto or deplane from flights operated by the Tenant. The Tenant will promptly and

periodically (but not less frequently than monthly) provide to the Landlord sufficient information about the Tenant's operations as the Landlord may find reasonably necessary or useful in calculating the Base Rent, additional rent and gate utilization and the Tenant will keep books and records sufficient for the purpose of substantiating the Tenant's operations information for auditing purposes. The Tenant also agrees to provide copies of invoices and other documentation verifying all of the costs of the Terminal Renovations if the Landlord requests such documentation. The Landlord may from time to time, but no more often than once during any calendar year, examine (and, in the course of such examination, may copy) and audit the Tenant's books and records for the purpose of verifying the Tenant's operations information. The expense of any such examination or audit shall be borne by the Landlord, provided that if the Tenant's books and records are not made available to the Landlord at a location within 50 miles from the Airport, the Tenant will reimburse the Landlord the reasonable out-of-pocket costs incurred by the Landlord in inspecting the Tenant's books and records, including travel, lodging and subsistence costs. Except to the extent necessary to substantiate charges to other tenants of the Terminals, the Landlord will keep all information obtained from the Tenant's books and records confidential, and the Landlord will use good faith efforts to cause the Landlord's agents and employees to keep all information obtained from the Tenant's books and records confidential.

3.10.3. Annual Consultation. On at least one occasion during each complete Lease Year during the Term, the Landlord will attempt to arrange a meeting with representatives of the Tenant for the purpose of discussing matters relating to the financial aspects of this Lease. At the request of the Landlord or the Tenant, the meeting will include representatives of the other Terminal Users that are Airlines.

3.11. Other Sums Deemed Additional Rent. Any sum of money payable by the Tenant to the Landlord under any provision of this Lease, except for the Base Rent, shall be deemed additional rent.

3.12. Late Charges. If the Tenant shall fail to pay any installment of the Base Rent or any amount of additional rent within five days after it becomes due, the Landlord may require the Tenant to pay to the Landlord, in addition to the installment of the Base Rent or amount of additional rent, as the case may be, at the Landlord's sole discretion, as additional rent, a sum equal to interest at the Stipulated Rate on the unpaid overdue amount, computed from the date the payment was due to and including the date of payment. If the Tenant shall fail to pay any installment of the Base Rent within five days after it becomes due, in addition to interest at the Stipulated Rate, the Landlord may require the Tenant to pay to the Landlord a late charge in the amount of two percent (the "Base Rent Late Charge") of the amount of the delinquent installment of the Base Rent. If the Tenant shall fail to pay any additional rent within ten days after it becomes due, in addition to interest at the Stipulated Rate, the Tenant will pay to the Landlord a late charge in the amount of five percent (the "Additional Rent Late Charge") of the delinquent additional rent; provided that the Tenant has received prior written notice of any variable rent due. No Additional Rent Late Charge shall be payable for any item of additional rent that constitutes a late charge or interest. The Tenant acknowledges that the Base Rent Late Charge and the Additional Rent Late Charge are intended to reasonably compensate the Landlord for additional expenses incurred by the Landlord by reason of the Tenant's failure to

timely pay the Base Rent and additional rent, which expenses are difficult to ascertain, and are not intended to be in the nature of a penalty.

3.13. No Counterclaim, Abatement, etc. Except as expressly provided to the contrary in this Lease, the Tenant will pay the Base Rent and all additional rent payable under this Lease without notice, demand, counterclaim, setoff, deduction, defense, abatement, suspension, deferment, diminution or reduction, and the obligations and liabilities of the Tenant under this Lease shall in no way be released, discharged or otherwise affected for any reason, whether foreseen or unforeseen. Except as provided to the contrary in this Lease, the Tenant waives, to the extent permitted by applicable law, all rights now or hereafter conferred by statute or otherwise to quit, terminate or surrender this Lease or the Demised Premises or any part thereof, or to any abatement, suspension, deferment, diminution or reduction of Base Rent and all additional rent payable by the Tenant hereunder. Except as provided in this Section 3.13, all payments by the Tenant to the Landlord made hereunder shall be final, and the Tenant will not seek to recover any such payment or any part thereof for any reason. In the event of any dispute regarding the amount of Base Rent or any amount of additional rent payable under this Lease, (a) the Landlord's computation of the amounts due shall be presumed correct, and the Tenant will continue to pay the amounts due as computed by the Landlord unless the Tenant shall have obtained a final, unappealable order to the contrary from a court of competent jurisdiction, and (b) to the extent permitted by applicable law, the Tenant waives any right to seek or obtain any provisional remedy before obtaining such a final order. If it is determined by a final, unappealable order of a court of competent jurisdiction that the Tenant was not obligated to pay any amount disputed by the Tenant but nevertheless paid by the Tenant under protest, the Landlord will refund to the Tenant the amount of any excess payments, together with interest on the amounts refunded from the time of their payment to the Landlord until the time of refund, at an annual rate per annum equal to the Reimbursement Rate.

3.14. No Waiver; Retroactive Payments. The failure by the Landlord to timely comply with the provisions of this Section 3 relating to the adjustment of the Base Rent or any item of additional rent shall not be construed as a waiver of the Landlord's right to the adjustment of the Base Rent or to the adjustment of any additional rent. If a determination of the adjusted Base Rent is not completed before the relevant adjustment date or if a determination of the adjustment of any item of additional rent is not completed before any relevant date, the Tenant will continue to pay the amounts applicable to the preceding period, and if the Base Rent as of the relevant adjustment date or any item of additional rent as of any relevant date is thereafter determined to be an amount greater than that paid by the Tenant, the adjusted amount shall take effect, and shall promptly be paid by the Tenant, retroactively to the date when the payment would have been due absent the failure to timely complete the determination of the appropriate adjustment. If the Landlord has substantially complied with the provisions of this Section 3 relating to the adjustment, the Landlord shall have the right to charge interest on the retroactive amounts from the date the Board adopts the applicable adjustment retroactively due, and the Tenant is notified, in writing, of such retroactive adjustment, until the date of payment to the Landlord, at an annual rate per annum equal to the Reimbursement Rate.

3.15. Manner of Payment. All payments of Base Rent and other amounts payable under the preceding provisions of this Section 3 shall be paid in U.S. dollars without setoff or deduction by mailing to the following address:

City of Los Angeles
Department of Airports
Accounts Receivable
Los Angeles, California 90074-4989

The Landlord may from time to time designate any other address to which the payments shall be made. As a matter of courtesy, invoices may be sent by the Landlord to the Tenant, but notwithstanding any custom of the Landlord in sending invoices, the receipt of an invoice shall not be a condition to any payment due to the Landlord from the Tenant, provided that the Landlord otherwise complies with notice requirements pursuant to Section 17.1(a). All payments, including each payment check and remittance advice, shall include the contract number assigned to this Lease by the Landlord, which is stamped on the first page of this Lease (but failure to do so shall not constitute a default by the Tenant under this Lease). No payment by the Tenant or receipt by the Landlord of a portion of any sum due under this Lease shall be deemed to be other than a partial payment on account of the earliest sum next due from the Tenant. No endorsement or statement on any check or any letter accompanying a check or other payment from the Tenant shall be deemed an accord and satisfaction, and the Landlord may accept the check or other payment, and pursue any other remedy available under this Lease. The Landlord may accept any partial payment from the Tenant without invalidation of any notice required to be given under this Lease and without invalidation of any notice required to be given under the provisions of California Code of Civil Procedure Section 1161, *et seq.*

4. Alterations to the Demised Premises by the Tenant.

4.1 Landlord's Consent. The Tenant may make alterations, installations, additions and improvements in and to the Tenant Areas (referred to as "Alterations") if the Tenant shall comply with the provisions of this Section 4 and, except as provided in Section 4.2, if the Tenant shall first obtain the Landlord's consent in accordance with Section 4.3, which consent shall not be unreasonably withheld.

4.2 Alterations not Requiring Consent. The Tenant may, without the Landlord's consent, make Alterations in the Demised Premises (but not in any of the other Tenant Areas) consisting of furniture, furnishings, painting, carpeting, wall coverings and other decorative changes.

4.3 Alterations Requiring Consent. If the Landlord's consent is required for any Alteration, the Tenant's initial request for the consent shall include reasonably detailed preliminary plans for the Alteration. If the Landlord shall approve the preliminary plans, the Tenant will prepare working drawings and specifications that are in all respects accurate reflections of the approved preliminary plans and will submit for approval to the Landlord two copies of the working drawings and one copy of the specifications. The Tenant will not commence work on the proposed Alteration until the Landlord shall have approved the working drawings and specifications. No material modifications shall be made to the working drawings or specifications, or in the construction of the Alteration described by them, without the prior consent of the Landlord. The Tenant will pay to the Landlord, within 30 days after demand therefor, the Landlord's actual and reasonable out-of-pocket costs (as well as a reasonable allowance for the internal costs of the Landlord's use of its own employees) incurred in

reviewing or considering any Alterations, and inspecting construction of the Alterations; provided, however, that the Landlord's reasonable allowance for the internal costs of the Landlord's use of its own employees shall not be charged to the Tenant for the initial review or initial consideration of any Alterations, and initial construction inspection of the Alterations.

4.4 Performance of Alterations. Before the commencement of any Alteration, the Tenant will obtain and deliver to the Landlord (i) all required permits, (ii) insurance for the contractor for such coverages and in such amounts as may be reasonably acceptable to the Landlord, and (iii) surety bonds or other security in such amounts and otherwise reasonably satisfactory to the Landlord. All of the Tenant's Alterations shall be (i) effected at the Tenant's expense and promptly and fully paid for by the Tenant, (ii) performed with due diligence, in a good and workmanlike manner and in accordance with all Legal Requirements and Insurance Requirements, (iii) made under the supervision of a licensed architect or licensed professional engineer, and (iv) performed without interfering with (A) the use and occupation or conduct of the business of any other tenant or occupant of the Terminals, (B) any construction work being performed elsewhere in the Terminals by the Landlord or by any other tenant or occupant of the Terminals, or (C) ingress and egress to, in and from the Terminals or any other premises demised in the Terminals. In the course of effecting any Alterations the Tenant will use good faith efforts to minimize noise and dust and will keep the Tenant Areas and Public Area clean and neat. Upon completion of the Alteration, the Tenant will furnish to the Landlord, at no charge, two complete reproducible sets of record or as-built drawings of the Alterations, and one complete set in an electronic format that complies with the then current computer aided design standards of the Landlord. The drawings must include any applicable permit numbers, the structural and other improvements installed by the Tenant in the Tenant Areas, and the location and details of installation of all equipment, utility lines, heating, ventilating, and air-conditioning ducts and related matters. The Tenant will keep the record or as-built drawings current by updating them in order to reflect any changes or modifications that may later be made in or to the Tenant Areas. Within 120 days following the completion of the Alteration, the Tenant will prepare and submit to the Landlord a construction report including the following information regarding the Alteration: (1) a description of the type of improvements constructed or altered, (2) the floor area or capacity of the improvements constructed or altered, (3) the total cost of the Alteration, (4) the completion date for the Alteration, and (5) a copy of the certificate of occupancy for the Alteration (or for the Tenant Areas, after giving effect to the Alteration). Without limiting the generality of the remedies available to the Landlord for any breach of this Lease under Section 17, if the Tenant shall fail to timely and completely perform its obligations under the immediately preceding sentence of this Section 4.4, the Landlord may require the Tenant to pay, as additional rent, a late charge equal to \$500 for each day for which the failure continues.

4.5 Ownership of Improvements and Alterations. Other than Tenant's Property, ownership of all improvements and equipment existing in the Tenant Areas on the Lease Commencement Date is and shall be in the Landlord. Ownership of all improvements, additions, alterations and equipment constructed or installed in the Tenant Areas at the Landlord's expense after the Lease Commencement Date shall be and remain in the Landlord. During the Term, the Tenant shall own all Alterations constructed or installed at the Tenant's expense unless the Tenant has transferred its ownership interests to the Landlord in which case the ownership of such Alteration shall be in the Landlord. Upon the expiration or earlier termination of the Term, all Alterations, other than equipment, trade fixtures and similar installations that are removable

without material damage to the Tenant Areas, shall become the property of the Landlord (without compensation to the Tenant), unless the Landlord requests that the Tenant remove some or all of the equipment, trade fixtures, and similar installations, in which case the Tenant will promptly remove them at the Tenant's expense. All items of Tenant's Property remaining in the Tenant Areas or at the Terminals shall, (i) if not removed by the Tenant within thirty (30) Business Days following the end of the Term, and (ii) if, following the end of the Term, the Tenant does not pay for the use of the space that such equipment is occupying pursuant to the terms of the Tariff, be deemed abandoned (unless this Lease is a month-to-month lease as provided in Section 20.2 or the Tenant and the Landlord are negotiating in good faith a new lease or an amendment to this Lease extending the term of this Lease, in which case the Tenant shall (a) continue to pay for the use of the space pursuant to Section 20.2; (b) not be required to remove the Tenant's Property and (c) such property shall not be abandoned; provided, however, if the Landlord determines, in its sole discretion, that negotiations will not conclude in a timely manner or that negotiations have ceased, the Landlord shall provide written notice to the Tenant to remove such property, and if such property is not removed within 45 days of receipt of such notice, such property shall be deemed abandoned) and shall, at the Landlord's election (i) be disposed of in any manner selected by the Landlord, at the Tenant's expense, or (ii) become the property of the Landlord. The Tenant will promptly repair any damage to the Tenant Areas or the Terminals resulting from the removal of any items of Tenant's Property.

4.6 Notices of Non-Responsibility. In connection with any Alteration, the Landlord may post notices of non-responsibility for the services and material furnished by mechanics, materialmen and other vendors.

5. Alterations to Common Use Areas and Public Area by the Landlord. The Landlord reserves the right to change the arrangement, design, number and location of entrances, passageways, doors, doorways, corridors, elevators, stairways, restrooms, roads, sidewalks, landscaping and other parts of the Common Use Areas, Public Area, and other areas of the Terminals and the Airport (but not any part of the Demised Premises, as to which the Landlord will not make any changes except as may be required in connection with the Landlord's performance of its obligations hereunder or the exercise of the Landlord's rights specifically elsewhere set forth in this Lease), provided that the Landlord will not exercise its rights under this Section 5 so as to affect the entrances, passageways, doors, doorways, lobby and other hallways, corridors and stairways providing access to the Demised Premises if access to the Demised Premises, or the use or enjoyment thereof, would be unreasonably interfered with or impaired.

6. Pipes, Ducts and Conduits. The Landlord may, without any compensation to the Tenant, erect, use and maintain pipes, ducts and conduits in and through the Tenant Areas, provided that they are installed by such methods and at such locations as will not materially interfere with the Tenant's use of the Tenant Areas.

7. Access to Demised Premises.

7.1. Landlord's Access to Tenant Areas. The Landlord, its officers, employees, agents and contractors may, upon written notice to the Tenant, enter the Tenant Areas at reasonable times for the purpose of (i) inspecting the Tenant Areas and making such repairs, restorations or

alterations as the Landlord shall be required or shall have the right to make in accordance with the provisions of this Lease, (ii) inspecting the Demised Premises or exhibiting them to prospective tenants, or (iii) doing any other act or thing that the Landlord may be obligated or have the right to do in accordance with the provisions of this Lease. Such inspections and exhibitions shall be conducted in such a manner as to cause no unreasonable or unnecessary disruption to the Tenant or the conduct of its business.

7.2. Emergency Access to Demised Premises. If no authorized representative of the Tenant shall be personally present to permit an entry into the Demised Premises at any time when such an entry shall be urgently necessary by reason of fire or other emergency, the Landlord may forcibly enter the Demised Premises without rendering the Landlord liable therefor, if, to the extent possible and during and following the entry, the Landlord will accord due care to the Demised Premises and the Tenant's property under the emergency circumstances. The Landlord will notify the Tenant of any emergency entry as soon thereafter as practicable.

7.3. Tenant's Access to Tenant Areas. During the Term, if no Event of Default shall have occurred and be continuing, the Tenant and its agents, employees, contractors, customers and invitees shall have ground ingress to and egress from the Tenant Areas, subject to such reasonable airfield access control and permitting requirements as may from time to time be established by the Landlord and to temporary blockage or redirection due to construction work or the requirements of airport operations.

8. Utilities.

8.1. Tenant Responsible. The Tenant shall be responsible for the payment of all costs of furnishing utilities to the Demised Premises and equipment such as aircraft support equipment and passenger loading bridges (including all charges for water, gas, heat, light, power, telephone, and other utility service used by the Tenant in connection with its use of the Demised Premises and equipment), including deposits, connection fees and meter installation and rentals required by the supplier of any utility service, and the costs of all equipment and improvements necessary for connecting the Demised Premises to utility service facilities. To the extent that the Landlord is charged for the Tenant's use of any utilities, the Tenant shall pay the Landlord for the Landlord's costs for the Tenant's use of such utilities.

8.2. Landlord Not Liable. The Landlord will not be liable to the Tenant for any failure, defect, impairment or deficiency in the supply of any utility service furnished to the Demised Premises or in any system supplying the service.

8.3. Interruptions of Service. The Landlord reserves the right to temporarily interrupt the services provided by the Terminals' heating, ventilation, air conditioning, elevator, plumbing and electrical systems or other systems in the Terminals when necessary by reason of accident or emergency or for repairs, alterations, replacements or improvements. The Landlord shall provide reasonable notice to the Tenant prior to the interruption of such services, and shall make good faith efforts not to interrupt such services.

9. Maintenance and Repair.

9.1. Maintenance and Repair by Tenant.

9.1.1. At the Tenant's expense, and to the extent identified on the maintenance schedule attached to this Lease as Schedule 2, during the Rental Period the Tenant will maintain the Demised Premises and will make all repairs to the Demised Premises and to all the fixtures, equipment and appurtenances therein and in and around the Terminals as identified in Schedule 2 as and when needed to preserve them in good working order and good and safe condition. Notwithstanding the foregoing, all damage to the Demised Premises and the fixtures, equipment and appurtenances therein, or the Terminals, in each case requiring structural repairs or requiring repairs that affect the systems in the Terminals, and all damage or injury to any system in the Terminals, caused by or resulting from the negligence of the Tenant, its servants, employees, agents, customers, invitees or licensees, shall be repaired by the Landlord, at the Tenant's expense, payable within 30 days after the Landlord's delivery of an invoice therefor. Without limiting the generality of the remedies available to the Landlord for any breach of this Lease under Section 17, if, in the reasonable determination of the Landlord, the Tenant shall have regularly failed to maintain equipment in the Tenant Areas, the Landlord may elect, upon notice to the Tenant and after reasonable time to make repairs, to maintain the neglected equipment (directly or through third-party contractors and at the Tenant's expense payable promptly after the Landlord's delivery of invoices therefor from time to time) for all or any portion of the remainder of the Term. All damage or injury to the Terminals, the Demised Premises or its fixtures, equipment and appurtenances therein or thereto caused by the Tenant's removal of furniture, fixtures or other property, shall be repaired to its condition existing before the damage or injury, or restored or replaced promptly by the Tenant at its expense. The Tenant will at all times keep the Demised Premises free and clear of wastepaper, discarded plastic, graffiti, and all other trash and debris of any kind. The Tenant hereby waives the provisions of subsection 1 of Section 1932 and of Sections 1941 and 1942 of the California Civil Code or any successor or similar provision of law, now or hereafter in effect.

9.1.2. The Tenant may, with the prior written approval of the CEO, which approval shall not be unreasonably withheld, enter into written subcontracts for the operation and maintenance of areas and equipment that are under the Tenant's responsibility pursuant to Section 9.1.1; *provided, however*, that the Tenant shall remain solely responsible to the Landlord for the quality and performance of such operations. Further, the Tenant shall cause such subcontractors to (i) maintain insurance, with such endorsements as the Landlord may request, (ii) provide appropriate indemnities on behalf of the Landlord as requested by the Landlord, and (iii) comply with all applicable Legal Requirements.

9.1.3. The Landlord shall have the right to assume the maintenance and repair responsibilities of the areas and equipment that are under the Tenant's responsibility pursuant to Section 9.1.1 at any time during the Term. If the Landlord opts to assume such responsibilities, the Landlord shall provide the Tenant with 60 days advance written notice and Schedule 2 shall be amended accordingly by the CEO to reflect such change, subject to City Attorney approval as to form.

9.2 Maintenance and Repair by the Landlord. At the Landlord's expense, during the Rental Period the Landlord will maintain the Public Area and will make all repairs to the Public

Area, and to all the fixtures, equipment and appurtenances therein (but excluding Tenant's Property and the property of other tenants of the Terminals), as and when needed to preserve them in good working order and good and safe condition. The Landlord may in its discretion elect to delegate some or all of its obligations under this Section 9.2 to any Person (including the Tenant and one or more of the other Terminal Users), under such terms as the Landlord and the Person may agree.

10. Indemnity; Insurance.

10.1. Indemnity. The Tenant will indemnify the Landlord against and hold the Landlord harmless from all expenses (including reasonable attorneys' fees and disbursements), liabilities, losses, damages or fines incurred or suffered by the Landlord by reason of (i) any breach or nonperformance by the Tenant, or its agents, employees, contractors, customers and invitees, of any covenant or provision of this Lease to be observed or performed on the part of the Tenant, (ii) the carelessness, negligence or willful misconduct of the Tenant, or its agents, employees, contractors and invitees in, on or about the Demised Premises or arising out of Tenant's occupancy of the Demised Premises, (iii) the carelessness, negligence or willful misconduct of the Tenant, or its agents, employees, contractors and invitees in, on or about the areas of the Terminals accessed by the Tenant pursuant to Section 1.2.1 or arising out of Tenant's use of the areas of the Terminals pursuant to Section 1.2.1, and (iv) all Environmental Losses arising from the Tenant's Application of Hazardous Materials at the Airport. The Landlord will promptly notify the Tenant of any claim asserted against the Landlord for which the Tenant may be liable under this Section 10.1 and will promptly deliver to the Tenant the original or a true copy of any summons or other process, pleading, or notice issued in any suit or other proceeding to assert or enforce the claim. If the Tenant becomes aware of any claim asserted against the Landlord for which the Tenant may be liable under this Section 10.1, and of which the Tenant has not yet been notified by the Landlord under the provisions of the immediately preceding sentence, the Tenant will promptly notify the Landlord of the claim. If any claim, action or proceeding is made or brought against the Landlord for which claim, action or proceeding the Tenant would be liable under this Section 10.1, upon demand by the Landlord, the Tenant, at its expense, will defend the claim, action or proceeding, in the Landlord's name, if necessary, by such attorneys as the Landlord shall approve, which approval shall not be unreasonably withheld. Attorneys for the Tenant's insurance carrier are deemed approved for purposes of this Section 10.1 (and if the Tenant's insurance carrier offers the Tenant more than one choice of counsel, the Tenant will select the counsel provided by the insurance carrier that is reasonably acceptable to the Landlord). The Tenant shall, in any event, have the right, at the Tenant's expense, to participate in the defense of any action or other proceeding brought against the Landlord and in negotiations for and settlement thereof if, under this Section 10.1, the Tenant may be obligated to reimburse the Landlord in connection therewith. The Landlord in its discretion may settle any claim against it that is covered by the Tenant's indemnity in this Section 10.1, if the Landlord shall first have provided notice to the Tenant of the Landlord's intention to settle the claim and the material terms of the proposed settlement and if the Tenant does not object to the proposed settlement within five Business Days of its receipt of the notice (or, if the Tenant receives immediate notice of the offer of settlement and its terms, such lesser time as was given as a condition of the settlement offer). In the case of any claim for which the Landlord's proposed settlement includes the payment of more than \$100,000, the Landlord may settle the claim over the Tenant's objection unless the Tenant furnishes the Landlord with either

(i) a bond in an amount equal to the claim in a form and from a surety reasonably satisfactory to the Landlord, or (ii) other security reasonably satisfactory to the Landlord. For the purposes of this Section 10.1 and any other indemnity by the Tenant in this Lease, any indemnity of the Landlord shall be deemed to include an indemnity of the Board and all of the Landlord's officers, employees and agents.

10.2 Insurance. The Tenant will obtain and keep in full force and effect during the Term, at its expense, policies of insurance of the types, with the coverages and insuring the risks specified in the insurance schedule attached to this Lease as Schedule 3. Based on its periodic review of the adequacy of insurance coverages, the Landlord may from time to time, but not more than once in each Lease Year, in the exercise of its reasonable judgment revise the types of insurance required to be maintained by the Tenant, the risks to be insured and the minimum policy limits, on 30 days' prior notice to the Tenant. All policies of insurance required to be maintained by the Tenant under this Section 10.2 (a) shall be primary and noncontributing with any other insurance benefiting the Landlord where liability arises out of or results from the acts or omissions of the Tenant, its agents, employees, officers, assigns or any other Person acting on behalf of the Tenant, and (b) may provide for reasonable deductibles or retention amounts satisfactory to the Landlord based upon the nature of the Tenant's operations and the risks insured. Without limiting the generality of Section 10.1 or the remedies available to the Landlord for any breach of this Lease under Section 17, if the Tenant does not furnish the Landlord with evidence of insurance and maintain insurance in accordance with this Section 10.2, the Landlord may, but shall not be obligated to, procure the insurance at the expense of the Tenant, in which event the Tenant will promptly reimburse the Landlord for any amounts advanced by the Landlord in procuring the insurance, together with a charge of 15% of the amounts so advanced for the Landlord's administrative costs in so doing. The Tenant will provide proof of all insurance required to be maintained by this Section 10.2 by (a) production of the certificate of insurance with endorsements, with additional insured endorsements, (b) production of certified copies of the actual insurance policies containing additional insured and 30-day cancellation notice language, or (c) broker's letter satisfactory to the Landlord in substance and form only in the case of foreign insurance syndicates. Verifications, memoranda of insurance and other non-binding documents submitted alone are not acceptable proof of insurance. The documents evidencing all specified coverages shall be filed with the Landlord in duplicate and shall be procured and approved in strict accordance with the provisions in Sections 11.47 through 11.56 of Administrative Code of the City of Los Angeles before the Tenant occupies the Demised Premises or any other portions of the Tenant Areas. The documents evidencing the coverages shall contain the applicable policy number, the inclusive dates of policy coverages, and the insurance carrier's name, and shall bear an original signature of an authorized representative of the carrier. The Landlord reserves the right to have submitted to it, upon request, all pertinent information about the agent and carrier providing any policy of insurance required by this Section 10.2. Policies of insurance issued by non-California admitted carriers are subject to the provisions of California Insurance Code Sections 1760 through 1780, and any other regulations and directives from the California Department of Insurance or other regulatory board or agency. Unless exempted, the Tenant will provide the Landlord with proof of insurance from the non-California admitted carriers through a surplus lines broker licensed by the State of California. The Tenant will promptly furnish the Landlord with (i) notice of cancellation or change in the terms of any policy of insurance required to be maintained by this Section 10.2, and (ii) evidence of any renewals, replacement or endorsements of or to the

policies (and, in the case of renewals or replacements, no later than 2 days after the expiration of the corresponding existing policy).

10.3. Carriers; Policy Provisions. All insurance policies referred to in Section 10.2 that are carried by the Tenant shall be maintained with insurance companies of recognized standing and with an A.M. Best rating of A-IV or better (or its equivalent). Each insurance policy referred to in Section 10.2 shall also, whether under the express provisions of the policy or by other endorsement attached to the policy, include the Landlord, the Board and all of the Landlord's officers, employees, and agents, as additional insureds for all purposes of the policy. Each insurance policy referred to in Section 10.2 (other than policies for workers' compensation, employers' liability and fire and extended coverages) shall contain (a) a "Severability of Interest (Cross Liability)" clause stating "It is agreed that the insurance afforded by this policy shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the company's liability", and (b) a "Contractual Endorsement" stating "Such insurance as is afforded by this policy shall also apply to liability assumed by the insured under its lease of property at Los Angeles International Airport with the City of Los Angeles." Each insurance policy referred to in Section 10.2 shall provide that the insurance provided under the policy shall not be subject to cancellation, reduction in coverage, or nonrenewal except after written notice, at least 30 days before the effective date, by mail to the Landlord at its address specified in or under the provisions of Section 23.

11. Liens, etc. The Tenant will not permit to be created or to remain, and will discharge (by payment, filing of an appropriate bond or otherwise), any lien, deed of trust, mortgage or other encumbrance affecting the Demised Premises caused or created by the Tenant, including any mechanic's liens arising from any work performed for the benefit of the Tenant, or, to the extent caused or created by the act of the Tenant, the Airport or any part thereof, other than (i) this Lease, (ii) any encumbrance affecting the Demised Premises or the Airport and arising solely from any act or omission of the Landlord or any Person claiming by, through or under the Landlord (other than the Tenant or any Person claiming by, through or under the Tenant), (iii) liens or other encumbrances being contested under Section 13, and (iv) inchoate liens of mechanics, materialmen, suppliers or vendors, or rights thereto incurred by the Tenant in the ordinary course of business for sums that under the terms of the related contracts are not yet due. Notice is hereby given that the Landlord shall not be liable for any labor or materials furnished or to be furnished to the Tenant upon credit, and that no mechanics' or other lien for any such labor or materials shall attach to or affect the reversion or other estate or interest of the Landlord in and to the Airport, the Terminals, the Tenant Areas or the Demised Premises. Without limiting the generality of Section 10.1 or the remedies available to the Landlord for any breach of this Lease under Section 17, if the Tenant does not, within 30 days following the imposition of any lien, deed of trust, mortgage or other encumbrance caused or created by the Tenant, including any mechanic's liens arising from any work performed for the benefit of the Tenant, that the Tenant is required to discharge (any of the foregoing being referred to as an "Impermissible Lien"), cause the Impermissible Lien to be released of record by payment or posting of a proper bond or otherwise, the Landlord shall have, in addition to all other remedies provided by law, the right, but not the obligation, upon ten Business Days prior notice to the Tenant, to cause the Impermissible Lien to be released by such means as the Landlord shall deem proper, including payment in satisfaction of the claim giving rise to the Impermissible Lien. All sums paid by the Landlord and all expenses incurred by it in connection with the release of the

Impermissible Lien, including costs and attorneys' fees, shall be paid by the Tenant to the Landlord on demand.

12. Compliance with Legal Requirements and Insurance Requirements, etc. The Tenant at its expense will comply with all current and future Legal Requirements and Insurance Requirements (other than Legal Requirements and Insurance Requirements being contested under Section 13) that impose any violation or obligation upon the Landlord or the Tenant relating to the Demised Premises or the use or occupancy thereof. Without limiting the generality of the foregoing, but subject to the provisions of Section 13, the Tenant will, at the Tenant's expense, comply with any Legal Requirement that requires repairs or alterations within the Demised Premises so as to cause the Demised Premises to comply with the Americans with Disabilities Act, California Financial Code Section 13082 regarding touch-screen devices, and any other Legal Requirements regarding access of disabled persons to the Demised Premises, including any services, programs or activities provided by the Tenant. The Tenant will cooperate with the Landlord in the Landlord's efforts to ensure compliance by the Airport with all applicable Legal Requirements, including Legal Requirements regarding access of disabled persons to the Airport. The Tenant will cooperate with the Landlord and participate in and comply with activities organized by the Landlord and to comply with any governmental agency mandates, including recycling programs. The Landlord will not be liable to the Tenant, nor shall the Tenant be entitled to terminate this Lease in whole or in part, by reason of any diminution or deprivation of the Tenant's rights or benefits under this Lease that may result from the Tenant's obligation to comply with applicable Legal Requirements. If and when the Landlord implements or amends any rules and regulations applicable to the Tenant or to the Terminals, or to the Airport or any part thereof, the Landlord shall comply with any consultation requirements of this Lease or of any applicable Legal Requirement, including Federal Aviation Administration regulations.

13. Permitted Contests. The Tenant at its expense may contest by appropriate legal proceedings conducted in good faith and with due diligence (i) the amount or validity or application, in whole or in part, of any claims of contractors, mechanics, materialmen, suppliers or vendors or liens therefor and (ii) the interpretation or applicability of any Legal Requirement or Insurance Requirement affecting the Demised Premises or any part thereof and may withhold payment and performance of the foregoing (but not the payment of any amount or the performance of any term for which the Tenant is otherwise obligated to the Landlord under this Lease) pending the outcome of the proceedings if permitted by law, provided that (A) in the case of any claims of contractors, mechanics, materialmen, suppliers or vendors or lien therefor, the proceedings shall suspend the collection thereof from the Landlord and any part of the Airport, (B) in the case of any lien of a contractor, mechanic, materialman, supplier or vendor, the lien has been discharged by bonding or otherwise, (C) in the case of any lien of a contractor, mechanic, materialman, supplier or vendor, the lien does not encumber any interest in any part of the Airport other than the Tenant's interest in the Demised Premises and the lien will not adversely affect the ongoing operation or leasing of any part of the Airport, (D) in the case of a Legal Requirement or an Insurance Requirement, the cost of compliance with which is reasonably estimated to exceed \$50,000, as adjusted by the CPI from July 1, 2005 to the date of determination, the Tenant will furnish to the Landlord either (x) a bond of a surety company reasonably satisfactory to the Landlord, in form and substance reasonably satisfactory to the Landlord, and in the amount of the lien or the cost of compliance (as reasonably estimated by the

Landlord) or (y) other security reasonably satisfactory to the Landlord, (E) neither the Airport nor any part thereof nor interest therein would be sold, forfeited or lost, (F) in the case of a Legal Requirement, the Landlord shall not be subject to any criminal liability, and neither the Airport nor any interest therein would be subject to the imposition of any lien or penalty, as a result of the failure to comply during the pendency or as a result of the proceeding, (G) in the case of an Insurance Requirement, the failure of the Tenant to comply therewith shall not cause the insurance premiums payable by the Landlord for the Airport to be greater than they otherwise would be, (H) in the case of any Legal Requirement or Insurance Requirement, the failure of the Tenant to comply therewith during the contest will not adversely affect the ongoing operation or leasing of the Airport, and will not subject the Landlord to any civil liability, and (I) the Tenant shall have furnished such security, if any, as may be required in the proceedings.

14. Damage or Destruction.

14.1. Tenant to Restore. If the Terminals or the Demised Premises shall be damaged or destroyed by fire or other casualty (and if this Lease shall not have been terminated as provided in Section 14.2), then, whether or not (i) the damage or destruction shall have resulted from the fault or neglect of the Tenant or any other Person, or (ii) the insurance proceeds shall be adequate therefor, the Tenant will repair the damage, and restore the Demised Premises at the Tenant's expense, promptly and expeditiously and with reasonable continuity, to the same or better condition as existed before the casualty and in such a manner as is otherwise consistent with this Lease and the Tenant's uses of the Demised Premises, in each case subject to all then existing Legal Requirements; *provided, however*, that (w) any such repair and restoration obligation of the Tenant shall be contingent upon the Landlord's repair and restoration of the Terminals and all structural components (which for greater clarity, shall also include the main trunk line for electrical and plumbing, but which shall not include the Tenant's improvements, fixtures, equipment, electrical connecting to the main trunk line, plumbing connecting to the main trunk line, and other property) of the Demised Premises, (x) in accordance with Section 9.2 Landlord shall make all repairs and restoration necessary in the Public Area (y) if the damage or destruction resulted from any plumbing, electrical or structural failure, then Landlord shall be responsible for all related repairs and restoration and (z) any such repair, reconstruction or restoration by the Tenant would be without prejudice to the Tenant's rights (or of its insurers) to claim any amounts incurred by such reconstruction to the responsible party. If the damage or destruction is such that renders the Demised Premises unusable, the Landlord shall use reasonable efforts to relocate the Tenant to comparable alternative facilities (in size and functionality) during such repair and restoration. Any repair or restoration by the Tenant of the Demised Premises following a casualty shall be considered an Alteration for the purposes of Section 4. Notwithstanding the foregoing sentence, the Tenant shall not be required to obtain the Landlord's consent for the reasonably detailed preliminary plans for the Alteration pursuant to Section 4.3 if such preliminary plans are for repair or restoration to return the Demised Premises to substantially the same condition that existed immediately prior to the casualty. If as a result of the repairs or restoration, a new certificate of occupancy shall be necessary for the Demised Premises, the Tenant will obtain and deliver to the Landlord a temporary or final certificate of occupancy before the damaged portions of the Demised Premises shall be reoccupied for any purpose.

14.2. Termination of Lease.

14.2.1. Destruction at End of Term. If a Substantial Destruction shall occur during the last 18 months of the Term, and the repair or restoration necessitated by the Substantial Destruction, under normal construction procedures would, in the Landlord's reasonable judgment, require more than three months to complete, then the Landlord will so notify the Tenant, and the Landlord or the Tenant may terminate this Lease upon notice to the other given within 30 days after the Substantial Destruction. The date fixed in the Landlord's notice of the termination of this Lease shall be not earlier than 30 days following the delivery of the notice.

14.2.2. Destruction of Terminals. If substantially all of the Terminals shall be damaged by fire or other casualty, the Landlord may terminate this Lease upon notice to the Tenant given within 30 days after the damage. The date fixed in the Landlord's notice of the termination of this Lease shall be not earlier than 30 days following the delivery of the notice.

14.2.3. Substantial Destruction. If a Substantial Destruction shall occur, other than during the last 18 months of the Term, and the repair or restoration of the Substantial Destruction would, in the Landlord's reasonable judgment, require more than six months to complete, the Tenant may terminate this Lease by giving the Landlord notice of its election to terminate this Lease within 30 days following the occurrence of the circumstance giving rise to the Substantial Destruction.

14.2.4. Effect of Termination. In the event of the termination of this Lease under the provisions of Section 14.2.1, 14.2.2, or 14.2.3, this Lease shall expire (subject to the provisions of Section 25.17) as fully as of the earlier of (i) the date on which the Tenant could no longer operate from the Demised Premises as a result of such casualty or (ii) on the date fixed in the notice of termination, in each case, as if such date were the date originally fixed for the expiration of the Term, and the Tenant will vacate the Tenant Areas and surrender them to the Landlord on the date fixed for termination. The Base Rent and additional rent shall be apportioned and paid by the Tenant up to and including the date of termination. If the Tenant elects to terminate this Lease under the provisions of Section 14.2.1 or 14.2.3, the Tenant will (at the Tenant's expense), unless otherwise directed by the Landlord, demolish all damaged improvements in the Demised Premises and remove and properly dispose of the debris.

14.3. Tenant to Give Notice. The Tenant will give the Landlord notice in case of material damage or destruction to the Demised Premises promptly after the Tenant becomes aware of the event.

14.4. Waiver. The Landlord and the Tenant intend that all of their rights and obligations arising out of any damage to or destruction of the Terminals shall be governed by the provisions of this Lease. The Landlord and the Tenant therefore waive the provisions of California Civil Code Sections 1932 and 1933, and of any other Legal Requirements that relate to termination of a lease when property is damaged or destroyed

15. Eminent Domain.

15.1. Total Taking. If there shall occur a Taking (other than for temporary use) of the whole of the Terminals (a "Total Taking"), this Lease shall terminate as of the Taking Date.

15.2. Partial Taking. If there shall occur a Taking (other than for temporary use) of any part of the Terminals, and if the Taking shall not constitute a Total Taking (a "Partial Taking"), the Tenant may elect to terminate this Lease if the Partial Taking shall be of a portion of the Terminals such that, in the Tenant's reasonable judgment (taking into account any alternatives proposed by the Landlord), the remaining portion of the Tenant Areas shall not be adequate for the proper conduct of the Tenant's operations. The Tenant will give at least 30 days notice of the Tenant's election to the Landlord not later than 60 days after the later to occur of (i) the delivery by the Landlord to the Tenant of notice of the Partial Taking, and (ii) the Taking Date. If the Tenant does not elect to terminate this Lease as provided above, this Lease shall nonetheless be considered terminated with respect to the Tenant Areas subject to the Partial Taking and the Tenant's rental obligation hereunder shall be adjusted accordingly to account for such Partial Taking.

15.3. Awards. The Tenant shall not be entitled to receive any portion of the Landlord's award in any proceeding relating to any Total Taking or Partial Taking. The Tenant shall, however, be entitled to appear, claim, prove and receive in the proceedings a separate award relating to any Total Taking or Partial Taking, for the then value of the Tenant's estate under this Lease, of the Tenant's Property, for any Alterations made to the Tenant Areas after the Lease Commencement Date at the Tenant's expense and for moving expenses, but only to the extent a separate award shall be made in addition to, and shall not result in a reduction of the award made to the Landlord for the Terminals, the remainder of the Airport and the fixtures and equipment of the Landlord so taken. In any Taking proceeding in which the Tenant is claiming the value of the Tenant's estate under this Lease, the Tenant shall have the burden of proving the value thereof, and that the amount of compensation to be awarded to the Landlord will not be reduced by the amount of compensation to be awarded to the Tenant on account of the value of the Tenant's estate under this Lease.

15.4. Temporary Taking.

15.4.1. In General. If there shall occur a Taking for temporary use of all or part of the Tenant Areas, the Tenant shall be entitled, except as hereinafter set forth, to receive the portion of the award for the Taking that represents compensation for the use and occupancy of the Tenant Areas, for the taking of the Tenant's Property, for any Alterations made to the Tenant Areas after the Lease Commencement Date at the Tenant's expense, for moving expenses, and for the cost of restoration of the Demised Premises. Subject to the provisions of Section 15.4.2, the Tenant's rights and obligations under this Lease shall be unaffected by the Taking for temporary use and the Tenant shall continue to be responsible for the performance of all of its obligations hereunder except insofar as the performance is rendered impractical by the Taking. If the period of temporary use or occupancy shall extend beyond the expiration date of the Term, the portion of the award that represents compensation for the use or occupancy of the Tenant Areas shall be apportioned between the Landlord and the Tenant so that the Tenant shall

receive so much thereof as relates to the period before the expiration date and the Landlord shall receive so much thereof as relates to the period after the expiration date. All payments to which the Tenant may be entitled as part of an award for temporary use or occupancy for a period beyond the date to which the Base Rent and additional rent hereunder have been paid by the Tenant shall be payable to the Landlord, to be held by it as a trust fund for payment of the Base Rent and additional rent falling due hereunder and shall be applied by the Landlord to the Base Rent and additional rent as the Base Rent and additional rent fall due. If the Tenant receives an award for the Taking to compensate the Tenant for its use and occupancy of the Tenant Areas, for the Taking of the Tenant's Property, for any Alterations made to the Tenant Areas after the Lease Commencement Date at the Tenant's expense, for moving expenses and for the cost of restoration of the Demised Premises, the Tenant shall not be entitled to any abatement of Base Rent or any additional rent during any Taking for temporary use or occupancy. If the Tenant does not receive such award, the Tenant's rental obligation hereunder shall be adjusted accordingly to account for and during the time of such temporary Taking.

15.4.2. Extensive Temporary Taking. If there shall occur a Taking for temporary use of (i) any substantial part of the Tenant Areas at any time during the last six months of the Term, (ii) substantially all of the Tenant Areas during the last 18 months of the term, or (iii) any Critical Portion of the Tenant Areas for a period reasonably estimated to exceed one year at any time during the Term, the Tenant may terminate this Lease by giving the Landlord at least 30 days' prior notice to that effect within 60 days after the Taking Date, and this Lease shall then terminate on the date specified in the notice.

15.5. Restoration. In the event of any Taking of any portion of the Terminals that does not result in a termination of this Lease, the Tenant will repair, alter and restore the remaining part of the Demised Premises, at the Tenant's expense, promptly and expeditiously and with reasonable continuity, so as to constitute (to the maximum extent feasible) a complete and tenantable Demised Premises that shall be substantially comparable in quality and service to the Demised Premises, as they existed immediately before the Taking; provided, however, that if such Taking is exercised by the City of Los Angeles, such repairs, alterations and restoration shall be made at the Landlord's expense. All repairs, alterations or restoration shall otherwise be performed in substantially the same manner and subject to the same conditions as provided in Section 14.1 relating to damage or destruction.

15.6. Effect of Termination. In the event of the termination of this Lease under the provisions of Sections 15.1, 15.2, or 15.4.2, this Lease shall expire (subject to the provisions of Section 25.17) as fully on the date specified herein for termination, or fixed in the applicable notice of termination, as if that were the date originally fixed for the expiration of the Term, and the Tenant will vacate the Tenant Areas and surrender them to the Landlord on the date of termination. The Base Rent and additional rent shall be apportioned and paid by the Tenant up to and including the date of termination.

16. Assignment, Subletting, Gate Use.

16.1. Landlord's Consent Required. Subject to the provisions of Section 16.2, the Tenant will not assign, mortgage or encumber this Lease without the prior written consent of the

Board, nor sublet, license, nor sublicense the Demised Premises or any part thereof, without the prior written consent of the CEO, in each instance, and any such assignment, mortgage, encumbrance, license, subletting, or sublicensing made without the consent of the Board, or the CEO, as applicable, shall be void. The Landlord may withhold its consent to any assignment, mortgage or encumbrance of this Lease, or any subletting, license, or sublicense of the Demised Premises or any part thereof in the exercise of the Landlord's reasonable discretion. The consent by the Landlord to any assignment, mortgage, encumbrance, license, subletting, or sublicensing shall not relieve the Tenant from obtaining the consent of the Landlord to any other or further assignment, mortgage, encumbrance, license, subletting, or sublicensing not expressly permitted by this Section 16. Any Person accepting an assignment of this Lease shall be deemed to have assumed all of the obligations of the Tenant hereunder. Any license or sublicense of the Tenant Areas or any portion thereof shall be deemed a subletting for all purposes of this Section 16. For the purposes of this Section 16, any merger or consolidation of the Tenant (in which the Tenant is not the surviving party), any sale of substantially all of the assets of the Tenant, any other circumstance that results in an assignment of this Lease by operation of law, and the transfer (as part of a single plan of transfer) of 50% or more of the voting securities of the Lessee shall be deemed an assignment of this Lease subject to the provisions of this Section 16.

16.2. Sublettings, Assignments and Gate Use.

16.2.1. Sublettings. If the Tenant wishes to sublet any portion of the Demised Premises, the Tenant will notify the Landlord of the Tenant's intention to sublet, including (i) a description of the portion of the Demised Premises that the Tenant intends to sublet (the "Proposed Sublease Space"), and (ii) the date on which the Proposed Sublease Space will become available, which date shall be no later than six months following the delivery of the notice. If (x) the Tenant has not met its Minimum Utilization Requirement, the proposed sublease is a result of an accommodation pursuant to Section 19.6.4, and the proposed sublease is for a Gate and does not include a notice of termination provision requiring at least six (6) months advance notice of termination by the Tenant to the subtenant, or (y) the proposed sublease is for space other than a Gate, and such proposed sublease is (A) to an entity not operating in the Terminals, or (B) to an entity that is not providing services to the Tenant, the Landlord may, within 30 days after delivery of the Tenant's notice, elect by notice to the Tenant to recapture or not to recapture the Proposed Sublease Space in accordance with the provisions of Section 16.2.2. If the Landlord fails to timely make either election, the Landlord will be deemed to have made an election not to recapture the Proposed Sublease Space, with the same effect as if that election had been made. Before subletting the Demised Premises or any portion thereof, the Tenant will submit to the Landlord a request for the Landlord's consent to the subletting, which request shall contain or be accompanied by the following information: (i) the name and address of the proposed subtenant, (ii) the basic economic terms and conditions of the proposed subletting, (iii) the nature and character of the business of the proposed subtenant and of its proposed use of the Demised Premises, and (iv) current financial information as to the proposed subtenant. Within 30 days following the Landlord's receipt of the request for consent to the proposed subletting (and of the Landlord's receipt of such further financial and other information regarding the proposed subtenant as the Landlord may reasonably request), the Landlord will advise the Tenant whether the Landlord consents to the proposed subtenant. If the Landlord approves the

proposed subtenant, the Landlord shall have the further right to approve the form of sublease, which approval shall not be unreasonably withheld. Within 30 days following the Tenant's request for the Landlord's consent to the form of the sublease (which request shall include an original or copy of the fully executed sublease), the Landlord will advise the Tenant as to whether the Landlord consents to the form.

(a) The CEO hereby consents to the subletting or licensing of the Demised Premises as identified in the Relocation Plan to ABC Aerolinas, S.A. de C.V., Aeroflot Russian International Airlines, Aerovias de Mexico, Aerovia del Continente Americano, Concesionaria Vuela Compania de Aviacion, Compania Panameno de Aviacion, S.A., Southwest, Virgin Atlantic Airways, Ltd., Virgin Australia Airlines Pty, Ltd., and Westjet Airlines Ltd. ("Pre-approved Relocation Sublessee(s)") and agrees that only the space subleased or licensed to the Pre-approved Relocation Sublessees as identified in the Relocation Plan shall not be subject to the recapture provisions in Section 16.2.1, *provided* that the Tenant and the Pre-approved Relocation Sublessees sign the Landlord's form of consent to subleases.

(b) The CEO further consents to the subletting of licensing of the Demised Premises to (i) Foreign Flag Airlines that are Skyteam Alliance partners, and (ii) Foreign Flag Airlines in which the Tenant owns at least a 10% equity stake in such Airline ((i) and (ii) "Foreign Flag Partners") and together with the Pre-approved Relocation Sublessee(s), the "Pre-approved Sublessees"), and agrees that the space subleased or licensed in such sublease or license shall not be subject to the recapture provisions in Section 16.2.1, *provided* that the Tenant and such Airlines sign the Landlord's form of consent to subleases and such sublease or license has a term of over three years.

16.2.2. Recapture of Sublet Space. If the Landlord elects to recapture Proposed Sublease Space in accordance with the provisions of Section 16.2.1, (i) the Tenant will surrender the Proposed Sublease Space on the date specified in the Tenant's notice referred to in the first sentence of Section 16.2.1, in the condition required by the provisions of this Lease, (ii) the Proposed Sublease Space shall be eliminated from the Demised Premises, (iii) the Base Rent shall be recalculated after subtracting the square footage of the Proposed Sublease Space from the then square footage of the Demised Premises immediately before the recapture, (iv) any other additional rent payable for any period from and after the date of the recapture shall be appropriately adjusted, (v) any necessary proration of the Base Rent, and all other additional rent will be made as if, for the Proposed Sublease Space, the date of the recapture were the last day of the Term, and (vi) the Tenant will reimburse the Landlord, promptly upon request, for the Landlord's reasonable costs of separately demising the Proposed Sublease Space, in a manner mutually acceptable to the Landlord and the Tenant, and (vii) the Tenant shall be released from all liability or obligations hereunder relating to the Proposed Sublease Space except such liabilities or obligations that occurred during the Tenant's occupancy and which expressly survive termination of this Lease. If the Proposed Sublease Space is all of the Demised Premises (or so much of the Demised Premises that, in the Landlord's reasonable opinion, no other potential Terminal User could make use of the remaining

Demised Premises for the purpose of conducting passenger flight operations from the Terminals), and if the Landlord elects to recapture the Proposed Sublease Space in accordance with the provisions of Section 16.2.1, (i) the Tenant will surrender the Demised Premises on the date specified in the notice referred to in the first sentence of Section 16.2.1, in the condition required by the provisions of this Lease, (ii) the Base Rent and all additional rent will be prorated as of the date of the recapture, and (iii) this Lease will terminate (subject to the provisions of Section 25.17) as of the date of the recapture.

16.2.3. Assignments. If the Tenant wishes to assign this Lease, the Tenant will notify the Landlord of its intention to assign and the date on which the Demised Premises will become available, which date shall be no later than twelve months following the delivery of the notice. The Landlord may, within 30 days after the delivery of the Tenant's notice, elect by notice to the Tenant to recapture the Demised Premises in accordance with the provisions of this Section 16.2.3. If the Landlord fails timely to make either election, the Landlord will be deemed to have made an election not to recapture the Demised Premises, with the same effect as if that election had been made. If the Landlord elects to recapture the Demised Premises, in accordance with the provisions of this Section 16.2.3, (i) the Tenant will surrender the Tenant Areas on the date specified in the notice referred to in the first sentence of this Section 16.2.3, in the condition required by the provisions of this Lease, (ii) the Base Rent and all additional rent will be prorated as of the date of the recapture, and (iii) this Lease will terminate (subject to the provisions of Section 25.17) as of the date of the recapture. Before assigning this Lease, the Tenant will submit to the Landlord a request for the Landlord's consent to the assignment, which request shall contain or be accompanied by the following information: (i) the name and address of the proposed assignee, (ii) the basic economic terms and conditions of the proposed assignment, (iii) the nature and character of the business of the proposed assignee and of its proposed use of the Demised Premises, and (iv) current financial information as to the proposed assignee. Within 30 days following the Tenant's request for the Landlord's consent to an assignment, the Landlord will advise the Tenant as to whether the Landlord consents to the assignment.

16.3. Terms of all Sublettings, etc. Every subletting by the Tenant is subject to the express condition, and by accepting a sublease hereunder each subtenant shall be conclusively deemed to have agreed, that the sublease is subject to all of the provisions of this Lease, and that if this Lease should be terminated before its expiration date or if the Landlord shall succeed to the Tenant's estate in the Demised Premises, then, at the Landlord's election (i) the subtenant shall attorn to and recognize the Landlord as the subtenant's landlord under the sublease and the subtenant will promptly execute and deliver any instrument the Landlord may reasonably request to evidence the attornment, or (ii) the Landlord may terminate the sublease in the exercise of the Landlord's discretion. The Tenant shall remain fully liable for the performance of all of the Tenant's obligations hereunder notwithstanding any assignment of this Lease or subletting of any portion of the Demised Premises and, without limiting the generality of the foregoing, shall remain fully responsible and liable to the Landlord for all acts and omissions in violation of any of the provisions of this Lease of any subtenant or anyone claiming by, through or under any subtenant. Each sublease of all or a portion of the Demised Premises shall expressly prohibit the subtenant thereunder from further subletting any portion of the subleased premises without the

consent of the Landlord and the Tenant. In the case of any sublease entered into by the Tenant under Section 16.2.1, the sublease shall not be effective until the Tenant and the proposed subtenant shall have executed and delivered to the Landlord the Landlord's customary form of consent to subletting. In no event will the Tenant knowingly (i) enter into a sublease with any Person entitled to claim sovereign immunity other than the federal government, or (ii) enter into an assignment with any Person entitled to claim sovereign immunity. No assignment of this Lease shall be binding upon the Landlord unless (i) the assignment is approved by the Landlord, and (ii) the assignee shall execute and deliver to the Landlord an instrument, recordable in form, under which the assignee agrees unconditionally to be personally bound by and to perform all of the obligations of the Tenant hereunder. A failure or refusal of the assignee to execute or deliver such an instrument shall not release the assignee from its liability for the obligations of the Tenant assumed by the acceptance of the assignment of this Lease.

16.4. Gate Use.

16.4.1. The Tenant agrees that prior to licensing or permitting the use of Gates to other airlines (the "Handled Airline") through handling agreements, codeshare agreements, alliance agreements or otherwise, the Tenant shall, by written notice, notify the Landlord 30 days prior to such proposed use. The Landlord shall have the right at any time to object to the use by the Handled Airline of Gates and shall have the right to require the Tenant to terminate such use by the Handled Airline of Gates upon 60 days advance written notice; *provided, however*, that if the proposed Handled Airline is an Affiliate, the Landlord shall have the right to object to the use by such Handled Airline provided that such objection is reasonable. The Tenant acknowledges and agrees that the Tenant's indemnification of the Landlord as required under this Lease shall extend to the use, occupancy and operations of the Handled Airline in the Terminals.

16.4.2. Notwithstanding Section 16.4.1, if the Tenant obtains prior written consent from the CEO for the license or permit of Gates by a Handled Airline, which consent shall not be unreasonably withheld, the Landlord agrees that it shall not require the Tenant to terminate such licensing or permitting agreement for the use of Gates during the term of such licensing or permitting agreement. The Landlord hereby consents to the licensing or permitting of the use of the Gates to the Pre-approved Sublessees; *provided* that the Tenant and the Pre-approved Sublessees sign the Landlord's form of consent to license or permit.

16.5. Rights of Affiliates. During such period of time that a company is an Affiliate of the Tenant and the Tenant remains a signatory of this Lease, such Affiliate (i) shall have the rights afforded the Tenant hereunder without the payment of any additional fees, charges or premiums due pursuant to this Lease, (ii) shall be charged at the same fees, rates and charges as the Tenant pursuant to this Lease and (iii) be considered as one party with the Tenant, for purposes of calculating any joint use or shared space charges and for any reconciliation process related to fees and charges.

17. Events of Default, Remedies, etc.

17.1. Events of Default. If any one or more of the following events shall occur (each being referred to as an “Event of Default”):

(a) if the Tenant shall fail to pay any installment of Base Rent or any amount of additional rent on the date the same becomes due and payable and the failure shall continue for more than five Business Days after the Tenant receives notice from the Landlord of the failure (which notice and five Business Day period shall be in lieu of, and not in addition to, the notice requirements of Section 1161 of the California Code of Civil Procedure or any successor or similar provision of law, now or hereafter in effect); or

(b) if the Tenant shall fail to perform or comply with the provisions of Section 9.1, and the failure shall continue for more than the thirty (30) days, provided that in the case of any such failure that is susceptible of cure but that cannot with diligence be cured within thirty (30) days, if the Tenant shall promptly have commenced to cure the failure and shall thereafter prosecute the cure of the failure in good faith and with diligence, the period within which the failure may be cured may be extended by the Landlord, in the exercise of its reasonable discretion, for such period of time as shall be reasonably necessary for the cure of the failure with diligence; or

(c) if any insurance required to be maintained by the Tenant under the terms of Section 10 shall be cancelled or terminated or shall expire (and if replacement insurance complying with the terms of Section 10 shall not have been effected prior to the cancellation, termination or expiration), or shall be amended or modified, except, in each case, as permitted by the terms of Section 10; or

(d) if the Tenant shall enter into any assignment of this Lease or any sublease without the consent of the Landlord under the terms of Section 16; or

(e) if the Tenant shall fail to comply with any provision of Section 18, and the failure shall continue for more than 30 days after the Tenant receives notice from the Landlord of the failure (which notice and 30-day period shall be in lieu of, and not in addition to, the notice requirements of Section 1161 of the California Code of Civil Procedure or any successor or similar provision of law, now or hereafter in effect); or

(f) if the Tenant shall fail to perform or comply with any term of this Lease (other than those referred to in clauses (a) through (e) of this sentence) and the failure shall continue for more than 30 days after the Tenant receives notice from the Landlord of the failure (which notice and 30-day period shall be in lieu of, and not in addition to, the notice requirements of Section 1161 of the California Code of Civil Procedure or any successor or similar provision of law, now or hereafter in effect); or

(g) if the Tenant or the Guarantor shall (i) file, or consent by answer or otherwise to the filing against it of, a petition for relief or reorganization or

arrangement or any other petition in bankruptcy, for liquidation or to take advantage of any bankruptcy or insolvency law of any jurisdiction, (ii) make an assignment for the benefit of its creditors, or admits in writing its inability to pay its debts when due, (iii) consent to the appointment of a custodian, receiver, trustee or other officer with similar powers of itself or of any material part of its properties, (iv) be adjudicated insolvent or be liquidated, or (v) take corporate action for the purpose of any of the foregoing; or

(h) if a court or governmental authority of competent jurisdiction shall enter an order appointing, without consent by the Tenant, a custodian, receiver, trustee or other officer with similar powers with respect to the Tenant or with respect to any material part of its property, or if an order for relief shall be entered in any case or proceeding for liquidation or reorganization or otherwise to take advantage of any bankruptcy or insolvency law of any jurisdiction, or ordering the dissolution, winding-up or liquidation of the Tenant, or if any petition for any such relief shall be filed against the Tenant and the petition shall not be dismissed within 30 days; or

(i) if a court or governmental authority of competent jurisdiction shall enter an order appointing, without consent by the Guarantor, a custodian, receiver, trustee or other officer with similar powers with respect to the Guarantor or with respect to any material part of its property, or if an order for relief shall be entered in any case or proceeding for liquidation or reorganization or otherwise to take advantage of any bankruptcy or insolvency law of any jurisdiction, or ordering the dissolution, winding-up or liquidation of the Guarantor, or if any petition for any such relief shall be filed against the Guarantor and such petition shall not be dismissed within 60 days; or

(j) if the Tenant shall vacate the Demised Premises without a demonstrable intention to return, whether or not the Tenant continues to pay the Base Rent and additional rent in a timely manner; or

(k) if (i) the Tenant, or (ii) any of its Affiliates that is a parent or wholly-owned subsidiary of the Tenant, shall be in default beyond the expiration of any applicable notice and cure periods under any other lease, license, permit or contract to which the Landlord shall be a party; or

(l) if the Tenant shall fail to pay when due any amount due under the Landing Fee and such failure continues for the longer of (i) ten (10) days from the date the Tenant receives notice of such failure, or (ii) the cure period for a failure to pay such Landing Fee under the terms and conditions of the applicable agreement; or

(m) if the Tenant shall fail to remit when due to the Landlord any Passenger Facility Charges;

then and in any such event the Landlord may at any time thereafter, during the continuance of the Event of Default, give a written termination notice to the Tenant specifying a date (not fewer than 30 days from the date the notice is given) on which this Lease shall terminate, and on that date, subject to the provisions of Section 25.17, the Term shall terminate by limitation and all rights of the Tenant under this Lease shall cease. The Tenant will pay, as additional rent, all reasonable costs and expenses incurred by or on behalf of the Landlord (including, without limitation, reasonable attorneys' fees and expenses) occasioned by any default by the Tenant under this Lease.

17.2. Repossession, etc. If an Event of Default shall have occurred and be continuing, the Landlord, whether or not the Term of this Lease shall have been terminated under Section 17.1, may enter upon and repossess the Demised Premises or any part thereof by summary proceedings, legal process or otherwise in accordance with applicable law, and may remove the Tenant and all other persons and any and all property from the Tenant Areas. At the expense of the Tenant, the Landlord may store any property so removed from the Tenant Areas. The Landlord shall be under no liability for or by reason of the entry, repossession or removal. No re-entry or repossession of the Demised Premises or any, part thereof by the Landlord shall be construed as an election by the Landlord to terminate this Lease unless notice of the termination be given to the Tenant under Section 17.1.

17.3. Damages.

17.3.1. Monthly Installments. In the event of a termination of this Lease as a result of the Tenant's default, the Tenant will pay to the Landlord as damages, sums equal to the aggregate Base Rent and additional rent that would have been payable by the Tenant had this Lease not terminated, payable upon the due dates therefor specified herein until the last day of the Term (had this Lease not been terminated). Suit or suits for the recovery of any damages payable hereunder by the Tenant, or any installments thereof, may be brought by the Landlord from time to time at its election, and the Landlord need not postpone suit until the date when the Term would have expired but for the termination.

17.3.2. Final Damages. In the event of a termination of this Lease as a result of the Tenant's default, the Tenant will pay to the Landlord, whether or not the Landlord shall have collected any monthly installment described in Section 17.3.1, as and for final damages, an amount equal to the sum of the following:

(a) the value at the time of the award of any unpaid Base Rent, and all other additional rent due as of the date of the termination of this Lease;

(b) the value at the time of the award of the amount by which
(i) the unpaid Base Rent, and all other additional rent that would have been payable after the date of the termination of this Lease until the time of the award, exceeds (ii) the amount of rental loss, if any, that the Tenant shall have affirmatively proven could have been reasonably avoided;

(c) the value at the time of the award of the amount by which (i) the unpaid Base Rent, and all other additional rent that would have been payable after the date of the award, exceeds (ii) the amount of rental loss, if any, that the Tenant shall have affirmatively proven could have been reasonably avoided;

(d) any other amount necessary to compensate the Landlord for all detriment caused by (and that would be reasonably likely in the future to result from) the Tenant's failure to perform the Tenant's obligations under this Lease; and

(e) all other amounts in addition to or in lieu of those set out in clauses (a) through (d) of this sentence as may from time to time be permitted by applicable California law.

As used in clauses (a) and (b) of the immediately preceding sentence, the "value at the time of the award" is computed by allowing interest at the annual rate of ten percent; as used in clause (c) of the immediately preceding sentence, the "value at the time of the award" is computed by discounting that amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, expressed as an annual rate of interest, plus one percent; as used in clauses (a), (b) and (c) of the immediately preceding sentence, the "value at the time of the award" is computed to the extent necessary on the basis of reasonable estimates of all of the factors unknown at the time of computation and necessary for the computation. If, before presentation of proof of final damages to any court, commission or tribunal, the Demised Premises, or any part thereof, shall have been relet by the Landlord for the period that otherwise would have constituted the unexpired portion of the Term, or any part thereof, the amount of rent reserved upon the reletting shall be deemed, prima facie, to be the fair and reasonable rental value for the part or the whole of the Demised Premises so relet during the term of the reletting.

17.4. Security. Following the occurrence and during the continuance of an Event of Default, the Landlord may apply the amount held by it under the Performance Guaranty toward any obligation of the Tenant under this Lease. The Tenant hereby waives the provisions of Section 1950.7 of the California Civil Code and all other provisions of any successor or similar provision of law, now or hereafter in effect, that provide that a landlord may claim from a security deposit only those sums reasonably necessary to remedy defaults in the payment of rent, to repair damage caused by the tenant or to clean the demised premises, the Tenant having agreed in this Lease that the Landlord may, in addition, claim those sums specified in this Section 17. Neither the Performance Guaranty nor any other security or guaranty for the performance of the Tenant's obligations that the Landlord may now or hereafter hold shall constitute a bar or defense to any action initiated by the Landlord for unlawful detainer or for the recovery of the Demised Premises, for the enforcement of any obligation of the Tenant, or for the recovery of damages suffered by the Landlord as a result of any Event of Default.

17.5. Reletting. In case of any termination of this Lease under Section 17.1 or any repossession of the Demised Premises under Section 17.2, the Landlord may relet the Demised Premises on such terms as the Landlord in its discretion may deem advisable. If the Landlord relets all or any part of the Demised Premises for all or any part of the period commencing on the

day following the date of the termination or repossession and ending on the last day of the Term (had this Lease not been terminated), the Landlord will credit the Tenant with the net rents (including any other sums) received by the Landlord from the reletting, the net rents to be determined by first deducting from the gross rents as and when received by the Landlord from the reletting the expenses incurred or paid by the Landlord in terminating this Lease and re-entering the Demised Premises and securing possession thereof, as well as the reasonable expenses of reletting, including altering and preparing the Demised Premises for new tenants, brokers' commissions, and all other expenses properly chargeable against the Tenant Areas and the rental therefrom in connection with the reletting, it being understood that any reletting may be for a period equal to or shorter or longer than the balance of the Term, provided that (i) in no event shall the Tenant be entitled to receive any excess of the net rents over the sums payable by the Tenant to the Landlord hereunder, (ii) in no event shall the Tenant be entitled, in any suit for the collection of damages under this Section 17.5, to a credit in respect of any net rents from a reletting except to the extent that the net rents are actually received by the Landlord, and (iii) if the Demised Premises or any part thereof should be relet in combination with other space, then proper apportionment on the basis of rentable area shall be made of the rent received from the reletting and of the expenses of reletting. The inability of the Landlord to relet the Demised Premises or any part thereof shall not release or affect the Tenant's liability for damages for any breach of the provisions of this Lease.

17.6. Other Remedies. Upon the occurrence of an Event of Default by the Tenant of any of the provisions of this Lease, the Landlord shall have the right of injunction and the right to invoke any remedy permitted at law or in equity in addition to any other remedies specifically mentioned in this Lease. The remedies specified herein are cumulative, and the exercise of one remedy shall not preclude the exercise of any other remedy available to the Landlord herein. No exercise by the Landlord of any remedy specifically mentioned in this Lease or otherwise permitted by law shall be construed, alone or in combination, as the exercise by the Landlord of its right to terminate this Lease unless the Landlord has in fact given written notice of the termination of this Lease. Notwithstanding the exercise of any other remedy, the Landlord may at any later time exercise its right to terminate this Lease.

17.7. Tenant's Waiver of Statutory Rights. The Tenant hereby expressly waives any and all rights, so far as is permitted by law, that the Tenant might otherwise have to (a) redeem the Demised Premises or any interest therein, (b) obtain possession of the Demised Premises, or (c) reinstate this Lease, after any repossession of the Demised Premises by the Landlord or after any termination of this Lease, whether the repossession or termination shall be by operation of law or under the provisions of Section 17.1 or 17.2.

17.8. Landlord's Right to Perform Tenant's Covenants. If the Tenant shall default in the observance or performance of any term or covenant on the Tenant's part to be observed or performed under the terms of this Lease, the Landlord may, without being under any obligation to do so, and without waiving the default, remedy the default for the account of the Tenant, immediately and without notice in case of emergency, and in any other case if the Tenant shall fail to remedy the default with all reasonable dispatch after the Landlord shall have notified the Tenant of the default and the applicable grace period for curing the default shall have expired. If the Landlord makes any expenditures or incurs any obligations for the payment of money in connection with the remedy of any such default, the actual sums paid and obligations incurred

(together with a charge of 25 percent of the actual sums paid and obligations incurred for the Landlord's related administrative costs and overhead) shall be deemed to be additional rent hereunder and shall be reimbursed by the Tenant to the Landlord promptly after submission of a statement to the Tenant therefor, together with interest at the Stipulated Rate from the date of payment by the Landlord to the date of reimbursement. In the case of the Landlord's remedy of any default by the Tenant of the Tenant's obligations under Section 9.1, or any other default requiring the performance of work at the Tenant Areas, the Landlord shall also charge a surcharge of 25 percent of the Landlord's out-of-pocket costs.

18. Performance Guaranty.

18.1. Initial Performance Guaranty. By the Rent Commencement Date, the Tenant shall have delivered a security deposit (the "Performance Guaranty") to the Landlord at the following address:

Revenue Accounting
Department of Airports
P.O. Box 92214
Los Angeles, California 90009

The initial amount of the Performance Guaranty shall be the amount reflected on the Basic Information Schedule as the "Performance Guaranty Amount", which is three times the sum of the amount of the initial estimated monthly installments of the Base Rent, and all other additional rent. The Performance Guaranty may only be in the form of a cashier's check or in the form of an irrevocable bank letter of credit (and if the Performance Guaranty is for an amount equal to or greater than \$5,000.00, the Performance Guaranty must be in the form of an irrevocable bank letter of credit), in either case issued by a bank approved by the Landlord, which approval shall not be unreasonably withheld. Any irrevocable bank letter of credit shall be self-renewing annually (but subject to termination as of any renewal date upon not less than 60 days' prior notice to the Landlord, in accordance with Section 20) and shall otherwise be in such form as may be approved by the City Attorney, which approval shall not be unreasonably withheld. The Performance Guaranty shall not be in lieu of any other guaranty required by the Landlord in connection with this Lease, nor shall any other guaranty in favor of the Landlord relating to any obligation of the Tenant, whether in connection with this Lease or otherwise, stand wholly or partly in lieu of the Performance Guaranty. To the extent there is a security deposit held by the Landlord prior to the Rent Commencement Date pursuant to the Tariff or the Delta T5/6 Lease, such security deposit shall be applied towards the Performance Guaranty required under this Section 18.1 so long as such form of security deposit on its face allows it to be applied to this Lease.

18.2. Increases to Performance Guaranty. Whenever under the terms of this Lease the monthly amounts payable by the Tenant on account of the Base Rent, and all other additional rent increase, such that the amount of the aggregate cumulative increase shall exceed ten percent of the amount of the existing Performance Guaranty, the Tenant will, within 30 days of the delivery by the Landlord of a notice requiring that the Performance Guaranty be increased, deliver a new Performance Guaranty to the Landlord at the address specified in Section 18.1 (or such other address as the Landlord may from time to time specify for the purpose of this Section

18.2) in the amount of three times the sum of the amount of the then current monthly installments of the Base Rent, and all other additional rent. Upon the application by the Landlord of any portion of the Performance Guaranty under the terms of Section 17.4, the Tenant will immediately deliver a new Performance Guaranty to the Landlord in the amount of the Performance Guaranty immediately before the application.

18.3. Purpose; Return. The Performance Guaranty shall be held by the Landlord as security for the faithful performance by the Tenant of all of the terms, provisions, and covenants to be performed by the Tenant under this Lease, including the payment of the Base Rent, and all other additional rent. Upon the expiration or earlier termination of the Term, and if the Tenant has satisfied all of its obligations to the Landlord under this Lease, the Landlord will return the Performance Guaranty to the Tenant. Without limiting the generality of the first sentence of this Section 18.3, the Performance Guaranty is intended as security for the final damages under this Lease described in Section 17.3.2, as well as for the monthly installments of damages described in Section 17.3.1. To the extent necessary to permit the Landlord to retain the Performance Guaranty until any final damages have been determined, the Tenant waives the application of Section 1950.7 of the California Civil Code.

18.4 Replacement Security Deposit Methodology. Notwithstanding this Section 18, if the Landlord adopts and implements an airline funded bad debt reserve or similar methodology to replace the current performance guaranty requirements for airlines under the Tariff or terminal leases at the Airport, the Landlord and the Tenant agree that upon mutual agreement, such replacement security deposit methodology shall replace the Performance Guaranty requirement under this Section 18 without the prior approval or later ratification by the Board or the City Council.

19. Space Utilization.

19.1. Policy. Because the Airport is a public facility essential to regional and national transport and economy, as a matter of public policy the Landlord requires that space at the facilities of the Airport be fully utilized.

19.2. Cancellation upon Cessation of Service. If the Tenant shall for any reason cease to operate regularly scheduled or actual flight services at the Airport other than for reasons due to acts, events or conditions beyond the Tenant's control such as acts of God, weather conditions, work stoppages and other labor actions, riots, rebellion, sabotage, acts of a public enemy, war, terrorism, and insurrection, the Landlord may, on at least 30 days' prior notice to the Tenant, cancel this Lease. In the event of such a cancellation of this Lease, (i) the Tenant shall surrender the Demised Premises on the date specified in the Landlord's notice, in the condition required by the provisions of this Lease, (ii) the Base Rent and all additional rent shall be prorated as of the date of the cancellation, and (iii) this Lease shall terminate (subject to the provisions of Section 25.17) as of the date specified in the Landlord's notice.

19.3. Gate Scheduling Protocols.

19.3.1. The CEO, in his or her sole discretion, may from time to time issue protocols for the assignment of flights on Gates designated as either preferential-use or

common-use in the Terminals (the “T2/3 Scheduling Protocols”). The T2/3 Scheduling Protocols may be a subset of Airport-wide scheduling protocols (the “Airport-Wide Scheduling Protocols”, and together with the T2/3 Scheduling Protocols, the “Scheduling Protocols”).

19.3.2. The Tenant’s scheduled access to the Tenant’s Preferential-Use Gates and Common-Use Gates, if any, in the Terminals may be limited to certain periods of time based on the Scheduling Protocols issued by the CEO from time to time in accordance with this Lease.

19.3.3. The Tenant agrees that its access to Common-Use Gates and Preferential-Use Gates in the Terminals, including the Tenant’s Preferential-Use Gates (as defined in Section 19.4 below), after the Rent Commencement Date shall be subject to the Scheduling Protocols, issued or amended from time to time by the CEO in his or her sole discretion. The Landlord agrees:

- (a) to consult with the Tenant before adopting or amending any T2/3 Scheduling Protocols or Airport-Wide Scheduling Protocols;
- (b) to provide the Tenant with 30 days to comment on proposed language of any T2/3 Scheduling Protocols or Airport-Wide Scheduling Protocols, as well as on proposed language in any amendment thereto;
- (c) not to employ the T2/3 Scheduling Protocols or the Airport-Wide Scheduling Protocols as an independent means to convert any of the Tenant’s Preferential-Use Gates to Common-Use Gates as Section 19.8 hereof shall govern with respect to any such conversion; and
- (d) subject to the provisions of Section 19, to incorporate into the Scheduling Protocols a first scheduling priority on the Tenant’s Preferential-Use Gates for the Tenant’s advanced published schedules, *provided, however*, that if the Tenant’s operations result in the Tenant’s advanced published schedules being deemed unreliable as determined by the CEO in his or her sole discretion, this Section 19.3.3(d) shall not be applicable to such advanced published schedules.

19.3.4. The Tenant agrees that any Airport-Wide Scheduling Protocols issued by the CEO may include or be based on, but need not be limited to, scheduling preferences for:

- (a) aircraft arriving from international origins, departing to international destinations, and the domestic departure or arrival of such aircraft (collectively, “International Aircraft”); and/or
- (b) Large Aircraft; and/or

(c) Airlines having no Preferential-Use Gates assigned for their use; and/or

(d) Airlines demonstrating a higher overall utilization of Preferential-Use Gates assigned to such Airline and Common-Use Gates in use by such Airline, as measured in the sole discretion of the CEO, by scheduled aircraft seat capacity for a stated period, such period to be determined by the CEO in his or her sole discretion. In the computation of utilization, any such Scheduling Protocols also may, but is not required to, include the number of each applicable Airline's aircraft seats where the passengers for such aircraft are loaded or unloaded using a remote terminal facility or area at the Airport, but transit through a terminal in the Central Terminal Area at the Airport to reach such a remote terminal facility or area.

19.3.5. In connection with any Airport-Wide Scheduling Protocols in place from time to time, the Tenant acknowledges that the CEO may consider Airlines' utilization of their respective International Aircraft or Large Aircraft Gates in their respective leaseholds when determining scheduling preferences for International Aircraft or Large Aircraft for Preferential-Use Gates at the Airport. Any Airport-Wide Scheduling Protocols may assign different priorities to these and other aircraft based on operational considerations and need not prioritize them equally. In addition, in implementing such Airport-Wide Scheduling Protocols, the Landlord shall not be required to give a scheduling preference or prioritization on the basis of historical use or precedent.

19.4. Tenant's Preferential-Use Gates in the Terminals. As of the Delta Relocation Date, the Landlord has designated 22 Gates in the Terminals as preferential use (such Gates, the "Tenant's Preferential-Use Gates"). The Tenant's Preferential-Use Gates as of the Delta Relocation Date are identified in Exhibit E.

19.4.1. Notwithstanding the foregoing, if the Tenant does not expend the Minimum Investment Requirement by the Minimum Investment Requirement Deadline pursuant to Section 1.4.3, on the Minimum Investment Requirement Deadline the number of Tenant's Preferential-Use Gates shall be reduced to 16 Gates and the Landlord shall determine which of the Tenant's Preferential-Use Gates will be converted to Common-Use Gates. The determination as to which of the Tenant's Preferential-Use Gates are to be converted by the Landlord to Common-Use Gates shall be reasonably determined by the Landlord, after reviewing a gate proposal from the Tenant and having a consultation with the Tenant, based on operational efficiencies of the Airport including the Tenant's and Requesting Airline's (defined in Section 19.6.2 below), if any, goal for contiguous operations, aircraft gauge requirements and the configuration of available facilities, passenger convenience and public safety. Upon such reduction, the Tenant's Demised Premises shall be proportionately reduced pursuant to Section 19.9 below.

19.4.2. If the Tenant expends the Minimum Investment Requirement by the Minimum Investment Requirement Deadline pursuant to Section 1.4.3, and the CEO, through the DTIP approval and construction approval process, approves the construction

by the Tenant of additional Gates in the Terminals, such Gates will be designated as Tenant's Preferential-Use Gates upon completion; provided, however, that the Tenant has complied with all environmental requirements, if any, for such Gates prior to the construction of such Gates.

19.5. Landlord's Preferential-Use Gate Scheduling Rights. For the purpose of the Landlord's scheduling of aircraft of other Airlines on the Tenant's Preferential-Use Gates, the Scheduling Protocols are applicable to Preferential-Use Gates in the Terminals only during Non-Active Periods. The Landlord's determination of the Non-Active Periods shall be based on the Airlines' published schedules. For purposes of determining the Non-Active Periods, the Tenant shall provide the Landlord with 30 days' advance written notice of such schedule change. In addition to any other requirement included in the Scheduling Protocols, the Landlord shall have the right at any time to schedule aircraft operations of other Airlines on the Tenant's Preferential-Use Gates if such scheduling will not interfere with the Tenant's, its Landlord-approved subtenant(s)', handled airlines', accommodated Requesting Airlines', alliance partner airlines' or codeshare airlines', periods of Active Loading and Active Unloading. The CEO shall use reasonable best efforts to provide the Tenant at least one week advance notice prior to scheduling aircraft on the Tenant's Preferential-Use Gates.

19.5.1. In scheduling and specifically assigning the Tenant's aircraft to each of the Tenant's Preferential-Use Gates, the Tenant shall use its reasonable best efforts, in good faith, to (i) assign domestic operations to the Tenant's Preferential-Use Gates that are not configured to accommodate international arriving passengers, and (ii) assign exclusively Large Aircraft operations to the Tenant's Preferential-Use Gates configured to accommodate Large Aircraft, provided, however, that clause (ii) shall not be applicable when the Tenant's Preferential-Use Gates configured for non-Large Aircraft are fully occupied due to the Active Loading and Active Unloading of aircraft on such Gates.

19.5.2. Notwithstanding anything in this Lease to the contrary, in order to minimize operational inconvenience to other airlines' air passengers and aircraft operations, the Tenant shall make good faith efforts to assist the Landlord in accommodating other Airlines' aircraft operations on the Tenant's Preferential-Use Gates during periods of emergencies and irregular operations caused by, among other things as reasonably determined by the CEO, extreme weather at the Airport or other airports, air traffic control or airline operational technology failures, aviation incidents or accidents, labor strikes or slowdowns, acts of God, enemy action, terrorist acts, or civil commotion. The Tenant's obligations to make good faith efforts to assist the Landlord in such circumstances shall not be constrained by the notice period contained in Section 19.5 or any other notice period, although the CEO shall make good faith efforts to provide the Tenant with as much notice as is reasonably possible once a period of emergency or irregular operations has been determined to exist. However, the Tenant's obligations under this subsection shall not extend to a requirement that the Tenant's scheduled aircraft operations will be unduly delayed or inconvenienced, as determined by the CEO, and the Tenant's irregular operations shall have priority over the irregular operations of other Airlines on the Tenant's Preferential-Use Gates. In addition, the Tenant's obligation to make good faith efforts as described herein shall not be extended to accommodate

aircraft of Airlines having a lease with the Landlord at the Airport that provides such Airline with Gates that are either (a) exclusive-use, or (b) preferential-use but does not provide, in a lease or by another agreement, an obligation for such Airline to accommodate the Tenant's flights on such Gates during periods of emergency or irregular operations.

19.6. Landlord's Accommodation Rights.

19.6.1. The Tenant acknowledges that the Landlord has an obligation under Federal law to provide Airport access to all qualified Airlines on reasonable terms and without unjust discrimination. As such, the Tenant agrees that its first priority scheduling and preference on the Tenant's Preferential-Use Gates includes an associated obligation to make best efforts, to assist the Landlord in accommodating, at the Tenant's Preferential-Use Boarding Facilities, Airlines seeking to initiate air service at the Airport, including new entrant carriers and limited incumbent carriers as defined by 14 CFR 93.213, as may be amended from time to time, as well as other incumbent Airlines seeking to expand their present air service at the Airport which air service may include, but not be limited to, air service that enhances competition on routes served by the Tenant and/or other Airlines operating at the Airport, whether such air service is provided by current or future Airlines operating at the Airport; *provided, however*, that such obligation shall not include or require the Tenant to adjust its published schedule or aircraft type. The Tenant also agrees to allow an accommodated Airline to place and operate in the Preferential-Use Boarding Facilities the accommodated Airline's mobile passenger processing equipment during the times the accommodated Airline uses the Tenant's Preferential-Use Gate if such use does not impede on the Tenant's concurrent operations on such Gate or adjacent Gates. However, if the Tenant has installed common-use equipment that reasonably meets an accommodated Airline's operational requirements at the Tenant's Preferential-Use Boarding Facilities, the CEO may require the accommodated Airline to use the Tenant's common-use equipment instead of the accommodated Airline's mobile passenger processing equipment, if the Tenant requests such use. Further, the Tenant shall have no responsibility to store the accommodated Airline's mobile passenger processing equipment when not in use and the accommodated Airline will remove equipment from the Demised Premises, unless the Tenant otherwise agrees.

19.6.2. From time to time, the CEO may foresee that it will be unable to reasonably, efficiently, and adequately accommodate the existing or the proposed change or increase in operations of an Airline either at its common-use Gates and associated Airport facilities or at the Preferential-Use Boarding Facilities of various Airlines. When this occurs, the CEO shall first require the Airline seeking to be accommodated (the "Requesting Airline") to coordinate directly with all Airlines at the Airport to attempt to establish an adequate accommodation arrangement. If this attempt proves unsuccessful as determined by the CEO, the CEO shall provide a written notification to all Airlines at the Airport of the Landlord's need to accommodate the proposed operations of the Requesting Airline (the "Accommodation Notice"). The purpose of this Accommodation Notice shall be to encourage the Airlines at the Airport to develop a reasonable solution,

acceptable to the CEO, in his or her sole discretion, that adequately addresses the Landlord's need to accommodate the proposed operations of the Requesting Airline.

19.6.3. After the CEO provides the Accommodation Notice, the Tenant shall, within 30 days, advise the CEO the extent to which it can accommodate the proposed operations of the Requesting Airline and must submit to the CEO a written plan for accommodating the proposed operations of the Requesting Airline, including all proposed agreements and contracts required for such accommodation. Based on the plans received, the CEO will determine, in his or her sole discretion, if and how the proposed operations of the Requesting Airline will be accommodated within the Tenant's Preferential-Use Boarding Facilities.

19.6.4. If the CEO determines, in his or her sole discretion, that accommodating the proposed operations of the Requesting Airline can be reasonably, efficiently, and adequately be accommodated, in part or whole, on the Tenant's Preferential-Use Boarding Facilities, the CEO may, by written notice, advise the Tenant and the Tenant shall, on its own or in combination with other Airlines, accommodate the proposed operations of the Requesting Airline in accordance with any reasonable plan developed by the CEO, after joint consultation with both the Tenant and the Requesting Airline, provided, that such plan shall not cause the Tenant to unreasonably adjust its published schedule nor to adjust aircraft type and such accommodation shall only be required if the Requesting Airline can schedule its use of the Tenant's Preferential-Use Gates during Non-Active Periods (after such adjustments). The CEO shall use his or her reasonable efforts to fairly allocate accommodations of Requesting Airlines amongst Airlines' Preferential-Use Boarding Facilities at the Airport if such Airlines' leases allow for such accommodation.

19.7. Use of Preferential-Use Boarding Facilities by Other Airlines.

19.7.1. Generally. The following shall apply any time the Tenant accommodates other Airlines in their Preferential-Use Boarding Facilities:

(a) The Tenant shall be entitled to charge other Airlines using its Preferential-Use Boarding Facilities on a monthly basis, for their estimated Pro Rata share of the Tenant's total direct costs (including the Base Rent, any additional rent and maintenance costs), which are substantially related to such Preferential-Use Boarding Facilities, using standard and accepted accounting principles, together with a not-to-exceed fifteen percent (15%) administrative charge. Charges to other Airlines that are equal to or less than 125% of the Tenant's average cost should not be deemed unreasonable. The CEO shall have the right to periodically audit the Tenant's books and records, upon reasonable notice, with respect to the computation of the Tenant's charges to the other Airline for the use of its Preferential-Use Boarding Facilities. The Tenant shall have the right to collect a security deposit in advance from the other Airline using its Preferential-Use Boarding Facilities. Such security deposit shall not exceed the reasonably estimated charges for three (3) months. The CEO shall have the

right to approve the form and content of the Tenant's agreements relating to the use by another Airline of its Preferential-Use Boarding Facilities, which approval shall not be unreasonably withheld or denied.

(b) The Tenant may require Airlines being accommodated on the Tenant's Preferential-Use Boarding Facilities to provide insurance coverage and agree in writing to indemnify the Tenant in the manner and to the extent required of the Tenant by the Landlord hereunder.

(c) Any sublet, license or sublease of the Tenant's Demised Premises shall also be subject to the requirements of Section 16.

(d) Ground Service and Passenger Service Companies. Airlines being accommodated on the Tenant's Preferential-Use Boarding Facilities shall have the right to use any ground service companies on the ramp and passenger service companies in the Terminals (provided that such companies are authorized to operate at the Airport) and shall not be required to use the Tenant's employees or the Tenant's ground service or passenger service companies. The Landlord shall require any ground service company on the ramp that an accommodated airline is using to have their equipment on the ramp only during Active Periods and to remove any equipment from the ramp during Non-Active Periods.

19.7.2. Accommodation of Requesting Airline. The following shall only apply when the CEO requires the Tenant to accommodate a Requesting Airline pursuant to Section 19.6:

(a) During such period of time that a Requesting Airline is using the Tenant's Preferential-Use Boarding Facilities as required by the CEO pursuant to Section 19.6, the Tenant's indemnification of the Landlord as required under this Lease shall not extend to the use, occupancy and operations of the Requesting Airline at the Tenant's Preferential-Use Boarding Facilities, unless damage or injury is caused by or contributed by the Tenant, its officers, directors, employees, agents or invitees who have come upon the Tenant's Preferential-Use Boarding Facilities in connection with the Tenant's occupancy thereof.

(b) The CEO may require the Tenant to tow aircraft from the Passenger Terminal Apron Area adjacent to the Tenant's Preferential-Use Gate, if the Landlord requires the Tenant to accommodate a Requesting Airline on its Preferential Use Boarding Facilities pursuant to Section 19.6. The CEO shall designate an area to which the aircraft is to be towed, and will make reasonable efforts to assign a reasonably convenient parking location. This obligation of the Tenant to tow any parked aircraft not engaged in an Active Loading or Active Unloading operations shall include, but not be limited to, any parked aircraft remaining overnight. This towing requirement shall not be invoked by the CEO if the period of time between the completion of the Active Unloading and the commencement of the Active Loading periods for a turn-around aircraft operation

is less than 90 minutes. The Tenant shall receive a credit in the amount to be mutually determined based on actual costs, per single direction tow as evidenced by third-party towing rates (which fee shall be subject to adjustment from time to time after consultation with the Tenant) from the Landlord whenever the Tenant tows aircraft at the CEO's direction from the Passenger Terminal Apron Area adjacent to the Tenant's Preferential-Use Gate to accommodate use by a Requesting Airline. In the event the Tenant fails to remove any aircraft which the CEO has directed the Tenant to tow under the provisions hereof, in an expeditious manner as determined by the CEO in its sole discretion, then, in addition to all other rights and remedies included herein, the CEO may, but shall not be obligated to, cause the removal of such aircraft without any liability to the Tenant, whereupon the Tenant shall pay to the Landlord (1) all costs thereof incurred by the Landlord plus a fifteen percent (15%) administrative fee, or (2) double the towing reimbursement fee set forth above, whichever is greater. In such case, the Tenant also agrees that, if the Landlord, or a competent, insured agent, moves the Tenant's aircraft (1) any claim for compensation against the Landlord and any of its officers or employees, for any loss or damage sustained to any such aircraft, or any part thereof, by reason of such removal is waived, and (2) the Tenant shall indemnify the Landlord and its officers and employees against all liability arising out of such removal of said aircraft. Nothing in this section shall impair the rights of the Tenant vis-à-vis the agent who moves the Tenant's aircraft.

19.8. Conversion of Preferential-Use Gates to Common-Use Gates

19.8.1. If, after undertaking the accommodation procedures in Section 19.6 above, the Landlord determines, in its sole discretion, after taking into account the efficient and competitive operation of the Airport and the opportunities for making Gates available elsewhere at the Airport through conversion or otherwise, that the options available for accommodating the flights of a Requesting Airline on the Tenant's Preferential-Use Boarding Facilities do not satisfy the reasonable operational requirements of the Requesting Airline, the Landlord may terminate the Tenant's first priority scheduling and preference on the Tenant's Preferential-Use Gates and convert, subject to a 90-day written notice, certain of the Tenant's Preferential-Use Gates, and other Airlines' Preferential-Use Gates as applicable, to Common-Use Gates and make the related premises adjustments discussed in Section 19.9 below, subject to the following:

(a) The Tenant's scheduled activities on the Tenant's Preferential-Use Gates, combined with those of the Tenant's Landlord-approved subtenants, handled airlines, accommodated Requesting Airlines, alliance partner airlines or codeshare airlines, have, in the prior six (6) months using actual flight activity, not exceeded the Minimum Utilization Requirement, and are projected by the Landlord to not exceed the Minimum Utilization Requirement based on publically available published schedules for the then forthcoming six (6) months. Any of Tenant's Preferential-Use Gates that were out of service pursuant to a DTIP Project or a Minimum Investment Project shall be excluded from the Minimum

Utilization Requirement calculation.

(b) The number of the Tenant's Preferential-Use Gates to be converted by the Landlord to Common-Use Gates will be the number required to accommodate the Requesting Airline's need as reasonably determined by the Landlord but no more than is required to result in the Tenant exceeding the Minimum Utilization Requirement after the conversion process is completed. The determination as to which of the Tenant's Preferential-Use Gates are to be converted by the Landlord to Common-Use Gates shall be reasonably determined by the Landlord, after reviewing a gate proposal from the Tenant and having a consultation with the Tenant, based on operational efficiencies of the Airport including the Tenant's and Requesting Airline's goal for contiguous operations, aircraft gauge requirements and the configuration of available facilities, passenger convenience and public safety.

(c) The CEO may issue the standards that comprise the Minimum Utilization Requirement and the Minimum Performance Levels required for each standard from time to time in his or her sole discretion subject to the requirement that (a) the Landlord shall have reasonably consulted on the proposed standards with the Tenant and other Airlines subject to similar Preferential-Use Gate conversion and related premises deletion provisions and shall have given due consideration to any comments provided by the Tenant and other Airlines; (b) the Landlord shall, at a minimum, have two distinct standards in the Minimum Utilization Requirement that include, separately, (i) an average seats per gate per day standard and (ii) an average aircraft turns per gate per day standard; and (c) the Landlord's measurement of the Tenant's performance relative to these standards shall be based on an evaluation of actual or published schedules over a reasonable duration of time. However, the Tenant recognizes that when establishing the method for calculating the average aircraft turns per gate per day standard that is part of the Minimum Utilization Requirement, the Landlord may discount the value of the contribution of aircraft turns for aircraft less than 101 seats so long as the Landlord does not discount aircraft with greater than 65 (but less than 101 seats) seats by more than fifty percent (50%) and aircraft with 65 seats or less by more than seventy-five percent (75%).

(d) The Landlord shall not initiate the process for converting the Tenant's Preferential-Use Gates to Common-Use Gates pursuant to this Section 19.8 if the purpose of such conversion is solely to accommodate the flights of another Airline, or flights of any aircraft operator where all seats on such flights are for the passengers of such Airline, having a lease with the Landlord at the Airport that provides such Airline with Gates that are either (a) exclusive-use, or (b) preferential-use and in both cases not subject to conversion to common use based on the Minimum Utilization Requirement.

19.9. Deletion of Demised Premises Upon Conversion of Preferential-Use Gates to Common-Use Gates. The efficient use of the terminals in the public interest requires that certain

critical facilities in the Demised Premises (consisting of facilities such as ticket counters, back office space, holdrooms and operations space) be available for use to Airlines that from time to time can make the most productive use of such critical facilities. The Landlord shall therefore have the right to proportionately reduce the Tenant's Demised Premises relative to the number of the Tenant's Preferential-Use Gates that have been converted to Common-Use Gates pursuant to Sections 19.4.1 and 19.8. The Tenant shall also have the right to have the Landlord proportionately reduce the Tenant's Demised Premises relative to the number of the Tenant's Preferential-Use Gates that have been converted to Common-Use Gates pursuant to Sections 19.4.1 and 19.8. Unless otherwise agreed to by the Landlord and the Tenant, the Landlord's deletion of the Demised Premises (such deleted space, the "Converted Demised Premises") shall be based on the following:

19.9.1. If the Landlord converts one (1) of the Tenant's Preferential-Use Gates that is configured to handle aircraft having 175 seats or less to a Common-Use Gate pursuant to Sections 19.4.1 or 19.8 above, the Landlord shall have the right under this Section 19.9 to delete from the Demised Premises, for each such conversion, (a) four (4) ticket counter positions; (b) 500 square feet of back office space, (c) the adjacent holdroom, and (d) 1,000 square feet of operations space which includes space required for maintaining and servicing the aircraft and flight operations ("Operations Space").

19.9.2. If the Landlord converts one (1) of the Tenant's Preferential-Use Gates that is configured to handle aircraft having more than 175 seats to a Common-Use Gate pursuant to Sections 19.4.1 and 19.8 above, the Landlord shall have the right under this Section 19.9 to delete from the Demised Premises, for each such conversion, (a) six (6) ticket counter positions; (b) 500 square feet of back office space, (c) the adjacent holdroom, and (d) 1,000 square feet of Operations Space.

The location in the Demised Premises that will be converted to Converted Demised Premises shall be reasonably determined by the Landlord, after consultation with the Tenant. The CEO shall deliver to the Tenant a notice electing to remove the Converted Demised Premises from the Demised Premises on a date specified in the notice and not less than 60 days following the date on which the notice is delivered. If the Landlord elects to delete the Converted Demised Premises in accordance with the provisions of Section 19.9, (a) the Tenant shall surrender the Converted Demised Premises on the date specified in the Landlord's notice of election, in the condition required by the provisions of this Lease, (b) the Converted Demised Premises shall be eliminated from the Demised Premises, and Exhibits A-1 or A-2, as applicable, shall be amended accordingly by the CEO without the prior approval or later ratification by the Board or City Council, (c) the Base Rent shall be appropriately adjusted after subtracting the square footage of the Converted Demised Premises from the then square footage of the Demised Premises, (d) any other additional rent payable for any period from and after the date of the deletion of Converted Demised Premises shall be appropriately adjusted, and (e) any necessary proration of the Base Rent, and all other additional rent shall be made as if, for the Demised Premises, the date of the deletion of Converted Demised Premises were the last day of the Term, and (f) the Tenant shall be released from all liability or obligations hereunder relating to the Converted Demised Premises except such liabilities or

obligations that occurred during the Tenant's occupancy and which expressly survive termination of this Lease.

19.10. Establishment of Preferential-Use Requirements. During the Term, the CEO may, from time to time, as part of the Scheduling Protocols, establish one or more standards and minimum performance levels for such standards (the "Preferential-Use Requirement") to allow the Tenant and other airlines at the Airport to request that a Common-Use Gate be converted for use as a Preferential-Use Gate. Once the Preferential-Use Requirement is established by the CEO, in his or her sole discretion, the Tenant may request that the CEO convert one or more Common-Use Gates to Preferential-Use Gates, including, but not limited to, Gates that have previously been converted to Common-Use Gates pursuant to Section 19.8. Following such a request from the Tenant, the CEO shall give reasonable consideration to the Tenant's request in the context of current and forecasted traffic, demand for facilities from various airlines at the Airport, the demand-supply relationship of aircraft operations and available Common-Use Gates, and other factors affecting the efficient and competitive operation of the Airport. In such context, the CEO shall also give reasonable consideration to any related request for support space associated with the operation of such Gates. Notwithstanding the right of the Tenant to request the conversion of one or more Common-Use Gates to Preferential-Use Gates, except as may be defined in the T2/3 Scheduling Protocols or the Airport-Wide Scheduling Protocols or as otherwise agreed to by the Landlord and the Tenant, the Landlord shall be under no obligation to approve such a request for such conversion under this Lease. Further, if the CEO approves the Tenant's request for such a conversion pursuant to this section, in order to minimize operational inconveniences for airlines that then use or have had use of such Gate, subject to the conversion request, the CEO may place transitional conditions and limitations on the Tenant's scheduling rights as part of any approval of additional Preferential-Use Gates.

19.11. Further Accommodations. The Tenant agrees that from the Delta Relocation Date to the earlier of (a) March 31, 2020 or (b) the operation of at least one Gate in the Midfield Satellite Concourse ("MSC"), the Tenant shall do the following:

19.11.1. To facilitate the operation, on Terminal 2 Gates, of Wide-Body Aircraft of all Foreign Flag Airlines that continue to be based in and use the Terminals pursuant to the Relocation Plan, the Tenant shall make a good faith effort to use Terminal 3 Gates for its flights that do not require FIS access.

19.11.2. Accommodate the arrival of certain international flights needing FIS clearance on Tenant's Preferential-Use Gates in Terminal 2 that are FIS-accessible, as follows:

(a) All Foreign Flag Airline flights that continue to be based in and use the Terminals pursuant to the Relocation Plan; and

(b) Southwest flights for up to five (5) daily flights requiring FIS access, so long as no more than two (2) Southwest flights require access to FIS gates simultaneously and the Southwest flights do not cause the Tenant's flights requiring FIS access to be serviced remotely. For clarity, if the Tenant needs all

FIS-accessible Gates for its international arriving flights, Southwest will be required to use a remote Gate during the period that the Tenant is utilizing the FIS-accessible Gates for its international arriving flights.

19.11.3. From the Delta Relocation Date, the Tenant shall follow the above priority accommodation in Subsections 19.11.1 and 19.11.2 until:

(a) For all narrow-body international aircraft (Foreign Flag Airlines and Southwest), until the operational date of no less than four new and/or reconfigured narrow-body aircraft loading bridge contact Gates on the northeast portion of TBIT; and

(b) For Foreign Flag Airlines wide-body international aircraft, until the earlier of (i) March 31, 2020 or (ii) the operation of at least one Gate in the MSC.

19.12. Tom Bradley International Terminal Gates. As of the Lease Commencement Date, the Tenant has advised the Landlord that it may wish to use Common-Use Gates in TBIT, which is subject to the terms and conditions of the Tariff and the scheduling protocols in place for Common-Use Gates in TBIT. If the Tenant obtains Preferential-Use Gates pursuant to this Section 19.12, the Landlord's scheduling rights for the Tenant's Preferential-Use Gates as described in Sections 19.5 through 19.7 shall be applicable to the Tenant's Preferential-Use Gates in TBIT. Further, except as otherwise indicated in this Section 19.12, such Preferential-Use Gates shall be subject to the scheduling protocols in place for TBIT Gates.

19.12.1. The Tenant shall have the right to request conversion of one or more Common-Use Gates in TBIT to a Preferential-Use Gate under the following terms and conditions:

(a) Minimum Utilization Requirement. The Tenant must meet the minimum utilization requirement as follows:

(i) If the request is made prior to the Delta Relocation Date, the Tenant (with its Affiliates, other pre-approved airlines and subtenants) must have exceeded, for the Preferential-Use Gates of the Tenant in Terminals 5 and 6, the minimum utilization requirement for such Gates pursuant to the T5 Scheduling Protocols or the T6 Scheduling Protocols (as defined in the Delta T5/6 Lease), as applicable, during a 12-month measurement period ending in the 90 days prior to the request.

(ii) If the request is made after the Delta Relocation Date and if it is made during the first 12 months after the Delta Relocation Date, the Tenant (with its Affiliates, other pre-approved airlines and subtenants) must demonstrate it will exceed the Minimum Utilization Requirement on the Tenant's Preferential-Use Gates based on actual results in the Terminals to date combined with its planned schedule for the remaining

12 month measurement period that has not yet occurred in the Terminals. Any of the Tenant's Preferential-Use Gates scheduled to be out of service pursuant to a DTIP Project or a Minimum Investment Project shall be excluded from the Minimum Utilization Requirement calculation.

(iii) If the request is made 12 months or more after the Delta Relocation Date, the Tenant (with its Affiliates, other pre-approved airlines and subtenants) must have exceeded the Minimum Utilization Requirement on the Tenant's Preferential-Use Gates in the Terminals during a 12-month measurement period ending in the 90 days prior to the request. Any of the Tenant's Preferential-Use Gates scheduled to be out of service pursuant to a DTIP Project or a Minimum Investment Project shall be excluded from the Minimum Utilization Requirement calculation.

(b) The Tenant (with its Foreign Flag Partners) must present a proposed schedule for the use of the Preferential-Use Gate in TBIT in which over the 12 month period after conversion demonstrates (i) the planned utilization by the Tenant for international turnaround operations, international arrivals, and domestic departures turning from an international arriving aircraft in less than three hours, and (ii) for the Tenant's Foreign Flag Partners' international Wide Body Aircraft operations enplaning passengers at the TBIT Gate that is proposed to be converted, such passengers will be processed in the Terminals.

19.12.2. In response to the Tenant's request to convert one or more TBIT Common-Use Gate to a Preferential-Use Gate, the Landlord will designate one or more Common-Use Gates for conversion to a Preferential-Use Gate if:

(a) The Landlord finds the Tenant's planned schedules to be credible, using reasonable judgment, and

(b) The Tenant's planned use of converted TBIT Gate(s) using seats per Gate per day on international arriving seats plus international departing seats equals at least 125% of the TBIT average international arriving seats plus international departing seats per Gate per day for the prior three (3) month period.

19.12.3. Notwithstanding Section 19.12.2, without the prior approval or later ratification by the Board or City Council, the CEO may, in his or her sole discretion, amend the requirements under Section 19.12.2 for the conversion of a TBIT Common-Use Gate to a Preferential-Use Gate, subject to written agreement by the Tenant of such amendment, and further subject to approval as to form by the City Attorney.

19.12.4. The Tenant may not request that more than two (2) TBIT Common-Use Gates be converted to Preferential Use-Gate prior to the second anniversary of the Delta Relocation Date. After the later of such second anniversary or December 31, 2019, the Tenant may request that additional Common-Use Gates be converted to Preferential-Use Gates.

19.12.5. Any Common-Use Gate in TBIT converted to a Preferential-Use Gate pursuant to this Section 19.12 will convert back to a Common-Use Gate if either (a) the Tenant's use of its Gates in the Terminals falls below the Minimum Utilization Requirement pursuant to the T2/3 Scheduling Protocols, or (b) the Tenant's use of its Preferential-Use Gate(s) in TBIT falls below 100% of the average utilization (arriving and departing) on all TBIT plus MSC gates in the prior 12 months (the "TBIT Retention Requirement"). The Tenant's Preferential-Use Gates to be converted by the Landlord to Common-Use Gates shall be reasonably determined by the Landlord, after reviewing a gate proposal from the Tenant and having a consultation with the Tenant, based on operational efficiencies of the Airport including the Tenant's and Requesting Airline's, if any, goal for contiguous operations, aircraft gauge requirements and the configuration of available facilities, passenger convenience and public safety, and shall be converted upon 120 days' written notice by the Landlord to the Tenant. Further, with respect to clause (b), if the TBIT Retention Requirement on the conversion date is higher than the TBIT Retention Requirement when the Tenant obtained the Preferential-Use Gate in TBIT, then the Gate's status will be maintained as a Preferential-Use Gate(s) if the Tenant presents a published schedule that would meet the new higher requirement for the succeeding 12 months. The number of Preferential-Use Gates converted back to Common-Use Gates will be the minimum number to achieve compliance with clause (b).

19.12.6. The Tenant shall have the right to use its proprietary ramp equipment at the Tenant's Preferential-Use Gate(s) in TBIT. However, at any time an Accommodated Airline is assigned to use the Tenant's Preferential-Use Gate(s) in TBIT, the Tenant shall make best efforts to relocate its ramp equipment from the Gate area.

19.12.7. The Tenant will be allowed to install proprietary ticketing/gate equipment into the Landlord's existing common use millwork at the Tenant's Preferential-Use Gate(s) in TBIT so long as the common use equipment in the existing millwork at these locations remains functional and the appearance of the Landlord's common use millwork is not changed.

20. End of Term.

20.1. Surrender. Upon the expiration of the Term or earlier termination of this Lease, the Tenant will quit and surrender to the Landlord the Tenant Areas, broom clean, in good order and in the condition required by the provisions of this Lease, ordinary wear and tear, casualty damage governed by Section 14 and damage which Landlord is obligated to repair under this Lease in each case excepted.

20.2. Holdover. If the Tenant remains in possession of the Tenant Areas after the termination of this Lease (whether at the end of the Term or otherwise) without the execution of a new lease or an extension or amendment to this Lease, without derogation of any other rights of the Landlord hereunder, including the Landlord's right, after a thirty (30) day written notice, to require payments for such use under the Tariff, then such occupancy shall be considered a month to month tenancy subject to the terms of this Lease. Acceptance by the Landlord of holdover rent after the termination of this Lease shall not be deemed to create or evidence a

renewal of this Lease. The foregoing provisions of this Section 20.2 are not intended to limit or otherwise modify the Landlord's right of re-entry or any other right of the Landlord under this Lease or as otherwise provided by law, and shall not affect any right that the Landlord may otherwise have to recover damages from the Tenant for loss or liability incurred by the Landlord resulting from the Tenant's failure to timely surrender the Tenant Areas. Nothing contained in this Section 20 shall be construed as a consent by the Landlord to any holding over by the Tenant, and the Landlord expressly reserves the right to require the Tenant to surrender possession of the Tenant Areas to the Landlord upon the expiration or earlier termination of the Term as provided in this Lease. Notwithstanding anything to the contrary contained in this Lease, imposition of the Tariff following termination of this Lease (whether at the end of the Term or otherwise) after thirty (30) days' advance written notice, shall be at the sole discretion of the Landlord.

21. Other Covenants.

21.1. Quiet Enjoyment. The Landlord covenants with the Tenant that, upon the Tenant paying the Base Rent and all additional rent and observing and performing all the other terms, covenants and conditions on the Tenant's part to be observed and performed under this Lease, the Tenant may peaceably and quietly enjoy the Demised Premises (subject, however, to the terms and conditions of this Lease) free of interference by anyone claiming by, through or under the Landlord.

21.2. Rights of Flight. The Landlord reserves, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the Terminals, including the right to cause any noise and vibration inherent in the operation of any aircraft through the airspace or landing at, taking off from, or operating at the Airport. The Tenant will not make any claim against the Landlord under any theory of recovery for any interference with the Tenant's use and enjoyment of the Tenant Areas that may result from noise or vibration emanating from the operation of aircraft at the Airport.

21.3. Airport and Terminal Management.

21.3.1. Authority of Landlord in Common Use Areas And Public Area. The Tenant acknowledges that the Airport is a public facility essential to regional and national transport and economy and that the Landlord is a political subdivision with a public responsibility for the proper functioning of the Airport and the Terminals. In order to carry out its responsibilities (including its obligations to comply with the requirements of the Federal Aviation Administration, the U.S. Transportation Security Administration, and other Legal Requirements), the Landlord must therefore have broad power to regulate activities in the Airport and in the areas of the Terminals not part of the Demised Premises. Without limiting any other specific provisions of this Lease, the Landlord shall have the right to adopt from time to time rules and regulations, and may make other specific orders, for the conduct of operations in the Common Use Areas and Public Area. The Tenant shall at all times comply with any rules and regulations from time to time so adopted and any specific orders so made by the Landlord (and of which the Tenant shall have received a copy in writing), provided only that the rules and regulations are adopted, and the orders made, by the Landlord in the good faith discharge of its public

responsibilities and do not unreasonably discriminate against the business operations of the Tenant in the Tenant Areas.

21.3.2. Major Changes. The Landlord may make any change to the Terminals or the Airport that the Landlord determines may be necessary or desirable. The Tenant acknowledges that the Landlord may undertake various improvements to the Airport and the Terminals during the Term, and that the construction of the improvements may interfere with the Tenant's operations at the Terminals. The Landlord and the Tenant will cooperate in good faith to address the construction requirements and to attempt to mitigate the effects on the Tenant's operations. The Landlord shall make reasonable efforts to provide access to the Demised Premises in the event that access to the Demised Premises is impacted as a result of the construction of the improvements made by the Landlord to the Terminals or the Airport.

21.4. No Landlord's Representations. The Tenant has examined and agrees to accept the Demised Premises and the Terminal "as is", in their condition and state of repair existing on the date of the Tenant's execution and delivery of this Lease. The Landlord makes no representations, express or implied, as to the current condition of the Terminal, the Airport or the Demised Premises, or the equipment and systems serving the Terminals, the Airport or the Demised Premises. To the maximum extent permitted by law, the Tenant waives the right to make repairs at the expense of the Landlord and the benefit of the provisions of Sections 1941 and 1942 of the California Civil Code.

21.5. Communications Equipment and Antennae. The Tenant has no right to install or use any telecommunications equipment or antennae on the roof or exterior of the Terminals, unless (a) the installation and use are directly related to the conduct of the Tenant's business at the Demised Premises and are in full compliance with the Landlord's permit process and telecommunications policies, as established in the discretion of the Landlord and from time to time in effect, and (b) the installation is effected in compliance with the requirements of Section 4. The Tenant will not license, sublease or in any other manner permit any other Person to use any telecommunications equipment or antennae installed by the Tenant at the Terminals; *provided, however*, that the Tenant may license, sublease or in any other manner permit the Tenant's subtenants and Affiliates to use any telecommunications equipment or antennae installed by the Tenant at the Terminals so long as (i) such use is for aeronautical purposes and (ii) neither the Tenant, the Tenant's subtenants or Affiliates receive compensation from such use. The Landlord shall have the right, without compensation to the Tenant, to install or use telecommunications equipment or antennae on the roof or exterior of the Demised Premises and to install and attach cables, wires and conduits on, over or under the Demised Premises in connection with telecommunications equipment or antennae, or to license or otherwise permit others to do so.

21.6. Signs and Advertising Materials. Except as set forth in this Section 21.6, the Tenant will not place any signs or advertising materials, other than identification signs for the Tenant's operations, in any location at the Terminals without the prior consent of the Landlord, which consent may be withheld in the discretion of the Landlord. The Tenant will not place any identification signs for the Tenant's operations in any location at the Terminals without the prior consent of the Landlord, which consent shall not be unreasonably withheld. Any request for the

approval of identification signs for the Tenant's operations shall be accompanied by illustrative drawings and design dimensions together with information about the type of identification signs proposed by the Tenant and the locations in which the signs are proposed to be installed. The Tenant will comply with any conditions to the installation or use of signs to which the Landlord may make its consent subject. The Tenant will keep all ticket counter space used by the Tenant and any associated ticket lifts and podiums free of all signs, advertising materials, credit card application dispensing units, posters and banners. The Landlord may without notice remove any unauthorized signs or advertising materials, and may store them at the Tenant's expense, and may dispose of them if they are not promptly claimed by the Tenant after notice from the Landlord.

21.7. Environmental Matters. The Tenant's activities at or about the Tenant Areas and the Application of all Hazardous Materials by the Tenant, its employees, agents, contractors, or subcontractors, shall comply at all times with all Environmental Requirements. Except for conditions existing before the original occupancy of the Tenant Areas by the Tenant, in the case of any spill, leak, discharge, release or improper storage of any Hazardous Materials on the Demised Premises or contamination of the Demised Premises with Hazardous Materials by the Tenant, its employees, agents, contractors, or subcontractors, (or by the Tenant or its employees, agents, contractors, or subcontractors onto any other property at the Airport), the Tenant will make or cause to be made any necessary repairs or corrective actions as well as to clean up and remove any spill, leakage, discharge, release or contamination, all in accordance with applicable Environmental Requirements. At the expiration or earlier termination of the Term, the Tenant will promptly remove from the Tenant Areas all Hazardous Materials Applied by the Tenant at the Tenant Areas. If the Tenant installs or uses underground storage tanks, above-ground storage tanks, pipelines, or other improvements on the Tenant Areas for the storage, distribution, use, treatment, or disposal of any Hazardous Materials, the Tenant will, upon the expiration or earlier termination of the Term, remove or clean up such improvements, at the election of the Landlord, at the sole expense of the Tenant and in compliance with all Environmental Requirements and the reasonable directions of the Landlord, *provided, however*, that this sentence shall not apply to the portion of the pipelines that extend from the fuel vault to the fuel farm. The Tenant shall be responsible and liable for the compliance with all of the provisions of this Section 21.7 by the Tenant's officers, employees, contractors, assignees, sublessees, agents and invitees. The Tenant will, at its expense, promptly take all actions required by any governmental agency in connection with the Tenant's Application of Hazardous Materials at or about the Tenant Areas, including inspection and testing, performing all cleanup, removal and remediation work required for those Hazardous Materials, complying with all closure requirements and post-closure monitoring, and filing all required reports or plans. All of the foregoing work and all Application of Hazardous Materials shall be performed in a good, safe and workmanlike manner by personnel qualified and licensed to undertake the work and in a manner that will not materially interfere with the Landlord's use, operation and leasing of the Terminals or the Airport and other tenants' quiet enjoyment of their premises. At the Landlord's request, the Tenant will deliver to the Landlord copies of all permits, manifests, notices, and all other documents relating to the Tenant's Application of Hazardous Materials at or about the Tenant Areas. Notwithstanding the foregoing, the Tenant will, without the Landlord's request, deliver to the Landlord before delivery to any agency, or promptly after receipt from any agency, copies of all closure or remedial plans, notices, and all other documents relating to any spill, leak, discharge, release, improper storage, contamination or cleanup resulting from the Tenant's Application of

Hazardous Materials at or about the Tenant Areas. The Tenant will keep the Landlord fully informed of its Application of Hazardous Materials, and, if the Tenant Applies Hazardous Materials, the Landlord may engage one or more consultants to review all permits, manifests, remediation plans and other documents related to the Application of the Hazardous Materials. The Landlord's reasonable out-of-pocket costs of engaging the consultants will be paid by the Tenant.

21.8. Security. The Tenant will fully comply with all Legal Requirements relating to airfield and airport security. The Tenant will maintain and keep in good repair that portion of the Airport perimeter fence, including gates and doors, that are in the Demised Premises or controlled by the Tenant. The Tenant will comply fully with applicable provisions of the Transportation Security Administration Regulations, 49 CFR Sections 1500 through 1550, as may be amended from time to time, or any successor statute, including the establishment and implementation of procedures acceptable to the Landlord to control access from the Demised Premises to air operation areas in accordance with the Airport Security Program required by 49 CFR Part 1542, as may be amended from time to time, or any successor statute. The Tenant will exercise exclusive security responsibility for the Demised Premises and, if the Tenant is an air carrier, will do so under the Tenant's Federal Aviation Administration approved Air Carrier Standard Security Program used in accordance with 49 CFR, Part 1544, as may be amended from time to time, or any successor statute. Without limiting the generality of the foregoing, the Tenant will keep gates and doors in the Demised Premises that permit entry to restricted areas at the Airport locked at all times when not in use or under the Tenant's constant security surveillance. The Tenant will report gate or door malfunctions that permit unauthorized entry into restricted areas to the Landlord's operations center without delay, and the Tenant will maintain the affected gate or door under constant security surveillance until repairs are effected by the Tenant or the Landlord and the gate or door is properly secured. The Tenant will pay all civil penalties levied by the Transportation Security Administration for violation of Transportation Security Administration Regulations pertaining to security gates or doors in the Demised Premises or otherwise controlled by the Tenant.

21.9. Noise Abatement Procedures. The Tenant will comply with the Department's Noise Abatement Rules and Regulations. Under the requirements of the 1993 LAX Noise Variance and in order to limit the use of auxiliary power units, the Tenant will provide a sufficient number of ground power units at each gate and maintenance area used by the Tenant's aircraft at the Terminals. This section applies to the extent it (i) is applicable to the Tenant's operations at the Demised Premises, and (ii) does not conflict with any Legal Requirement.

22. Federal and Municipal Requirements.

22.1. Business Tax Registration. The Tenant represents that it has registered its business with the office of the City Clerk of the City of Los Angeles and has obtained and presently holds a Business Tax Registration Certificate, or a Business Tax Exemption Number, required by the Business Tax Ordinance (Article I, Chapter 2, Sections 21.00 and following, of the Municipal Code of the City of Los Angeles). The Tenant will maintain, or obtain as necessary, all certificates required of the Tenant under that ordinance, and shall not allow any such certificate to be revoked or suspended during the Term.

22.2. Child Support Orders. This Lease is subject to Section 10.10, Article I, Chapter 1, Division 10 of the Los Angeles Administrative Code related to Child Support Assignment Orders, a copy of which is attached for convenience as Exhibit F. Under this Section, the Tenant (and any subcontractor of the Tenant providing services to the Landlord under this Lease) will (1) fully comply with all State and Federal employment reporting requirements for the Tenant's or the Tenant's subcontractor's employees applicable to Child Support Assignments Orders; (2) certify that the principal owners of the Tenant and applicable subcontractors are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (3) fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with California Family Code Section 5230, *et seq.*; and (4) maintain compliance throughout the Term. Under Section 10.10(b) of the Los Angeles Administrative Code, failure of the Tenant or an applicable subcontractor to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders and Notices of Assignment or the failure of any principal owners of the Tenant or applicable subcontractors to comply with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally shall constitute a default of this Lease subjecting this Lease to termination where the failure shall continue for more than 90 days after notice of the failure to the Tenant by the Landlord (in lieu of any time for cure provided elsewhere in this Lease).

22.3. Contractor Responsibility Program. The Tenant will comply with the provisions of the Contractor Responsibility Program adopted by the Board. The rules, regulations, requirements and penalties of the Contractor Responsibility Program and the Pledge of Compliance Form are attached to this Lease as Exhibit G.

22.4. Equal Benefits Ordinance.

22.4.1. Unless otherwise exempt in accordance with the provisions of the Equal Benefits Ordinance ("EBO"), the Tenant certifies and represents that the Tenant will comply with the applicable provisions of EBO Section 10.8.2.1 of the Los Angeles Administrative Code, as amended from time to time. The Tenant shall not, in any of its operations within the City of Los Angeles or in other locations owned by the City of Los Angeles, including the Airport, discriminate in the provision of Non-ERISA Benefits (as defined below) between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration. As used above, the term "Non-ERISA Benefits" shall mean any and all benefits payable through benefit arrangements generally available to the Tenant's employees which are neither "employee welfare benefit plans" nor "employee pension benefit plans", as those terms are defined in Sections 3(1) and 3(2) of ERISA. Non-ERISA Benefits shall include, but not be limited to, all benefits offered currently or in the future, by the Tenant to its employees, the spouses of its employees or the domestic partners of its employees, that are not defined as "employee welfare benefit plans" or "employee pension benefit plans", and, which include any bereavement leave, family and medical leave, and travel discounts provided by the Tenant to its employees, their spouses and the domestic partners of employees.

22.4.2. The Tenant agrees to post the following statement in conspicuous places at its place of business available to employees and applicants for employment:

“During the term of a Lease with the City of Los Angeles, the Tenant will provide equal benefits to employees with spouses and its employees with domestic partners. Additional information about the City of Los Angeles’ Equal Benefits Ordinance may be obtained from the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance at (213) 847-6480.”

22.4.3. The failure of the Tenant to comply with the EBO will be deemed to be a material breach of the Lease by the Landlord. If the Tenant fails to comply with the EBO, the Landlord may cancel or terminate the Lease, in whole or in part, and all monies due or to become due under the Lease may be retained by the Landlord. The Landlord may also pursue any and all other remedies at law or in equity for any breach. Failure to comply with the EBO may be used as evidence against the Tenant in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40, *et seq.*, Contractor Responsibility Ordinance. If the Landlord determines that the Tenant has set up or used its contracting entity for the purpose of evading the intent of the EBO, the Landlord may terminate the Lease.

22.5. First Source Hiring Program. The Tenant will comply with the provisions of the First Source Hiring Program adopted by the Board. The rules, regulations, requirements, and penalties of the First Source Hiring Program are attached to this Lease as Exhibit H.

22.6. Living Wage Ordinance.

22.6.1. General Provisions; Living Wage Policy. This Lease is subject to the Living Wage Ordinance (“LWO”), Section 10.37, *et seq.*, of the Los Angeles Administrative Code, a copy of which is attached hereto for convenience as Exhibit I. The LWO requires that, unless specific exemptions apply, any employees of tenants or licensees of property of the City of Los Angeles who render services on the leased premises or licensed premises are covered by the LWO if any of the following applies: (1) the services are rendered on premises at least a portion which are visited by substantial numbers of the public on a frequent basis, (2) any of the services could feasibly be performed by City of Los Angeles employees if the awarding authority had the requisite financial and staffing resources, or (3) the designated administrative agency of the City of Los Angeles has determined in writing that coverage would further the proprietary interests of the City of Los Angeles. Employees covered by the LWO are required to be paid not less than a minimum initial wage rate, as adjusted each year. The LWO also requires that employees be provided with at least 12 compensated days off per year for sick leave, vacation, or personal necessity at the employee’s request, and at least ten additional days per year of uncompensated time under Section 10.37.2(b). The LWO requires employers to inform employees making less than twelve dollars per hour of their possible right to the federal Earned Income Tax Credit and to make available the forms required to secure advance Earned Income Tax Credit payments from the employer under Section 10.37.4. The Tenant will permit access to work sites for authorized representatives of the City of Los Angeles to review the operation, payroll, and related

documents, and to provide certified copies of the relevant records upon request by the City of Los Angeles. Whether or not subject to the LWO, the Tenant will not retaliate against any employee claiming non-compliance with the provisions of the LWO, and, in addition, under Section 10.37.6(c), the Tenant will comply with federal law prohibiting retaliation for union organizing.

22.6.2. Living Wage Coverage Determination. An initial determination has been made that this Lease is a public lease under the LWO, and that it is not exempt from coverage by the LWO. Determinations as to whether this Lease is a public lease or license covered by the LWO, or whether an employer or employee are exempt from coverage under the LWO are not final, but are subject to review and revision as additional facts are examined and other interpretations of the law are considered. In some circumstances, applications for exemption must be reviewed periodically. The City of Los Angeles will notify the Tenant in writing about any redetermination by the City of Los Angeles of coverage or exemption status. To the extent the Tenant claims non-coverage or exemption from the provisions of the LWO, the burden shall be on the Tenant to prove the non-coverage or exemption.

22.6.3. Compliance. If the Tenant is not initially exempt from the LWO, the Tenant will comply with all of the provisions of the LWO, including payment to employees at the minimum wage rates, effective on the Commencement Date. If the Tenant is initially exempt from the LWO, but later no longer qualifies for any exemption, the Tenant will, at such time as the Tenant is no longer exempt, comply with the provisions of the LWO and execute the then currently used Declaration of Compliance Form, or such form as the LWO requires. Under the provisions of Section 10.37.6(c) of the Los Angeles Administrative Code, violation of the LWO shall constitute a material breach of this Lease and the Landlord shall be entitled to terminate this Lease and otherwise pursue legal remedies that may be available, including those set forth in the LWO, if the City of Los Angeles determines that the Tenant violated the provisions of the LWO. The procedures and time periods provided in the LWO are in lieu of the procedures and time periods provided elsewhere in this Lease. Nothing in this Lease shall be construed to extend the time periods or limit the remedies provided in the LWO.

22.7. Service Contractor Workers Retention Ordinance. This Lease may be subject to the Service Contractor Worker Retention Ordinance (“SCWRO”), Section 10.36, *et seq.*, of the Los Angeles Administrative Code, a copy of which is attached for convenience as Exhibit J. If applicable, the Tenant must also comply with the SCWRO which requires that, unless specific exemptions apply, all employers under contracts that are primarily for the furnishing of services to or for the City of Los Angeles and that involve an expenditure or receipt in excess of \$25,000 and a contract term of at least three months shall provide retention by a successor contractor for a 90-day transition period of the employees who have been employed for the preceding twelve 12 months or more by the terminated contractor or subcontractor, if any, as provided for in the SCWRO. Under the provisions of Section 10.36.3(c) of the Los Angeles Administrative Code, the City of Los Angeles has the authority, under appropriate circumstances, to terminate this Lease and otherwise pursue legal remedies that may be available if the City of Los Angeles determines that the Tenant violated the provisions of the SCWRO.

22.8. Nondiscrimination and Equal Employment Practices.

22.8.1. Federal Non-Discrimination Provisions.

(a) The Tenant for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the Demised Premises or the other Tenant Areas, for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the Tenant will maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

(b) The Tenant for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that: (1) no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under the land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the Tenant will use the Demised Premises and the other Tenant Areas in compliance with all other requirements imposed by or pursuant to 49 CFR, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

(c) The Tenant assures that it will comply with pertinent statutes, Executive Orders, and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision obligates the Tenant or its transferee for the period during which Federal assistance is extended to the airport program, except where Federal assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon. In these cases, the provision obligates the party or any transferee for the longer of the following periods: (a) the period during which the property is used by the sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits; or (b) the period during which the airport sponsor or any transferee retains ownership or possession of the property.

(d) The Tenant will furnish its services on a reasonable and not unjustly discriminatory basis to all users, and charge reasonable and not unjustly discriminatory prices for each unit or service, provided that the Tenant may be

allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

(e) The Tenant will insert the provisions found in clauses (c) and (d) of this Section 22.8.1 in any sublease, assignment, license, or permit by which the Tenant grants a right or privilege to any Person to render accommodations or services to the public at the Tenant Areas.

22.8.2. City Non-Discrimination Provisions.

(a) Non-Discrimination In Use Of Premises. There shall be no discrimination against or segregation of any person, or group of persons, on account of race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, marital status, domestic partner status, or medical condition in the lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Tenant Areas or any part of the Tenant Areas or any operations or activities conducted on the Demised Premises or any part of the Tenant Areas. Nor shall the Tenant or any person claiming under or through the Tenant establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, subtenants, or vendees of the Tenant Areas. Any sublease or assignment that may be permitted under this Lease shall also be subject to all non-discrimination clauses contained in this Section 22.8.2.

(b) Non-Discrimination In Employment. During the Term, the Tenant agrees and obligates itself in the performance of this Lease not to discriminate against any employee or applicant for employment because of the employee's or applicant's race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, marital status, domestic partner status, or medical condition. The Tenant will take affirmative action to insure that applicants for employment are treated, during the Term, without regard to the aforementioned factors and will comply with the affirmative action requirements of the Los Angeles Administrative Code, Sections 10.8, *et seq.*, or any successor ordinances or law concerned with discrimination.

(c) Equal Employment Practices. If the total payments made to the Landlord under this Lease are \$1,000 or more, this provision shall apply. During the performance of this Lease, the Tenant will comply with Section 10.8.3 of the Los Angeles Administrative Code ("Equal Employment Practices"), a copy of which is attached hereto for convenience as Exhibit K. By way of specification but not limitation, under Sections 10.8.3.E and 10.8.3.F of the Los Angeles Administrative Code, the failure of the Tenant to comply with the Equal Employment Practices provisions of this Lease may be deemed to be a material breach of this Lease. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to the Tenant. Upon a finding duly made that the Tenant has failed to

comply with the Equal Employment Practices provisions of this Lease, this Lease may be forthwith terminated, cancelled or suspended.

(d) Affirmative Action Program. If the total payments to the Landlord under this Lease are \$100,000 or more, this provision shall apply. During the performance of this Lease, the Tenant will comply with Section 10.8.4 of the Los Angeles Administrative Code ("Affirmative Action Program"), a copy of which is attached hereto for convenience as Exhibit L. By way of specification but not limitation, under Sections 10.8.4.E and 10.8.4.F of the Los Angeles Administrative Code, the failure of the Tenant to comply with the Affirmative Action Program provisions of this Lease may be deemed to be a material breach of this Lease. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to the Tenant. Upon a finding duly made that the Tenant has failed to comply with the Affirmative Action Program provisions of this Lease, this Lease may be forthwith terminated, cancelled or suspended.

22.9. Taxes, Permits and Licenses. The Tenant will pay any and all taxes of whatever character that may be levied or charged upon the Demised Premises, or upon the Tenant's improvements, fixtures, equipment, or other property thereon or upon the Tenant's use thereof. The Tenant will also pay all license or permit fees necessary or required by law or regulation for the conduct of the Tenant's business or use of the Tenant Areas. By executing this Lease and accepting the benefits hereof, a property interest in the nature of a "possessory interest" may be created in the Tenant. If such a possessory interest is deemed to be created, the Tenant, as the party in whom the possessory interest is vested, will be subject to the payment of the property taxes levied upon the possessory interest. The Tenant may contest the validity and applicability of any taxes or fees, and during the period of any lawful contest, the Tenant may refrain from making, or direct the withholding of, any such payment without being in breach of the provisions of this Section 22.9. Upon a final determination in which the Tenant is held responsible for such taxes or fees, the Tenant will promptly pay the required amount plus all legally imposed interest, penalties and surcharges. If all or any part of such taxes, fees, penalties or surcharges are refunded to the Landlord, the Landlord will remit to the Tenant such sums to which the Tenant is legally entitled.

22.10. Visual Artists' Rights Act. The Tenant will not install, or cause to be installed, any work of art subject to the Visual Artists' Rights Act of 1990 (as amended), 17 U.S.C. §106A, *et seq.*, or California Code Section 980, *et seq.*, (collectively, "VARA") on or about the Tenant Areas without first obtaining a written waiver from the artist of all rights under VARA, satisfactory to the Landlord and approved as to form and legality by the City Attorney. The waiver shall be in full compliance with VARA and shall name the Landlord as a party for which the waiver applies. The Tenant will not install, or causing to be installed, any piece of artwork covered under VARA at the Tenant Areas without the prior approval and waiver of the Landlord. Any work of art installed at the Tenant Areas without such prior approval and waiver shall be deemed a trespass, removable by the Landlord, upon three days' written notice, with all costs, expenses, and liability therefor to be borne exclusively by the Tenant.

22.11. Alternative Fuel Vehicle Requirement Program. The Tenant shall comply with the

provisions of the alternative fuel vehicle requirement program (the "Alternative Fuel Vehicle Requirement Program"). The rules, regulations and requirements of the Alternative Fuel Vehicle Requirement Program are attached as Exhibit M and made a material term of this Lease. The Tenant shall complete and submit to the Landlord the vehicle information required on the reporting form accessible online at <https://online.lawa.org/altfuel/> on a semi-annual basis. The reporting form may be amended from time to time by the Landlord.

23. Notices. Any notice or other communication required or permitted to be given, rendered or made by either party to the other, by any provision of this Lease or by any applicable law or requirement of public authority, shall (unless otherwise expressly set forth herein) be in writing and shall be deemed to have been properly given, rendered or made, if delivered by hand or received by certified mail, postage prepaid, return receipt requested, or delivered by nationally recognized overnight courier service, delivery service prepaid, or delivered by telecopier, in any case addressed as follows:

If to the Landlord:

Department of Airports
1 World Way
Post Office Box 92216
Los Angeles, California 90009-2216
Attention: CEO

Telecopier No. (310) 646-0523

with a copy to:

Department of Airports
1 World Way
Post Office Box 92216
Los Angeles, California 90009-2216
Attention: City Attorney

Telecopier No. (310) 646-9617

Electronic Mail address: CDG-Tenant-Notices@lawa.org

If to the Tenant:

to the addresses shown on the Basic Information Schedule under the heading "Tenant Addresses for Notices".

The Landlord or the Tenant may from time to time, by notice, designate a different or additional address within the United States or attention designation for communications intended for it. Any notice or other communication given by certified mail shall be deemed given as of the date of delivery as indicated on the return receipt, or when the delivery is first refused. Any notice or other communication delivered by a nationally recognized overnight courier service shall be

deemed delivered on the Business Day following the day upon which the notice or other communication was delivered to the courier. Any notice or other communication delivered by telecopier shall be deemed delivered when the transmission is actually received, if received during normal business hours, otherwise the notice or other communication, if received, shall be deemed delivered on the following Business Day. Any notice or other communication may be given on behalf of the Landlord or the Tenant by their respective attorneys, provided that the attorneys represent their capacity as such in the notice or other communication.

24. Definitions. The terms defined in this Section 24 shall have, for all purposes of this Lease, the meanings herein specified unless unambiguously required to the contrary by their context.

"Active Loading" has the meaning given to it in the T2/3 Scheduling Protocols or the Airport-Wide Scheduling Protocols.

"Active Periods" has the meaning given to it in the T2/3 Scheduling Protocols or the Airport-Wide Scheduling Protocols.

"Active Unloading" has the meaning given to it in the T2/3 Scheduling Protocols or the Airport-Wide Scheduling Protocols.

"Affiliate" means any air transportation company that (i) is a parent or subsidiary of the Tenant, or (ii) operates at the Airport under a trade name of the Tenant and uses the Tenant's two-letter designator code for its flights serving the Airport, or (iii) operates at the Airport using a trade name of a parent or subsidiary of the Tenant and uses the two-letter designator code of such parent or subsidiary for its flights serving the Airport. The list of the Tenant's current Affiliates is attached hereto as Schedule 4. Upon the Tenant providing prior written notice to the CEO, including a brief explanation as to how such additional Person satisfies the definition of "Affiliate," Schedule 4 shall be updated by the Landlord provided that the Landlord agrees with such explanation, subject to City Attorney approval as to form, without prior Board or City Council approval. The Tenant shall also provide the Landlord with written notice if at any time a Person on the list shall no longer be considered an Affiliate of the Tenant for purposes of this Lease and the Landlord shall, subject to City Attorney approval as to form, without prior Board or City Council approval, update Schedule 4 to reflect such change.

"Airline" means an Air Carrier or Foreign Air Carrier as defined in 49 U.S.C. § 40102(A)(2) & (a)(21), respectively.

"Airport" means Los Angeles International Airport in Los Angeles, California.

"Airport Engineer" means the Chief Airports Engineer of the Airport from time to time, as successors to that position may be designated (by whatever title).

"Apply," "Applied," or "Application" mean any installation, handling, generation, storing, treatment, application, use, disposal, discharge, release, manufacture, refinement, presence, migration, emission, abatement, removal, transportation, or any other activity of any type in connection with or involving Hazardous Materials by the Tenant or its officers, employees, contractors, assignees, sublessees, agents or invitees.

“Base Rate” means the annualized interest rate which shall be established by taking the closing yield of the 10-Year U.S. Treasury Note on the Lease Commencement Date (as published in the *Wall Street Journal* or such other mutually agreed upon source) and adding 200 basis points. If the Lease Commencement Date falls on a Business Day when commercial banks in New York, New York are required or authorized to remain closed, then the 10-Year U.S. Treasury yield in effect on the next Business Day plus 200 basis points shall be used to establish the Base Rate as long commercial banks in New York, New York are not required or authorized to remain closed on such date.

“Base Rent” means the rental payable for the use of the Demised Premises in monthly installments as provided in Section 3. As of the Lease Commencement Date, the Base Rent is the Terminal Buildings Charge.

“Basic Information Schedule” means the schedule containing certain basic information and sample calculations relating to this Lease, including the rates and charges applicable to the Tenant in effect as of the Lease Commencement Date, and attached to this Lease as Schedule 5.

“Beneficial Use” means the date when Terminals space is being used by the Tenant for its airline operations, as determined by the CEO in writing in his or her reasonable sole judgment.

“Board” means the Board of Airport Commissioners of the Department of Airports of the City of Los Angeles, California.

“Boarding Devices” means passenger loading bridges, plane mates and other devices, if any, owned and operated by an airline to assist with passenger loading and unloading from aircraft, including remotely parked aircraft.

“Business Day” means any day excluding Saturdays, Sundays, and any other day designated as a holiday under the federal laws of the United States or under the laws of the State of California or the City of Los Angeles.

“Capital Costs” means all capital costs of the Airport, including the following:

(a) debt service (net of Passenger Facility Charges) allocable to bond-funded Capital Improvements;

(b) debt service coverage allocated in accordance with stated bond covenant requirements;

(c) amortization allocable to Capital Improvements funded with airport revenue, based on the economic life for each Capital Improvement and calculated using an interest rate set to equal the average all-in cost of Airport debt sold by LAWA during the calendar year when such Capital Improvement is put in service, or if no Airport debt was sold, set to equal comparable published average borrowing costs.

“Capital Improvement” means any improvement or item or related group of items acquired, purchased, leased or constructed to improve, maintain or develop the Airport, as well as any extraordinary or substantial expenditure whose object is to preserve, enhance or protect the Airport that, in accordance with generally accepted accounting principles consistently applied, is capitalized by the Landlord.

“CEO” means the chief executive officer of the Department of Airports of the City of Los Angeles, California, or his or her designee.

“City Attorney” means the Office of the City Attorney of the City of Los Angeles.

“City Council” means the Los Angeles City Council.

“Common Use Areas”, previously referred to as “Joint Use Areas” under the Tariff, means the space in any terminal at the Airport designated by the CEO to be used in common by one or more Airlines or otherwise benefitting one or more Airlines for operations and include, without limitation, Common Use Holdrooms, Common Use Ticket Counters, Common Use Baggage Claim Areas and Common Use Outbound Baggage System Areas.

“Common Use Baggage Claim Areas” means the space in any terminal at the Airport (excluding the FIS Areas) designated by the CEO to be used in common with other Airlines for the delivery of inbound baggage to arriving passengers, including the baggage recheck areas and the areas where Common Use Baggage Claim Systems are located.

“Common Use Baggage Claim System” means equipment that delivers inbound baggage to arriving passengers.

“Common-Use Gate” means a Gate in a terminal at the Airport to which preferential use has not been assigned to any Airline.

“Common Use Holdrooms” means the space in any terminal at the Airport designated by the CEO to be used in common with other Airlines for passenger holdrooms and gate areas.

“Common Use Outbound Baggage System” means equipment that sorts outbound baggage for delivery to departing aircraft.

“Common Use Outbound Baggage System Areas” means the space in any terminal at the Airport designated by the CEO to be used in common with other Airlines for the sorting of outbound baggage for delivery to departing aircraft and includes the areas that the Common Use Outbound Baggage System is located.

“Common Use Ticket Counters” means the space in any terminal at the Airport designated by the CEO to be used in common with other Airlines for ticket counters and associated queuing space.

“CPI” means the Consumer Price Index for All Urban Consumers (CPI-U), as published from time to time by the U.S. Department of Labor, Bureau of Labor Statistics, for the Los Angeles-Riverside Orange County area, All Items (1982-84 = 100), or, if that index shall cease

to be regularly published, such replacement index (adjusted for any difference in base year and absolute amount) as shall from time to time be published by the Bureau. If the U.S. Department of Labor ceases to publish such an index, the Landlord will adopt in its place a comparable index published at the time of the cessation by a responsible financial periodical, if any. If there is no comparable index published by a responsible financial periodical, the Landlord will adopt any other comparable index available, and make any adjustments required thereto to reflect the 1982-84 = 100 base year. In addition, if the method of calculating the consumer price index changes in any way, for the purposes of this Lease, the CPI shall be determined without giving effect to the new methods, and the CPI shall continue to be calculated in the manner as of the Rent Commencement Date. Any adjustments to the CPI (if it is calculated differently) shall be made by the Landlord, subject to the Tenant's right to reasonably approve the adjustments.

"Critical Portion" means any portion of the Tenant Areas that, if not usable by the Tenant in its customary manner (taking into account any alternatives proposed by the Landlord) would, in the Tenant's reasonable judgment, render the balance of the Tenant Areas insufficient for the proper and ordinary conduct of the Tenant's operations.

"Delta Relocation Date" means the date that the Tenant moves its last flight from Terminals 5 and 6 to the Terminals, which date shall (a) be no earlier than January 1, 2017, and (b) be after the leases that the Landlord has, as of the Lease Commencement Date, in the Terminals with Air Canada, Hawaiian Airlines, Virgin Atlantic, Virgin America and Tom Bradley International Terminal Equipment Company are terminated or assigned by such tenant to the Tenant (subject to CEO approval). The Tenant shall provide the Landlord a nine (9) month prior written notice of the anticipated Delta Relocation Date, which date shall be subject to the Landlord's approval not to be unreasonably withheld.

"Delta Renovations" means those Terminal Renovations which are unique to the Tenant's operations at the Terminals and could not easily be utilized by other Airlines operating at the terminal such as (i) movable trade furniture, fixtures and equipment, and (ii) other certain improvements located on or affixed to the Demised Premises.

"Demised Premises" means the space (if any) demised for the exclusive use of the Tenant under this Lease, consisting of approximately the number of square feet reflected on the Basic Information Schedule under the heading "Demised Premises", located in the Terminals and shown in heavy black outline on the Airport Engineer's Drawing described on the Basic Information Schedule under the heading "Demised Premises", a copy of which is attached to this Lease as Exhibits A-1 and A-2.

"Deplaned Domestic Passengers" means the actual number of passengers, not including the flight crew, disembarking from a domestic flight at the Terminals and shall include passengers clearing customs and immigration in the country that his or her flight originated from, disembarking from an international flight at the Airport.

"Deplaned International Passengers" means the actual number of passengers, not including the flight crew or passengers clearing customs and immigration in the country that his or her flight originated from, disembarking from an international flight at the Airport.

“discretion” means sole and absolute discretion; any provision of this Lease referring to the exercise by the Landlord or the Tenant of its discretion, whether in those words or words of similar import, shall (unless expressly subject to a different standard) permit the party exercising its discretion to do so in any manner and for any reasons it chooses, and, to the maximum extent permitted by law, the exercise of that discretion is not intended to be reviewable by any judicial or regulatory authority.

“DTIP Projects” means the projects listed in the Board-approved DTIPs pursuant to Section 1.4.4.

“Enplaned Passengers” means the actual number of passengers, not including the flight crew or international in-transit passengers, but including both originating and connecting passengers, embarking on a flight at the terminals at the Airport.

“Environmental Losses” means all costs and expenses of any kind (including remediation expenses), damages, fines and penalties incurred in connection with any violation of and compliance with Environmental Requirements and all losses of any kind attributable to the diminution of value, loss of use or adverse effects on marketability or use of any portion of the Demised Premises, the Terminal or the Airport.

“Environmental Requirements” means all present and future governmental statutes, codes, ordinances, regulations, rules, orders, permits, licenses, approvals, authorizations and other requirements of any kind applicable to Hazardous Materials.

“Execution Date” means the date above the Tenant’s signature on the signature page.

“First Option Date” means ninety (90) days after the Non-Proprietary Terminal Renovations Component Completion Date of the first completely constructed Minimum Investment Project Non-Proprietary Terminal Renovations Component or DTIP Projects Non-Proprietary Terminal Renovations Component, as applicable.

“FIS Areas,” previously referred to as the “International Joint Use Areas” under the Tariff, means the space in the terminals at the Airport designated by the CEO to be used in common with other Airlines for federal inspection services (including sterile corridors, customs areas, baggage service areas, customs baggage claim areas, cashier areas, interline baggage areas, immigration inspection areas, storage areas, locker areas, federal inspection service swing areas, conference room areas and registration areas), offices for federal agencies, restrooms included in or adjacent to the foregoing areas, transit lounge space and other in transit facilities for international passengers.

“Force Majeure” means an event or effect beyond a party’s reasonable control (financial inability excepted) such as a strike, lockout, embargo, unavailability of services, labor or materials, wars, insurrections, rebellions, civil disorder, declaration of national emergencies, or acts of God.

“Foreign Flag Airlines” means Airlines that are not certificated under Section 401 of the Federal Aviation Act of 1958.

“Gate” means the gate position and the adjacent aircraft loading area.

“Guarantor” means, if the Tenant’s obligations under this Lease have been guaranteed by any Person, the guarantor under the Guaranty, the identity of which is reflected in the Basic Information Schedule under the heading “Guaranty”.

“Guaranty” means the guaranty to and in favor of the Landlord of the Tenant’s obligations under this Lease, if the Tenant’s obligations under this Lease have been guaranteed by any Person, reflected in the Basic Information Schedule under the heading “Guaranty”.

“Hazardous Materials” means any substance (i) that now or in the future is regulated or governed by, requires investigation or remediation under, or is defined as a hazardous waste, hazardous substance, extremely hazardous waste, hazardous material, hazardous chemical, toxic chemical, toxic substance, cancer causing substance, substance that causes reproductive harm, pollutant or contaminant under any governmental statute, code, ordinance, regulation, action, case law, rule or order, and any amendment thereto, including the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. §9601 *et seq.*, and the Resource Conservation and Recovery Act, 42 U.S.C. §6901 *et seq.*, (ii) that is toxic, explosive, corrosive, flammable, radioactive, carcinogenic, mutagenic, or otherwise hazardous, including aviation fuel, jet fuel, gasoline, diesel, petroleum hydrocarbons, polychlorinated biphenyls (PCBs), asbestos, radon and urea formaldehyde, (iii) the presence of which at the Terminal causes or threatens to cause a nuisance at the Terminal or adjacent property, or poses or threatens to pose a hazard to the health or safety of persons on or about the Terminal or adjacent property, or (iv) the presence of which on adjacent property could constitute a trespass by the Tenant.

“herein”, “hereof”, “hereto”, “hereunder” and similar terms contained in this Lease refer to this Lease as a whole and not to any particular Section, paragraph or provision of this Lease.

“including” and “include” mean including or include without limiting the generality of any description preceding that term; for the purposes of this Lease the rule of *ejusdem generis* shall not be applicable to limit a general statement, followed by or referable to an enumeration of specific matters, to matters similar to the matters specifically mentioned.

“Insurance Requirements” means all terms of any insurance policy covering the Tenant or covering or applicable to the Terminal or any part thereof, all requirements of the issuer of the policy, and all orders, rules, regulations and other requirements of the National Board of Fire Underwriters (or any other body exercising similar functions) applicable to or affecting the Terminal or any part thereof or any use or condition of the Terminal or any part thereof.

“Interest Costs” means, with respect to any Terminal Renovations,

(a) With respect to funds provided by an approved Lender under a Credit Facility, all interest costs payable under the terms of such Credit Facility, net of any interest income earned by the Tenant from deposits of Credit Facility proceeds into interest-bearing accounts. If applicable and not included in interest payable under the Credit Facility, capitalized interest and any commercially reasonable fees and costs arising from the Credit Facility will be eligible interest costs.

(b) With respect to funds provided by the Tenant for Non-Proprietary Renovations (“Tenant Expenditures”):

(i) For Tenant Expenditures made prior to the Lease Commencement Date, interest costs shall be calculated using the Base Rate, with interest accruing only after December 28, 2015.

(ii) For additional Tenant Expenditures made after the Lease Commencement Date, interest costs shall be calculated using the Base Rate compounded on a monthly basis beginning on the date such Tenant Expenditures are made.

(iii) Interest costs on Tenant Expenditures shall continue to accrue until either the acquisition by the Landlord of the associated Non-Proprietary Renovation component pursuant to the terms of this Lease (i.e., either through purchase or full satisfaction of a rental credit provided to the Tenant over the remaining term of the Lease) or upon the refunding of any such Tenant Expenditures (including any capitalized interest to date thereon) pursuant to a Landlord-approved Credit Facility.

(iv) The foregoing interest costs shall be calculated on the basis of the actual number of days elapsed and the actual number of days in the applicable calendar year.

(c) Notwithstanding the foregoing, the total Interest Costs payable by Landlord to Tenant under the terms of the Lease must not exceed One Hundred Fifteen Million Dollars (\$115,000,000).

“Landing Fee” means the landing fees and charges payable by the Tenant under the terms of any operating permit issued by the Landlord and held by the Tenant as an air carrier or as established by any resolution of the Board.

“Landlord” means the City of Los Angeles, acting by and through the Board of Airport Commissioners of its Department of Airports, in its capacities as the landlord and the licensor under this Lease.

“Large Aircraft” has the meaning given to it in the T2/3 Scheduling Protocols or the Airport-Wide Scheduling Protocols.

“Lease” means this Terminal Facilities Lease and License Agreement and the Schedule and Exhibits hereto, as amended from time to time.

“Lease Year” means the fiscal year of the Landlord, which is currently the year beginning on July 1 and ending on the following June 30, or any other fiscal year as may from time to time be adopted by the Landlord.

“Legal Requirements” means all laws, statutes, codes, acts, ordinances, charters, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements of all governments, departments, commissions, boards, courts, authorities,

agencies, officials and officers, foreseen or unforeseen, ordinary or extraordinary, that now or at any time hereafter may be applicable to the Tenant or to the Terminal, or to the Airport or any part thereof.

“Maximum Acquisition Amount” means the maximum amount of Terminal Renovations that the Landlord shall purchase pursuant to the terms of this Lease, which shall be no more than One Billion Seven Hundred Sixty Million Dollars (\$1,760,000,000).

“Minimum Investment Projects” means the Terminal Renovations described in Schedule 1-D. Each of the three projects is a “Minimum Investment Projects Component”.

“Minimum Performance Levels” has the meaning given to it in the T2/3 Scheduling Protocols or the Airport-Wide Scheduling Protocols.

“Minimum Utilization Requirement” has the meaning given to it in the T2/3 Scheduling Protocols or the Airport-Wide Scheduling Protocols.

“Non-Active Periods” has the meaning given to it in the T2/3 Scheduling Protocols or the Airport-Wide Scheduling Protocols.

“Non-Proprietary Airline Renovations” means the Minimum Investment Projects and the Board-approved DTIP Projects that are Non-Proprietary Renovations and are located in the Demised Premises. Pursuant to Sections 1.4.3(b) and 1.4.4(a)(i), the parties will identify the Non-Proprietary Renovations prior to any construction.

“Non-Proprietary Airline Renovations Component” means each of the components of the Non-Proprietary Airline Renovations located in the Terminals as identified in Schedule 1-D or in the Board-approved DTIP, as applicable.

“Non-Proprietary Airline Renovations Component Acquisition Cost” means the actual expenses incurred by the Tenant for any of the Non-Proprietary Airline Renovations Components, including the Interest Costs incurred for the Non-Proprietary Airline Renovations Component, as verified by the Landlord and as certified by an officer of the Tenant in a written declaration.

“Non-Proprietary Airline Renovations Component Completion Date” means, for each Non-Proprietary Airline Renovations Component, the date that the following has occurred: (i) the Tenant has completed all requirements under this Lease and the construction approval permits issued by the Landlord for the Non-Proprietary Airline Renovations Component and (ii) the Tenant has requested payment and provided the Landlord with 1. a written declaration by an officer of the Tenant that certifies the actual expenses incurred by the Tenant for the Non-Proprietary Airline Renovations Component and 2. proof of payment, including, but not limited to, copies of invoices, of the actual expenses incurred by the Tenant for the Non-Proprietary Airline Renovations Component.

“Non-Proprietary Renovations” means (i) those Terminal Renovations that could readily be utilized by other Airlines operating at the Terminals without substantial additional costs to such Airlines and (ii) those Terminal Renovations that are infrastructure related for the Terminal

buildings, such as electrical work, ductwork, plumbing work, fire alarm upgrades, and HVAC upgrades.

“Non-Proprietary Terminal Renovations” means the Minimum Investment Projects and the Board-approved DTIP Projects that are Non-Proprietary Renovations and are not located in the Demised Premises. Pursuant to Sections 1.4.3(b) and 1.4.4(a)(i), the parties will identify the Non-Proprietary Renovations prior to any construction.

“Non-Proprietary Terminal Renovations Acquisition Cost” means the actual expenses incurred by the Tenant for the Non-Proprietary Terminal Renovations, including the Interest Costs incurred for the Non-Proprietary Terminal Renovations, as verified by the Landlord.

“Non-Proprietary Terminal Renovations Component” means each of the components of the Non-Proprietary Terminal Renovations located in the Terminals as identified in Schedule 1-D or in the Board-approved DTIP, as applicable.

“Non-Proprietary Terminal Renovations Component Acquisition Cost” means the actual expenses incurred by the Tenant for any of the Non-Proprietary Terminal Renovations Components, including the Interest Costs incurred for the Non-Proprietary Terminal Renovations Component, as verified by the Landlord and as certified by an officer of the Tenant in a written declaration.

“Non-Proprietary Terminal Renovations Component Completion Date” means, for each Non-Proprietary Terminal Renovations Component, the date that the following has occurred: (i) the Tenant has completed all requirements under this Lease and the construction approval permits issued by the Landlord for the Non-Proprietary Terminal Renovations Component and (ii) the Tenant has requested payment and provided the Landlord with 1. a written declaration by an officer of the Tenant that certifies the actual expenses incurred by the Tenant for the Non-Proprietary Terminal Renovations Component and 2. proof of payment, including, but not limited to, copies of invoices, of the actual expenses incurred by the Tenant for the Non-Proprietary Terminal Renovations Component.

“Operations and Maintenance Charge” means a charge assessed to Aeronautical Users through the Terminal Buildings Charge and the Common Use Areas rates and charges that is based on an equalized rate for the recovery of the Operations and Maintenance Expenses and Reserve Deposits that are included in the Operations and Maintenance Requirement (defined in the Rate Methodology).

“Operations and Maintenance Expenses,” previously referred to as “Terminal Expenses” under the Tariff, means the total operation and maintenance expenses of the Airport.

“Other Airlines” means Airlines that will be relocated from the Terminals as a result of the Tenant’s relocation to the Terminals or the Terminal Renovations.

“Other Users” means other users of the Terminals, other than Airlines, that will be relocated from the Terminals as a result of the Tenant’s relocation to the Terminals or the Terminal Renovations.

“Partial Relocation Expenses” means all moving costs, other than Design Plan Costs, incurred by the Tenant as of the termination date of the Lease associated with the relocation of Other Airlines and Other Users pursuant to the Relocation Plan, including, but not limited to, (i) the replacement of improvements made by Other Airlines and Other Users, (ii) Interest Costs, and (iii) the installation of common use/shared use type equipment such as ticket counters and gate podiums in the relocated space.

“Passenger Facility Charges” means passenger facility charges remitted to the Landlord under 49 U.S.C. § 40117 and 14 C.F.R. Part 158 as they may be amended from time to time.

“Passenger Terminal Apron Area” means those areas of the airfield co-located with the Tenant’s Preferential-Use Gate designated by the CEO for the parking of passenger aircraft and ramp equipment, and the loading and unloading of passenger aircraft, which areas are subject to change from time to time.

“Person” means a corporation, an association, a partnership, a limited liability company, an organization, a trust, a natural person, a government or political subdivision thereof or a governmental agency.

“Preferential-Use Boarding Facilities” means a Gate designated as preferential-use, and associated facilities necessary for an airline’s operations at such Gate including the passenger holdroom, seating, and Boarding Devices.

“Preferential-Use Gate” means a Gate designated as preferential-use.

“Pro rata” means that the other airline’s share of costs associated with its use of its Preferential-Use Boarding Facilities or any portion thereof, shall be assessed on the basis of its respective share of all operations (including the Tenant’s) using said premises or portion thereof.

“Public Area” means sidewalks, concourses, corridors, lobbies, passageways, restrooms, elevators, escalators and other similar space made available by the Landlord from time to time for use by passengers, the Landlord and Airline employees and other members of the public, as designated by the CEO.

“Reimbursement Rate” means, as of any date of determination, the annual rate of interest equal to two per cent per annum in excess of the fixed rate of interest quoted in The Bond Buyer 25 Revenue Bond Index (or, if that index is no longer published, such successor or replacement index or similar index selected by the Landlord) for fixed rate bonds having a term remaining to maturity of one year (with no credit enhancement) and bearing interest that is not excluded from gross income for federal income tax purposes.

“Relocation Completion Date” is the date that the Tenant has completed all requirements under the construction approval permits issued by the Landlord for all of the relocations contemplated under the Relocation Plan.

“Relocation Expenses” means all moving costs associated with the relocation of Other Airlines and Other Users pursuant to the Relocation Plan, including, but not limited to, (i) the

replacement of improvements made by Other Airlines and Other Users, (ii) Interest Costs, and (iii) the installation of common use/shared use type equipment such as ticket counters and gate podiums in the relocated space.

“Relocation Rental Credit” means a rental credit in the amount of the reasonable Relocation Expenses incurred by the Tenant and approved by the Landlord.

“Relocation Transition Period” means the period that the Tenant relocates itself and the Other Airlines pursuant to the Relocation Plan, which period shall start no earlier than December 31, 2016.

“Remaining Investment Projects” means the Terminal Renovations as described in the DTIPs to expend the Remaining Investment Requirement.

“Remaining Investment Requirement” means Six Hundred Fifty Million Dollars (\$650,000,000) which includes Interest Costs allocable to the Remaining Investment Projects.

“Rent Commencement Date” means the first day that any space in Exhibit A-1 is deemed Demised Premises under Section 1.2.2(a). The Landlord shall issue a letter to the Tenant identifying the Rent Commencement Date.

“Rentable Area”, previously referred to as “Measured Area” under the Tariff, means any areas in the Terminals that are available for use by Airlines, other Aeronautical Users, concessionaires or LAWA or other governmental users on an exclusive, common or preferential use basis, as designated by the CEO. Rentable Area does not include any areas that are located outside the terminals at the Airport nor does Rentable Area include any space (such as security checkpoints) used by federal governmental agencies (such as Customs and Border Patrol or the TSA) or local law enforcement agencies to carry out their operations at the Airport.

“Reserve Deposits” means the amounts deposited to funds and accounts for operation and maintenance reserves, to satisfy debt service reserve requirements, and similar expense reserves under the terms of any applicable bond covenants or as required by the Los Angeles City Charter.

“Stipulated Rate” means the rate of interest per annum equal to the lesser of (a) 20% and (b) the maximum rate permitted by applicable law.

“Substantial Destruction” means damage or destruction to the Tenant Areas making the Tenant Areas unfit for the Tenant’s normal operations and resulting from a cause not insured against in the policies of insurance maintained by the Tenant (and not required to be maintained by the Tenant under the provisions of Section 10.2).

“Taking” means a temporary or permanent taking by a government or political subdivision thereof or by a governmental agency (or by any other Person exercising the power of condemnation or eminent domain) for public or quasi-public use of all or any part of the Terminal, or any interest therein or right accruing thereto, including, without limitation, any right of access thereto existing on the date hereof, as the result of or in lieu of or in anticipation of the

exercise of the right of condemnation or eminent domain. No recapture by the Landlord of any portion of the Demised Premises, or exercise by the Landlord of any similar right under the terms of this Lease, shall constitute a Taking.

“Taking Date” means, in connection with a Taking, the earlier of the date on which title vests due to the Taking and the date on which possession of the property affected by the Taking is required to be, or is, delivered to or at the direction of the condemning authority.

“Tariff” means the Los Angeles International Airport Passenger Terminal Tariff adopted by the Board, as may be amended from time to time.

“Tenant” means the entity specified in the preamble to this Lease as the tenant and licensee under this Lease, and any permitted assignee from time to time of the leasehold estate and license created by this Lease.

“Tenant Areas” means the Demised Premises and the Common Use Areas.

“Tenant’s Property” means all podium or counter millwork, including back wall signage, furniture, furnishings, office equipment, books, records, office supplies, computers and related equipment, audio-visual equipment, telephone systems and equipment, art work and rugs installed at or located in the Tenant Areas at the expense of the Tenant and removable without damage to the Terminal that cannot be readily repaired.

“Terminal Airline Support Systems” means an information technology system, used to allocate terminal resources (gates, stands, ticket counters, baggage carousels, bag sortation piers, flight information displays, gate information displays, and public address systems) to assist Airlines with passenger processing.

“Terminal Renovations” means all of proprietary and non-proprietary improvements in the Terminals that are approved and constructed pursuant to the terms of this Lease, including the costs and improvements under the Relocation Plan, the Minimum Investment Projects, the Remaining Investment Projects, and projects listed in the Board-approved DTIPs.

“Terminal Users” means, for any Terminal on any date, all passenger Airlines and other non-governmental Persons then leasing space at the Terminal, all passenger Airlines and other non-governmental Persons using space under the Tariff, and all other passenger Airlines and other non-governmental Persons then having other contractual arrangements with the Landlord for the use and occupancy of the Terminal, but excluding all itinerant and charter Airlines not leasing space at the Terminal and not signatories to a contractual arrangement with the Landlord having substantially the same economic provisions with respect to charges for the use of Common Use Areas and FIS Areas as those contained in the Tariff.

“Total Investment Requirement” means the total amount spent on Terminal Renovations (including Interest Costs), which shall be no less than One Billion Dollars (\$1,000,000,000).

“TSA” means the United States Department of Homeland Security Transportation Security Administration, or its successor agency.

“Turn” means the active arrival and departure of an aircraft from a gate (including a remote gate) and may be measured in halves. The movement of an empty aircraft to or from a gate shall not constitute half a “Turn.”

“Unavoidable Delays” means delays due to strikes, acts of God, interruption of services, enemy action, terrorist acts, civil commotion, shortages of labor or supply or other similar causes beyond the reasonable control of the party whose action is required; but lack of funds shall not be deemed a cause beyond the control of the Tenant.

“Unified Capital Charge” means a charge assessed to Aeronautical Users through the Terminal Buildings Charge and the Common Use Areas rates and charges that is based on an equalized rate for the recovery of Capital Costs that are included in the Unified Capital Requirement (defined in the Rate Methodology).

“Wide Body Aircraft” means a jet airliner with two passenger aisles.

25. Miscellaneous.

25.1. Waiver. No provision of this Lease may be waived, discharged or modified without an instrument in writing, signed by the party against whom enforcement of the waiver, discharge or modification is sought. No waiver on behalf of the Landlord will be deemed binding upon the Landlord unless approved in writing as to form by the City Attorney. During any period in which an Event of Default shall have occurred and be continuing, or during the existence of any breach of the terms of this Lease that, after the lapse of time or the giving of notice (or both), would constitute an Event of Default, the Landlord’s acceptance of payments of the Base Rent or additional rent shall not be deemed a waiver of the Event of Default or breach. The failure of the Landlord or the Tenant to insist upon the strict performance of any provision of this Lease shall not be deemed a waiver and shall not bar the Landlord or the Tenant from thereafter insisting upon strict performance of the provision.

25.2. Surrender. No agreement to accept a surrender of this Lease shall be valid unless in writing signed by the Landlord.

25.3. Entire Agreement. This Lease contains the entire agreement between the Landlord and the Tenant relating to the subject matter hereof.

25.4. Rights Limited by Law. All rights, powers and remedies provided herein may be exercised only to the extent that the exercise thereof does not violate any applicable provision of law, and are intended to be limited to the extent necessary so that they will not render this Lease invalid, illegal, unenforceable or not entitled to be recorded, registered or filed under the provisions of any applicable law. If any term of this Lease or any application thereof shall be invalid or unenforceable, the remainder of this Lease and any other application of the term shall not be affected.

25.5. Certain Statutes. No provision of this Lease shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act, 49 U.S.C. 40103(e) and 40107(a)(4) (Public Law 103-272). The Tenant waives

any right or benefit in any way related to the Airport or its operations to which the Tenant would otherwise be entitled as a result of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 49 U.S.C. 4601, *et seq.* (Public Law 91-646), Title 1, Division 7, Chapter 16 of the California Government Code (Sections 7260, *et seq.*), or any other Legal Requirement conferring similar rights and benefits.

25.6. Approvals. Any approvals or consents required from or given by the Landlord under this Lease shall be approvals of the Department acting as the Landlord, and shall not relate to, constitute a waiver of, supersede or otherwise limit or affect the rights or prerogatives of the City of Los Angeles as a government, including the right to grant or deny any permits required for construction in the Tenant Areas or maintenance of the Demised Premises and the right to enact, amend or repeal Legal Requirements, including those relating to zoning, land use, and building and safety. Any requirement in this Lease that an approval or consent be not unreasonably withheld shall also be deemed to require that the approval or consent be not unreasonably delayed. Any other requirement in this Lease that an approval or consent be obtained shall entitle the party whose approval or consent is required to withhold the approval or consent in its discretion. No approval or consent on behalf of the Landlord will be deemed binding upon the Landlord unless approved in writing as to form by the City Attorney.

25.7. Certain Amendments. If the City Attorney shall determine that any provision of this Lease is in conflict with any Legal Requirement or that any right otherwise afforded to the Tenant under this Lease would (if exercised by the Tenant) result in a violation of any Legal Requirement, the Landlord may unilaterally amend this Lease to the extent necessary to bring this Lease into conformity with the Legal Requirement or to restrict the rights otherwise afforded to the Tenant to the extent necessary to prohibit the conduct that would result in the violation of the Legal Requirement, by delivering to the Tenant a notice specifying the text of the amendment and the date on which the amendment will become effective. Together with any notice amending the terms of this Lease as permitted by the preceding sentence of this Section 25.7, the Landlord will furnish to the Tenant an opinion of the City Attorney that specifies the conflict and the narrowest amendment, consistent with the remaining terms of this Lease, that would bring this Lease, as so amended, into conformity with the Legal Requirement or that would restrict the rights otherwise afforded to the Tenant to the extent necessary to prohibit the conduct that would result in the violation of the Legal Requirement. No such amendment will become effective on fewer than 90 days' notice to the Tenant, unless in the opinion of the City Attorney a shorter period of time is required in order to avoid any civil or criminal penalty. If the City Attorney shall determine that any policy of the Federal Aviation Administration, the U.S. Department of Transportation, the U.S. Transportation Security Administration, or any other federal or state regulatory agency shall have changed on or after the Commencement Date, whether or not the change shall have the force of law and whether or not the change shall have retroactive effect, the Landlord may unilaterally amend this Lease to the extent necessary to bring this Lease into conformity with the revised policy, by delivering to the Tenant a notice specifying the text of the amendment and the date on which the amendment will become effective. Together with any notice amending the terms of this Lease as permitted by the immediately preceding sentence of this Section 25.7, the Landlord will furnish to the Tenant an opinion of the City Attorney that specifies the change in policy and the narrowest amendment, consistent with the remaining terms of this Lease, that would bring this Lease, as so amended, into conformity with the new policy. No such amendment will become effective on fewer than 90 days' notice to the Tenant, unless in

the opinion of the City Attorney a shorter period of time is required in order to avoid any civil or criminal penalty. By agreeing to this Section 25.7 Tenant does not waive and Tenant hereby retains all of its rights to challenge the validity of any such Legal Requirement or policy change.

25.8. Time Periods. Unless otherwise specified, any reference to “days” in this Lease shall mean calendar days. Time of performance shall be of the essence of this Lease, provided that whenever a day is established in this Lease on or by which either the Landlord or the Tenant is required to perform any action (other than the Tenant’s obligation to make any payment of money required by this Lease), the time for performance shall be extended by the number of days (if any) during which the party whose performance is required is prevented from performing due to Unavoidable Delays.

25.9. Measurements. All measurements of (a) the Demised Premises, (b) the Common Use Areas, (c) the FIS Areas, and (d) any other relevant portion of the Terminal shall be made (except as required to the contrary by the express terms of this Lease) under ANSI/BOMA Z65.1-1996 (“Standard for Measuring Floor Area in Office Buildings”) or any other consistent methods from time to time adopted by the Landlord. Any measurements of the Rentable Area of any terminal at the Airport shall be adjusted from time to time by the Landlord to take into account changes in the measurements of relevant portions of the terminal. For the purposes of any computation of area required by this Lease, (a) the measurement of any area in any terminal at the Airport will not be affected by the temporary unavailability of floor area in the such terminal at the Airport due to maintenance, repairs, and construction activity in or affecting such terminal, and (b) additions to any area in any terminal at the Airport resulting from the construction of new improvements will not be included in the measurement of any area in such terminal until the new improvements are placed in service. The computation by the Landlord of any area required by this Lease shall be deemed conclusive absent manifest error. If at any time the Landlord concludes that any computation of floor area measurement proves to have been incorrect, the Landlord will promptly disclose the inaccuracy to the Tenant, and the Landlord and the Tenant will promptly make such payments to the other as may be necessary to correct retroactively for the economic effect of the error.

25.10. Certain Exhibits and Deliveries. Exhibits to this Lease consisting of provisions of ordinances and the Administrative Code of the City of Los Angeles are attached to this Lease only as a matter of convenience. In the event of a conflict between the Exhibits to this Lease and the official text of the ordinance or Administrative Code provision, the official text shall govern. In order to illustrate the computation of the Base Rent and other financial matters relevant to this Lease, the Landlord has delivered or may deliver to the Tenant sample calculations in written or electronic form. In the event of a conflict between the sample calculations and the terms of this Lease, the terms of this Lease shall govern.

25.11. Other Agreements not Affected. The provisions of this Lease shall apply only to the Demised Premises and shall not modify in any respect any of the rights or obligations of the Landlord or the Tenant under any other lease or other agreement between them. Except as expressly provided in this Lease, no third-party is intended to be a beneficiary of the provisions of this Lease.

25.12. Subordination to Government Agreements. The Tenant's rights and leasehold estate under this Lease shall be subordinate to the provisions of any existing or future agreement between the Landlord and the United States relating to the development, operation, or maintenance of the Airport.

25.13. No Joint Venture. The provisions of this Lease shall not be construed to create a joint venture or partnership between the Landlord and the Tenant.

25.14. Counterparts. This Lease may be executed in several counterparts, each of which shall be an original, but all of which together shall constitute a single instrument.

25.15. Captions, etc. The captions, table of contents and cover page of this Lease are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

25.16. Waiver of Trial by Jury. The Landlord and the Tenant do hereby waive trial by jury in any action, proceeding or counterclaim brought by either of them against the other relating to any matters arising out of or in any way connected with this Lease, the relationship of the Landlord and the Tenant, the Tenant's use or occupancy of the Demised Premises, or any other claims (except claims for personal injury or property damage) or any other statutory remedy.

25.17. Survival of Obligations. Unless expressly provided to the contrary, the obligations of the Landlord and the Tenant hereunder shall survive, to the extent previously accrued, any termination of this Lease, the expiration of the Term or the exercise by the Landlord or the Tenant of any of their respective remedies for the breach by the other of the provisions of this Lease.

25.18. Governing Law. Irrespective of the place of execution or performance, this Lease shall be governed by and construed and enforced in accordance with the laws of the State of California.

25.19. Interpretation. This Lease shall be construed without regard to any presumption or other rule requiring construction against the party causing this Lease to be drafted. Any references in this Lease to a specific Legal Requirement shall be deemed to include a reference to any similar or successor provision.

25.20. Successors and Assigns. The covenants, conditions and agreements contained in this Lease shall bind and inure to the benefit of the Landlord and the Tenant and their respective successors and, except as otherwise provided in this Lease, their assigns, and shall run with the land.

25.21. Attorneys' Fees. In any action brought to enforce the terms of this Lease, the party substantially prevailing in the action shall be entitled to recover from the other party the prevailing party's reasonable expenses of the action (including reasonable attorneys' fees).

25.22. Authority. Except as expressly provided in this Section 25.22 to the contrary, (a) the powers of the Landlord under this Lease, including the power to interpret and implement the provisions of this Lease, have been delegated to and may be exercised by the CEO, and (b) any

notice, election, approval or consent that this Lease by its terms requires or permits the Landlord to give may be given by the CEO, in each case as if exercised or given by resolution or order of the Board. Without limitation of the authority of the CEO under Sections 14.2.1, 16.2.1, 16.2.3, 18.2, and 19.2 (after giving effect to the foregoing provisions of this Section 25.22), the CEO shall have the authority to bind the Landlord to any amendment of this Lease having the effect of increasing or decreasing by not more than \$150,000 in any Lease Year the amounts payable by the Tenant to the Landlord under this Lease. The authority of the CEO under this Section 25.22 shall not extend to either of the following actions without the prior approval or later ratification of the Board: (a) any extension of the Term for a period that, when added to the Term originally specified in this Lease, exceeds five years, or (b) any amendment of the terms of this Lease if the specific text of this Lease has been presented to and approved by the City Council of the City of Los Angeles. In taking any action under this Lease, the Tenant shall be entitled to rely on the authority of the CEO as specified in this Section 25.22.

[signature page follows]

IN WITNESS WHEREOF, the Landlord and the Tenant have respectively executed this Lease as of the day and year first above written.

LANDLORD:

APPROVED AS TO FORM:

CITY OF LOS ANGELES

Michael N. Feuer,
City Attorney

By: _____
Chief Executive Officer
Department of Airports

Date: 7/21/16
By: [Signature]
Deputy/Assistant City Attorney

TENANT:

DELTA AIR LINES, INC.

ATTEST:

By: [Signature]
Name: Don M Davidson
Title: Asst Sec'y

Date: _____
By: [Signature]
Name: Edward H. Bastian
Title: CEO

[Corporate Seal]

Schedule 1-A

Remaining Investment Requirement and Maximum Investment Requirement Projects (proprietary and non-proprietary)

The Terminals 2 and 3 optional renovations and development scope is subject to DTIP process and may be submitted pursuant to the terms of the Lease

The specific components are listed below:

Scope Component	Description
1. Renovation of Terminal 3	Completely renovate Terminal 3 providing more concession space to better serve passengers, increase holdroom seating, create better passenger circulation, update building structure and systems including voluntary seismic upgrades.
2. Renovations of Terminal 2	Renovations to Terminal 2 to improve operations and guest experience.
3. New Terminal 2 & 3 Ticketing/Arrival Building	Rebuild the Terminals 2 and 3 Ticketing/Arrival Hall/Security Checkpoint building to provide innovative ticketing facilities and accommodate current technology for check-in, provide more space for passenger flow between the terminals (including secure connectivity), improve the security check point experience, and create a more enticing atmosphere for an overall positive guest experience.
4. Infrastructure for Airport People Mover	Provide infrastructure for the planned airport people mover including all vertical circulation to serve Terminals 2 and 3.
5. Ramp Improvements	As part of the Landlord's pavement management, repave the entire ramp including concrete, fueling infrastructure, jet bridge facilities alignment, and upgrade aircraft safety provisions including state of the art guiding systems.
6. Northside TBIT Connector	Provide essential connectivity for passengers between Terminals 2 and 3 to TBIT.
Maximum Future Development Plan Cost (Delta Renovations and Non-Proprietary Renovations): (including Interest Costs)	
\$1,510,000,000	

Schedule 1-B

1. Non-Proprietary Renovations- Airline Space.

(a) The Tenant shall sell, and the Landlord shall purchase, the DTIP Projects that are Non-Proprietary Airline Renovations. The Landlord shall pay the Tenant, within sixty (60) days of the Non-Proprietary Airline Renovations Component Completion Date, the amount of the DTIP Projects' Non-Proprietary Airline Renovations Component Acquisition Cost. The estimated cost for each Non-Proprietary Airline Renovations Component is set forth in the Board-approved DTIPs. The aggregate amount of Non-Proprietary Airline Renovations Component Acquisition Cost for all Non-Proprietary Airline Renovations Components that are DTIP Projects, including principal and interest, payable by the Landlord to the Tenant, is listed in the Board-approved DTIP.

(b) Disputes. Notwithstanding the foregoing, the Landlord shall have the right to dispute the amount of the DTIP Projects' Non-Proprietary Airline Renovations Component Acquisition Cost. To the extent that the Landlord disputes a portion of such Non-Proprietary Airline Renovations Component Acquisition Cost, or there is insufficient documentation with respect thereto, the Landlord shall so notify the Tenant within sixty (60) days ("DTIP Non-Proprietary Airline Renovations Component Payment Date") of any Non-Proprietary Airline Renovations Component Completion Date and shall have the right to withhold any disputed amounts until such amounts have been verified and documented to the reasonable satisfaction of the Landlord. The Landlord shall also submit to the Tenant an explanation of the disputed amount or the required documentation prior to the DTIP Non-Proprietary Airline Renovations Component Payment Date. The Tenant shall respond within thirty (30) days and the Landlord and the Tenant shall meet to resolve any disputes or documentation issues within thirty (30) days of the Tenant's response.

(c) For each Non-Proprietary Airline Renovations Component that are DTIP Projects, upon the payment of such Non-Proprietary Airline Renovations Component Acquisition Cost, title to such Non-Proprietary Airline Renovations Component shall vest in the Landlord.

2. Non-Proprietary Renovations – Terminal Space. The Landlord shall have the option to purchase the DTIP Projects that are Non-Proprietary Terminal Renovations at any time during the term of the Lease.

(a) Prior to First Option Date.

(i) If the Landlord wishes to exercise its option under Section 2(a) by the First Option Date, the CEO, subject to Board approval, shall provide written notice of its intent to purchase the DTIP Projects that are Non-Proprietary Terminal Renovations and shall pay the Tenant the undisputed amount of the Non-Proprietary Terminal Renovations Acquisition Cost for the DTIP Projects according to Section 2(a)(ii) below. The not-to-exceed amount(s) of the Non-Proprietary Terminal Renovations Acquisition Cost for DTIP Projects are listed in the Board-approved DTIPs.

(ii) If the Landlord has exercised its option pursuant to Section 2(a), the Landlord shall pay the Tenant, within sixty (60) days of each DTIP Projects' Non-Proprietary Terminal Renovations Component Completion Date, the amount of such Non-Proprietary Terminal Renovations Component Acquisition Cost. The estimated cost for each Non-Proprietary Terminal Renovations Component is set forth in the Board-approved DTIP. Upon payment of any portion of the Non-Proprietary Terminal Renovations Acquisition Cost for DTIP Projects, title to such Non-Proprietary Terminal Renovations, in its entirety, shall vest in the Landlord.

(b) After the First Option Date.

(i) If the Landlord does not exercise its option under Section 2(a) by the First Option Date, the Landlord shall issue to the Tenant, within sixty (60) days of the Non-Proprietary Terminal Renovations Component Completion Date, a rental credit (the "DTIP Non-Proprietary Terminal Renovations Component Rental Credit") in the undisputed amount of the Non-Proprietary Terminal Renovations Acquisition Cost for the DTIP Projects, which rental credit shall be applied against any Landing Fee and amounts due to the Landlord from the Tenant for the use of space in terminals at the Airport; *provided, however*, that the total amount of such DTIP Non-Proprietary Terminal Renovations Component Rental Credit shall not exceed the amount that is listed in the Board-approved DTIP. Such DTIP Non-Proprietary Terminal Renovations Component Rental Credit shall be applied in equal installments over the period from the First Option Date to the end of the Term and shall include Interest Costs on the outstanding principal that is unpaid as of such application date. Upon the issuance of such DTIP Non-Proprietary Terminal Renovations Component Rental Credit, title to such Non-Proprietary Terminal Renovations Component shall vest in the Landlord.

(ii) Notwithstanding Section 2(b)(i) above, the Landlord shall always have the option to purchase the Non-Proprietary Terminal Renovations that are DTIP Projects at any time during the term of the Lease. If the Landlord wishes to exercise its option under Section 2(a) after the First Option Date, the CEO, subject to Board approval, shall provide written notice of its intent to purchase the Non-Proprietary Terminal Renovations that are DTIP Projects and shall pay the Tenant an amount equal to the remaining unused DTIP Non-Proprietary Terminal Renovations Component Rental Credit (such unused amount, the "DTIP Post-Construction Non-Proprietary Terminal Renovations Acquisition Cost"). Upon the payment of such DTIP Post-Construction Non-Proprietary Terminal Renovations Acquisition Cost, the unused DTIP Non-Proprietary Terminal Renovations Component Rental Credit for the DTIP Projects shall be extinguished.

(iii) Disputes. Notwithstanding the foregoing, the Landlord shall have the right to dispute the amount of the DTIP Projects' Non-Proprietary Terminal Renovations Component Acquisition Cost. To the extent that the Landlord disputes a portion of such Non-Proprietary Terminal Renovations Component Acquisition Cost, or there is insufficient documentation with respect thereto, the Landlord shall so notify the Tenant within sixty (60) days ("DTIP Non-Proprietary Terminal Renovations Component Payment Date") of any Non-Proprietary Terminal Renovations Component Completion Date and shall have the right to withhold any disputed amounts until such amounts have been verified and documented to the reasonable satisfaction of the Landlord. The

Landlord shall also submit to the Tenant an explanation of the disputed amount or the required documentation prior to the DTIP Non-Proprietary Terminal Renovations Component Payment Date. The Tenant shall respond within thirty (30) days and the Landlord and the Tenant shall meet to resolve any disputes or documentation issues within thirty (30) days of the Tenant's response.

3. Termination Prior to Completion Date. If this Lease is terminated prior to the Non-Proprietary Airline Renovations Component Completion Date or the Non-Proprietary Terminal Renovations Component Completion Date for the DTIP Projects, the Landlord shall reimburse the Tenant as follows:

(a) If the Tenant has not commenced construction on a Non-Proprietary Airline Renovations Component or a Non-Proprietary Terminal Renovations Component for the DTIP Projects and the Lease is terminated, the Landlord shall purchase the design plans for fifty percent (50%) of the actual verified design costs expensed as of the termination date of the Lease for such component(s).

(b) If the Tenant has commenced construction on a Non-Proprietary Airline Renovations Component or a Non-Proprietary Terminal Renovations Component for the DTIP Projects as of the termination date of the Lease, the Landlord shall purchase the design plans at the total actual, verified costs to prepare such design plans for such component(s).

(c) The Tenant agrees that the materials provided to the Landlord pursuant to Section 3 shall belong to and be the sole property of the Landlord. The Tenant warrants that the deliverables provided to the Landlord under this section will not infringe any intellectual property rights of any third party.

Schedule 1 -C

Relocation Plan Costs

The Terminals other airline relocation scope needed to accommodate affected airlines on Terminal 5 and 6.

The specific components are listed below:

Scope Component	Description
1. Other Airline Relocation	Design and construction of new infrastructure and support spaces necessary to accommodate other airlines in the Terminals, and the Airlines that will be relocated to T5, T6, and TBIT. The scope will include a new information technology infrastructure/ backbone, renovated ticketing counters and baggage claim arrival areas for T5 and T6, airline passenger clubs, upgrades to the ramp area to accommodate aircraft of all the airlines relocating, and all required support space.
TOTAL ESTIMATED RELOCATION EXPENSES: \$60,000,000 (including Interest Costs)	

Delta Air Lines – Final Relocation Plan

Date _____

A critical component of the proposed lease with Delta Air Lines, Inc. (Delta) to occupy Terminals 2 and 3 at Los Angeles International Airport (LAX) is the relocation plan that establishes the steps that Delta will take to relocate airlines/tenants from Terminals 2 and 3 and move its operations into these facilities from Terminals 5 and 6. In summary, the plan includes:

1. The airlines and tenants that will be relocated from Terminals 2 and 3
 - a. A summary matrix that lists premises being vacated in Terminals 2 and 3 and the replacement space being developed for their use
 - b. A summary of the gates in the new Terminal locations
2. The airlines and tenants that will remain in Terminals 2 and 3
 - a. A summary of space currently occupied and any changes to these locations/premises
 - b. A summary of these airlines' gates after Delta relocates
3. The proposed phasing schedule for the relocations, including planning, construction and physical relocation
4. A summary of the costs to execute this plan and responsibility for such costs

Los Angeles World Airports (LAWA) and Delta agree that the attached plan will be the Final Relocation Plan attached to the proposed lease with Delta for space in Terminals 2 and 3 at LAX. Delta and LAWA acknowledge that this Final Relocation Plan contains a summary of the plan for the relocation of the airlines and tenants from Terminals 2 and 3 and that additional details will need to be addressed by Delta and LAWA, working within the framework and terms established by the attached Final Relocation Plan. Future changes that may be needed to facilitate the relocation of all airlines and tenants must be approved by LAWA's Chief Executive Officer in writing. Further, prior to each tenant move, LAWA's Chief Executive Officer will be required to approve the relocation in writing.

Delta Air Lines, Inc.

By: _____

Title: CEO

LAWA

By: _____

Title: Deputy Executive Director

Delta Air Lines – Final Relocation Plan

Date

A critical component of the proposed lease with Delta Air Lines, Inc. (Delta) to occupy Terminals 2 and 3 at Los Angeles International Airport (LAX) is the relocation plan that establishes the steps that Delta will take to relocate airlines/tenants from Terminals 2 and 3 and move its operations into these facilities from Terminals 5 and 6. In summary, the plan includes:

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 - a. A summary of space currently occupied and any changes to these locations/premises
 - b. A summary of these airlines' gates after Delta relocates
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Delta Air Lines, Inc.

By: 

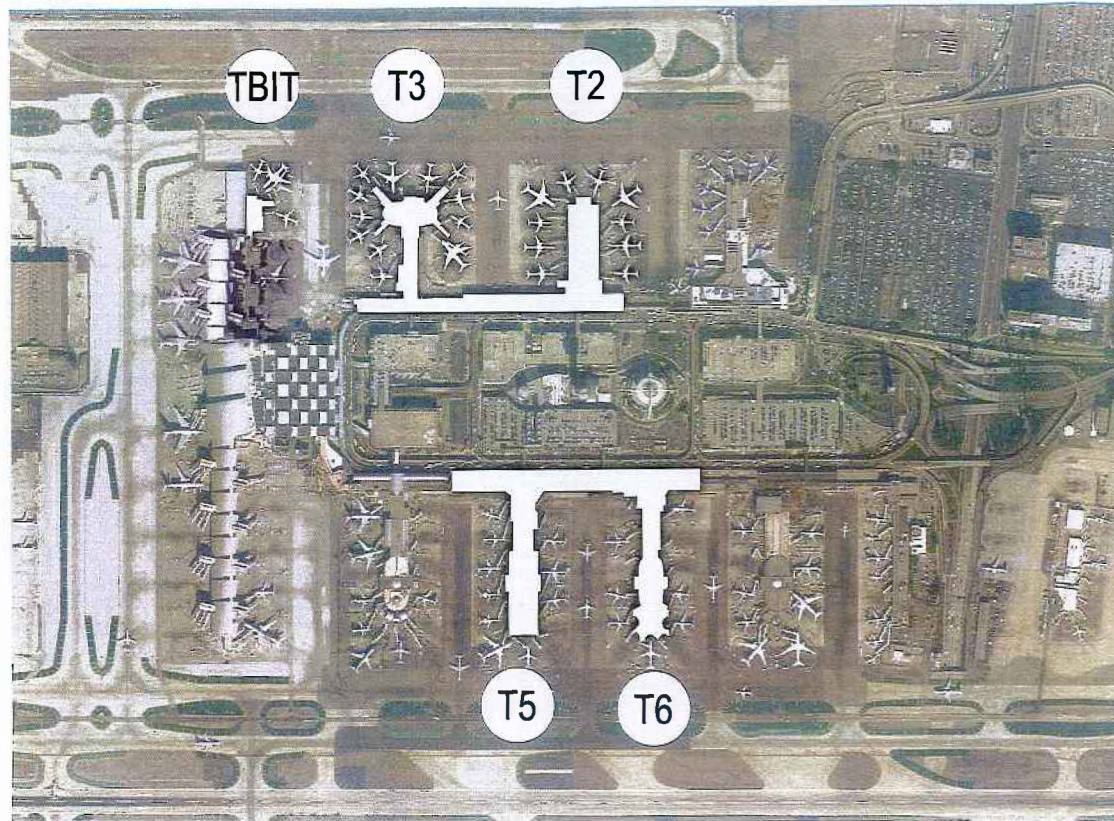
Title: CEO

LAWA

By: 

Title: Deputy Executive Director

FINAL 2017 RELOCATION PLAN



RELOCATED AIRLINES SUMMARY

Airline	SPACES EXISTING (SF)							PROPOSED SPACES (SF)							Gates
	Current Terminal	Ticket Counters	ATO & ADMIN	Ramp Operations	Baggage	Club	TOTAL SF	Proposed Terminal	Ticket Counters	ATO & ADMIN	Ramp Operations	Baggage	Club	TOTAL SF	
Aer Lingus	T2	9						T6	TBD	TBD	TBD	TBD			
AeroFlot	TBIT							T2	9	799		174		973	Terminal 2 Common Gates
AeroMexico	T2	8	916	841	171		1,928	T2	7	916	841	171		1,928	Terminal 2 Common Gates
Air Canada	T2	22 + kiosks	3,061	1,333	448	7,308	12,150	T6	22	3,069	1,257	553	4,298	9,177	68A, 68B (shared), 69B
Alaska	T6			391			391	T6			470			470	No change to gate assignments
Allegiant	T3	4		1,564			1,564	T5	4		1,685			1,685	T5 Common Use Gates
American	T6	10	2,508	13,276	844		16,628	T5	10	3,738	14,282	928		18,948	51A, 51B, 53A, 53B
Avianca	T2	15	212		466		678	T3	12	1,271		486		1,757	TBIT North Gates
Boutique	T3	3	60				60	T6	2	60				60	Ground Load Bus to Tail
Copa	T6	6	837				837	T3	6	878				878	TBIT North Gates
Dynamic	T2	6													
Frontier	T3	3	622	372	279		1,273	T5	3	636	320	287		1,243	T5 Common Use Gates
Great Lakes / Mokulele	T6	4		400			400	T6	4		400			400	Ground Load Bus to Tail
Hainan	T2		559				559	TBIT							TBIT
Hawaiian	T2	13 + kiosks	3,190	1,112	470		4,772	T5	10+kiosks	2,776	1,588	436		4,800	T5 Common Use Gates
Interjet	T2		578				578	T3	6	581				581	TBIT North Gates
JetBlue	T3	5	1,363	640	518	595	3,116	T5	5	1,358	3,564	513	523	5,958	55A, 59
Qatar	T2	8	799		174		973	TBIT							TBIT
Southwest	T2		1,873	589	316		2,778	TBIT							TBIT North Gates
Spirit	T3	8	534	2,173	564		3,271	T5	8	580	2,148	561		3,299	54A, 54B, 56
Sun Country	T2	5	180				180	T6	6	180				180	T5 East Common Use Gates
Thomas Cook	T2	5 or 6													
Virgin America	T3	11+16 kiosks	6,510	4,658	391	4,519	16,078	T6	11+16 kiosks	7,773	4,243	277		12,293	60, 61, 62, 63
Virgin Atlantic	T2	12	1,367	550		3,952	5,869	T2	12	1,367	550		3,952	5,869	Terminal 2 Common Gates
Virgin Australia	T3	10	1,385	232			1,617	T2	10	1,792	486			2,278	Terminal 2 Common Gates
Volaris	T2	8	737				737	T3	8	979				979	TBIT North Gates
WestJet	T2	8	446				446	T3	8	453				453	Terminal 3
XL	T2	5 or 6						T6	TBD	TBD	TBD	TBD			

NOTES:

1. Delta Air Lines is responsible for all airline relocations resulting from its move from Terminals 5 and 6 to Terminals 2 and 3 which includes; the design and construction of "like-for-like" premises in the new location, as well as the physical relocation of furniture and equipment.

2. The Scope of Work associated with each airline's relocation shall be described in a detailed facility programming document and concept plans developed with participation of the affected airlines and approved by these carriers, Delta Air Lines and LAWA.

3. Information contained in these exhibits may only be modified with the expressed written approval of LAWA's Chief Executive Officer or her duly appointed designee.

4. The lower total square footages of proposed spaces at South Terminals results from T6 Mezzanine area is smaller; resulting in a smaller Air Canada Maple Leaf Lounge and no Virgin America Loft will be created

5. Southwest will operate flights from TBIT Gates and perform passenger processing in Terminal 1 after development of TBIT North gates and upon Delta relocation. An Airside shuttle will be used to transport passengers between Terminal 1 and TBIT.

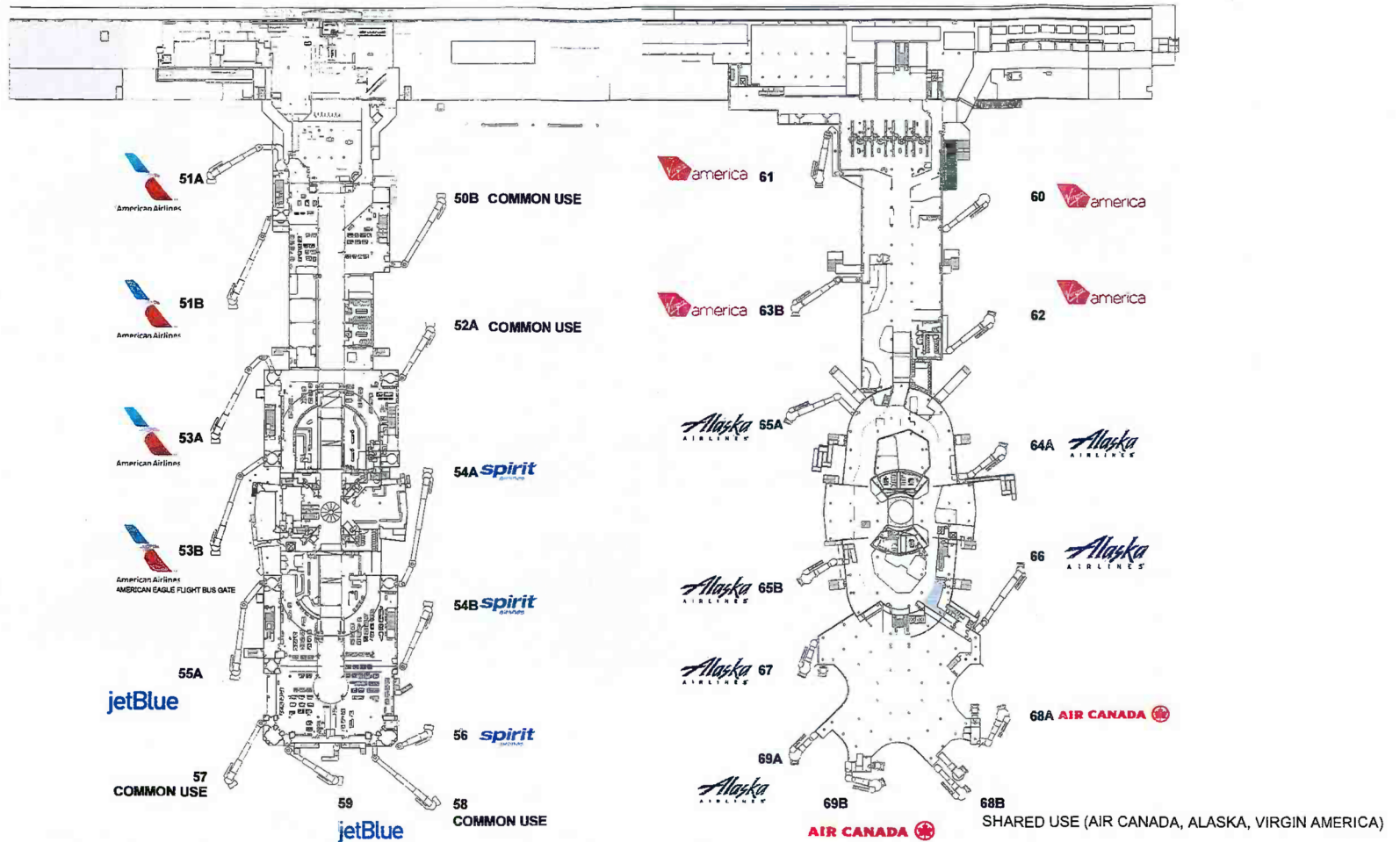
6. Copa Airlines will be relocated to Terminal 3 from Terminal 6.

7. Interjet, Avianca, Volaris and Copa will operate from the Terminal 3 lobby and utilize gates in TBIT after development of TBIT North gates.

8. Dynamic Airways and Thomas Cook Airlines are seasonal carriers and their services will cease at the end of the Summer 2016 schedule. Future facility needs will be determined if/when these airlines notify LAWA of plans to reinstate service at LAX.

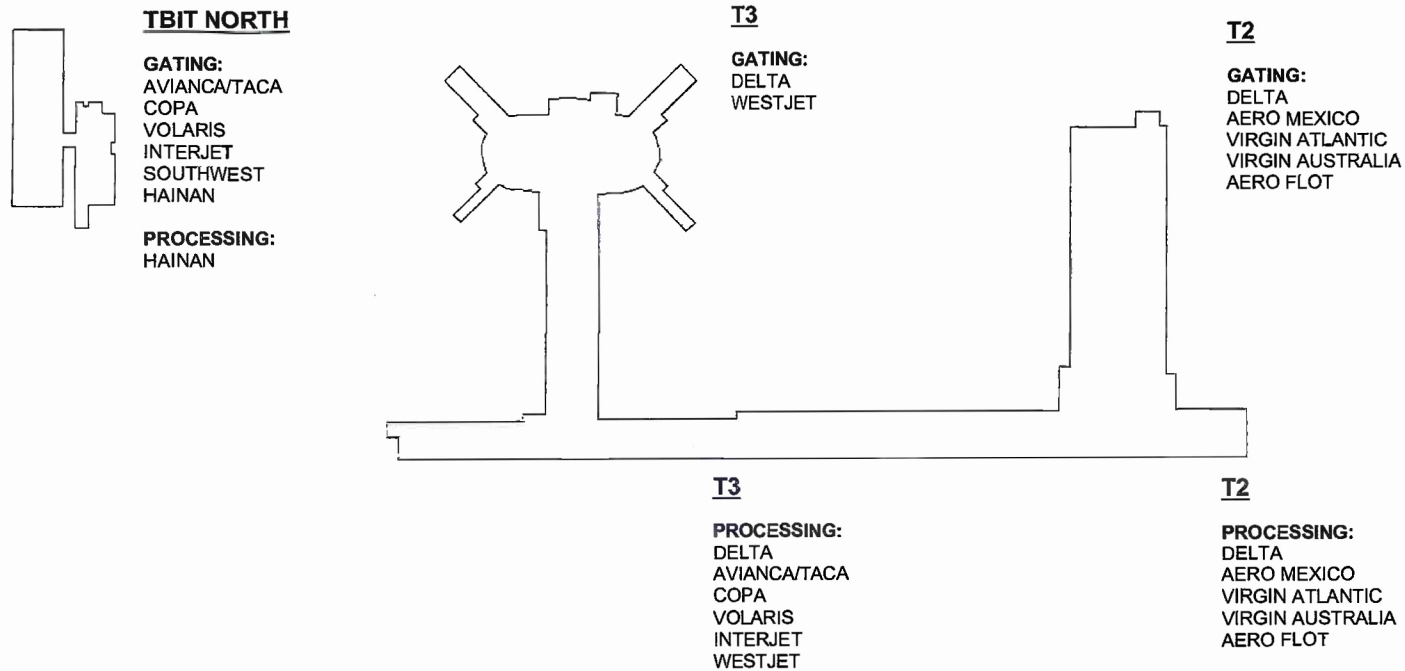
TERMINALS 5 & 6 - GATE LAYOUT

The following is a summary of the gates the other airlines will be operated at Terminals 5 and 6.



TERMINALS 2/3 & TBIT AIRLINES

















The following is a processing/gating summary at Terminals 2 and 3 after the Delta Relocation is complete.








TERMINAL 2 PRE AND POST MOVE

The following is a summary of the airlines that currently occupy Terminal 2, and the airlines that will occupy Terminal 2 after the move is complete.

Terminal 2

EXISTING																
TERMINAL	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
TICKET COUNTERS	10	0	5	11	15	8	8	8	8	13	22	5	9	6	5 OR 6	5 OR 6
ATO	1,367	578	1,533	799	212	916	737	559	446	3,190	3,061	180	0	0	0	0
BSO	0	0	316	174	486	171	0	0	0	470	448	0	0	0	0	0
RAMP SUPPORT	550	0	589	0	0	841	0	0	0	1,112	1,333	0	0	0	0	0
VIP LOUNGE	3,952	0	0	0	0	0	0	0	0	0	7,308	0	0	0	0	0

Note: Existing Ticket Counter quantities are based on information provided by TBITEC dated June 25, 2016. Existing T2 Ticket Counters are equipped with Common Use Terminal Equipment. Only Air Canada and Hawaiian Airlines have permanently assigned counters. Ticket counter assignments for all other carriers are subject to change and are determined in part by an assignment protocol which considers flight schedule, aircraft size/seating capacity and a single or multiple departures during the passenger processing window and other factors.

2017 Post-move					
TERMINAL	2	2	2	2	2
TICKET COUNTERS	12	9	7	38	10
ATO	1,367	799	916	4,797	1,792
BSO	0	174	171	2,664	0
RAMP SUPPORT	550	0	841	6,874	486**
VIP LOUNGE	3,952	0	0	11,410	0








Note: This exhibit may only be modified with the expressed written approval of LAWA's Chief Executive Officer or her duly appointed designee.







**Shared space with Swissport

TERMINAL 3 PRE AND POST MOVE

The following is a summary of the airlines that currently occupy Terminal 3, and the airlines that will occupy Terminal 3 after the move is complete.

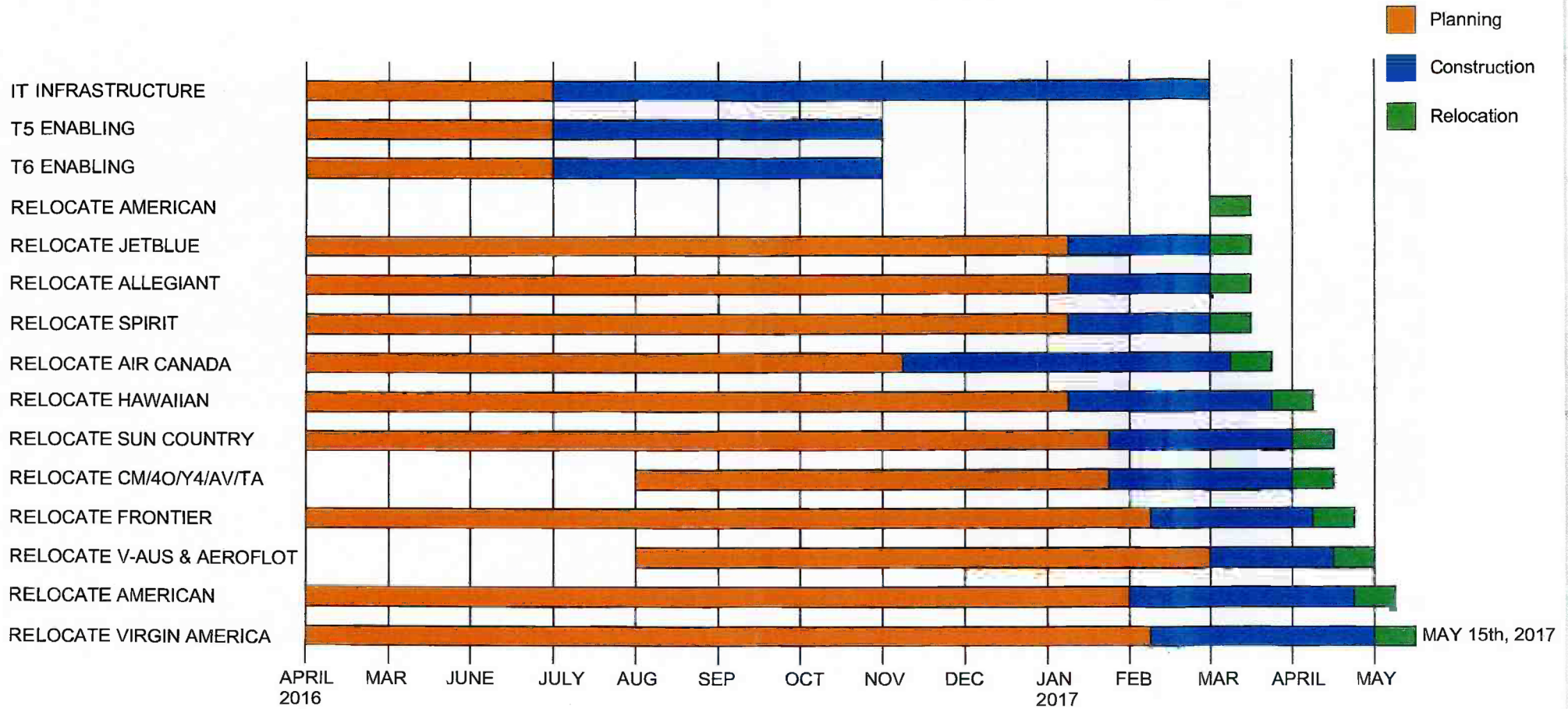
Terminal 3

EXISTING							
TERMINAL	3	3	3	3	3	3	3
TICKET COUNTERS	10	5	3	11	8	3	4
ATO	1,385	1,363	622	6,510	534	0	0
BSO	0	518	279	391	564	0	0
RAMP SUPPORT	232	640	372	4,658	2,173	57	1,564
VIP LOUNGE	0	595	0	4,519	0	0	0

2017 Post-move						
TERMINAL	3	3	3	3	3	3
TICKET COUNTERS	17	12	6	8	6	8
ATO	3,995	1,271	878	979	581	453
BSO	572	486	0	0	0	0
RAMP SUPPORT	7588	0	0	0	0	0
VIP LOUNGE	8,174	0	0	0	0	0

Note: This exhibit may only be modified with the expressed written approval of LAWA's Chief Executive Officer or her duly appointed designee.

PROPOSED PHASING SCHEDULE



RELOCATION COST ESTIMATE

The following is a summary of the cost associated with the relocations.

SCOPE ELEMENT	COST
T5/T6 Enabling Space	\$ 1,500,000
T5 Comm Rooms	\$ 5,000,000
T5 Electrical	\$ 6,000,000
T6 Electrical	\$ 3,500,000
Club Demo	\$ 250,000
BHS	\$ 750,000
Mechanical	\$ 2,500,000
Plumbing	
T5 OAL Renovations	\$ 2,500,000
T6 OAL Renovations	\$ 2,500,000
OAL Relocations	\$ 2,000,000
Subtotal	\$ 51,000,000
Design/Testing	\$ 5,500,000
PM Services	\$ 2,500,000
Program Overhead	\$ 1,000,000
TOTAL	\$ 60,000,000

Schedule 1 - D

Terminal 2 & 3 Summary of Proposed Minimum Investment Projects and Relocation Plan projects

The following improvements are proposed to be designed and constructed by the Tenant.

Scope Component	Description
1. T2 Concourse	The Tenant will design and renovate holdrooms and passenger areas to improve the guest experience, and create, improve and renovate support spaces for the Tenant, the Airport, and other third party tenants. This work includes phasing and enabling projects, renovating and improving the Delta Sky Club level, including lounge space and related support space. The Tenant will perform a complete assessment of the terminal functionality and building systems, and upgrade, replace or expand the systems that are at end of life. The Tenant may re-gauge the Terminals for more aircraft flexibility up to a maximum of 27 gates.
2. T3 Concourse	The Tenant will design and renovate holdrooms and passenger areas to improve the guest experience, and create, improve and renovate support spaces for the Tenant, the Airport, and other third party tenants. This work includes phasing and enabling projects, renovating and improving the Delta Sky Club level, including lounge space and related support space. The Tenant will perform a complete assessment of the terminal functionality and building systems, and upgrade, replace or expand the systems that are at end of life. The Tenant may re-gauge the Terminals for more aircraft flexibility up to a maximum of 27 gates.
3. Baggage Handling System (BHS)	Design and construction of various upgrades needed to the BHS system in T2 and T3, including new inline Checked Baggage Inspection System to improve reliability, and accommodate the requirements of the airlines operating in the Terminals.
<u>Relocation Plan</u>	
4. Other Airlines relocation	Design and construction of new infrastructure and support spaces necessary to accommodate other airlines in the Terminals, and the Airlines that will be relocated to T5, T6, and TBIT. The scope will include a new information technology infrastructure/ backbone, renovated ticketing counters and baggage claim arrival areas for T5 and T6,

Scope Component	Description
	airline passenger clubs, upgrades to the ramp area to accommodate aircraft of all the airlines relocating, and all required support space.
TOTAL ESTIMATED PROGRAM COST: (including interest)	
	\$350,000,000

Schedule 1 - D (con't)

Terminal 2 & 3 Summary of Proposed Minimum Investment Projects and Relocation Plan projects - Delta Renovations

In general, the Delta Renovations include but are not limited to the improvements that are:

- Branded items
- Unique to Delta's specific operational needs, such that it is not reasonable to assume that another airline could use the improvements without modifications
- Specialty lighting, finishes, and other architectural elements specifically selected by Delta
- All interior construction of all exclusive lease space, including airline passenger lounges and exclusive premium passenger check-in areas

Specifically, the Delta Renovations include, but not limited to:

Scope Component	Description
1. T2 Concourse	Installation of Delta IT infrastructure, all interior renovation of the Delta Sky Clubs, and creation and renovation of other required space to support Delta's operation in T2 and T3
2. T3 Concourse	Installation of Delta IT infrastructure. The scope will include the renovation of the club level for a Delta Sky Club and other support.
3. BHS	Installation of Delta specific systems as part of the BHS system upgrades and modifications.
TOTAL ESTIMATED DELTA RENOVATIONS COST: \$45,000,000	

Schedule 1 - D (con't)

Terminal 2 & 3 Minimum Investment Projects - Non-Proprietary Airline Renovations

In general, the Non-Proprietary Airline Renovations are the improvements that are:

- Useable by any airline operating in the Terminals
- Performed in/on the parts of the building classified as “airline”
- In cases of base building infrastructure and envelope, the portion of the improvements allocated to Airline is based on the ratio of Airline to Public space in the Terminals

Scope Component	Description
1. T2 Concourse	The Tenant will design and renovate holdrooms and passenger areas to improve the guest experience, and create, improve and renovate support spaces for the Tenant, the Airport, and other third party tenants. This work includes phasing and enabling projects, renovating and improving the airline areas and exterior components of the Delta Sky Club level, including lounge space and related support space. The Tenant will perform a complete assessment of the terminal functionality and building systems, and upgrade, replace or expand the systems that are at end of life. The Tenant may re-gauge the Terminals for more aircraft flexibility up to a maximum of 27 gates.
2. T3 Concourse	The Tenant will design and renovate holdrooms and passenger areas to improve the guest experience, and create, improve and renovate support spaces for the Tenant, the Airport, and other third party tenants. This work includes phasing and enabling projects, renovating and improving the airline areas and exterior components of the Delta Sky Club level, including lounge space and related support space. The Tenant will perform a complete assessment of the terminal functionality and building systems, and upgrade, replace or expand the systems that are at end of life. The Tenant may re-gauge the Terminals for more aircraft flexibility up to a maximum of 27 gates.
3. BHS	Design and construction of various upgrades needed to the BHS system in the Terminals, including new inline Checked Baggage Inspection System to improve reliability, and accommodate the requirements of the Airlines operating in the Terminals.
TOTAL ESTIMATED NON-PROPRIETARY AIRLINE RENOVATIONS COST: \$134,750,000 (including Interest Costs)	

Schedule 1 - D (con't)

Terminal 2 & 3 Minimum Investment Projects - Non-Proprietary Terminal Renovations

In general, the Non-Proprietary Terminal Renovations are the improvements that are:

- Performed in/on the public parts of the building
- In cases of base building infrastructure and envelope, the portion of the improvement allocated to Airline is based on the ratio of Airline to Public space in the Terminals

Scope Component	Description
1. T2 Concourse	The Tenant will design and renovate holdrooms and passenger areas to improve the guest experience, and create, improve and renovate support spaces for the Tenant, the Airport, and other third party tenants. This work includes phasing and enabling projects, renovating and improving the Airline areas and exterior components of the Delta Sky Club level, including lounge space and related support space. Delta will perform a complete assessment of the terminal functionality and building systems, and upgrade, and replace, upgrade or expand the systems that are at end of life. The Tenant may re-gauge the Terminals for more aircraft flexibility up to a maximum of 27 gates.
2. T3 Concourse	The Tenant will design and renovate holdrooms and passenger areas to improve the guest experience, and create, improve and renovate support spaces for the Tenant, the airport, and other third party tenants. This work includes phasing and enabling projects, renovating and improving the Airline areas and exterior components of the Delta Sky Club level, including lounge space and related support space. The Tenant will perform a complete assessment of the terminal functionality and building systems, and upgrade, replace or expand the systems that are at end of life. The Tenant may re-gauge the Terminals for more aircraft flexibility up to a maximum of 27 gates.
TOTAL ESTIMATED NON-PROPRIETARY TERMINAL RENOVATIONS COST: (including Interest Costs)	
\$110,250,000	

Schedule 2
MAINTENANCE SCHEDULE

	All Areas	Demised Premises	Equipment Lease	Terminal Common Areas	Building Exterior and/or Ramp
Electrical	Landlord				
Master electrical panels and main electrical equipment: Testing, Repair, Maintenance					
Electrical sub-panels and equipment and distribution: Testing, Repair, Maintenance	N/A	Tenant	N/A	Landlord	N/A
Uninterrupted Power Supply: Testing, Repair, Maintenance	N/A	Tenant	N/A	Landlord	N/A
Lighting Interior within Leased Premises: Lamps, Ballasts, Fixtures	N/A	Tenant	N/A	N/A	N/A
Common Area Lighting: Lamps, Ballasts, Fixtures	N/A	N/A	N/A	Landlord	Landlord
Specialty Architectural Light Fixtures and Signage installed by Tenant including bulb replacement	Tenant	N/A	N/A	N/A	N/A
Tenant Area Lighting - Lighting located in common areas illuminating Leased Premises: Lamps, Ballasts, Fixtures	Tenant	Tenant	N/A	N/A	N/A
Signage - Lighted: Lamps, Ballasts, Fixtures	N/A	Tenant	N/A	Owner	N/A
Fire Suppression System	Landlord, unless modified by Tenant				
Fire sprinkler and fire-life-safety systems					
Fire Alarm Detection	Landlord				
Fire Suppression System (Building Wide)	Landlord				
Fire Suppression Equipment Exclusive to the Lease Premises (i.e. Fire Extinguisher, etc.)	N/A	Tenant	N/A	N/A	N/A
HVAC					
UPS Systems HVAC (leased space HVAC)	N/A	Tenant	N/A	N/A	N/A
UPS Systems HVAC (common to building HVAC)	N/A	N/A	N/A	Landlord	N/A
Thermostats	N/A	Tenant	N/A	Landlord	N/A
HVAC within leased space	N/A	Tenant	N/A	N/A	N/A
Chilled/hot water for HVAC	Landlord				
HVAC stand alone systems	N/A	Tenant	N/A	Landlord	N/A
Plumbing					
Tenant Installed Plumbing	NA	Tenant	N/A	N/A	N/A
Plumbing systems from source to Landlord main	NA	Tenant	N/A	N/A	N/A
Main water and sewer lines	Landlord				
Piping connected to demised premises but outside leasehold area	N/A	Tenant	N/A	N/A	N/A
Equipment					
Elevators serving exclusively demised area	N/A	Tenant	Tenant	N/A	N/A
Passenger loading bridges, generators, pre-conditioned air, potable water systems	N/A	Tenant	Tenant	Tenant	Tenant
Centralized 400Hz Jet aircraft power system to support passenger boarding bridges	N/A	Tenant	Tenant	Tenant	Tenant
Inbound baggage systems, including security doors, lighting, conveyors and related equipment(PLC's, MCP's, etc)	N/A	Tenant	Tenant	Tenant	Tenant
Outbound baggage systems, including security doors, lighting, conveyors and related equipment(PLC's, MCP's, etc)	N/A	Tenant	Tenant	Tenant	Tenant
Interline bag belt systems and carousels	Tenant				
Ticket/Curbside Counters and Electronic Kiosks	Tenant				
Battery Chargers	Owner				
Roofing Hoods, Ducts, and Fans Associated with Kitchen Exhaust	N/A	Tenant	N/A	N/A	N/A
Industrial Garbage Disposal	N/A	Tenant	N/A	N/A	N/A
Grease Traps/Grease Interceptors	N/A	Tenant	N/A	N/A	N/A
Heat Exchangers	N/A	Tenant	N/A	N/A	N/A

Schedule 2 MAINTENANCE SCHEDULE

	All Areas	Demised Premises	Equipment Lease	Terminal Common Areas	Building Exterior and/or Ramp
Equipment and improvements installed by Tenant serving Tenant Exclusively	Tenant				
Janitorial					
Basic Janitorial	N/A	Tenant	N/A	Landlord	Landlord
Passenger loading bridges, generators, pre-conditioned air, potable water systems	Tenant				
Inbound baggage systems, including security doors, lighting, conveyors and related equipment(PLC's, MCP's, etc)	Tenant				
Outbound baggage systems, including security doors, lighting, conveyors and related equipment(PLC's, MCP's, etc)	Tenant	Tenant	Tenant	Tenant	Tenant
Equipment and improvements installed by Tenant serving Tenant Exclusively	N/A	Tenant	N/A	Tenant	N/A
Waste Disposal and Recycling	N/A	Tenant	Tenant	Landlord	Landlord
Hard/Soft Floors areas: Restrooms, floors, furnishings, trash receptacles and seating	N/A	Tenant	N/A	Landlord	Landlord
Window-washing (interior of demised)	N/A	Tenant	N/A	Landlord	Landlord
Window-washing (exterior/hallway side)	N/A	Tenant	N/A	Landlord	Landlord
Pest Control	N/A	Tenant	N/A	Landlord	N/A
Building Pest Control Program	Landlord				
Signage					
Way finding signage (LAWA standard and/or manufactured)	Landlord				
Tenant Specialty Signage (not LAWA standard and/or manufactured)	Tenant				
Building Exterior					
Exterior Walls, Roof and Foundation	Landlord				
Paving	Landlord				
Window washing - Exterior	Landlord				
Building Envelope					
High dusting	N/A	Tenant	N/A	Landlord	Landlord
Furnishings/Fixtures/Equipment	N/A	Tenant	N/A	Landlord	Landlord
Restrooms	N/A	Tenant	N/A	Landlord	N/A
HVAC Vents/Ceiling Tiles/Ceiling Grids	N/A	Tenant	N/A	Landlord	N/A
Flooring/Floor finishes	N/A	Tenant	N/A	Landlord	N/A
Wall finishes (including store front)	N/A	Tenant	N/A	Landlord	N/A
Doors (including locks, hinges and closers)	N/A	Tenant	N/A	Landlord	Landlord
Interior leased space doors	N/A	Tenant	N/A	N/A	N/A
Fire doors	N/A	Tenant	N/A	Landlord	Landlord
Exterior Door to Leased Space	N/A	Tenant	N/A	N/A	N/A
Information Technology					
Telephone and data circuits	N/A	Tenant	N/A	Landlord	Landlord
Telecommunications conduits	N/A	Tenant	N/A	Landlord	N/A
Telecommunications conduit and cable to MPOE	N/A	Tenant	Tenant	Landlord	N/A
ACAMS	Landlord				
CCTV	N/A	Tenant	N/A	Landlord	N/A
FIDS	Tenant				
Wi-Fi	N/A	Tenant	N/A	Landlord	Landlord
Distributed Antenna System	Tenant				
Paging	N/A	Tenant	Tenant	Landlord	N/A
Cable TV	N/A	Tenant	N/A	N/A	N/A
Environmental Management/Sustainability					
Energy and building management	Landlord				
Energy Conservation	N/A	Tenant	N/A	Landlord	N/A

1 -The Landlord's maintenance and repair responsibilities are limited to the activities designated on this exhibit.

2-The Tenant's maintenance and repair responsibilities shall also include, in addition to the above, areas and equipment that are not designated on this exhibit and which are not

Schedule 2
MAINTENANCE SCHEDULE

	All Areas	Demised Premises	Equipment Lease	Terminal Common Areas	Building Exterior and/or Ramp
--	-----------	------------------	-----------------	-----------------------	-------------------------------

subject to any agreement between the Landlord and a third party for maintenance and repair.

3-The tenant shall establish, maintain and report a complete Quality Control program for LAWA-owned equipment that is acceptable to the Landlord in the form that the Landlord requires in accordance with LAWA standards and specifications in regards to routine performance requirements and typical maintenance services.

4-LAWA has the right to perform Quality Assurance inspections on all LAWA-owned equipment and will require tenant to operate and maintain to LAWA standards.

5-Maintenance Schedule shall be updated at least 6 months prior to the completion of the Construction Program in order to delineate responsibilities going forward.

Schedule 3

INSURANCE REQUIREMENTS FOR LOS ANGELES WORLD AIRPORTS

NAME: DELTA AIR LINES, INC.
AGREEMENT / ACTIVITY: Facilities Lease Agreement at Terminals 2 and 3 at LAX
TERM:
LAWA DIVISION: Commercial Development Group

The insured must maintain insurance coverage at limits normally required of its type operation; however, the following coverage noted with an "X" is the minimum required and must be at least the level of the limits indicated. All limits are per occurrence unless otherwise specified.

LIMITS

<input checked="" type="checkbox"/> Workers' Compensation (Statutory)/Employer's Liability	<u>Statutory</u>
<input type="checkbox"/> Voluntary Compensation Endorsement	
<input checked="" type="checkbox"/> Waiver of Subrogation, specifically naming LAWA (Please see attached supplement)	
<input checked="" type="checkbox"/> Automobile Liability - covering owned, non-owned & hired auto	<u>\$10,000,000 CSL</u>
<input checked="" type="checkbox"/> Aviation/Airport or Commercial General Liability, including the following coverage:	<u>\$10,000,000</u>
<input checked="" type="checkbox"/> Premises and Operations	
<input checked="" type="checkbox"/> Contractual (Blanket/Schedule)	
<input checked="" type="checkbox"/> Independent Contractors	
<input checked="" type="checkbox"/> Personal Injury	
<input checked="" type="checkbox"/> Products /Completed Operations	
<input checked="" type="checkbox"/> Fire Legal Liability (minimum \$1 million each occurrence)	
<input type="checkbox"/> Liquor Liability	
<input type="checkbox"/> Explosion, Collapse & Underground (required when work involves digging, excavation, grading or use of explosive materials.)	
<input type="checkbox"/> Hangarkeepers Legal Liab. (At least at a limit of liability of \$ 1 million)	
<input checked="" type="checkbox"/> Additional Insured Endorsement, specifically naming LAWA (Please see attached supplement).	
<input checked="" type="checkbox"/> Property Insurance	
<input type="checkbox"/> Building, including contents	<u>100% Replacement Cost</u>
All Risk/Special Form Coverage, including flood and earthquake LAWA named additional insured and loss payee	
<input checked="" type="checkbox"/> Tenant improvements	<u>100% Replacement Cost</u>
All Risk/Special Form Coverage, including flood and earthquake LAWA named loss payee	
<input checked="" type="checkbox"/> Waiver of subrogation naming LAWA (Please see attached supplement)	
<input checked="" type="checkbox"/> Builder's Risk Insurance	<u>Total project value -</u>
All Risk/Special Form Coverage, including flood and earthquake LAWA named loss payee Required if property or building ultimately revert to City	<u>100% Replacement Cost</u>
Pollution Legal Liability	<u>\$ ***</u>
*** Must meet contractual requirements	

CONTRACTOR SHALL BE HELD RESPONSIBLE FOR OWN OR HIRED EQUIPMENT AND SHALL
HOLD AIRPORT HARMLESS FROM LOSS, DAMAGE OR DESTRUCTION TO SUCH EQUIPMENT.

INSURANCE COMPANIES WHICH DO NOT HAVE AN AMBEST RATING OF A- OR BETTER, AND HAVE A MINIMUM
FINANCIAL SIZE OF AT LEAST 4, MUST BE REVIEWED FOR ACCEPTABILITY BY RISK MANAGEMENT.

Schedule 4

Delta Affiliates as of 7/20/2016

Express Jet

SkyWest

Endeavor

GoJet

Shuttle America

Compass

Schedule 5
Delta Air Lines, Inc.
Basic Information Schedule

Terminal

Terminal 2 and Terminal 3

Occupied Terminal Area

<u>Location</u>	<u>Master Lease Exhibit</u>
Terminal 2	20100002
Terminal 3	20130003
Total Occupied Terminal Area (SF)	

Occupied Terminal Area
Terminal Buildings Rate/per square foot
Estimated Terminal Charges

Annual Activity

FIS Rate

71718

Terminal Special Charges

A. Custodial Rates

Common Use Bag Claim/per pax 448,456

B. Equipment Maintenance and Capital Rates

Terminal Airline Support System Rate/per pax 513,290

Preferential-Use Gates 22
Loading Bridge Capital Charge/per bridge \$50,372.00
Loading Bridge Charges

Estimated Monthly Payments

Faithful Performance Guaranty Requirement:

<u>Tariff Rate Schedule</u>		<u>Rate Agreement Schedule</u>	
<u>Area (Sq Ft)</u>	<u>Area (Sq Ft)</u>	<u>Area (Sq Ft)</u>	<u>Area (Sq Ft)</u>
173,320	173,320	173,320	173,320
145,261	145,261	145,261	145,261
318,581	318,581	318,581	318,581
<u>Tariff Annual</u>	<u>Tariff Monthly</u>	<u>Rate Agrmt Annual</u>	<u>Rate Agrmt Monthly</u>
318,581		318,581	
\$161.17		\$135.49	
\$51,345,699.77	\$4,278,808.31	\$43,164,539.69	\$3,597,044.97
<u>Rate</u>	<u>Monthly</u>	<u>Rate</u>	<u>Monthly</u>
\$12.42	\$74,228.13	\$10.50	\$62,753.25
\$0.18	\$6,726.84	\$0.18	\$6,726.84
\$0.32	\$13,687.73	\$0.32	\$13,687.73
22		22	
\$50,372.00		\$50,372.00	
\$1,108,184.00	\$92,348.67	\$1,108,184.00	\$92,348.67
\$4,465,799.68		\$3,772,561.46	
\$13,397,399.05		\$11,317,684.39	

Commencement Date:

Upon the relocation of Delta's operations to Terminals 2 and 3.

Permitted Uses:

To conduct and operate the business of an air transportation carrier, and for purposes reasonably incidental thereto.

Aeronautical User Contact for Notices:




Delta Air Lines, Inc.
1030 Delta Blvd.
Department 877

LAX T2

MILESTONE DATES

A - JULY 2016	IT & ENABLING
B - JULY 2016	EXTERIOR BUILD OUT
C - AUGUST 2016	INTERIOR RECONFIGURE
D - NOVEMBER 2016	INTERIM RECONFIGURE/ MOVES
E - MARCH 2017	DELTA & OAL FIRST MOVES
F - MAY 2017	DELTA & OAL FINAL MOVES

LEGEND

	VACANT
	BUILD OUT/RECONFIGURED
	TO BE VACATED

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100%

A-17-1174591
7547819 20-4
0140407704

D. INTERIM

E. GELVA R. O.

• RELOCATION, CONGRESSION
STORAGE FROM TICKETING
LEVEL



AS OF: 06/30/2016

QUESTION DATES

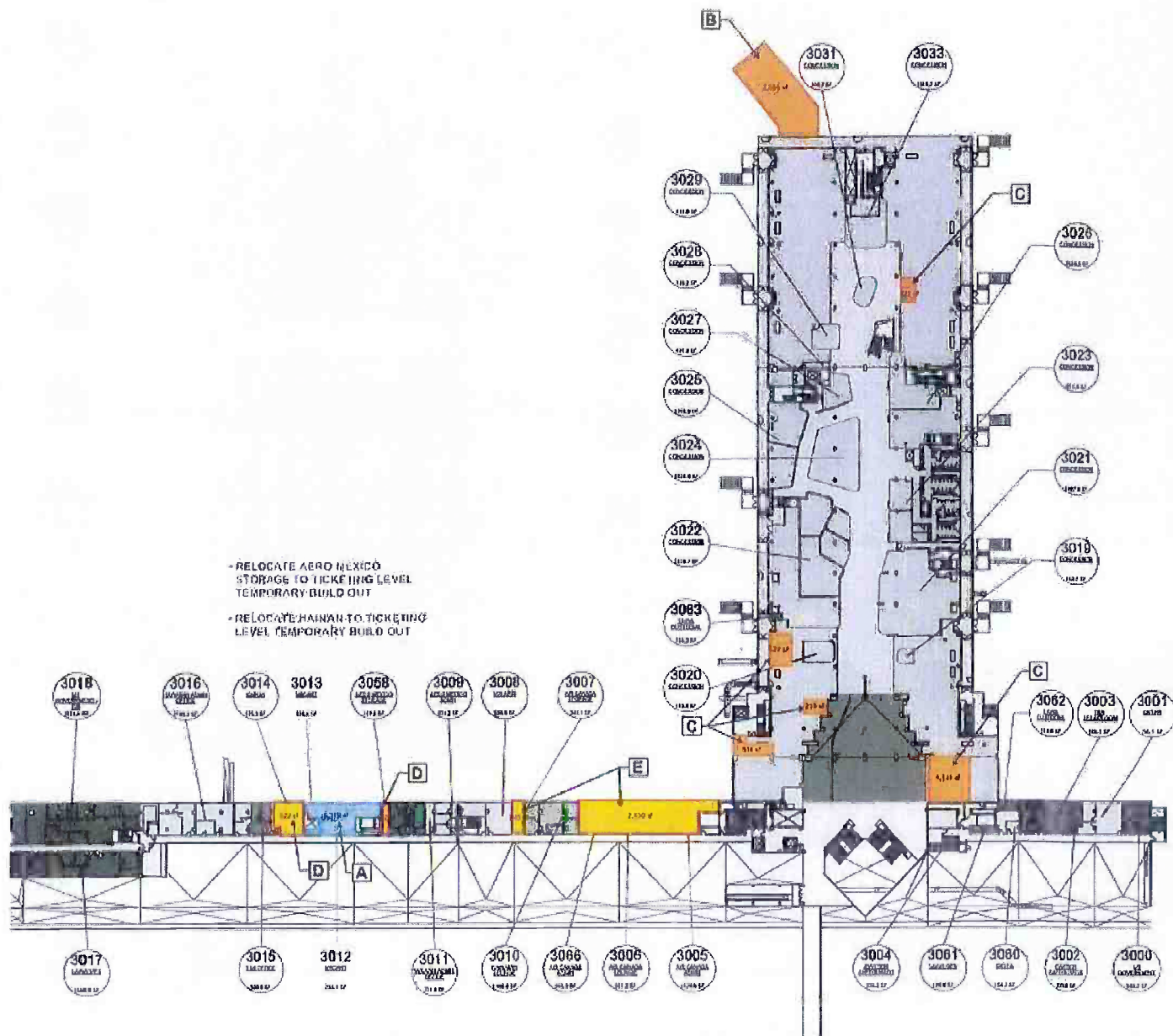
A. IT A STANDING
B. EXTERIOR DIRECTION
C. INTERIOR RECONFIGURE
D. MATERIAL RECONFIGURE MOVE
E. CUBICAL MOVE
F. DELTA 4 ONE PIVOT MOVE

TRACER
FLUORESCENT
DATE ACQUISITION

T2 - EXISTING - CONCOURSE LEVEL

MILESTONE DATES
 A - IT & ENABLING
 B - EXTERIOR BUILD OUT
 C - INTERIOR RECONFIGURE/ADJUST
 D - DELTA & DAL FIRST MOVES
 E - DELTA & DAL FINAL MOVES

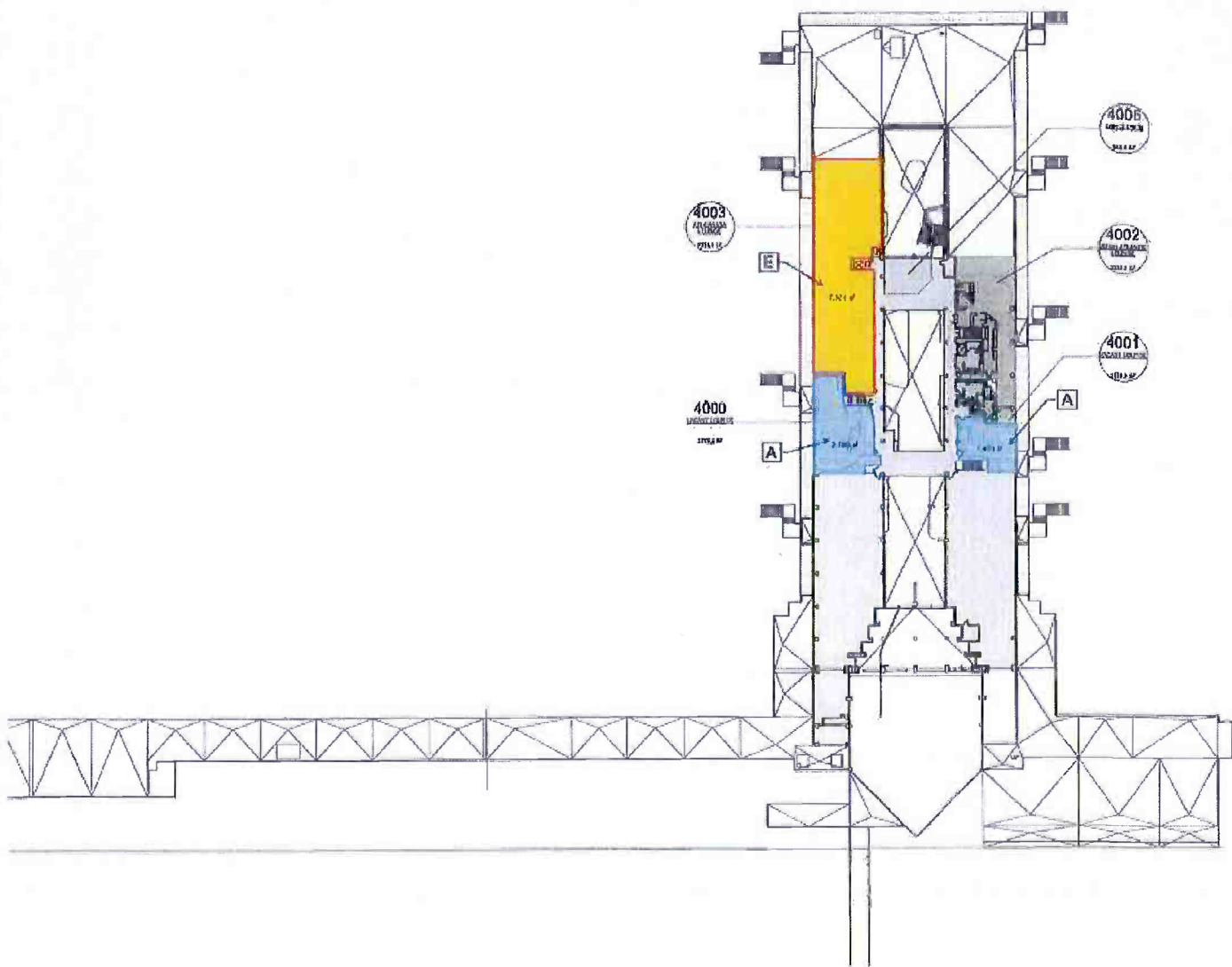
LEGEND
 [Blue Box] VACANT
 [Orange Box] BUILD OUT/RECONFIGURE
 [Yellow Box] RELOCATED



T2 - EXISTING - CLUB LEVEL

VILUSTONE DATES
 A - IT & ENABLING
 B - EXTERIOR BUILD OUT
 C - INTERIOR RECONFIGURE
 D - INTERIOR RECONFIGURE MOVES
 E - DELTA & DAL FIRST MOVES
 F - DELTA & DAL FINAL MOVES

LEGEND
 VACANT
 BUILD OUT/RECONFIGURED
 TO BE VACATED






LAX T3 RIGHT OF ENTRY

MILESTONE DATES

A - JULY 2016	IT & ENABLING
B - JULY 2016	EXTERIOR BUILD OUT
C - AUGUST 2016	INTERIOR RECONFIGURE
D - NOVEMBER 2016	INTERIM RECONFIGURE/ MOVES
E - MARCH 2017	DELTA & OAL FIRST MOVES
F - MAY 2017	DELTA & OAL FINAL MOVES

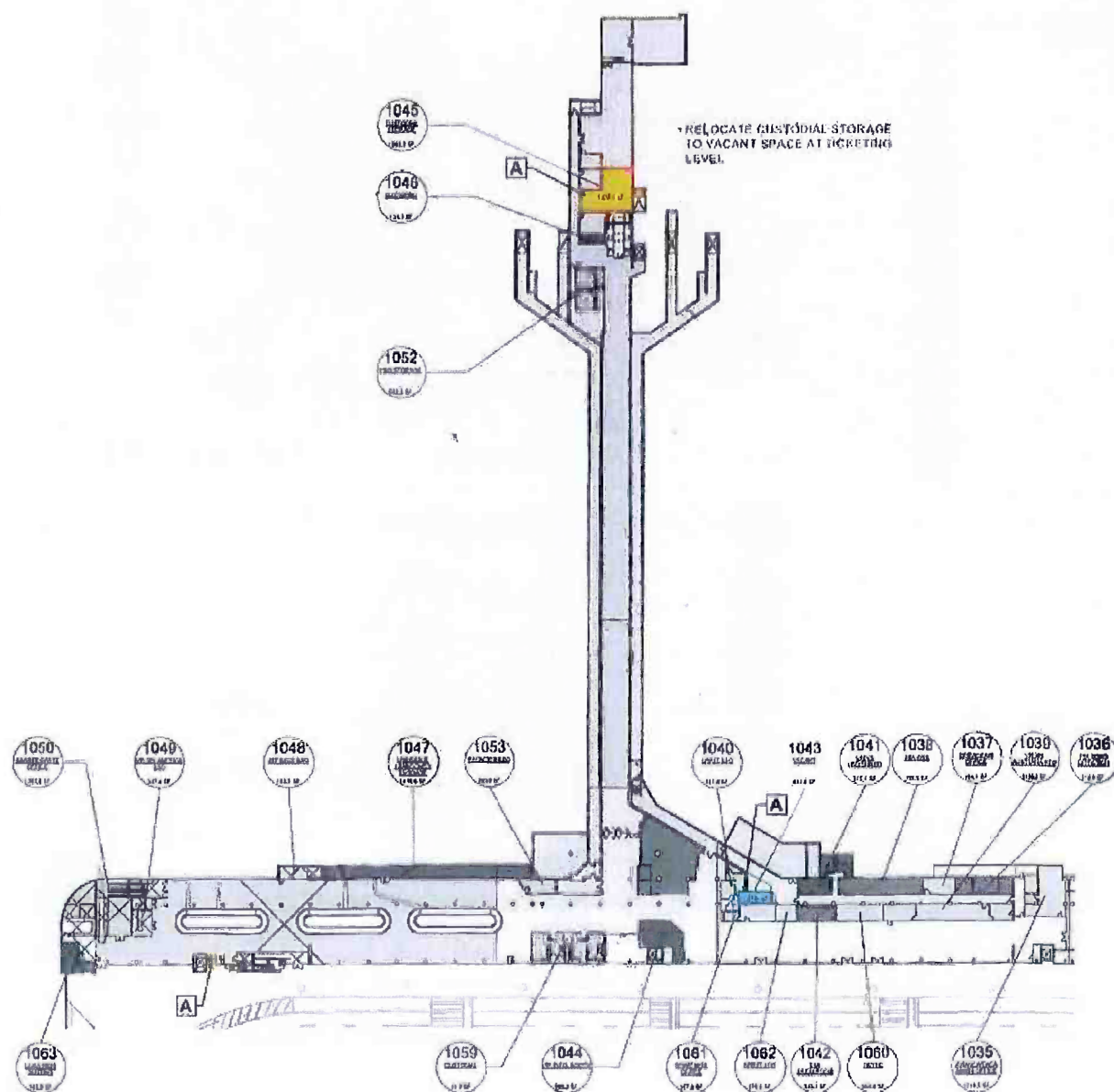
LEGEND

	VACANT
	BUILD OUT/RECONFIGURED
	TO BE VACATED

T3 - EXISTING - ARRIVALS LEVEL

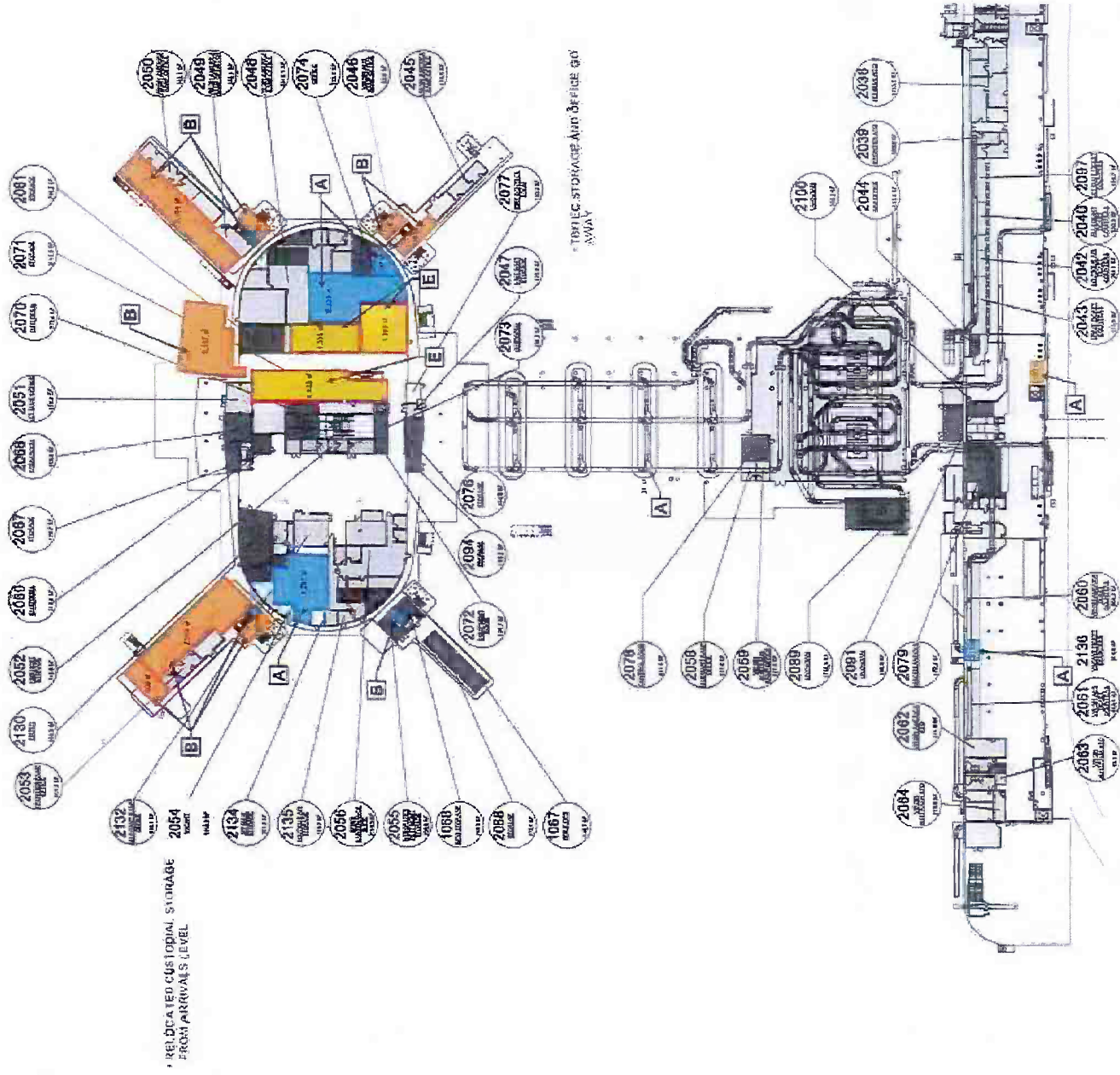
MILESTONE DATES
 A - IT & CHAIRING
 B - EXTERIOR BUILD OUT
 C - INTERIOR RECONFIGURE
 D - DELTA & QAL FIRST MOVES
 E - DELTA & QAL FINAL MOVES

LEGEND
 ■ VACANT
 ■ BUILD OUT/RECONFIGURE
 ■ TO BE VACATED



T3 - EXISTING - TICKETING LEVEL

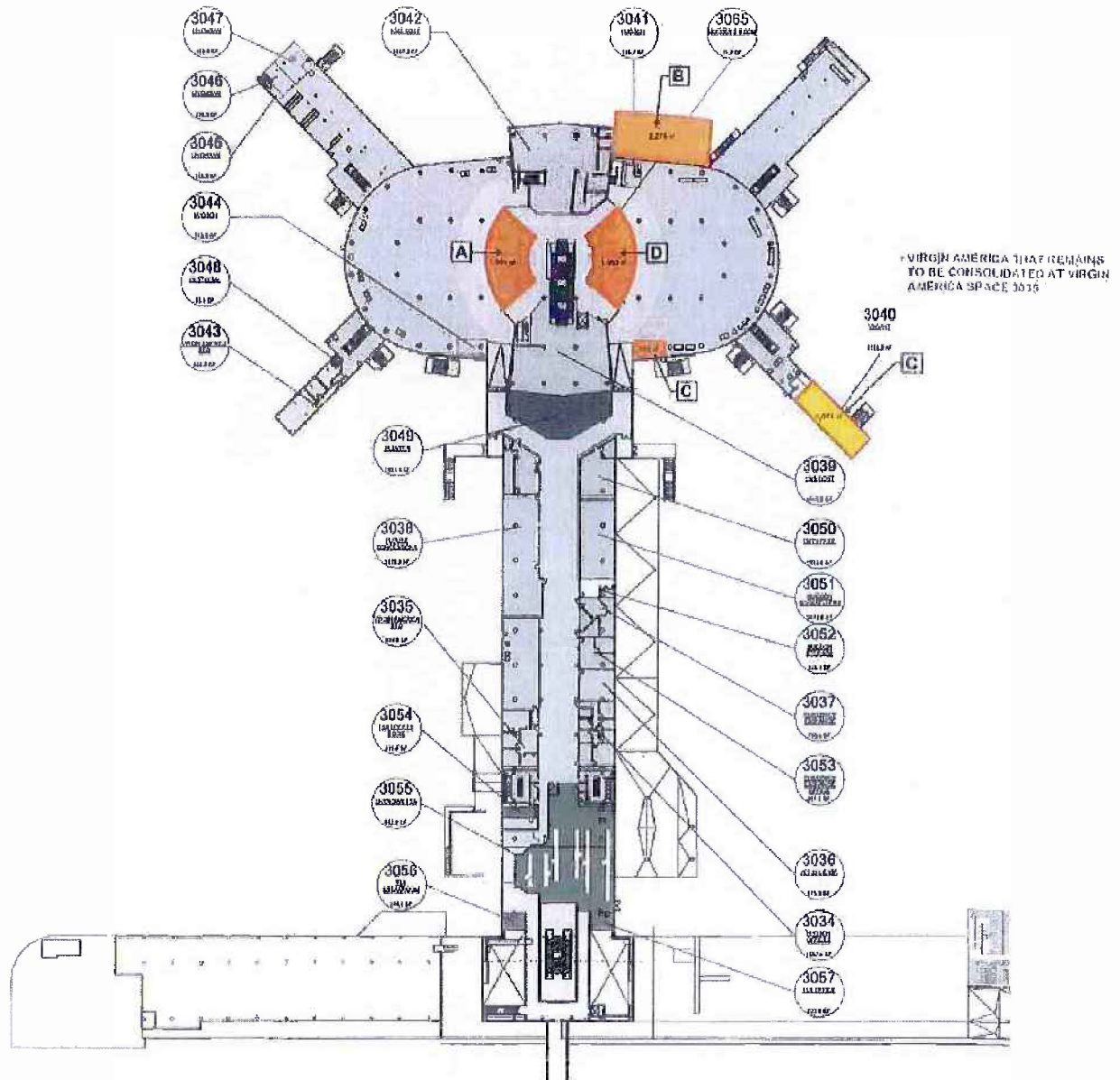
- LEGEND**
■ **EXISTING**
■ **WAS DEMOLISHED**
■ **TO BE BUILT**
- MILESTONE DATES**
A. IT & EXHAUST
B. EXTERIOR BUILD OUT
C. INTERIOR REPAIRS, RM.
D. INTERIOR CORRIDOR IMPROV.
E. EXTERIOR CORRIDOR IMPROV.
F. DELTA & DAL FINAL VOYES



T3 - EXISTING - CONCOURSE LEVEL

MAILESTONE DATES
 A - F & EMBLING
 B - EXTERIOR BUILD OUT
 C - INTERIOR RECONFIGURE
 D - INTERIOR RECONFIGURE MOVES
 E - DELTA & OAL FIRST MOVES
 F - ODLA & OAL FINAL MOVES

LEGEND
 [Blue Box] VACANT
 [Orange Box] EXISTING/RECONFIGURED
 [Yellow Box] TO BE VACATED



T3 - EXISTING - CLUB LEVEL

MILESTONE DATES
 A - AT & ENABLING
 B - EXTERIOR BUILD OUT
 C - INTERIOR RECONFIGURE
 D - INTERIM RECONFIGURE MOVES
 E - DELTA & DAL FIRST MOVES
 F - DELTA & DAL FINAL MOVES

LEGEND
 [Blue Box] VACANT
 [Orange Box] BUILD OUT RECONFIGURED
 [Orange Box] TO BE VACATED

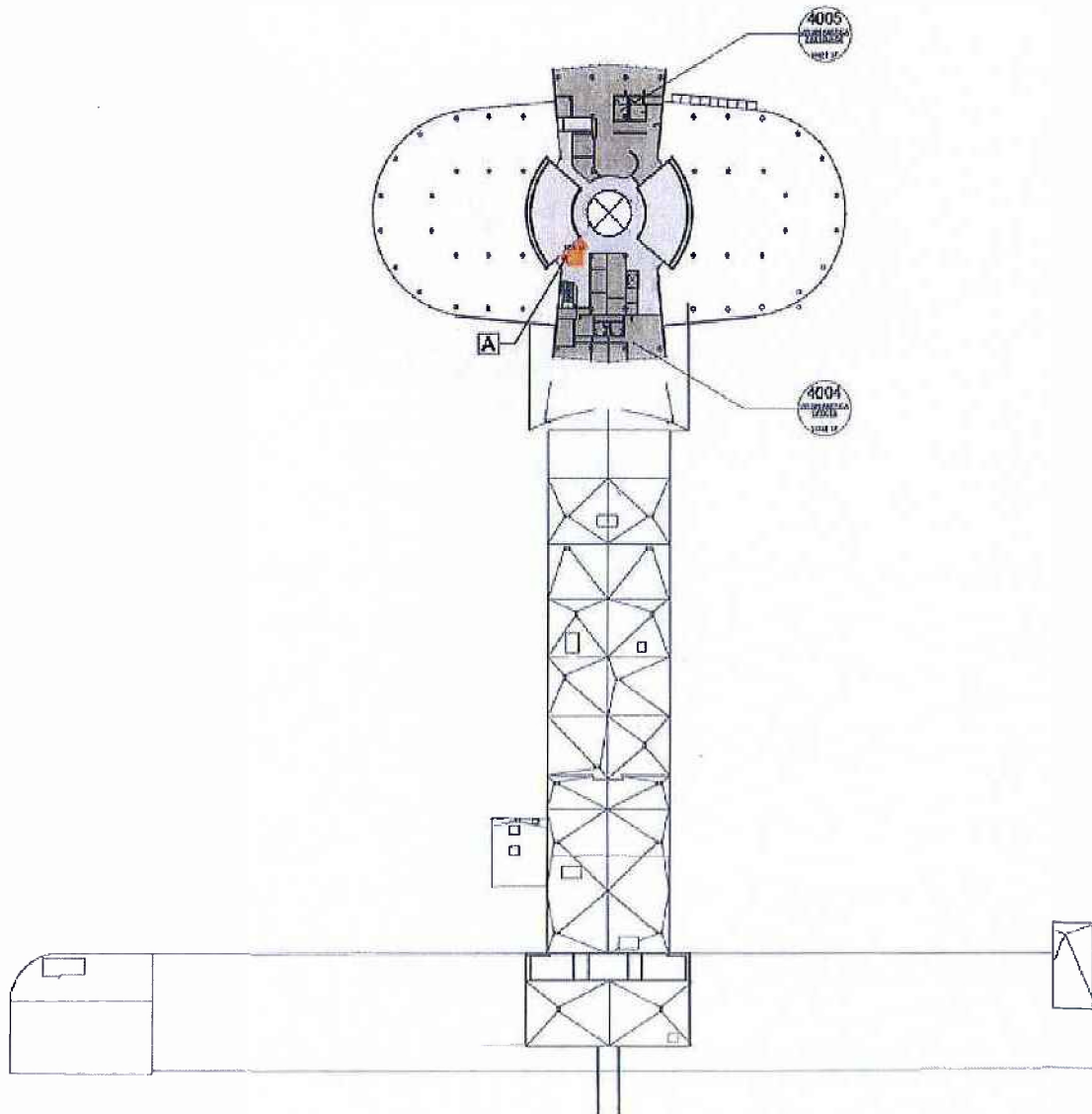
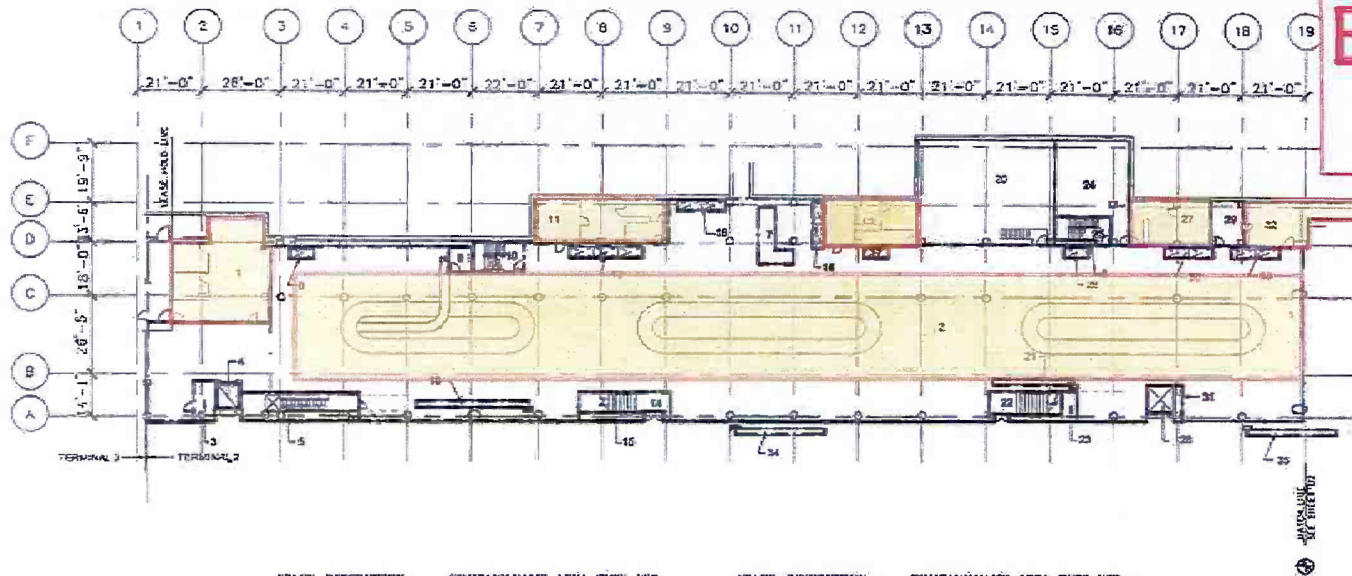


Exhibit A- 2

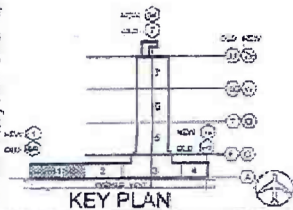


SPACE DESCRIPTION	COMPANY NAME	AREA	TYPE	USE
0001 Office	LAXTWO Corp	1,020	COVER	COVER
0002 Baggage Claim	City of Los Angeles	20,477	COVER	COVER
0003 Elevator Machine Room	LAWA - LAX	26	COVER	COVER
0004 Elevator	LAWA - LAX	86	COVER	COVER
0005 Escalator	LAWA - LAX	361	COVER	COVER
0006 Storage	LAXTWO Corp	29	COVER	COVER
0007 Scanner	LAWA - LAX	198	COVER	COVER
0008 Voids	LAXTWO Corp	22	COVER	COVER
0009 Fire Control Room	LAWA - LAX	68	COVER	COVER
0010 Stairwell	LAWA - LAX	168	COVER	COVER
0011 Office	LAXTWO Corp	667	COVER	COVER
0012 Storage	LAXTWO Corp	87	COVER	COVER
0013 CONC.	LAWA - LAX	83	COVER	COVER
0014 Stairwell	LAWA - LAX	211	COVER	COVER
0015 Voids	N/A	60	COVER	N/A
0016 Storage	LAXTWO Corp	58	COVER	COVER
0017 Storage	LAXTWO Corp	25	COVER	COVER
0018 Storage	LAXTWO Corp	53	COVER	COVER

SPACE DESCRIPTION	COMPANY NAME	AREA	TYPE	USE
0019 Office	LAXTWO Corp	456	COVER	COVER
0020 Fan Room	LAWA - LAX	1,512	COVER	COVER
0021 CONC.	N/A	61	COVER	N/A
0022 Stairwell	LAWA - LAX	184	COVER	COVER
0023 Voids	N/A	68	COVER	N/A
0024 Utility Channel	LAWA - LAX	700	COVER	COVER
0025 Stairwell	LAWA - LAX	152	COVER	COVER
0026 Storage	LAXTWO Corp	28	COVER	COVER
0027 Office	LAXTWO Corp	452	COVER	COVER
0028 Elevator	LAWA - LAX	82	COVER	COVER
0029 Office	AP/OMA	159	COVER	COVER
0030 Storage	LAXTWO Corp	58	COVER	COVER
0031 Voids	N/A	31	COVER	N/A
0032 Office	Westat	438	COVER	COVER
0033 Storage	LAXTWO Corp	35	COVER	COVER
0034 CONC.	N/A	66	COVER	N/A
0035 CONC.	N/A	56	COVER	N/A
TOTAL		25,881		

F.I.S. /FIRST LEVEL BAGGAGE CLAIM SECTOR 1 TERMINAL 2 - ARRIVAL

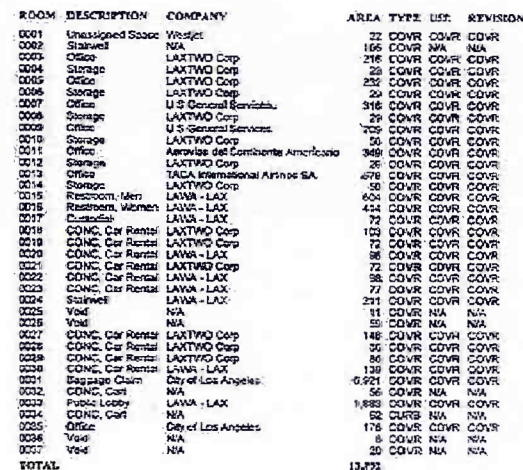
- NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Teaclose Management Application from existing 20060012-BL drawing files, consultant's CAD files, available information and reworked using the new LAWA modified SQA standards. Comments, revisions, verifications and approvals from Property and Concessions Divisions through 03/01/2010 have been incorporated.
2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field-verified prior to use.



SUPERSEDES DWG. NO. 20060012-60-01

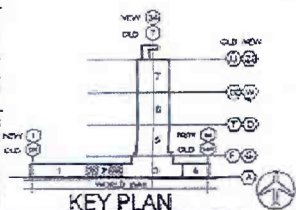


Los Angeles World Airports MASTER LEASE EXHIBIT			
TERMINAL 2 LOS ANGELES INTERNATIONAL AIRPORT			
DESIGNED BY: AST. CHIEF AIRPORTS ENGINEER		APPROVED BY: CHIEF AIRPORTS ENGINEER	
DRAWN: NRC	CHECKED: AM/P. BURKS	SHEET: 01	PLAN SET NUMBER: 01 OF 24
SCALE: 1" = 40'		DATE: 10-06-2010	DWG NO. 20100002
FILE NAME: 20100002-01-R00			

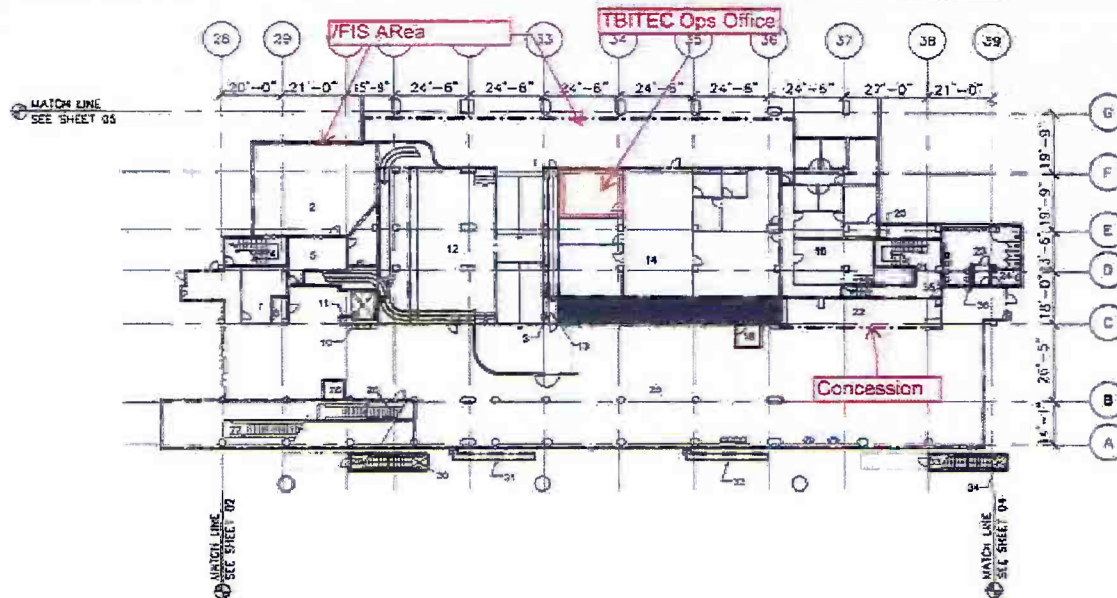


NOTES: 1. The errors noted above are to be considered planning data and were reviewed using the Licensure Management Application from existing 20060012-2018 drawing files, applicant's CAD files, available information and recalculated using the new LANA and 9004 standards. Concepts, revisions, verifications and approvals from Property and Concessions Divisions through 9004.01, 2010 have been incorporated.

2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.



	Los Angeles World Airport MASTER LEASE EXHIBIT	
	<h1 style="text-align: center;">TERMINAL 2</h1>	
	LOS ANGELES INTERNATIONAL AIRPORT	
	CREATED BY:	APPROVED BY:
ASS. DIST. AIRPORTS ENGINEER	DIST. AIRPORTS DIRECTOR	
DRAWN: NWG	CHECKED: AM/F. BURKS	SHEET: 02
SCALE: 1" = 40'	DATE: 10-06-2010	PLAIN SET NUMBER: 02 OF 24
GRID LOCATIONS: RD	FILE NAME: 20100002-02-R00	20100002

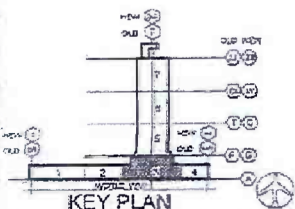


ROOM	DESCRIPTION	COMPANY	AREA	TYPE	USE	ROOM	DESCRIPTION	COMPANY	AREA	TYPE	USE
0001	Corridor	LAXTWO Corp	2,942	COVER	COVER	0018	Office	LAXTWO Corp	1,863	COVER	COVER
0002	Mechanical	LAWA - LAX	1,225	COVER	COVER	0020	Void	LAWA - LAX	95	COVER	COVER
0003	Void	N/A	84	COVER	N/A	0021	Stair	LAWA - LAX	426	COVER	COVER
0004	Stair	City of Los Angeles	201	COVER	COVER	0022	Concessionaire	DRS Group L.P.	537	COVER	COVER
0005	Fire Control	LAWA - LAX	245	COVER	COVER	0023	Restroom, Men	LAWA - LAX	446	COVER	COVER
0006	Electrical Room	LAWA - LAX	156	COVER	COVER	0024	Concessionaire	N/A	156	COVER	N/A
0007	Office	LAXTWO Corp	258	COVER	COVER	0025	Public Lobby	LAWA - LAX	9,823	COVER	COVER
0008	Elevator Machine Room	LAWA - LAX	19	COVER	COVER	0026	Travelers Aid	LAWA - LAX	44	COVER	COVER
0009	Conveyor Cases	LAXTWO Corp	860	COVER	COVER	0027	Escalator	LAWA - LAX	1,209	COVER	COVER
0010	Elevator	LAWA - LAX	24	COVER	COVER	0028	Mechanical Room	LAWA - LAX	101	COVER	COVER
0011	Void	LAWA - LAX	82	COVER	COVER	0029	Storage	City of Los Angeles	65	CURB	CURB
0012	Office	LAXTWO Corp	1,493	COVER	COVER	0030	Escalator	LAWA - LAX	58	COVER	COVER
0013	Concessionaire, Car	City of Los Angeles	181	COVER	COVER	0031	Concessionaire	LAWA - LAX	58	CURB	CURB
0014	Office	LAXTWO Corp	3,171	COVER	COVER	0032	Concessionaire	City of Los Angeles	54	CURB	CURB
0015	Office	LAXTWO Corp	220	COVER	COVER	0033	Storage	LAWA - LAX	66	CURB	CURB
0016	Travelers Aid	LAWA - LAX	152	COVER	COVER	0034	Escalator	LAWA - LAX	19	CURB	CURB
0017	Office	Virgin Atlantic Airways Ltd.	179	COVER	COVER	0035	Void	N/A	11	COVER	N/A
0018	Concession Services	Lennox Limited	85	COVER	COVER	0036	Void	N/A	6	COVER	N/A
			TOTAL						24,532		

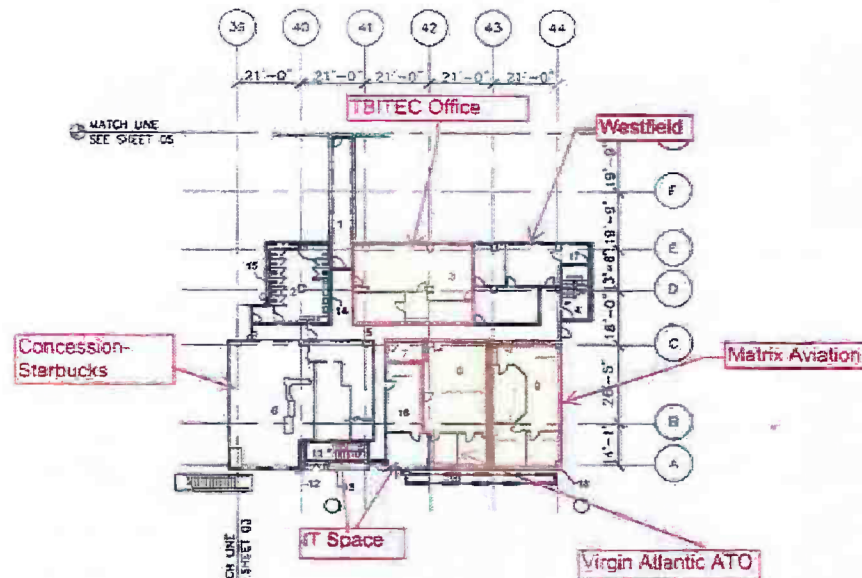
F.I.S./FIRST LEVEL BAGGAGE CLAIM SECTOR 03 TERMINAL 2 - ARRIVAL

- NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Loading Management Application from existing 20060012-80 drawing files, consultant's CAD files, available information and redubated using the new LAWMA modified BOMA standards. Comments, revisions, verifications and approvals from Property and Concessions Divisions through 2006 01, 2010 have been incorporated.
2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.

20100002-03-03 FIRST DATE: 12/17/2010



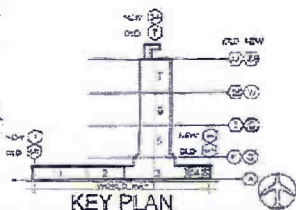
ONT MD LAX		Los Angeles World Airport MASTER LEASE EXHIBIT TERMINAL 2 LOS ANGELES INTERNATIONAL AIRPORT	
DRAWN BY: NYG SCALE: 1" = 40' DATE: 10-07-2010		DESIGNED BY: AM/P. BURNS DATE: 10-07-2010	
SHEET NO.: 03 OF 24		PROJECT NO.: 20100002-03-000	



ROOM	DESCRIPTION	COMPANY	AREA	TYPE	USE
0001	Electrical Room	LAWA - LAX	201	COVER	COVER
0002	Restroom, Women	LAWA - LAX	200	COVER	COVER
0003	Office	LAXINGO Corp	178	COVER	COVER
0004	Stairwell	LAWA - LAX	175	COVER	COVER
0005	Corridor	LAWA - LAX	105	COVER	COVER
0006	Office	Most International Inc.	102	COVER	COVER
0007	Computer Room	LAWA - LAX	51	COVER	COVER
0008	Office	Virgin Atlantic Airways Ltd.	806	COVER	COVER
0009	Office	LAXINGO Corp	102	COVER	COVER
0010	Office	LAWA - LAX	142	CURB	CURB
0011	Stairwell	LAWA - LAX	141	COVER	COVER
0012	Void	LAWA - LAX	15	COVER	COVER
0013	Void	LAWA - LAX	26	COVER	COVER
0014	Void	LAWA - LAX	21	COVER	COVER
0015	Void	LAWA - LAX	64	COVER	COVER
0016	Office	N/A	457	COVER	N/A
0017	Void	N/A	18	COVER	N/A
0018	Void	N/A	4	COVER	N/A
TOTAL			8,421		

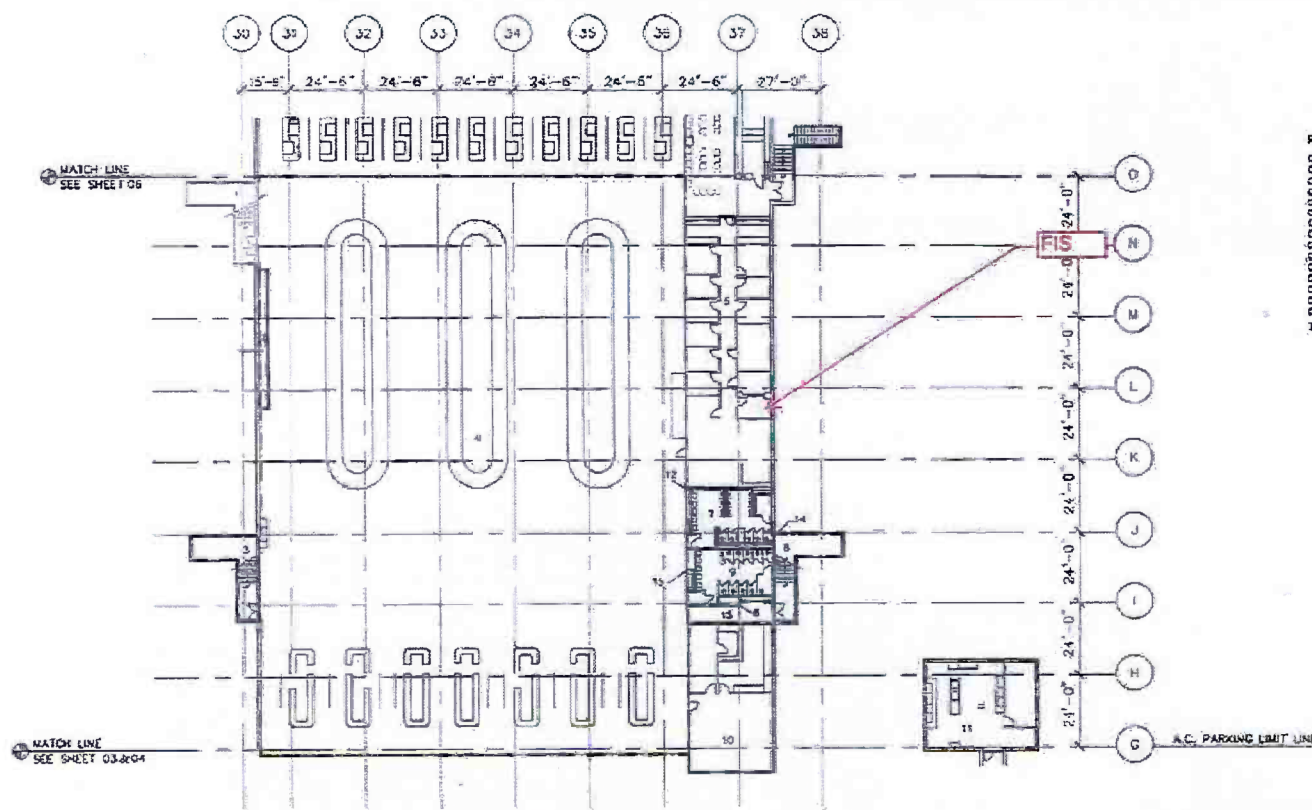
F.I.S. / FIRST LEVEL BAGGAGE CLAIM SECTOR 4 TERMINAL 2 - ARRIVAL

- NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Landmark Management Application from existing 20060012-80 drawing files. Consultant's CAD files, available information and incorporated using the new LAMA modified SOWA standards. Comments, revisions, verifications and approvals from Property and Concessions Divisions through XXX 01, 2010 have been incorporated.
2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.



SUPERSEDES DWG. NO. 20060012-80-04

ONTARIO PMD LAX		Los Angeles World Airports	
		MASTER LEASE EXHIBIT	
		TERMINAL 2	
		LOS ANGELES INTERNATIONAL AIRPORT	
SUBMITTED BY		APPROVED BY	
ASST. CHIEF AIRPORTS DIVISION		CHIEF AIRPORTS DIVISION	
DRAWN RPT/NWG SCALE 1" = 40' DATE 10-07-2010 FILE NAME 20100002-04-ROD	CHECKED AM/P. BURNS DATE 10-07-2010 DWG. NO. 20100002	SHEET 04 PLAN SET NUMBER 04 OF 24	

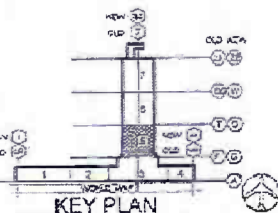


ROOM	DESCRIPTION	COMPANY	AREA	TYPE	USE
0001	Stairwell	LAWR - LAX	327	COVER	COVER
0002	CONC. Cor	LAWR - LAX	139	COVER	COVER
0003	Stairwell	LAWR - LAX	330	COVER	COVER
0004	1st Baggage Claim	LAXTWO Corp	27,899	COVER	COVER
0005	Office	LAXTWO Corp	2,303	COVER	COVER
0006	Void	LAWR - LAX	42	COVER	COVER
0007	Restroom, Men	LAWR - LAX	474	COVER	COVER
0008	Stairwell	LAWR - LAX	355	COVER	COVER
0009	Restroom, Women	LAWR - LAX	449	COVER	COVER
0010	Office	LAXTWO Corp	1,336	COVER	COVER
0011	Electrical Room	LAWR - LAX	1,800	COVER	COVER
0012	Void	LAWR - LAX	63	COVER	COVER
0013	Corridor	LAWR - LAX	184	COVER	COVER
0014	Void	LAWR - LAX	30	COVER	COVER
0015	Void	LAWR - LAX	41	COVER	COVER
TOTAL			34,437		

F.I.S. / FIRST LEVEL BAGGAGE CLAIM SECTOR 5 TERMINAL 2 - ARRIVAL

- NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Leasehold Management Application from existing 20050012-80 drawing files, consultant's CAD files, available information and recalculated using the new LAWA modified BCMA standards. Comments, revisions, verifications and approvals from Property and Concessions Divisions through XXX 01, 2010 have been incorporated.
2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.

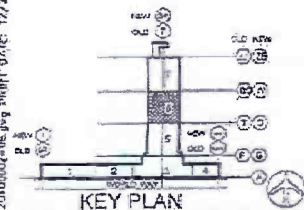
20100002-05.dwg PRINT DATE 11/27/2010



SUPERSEDES DWG. NO. 20050012-80-05

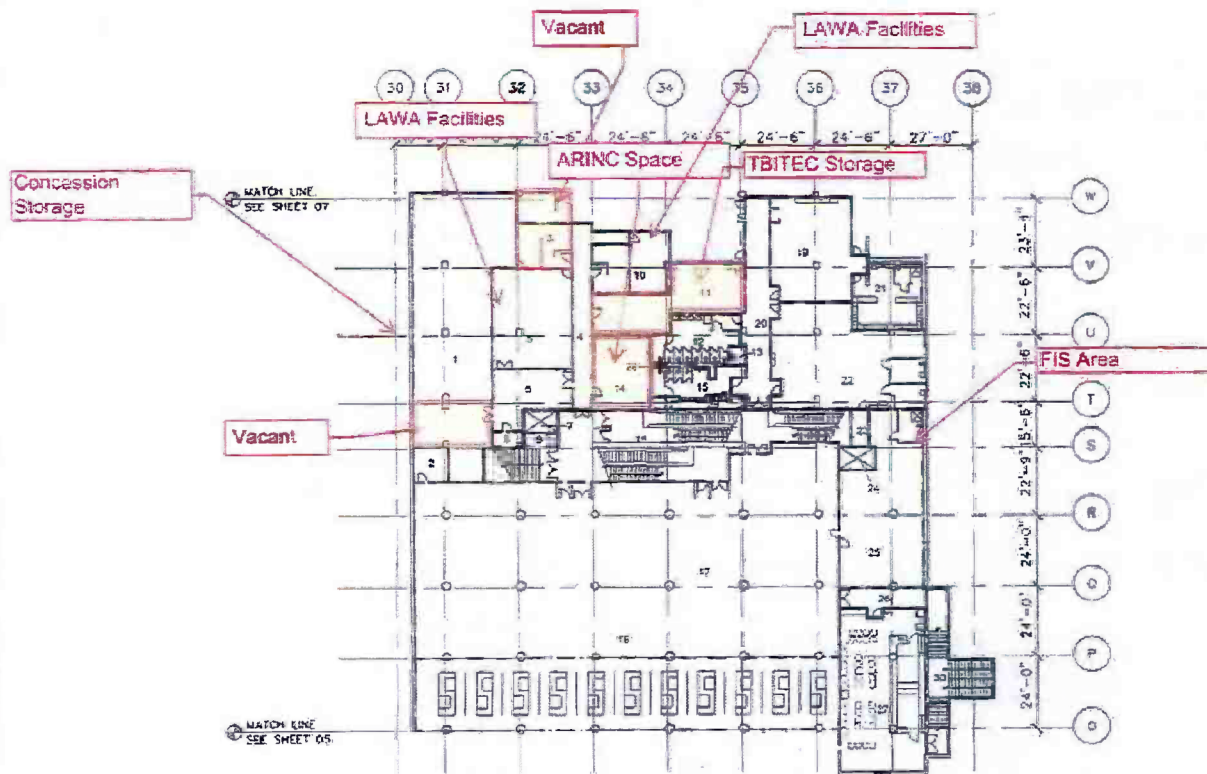
ONT MD LAX WNY		Los Angeles World Airports MASTER LEASE EXHIBIT TERMINAL 2 LOS ANGELES INTERNATIONAL AIRPORT	
		SUBMITTED BY JEFF CHET AIRPORTS ENGINEER	APPROVED BY CHET AIRPORTS ENGINEER
DRAWN NING	CHECKED AM/P. BURNS	SHEET 05	PLAN SET NUMBER 05 OF 24
SCALE 1" = 40'	DATE 10-08-2010	REG. NO. 20100002	FILE NAME 20100002-05-RCP

20100002-05.dwg PRINT DATE: 12/27/2010



F.I.S. / FIRST LEVEL BAGGAGE CLAIM SECTOR 6 TERMINAL 2 - ARRIVAL

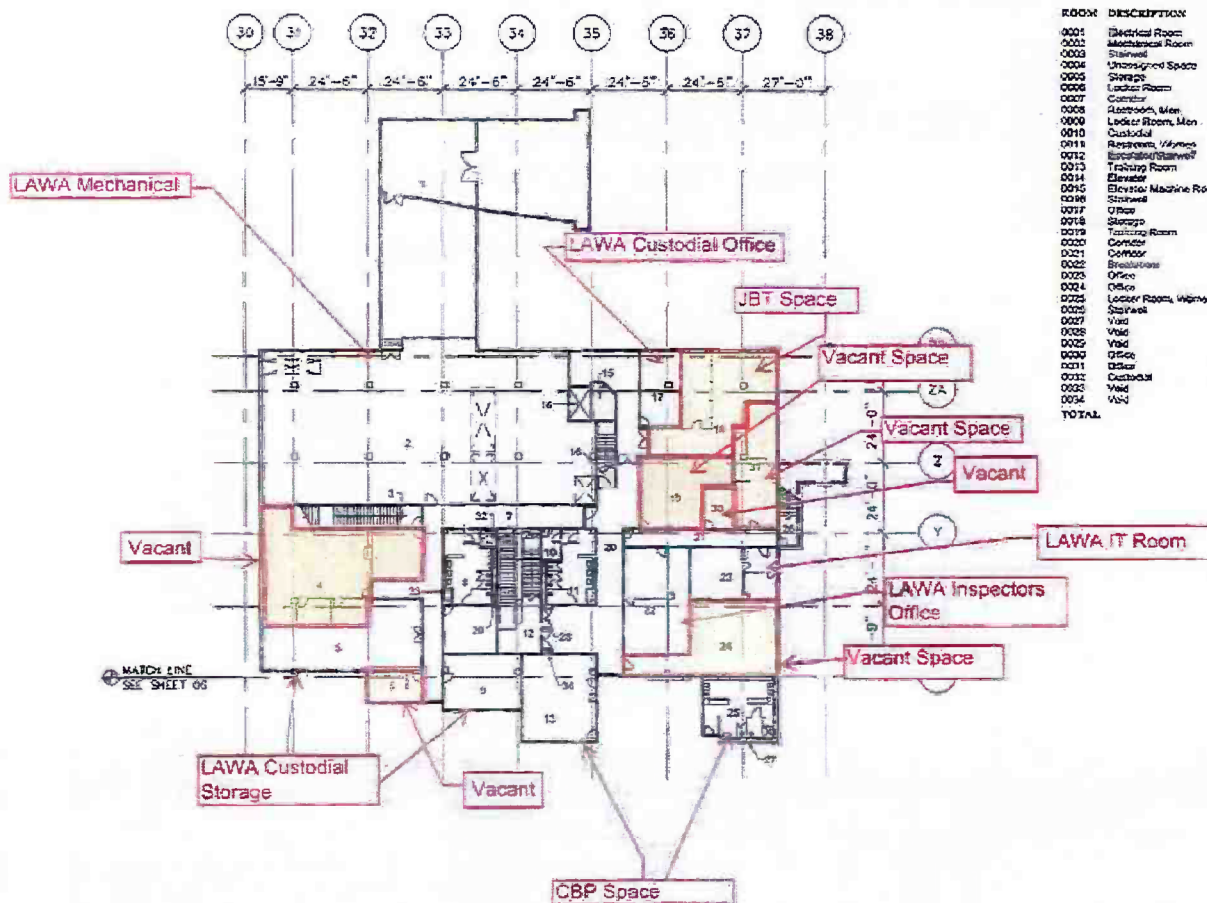
- NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Leasing Management Application from existing 20060012-80 drawing files, consultant's CAD files, available information and reconstructed using the new LAWA modified BOMA standards. Comments, revisions, verifications and approvals from Property and Concessions Divisions through JAX 01, 2010 have been incorporated.
2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.



ROOM	DESCRIPTION	COMPANY	AREA	TYPE	USE
0001	CONC. Food & Bev	N/A	2,579	COVER	N/A
0002	Electrical Room	LAWVA - LAX	140	COVER	COVER
0003	Locker Room	LAXTMD Corp	270	COVER	COVER
0004	Corridor	LAWVA - LAX	465	COVER	COVER
0005	CONC. Duty Free	GFS Group, L.P.	389	COVER	COVER
0006	Lobby	LAWVA - LAX	441	COVER	COVER
0007	Elevator	LAWVA - LAX	86	COVER	COVER
0008	Elevator Machine Room	LAWVA - LAX	57	COVER	COVER
0009	Ballistic Storage	LAWVA - LAX	24	COVER	COVER
0010	Locker Room, Women	LAWVA - LAX	495	COVER	COVER
0011	Maintenance Garage	LAXTMD Corp	773	COVER	COVER
0012	Recreation, Women	LAWVA - LAX	429	COVER	COVER
0013	Cardio	LAWVA - LAX	35	COVER	COVER
0014	Breakroom	LAXTMD Corp	477	COVER	COVER
0015	Restroom, Men	LAWVA - LAX	298	COVER	COVER
0016	Sanitation/Storage	LAWVA - LAX	2,185	COVER	COVER
0017	Immigration Hall	LAXTMD Corp	8,764	COVER	COVER
0018	Immigration Counter	LAXTMD Corp	3,383	COVER	COVER
0019	Breakroom	LAXTMD Corp	972	COVER	COVER
0020	Corridor	LAWVA - LAX	674	COVER	COVER
0021	Restroom, Men	LAWVA - LAX	421	COVER	COVER
0022	Immigration Lounge	LAXTMD Corp	1,850	COVER	COVER
0023	Elevator Machine Room	LAWVA - LAX	74	COVER	COVER
0024	Elevator	LAWVA - LAX	55	COVER	COVER
0025	Office	LAXTMD Corp	1,442	COVER	COVER
0026	Corridor	LAWVA - LAX	217	COVER	COVER
0027	Immigration Hall	LAXTMD Corp	1,507	COVER	COVER
0028	Vault	LAWVA - LAX	37	COVER	COVER
0029	Vault	LAWVA - LAX	119	COVER	COVER
0030	Storage	LAWVA - LAX	554	COVER	COVER
TOTAL			39,333		

SUPERSEDES DWG. NO. 20060012-80-06

		Los Angeles World Airports MASTER LEASE EXHIBIT TERMINAL 2 LOS ANGELES INTERNATIONAL AIRPORT			
		SUBMITTED BY		APPROVED BY	
		AGT. CHIEF AIRPORTS ENGINEER		CHIEF AIRPORTS ENGINEER	
		DRAWN: NMG SCALE: 1" = 40' FILE NAME: 20100002-05-R00	CHECKED: AM/P. BURKS DATE: 10-13-2010	SHEET: 06 PLAN SET NUMBER: 06 OF 24 DWG NO.: 20100002	



ROOM	DESCRIPTION	COMPANY	AREA	TYPE	USE
0001	Electrical Room	LAWA - LAX	3,257	COVER	COVER
0002	Mechanical Room	LAWA - LAX	3,533	COVER	COVER
0003	Stairwell	LAWA - LAX	350	COVER	COVER
0004	Unassigned Space	TACA International Airlines SA	1,547	COVER	COVER
0005	Storage	LACTMO Corp	946	COVER	COVER
0006	Locker Room	LAWA - LAX	105	COVER	COVER
0007	Comet	LAWA - LAX	917	COVER	COVER
0008	Restroom, Men	LAWA - LAX	370	COVER	COVER
0009	Locker Room, Men	LAWA - LAX	780	COVER	COVER
0010	Custodial	LAWA - LAX	73	COVER	COVER
0011	Restroom, Women	LAWA - LAX	369	COVER	COVER
0012	Storage/Storage	LAWA - LAX	812	COVER	COVER
0013	Training Room	LACTMO Corp	722	COVER	COVER
0014	Elevator	LAWA - LAX	56	COVER	COVER
0015	Elevator Machine Room	LAWA - LAX	55	COVER	COVER
0016	Storage	LAWA - LAX	145	COVER	COVER
0017	Office	LACTMO Corp	345	COVER	COVER
0018	Storage	LACTMO Corp	977	COVER	COVER
0019	Training Room	N/A	384	COVER	N/A
0020	Comet	LAWA - LAX	1,511	COVER	COVER
0021	Comet	LAWA - LAX	327	COVER	COVER
0022	Breakdown	LACTMO Corp	765	COVER	COVER
0023	Office	LACTMO Corp	487	COVER	COVER
0024	Office	LACTMO Corp	978	COVER	COVER
0025	Locker Room, Women	LACTMO Corp	434	COVER	COVER
0026	Storage	LAWA - LAX	234	COVER	COVER
0027	Vacant	N/A	26	COVER	N/A
0028	Vacant	City of Los Angeles	25	COVER	COVER
0029	Vacant	City of Los Angeles	28	COVER	COVER
0030	Office	N/A	142	COVER	N/A
0031	Office	N/A	582	COVER	N/A
0032	Custodial	N/A	37	COVER	N/A
0033	Vacant	N/A	25	COVER	N/A
0034	Vacant	N/A	5	COVER	N/A
TOTAL			22,781		

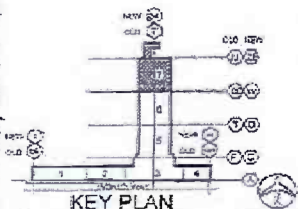
F.I.S. / FIRST LEVEL BAGGAGE CLAIM SECTOR 7 TERMINAL 2 - ARRIVAL

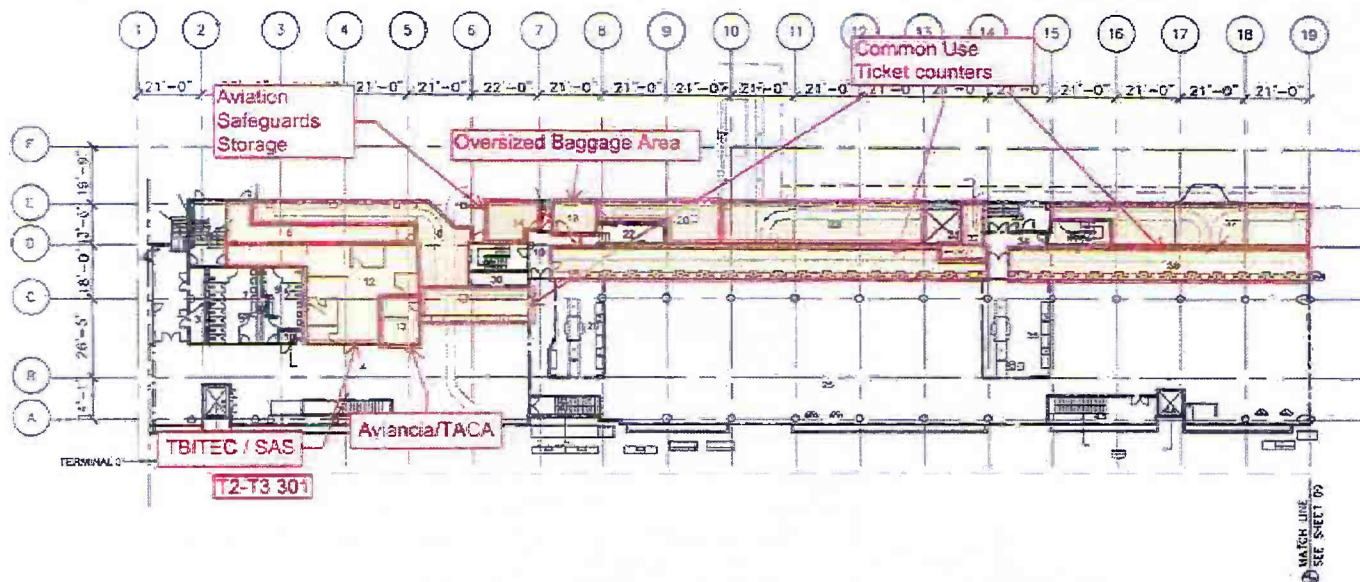
- NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Leasehold Management Application from existing 20060012-80 drawing files, consultant's CAD files, available information and recalculated using the new LAWVA modified BOMA standards. Comments, revisions, verifications and approvals from Property and Concessions Divisions through 2004 01, 2010 have been incorporated.
2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.

SUPERSEDES DWG. NO. 20060012-80-07.

		Los Angeles World Airport MASTER LEASE EXHIBIT TERMINAL 2 LOS ANGELES INTERNATIONAL AIRPORT	
		DESIGNED BY ASSN. CHIEF AIRPORTS ENGINEER	APPROVED BY CHIEF AIRPORTS ENGINEER
DRAWN NRG	CHECKED AW/P. BURNS	SHEET 07	PLAN SET NUMBER 07 OF 24
SCALE 1" = 40'	DATE 10-13-2010	DWG NO. 20100002	FILE NAME 20100002-07-R00

20100002-07.dwg PLOT DATE: 12/27/2010

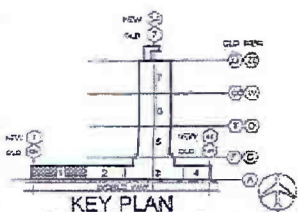




ROOM	DESCRIPTION	COMPANY	AREA	TYPE	USE	ROOM	DESCRIPTION	COMPANY	AREA	TYPE	USE
0001	Stairwell	LAWA - LAX	63	COVER	COVER	0023	Conveyor Space	LAWA - LAX	933	COVER	COVER
0002	Stairwell	LAWA - LAX	1261	COVER	COVER	0024	Ticket Counter	LAXTWO Corp	1,369	COVER	COVER
0003	Electrical Vault	LAWA - LAX	146	COVER	COVER	0025	Ticketing	LAWA - LAX	10,540	COVER	COVER
0004	Lobby	LAWA - LAX	3,756	COVER	COVER	0026	Void	NSA	184	COVER	NSA
0005	Restroom	LAWA - LAX	39	COVER	COVER	0027	Void	NSA	123	COVER	NSA
0006	Conow	LAWA - LAX	455	COVER	COVER	0028	Unmanned	NSA	411	None	NSA
0007	Restroom, Women	LAWA - LAX	416	COVER	COVER	0029	Void	NSA	54	COVER	NSA
0008	Conveyor Space	LAWA - LAX	811	COVER	COVER	0030	Void	NSA	54	COVER	NSA
0009	Restroom, Men	LAWA - LAX	288	COVER	COVER	0031	Medical Staff	LAWA - LAX	570	COVER	COVER
0010	Cyrtolgal	LAWA - LAX	33	COVER	COVER	0032	Conveyor Space	LAWA - LAX	180	COVER	COVER
0011	Escalator	LAWA - LAX	148	COVER	COVER	0033	Stairwell	LAWA - LAX	219	COVER	COVER
0012	Office/Restroom	LAXTWO Corp	1,250	COVER	COVER	0034	Conow	LAWA - LAX	189	COVER	COVER
0013	Office	Aerovias del Continente Americano	212	COVER	COVER	0035	Scanner	LAWA - LAX	734	COVER	COVER
0014	Storage	Air France	225	COVER	COVER	0036	Stairwell	LAWA - LAX	172	COVER	COVER
0015	Stairwell	LAWA - LAX	185	COVER	COVER	0037	Conveyor Space	LAWA - LAX	1,017	COVER	COVER
0016	Ticket Counter	LAXTWO Corp	430	COVER	COVER	0038	Ticket Counter	LAXTWO Corp	999	COVER	COVER
0017	Stairwell	LAWA - LAX	103	COVER	COVER	0039	Stairwell	LAWA - LAX	342	COVER	COVER
0018	Unmanned	LAXTWO Corp	149	None	None	0040	Stairwell	LAWA - LAX	79	COVER	COVER
0019	Conow	LAWA - LAX	172	COVER	COVER	0041	Void	NSA	17	COVER	NSA
0020	Scanner	LAWA - LAX	561	COVER	COVER	0042	Void	NSA	28	COVER	NSA
0021	Stairwell	LAWA - LAX	153	COVER	COVER	0043	Void	NSA	37	COVER	NSA
0022	Electrical	LAWA - LAX	186	COVER	COVER		TOTAL		27,981		

SECOND LEVEL TICKETING SECTOR 1 TERMINAL 2 - TICKETING

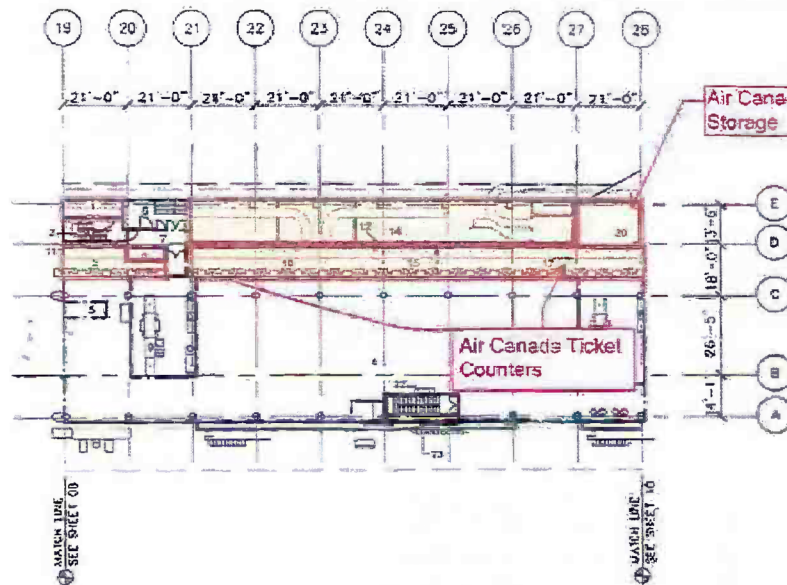
- NOTES: 1. The notes noted above are to be considered planning data and were prepared using the Leasehold Management Application from existing 20060002-00 drawing files, consultant's CAD files, one-to-one information and re-surveyed using the new LAWA modified BOMA standards. Comments, revisions, verifications and approvals from Property and Concessions Divisions through 2006 01, 2010 have been incorporated.
2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.



SUPERSEDES DWG. NO. 20060012-780-08



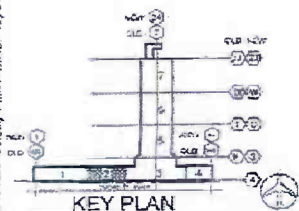
Los Angeles World Airport MASTER LEASE EXHIBIT			
TERMINAL 2			
LOS ANGELES INTERNATIONAL AIRPORT			
SUBMITTED BY		APPROVED BY	
ASST. CHIEF AIRPORTS ENGINEER		CHIEF AIRPORTS ENGINEER	
DRAWN	DESIGNED	SHEET	PLAN SET NUMBER
NWG	AM/P. BURNS	08	08 OF 24
SCALE		DATE	
1" = 40'		10-13-2010	
FILE NAME		DWG NO.	
20100002-08-RDD		20100002	



ROOM	DESCRIPTION	COMPANY	AREA	TYPE	USE
0001	Conveyor Space	LAWA - LAK	110	COVER	COVER
0002	Club	LAWA - LAK	171	COVER	COVER
0003	Ticket Counter	LAKTWO Corp	204	COVER	COVER
0004	Trussing	LAWA - LAK	7470	COVER	COVER
0005	Security	LAWA - LAK	74	None	None
0006	Star	LAWA - LAK	321	COVER	COVER
0007	Conveyor	LAWA - LAK	100	COVER	COVER
0008	Conveyor Space	LAWA - LAK	55	COVER	COVER
0009	Security	LAWA - LAK	729	COVER	COVER
0010	Ticket Counter	LAKTWO Corp	559	COVER	COVER
0011	Void	N/A	32	COVER	N/A
0012	Void	N/A	177	COVER	N/A
0013	Conveyor Space	LAWA - LAK	1,787	COVER	COVER
0014	Ticket Counter	LAKTWO Corp	180	COVER	COVER
0015	Ticket Counter	LAKTWO Corp	549	COVER	COVER
0016	Office	LAKTWO Corp	309	COVER	COVER
0017	Scanner	LAWA - LAK	777	COVER	COVER
0018	Star	LAWA - LAK	101	COVER	COVER
0019	Void	N/A	54	COVER	N/A
TOTAL			14,123		

SECOND LEVEL TICKETING SECTOR 2 TERMINAL 2 - TICKETING

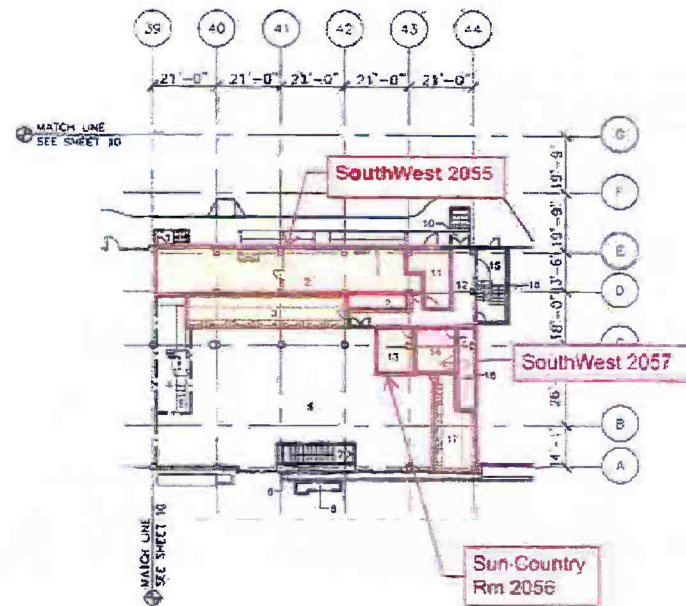
- NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Looseleaf Management Application from existing 20060012-80 drawing files, consultant's CAD files, available information and recalculated using the new LAWA modified BOVA standards. Comments, revisions, verifications and approvals from Property and Concessions Divisions through JLA 01, 2010 have been incorporated.
2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.



SUPERSEDES DWG. NO. 20060012-80-09

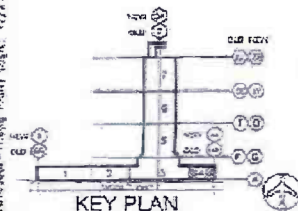
PONT LA LA		Los Angeles World Airports	
		MASTER LEASE EXHIBIT	
		TERMINAL 2	
		LOS ANGELES INTERNATIONAL AIRPORT	
SUBMITTED BY		APPROVED BY	
ASST. CHIEF AIRPORTS ENGINEER		CHIEF AIRPORTS ENGINEER	
DATE	DESIGNED	SHEET	PLAN SET NUMBER
11/11/10	AN/P. BURNS	09	09 OF 24
SCALE	DATE	DWG NO.	
1" = 40'	10-13-2010		
FILE NAME		20100002-09-R00	
TO		20100002	

ROOM	DESCRIPTION	COMPANY	AREA	TYPE	USE
0001	Stairwell	LAWA - LAX	57	COVER	COVER
0002	Unassigned Space	Air New Zealand	1,321	COVER	COVER
0003	Ticket Counter	Air New Zealand	385	COVER	COVER
0004	Scanner	LAWA - LAX	424	COVER	COVER
0005	Public Lobby	LAWA - LAX	3,878	COVER	COVER
0006	Void	SEA	57	COVER	NA
0007	Stairwell	LAWA - LAX	164	COVER	COVER
0008	CONC.	LAWA - LAX	47	COVER	COVER
0009	Conveyor Space	LAWA - LAX	36	COVER	COVER
0010	Stairwell	LAWA - LAX	77	COVER	COVER
0011	Unassigned Space	Air New Zealand	328	COVER	COVER
0012	Concave	LAWA - LAX	889	COVER	COVER
0013	Unassigned Space	Air New Zealand	182	COVER	COVER
0014	Unassigned Space	Air New Zealand	222	COVER	COVER
0015	Stairwell	LAWA - LAX	240	COVER	COVER
0016	Conveyor Space	LAWA - LAX	125	COVER	COVER
0017	Passenger Service	Air New Zealand	368	COVER	COVER
0018	Void	SEA	59	COVER	NA
TOTAL			9,233		

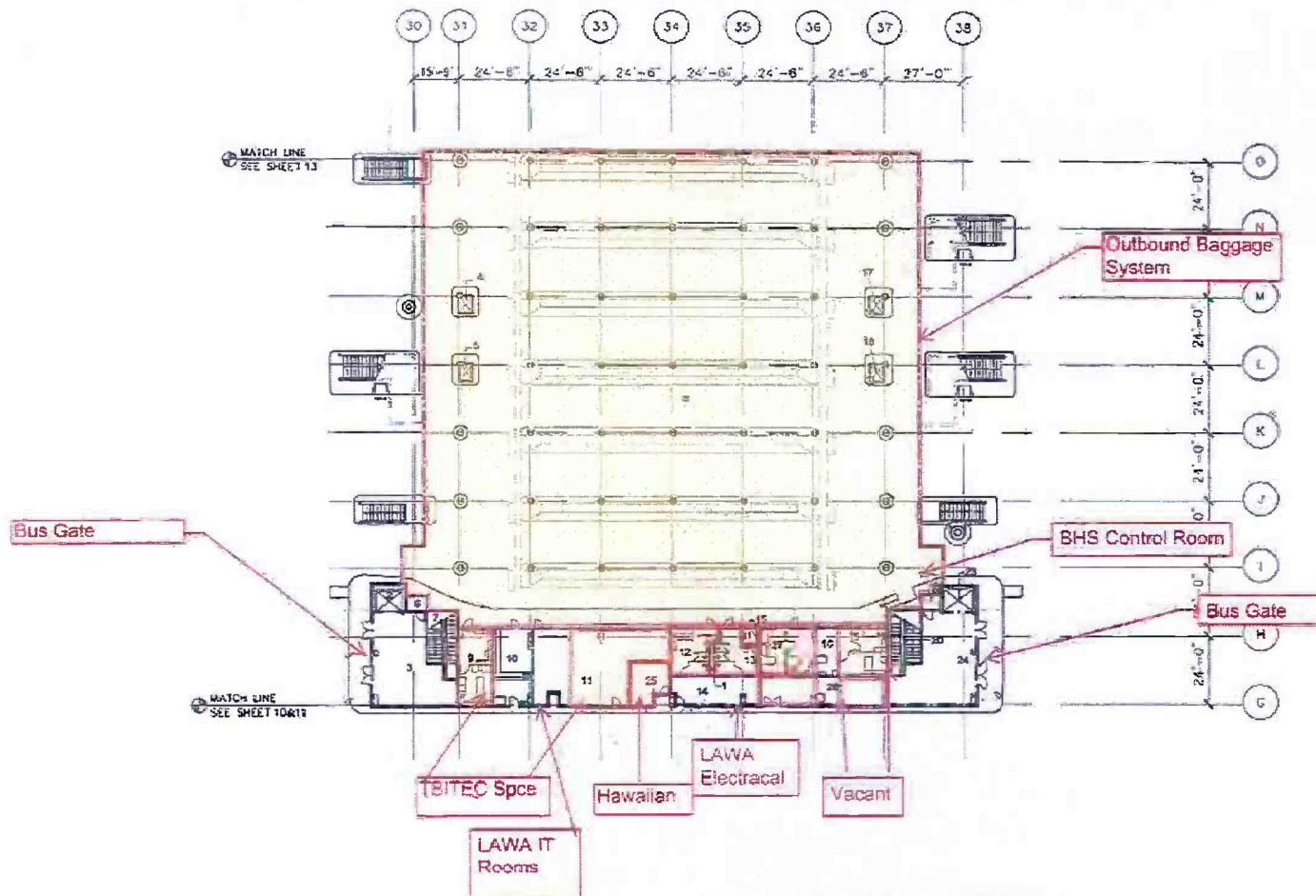


SECOND LEVEL TICKETING SECTOR 4 TERMINAL 2 - TICKETING

- NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Escalator Management Application from existing 20060012-80 drawing files, consultant's CAD files, available information and re-created using the new LAWA modified BOMA standards. Comments, revisions, verifications and approvals from Property and Concessions Divisions through 22X 01, 2010 have been incorporated.
2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.



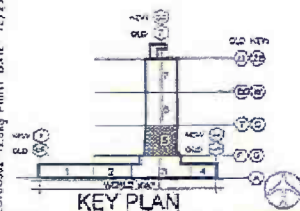
SUPERSEDES DWG. NO. 20060012-80-11		Los Angeles World Airports MASTER LEASE EXHIBIT	
ONT LAX		TERMINAL 2 LOS ANGELES INTERNATIONAL AIRPORT	
SUBMITTED BY AST. DIST. AIRPORTS ENGINEER		APPROVED BY DIST. AIRPORTS ENGINEER	
DATE 10-14-2010	SCALE 1" = 20'	SHEET 11	PLAN SET NUMBER 11 OF 24
FILE NAME 20100002-11-R00		20100002	



ROOM	DESCRIPTION	COMPANY	AREA	TYPE	USE
0001	Void	N/A	17	COVER	N/A
0002	Elevator	LAWA - LAX	110	COVER	COVER
0003	Bus Gate Lobby	LAWA - LAX	744	COVER	COVER
0004	Mechanical	LAWA - LAX	31	COVER	COVER
0005	Mechanical	LAWA - LAX	29	COVER	COVER
0006	Elevator Machine Room	LAWA - LAX	38	COVER	COVER
0007	Stairwell	LAWA - LAX	235	COVER	COVER
0008	Baggage Service	LAXIWD Corp	28,776	COVER	COVER
0009	Office	LAXIWD Corp	323	COVER	COVER
0010	Office	LAXIWD Corp	379	COVER	COVER
0011	Office	LAXIWD Corp	1,857	COVER	COVER
0012	Restroom, Men	LAWA - LAX	347	COVER	COVER
0013	Restroom, Women	LAWA - LAX	278	COVER	COVER
0014	Electrical / Telephone	LAWA - LAX	300	COVER	COVER
0015	Customs	LAWA - LAX	38	COVER	COVER
0016	Office	LAXIWD Corp	758	COVER	COVER
0017	Mechanical	LAWA - LAX	30	COVER	COVER
0018	Mechanical	LAWA - LAX	32	COVER	COVER
0019	Elevator Machine Room	LAWA - LAX	47	COVER	COVER
0020	Stairwell	LAWA - LAX	246	COVER	COVER
0021	Elevator	LAWA - LAX	107	COVER	COVER
0024	Bus Gate Lobby	LAWA - LAX	755	COVER	COVER
0025	Office	N/A	168	COVER	N/A
0026	Office	N/A	427	COVER	N/A
0029	Void	N/A	7	COVER	N/A
TOTAL			35,131		

SECOND LEVEL OPERATIONS SECTOR 5 TERMINAL 2 - CONCOURSE

- NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Licensing Management Application from existing 20060012-80 drawing files, consultant's CAD files, available information and recalculated using the new LAWA modified BCMA standards. Comments, revisions, verifications and approvals from Property and Concessions Divisions through 001 01, 2010 have been incorporated.
2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.



SUPERSEDES DWG. NO. 20060012-80-12

Los Angeles World Airports
MASTER LEASE EXHIBIT

TERMINAL 2

LOS ANGELES INTERNATIONAL AIRPORT

Submitted by: **ASCT, CHIEF AIRPORTS ENGINEER**

APPROVED BY: **CHIEF AIRPORTS ENGINEER**

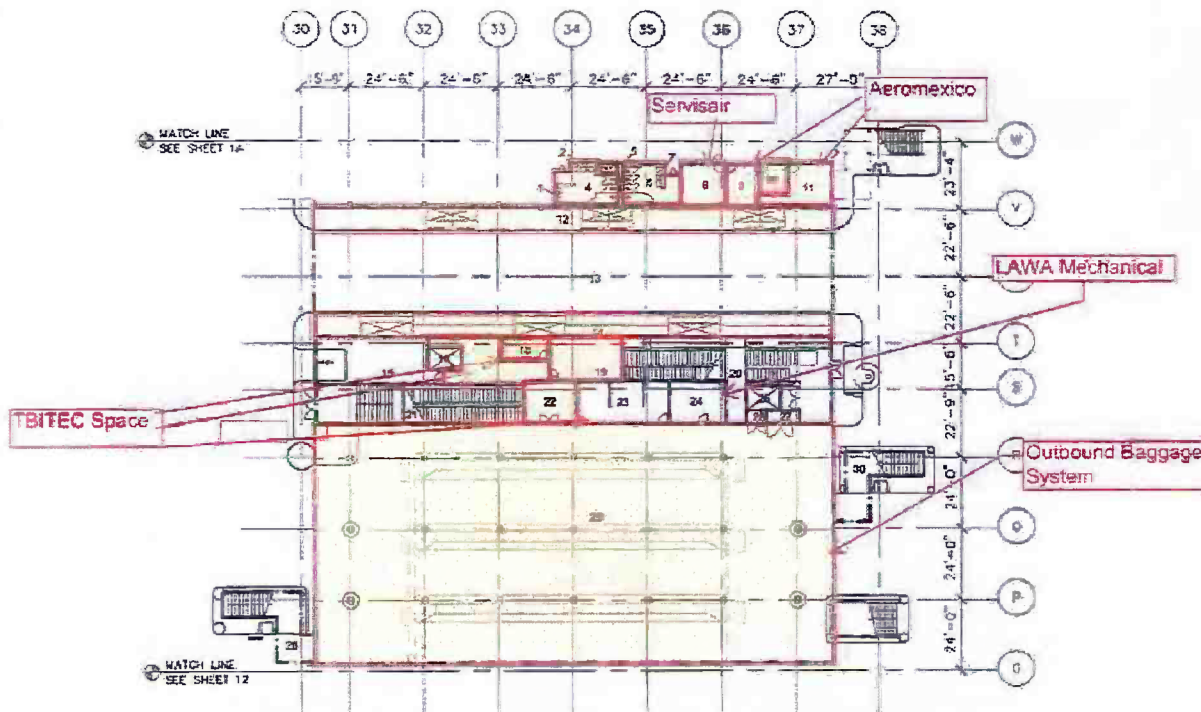
DATE: **10-14-2010**

SCALE: **1" = 40'**

FILE NAME: **20100002-12-R00**

SHEET: **12** OF **24**

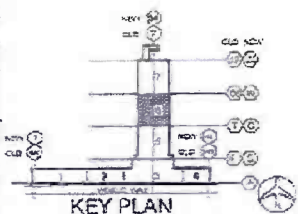
20100002



ROOM	DESCRIPTION	COMPANY	AREA	TYPE	USE
0001	Void	N/A	7	COVER	N/A
0002	Void	City of Los Angeles	8	COVER	COVER
0003	Gravelled	LAWA - LAX	28	COVER	COVER
0004	Restroom, Men	LAWA - LAX	154	COVER	COVER
0005	Void	City of Los Angeles	29	None	None
0006	Restroom, Women	LAWA - LAX	254	COVER	COVER
0007	Void	City of Los Angeles	8	COVER	COVER
0008	Office	LAXTWO Corp	219	COVER	COVER
0009	Office	LAXTWO Corp	158	COVER	COVER
0010	Office	LAXTWO Corp	109	COVER	COVER
0011	Storage	LAXTWO Corp	256	COVER	COVER
0012	Arrivals Lobby	LAXTWO Corp	1,283	COVER	COVER
0013	Mezzanine	LAWA - LAX	4,526	COVER	COVER
0014	Arrivals Lobby	LAXTWO Corp	1,310	COVER	COVER
0015	Loading Dock	LAWA - LAX	617	COVER	COVER
0016	Elevator	LAWA - LAX	87	COVER	COVER
0017	Storage	LAXTWO Corp	399	COVER	COVER
0018	Computer Room	LAXTWO Corp	123	COVER	COVER
0019	Control Room	LAXTWO Corp	304	COVER	COVER
0020	Simulator/Desk	LAWA - LAX	1,351	COVER	COVER
0021	Escalator/Stair	LAWA - LAX	830	COVER	COVER
0022	Generator Room	LAXTWO Corp	242	COVER	COVER
0023	Generator Room	LAWA - LAX	432	COVER	COVER
0024	Fire Control Room	LAWA - LAX	255	COVER	COVER
0025	Elevator	LAWA - LAX	88	COVER	COVER
0026	Mechanics	LAWA - LAX	28	COVER	COVER
0027	Electrical Room	LAWA - LAX	45	COVER	COVER
0028	Stair	LAWA - LAX	370	GRND	GRND
0029	Baggage Section	LAXTWO Corp	13,723	COVER	COVER
0030	Stair	LAWA - LAX	765	GRND	GRND
TOTAL			24,105		

SECOND LEVEL OPERATIONS SECTOR 6 TERMINAL 2 - CONCOURSE

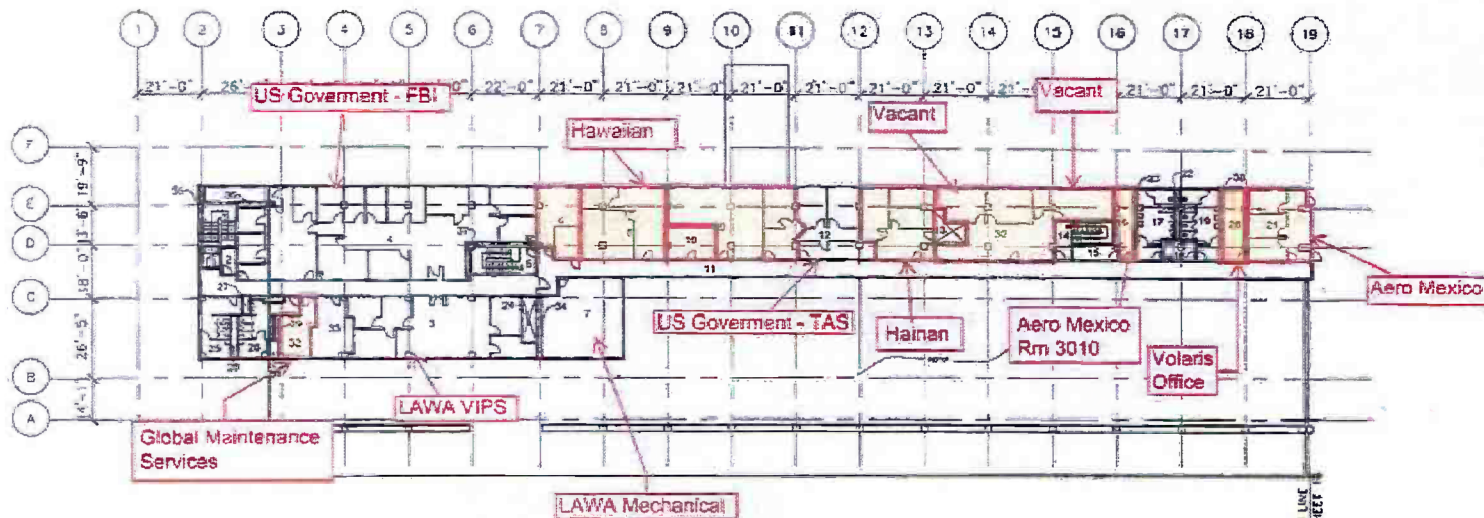
- NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Leasehold Management Application from existing 80012-80 drawing files, available information and reconstructed using the new LAWA modified BOMA standards. Comments, revisions, verifications and approvals from Property and Concessions Division through 0001 DI, 2004 have been incorporated.
2. Dimensions, geometry and usage have not been field verified and may not reflect the current conditions. This data should be field verified prior to use.



SUPERSEDES DWG. NO. 20060012-80-11

		Los Angeles World Airports MASTER LEASE EXHIBIT TERMINAL 2 (LOS ANGELES INTERNATIONAL AIRPORT)	
		SUBMITTED BY ASST. CHIEF AIRPORTS ENGINEER	APPROVED BY CHIEF AIRPORTS ENGINEER
DRAWN NWC	CHECKED AM/P. BURNS	SHEET 13	PLAN SET NUMBER 13 OF 24
SCALE 1" = 40'	DATE 10-14-2010	DWG NO. 20100002-13-R00	20100002

20100002-13-R00 00012 3-11 12/27/2010

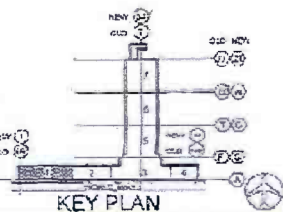


ROOM	DESCRIPTION	COMPANY	AREA	TYPE	USE	ROOM	DESCRIPTION	COMPANY	AREA	TYPE	USE
0001	Stairwell	LAWA - LAX	217	COVER	COVER	0020	Locker Room	LAXTMO Corp	188	COVER	COVER
0002	Security Room	LAWA - LAX	48	COVER	COVER	0021	Office	LAXTMO Corp	511	COVER	COVER
0003	Office	LAXTMO Corp	1,101	COVER	COVER	0022	Void	LAWA - LAX	32	COVER	COVER
0004	Office	LAXTMO Corp	2,357	COVER	COVER	0023	Void	LAWA - LAX	74	COVER	COVER
0005	Stairwell	LAWA - LAX	236	COVER	COVER	0024	Mechanical Shaft	N/A	76	COVER	N/A
0006	Office	LAXTMO Corp	343	COVER	COVER	0025	Restroom, Women	LAWA - LAX	23.5	COVER	COVER
0007	Mechanical	LAWA - LAX	584	COVER	COVER	0026	Restroom, Men	LAWA - LAX	24.0	COVER	COVER
0008	Office	LAXTMO Corp	701	COVER	COVER	0027	Void	N/A	35	COVER	N/A
0009	Office	LAXTMO Corp	884	COVER	COVER	0028	Void	N/A	33	COVER	N/A
0010	Locker Room	LAXTMO Corp	178	COVER	COVER	0029	Void	N/A	12	COVER	N/A
0011	Corridor	LAWA - LAX	2,328	COVER	COVER	0030	Office	N/A	1,447	COVER	N/A
0012	Office	LAXTMO Corp	547	COVER	COVER	0031	Void	N/A	23	COVER	N/A
0013	Mechanical	LAWA - LAX	94	COVER	COVER	0032	Office	N/A	130	COVER	N/A
0014	Stairwell	LAWA - LAX	191	COVER	COVER	0033	Office	N/A	281	COVER	N/A
0015	Electrical	LAWA - LAX	85	COVER	COVER	0034	Void	N/A	15	COVER	N/A
0016	Locker Room	LAXTMO Corp	159	COVER	COVER	0035	Void	N/A	20	COVER	N/A
0017	Restroom, Men	LAWA - LAX	278	COVER	COVER	0036	Void	N/A	21	COVER	N/A
0018	Corridor	LAWA - LAX	77	COVER	COVER	0037	Void	N/A	63	COVER	N/A
0019	Restroom, Women	LAWA - LAX	228	COVER	COVER	0038	Void	N/A	14	COVER	N/A
TOTAL						TOTAL					

THIRD LEVEL LOWER MEZZANINE SECTOR 1 TERMINAL 2 - DEPARTURE

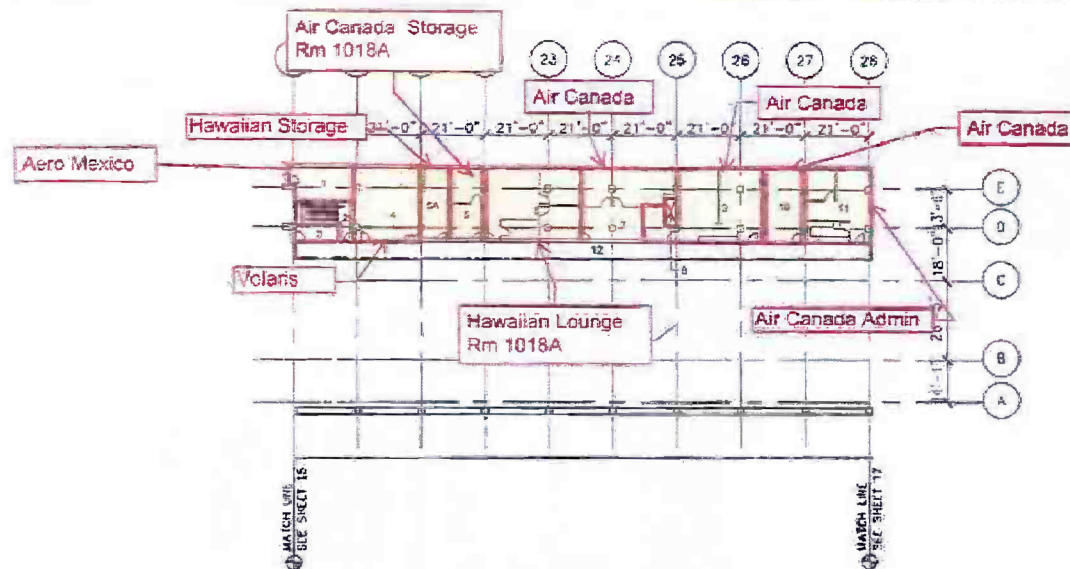
- NOTES:
- The areas noted above are to be considered planning data and were redrawn using the Leasehold Management Application from existing 20050012-80 drawing files, consultant's CAD files, available information and recalculated using the new LAWA modified BOMA standards. Comments, revisions, verifications and approvals from Property and Concessions Divisions through MAX 01, 2010 have been incorporated.
 - Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.

20100002-15.dwg FIRST DATE: 12/27/2010



SUPERSEDES DWG. NO. 20050012-80-15

PONT PMD LAX GEO LOCATION 30		Los Angeles World Airports MASTER LEASE EXHIBIT TERMINAL 2 LOS ANGELES INTERNATIONAL AIRPORT	
		SUBMITTED BY AGENT: CHIEF AIRPORTS ENGINEER	APPROVED BY CHIEF AIRPORTS ENGINEER
DRAWN NTHS	DESIGNED AM/PL BURNS	SHEET 15	PLAN SET NUMBER 15 OF 24
SCALE 1" = 40'	DATE 10-16-2010	DWG NO. 20100002	FILE NAME 20100002-15-800

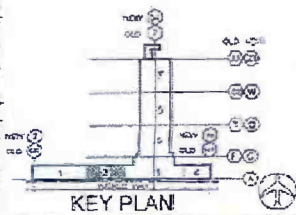


ROOM	DESCRIPTION	COMPANY	AREA	TYPE	USE
0001	Office	LAXTWO Corp	228	COVER	COVER
0002	Escalator	LAWA - LAX	195	COVER	COVER
0003	Office	LAXTWO Corp	75	COVER	COVER
0004	Waiting Room	LAXTWO Corp	520	COVER	COVER
0005	Office	LAXTWO Corp	756	COVER	COVER
0006	Office	LAXTWO Corp	800	COVER	COVER
0007	Office	LAXTWO Corp	644	COVER	COVER
0008	Mechanical	LAWA - LAX	37	COVER	COVER
0009	Breakroom	LAXTWO Corp	004	COVER	COVER
0010	Office	LAXTWO Corp	317	COVER	COVER
0011	Office	LAXTWO Corp	542	COVER	COVER
0012	Comidor	LAWA - LAX	1,050	COVER	COVER
0013	Office	NA	225	COVER	NA
TOTAL			5,810		

THIRD LEVEL LOWER MEZZANINE SECTOR 2 TERMINAL 2 - DEPARTURE

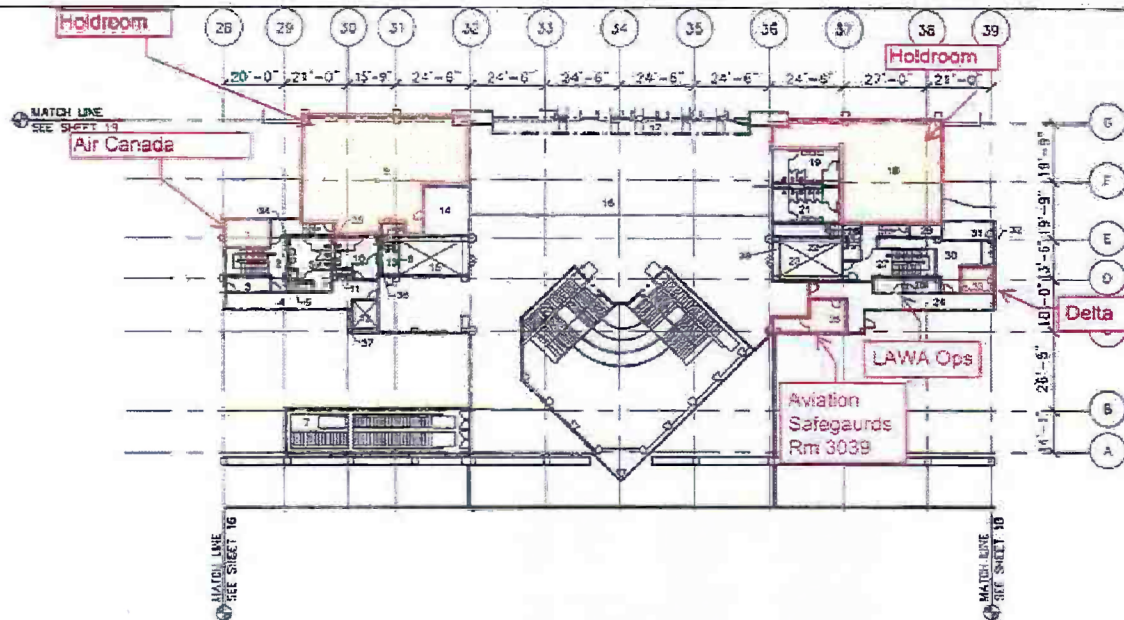
- NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Leasehold Management Application from existing 20060012-80 drawing files, consultant's CAD files, available information and recalculated using the new LAWA modified BOMA standards. Comments, revisions, modifications and approvals from Property and Construction Divisions through 0001, 2010 have been incorporated.
2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.

20100002-16.dwg PLOT DATE: 12/27/2010



SUPersedes DWG. NO. 20060012-80-16

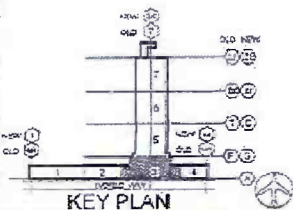
PONT PMD LAX		Los Angeles World Airport MASTER LEASE EXHIBIT TERMINAL 2 LOS ANGELES INTERNATIONAL AIRPORT			
		SUBMITTED BY: ASST. CHIEF AIRPORTS ENGINEER APPROVED BY: CHIEF AIRPORTS ENGINEER			
DRAWN: NYC SCALE: 1" = 40' FILE NAME: 20100002-16-R00	CHECKED: AM/P. BURNS DATE: 10-14-2010	SHEET: 16 PLAN SET NUMBER: 16 OF 24	BWC NO.: 20100002		



ROOM	DESCRIPTION	COMPANY	AREA	TYPE	USE	ROOM	DESCRIPTION	COMPANY	AREA	TYPE	USE
0001	Office	LAWA - LAX	147	COVER	COVER	0020	Void	City of Los Angeles	23	COVER	COVER
0002	Starwest	LAWA - LAX	346	COVER	COVER	0021	Restroom, Women	LAWA - LAX	253	COVER	COVER
0003	Electrical Room	LAWA - LAX	23	COVER	COVER	0022	Void	NA	5	COVER	NA
0004	Corridor	LAWA - LAX	335	COVER	COVER	0023	Mechanical	LAWA - LAX	311	COVER	COVER
0005	Restroom, Men	LAWA - LAX	229	COVER	COVER	0024	Corridor	LAWA - LAX	431	COVER	COVER
0006	Customs	LAWA - LAX	35	COVER	COVER	0025	Office	LAWA - LAX	268	COVER	COVER
0007	Escalator	LAWA - LAX	890	COVER	COVER	0026	Mechanical	LAWA - LAX	179	COVER	COVER
0008	Bus Gate Lobby	LAWA - LAX	1,842	GRND	GRND	0027	Starwest	LAWA - LAX	377	COVER	COVER
0009	Luggage Room	LAWA - LAX	2	COVER	COVER	0028	Search Room	LAWA - LAX	122	COVER	COVER
0010	Restroom, Men	LAWA - LAX	195	COVER	COVER	0029	Void	NA	80	COVER	NA
0011	Electrical	LAWA - LAX	19	COVER	COVER	0030	Electrical	LAWA - LAX	276	COVER	COVER
0012	Elevator	LAWA - LAX	31	COVER	COVER	0031	Customs	LAWA - LAX	116	COVER	COVER
0013	Starwest	LAWA - LAX	103	COVER	COVER	0032	Escalator	LAWA - LAX	34	COVER	COVER
0014	IT	NA	251	COVER	NA	0033	Storage	LAWA - LAX	108	None	None
0015	Mechanical	LAWA - LAX	310	COVER	COVER	0034	Void	City of Los Angeles	22	COVER	COVER
0016	Public Corridor	LAWA - LAX	742	COVER	COVER	0035	Void	City of Los Angeles	13	COVER	COVER
0017	Security	LAWA - LAX	442	COVER	COVER	0036	Void	City of Los Angeles	11	COVER	COVER
0018	Interrail Lounge	LAWA - LAX	1,329	COVER	COVER	0037	Void	NA	22	COVER	NA
0019	Restroom, Men	LAWA - LAX	251	COVER	COVER	0038	Void	NA	37	COVER	NA
TOTAL						TOTAL					

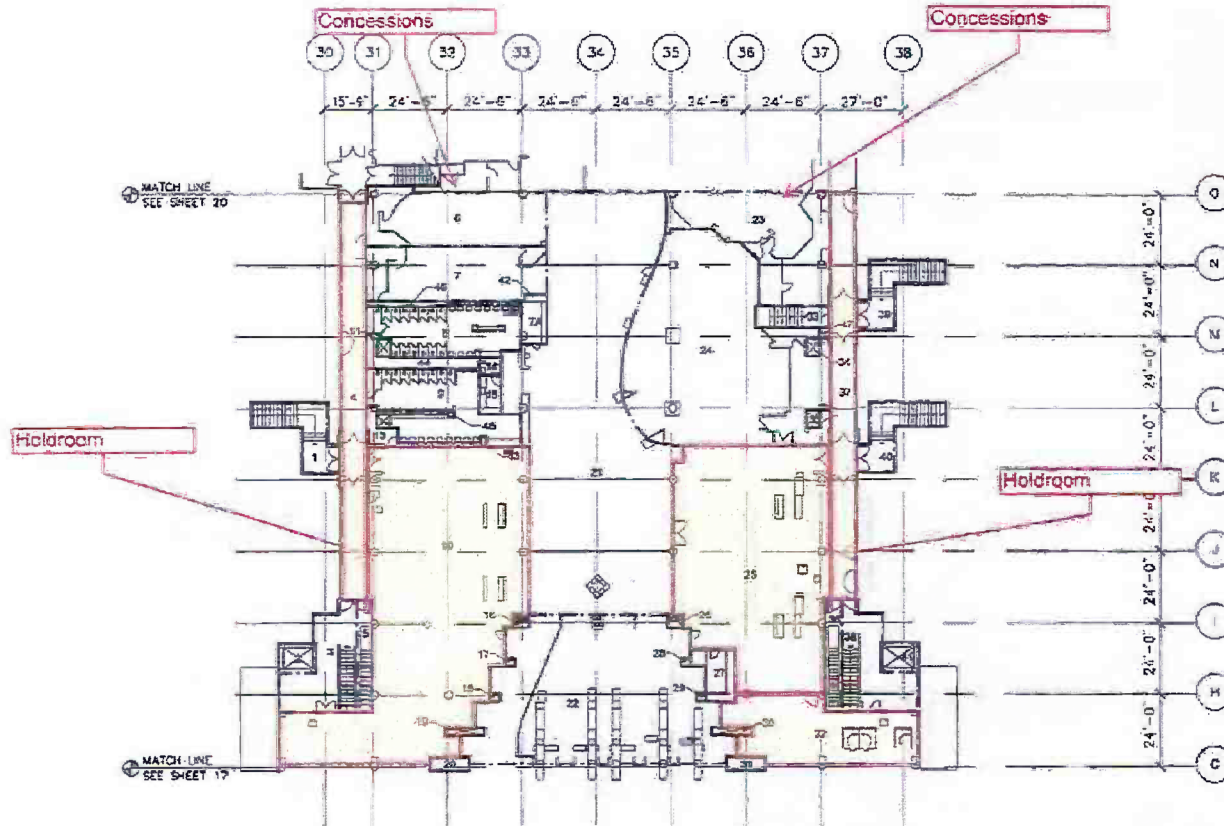
THIRD LEVEL LOWER MEZZANINE SECTOR 3 TERMINAL 2 - DEPARTURE

- NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Leasehold Management Application from existing 20050012-80 drawing file, consultant's CAD files, available information and reprojected using the new LAWLA modified BOMA standards. Comments, revisions, verifications, and approvals from Property and Concessions Divisions through 2001 01, 2010 have been incorporated.
2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.



SUPERSEDES DWG. NO. 20050012-80-17

PONT PMD LAX		Los Angeles World Airports MASTER LEASE EXHIBIT TERMINAL 2 LOS ANGELES INTERNATIONAL AIRPORT	
		SUBMITTED BY ASST. CHIEF AIRPORTS ENGINEER	APPROVED BY CHIEF AIRPORTS ENGINEER
DRAWN NWC	CHECKED AM/P. BURNS	SHEET 17	PLAN SET NUMBER 17 OF 24
SCALE 1" = 40'		DATE 10-15-2010	
OLD LOCATION TO		DWG. NO. 20100002	
FILE NAME 20100002-17-R00			



ROOM	DESCRIPTION	COMPANY	AREA	TYPE	USE
0001	Club	LAWA - LAX	359	COVER	COVER
0002	Elevator	LAWA - LAX	121	COVER	COVER
0003	Stair	LAWA - LAX	628	COVER	COVER
0004	Corridor	LAWA - LAX	1,116	COVER	COVER
0005	Escalator	LAWA - LAX	150	COVER	COVER
0006	Concessions	LAWA - LAX	1,110	COVER	COVER
0007	Concessions	LAWA - LAX	1,115	COVER	COVER
0008	Restroom, Women	LAWA - LAX	813	COVER	COVER
0009	Restroom, Men	LAWA - LAX	820	COVER	COVER
0010	Holdroom	City of Los Angeles	5,383	COVER	COVER
0011	Mechanical	LAWA - LAX	27	COVER	COVER
0012	Mechanical	LAWA - LAX	31	COVER	COVER
0013	Outfitting	LAWA - LAX	66	COVER	COVER
0014	Restroom	LAWA - LAX	42	COVER	COVER
0015	Stair	LAWA - LAX	13	COVER	COVER
0016	Mechanical	LAWA - LAX	14	COVER	COVER
0017	Mechanical	LAWA - LAX	8	COVER	COVER
0018	Mechanical	LAWA - LAX	8	COVER	COVER
0019	Mechanical	LAWA - LAX	8	COVER	COVER
0020	Mechanical	LAWA - LAX	8	COVER	COVER
0021	Public Corridor	LAWA - LAX	27	COVER	COVER
0022	Pre-Security Check	LAWA - LAX	3,518	COVER	COVER
0023	Concessions	LAWA - LAX	1,378	COVER	COVER
0024	Concessions	LAWA - LAX	1,363	COVER	COVER
0025	Holdroom	LAXTWO Corp	3,561	COVER	COVER
0026	Mechanical	LAWA - LAX	16	COVER	COVER
0027	Concessions	LAWA - LAX	129	COVER	COVER
0028	Mechanical	LAWA - LAX	5	COVER	COVER
0029	Mechanical	LAWA - LAX	5	COVER	COVER
0030	Mechanical	LAWA - LAX	32	COVER	COVER
0031	Mechanical	LAWA - LAX	24	COVER	COVER
0032	Infant Lounge	LAXTWO Corp	1,200	COVER	COVER
0033	Stair	LAWA - LAX	172	COVER	COVER
0034	Mechanical	LAWA - LAX	27	COVER	COVER
0035	Mechanical	LAWA - LAX	27	COVER	COVER
0036	Escalator	LAWA - LAX	216	COVER	COVER
0037	Corridor	LAWA - LAX	1,127	COVER	COVER
0038	Stair	LAWA - LAX	808	COVER	COVER
0039	Stair	LAWA - LAX	359	COVER	COVER
0040	Stair	LAWA - LAX	381	COVER	COVER
0041	Elevator	LAWA - LAX	117	COVER	COVER
0042	Void	City of Los Angeles	13	None	None
0043	Void	LAWA - LAX	31	None	None
0044	Void	LAWA - LAX	107	None	None
0045	Void	LAWA - LAX	35	None	None
0046	Void	LAWA - LAX	40	None	None
0047	Void	LAWA - LAX	11	COVER	COVER
007A	Currency Services	LAWA - LAX	120	COVER	COVER
TOTAL			18,311		

THIRD LEVEL DEPARTURE SECTOR 5 TERMINAL 2 - CONCOURSE

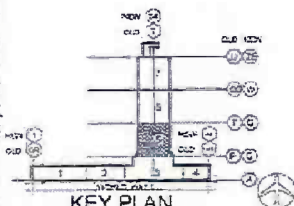
- NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Leadline Management Application from existing 20060012-80 drawing files, consultant's CAD files, available information and recalculated using the new LAWA modified SOMA standards. Comments, revisions, verifications and approvals from Property and Concessions Divisions through XXX 01, 2010 have been incorporated.
2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.

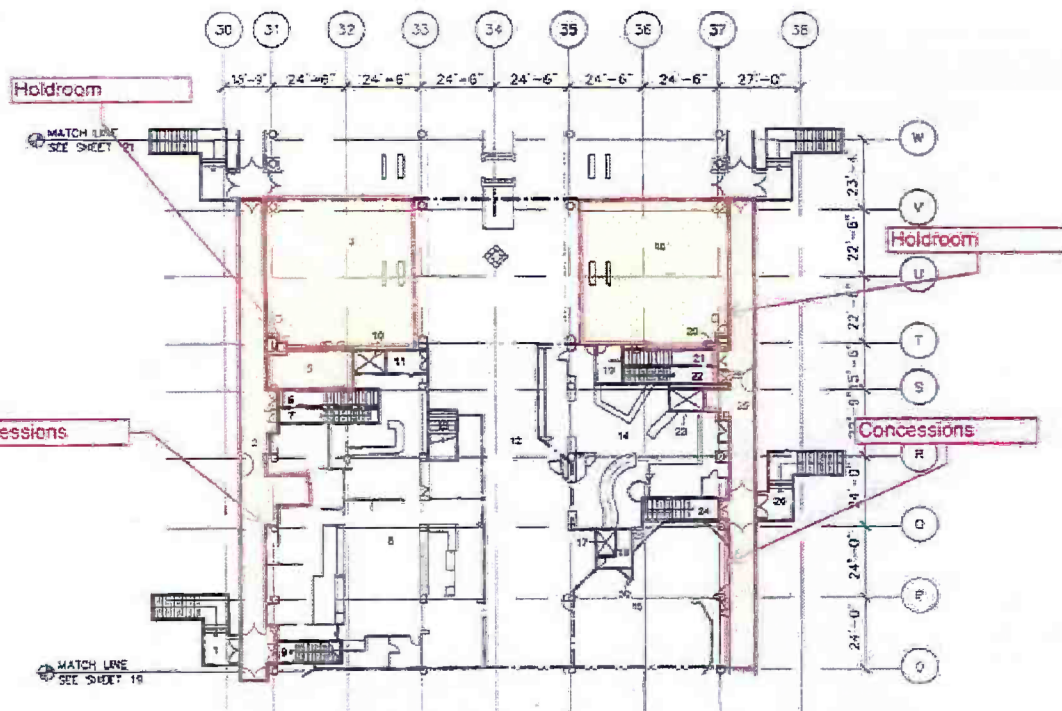
SUPERSEDES DWG. NO. 20060021-80-19



Los Angeles World Airports MASTER LEASE EXHIBIT			
TERMINAL 2			
LOS ANGELES INTERNATIONAL AIRPORT			
SUBMITTED BY		APPROVED BY	
ASST. CHIEF AIRPORTS ENGINEER		CHIEF AIRPORTS ENGINEER	
DESIGN	DESIGNED	SHEET	PLAN SET NUMBER
BST/NWG	AM/P.BURNS	19	19 of 25
SCALE	AS NOTED	DWG NO.	
	10-14-10		
FILE NAME	20100002-19-000		
	20100002-80		

20100002-19-000 (P) 04/10 12/21/2010

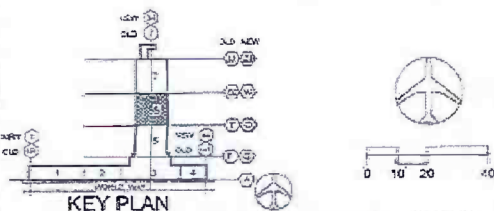




ROOM	DESCRIPTION	COMPANY	AREA	TYPE	USE
0001	Stair	LAVA - LAX	061	COVER	COVER
0002	Corridor	LAVA - LAX	1,629	COVER	COVER
0003	Holdroom	LAXTMD Corp	2,406	COVER	COVER
0004	Lockers	LAVA - LAX	34	COVER	COVER
0005	Unknown	LAXTMD Corp	388	COVER	COVER
0006	Elevator	LAVA - LAX	218	COVER	COVER
0007	Stair	LAVA - LAX	160	COVER	COVER
0008	Concessionaire	LAVA - LAX	5,357	COVER	COVER
0009	Stair	LAVA - LAX	153	COVER	COVER
0010	Elevator	LAVA - LAX	27	COVER	COVER
0011	Elevator Lobby	LAVA - LAX	109	COVER	COVER
0012	Public Corridor	LAVA - LAX	4,024	COVER	COVER
0013	Stair	LAVA - LAX	160	COVER	COVER
0014	Concessionaire	Dakeworth North Companies Travel Hospitality, Inc	2,653	COVER	COVER
0015	Concessionaire	Airport Management Services LLC	2,080	COVER	COVER
0016	Holdroom	LAXTMD Corp	2,406	COVER	COVER
0017	Elevator	LAVA - LAX	57	COVER	COVER
0018	Elevator Lobby	LAVA - LAX	57	COVER	COVER
0019	Electrical Room	LAVA - LAX	115	COVER	COVER
0020	Lockers	LAVA - LAX	25	COVER	COVER
0021	Elevator	LAVA - LAX	178	COVER	COVER
0022	Stair	LAVA - LAX	161	COVER	COVER
0023	Elevator	LAVA - LAX	58	COVER	COVER
0024	Stair	LAVA - LAX	109	COVER	COVER
0025	Corridor	LAVA - LAX	1,406	COVER	COVER
0026	Stair	LAVA - LAX	259	COVER	COVER
0027	Void	N/A	13	COVER	N/A
0028	Void	N/A	30	COVER	N/A
0029	Void	N/A	61	COVER	N/A
0030	Void	N/A	18	COVER	N/A
TOTAL			27,404		

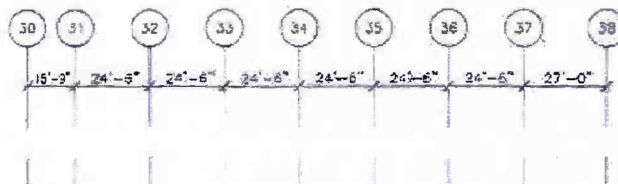
THIRD LEVEL DEPARTURE SECTOR 6 TERMINAL 2 - CONCOURSE

- NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Location Management Application from existing 20060012-80 drawing files, consultant's CAD files, available information and recalculated using the new LAVA modified BOMA standards. Comments, revisions, verifications and approvals from Property and Concessions Divisions through 03/01/2010 have been incorporated.
2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.

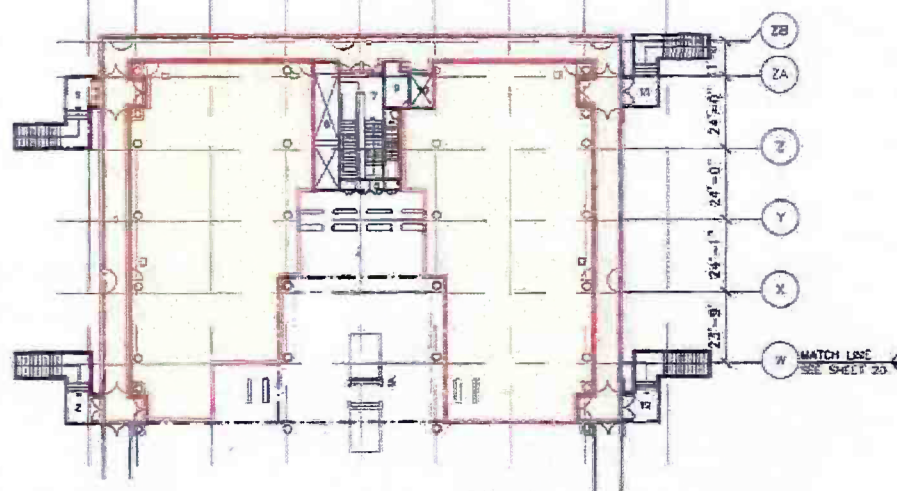


SUPersedes DWG. NO. 20050012-80-20

		Los Angeles World Airport	
		MASTER LEASE EXHIBIT	
		TERMINAL 2	
		LOS ANGELES INTERNATIONAL AIRPORT	
SUBMITTED BY		APPROVED BY	
ASST. CHIEF AIRPORTS ENGINEER		CHIEF AIRPORTS ENGINEER	
DATE	DRAWN	DATE	PLAN SET NUMBER
10/14/2010	AM/P. BURNS	20	20 OF 24
SCALE	DATE	DWG NO.	
1" = 40'	10-14-2010	20100002	
FILE NAME	20100002-20-R00		



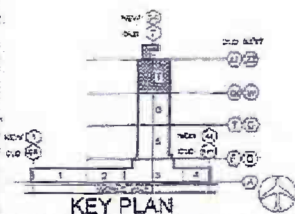
ROOM	DESCRIPTION	COMPANY	AREA	TYPE	USE
0001	Star	LAWA - LAX	364	GRND	GRND
0002	Star	LAWA - LAX	261	GRND	GRND
0003	Corridor	LAWA - LAX	3,747	COVER	COVER
0004	Holdroom	LAXTWO Corp	14,086	COVER	COVER
0005	Public Corridor	LAWA - LAX	2,555	COVER	COVER
0006	Mechanical	LAWA - LAX	303	COVER	COVER
0007	Transformer/Star	LAWA - LAX	642	COVER	COVER
0008	Storage	LAXTWO Corp	71	COVER	COVER
0009	Electrical	LAWA - LAX	115	COVER	COVER
0010	Elevator	LAWA - LAX	81	COVER	COVER
0011	Star	LAWA - LAX	125	GRND	GRND
0012	Star	LAWA - LAX	281	GRND	GRND
TOTAL			23,277		



THIRD LEVEL DEPARTURE SECTOR 7 TERMINAL 2 - CONCOURSE

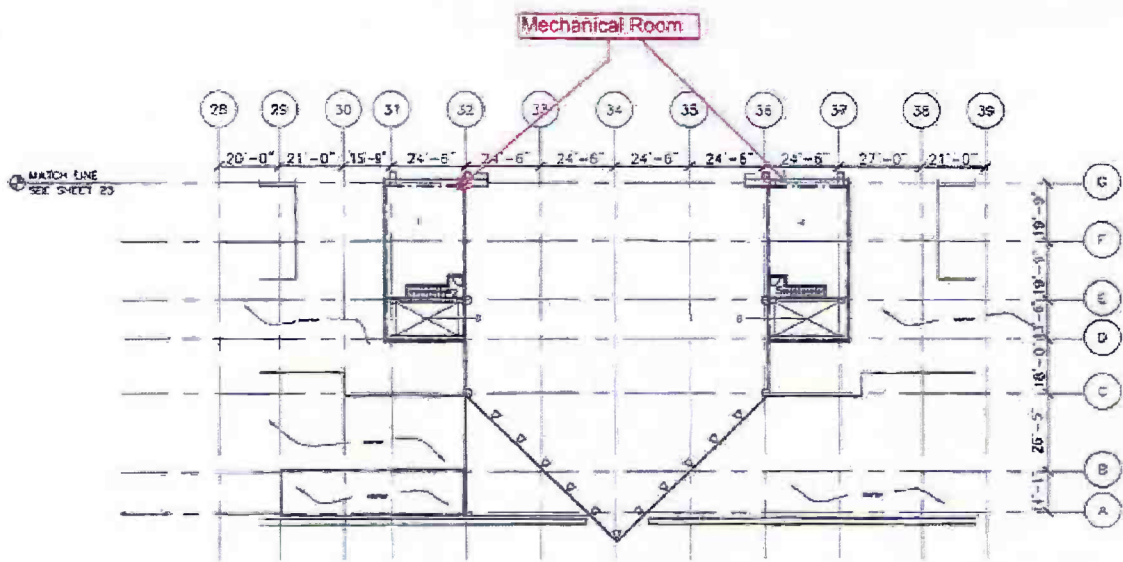
- NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Leasehold Management Application from existing 20080012-80 drawing files, consultant's CAD files, available information and recalculated using the new LAWA modified DQMA standards. Comments, revisions, verifications and approvals from Property and Concessions Divisions through XXX 01, 2010 have been incorporated.
2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.

20100002-21.dwg PRINT DATE: 12/28/2010



SUPERSEDES DMC NO. 20060021-80-21

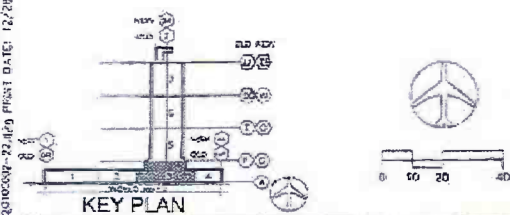
PMD ONT LAX		Los Angeles World Airports MASTER LEASE EXHIBIT TERMINAL 2 LOS ANGELES INTERNATIONAL AIRPORT	
		DESIGNED BY ASST. CHIEF AIRPORTS ENGINEER DATE 10-14-2010	APPROVED BY CHIEF AIRPORTS ENGINEER DATE 10-14-2010
DMC NO. 20100002-21-800		SHEET 21 PLAN SET NUMBER 21 OF 24	DMC NO. 20100002



ROOM	DESCRIPTION	COMPANY	AREA	TYPE	USE
0001	Mechanical Room	LAWA - LAX	889	COVER	COVER
0002	Stairwell	LAWA - LAX	87	COVER	COVER
0003	Mechanical Room	LAWA - LAX	386	COVER	COVER
0004	Mechanical Room	LAWA - LAX	884	COVER	COVER
0005	Stairwell	LAWA - LAX	90	COVER	COVER
0006	Mechanical	LAWA - LAX	346	COVER	COVER
TOTAL			2715		

UPPER MEZZANINE LEVEL SECTOR 3 TERMINAL 2 - MEZZANINE

- NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Leasehold Management Application from existing 20050012-80 drawing. BAC consultant's CAD file, available information are re-created using the new LAWA modified BCMA standards. Comments, revisions, verifications and approvals from Property and Concessions Divisions through XXX 01, 2010 have been incorporated.
2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.



SUPERSEDES DWG. NO. 20050012-80-22

Los Angeles World Airports
MASTER LEASE EXHIBIT
TERMINAL 2
LOS ANGELES INTERNATIONAL AIRPORT

SUBMITTED BY: [Signature] APPROVED BY: [Signature]

ASST. CHIEF AIRPORTS ENGINEER CHIEF AIRPORTS ENGINEER

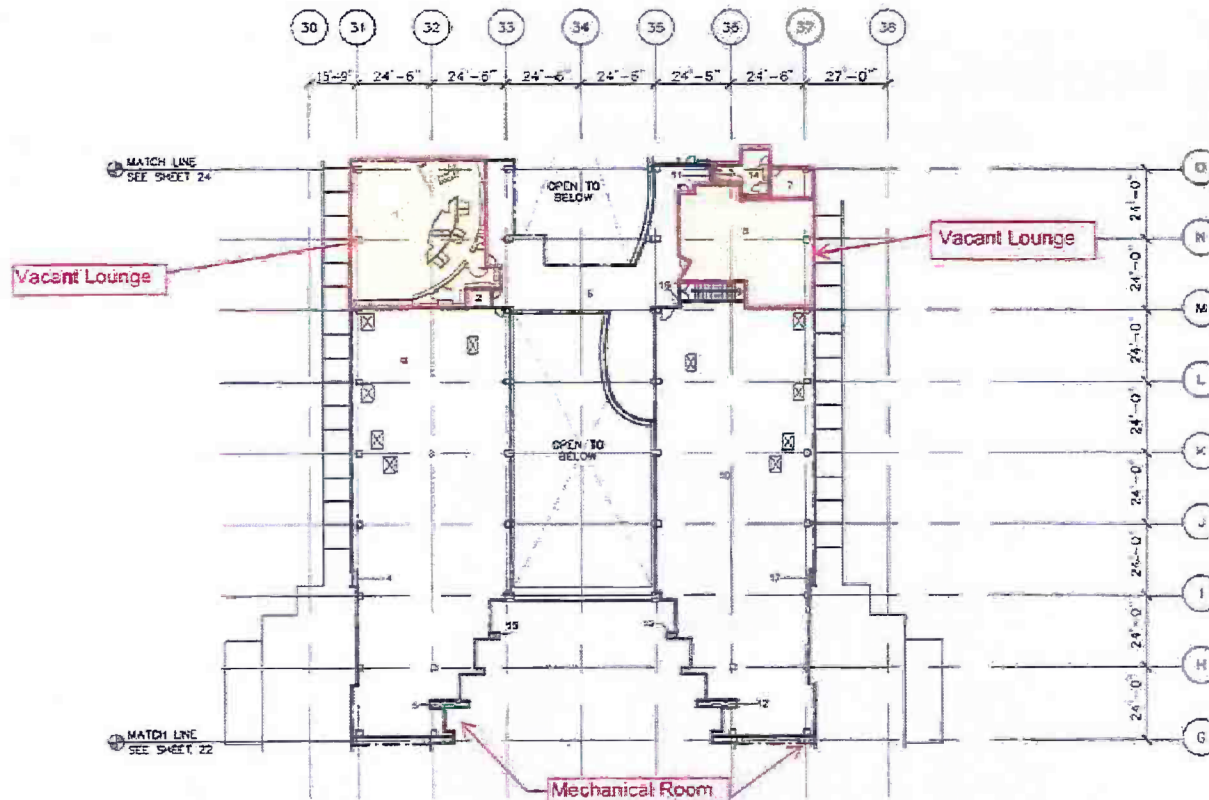
DESIGNED BY: NWC/RSF CHECKED BY: AM/P. BURNS DATE: 10-16-2010

SCALE: 1" = 40' SHEET NO.: 22 OF 24

DWG. LOCATION: TO FILE NAME: 20100002-22-R00

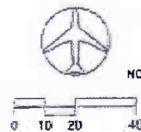
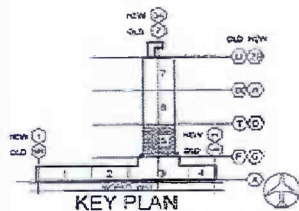
20100002

20100002-22-R00 PRINT DATE: 12/20/2010



ROOM	DESCRIPTION	COMPANY	AREA	TYPE	USE
0001	Lounge	LAXTWO Corp	2,705	COVER	COVER
0002	Electrical Room	LAWA - LAX	35	COVER	COVER
0003	Mechanical Room	LAWA - LAX	6,853	COVER	COVER
0004	Void	NA	6	COVER	NA
0005	Mechanical Room	LAWA - LAX	28	COVER	COVER
0006	Corridor	LAWA - LAX	2,361	COVER	COVER
0007	Lounge	LAXTWO Corp	183	COVER	COVER
0008	Lounge	LAXTWO Corp	1,493	COVER	COVER
0009	Subway	LAWA - LAX	153	COVER	COVER
0010	Mechanical Room	LAWA - LAX	6,882	COVER	COVER
0011	Void	NA	8	COVER	NA
0012	Mechanical Room	LAWA - LAX	27	COVER	COVER
0013	Void	City of Los Angeles	7	COVER	COVER
0014	Restroom, Men	LAWA - LAX	723	COVER	COVER
0015	Void	NA	7	COVER	NA
0016	Void	NA	1	COVER	NA
0017	Void	NA	6	COVER	NA
TOTAL			28,519		

UPPER MEZZANINE LEVEL SECTOR 5 TERMINAL 2 - CONCOURSE

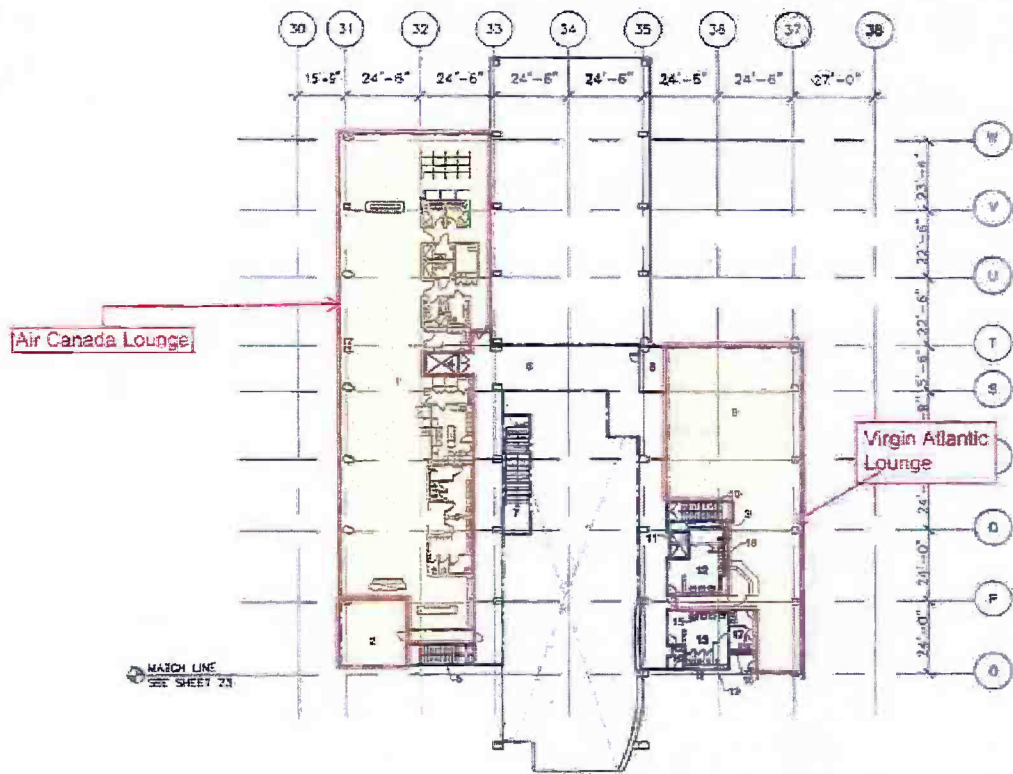


- NOTES:
1. The areas noted above are to be considered planning data and were redrawn using the Landscape Management Application from existing 20060012-80 drawing files, consultant's CAD files, available information and re-calculated using the new LAMA modified DINA standards. Comments, revisions, verifications and approvals from Property and Concessions Divisions through 12/01/2010 have been incorporated.
 2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.

SUPERSEDES DWG. NO. 20060012-80-23



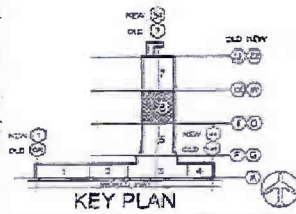
Los Angeles World Airports			
TERMINAL 2			
LOS ANGELES INTERNATIONAL AIRPORT			
SUBMITTED BY:		APPROVED BY:	
ASST. CHIEF AIRPORTS ENGINEER		CHIEF AIRPORTS ENGINEER	
DRAWN:	CHECKED:	SHEET:	PLAN SET NUMBER:
NTAG/RFY	AM/P. BURNS	23	23 of 24
SCALE:	DATE:	DWG. NO.:	
1" = 40'	10-14-2010	20100002	
FILE NAME:		20100002-23-ROJ	



ROOM	DESCRIPTION	COMPANY	AREA	TYPE	USE
0001	LAXTMD	LAXTMD Corp	7,306	COVER	COVER
0002	Lounge	LAXTMD Corp	580	COVER	COVER
0003	Void	N/A	52	COVER	NA
0004	Elevator	LAXTMD - LAX	56	COVER	COVER
0005	Stairwell	LAXTMD - LAX	157	COVER	COVER
0006	Corridor	LAXTMD - LAX	2,888	COVER	COVER
0007	Stairwell	LAXTMD - LAX	328	COVER	COVER
0008	Blackout Room	LAXTMD - LAX	139	COVER	COVER
0009	Lounge	LAXTMD Corp	3,550	COVER	COVER
0010	Stairwell	LAXTMD - LAX	152	COVER	COVER
0011	Elevator	LAXTMD - LAX	55	COVER	COVER
0012	Restroom, Men	LAXTMD - LAX	308	COVER	COVER
0013	Restroom, Women	LAXTMD - LAX	315	COVER	COVER
0014	Custodial	LAXTMD - LAX	40	COVER	COVER
0015	Void	N/A	35	COVER	NA
0016	Void	N/A	53	COVER	NA
0017	Restroom, Unisex	N/A	127	COVER	NA
0018	Void	N/A	30	COVER	NA
0019	Void	N/A	20	COVER	NA
TOTAL			34,217		

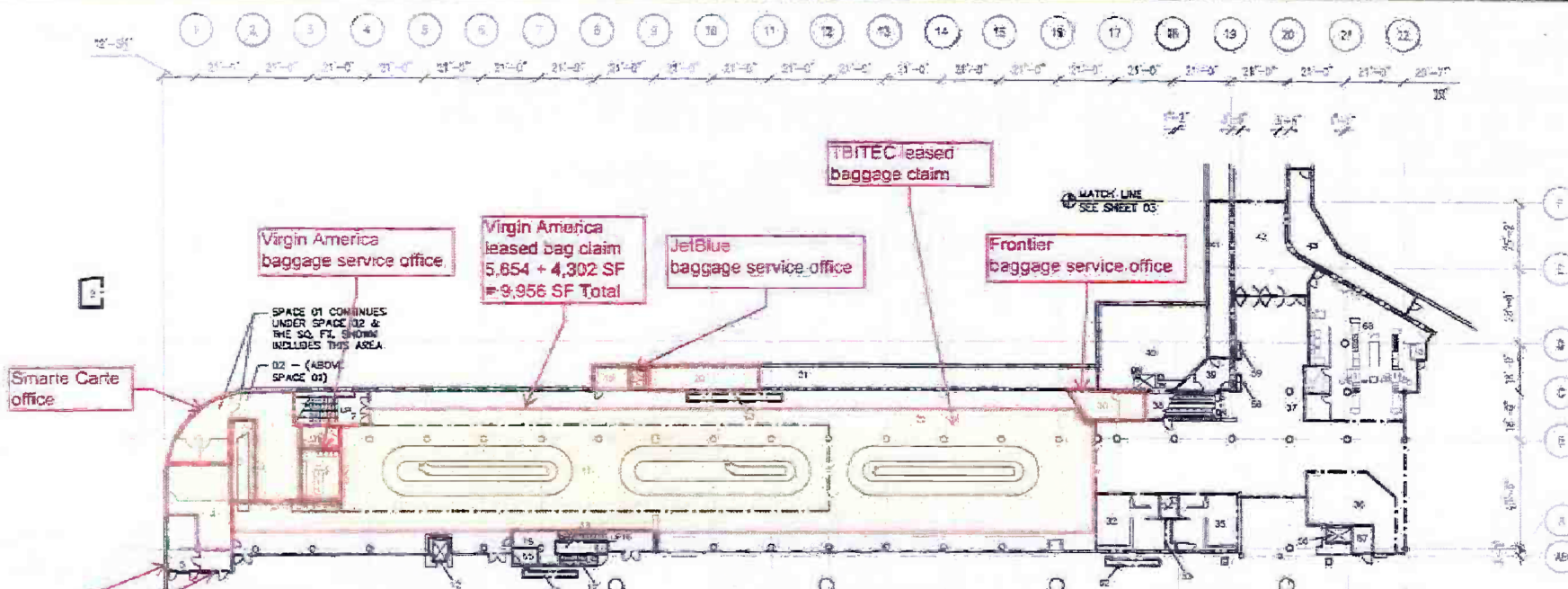
UPPER MEZZANINE LEVEL SECTOR 6 TERMINAL 2 - CONCOURSE

- NOTES: 1. The areas noted above are to be considered planning data and were created using the Leasehold Management Application from existing 20060002-00 drawing files, consultant's CAD files, available information and reconstructed using the new LAXA modified BOMA standards. Comments, revisions, verifications and approvals from Property and Concessions Divisions through LAX 01, 2010 have been incorporated.
2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.



SUPERSEDES DWG. NO. 20060012-00-24

		Los Angeles World Airports MASTER LEASE EXHIBIT TERMINAL 2 LOS ANGELES INTERNATIONAL AIRPORT	
		SUBMITTED BY AIRPORTS ENGINEER	APPROVED BY AIRPORTS ENGINEER
DRAWN NWC/RFT	CHECKED AM/P. BURNS	SHEET 24	PLAN SET NUMBER 24 OF 24
SCALE 3" = 40'	DATE 10-14-2010	CHK NO. 20100002-24-R00	20100002
ORG LOCATION 10	FILE NAME 20100002-24-R00		

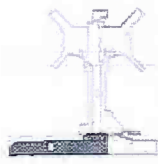


SPACE	DESCRIPTION	COMPANY NAME	AREA	SPACE	DESCRIPTION	COMPANY NAME	AREA
1	Concessions, Office	Smarte Carte Inc	1,194	32	Miscellaneous, Restroom, Women	LAWA - LAX	519
2	Equipment, Conveyor, Baggage	LAWA - LAX	84	33	Utilities - Mechanical, Void	City of Los Angeles	33
3	Equipment, Conveyor, Baggage	City of Los Angeles	235	34	Custodial, Room	City of Los Angeles	62
4	Baggage, Service	Alaska Airlines Inc	606	35	Miscellaneous, Restroom, Men	LAWA - LAX	438
5	Miscellaneous, Office	LAWA - LAX	337	36	Service, Information Counter, Travelers Aid	LAWA - LAX	692
6	Miscellaneous, Office	LAWA - LAX	352	37	Miscellaneous, Lobby	LAWA - LAX	2,208
7	Baggage, Storage	Virgin Australia International Airlines	123	38	Equipment, Escalator/Stairwell, Elevators/Escalators	LAWA - LAX	294
8	Baggage, Office	Virgin Australia International Airlines	268	39	Miscellaneous, Corridor	LAWA - LAX	197
9	Baggage, Lockers, Movable	LAWA - LAX	30	40	Utilities - Mechanical, Room	City of Los Angeles	1,175
10	Equipment, Carousel, Baggage	LAWA - LAX	5,654	41	Baggage, Channel, Abandoning	City of Los Angeles	504
11	Equipment, Elevator, Escalators/Escalators	City of Los Angeles	62	42	Miscellaneous, Corridor, Public	LAWA - LAX	852
12	Concessions, Cart	City of Los Angeles	48	43	Miscellaneous, Corridor/Stair	LAWA - LAX	720
13	Utilities - Mechanical, Room	City of Los Angeles	100	44	Miscellaneous, Storage	City of Los Angeles	45
14	Equipment, Escalator	LAWA - LAX	277	45	Utilities - Mechanical, Room	LAWA - LAX	67
15	Miscellaneous, Stairwell	LAWA - LAX	36	46	Equipment, Elevator, Escalators/Escalators	City of Los Angeles	57
16	Miscellaneous, Void	City of Los Angeles	97	47	Utilities - Mechanical, Control Room, Elevators/Escalators	City of Los Angeles	81
17	Baggage, Office	City of Los Angeles	117	48	Service, Information Display, FIDS	City of Los Angeles	12
18	Miscellaneous, Storage	City of Los Angeles	354	49	Service, Information Display, FIDS	City of Los Angeles	12
19	Baggage, Ramp, Abandoned	City of Los Angeles	1,053	50	Concessions, Cart	City of Los Angeles	48
20	Baggage, Service, Claim	LAWA - LAX	70,909	51	Concessions, Cart	City of Los Angeles	98
21	Baggage, Lockers, Movable	City of Los Angeles	30	52	Security, Screening Baggage	City of Los Angeles	1,931
22	Baggage, Service	City of Los Angeles	278	53			34,408
23				TOTAL			

FIRST LEVEL FLOOR PLAN SECTOR 1 TERMINAL 3 - TICKETING

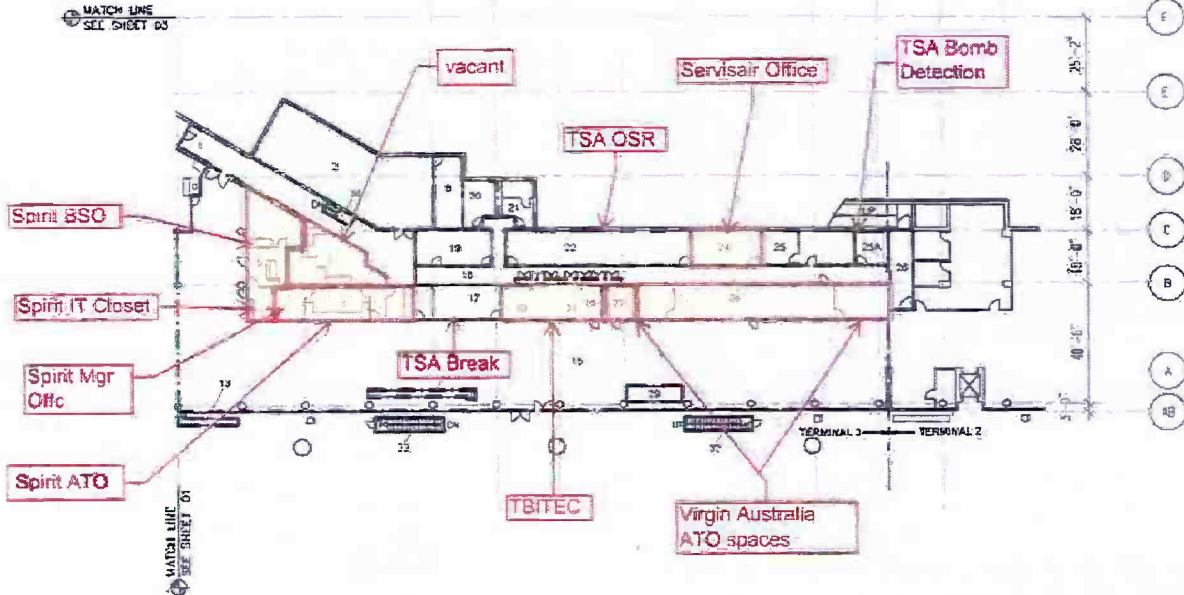
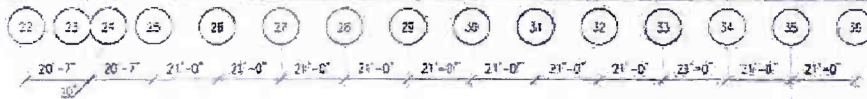
NOTES: 1. The areas noted above are to be considered planning data and were prepared using the Laxline Management Application from existing 20120003 drawing files, consultant's CAD files, available information and recapitulated using the new LAWA modified BOMA standards. Comments, revisions, verifications and approvals from Commercial Development Group through JOC 01, 2013 have been incorporated.

2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.



KEY PLAN

SUPERSEDES OWC NO. 20120003		Los Angeles World Airports	
PONT		MASTER LEASE EXHIBIT	
PMD		TERMINAL 3	
LAX		LOS ANGELES INTERNATIONAL AIRPORT	
APPROVED BY	DEPUTY EXECUTIVE DIRECTOR (O&M)	APPROVED BY	OWC AIRPORTS DIRECTOR
DRAWN	NRG	CHECKED	AM
SCALE	1" = 40'	DATE	XX-XX-2013
FILE NAME	20130003-01-R00	SHEET	01 OF 11
		20130003	



ROOM	DESCRIPTION	COMPANY	AREA
1	Passage, Corridor	LAWA - LAX	481
2	Utilities - Mechanical, Room	City of Los Angeles	1,347
3	Miscellaneous, Office		554
4	Miscellaneous, Office		534
5	Miscellaneous, Breakroom		498
6	Utilities - Communications, Room		233
13	Concessions, Con	City of Los Angeles	40
14	Concessions, Con	City of Los Angeles	89
15	Passage, Lobby	LAWA - LAX	7,507
16	Miscellaneous, Storage	Alaska Airlines Inc.	388
17	Miscellaneous, Office	City of Los Angeles	341
18	Passage, Corridor	LAWA - LAX	1,020
19	Restroom, Men	City of Los Angeles	312
20	Restroom, Women	LAWA - LAX	170
21	Facilities, Restroom, Men	LAWA - LAX	157
22	Miscellaneous, Office	City of Los Angeles	730
24	Miscellaneous, Office	City of Los Angeles	272
25	Miscellaneous, Office	U.S. General Services	366
26	Passage, Corridor	LAWA - LAX	220
27	Miscellaneous, Office	LAWA - LAX	130
28	Miscellaneous, Office		970
29	Service, Information Display, Display Case		58
30	Utilities - Electrical, Control		33
31	Utilities - Communications, Room		47
32	Equipment, Escalator, Elevators/Escalators		106
33	Equipment, Escalator, Elevators/Escalators		108
34	Passage, Stairwell		39
22A	Miscellaneous, Unknown	U.S. General Services	130
TOTAL			37,731

FIRST LEVEL FLOOR PLAN SECTOR 2 TERMINAL 3 - TICKETING

- NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Leadline Management Application from existing 20120003 drawing files, consultant's CAD files, available information and recalculated using the new LAWA modified BOMA standards. Comments, revisions, verifications and approvals from Commercial Development Group through 1000 D1, 2013 have been incorporated.
2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.

SUPERSEDES DMC NO. 20120003

Los Angeles World Airports
MASTER LEASE EXHIBIT
TERMINAL 3
LOS ANGELES INTERNATIONAL AIRPORT

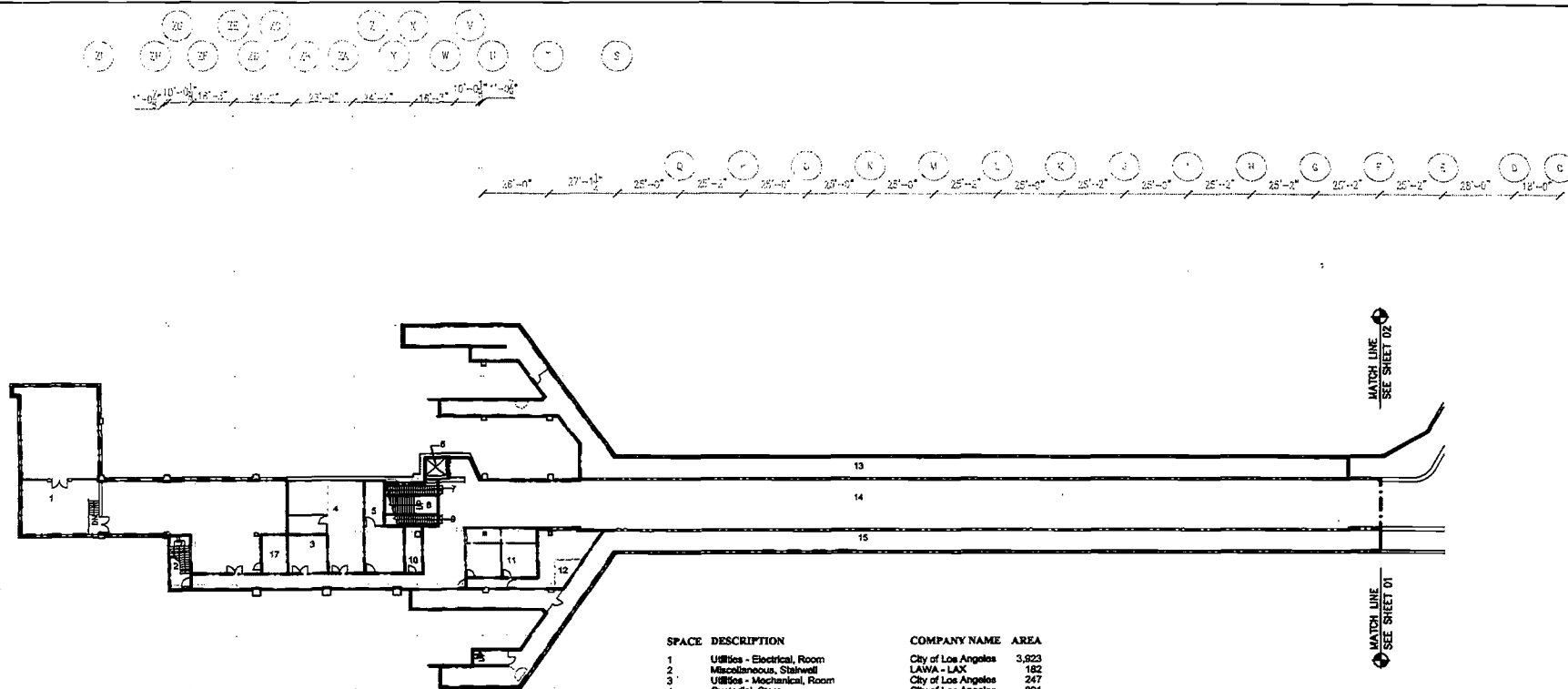
APPROVED BY	APPROVED BY
DEPUTY DIRECTOR (CAG)	DEPT. AIRPORTS ENGINEER
DRAWN BY: NWD	CHECKED BY: AM
DATE: XX-XX-2013	SHEET: 02 OF 11
FILE NAME: 20130003-02-R09	20130003

20130003-02-R09 02/16/2013



0 10 20 40

NO.	REV.	DATE	DESCRIPTION
1			



SPACE	DESCRIPTION	COMPANY NAME	AREA
1	Utilities - Electrical, Room	City of Los Angeles	3,923
2	Miscellaneous, Stairwell	LAWA - LAX	182
3	Utilities - Mechanical, Room	City of Los Angeles	247
4	Custodial, Storage	City of Los Angeles	891
5	Utilities - Mechanical, Room	City of Los Angeles	448
6	Equipment, Elevator, Elevators/Escalators	LAWA - LAX	78
7	Equipment, Escalator, Elevators/Escalators	LAWA - LAX	113
8	Miscellaneous, Stairwell	LAWA - LAX	187
9	Equipment, Escalator, Elevators/Escalators	LAWA - LAX	101
10	Custodial, Room	City of Los Angeles	136
11	Miscellaneous, Storage	Host International Inc	575
12	Utilities - Mechanical, Room	City of Los Angeles	565
13	Baggage, Channel, Abandoned	City of Los Angeles	3,801
14	Miscellaneous, Corridor, Public	LAWA - LAX	8,683
15	Baggage, Channel, Abandoned	LAWA - LAX	3,839
17	Utilities - Communications, IT	City of Los Angeles	164
TOTAL			24,013

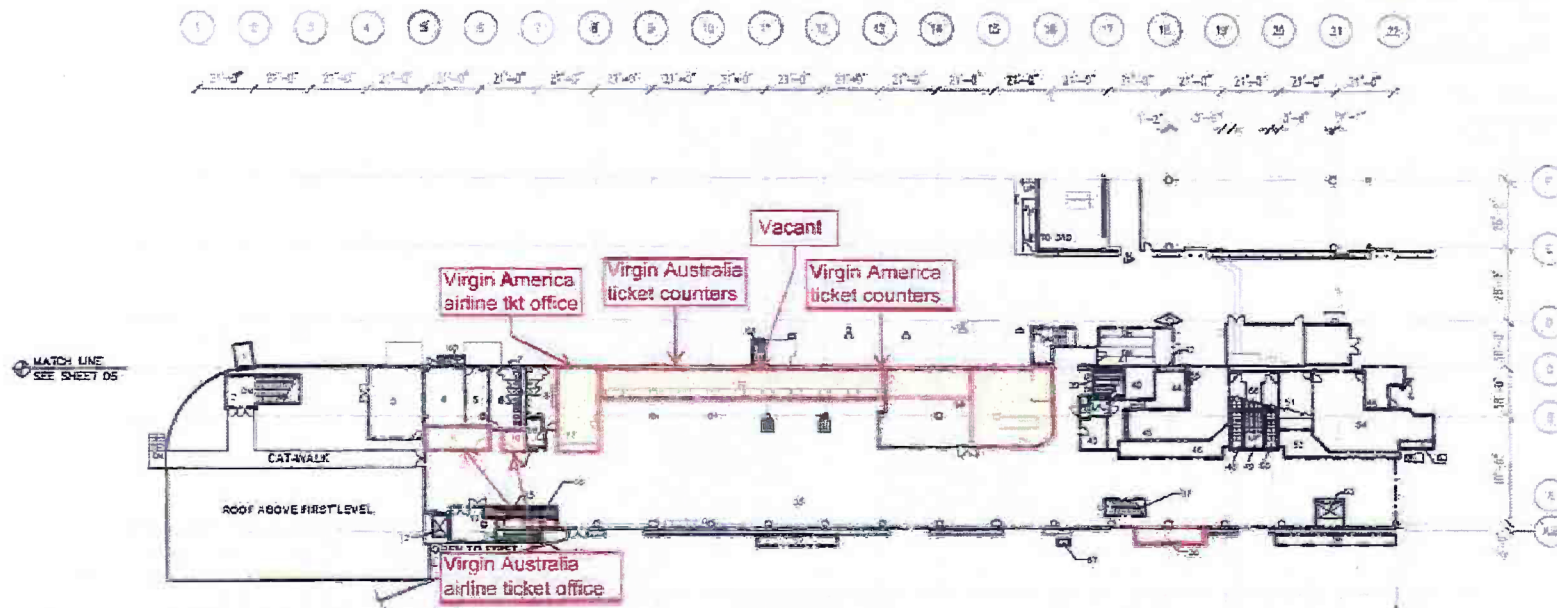
CHANNEL LEVEL FLOOR PLAN SECTOR 3A TERMINAL 3 - SATELLITE

- NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Leasehold Management Application from existing 20120003 drawing files, consultant's CAD files, available information and recalculated using the new LAWA modified BOMA standards. Comments, revisions, verifications and approvals from Commercial Development Group through XXX 01, 2013 have been incorporated.
2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.

SUPERSEDES DWG. NO. 20120003



Los Angeles World Airports			
MASTER LEASE EXHIBIT			
TERMINAL 3			
LOS ANGELES INTERNATIONAL AIRPORT			
APPROVED BY		APPROVED BY	
DEPUTY EXECUTIVE DIRECTOR (DD)		CHIEF AIRPORTS ENGINEER	
DRAWN	CHECKED	SHEET	PLAN SET NUMBER
NWC	AM	03	03 OF 11
SCALE	DATE	DWG NO.	
1" = 40'	XX-XX-2013	20130003	
GRID LOCATIONS		FILE NAME	
TO		20130003-03-R00	



SPACE	DESCRIPTION	COMPANY NAME	AREA	SPACE	DESCRIPTION	COMPANY NAME	AREA
1	Equipment, Conveyor, Baggage	LAWA - LAX	64	41	Miscellaneous, Corridor, Exterior Ramp	LAWA - LAX	407
2	Miscellaneous, Stairwell	LAWA - LAX	291	42	Miscellaneous, Void	City of Los Angeles	20
3	Utilities - Mechanical, Room	City of Los Angeles	546	43	Utilities - Mechanical, Room	City of Los Angeles	124
4	Utilities - Mechanical, Room	City of Los Angeles	438	44	Miscellaneous, Room	City of Los Angeles	318
5	Utilities - Communications, IT	City of Los Angeles	189	45	Baggage, Service	LAWA - LAX	555
6	Miscellaneous, Restroom, Women	LAWA - LAX	277	46	Miscellaneous, Planter	LAWA - LAX	274
7	Utilities - Mechanical, Void	City of Los Angeles	48	48	Equipment, Escalator, Elevators/Escalators	LAWA - LAX	78
8	Miscellaneous, Restroom, Men	LAWA - LAX	283	49	Miscellaneous, Stairwell	LAWA - LAX	107
9	Miscellaneous, Office	LAWA - LAX	212	50	Equipment, Escalator, Elevators/Escalators	LAWA - LAX	77
10	Miscellaneous, Locker Room		69	51	Miscellaneous, Unknown	City of Los Angeles	276
11	Custodial, Room		75	52	Miscellaneous, Planter	LAWA - LAX	205
12	Equipment, Elevator, Elevators/Escalators	LAWA - LAX	66	53	Equipment, Elevator	LAWA - LAX	106
13	Miscellaneous, Lobby	LAWA - LAX	216	54	Equipment, Conveyor, Baggage, Abandonment	LAWA - LAX	811
14	Open, Open to Stair Below	LAWA - LAX	0	55	Equipment, Belt, Baggage	Alaska Airlines Inc.	162
15	Miscellaneous, Storage, Open	LAWA - LAX	66	56	Concessions, Con		116
16	Open, Open to Escalator Below	LAWA - LAX	0	57	Concessions, Con		171
17	Miscellaneous, Office		476	58	Security, Screening, Screening Machine		1,810
18	Miscellaneous, Void		6	59	Miscellaneous, Stairwell		31
19	Ticketing, Counter	Virgin Australia International Airlines	1,875	60	Miscellaneous, Stairwell		40
20	Miscellaneous, Lobby	LAWA - LAX	12,430	61	Miscellaneous, Stairwell		162
21	Equipment, Conveyor, Baggage	LAWA - LAX	152	62	Miscellaneous, Void		36
22	Miscellaneous, Stairwell	LAWA - LAX	30	63	Miscellaneous, Void		13
23	Lockers, Electrical, Room	LAWA - LAX	67	64	Miscellaneous, Void		14
24	Equipment, Escalator	LAWA - LAX	110	65	Utilities - Mechanical, Control Room, Elevators/Escalators		269
25	Miscellaneous, Void	City of Los Angeles	193	66	Miscellaneous, Podium		10
TOTAL				TOTAL			23,753

SECOND LEVEL FLOOR PLAN SECTOR 1 TERMINAL 3 - TICKETING

- NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Locastine Management Application from existing 20120003 drawing. Also, consultant's CAD files, available information and recalculated using the new LAWA modified BOMA standards. Comments, revisions, verifications and approvals from Commercial Development Group through 2013 have been incorporated.
2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.

SUPERSIDES DWG. NO. 20120003

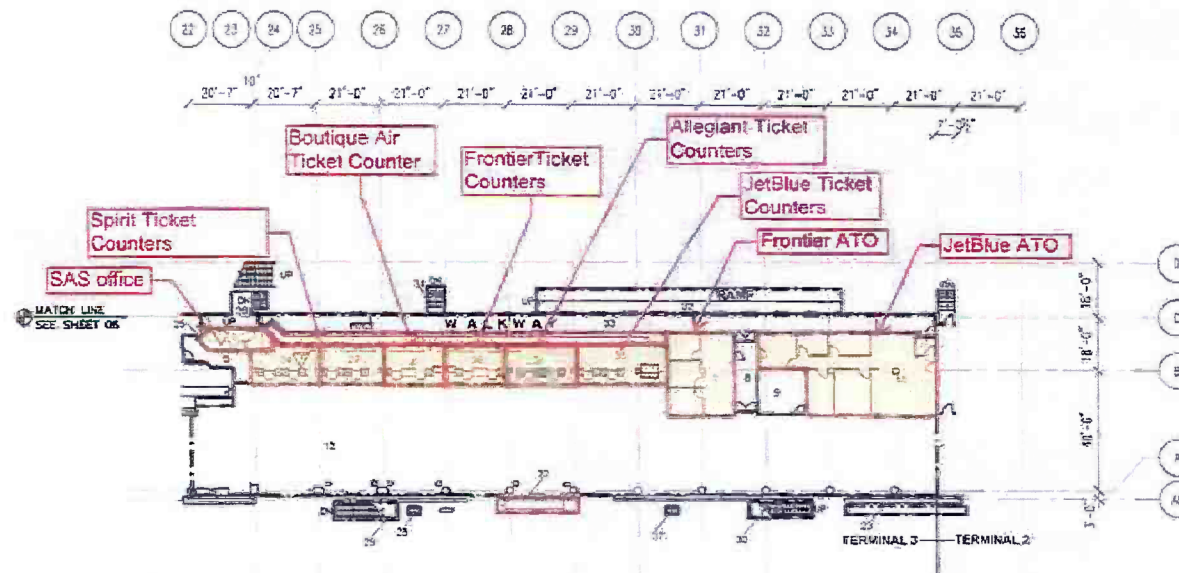
PONT
MOD
LAX

Los Angeles World Airport
MASTER LEASE EXHIBIT
TERMINAL 3
LOS ANGELES INTERNATIONAL AIRPORT

APPROVED BY: _____
DEPUTY EXECUTIVE DIRECTOR (COO)
DATE: _____
FILE NAME: 20130003-04-R00

APPROVED BY: _____
CHIEF AIRPORTS ENGINEER
DATE: _____
FILE NAME: 20130003-04-R00

04 OF 11
20130003



MATCH LINE
SEE SHEET 04

SPACE	DESCRIPTION
1	Miscellaneous, Office
2	Equipment, Conveyor, Baggage
3	Ticketing, Counter
4	Miscellaneous, Vestibule
5	Miscellaneous, Office
6	Passage, Corridor
7	Utilities - Mechanical Room
8	Miscellaneous, Office
9	Passage, Lobby
10	Equipment, Conveyor, Baggage
11	Concessions, Café
12	Ticketing, Counter
13	Miscellaneous, Vest

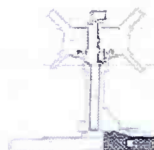
COMPANY NAME	AREA
Alaska Airlines Inc.	151
Allegiant Airlines Inc.	230
Alaska Airlines Inc.	265
Alaska Airlines Inc.	180
Alaska Airlines Inc.	622
LAXIA - LAX	175
City of Los Angeles	252
Alaska Airlines Inc.	1,353
LAXIA - LAX	3,187
LAXIA - LAX	114
LAXIA - LAX	112
LAXIA - LAX	207
	5

SPACE	DESCRIPTION
14	Passage, Stairwell
15	Ticketing, Counter
16	Miscellaneous, Podium
17	Equipment, Escalator, Elevators/Escalators
18	Equipment, Escalator, Elevators/Escalators
19	Passage, Stairwell
20	Passage, Corridor, Exterior Ramp
21	Passage, Corridor
22	Ticketing, Counter
23	Ticketing, Counter
24	Ticketing, Counter
25	Miscellaneous, Podium

COMPANY NAME	AREA
Alaska Airlines Inc.	164
Allegiant Airlines Inc.	275
Alaska Airlines Inc.	10
Alaska Airlines Inc.	110
Alaska Airlines Inc.	110
LAXIA - LAX	53
City of Los Angeles	805
Alaska Airlines Inc.	1,212
LAXIA - LAX	305
LAXIA - LAX	305
LAXIA - LAX	254
LAXIA - LAX	10
	15,976

SECOND LEVEL FLOOR PLAN SECTOR 2 TERMINAL 3 - TICKETING

- NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Localized Management Application from existing 20120003 drawing files, consultant's CAD files, available information and redeveloped using the new LAXIA modified BOMA standards. Comments, revisions, verifications and approvals from Commercial Development Group through 2007, 2013 have been incorporated.
2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.



KEY PLAN

0 10 20 40

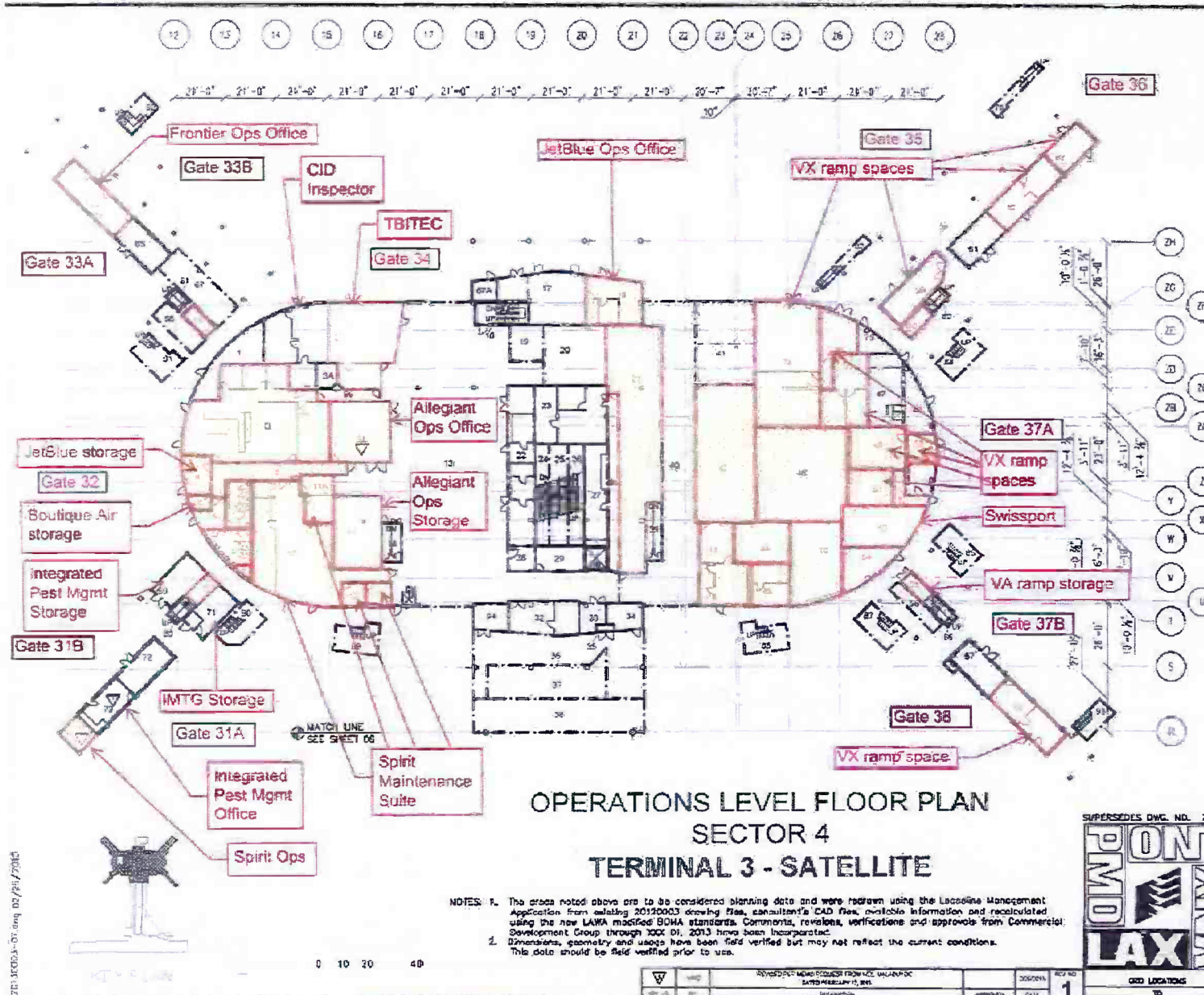
REV	NO.	DATE	DESCRIPTION	APPROVED	DATE
1	1		REVISED PER HOU ROBERT DOWNEY, HANDBOOK, 2012 PERMANENT 2.2013		

SUPERSEDES DWG. NO. 20120003



Los Angeles World Airports MASTER LEASE EXHIBIT TERMINAL 3 LOS ANGELES INTERNATIONAL AIRPORT			
APPROVED BY	DEPUTY EXECUTIVE DIRECTOR (LAX)	APPROVED BY	PORT AIRPORTS DIRECTOR
DATE	2013-05-05	DATE	2013-05-05
SCALE	1" = 40'	SHEET	05 OF 11
FILE NAME	20130003-05-R00	DWG NO.	20130003





OPERATIONS LEVEL FLOOR PLAN SECTOR 4 TERMINAL 3 - SATELLITE

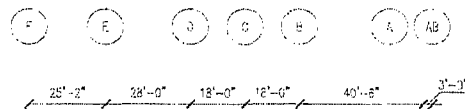
NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Location Management Application from existing 20120003 drawing files, consultant's CAD files, available information and recalculated using the new LAXA modified BOMA standards. Comments, revisions, verifications and approvals from Commercial Development Group through 100X 01, 2013 have been incorporated.
2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.

SPACE	DESCRIPTION	CONTRACTOR NAME	AREA
1	United Communications, IT	City of Los Angeles	547
2	United Communications, IT	United Airlines, Inc.	1,000
3	United Communications, IT	United Airlines, Inc.	1,000
4	United Communications, IT	United Airlines, Inc.	1,000
5	United Communications, IT	United Airlines, Inc.	1,000
6	United Communications, IT	United Airlines, Inc.	1,000
7	United Communications, IT	United Airlines, Inc.	1,000
8	United Communications, IT	United Airlines, Inc.	1,000
9	United Communications, IT	United Airlines, Inc.	1,000
10	United Communications, IT	United Airlines, Inc.	1,000
11	United Communications, IT	United Airlines, Inc.	1,000
12	United Communications, IT	United Airlines, Inc.	1,000
13	United Communications, IT	United Airlines, Inc.	1,000
14	United Communications, IT	United Airlines, Inc.	1,000
15	United Communications, IT	United Airlines, Inc.	1,000
16	United Communications, IT	United Airlines, Inc.	1,000
17	United Communications, IT	United Airlines, Inc.	1,000
18	United Communications, IT	United Airlines, Inc.	1,000
19	United Communications, IT	United Airlines, Inc.	1,000
20	United Communications, IT	United Airlines, Inc.	1,000
21	United Communications, IT	United Airlines, Inc.	1,000
22	United Communications, IT	United Airlines, Inc.	1,000
23	United Communications, IT	United Airlines, Inc.	1,000
24	United Communications, IT	United Airlines, Inc.	1,000
25	United Communications, IT	United Airlines, Inc.	1,000
26	United Communications, IT	United Airlines, Inc.	1,000
27	United Communications, IT	United Airlines, Inc.	1,000
28	United Communications, IT	United Airlines, Inc.	1,000
29	United Communications, IT	United Airlines, Inc.	1,000
30	United Communications, IT	United Airlines, Inc.	1,000
31	United Communications, IT	United Airlines, Inc.	1,000
32	United Communications, IT	United Airlines, Inc.	1,000
33	United Communications, IT	United Airlines, Inc.	1,000
34	United Communications, IT	United Airlines, Inc.	1,000
35	United Communications, IT	United Airlines, Inc.	1,000
36	United Communications, IT	United Airlines, Inc.	1,000
37	United Communications, IT	United Airlines, Inc.	1,000
38	United Communications, IT	United Airlines, Inc.	1,000
39	United Communications, IT	United Airlines, Inc.	1,000
40	United Communications, IT	United Airlines, Inc.	1,000
41	United Communications, IT	United Airlines, Inc.	1,000
42	United Communications, IT	United Airlines, Inc.	1,000
43	United Communications, IT	United Airlines, Inc.	1,000
44	United Communications, IT	United Airlines, Inc.	1,000
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53	United Communications, IT	United Airlines, Inc.	1,000
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56	United Communications, IT	United Airlines, Inc.	1,000
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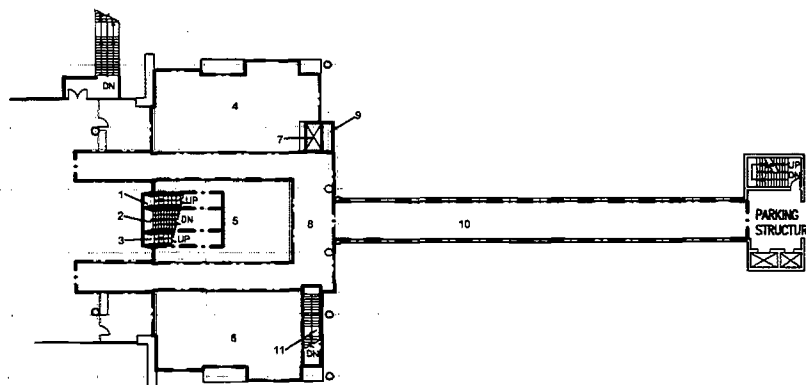
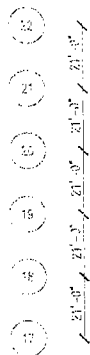
SUPERSEDES DWG. NO. 20120003



Los Angeles World Airports			
MASTER LEASE EXHIBIT			
TERMINAL 3			
LOS ANGELES INTERNATIONAL AIRPORT			
APPROVED BY		APPROVED BY	
DEPUTY EXECUTIVE DIRECTOR (200)		CHIEF AIRPORTS OFFICER	
DRAWN	CHECKED	SHEET	PLAN SET NUMBER
AWG	AM	07	07 OF 11
SCALE	DATE	DWG NO.	
1" = 40'	XX-XX-2013		
FILE NAME			20130003

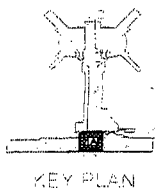


SPACE	DESCRIPTION	COMPANY NAME	AREA
1	Equipment, Escalator, Elevators/Escalators	LAWA - LAX	138
2	Miscellaneous, Stairwell	LAWA - LAX	185
3	Equipment, Escalator, Elevators/Escalators	LAWA - LAX	139
4	Open, Open to Floor Below	City of Los Angeles	0
5	Open, Open to Floor Below	City of Los Angeles	0
6	Open, Open to Floor Below	City of Los Angeles	0
7	Equipment, Elevator, Escalators/Escalators	LAWA - LAX	52
8	Miscellaneous, Corridor, Public	LAWA - LAX	1,988
9	Miscellaneous, Void	City of Los Angeles	35
10	Miscellaneous, Pedestrian Bridge	LAWA - LAX	1,697
11	Miscellaneous, Stairwell	LAWA - LAX	163
TOTAL			4,387



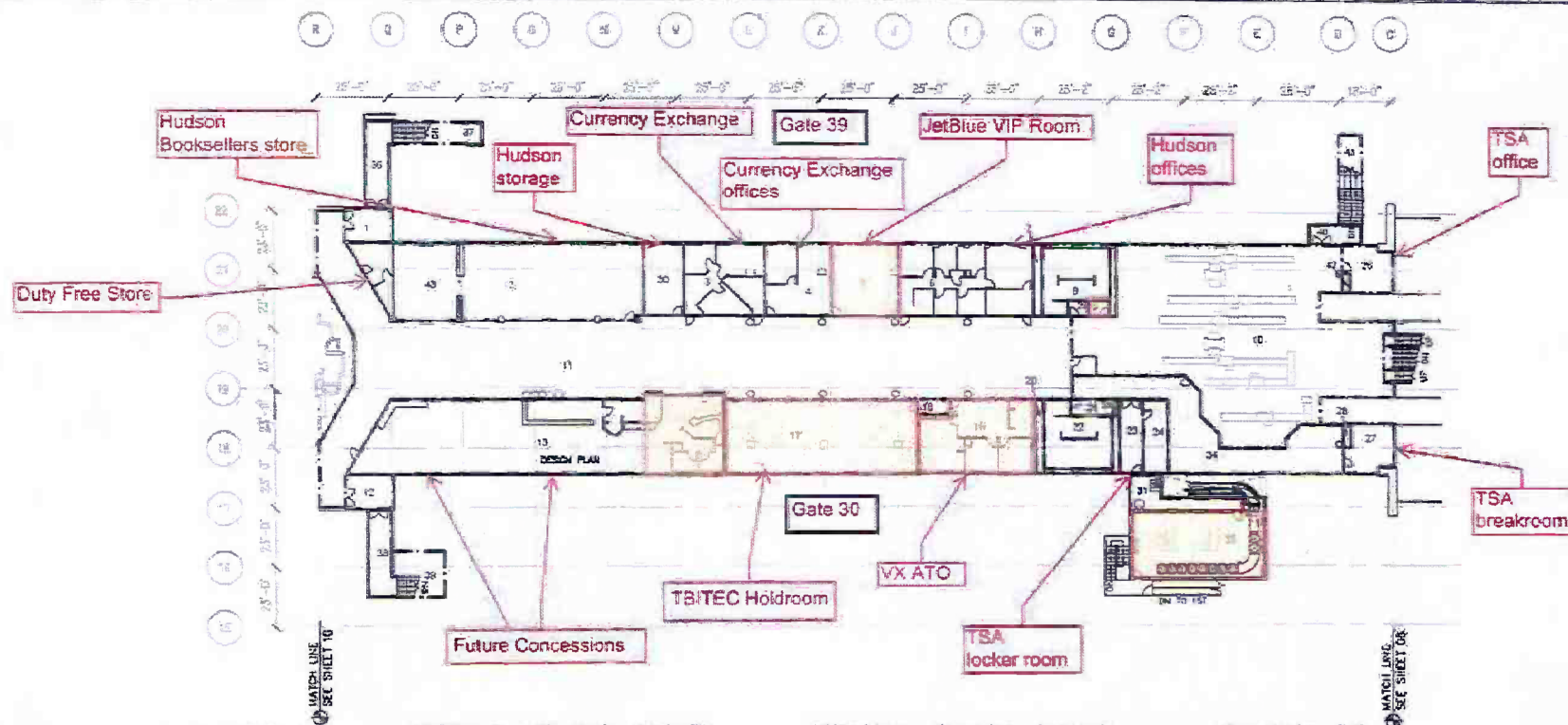
MEZZANINE LEVEL FLOOR PLAN SECTOR 1A TERMINAL 3 - CONNECTOR

- NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Locasline Management Application from existing 20120003 drawing files, consultant's CAD file, available information and recalculated using the new LAWA modified BOMA standards. Comments, revisions, verifications and approvals from Commercial Development Group through 100X 01, 2013 have been incorporated.
2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.



0 10 20 40

SUPERSEDES DWG. NO. 20120003			
Los Angeles World Airports MASTER LEASE EXHIBIT TERMINAL 3 LOS ANGELES INTERNATIONAL AIRPORT			
APPROVED BY		APPROVED BY	
DEPUTY EXECUTIVE DIRECTOR (COO)		CHIEF AIRPORTS ENGINEER	
DRAWN NWG	CHECKED AM	SHEET 08	PLAN SET NUMBER 08 OF 11
SCALE 1" = 40'		DATE XX-XX-2013	
DWG NO.		20130003	
Dwg LOCATIONS TO		FILE NAME 20130003-09-R00	



SPACE	DESCRIPTION	COMPANY NAME	AREA	SPACE	DESCRIPTION	COMPANY NAME	AREA
1	Miscellaneous, Corridor	LAWA - LAX	200	17	Service, Holdroom	LAWA - LAX	1,734
2	Concessions, Retail, Gifts and News	City of Los Angeles	1,731	18	Utilities - Electrical Room	Alaska Airlines Inc	59
3	Concessions, Currency Exchange	City of Los Angeles	705	19	Miscellaneous, Office	Alaska Airlines Inc	686
4	Miscellaneous, Office	City of Los Angeles	595	20	Utilities - Mechanical, Vent	City of Los Angeles	154
5	Concessions, Concessions	Alaska Airlines Inc	385	21	Custodial Room	City of Los Angeles	103
6	Utilities - Mechanical, Vent	City of Los Angeles	1,205	22	Miscellaneous, Restroom, Women	LAWA - LAX	131
7	Miscellaneous, Restroom Men	City of Los Angeles	169	23	Miscellaneous, Office	U.S. General Services	207
8	Security, Screening, Baggage	LAWA - LAX	495	24	Utilities - Communications, IT	City of Los Angeles	223
9	Security, Screening, Pre-Sort	City of Los Angeles	48	25	Miscellaneous, Office	U.S. General Services	272
10	Miscellaneous, Corridor, Public	LAWA - LAX	5,314	26	Miscellaneous, Vent	U.S. General Services	273
11	Utilities - Communications, IT	LAWA - LAX	5,162	27	Custodial, Janitor	U.S. General Services	22
12	Service, Lounge	LAWA - LAX	201	28	Miscellaneous, Storage		42
13			3,261	30			359

SPACE	DESCRIPTION	COMPANY NAME	AREA	SPACE	DESCRIPTION	COMPANY NAME	AREA
1	Miscellaneous, Corridor	LAWA - LAX	200	17	Service, Holdroom	LAWA - LAX	1,734
2	Concessions, Retail, Gifts and News	City of Los Angeles	1,731	18	Utilities - Electrical Room	Alaska Airlines Inc	59
3	Concessions, Currency Exchange	City of Los Angeles	705	19	Miscellaneous, Office	Alaska Airlines Inc	686
4	Miscellaneous, Office	City of Los Angeles	595	20	Utilities - Mechanical, Vent	City of Los Angeles	154
5	Concessions, Concessions	Alaska Airlines Inc	385	21	Custodial Room	City of Los Angeles	103
6	Utilities - Mechanical, Vent	City of Los Angeles	1,205	22	Miscellaneous, Restroom, Women	LAWA - LAX	131
7	Miscellaneous, Restroom Men	City of Los Angeles	169	23	Miscellaneous, Office	U.S. General Services	207
8	Security, Screening, Baggage	LAWA - LAX	495	24	Utilities - Communications, IT	City of Los Angeles	223
9	Security, Screening, Pre-Sort	City of Los Angeles	48	25	Miscellaneous, Office	U.S. General Services	272
10	Miscellaneous, Corridor, Public	LAWA - LAX	5,314	26	Miscellaneous, Vent	U.S. General Services	273
11	Utilities - Communications, IT	LAWA - LAX	5,162	27	Custodial, Janitor	U.S. General Services	22
12	Service, Lounge	LAWA - LAX	201	28	Miscellaneous, Storage		42
13			3,261	30			359

SPACE	DESCRIPTION	COMPANY NAME	AREA	SPACE	DESCRIPTION	COMPANY NAME	AREA
1	Miscellaneous, Corridor	LAWA - LAX	200	17	Service, Holdroom	LAWA - LAX	1,734
2	Concessions, Retail, Gifts and News	City of Los Angeles	1,731	18	Utilities - Electrical Room	Alaska Airlines Inc	59
3	Concessions, Currency Exchange	City of Los Angeles	705	19	Miscellaneous, Office	Alaska Airlines Inc	686
4	Miscellaneous, Office	City of Los Angeles	595	20	Utilities - Mechanical, Vent	City of Los Angeles	154
5	Concessions, Concessions	Alaska Airlines Inc	385	21	Custodial Room	City of Los Angeles	103
6	Utilities - Mechanical, Vent	City of Los Angeles	1,205	22	Miscellaneous, Restroom, Women	LAWA - LAX	131
7	Miscellaneous, Restroom Men	City of Los Angeles	169	23	Miscellaneous, Office	U.S. General Services	207
8	Security, Screening, Baggage	LAWA - LAX	495	24	Utilities - Communications, IT	City of Los Angeles	223
9	Security, Screening, Pre-Sort	City of Los Angeles	48	25	Miscellaneous, Office	U.S. General Services	272
10	Miscellaneous, Corridor, Public	LAWA - LAX	5,314	26	Miscellaneous, Vent	U.S. General Services	273
11	Utilities - Communications, IT	LAWA - LAX	5,162	27	Custodial, Janitor	U.S. General Services	22
12	Service, Lounge	LAWA - LAX	201	28	Miscellaneous, Storage		42
13			3,261	30			359

MEZZANINE LEVEL FLOOR PLAN SECTOR 3 TERMINAL 3 - CONNECTOR

Proposed/Under Construction Area
as of October 2013

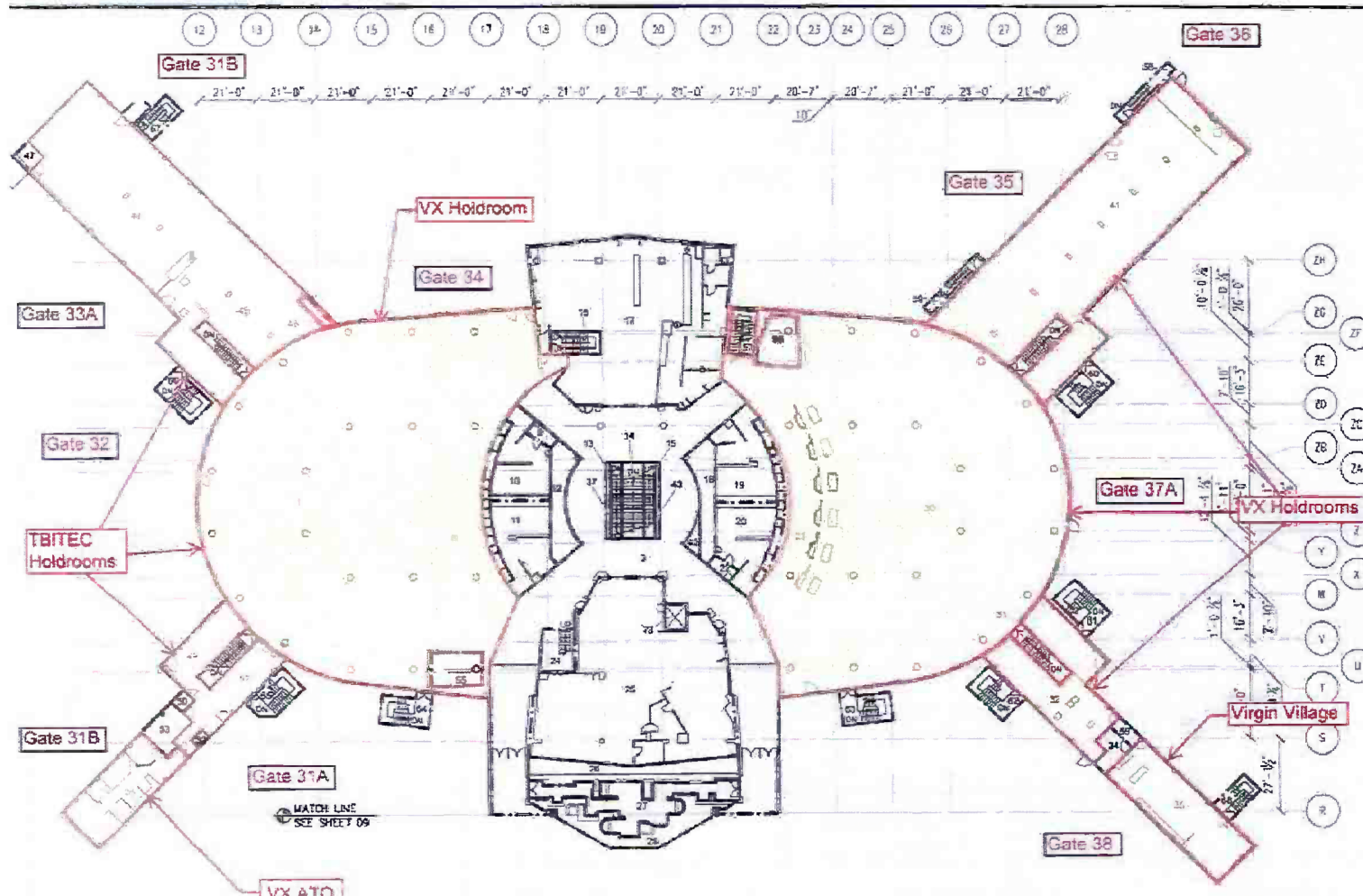
- NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Localize Management Application from existing 20120003 drawing files, consultant's CAD files, available information and recalculated using the new LAWA modified BOMA standards. Comments, revisions, verifications and approvals from Commercial Development Group through 200X-01, 2013 have been incorporated.
2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.

SUPERSEDES DWG. NO. 20120003

		Los Angeles World Airports	
		WATER LEASE EXHIBIT	
TERMINAL 3		LOS ANGELES INTERNATIONAL AIRPORT	
APPROVED BY		APPROVED BY	
DUTY DESIGN DIRECTOR (DDG)		CHIEF AIRPORTS ENGINEER	
DESIGN	CHECKED	DATE	PLAN SET NUMBER
NWC	ADM	09	09 OF 11
SCALE	DATE	DWG. NO.	
1" = 40'	XX-XX-2013	20130003	
DWG. LOCATION	FILE NAME		
TO	20130003-09-R00		



KEY PLAN



SPACE	DESCRIPTION	COMPANY NAME	AREA
1	Service, Holdrooms	LAXIA - LAX	12,772
2	Miscellaneous, Lobby	LAXIA - LAX	6,729
3	Exhibition, Room	LAXIA - LAX	186
4	Miscellaneous, Reception, Men	City of Los Angeles	56
5	Miscellaneous, Reception, Women	LAXIA - LAX	242
6	Miscellaneous, Storage	LAXIA - LAX	615
7	Miscellaneous, Storage	City of Los Angeles	315
8	Equipment, Electrical, Elevators/Escalators	LAXIA - LAX	111
9	Miscellaneous, Stairwell	LAXIA - LAX	225
10	Equipment, Electrical, Elevators/Escalators	LAXIA - LAX	118
11	Miscellaneous, Stairwell	LAXIA - LAX	136
12	Concessions, Retail, Food and Beverage	City of Los Angeles	2,842
13	Miscellaneous, Storage	City of Los Angeles	379
14	Miscellaneous, Storage	LAXIA - LAX	631
15	Miscellaneous, Reception, Men	LAXIA - LAX	565
16	Miscellaneous, Reception, Women	LAXIA - LAX	132
17	Children, Communications, Telephone Room, Public	City of Los Angeles	59
18	Children, Communications, Telephone Room, Public	LAXIA - LAX	76
19	Equipment, Electrical, Elevators/Escalators	LAXIA - LAX	708
20	Concessions, Retail, Food and Beverage	LAXIA - LAX	2,920
21	Miscellaneous, Stairwell	LAXIA - LAX	675
22	Miscellaneous, Stairwell	LAXIA - LAX	770
23	Miscellaneous, Stairwell	LAXIA - LAX	264
24	Service, Holdrooms	LAXIA - LAX	12,900
25	Miscellaneous, Stairwell	LAXIA - LAX	131
26	Service, Holdrooms	LAXIA - LAX	1,743
27	Miscellaneous, Stairwell	LAXIA - LAX	20
28	Children, Electrical, Communications, Service	City of Los Angeles	129
29	Operations, Office	City of Los Angeles	1,072
30	Miscellaneous, Office	LAXIA - LAX	809
31	Miscellaneous, Office	LAXIA - LAX	43
32	Miscellaneous, Office	LAXIA - LAX	190
33	Service, Holdrooms	LAXIA - LAX	4,579
34	Miscellaneous, Stairwell	LAXIA - LAX	47
35	Miscellaneous, Stairwell	LAXIA - LAX	47
36	Service, Holdrooms	LAXIA - LAX	43
37	Concessions, Concessions	City of Los Angeles	4,592
38	Concessions, Concessions	City of Los Angeles	34
39	Miscellaneous, Stairwell	LAXIA - LAX	148
40	Miscellaneous, Stairwell	LAXIA - LAX	150
41	Concessions, Concessions	LAXIA - LAX	25
42	Service, Holdrooms	LAXIA - LAX	1,032
43	Operations, Office	City of Los Angeles	158
44	Concessions, Concessions	City of Los Angeles	277
45	Miscellaneous, Stairwell	LAXIA - LAX	246
46	Miscellaneous, Stairwell	LAXIA - LAX	150
47	Miscellaneous, Stairwell	LAXIA - LAX	108
48	Miscellaneous, Stairwell	LAXIA - LAX	217
49	Miscellaneous, Stairwell	LAXIA - LAX	217
50	Miscellaneous, Stairwell	LAXIA - LAX	203
51	Miscellaneous, Stairwell	LAXIA - LAX	203
52	Miscellaneous, Stairwell	LAXIA - LAX	203
53	Miscellaneous, Stairwell	LAXIA - LAX	203
54	Miscellaneous, Stairwell	LAXIA - LAX	203
55	Miscellaneous, Stairwell	LAXIA - LAX	203
56	Miscellaneous, Stairwell	LAXIA - LAX	203
57	Miscellaneous, Stairwell	LAXIA - LAX	203
58	Miscellaneous, Stairwell	LAXIA - LAX	203
59	Miscellaneous, Stairwell	LAXIA - LAX	203
60	Miscellaneous, Stairwell	LAXIA - LAX	203
61	Miscellaneous, Stairwell	LAXIA - LAX	203
62	Miscellaneous, Stairwell	LAXIA - LAX	203
63	Miscellaneous, Stairwell	LAXIA - LAX	203
64	Miscellaneous, Stairwell	LAXIA - LAX	203
65	Miscellaneous, Stairwell	LAXIA - LAX	203
66	Miscellaneous, Stairwell	LAXIA - LAX	203
67	Miscellaneous, Stairwell	LAXIA - LAX	203
68	Miscellaneous, Stairwell	LAXIA - LAX	203
69	Miscellaneous, Stairwell	LAXIA - LAX	203
70	Miscellaneous, Stairwell	LAXIA - LAX	203
71	Miscellaneous, Stairwell	LAXIA - LAX	203
72	Miscellaneous, Stairwell	LAXIA - LAX	203
73	Miscellaneous, Stairwell	LAXIA - LAX	203
74	Miscellaneous, Stairwell	LAXIA - LAX	203
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76	Miscellaneous, Stairwell	LAXIA - LAX	203
77	Miscellaneous, Stairwell	LAXIA - LAX	203
78	Miscellaneous, Stairwell	LAXIA - LAX	203
79	Miscellaneous, Stairwell	LAXIA - LAX	203
80	Miscellaneous, Stairwell	LAXIA - LAX	203
81	Miscellaneous, Stairwell	LAXIA - LAX	203
82	Miscellaneous, Stairwell	LAXIA - LAX	203
83	Miscellaneous, Stairwell	LAXIA - LAX	203
84	Miscellaneous, Stairwell	LAXIA - LAX	203
85	Miscellaneous, Stairwell	LAXIA - LAX	203
86	Miscellaneous, Stairwell	LAXIA - LAX	203
87	Miscellaneous, Stairwell	LAXIA - LAX	203
88	Miscellaneous, Stairwell	LAXIA - LAX	203
89	Miscellaneous, Stairwell	LAXIA - LAX	203
90	Miscellaneous, Stairwell	LAXIA - LAX	203
91	Miscellaneous, Stairwell	LAXIA - LAX	203
92	Miscellaneous, Stairwell	LAXIA - LAX	203
93	Miscellaneous, Stairwell	LAXIA - LAX	203
94	Miscellaneous, Stairwell	LAXIA - LAX	203
95	Miscellaneous, Stairwell	LAXIA - LAX	203
96	Miscellaneous, Stairwell	LAXIA - LAX	203
97	Miscellaneous, Stairwell	LAXIA - LAX	203
98	Miscellaneous, Stairwell	LAXIA - LAX	203
99	Miscellaneous, Stairwell	LAXIA - LAX	203
100	Miscellaneous, Stairwell	LAXIA - LAX	203
TOTAL			1,64,287

MEZZANINE LEVEL FLOOR PLAN SECTOR 4 TERMINAL 3 - SATELLITE

NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Localized Management Application from existing 20120003 drawing files, consultant's CAD files, available information and recalculated using the new LAXIA modified BOMA standards. Comments, revisions, verifications and approvals from Commercial Development Group through XXX 01, 2013 have been incorporated.

2. Dimensions, geometry and usage have been field verified but may not reflect the current conditions. This data should be field verified prior to use.

SUPERSEDES DWG. NO. 20120003

Los Angeles World Airports
MASTER LEASE EXHIBIT
TERMINAL 3
LOS ANGELES INTERNATIONAL AIRPORT

APPROVED BY: _____
DEPUTY DEPUTY DIRECTOR (EPP)

APPROVED BY: _____
CHIEF AIRPORTS ENGINEER

DRAWN: HNG CHECKED: AM SHEET: 10 PLAN SET NUMBER: 10 OF 11

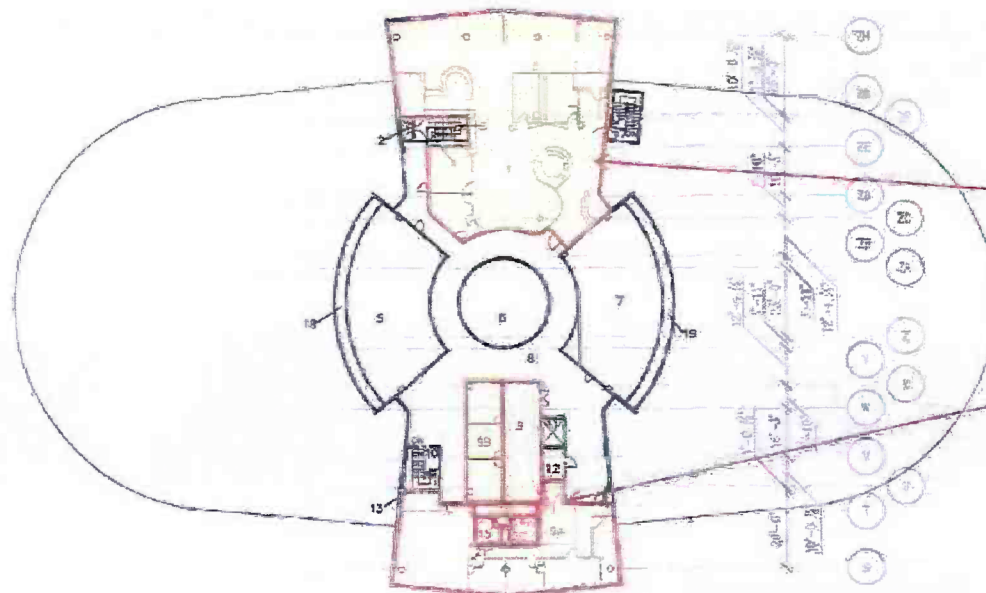
SCALE: 1" = 40' DATE: XX-XX-2013 DWG NO.: 20130003

FILE NAME: 20130003-10-R00

101 10003-10-R00 02/26/2013

17 18 19 20 21 22

21'-0" 12'-0" 21'-0" 12'-0" 21'-0"



SPACE	DESCRIPTION	COMPANY NAME	AREA
1	Service Lounge	Alaska Airlines Inc	4,519
2	Utilities - Electrical, Room	City of Los Angeles	34
3	Miscellaneous, Stairwell	LAWA - LAX	152
4	Miscellaneous, Void	City of Los Angeles	22
5	Utilities - Mechanical, Room	City of Los Angeles	1,493
6	Open, Open to Floor Below	City of Los Angeles	0
7	Utilities - Mechanical, Room	City of Los Angeles	1,496
8	Miscellaneous, Corridor, Public	LAWA - LAX	3,093
9	Miscellaneous, Office	LAWA - LAX	508
10	Miscellaneous, Stairwell	LAWA - LAX	162
11	Equipment, Elevator, Elevators/Escalators	LAWA - LAX	78
12	Miscellaneous, Storage	City of Los Angeles	85
13	Miscellaneous, Void	City of Los Angeles	12
14	Miscellaneous, Restroom	Alaska Airlines Inc	87
15	Miscellaneous, Restroom	Alaska Airlines Inc	75
16	Miscellaneous, Corridor	LAWA - LAX	91
17	Miscellaneous, Stairwell		185
18	Miscellaneous, Void		283
19	Miscellaneous, Void		283
20	Custodial		14
21	Utilities - Mechanical, Void		18
9A	Miscellaneous, Office	Alaska Airlines Inc	1,911
9B	Miscellaneous, Office	LAWA - LAX	479
TOTAL			15,000

Virgin America
Pax Lounge

Virgin America
Offices

UPPER MEZZANINE LEVEL FLOOR PLAN SECTOR 4A TERMINAL 3 - SATELLITE

NOTES: 1. The areas noted above are to be considered planning data and were redrawn using the Leasehold Management Application from existing 20130003 drawing files, consultant's CAD files, available information and recalculated using the new LAWA modified SOMA standards. Comments, revisions, verifications and approvals from Commercial Development Group through 200X 01, 2013 have been incorporated.

2. Dimensions, geometry and usage have been field verified, but may not reflect the current conditions. This data should be field verified prior to use.

SUPERSEDES DWG. NO. 20130003



DRG LOCATIONS

Los Angeles World Airports			
MASTER LEASE EXHIBIT			
TERMINAL 3			
LOS ANGELES INTERNATIONAL AIRPORT			
APPROVED BY		APPROVED BY	
COUNTY EXECUTIVE DIRECTOR (CDE)		CHIEF AIRPORTS OFFICER	
DATE	CHECKED	DATE	CHECKED
11	11	11	11
SCALE		DWG NO.	
1" = 40'		20130003-11-R00	
FILE NAME		20130003-11-R00	



KEY PLAN

0 10 20 40

**Los Angeles World Airports
Lease Exhibit A
Delta Air Lines, Inc.
Terminals 2 and 3**

Sheet	Space	Map Location	Space Description	Area (SF)	Current Tenant
Terminal 2					
Master Lease Exhibit 20100002					
1	1	1 First Level, Baggage Claim, Sector 1	Office	1,020	Avianca / TACA
1	1	Part of 2 First Level, Baggage Claim, Sector 1	Baggage Claim	17,150	(85% of baggage claim area)
1	11	11 First Level, Baggage Claim, Sector 1	Office	667	Aviation Safeguard / vacant
1	19	19 First Level, Baggage Claim, Sector 1	Office	466	Avianca / TACA
1	27	27 First Level, Baggage Claim, Sector 1	Office	412	Hawaiian Airlines
1	29	29 First Level, Baggage Claim, Sector 1	Office	169	Aeromexico
1	32	32 First Level, Baggage Claim, Sector 1	Office	439	WestJet
2	3	3 First Level, Baggage Claim, Sector 2	Office	216	Air Canada
2	5	5 First Level, Baggage Claim, Sector 2	Office	232	Air Canada
2	7	7 First Level, Baggage Claim, Sector 2	Office	316	Southwest Airlines
2	13	13 First Level, Baggage Claim, Sector 2	Office	578	InterJet
2	31	31 First Level, Baggage Claim, Sector 2	Baggage Claim	5,883	(85% of baggage claim area)
3	14	Part of 14 First Level, Baggage Claim, Sector 3	Office	489	TBITEC
4	3	Part of 3 First Level, Baggage Claim, Sector 4	Office	969	TBITEC
4	7	7 First Level, Baggage Claim, Sector 4	IT Room	82	Virgin Atlantic
4	8	8 First Level, Baggage Claim, Sector 4	Office	896	Virgin Atlantic
4	9	9 First Level, Baggage Claim, Sector 4	Office	1,002	Matrix Aviation
6	1	Part of 1 First Level, Baggage Claim, Sector 6	Ramp Space	250	vacant (approximate)
6	3	3 First Level, Baggage Claim, Sector 6	Ramp Space	270	vacant
6	11	11 First Level, Baggage Claim, Sector 6	Ramp Space	773	TBITEC
6	14	14 First Level, Baggage Claim, Sector 6	Ramp Space	477	AIRINC
7	4	4 First Level, Baggage Claim, Sector 7	Ramp Space	1,547	vacant
7	6	6 First Level, Baggage Claim, Sector 7	Ramp Space	185	vacant
7	18	18 First Level, Baggage Claim, Sector 7	Ramp Space	977	JBT
7	19	19 First Level, Baggage Claim, Sector 7	Ramp Space	594	vacant
7	24	24 First Level, Baggage Claim, Sector 7	Ramp Space	878	vacant
7	30	30 First Level, Baggage Claim, Sector 7	Ramp Space	142	vacant
7	31	31 First Level, Baggage Claim, Sector 7	Ramp Space	582	vacant
8	6	6 Second Level, Ticketing, Sector 1	Corridor	455	not leased currently
8	8	8 Second Level, Ticketing, Sector 1	Baggage Conveyor	811	TBITEC
8	12	12 Second Level, Ticketing, Sector 1	Office	1,260	TBITEC / SAS
8	13	13 Second Level, Ticketing, Sector 1	Office	212	Avianca / TACA
8	14	14 Second Level, Ticketing, Sector 1	Storage	225	Aviation Safeguards
8	16	16 Second Level, Ticketing, Sector 1	Ticket Counter	438	common use
8	18	18 Second Level, Ticketing, Sector 1	Oversized Baggage	149	not leased currently
8	23	23 Second Level, Ticketing, Sector 1	Baggage Conveyor	933	not leased currently
8	24	24 Second Level, Ticketing, Sector 1	Ticket Counter	1,389	common use
8	28	28 Second Level, Ticketing, Sector 1	Baggage Conveyor	411	not leased currently
8	32	32 Second Level, Ticketing, Sector 1	Baggage Conveyor	192	TBITEC
8	37	37 Second Level, Ticketing, Sector 1	Baggage Conveyor	1,017	TBITEC
8	38	38 Second Level, Ticketing, Sector 1	Ticket Counter	999	common use
9	1	1 Second Level, Ticketing, Sector 2	Baggage Conveyor	110	TBITEC
9	3	3 Second Level, Ticketing, Sector 2	Ticket Counter	284	common use
9	8	8 Second Level, Ticketing, Sector 2	Baggage Conveyor	55	TBITEC
9	10	10 Second Level, Ticketing, Sector 2	Ticket Counter	659	Air Canada
9	14	14 Second Level, Ticketing, Sector 2	Baggage Conveyor	1,767	TBITEC
9	15	15 Second Level, Ticketing, Sector 2	Ticket Counter	180	Air Canada
9	17	17 Second Level, Ticketing, Sector 2	Ticket Counter	689	Air Canada
9	20	20 Second Level, Ticketing, Sector 2	Office	339	Air Canada
10	1	1 Second Level, Ticketing, Sector 3	Baggage Handling System / Breezeway	7,335	TBITEC / not leased
10	4	4 Second Level, Ticketing, Sector 3	Baggage Conveyor	80	TBITEC
10	5	5 Second Level, Ticketing, Sector 3	Ticket Counter	123	Air Canada
10	19	19 Second Level, Ticketing, Sector 3	Baggage Conveyor	314	TBITEC
10	23	23 Second Level, Ticketing, Sector 3	Storage	145	Virgin Atlantic
10	25	25 Second Level, Ticketing, Sector 3	Baggage Conveyor	84	TBITEC
10	29	29 Second Level, Ticketing, Sector 3	Ticket Counter	519	Hawaiian Airlines
10	37	37 Second Level, Ticketing, Sector 3	Baggage Conveyor	124	TBITEC

Sheet	Space	Map Location	Space Description	Area (SF)	Current Tenant
11		2 Second Level, Ticketing, Sector 4	Office	1,331	Southwest Airlines
11		3 Second Level, Ticketing, Sector 4	Ticket Counter	585	common use
11		9 Second Level, Ticketing, Sector 4	Baggage Conveyor	99	TBITEC
11		11 Second Level, Ticketing, Sector 4	Storage	299	Southwest Airlines
11		13 Second Level, Ticketing, Sector 4	Office	180	Sun Country
11		14 Second Level, Ticketing, Sector 4	Office	202	Southwest Airlines
11		16 Second Level, Ticketing, Sector 4	Baggage Conveyor	165	TBITEC
11		17 Second Level, Ticketing, Sector 4	Ticket Counter	369	common use
12		8 Second Level, Operations, Sector 5	Baggage Handling System	28,776	TBITEC
12		9 Second Level, Operations, Sector 5	Ramp Space	323	TBITEC
12	Part of 11	Second Level, Operations, Sector 5	Ramp Space	700	TBITEC (approximate)
12		12 Second Level, Operations, Sector 5	Restroom, Men	247	common use
12		13 Second Level, Operations, Sector 5	Restroom, Women	218	common use
12		15 Second Level, Operations, Sector 5	Custodial	36	LAWA
12	Reconfigured 16	Second Level, Operations, Sector 5	Ramp Space	600	vacant (approx due to new corridor)
12		25 Second Level, Operations, Sector 5	Ramp Space	189	Hawaiian Airlines
12	Reconfigured 26	Second Level, Operations, Sector 5	Ramp Space	372	vacant (approx due to new corridor)
13		3 Second Level, Operations, Sector 6	Custodial	28	LAWA
13		4 Second Level, Operations, Sector 6	Restroom, Men	254	common use
13		6 Second Level, Operations, Sector 6	Restroom, Women	254	common use
13		8 Second Level, Operations, Sector 6	Ramp Space	219	Servisair
13		9 Second Level, Operations, Sector 6	Office	158	Aeromexico
13		10 Second Level, Operations, Sector 6	Office	109	Aeromexico
13		11 Second Level, Operations, Sector 6	Storage	262	Aeromexico
13		12 Second Level, Operations, Sector 6	Baggage Handling System	1,265	TBITEC
13		14 Second Level, Operations, Sector 6	Baggage Handling System	1,310	TBITEC
13		17 Second Level, Operations, Sector 6	Ramp Space	399	TBITEC
13		18 Second Level, Operations, Sector 6	Ramp Space	123	TBITEC
13		19 Second Level, Operations, Sector 6	Ramp Space	364	TBITEC
13		22 Second Level, Operations, Sector 6	Ramp Space	242	TBITEC
13		29 Second Level, Operations, Sector 6	Baggage Handling System	13,723	TBITEC
14		4 Second Level, Operations, Sector 7	Ramp Space	1,782	Turner Construction
14		6 Second Level, Operations, Sector 7	Ramp Space	415	ATS Services
14		7 Second Level, Operations, Sector 7	Ramp Space	286	Turner Construction
14		8 Second Level, Operations, Sector 7	Corridor	2,799	common use
14		10 Second Level, Operations, Sector 7	Ramp Space	860	vacant
14		12 Second Level, Operations, Sector 7	Ramp Space	324	vacant
14		13 Second Level, Operations, Sector 7	Ramp Space	1,009	vacant
14		16 Second Level, Operations, Sector 7	Ramp Space	300	Virgin Atlantic (approximate)
14		22 Second Level, Operations, Sector 7	Ramp Space	539	World Service West
14		27 Second Level, Operations, Sector 7	Ramp Space	1,502	Servisair
14		29 Second Level, Operations, Sector 7	Ramp Space	552	World Service West
14		31 Second Level, Operations, Sector 7	Ramp Space	379	World Service West
14		36 Second Level, Operations, Sector 7	Ramp Space	589	Southwest Airlines
14		37 Second Level, Operations, Sector 7	Ramp Space	216	Southwest Airlines
14		38 Second Level, Operations, Sector 7	Ramp Space	198	Air Canada
14		39 Second Level, Operations, Sector 7	Ramp Space	725	Air Canada
14		40 Second Level, Operations, Sector 7	Ramp Space	859	Hawaiian Airlines
14		41 Second Level, Operations, Sector 7	Ramp Space	570	Aeromexico
15		6 Third Level, Lower Mezzanine, Sector 1	Office	343	Hawaiian Airlines
15		8 Third Level, Lower Mezzanine, Sector 1	Office	701	Hawaiian Airlines
15		9 Third Level, Lower Mezzanine, Sector 1	Office	884	Hawaiian Airlines
15		10 Third Level, Lower Mezzanine, Sector 1	Office	178	Hawaiian Airlines
15		16 Third Level, Lower Mezzanine, Sector 1	Locker	159	Aeromexico
15		20 Third Level, Lower Mezzanine, Sector 1	Office	198	Volaris
15		21 Third Level, Lower Mezzanine, Sector 1	Office	511	Aeromexico
15	Part of 30	Third Level, Lower Mezzanine, Sector 1	Office	558	Hainan
15	Part of 30	Third Level, Lower Mezzanine, Sector 1	Office	1,109	vacant
15		32 Third Level, Lower Mezzanine, Sector 1	Office	190	Global Maintenance Services
16		1 Third Level, Lower Mezzanine, Sector 2	Office	228	Aeromexico
16		3 Third Level, Lower Mezzanine, Sector 2	Office	76	Aeromexico
16		4 Third Level, Lower Mezzanine, Sector 2	Office	522	Volaris
16		5 Third Level, Lower Mezzanine, Sector 2	Office	284	Air Canada
16	5A	Third Level, Lower Mezzanine, Sector 2	Office	238	Volaris
16		6 Third Level, Lower Mezzanine, Sector 2	Lounge	800	Hawaiian Airlines
16		7 Third Level, Lower Mezzanine, Sector 2	Office	644	Air Canada
16		9 Third Level, Lower Mezzanine, Sector 2	Office	804	Air Canada
16		10 Third Level, Lower Mezzanine, Sector 2	Office	347	Air Canada
16		11 Third Level, Lower Mezzanine, Sector 2	Office	542	Air Canada
17		1 Third Level, Lower Mezzanine, Sector 3	Office	147	Air Canada
17		8 Third Level, Lower Mezzanine, Sector 3	Holdroom	1,840	common use

Sheet	Space	Map Location	Space Description	Area (SF)	Current Tenant
17	18	Third Level, Lower Mezzanine, Sector 3	Holdroom	1,368	common use
17	25	Third Level, Lower Mezzanine, Sector 3	Office	218	Aviation Safeguards
17	33	Third Level, Lower Mezzanine, Sector 3	Office	106	Delta Air Lines
18	5	Third Level, Lower Mezzanine, Sector 4	Office	213	Aviation Safeguards
18	7	Third Level, Lower Mezzanine, Sector 4	Office	793	Qatar Airways
19	4	Third Level, Departure, Sector 5	Sterile Corridor	1,116	common use
19	10	Third Level, Departure, Sector 5	Holdroom	5,383	common use
19	25	Third Level, Departure, Sector 5	Holdroom	3,858	common use
19	32	Third Level, Departure, Sector 5	Holdroom	1,209	common use
19	37	Third Level, Departure, Sector 5	Sterile Corridor	1,167	common use
20	2	Third Level, Departure, Sector 6	Sterile Corridor	1,639	common use
20	3	Third Level, Departure, Sector 6	Holdroom	2,439	common use
20	5	Third Level, Departure, Sector 6	Office	360	Aviation Safeguards
20	16	Third Level, Departure, Sector 6	Holdroom	2,401	common use
20	25	Third Level, Departure, Sector 6	Sterile Corridor	1,466	common use
21	3	Third Level, Departure, Sector 7	Sterile Corridor	3,747	common use
21	Reconfigured 4	Third Level, Departure, Sector 7	Holdroom	12,625	common use (approx due to concessions)
23	1	Fourth Level, Upper Mezzanine, Sector 5	Lounge	2,205	vacant
23	7	Fourth Level, Upper Mezzanine, Sector 5	Lounge	162	vacant
23	8	Fourth Level, Upper Mezzanine, Sector 5	Lounge	1,493	vacant
23	14	Fourth Level, Upper Mezzanine, Sector 5	Lounge Restroom	223	vacant
24	1	Fourth Level, Upper Mezzanine, Sector 6	Lounge	7,308	Air Canada
24	2	Fourth Level, Upper Mezzanine, Sector 6	Lounge	583	Air Canada
24	9	Fourth Level, Upper Mezzanine, Sector 6	Lounge	3,550	Virgin Atlantic
Terminal 2 Total Area				193,199	

Terminal 3
Master Lease Exhibit 20130003

1	1	First Level, Ticketing, Sector 1	Office	1,194	SmarteCarte
1	3	First Level, Ticketing, Sector 1	Baggage Conveyor	235	not currently leased
1	4	First Level, Ticketing, Sector 1	Baggage Service Office	606	swing space
1	8	First Level, Ticketing, Sector 1	Storage	123	Virgin America
1	9	First Level, Ticketing, Sector 1	Baggage Service Office	268	Virgin America
1	11 & Part of 22	First Level, Ticketing, Sector 1	Baggage Claim	14,104	Virgin America & TBITEC (85% of area)
1	19	First Level, Ticketing, Sector 1	Baggage Service Office	117	JetBlue Airways
1	20	First Level, Ticketing, Sector 1	Storage	354	vacant
1	30	First Level, Ticketing, Sector 1	Baggage Service Office	279	Frontier Airlines
1	54	First Level, Ticketing, Sector 1	Storage	47	JetBlue Airways
2	5	First Level, Ticketing, Sector 2	Baggage Service Office	564	Spirit Airlines
2	6	First Level, Ticketing, Sector 2	Airline Ticket Office	534	Spirit Airlines
2	7	First Level, Ticketing, Sector 2	Airline Ticket Office	466	vacant
2	16	First Level, Ticketing, Sector 2	Office	389	TBITEC
2	24	First Level, Ticketing, Sector 2	Office	272	Servisair
2	27	First Level, Ticketing, Sector 2	Office	130	Virgin Australia
2	28	First Level, Ticketing, Sector 2	Office	979	Virgin Australia
4	9	Second Level, Ticketing, Sector 1	Office	212	Virgin Australia
4	10	Second Level, Ticketing, Sector 1	Office	69	Virgin Australia
4	17	Second Level, Ticketing, Sector 1	Office	476	Virgin America
4	30	Second Level, Ticketing, Sector 1	Ticket Counter	1,075	Virgin Australia / vacant / Virgin America
4	36	Second Level, Ticketing, Sector 1	Baggage Conveyor	152	not currently leased
4	Part of 59	Second Level, Ticketing, Sector 1	Ticket Counter	400	Virgin America (approximate)
4	Part of 59	Second Level, Ticketing, Sector 1	Baggage Conveyor	600	TBITEC
5	1	Second Level, Ticketing, Sector 2	Office	151	SAS
5	3	Second Level, Ticketing, Sector 2	Baggage Conveyor	530	not currently leased
5	4	Second Level, Ticketing, Sector 2	Ticket Counter	265	Boutique Air
5	7	Second Level, Ticketing, Sector 2	Airline Ticket Office	622	Frontier Airlines
5	10	Second Level, Ticketing, Sector 2	Airline Ticket Office	1,363	JetBlue Airways
5	22	Second Level, Ticketing, Sector 2	Baggage Conveyor	114	TBITEC
5	24	Second Level, Ticketing, Sector 2	Ticket Counter	287	Spirit Airlines
5	27	Second Level, Ticketing, Sector 2	Ticket Counter	276	Spirit Airlines
5	34	Second Level, Ticketing, Sector 2	Ticket Counter	306	vacant
5	35	Second Level, Ticketing, Sector 2	Ticket Counter	388	JetBlue Airways
5	36	Second Level, Ticketing, Sector 2	Ticket Counter	254	Frontier Airlines
6	1	Operations Level, Connector, Sector 3	Baggage Handling System	22,395	TBITEC
6	2	Operations Level, Connector, Sector 3	Ramp Space	165	Virgin Australia
6	4	Operations Level, Connector, Sector 3	Baggage Handling System	444	TBITEC

Sheet	Space	Map Location	Space Description	Area (SF)	Current Tenant
6	5 Operations Level, Connector, Sector 3		BHS Storage	3,591	TBITEC
6	6 Operations Level, Connector, Sector 3		Baggage Handling System	982	TBITEC
6	7 Operations Level, Connector, Sector 3		Baggage Handling System	1,025	TBITEC
6	10 Operations Level, Connector, Sector 3		Baggage Handling System	1,046	TBITEC
6	13 Operations Level, Connector, Sector 3		CBIS	14,645	TBITEC
6	15 Operations Level, Connector, Sector 3		BHS Control Room	318	TBITEC
6	16 Operations Level, Connector, Sector 3		Ramp Office	159	JetBlue Airways
7	Part of 2 Operations Level, Satellite, Sector 4		Ramp Space	900	TBITEC
7	3 Operations Level, Satellite, Sector 4		Ramp Space	2,026	vacant
7	4 Operations Level, Satellite, Sector 4		Ramp Space	184	JetBlue Airways
7	5 Operations Level, Satellite, Sector 4		Corridor	413	not leased currently
7	6 Operations Level, Satellite, Sector 4		Ramp Space	57	Boutique Air
7	7 Operations Level, Satellite, Sector 4		Restroom	219	common use
7	8 Operations Level, Satellite, Sector 4		Restroom	228	common use
7	9 Operations Level, Satellite, Sector 4		Custodial	27	LAWA Custodial
7	10 Operations Level, Satellite, Sector 4		Ramp Space	1,601	Spirit Airlines
7	11 Operations Level, Satellite, Sector 4		Ramp Space	611	Allegiant Air
7	11A Operations Level, Satellite, Sector 4		Ramp Space	249	Spirit Airlines
7	12 Operations Level, Satellite, Sector 4		Ramp Space	99	Spirit Airlines
7	15 Operations Level, Satellite, Sector 4		Ramp Space	106	Spirit Airlines
7	18 Operations Level, Satellite, Sector 4		Ramp Space	456	JetBlue Airways
7	21 Operations Level, Satellite, Sector 4		Storage Cage	1,825	TBITEC
7	42 Operations Level, Satellite, Sector 4		Storage Cage	1,395	TBITEC / Allegiant Air
7	43 Operations Level, Satellite, Sector 4		Ramp Space	619	TBITEC
7	44 Operations Level, Satellite, Sector 4		Ramp Space	401	TBITEC
7	45 Operations Level, Satellite, Sector 4		Ramp Space	285	TBITEC
7	46 Operations Level, Satellite, Sector 4		Ramp Space	1,492	construction laydown
7	49 Operations Level, Satellite, Sector 4		Ramp Space	410	Virgin America
7	50 Operations Level, Satellite, Sector 4		Ramp Space	319	Virgin America
7	51 Operations Level, Satellite, Sector 4		Ramp Space	282	Virgin America
7	52 Operations Level, Satellite, Sector 4		Corridor	117	not leased currently
7	53 Operations Level, Satellite, Sector 4		Ramp Space	518	Swissport
7	54 Operations Level, Satellite, Sector 4		Ramp Space	299	vacant
7	55 Operations Level, Satellite, Sector 4		Ramp Space	67	Virgina Australia
7	58 Operations Level, Satellite, Sector 4		Ramp Space	394	Virgin America
7	59 Operations Level, Satellite, Sector 4		Ramp Space	359	Virgin America
7	60 Operations Level, Satellite, Sector 4		Storage	75	vacant
7	62 Operations Level, Satellite, Sector 4		Ramp Space	397	Virgin America
7	63 Operations Level, Satellite, Sector 4		Ramp Space	223	Virgin America
7	64 Operations Level, Satellite, Sector 4		Ramp Space	372	Frontier Airlines
7	66 Operations Level, Satellite, Sector 4		Storage	69	vacant
7	70 Operations Level, Satellite, Sector 4		Storage	88	vacant
7	74 Operations Level, Satellite, Sector 4		Ramp Space	1,398	Virgin America
7	77 Operations Level, Satellite, Sector 4		Ramp Space	530	Virgin America
7	78 Operations Level, Satellite, Sector 4		Ramp Space	346	Virgin America
7	95 Operations Level, Satellite, Sector 4		Corridor	132	not leased currently
7	97 Operations Level, Satellite, Sector 4		Ramp Space	118	Spirit Airlines
7	98 Operations Level, Satellite, Sector 4		Ramp Space	644	Allegiant Air
9	5 Mezzanine Level, Connector, Sector 3		Office	595	JetBlue Airways
9	9 Mezzanine Level, Connector, Sector 3		Office	41	Aviation Safeguards
9	Part of 13 Mezzanine Level, Connector, Sector 3		Holdroom	1,100	(approx due to JetBlue buildout)
9	17 Mezzanine Level, Connector, Sector 3		Holdroom	1,734	TBITEC
9	19 Mezzanine Level, Connector, Sector 3		Office	988	Virgin America
9	35 Mezzanine Level, Connector, Sector 3		Baggage Handling System	1,044	TBITEC
10	1 Mezzanine Level, Connector, Sector 4		Holdroom	13,272	TBITEC / Virgin America
10	30 Mezzanine Level, Connector, Sector 4		Holdroom	12,963	Virgin America
10	32 Mezzanine Level, Connector, Sector 4		Holdroom	1,243	Virgin America
10	35 Mezzanine Level, Connector, Sector 4		Holdroom	1,072	Office
10	36 Mezzanine Level, Connector, Sector 4		Office	809	Office
10	41 Mezzanine Level, Connector, Sector 4		Holdroom	4,979	Virgin America
10	44 Mezzanine Level, Connector, Sector 4		Holdroom	4,892	TBITEC
10	46 Mezzanine Level, Connector, Sector 4		Storage	34	JetBlue Airways
10	51 Mezzanine Level, Connector, Sector 4		Holdroom	1,030	TBITEC
11	1 Upper Mezzanine Level, Satellite, Sector 4A		Lounge	4,519	Virgin America
11	9 Upper Mezzanine Level, Satellite, Sector 4A		Office	508	Virgin America
11	9A Upper Mezzanine Level, Satellite, Sector 4A		Office	1,911	Virgin America
11	9B Upper Mezzanine Level, Satellite, Sector 4A		Office	479	Virgin America
11	14 Upper Mezzanine Level, Satellite, Sector 4A		Restroom	87	Virgin America
11	15 Upper Mezzanine Level, Satellite, Sector 4A		Restroom	75	Virgin America
11	16 Upper Mezzanine Level, Satellite, Sector 4A		Corridor	91	Virgin America
11	20 Upper Mezzanine Level, Satellite, Sector 4A		Custodial	14	not leased currently

Terminal 3 Total Area 146,801

Sheet	Space	Map Location	Space Description	Area (SF)	Current Tenant
			GRAND TOTAL		
			Terminal 2	193,199	
			Terminal 3	146,801	
				340,000	

LETTER OF ASSENT

[To be signed by all Contractors Undertaking Work on the Terminals 2/3 Delta Air Lines Improvement (Tenant Project) and covered by the Los Angeles World Airports Project Labor Agreement.]

(Contractor Letterhead)

c/o Parsons Constructors Inc.
100 West Walnut Street
Pasadena, California 91124
Attn: Jessica Jones

Re: Los Angeles International Airport Project
Labor Agreement – Letter of Assent

Dear Sir:

This is to confirm that (Name of Company) (the “Company”) agrees to be a party to and bound by the Los Angeles International Airport Project Labor Agreement (the “Agreement”) as entered into by and between Parsons Constructors Inc., its successors or assignees, and the Building and Construction Trades Department, AFL-CIO and other Building and Construction Trades Councils and signatory unions, dated November 19, 1999, as such agreement may, from time to time, be amended by the negotiating parties or interpreted pursuant to its terms.

Such obligation to be a party to and bound by this Agreement shall extend to all construction work undertaken by this Company pursuant to Construction Contract No. ___, issued to this Company for work on the Terminals 2/3 Delta Air Lines Improvement (Tenant Project) listed on Schedule I-Attachments A-C and any definitive terminal improvement projects pursuant to the lease between Delta Air Lines and Los Angeles World Airports for Terminals 2 and 3. This Company shall require all its subcontractors, of whatever tier, to be similarly bound for all their construction work within the Scope of the Agreement by signing an identical Letter of Assent.

Sincerely,

(Name of Construction Company)

By:

(Name of Title of Authorized Executive)

Cc: City of Los Angeles, Department of Airports

(Copies of this Letter will be available for inspection or copying on request of the Union).

EXHIBIT C
RATE METHODOLOGY

**RATES AND CHARGES FOR THE USE OF TERMINAL FACILITIES
AT LOS ANGELES INTERNATIONAL AIRPORT
PURSUANT TO THE
LOS ANGELES INTERNATIONAL AIRPORT PASSENGER TERMINAL TARIFF,
AS IT MAY BE AMENDED FROM TIME TO TIME**

The following rates and charges methodology for the use of passenger terminals (the "Terminals") at Los Angeles International Airport (the "Airport") by Aeronautical Users subject to the Los Angeles International Airport Passenger Terminal Tariff (the "Tariff"), is established by the City of Los Angeles (the "City"), acting by and through the Board of Airport Commissioners (the "Board") of the Los Angeles World Airports ("LAWA"), under the City of Los Angeles City Charter and Administrative Code, §§ 630 et seq.

Section 1. Definitions. As used in this document, the terms identified in this section shall have the meanings indicated unless the context clearly indicates otherwise. Additional words and phrases used in this document shall have the meanings set forth in the Tariff or, if not so set forth, shall have their usual and customary meaning.

"AAAC" shall mean the Airline Airport Affairs Committee.

"Aeronautical User" shall mean an Airline or any other Person engaged in an activity that involves, makes possible or is required for the safety of, or is otherwise directly related to, the operation of aircraft and includes providers of services related directly and substantially to the movement of passengers, baggage, mail and cargo on the Airport, but does not include any government or political subdivision thereof or a governmental agency.

"Airline" shall mean an Air Carrier or Foreign Air Carrier as defined in 49 U.S.C. §§ 40102(a)(2) and (a)(21), respectively.

"Capital Costs" shall mean all capital costs of the Airport, including the following:

- (a) Debt service (net of PFC's) allocable to bond-funded Capital Improvements.
- (b) Debt service coverage allocated in accordance with stated bond covenant requirements (currently 1.25 for senior debt obligations and 1.15 for subordinate debt obligations).
- (c) Amortization allocable to Capital Improvements funded with airport revenue, based on the economic life for each Capital Improvement and calculated using an interest rate set to equal the average all-in cost of Airport debt sold by LAWA during the calendar year when such Capital Improvement is put in service or, if no Airport debt was sold, set to equal comparable published average borrowing costs.

"Capital Improvement" shall mean any improvement or item or related group of items acquired, purchased, leased or constructed to improve, maintain or develop the Airport, as well

as any extraordinary or substantial expenditure whose object is to preserve, enhance or protect the Airport that, in accordance with generally accepted accounting principles consistently applied, is capitalized by LAWA.

"Common Use Areas," previously referred to as "Joint Use Areas" under the Tariff, shall mean the space in any Terminal designated by the Executive Director to be used in common by one or more Airlines or otherwise benefitting one or more Airlines for operations and include, without limitation, Common Use Holdrooms, Common Use Ticket Counters, Common Use Baggage Claim Areas and Common Use Outbound Baggage System Areas.

"Common Use Baggage Claim Areas" shall mean the space in any Terminal (excluding the FIS Areas) designated by the Executive Director to be used in common with other Airlines for the delivery of inbound baggage to arriving passengers, including the baggage recheck areas and the areas where Common Use Baggage Claim Systems are located.

"Common Use Baggage Claim System" shall mean equipment that delivers inbound baggage to arriving passengers.

"Common Use Holdrooms" shall mean the space in any Terminal designated by the Executive Director to be used in common with other Airlines for passenger holdrooms and gate areas.

"Common Use Loading Bridge" shall mean a passenger loading bridge and related equipment owned by LAWA.

"Common Use Outbound Baggage System" shall mean equipment that sorts outbound baggage for delivery to departing aircraft.

"Common Use Outbound Baggage System Areas" shall mean the space in any Terminal designated by the Executive Director to be used in common with other Airlines for the sorting of outbound baggage for delivery to departing aircraft and includes the areas where Common Use Outbound Baggage Systems are located.

"Common Use Ticket Counters" shall mean the space in any Terminal designated by the Executive Director to be used in common with other Airlines for ticket counters and associated queuing space.

"Deplaned Domestic Passengers" shall mean the actual number of passengers, not including the flight crew, disembarking from a domestic flight at the Terminals and shall include passengers clearing customs and immigration in the country that his or her flight originated from, disembarking from an international flight at the Terminals.

"Deplaned International Passengers" shall mean the actual number of passengers, not including the flight crew or passengers clearing customs and immigration in the country that his or her flight originated from, disembarking from an international flight at the Terminals.

"Enplaned Passengers" shall mean the actual number of passengers, not including the flight crew or international in-transit passengers, but including both originating and connecting passengers, embarking on a flight at the Terminals.

"Executive Director" shall mean the Executive Director of the Department of Airports of the City of Los Angeles, California, or his or her designee.

"Fiscal Year" shall mean the twelve (12) month period beginning July 1 of any year and ending June 30 of the following year or any other period adopted by LAWA for its financial affairs.

"FIS Areas," previously referred to as the "International Joint Use Areas" under the Tariff, shall mean the space in the Terminals designated by the Executive Director to be used in common with other Airlines for federal inspection services (including sterile corridors, customs areas, baggage service areas, customs baggage claim areas, cashier areas, interline baggage areas, immigration inspection areas, storage areas, locker areas, federal inspection service swing areas, conference room areas and registration areas), offices for federal agencies, restrooms included in or adjacent to the foregoing areas, transit lounge space and other in transit facilities for international passengers.

"New Rate Methodology" shall mean the rate methodology set forth in this document.

"Operations and Maintenance Expenses," previously referred to as "Terminal Expenses" under the Tariff, shall mean the total operations and maintenance expenses of the Airport.

"Passenger Facility Charges" or "PFC's" shall mean passenger facility charges remitted to LAWA under 49 U.S.C. § 40117 and 14 C.F.R. Part 158 as they may be amended from time to time.

"Person" shall mean a corporation, an association, a partnership, a limited liability company, an organization, a trust, a natural person, a government or political subdivision thereof or a governmental agency.

"Public Area" shall mean sidewalks, concourses, corridors, lobbies, passageways, restrooms, elevators, escalators and other similar space made available by LAWA from time to time for use by passengers, LAWA and Airline employees and other members of the public, as designated by the Executive Director.

"Rentable Area," previously referred to as "Measured Area" under the Tariff, shall mean any areas in the Terminals that are available for use by Airlines, other Aeronautical Users, concessionaires or LAWA or other governmental users on an exclusive, common or preferential use basis, as designated by the Executive Director. Rentable Area does not include any areas that are located outside the Terminals nor does Rentable Area include any space (such as security checkpoints) used by federal governmental agencies (such as Customs and Border Patrol or the Transportation Security Administration) or local law enforcement agencies to carry out their operations at the Airport.

“Reserve Deposits” shall mean the amounts deposited to funds and accounts for operations and maintenance reserves, to satisfy debt service reserve requirements, and similar expense reserves under the terms of any applicable bond covenants or as required by the Los Angeles City Charter.

“Terminals” shall mean all of the airline passenger terminals at the Airport except for Terminal 4 unless and until all Airlines using Terminal 4 are subject to the New Rate Methodology.

“Terminal Airline Support Systems” shall mean an information technology system, used to allocate terminal resources (gates, stands, ticket counters, baggage carousels, bag sortation piers, flight information displays, gate information displays, and public address systems) to assist Airlines with passenger processing.

“Turn” shall mean the active arrival and departure of an aircraft from a gate (including a remote gate) and may be measured in halves. The movement of an empty aircraft to or from a gate shall not constitute half a “Turn.”

Section 2. Calculation of Rate and Charges for Airlines.

2.1. Generally.

2.1.1. An Airline using any space or equipment in the Terminals pursuant to the Tariff shall be subject to the rates and charges set forth in this Section 2. There are two kinds of rates and charges set forth in this Section: equalized charges for all of the Terminals (described in Sections 2.2 through 2.7 below) and Terminal Special Charges (described in Section 2.8 below), assessed for the use of certain space or equipment in certain Terminals, for the recovery of certain types of Capital Costs or Operations and Maintenance Expenses that are not incurred by LAWA in all of the Terminals and not recovered from the Airlines through the equalized rates and charges. In calculating the Terminal Buildings Requirement, the FIS Requirement and Terminal Special Charges, as set forth below, LAWA shall exclude any cost (net of the cost of collection) that (a) has been reimbursed or covered by government grants or PFC's, (b) has been reimbursed or covered by any insurance recovery, condemnation proceeds or other third-party payment, or (c) has been reimbursed or is required to be reimbursed to LAWA by an individual Airline under the Tariff in connection with projects undertaken by LAWA at the request and for the benefit of an individual Airline. Illustrative calculations displaying how rates and charges will be calculated under this methodology are attached as Exhibit A through Exhibit G-5.

2.1.2. Airline Consultations on Proposed Rates and Charges. No later than November 1 of each year, the Executive Director shall provide each Airline then currently using space at the Airport with a complete copy of the then proposed rates and charges, calculated in accordance with this Section 2, for the succeeding calendar year. The Executive Director shall, upon request by any such Airline,

consult with such Airlines concerning the then proposed rates and charges. No later than December 1 of each year, the Executive Director shall make any revisions to the proposed rates and charges as the Executive Director determines, in his or her sole discretion, to be warranted as a result of consultation with the Airlines or otherwise, and shall provide written notice to each Airline then currently using space at the Airport of new rates and charges to be effective on January 1 of the following calendar year. A copy of such written notice shall be filed with the secretary of the Board.

2.2. Calculation of the Terminal Buildings Rate. Each year LAWA shall calculate the estimated Terminal Buildings Rate for the next calendar year as follows:

2.2.1. The Terminal Buildings Requirement shall be computed as the total of (i) the Unified Capital Requirement and (ii) the Operations and Maintenance Requirement.

(a) Calculation of the Unified Capital Requirement. Each year LAWA shall calculate the Unified Capital Requirement by totaling all budgeted Capital Costs allocable to the Terminals (excluding the FIS Areas) for the following calendar year.

(b) Calculation of Operations and Maintenance Requirement. Each year LAWA shall calculate the Operations and Maintenance Requirement by totaling the actual Operations and Maintenance Expenses and Reserve Deposits (if any) allocable to the Terminals (excluding the FIS Areas) for the immediately preceding Fiscal Year.

The allocation method for Capital Costs and Operations and Maintenance Expenses is outlined in attached Appendix 1.

2.2.2. The estimated Terminal Buildings Rate shall then be calculated by dividing the Terminal Building Requirement by the estimated total amount of Rentable Area. LAWA may use the actual amount of Rentable Area in the immediately preceding Fiscal Year in calculating the estimated Terminal Buildings Rate.

2.3. Calculation of the FIS Rate. Each year LAWA shall calculate the estimated FIS Rate for the next calendar year as follows:

2.3.1. The estimated Gross FIS Requirement shall be computed as the total of (i) all budgeted Capital Costs allocable to the FIS Areas for the following calendar year and (ii) the actual Operations and Maintenance Expenses and Reserve Deposits (if any) allocable to the FIS Areas for the immediately preceding Fiscal Year.

2.3.2. From the estimated Gross FIS Requirement, LAWA shall deduct the amounts of any estimated revenue from the rental of space in the FIS Areas to governmental agencies to yield the Net FIS Requirement.

2.3.3. The estimated FIS Rate shall then be calculated by dividing the Net FIS Requirement by the estimated total annual number of Deplaned International Passengers. LAWA may use the actual number of Deplaned International Passengers in the immediately preceding Fiscal Year in calculating the estimated FIS Rate.

2.4. Calculation of Common Use Holdroom Rate. Each year LAWA shall calculate the estimated Common Use Holdroom Rate for the next calendar year as follows:

2.4.1. The estimated Holdroom Requirement shall be computed as the product of the Terminal Buildings Rate and the total square footage of all Common Use Holdrooms in the Terminals.

2.4.2. LAWA shall then calculate six separate Common Use Holdroom Rates for use of Common Use Holdrooms by the six different classes of aircraft shown in the table below.

Aircraft Class					
1	2	3	4	5	6
A380	747	A340 A330 B777 A350 MD-11 IL-96	B757-300 B767 B787	B717 A318 A319 A320 A321 MD (DC) All B737 757-200	All others having 100 seats or less

The charges for use of Common Use Holdrooms by aircraft within each of these classes shall bear the following relativities to each other:

Relative Charge per Turn

Class 1:	3.00x
Class 2:	2.00x
Class 3:	1.50x
Class 4:	1.25x
Class 5:	1.00x
Class 6:	0.75x

For rate-setting purposes, the charges per Turn for each of these six classes of aircraft will be calculated so that expected aggregate Common Use Holdroom charges equal the Common Use Holdroom Requirement.

2.4.3. New Types of Aircraft. If any Airline begins to serve the Airport with types of aircraft not shown in the table in Section 2.4.2, LAWA shall provide written notice ("New Aircraft Notice") to the AAAC to solicit a recommendation from the AAAC as to the proper classification of such new aircraft types for rate-setting purposes. If the AAAC wishes to make such a recommendation, it shall do so in writing within thirty (30) days following the New Aircraft Notice. LAWA shall consider any such recommendation and then, in its sole discretion, shall reasonably determine whether to (a) assign such new aircraft to a new class with a different specified relativity or (b) include it in one of the existing aircraft classes under Section 2.4.2. LAWA shall provide written notice to the AAAC of its determination of how such new aircraft will be classified for rate-setting purposes, and thereafter the calculations of relative charges per Turn under Section 2.4.2 shall reflect any such classification.

2.5. Calculation of Common Use Baggage Claim System Rate. Each year LAWA shall calculate the estimated Common Use Baggage Claim System Rate for the next calendar year as follows:

2.5.1. The estimated Common Use Baggage Claim Requirement shall be computed as the product of the Terminal Buildings Rate and the total square footage of all Common Use Baggage Claim Areas in the Terminals.

2.5.2. The estimated Common Use Baggage Claim System Rate shall then be calculated by dividing the Baggage Claim Requirement by the estimated total annual number of Deplaned Domestic Passengers of Airlines using Common Use Baggage Claim Systems in any of the Terminals. LAWA may use the actual number of Deplaned Domestic Passengers of Airlines using Common Use Baggage Claim Systems in the immediately preceding Fiscal Year in calculating the estimated Common Use Baggage Claim Rate.

2.6. Calculation of Common Use Outbound Baggage System Rate. Each year LAWA shall calculate the estimated Common Use Outbound Baggage System Rate for the next calendar year as follows:

2.6.1. The estimated Common Use Outbound Baggage System Requirement shall be computed as the product of the Terminal Buildings Rate and the total square footage of all Common Use Outbound Baggage System Areas in the Terminals, less any credit for revenue generated by fees imposed under Section 2.6.3.

2.6.2. The estimated Common Use Outbound Baggage System Rate shall then be calculated by dividing the estimated Common Use Outbound Baggage System Requirement by the estimated total annual number of Enplaned Passengers of Airlines using the Common Use Outbound Baggage System Areas in all of the Terminals. LAWA may use the actual number of Enplaned Passengers of Airlines using the Common Use Outbound Baggage System Areas in the immediately preceding Fiscal Year in calculating the estimated Outbound Baggage System Rate.

2.6.3. LAWA may also establish a reasonable fee to be charged to Airlines that use a portion of an outbound baggage system owned or leased by another Airline and pay a fee for such use to such other Airline and also use baggage make-up devices owned by LAWA. The revenue, if any, generated by such a fee shall be credited against the Common Use Outbound Baggage System Requirement calculated under Section 2.6.1.

2.7. Common Use Ticket Counter Rate. Each year LAWA shall calculate the estimated Common Use Ticket Counter Rate for all Terminals for the next calendar year as follows:

2.7.1. The estimated Common Use Ticket Counter Requirement shall be computed as the product of the Terminal Buildings Rate and the total square footage of all of the Common Use Ticket Counter space in the Terminals.

2.7.2. The estimated Common Use Ticket Counter Rate shall then be calculated by dividing the Common Use Ticket Counter Requirement by the estimated total annual number of Enplaned Passengers of Airlines using Common Use Ticket Counters. LAWA may use the actual number of Enplaned Passengers in the immediately preceding Fiscal Year in calculating the estimated Common Use Ticket Counter Rate.

2.8. Terminal Special Charges. There are certain equipment and services that LAWA provides in some, but not all of the Terminals. Airlines using such equipment or services in certain Terminals pursuant to the Tariff shall be subject to Terminal Special Charges as follows. Any Capital Costs or Operations and Maintenance Expenses that are included in the calculations of Terminal Special Charges shall be excluded from the rates and charges calculated under Sections 2.2 through 2.7.

2.8.1. Custodial Rates. Each year LAWA shall calculate estimated Custodial Rates for the next calendar year as follows:

2.8.1.1. The Custodial Requirement shall be calculated by totaling the following from the immediately preceding Fiscal Year:

(a) the total actual payments by LAWA under service contracts for janitorial and cleaning services in all Terminals; and

(b) the total actual cost to LAWA of providing its own janitorial and cleaning services in all Terminals.

2.8.1.2. The Custodial Requirement shall then be divided by the total square footage of all areas (whether Public Areas or Rental Areas) for which LAWA provides janitorial and cleaning services to derive the Average Custodial Rate. LAWA shall then calculate four separate Custodial Rates for use of Common Use Holdrooms, Common Use Ticket Counters, Outbound Baggage System Areas and Baggage Claim Areas, respectively, by (x) multiplying the total square footage of each such type of space in all Terminals by the Average Custodial Rate and then (y) dividing by the following factors:

(a) for Common Use Holdrooms, Enplaned Passengers;

(b) for Common Use Ticket Counters, Enplaned Passengers;

(c) for Common Use Outbound Baggage System Areas, Enplaned Passengers; and

(d) for Common Use Baggage Claim Areas, the total of Deplaned Domestic Passengers.

In making these calculations, LAWA shall only consider the numbers of passengers using the Common Use facilities that are the subject of these Terminal Specific Charges and may use the actual numbers of such passengers in the immediately preceding Fiscal Year in calculating these rates.

2.8.2. Outbound Baggage System Maintenance Rate. Each year LAWA shall calculate the estimated Outbound Baggage System Maintenance Rate for the next calendar year as follows:

2.8.2.1. The Outbound Baggage System Maintenance Requirement shall be calculated by totaling the following actual amounts from the previous Fiscal Year:

(a) the total actual payments by LAWA under service contracts for maintaining and repairing Common Use Outbound Baggage Systems in all Terminals; and

(b) the total actual cost to LAWA of maintenance and repair of the Common Use Outbound Baggage Systems in all Terminals.

2.8.2.2. The estimated Outbound Baggage System Maintenance Rate shall then be calculated by dividing the Outbound Baggage System Maintenance Requirement by the estimated total annual number of Enplaned Passengers of Airlines using the Common Use Outbound Baggage System in Terminals in which LAWA maintains and repairs the Common Use Outbound Baggage Systems. LAWA may use the actual numbers of such passengers in the immediately preceding Fiscal Year in calculating the estimated Outbound Baggage System Maintenance Rate.

2.8.3. Terminal Airline Support System Rate. Each year LAWA shall calculate the estimated Terminal Airline Support System Rate for the next calendar year as follows:

2.8.3.1. The estimated Terminal Airline Support System Requirement shall be calculated by totaling (a) the prior Fiscal Year's Operations and Maintenance Expenses allocable to the Airline Support System and (b) all budgeted Capital Costs allocable to the Airline Support System and to be paid by LAWA for the next calendar year.

2.8.3.2. The estimated Terminal Airline Support System Rate shall then be calculated by dividing the estimated Terminal Airline Support System Requirement by the estimated total annual number of Enplaned Passengers of Airlines using the Terminal Airline Support System. LAWA may use the actual number of Enplaned Passengers of Airlines using the Terminal Airline Support System in the immediately preceding Fiscal Year in calculating the estimated Terminal Airline Support System Rate.

2.8.4. Common Use Loading Bridge Rate. Each year LAWA shall calculate the estimated Common Use Loading Bridge Capital Rate and the Common Use Loading Bridge O&M Rate for the use of Loading Bridges for the next calendar year as follows:

2.8.4.1. The Average Common Use Loading Bridge Capital Requirement shall be calculated by dividing all budgeted Capital Costs allocable to Common Use Loading Bridges for the following calendar year by the total number of Common Use Loading Bridges.

2.8.4.2. The Average Common Use Loading Bridge O&M Requirement for Common Use Loading Bridges maintained by LAWA shall be calculated by dividing the prior Fiscal Year's Operations and Maintenance Expenses allocable to such Common Use Loading Bridges by the total number of Common Use Loading Bridges maintained by LAWA.

2.8.4.3. The estimated Common Use Loading Bridge Capital Rate shall be calculated by multiplying the Average Common Use Loading Bridge Capital Requirement by the total number of Common Use Loading Bridges and then dividing by the total annual number of Turns at all of the Common Use Loading Bridges, so that the capital charges for use of the Common Use Loading Bridges by each type of aircraft shall bear the relativities to each other set forth in Section 2.4.2. LAWA may use the actual number of Turns at Common Use Loading Bridges in the immediately preceding Fiscal Year in calculating the estimated Common Use Loading Bridge Capital Rate.

2.8.4.4. The estimated Common Use Loading Bridge O&M Rate for Common Use Loading Bridges maintained by LAWA shall be calculated by multiplying the Average Common Use Loading Bridge O&M Requirement by the total number of such Common Use Loading Bridges and then dividing by the total annual number of Turns at all such Common Use Loading Bridges, so that the maintenance charges for use of such Common Use Loading Bridges by each type of aircraft shall bear the relativities to each other set forth in Section 2.4.2. LAWA may use the actual number of Turns at such Common Use Loading Bridges in the immediately preceding Fiscal Year in calculating the estimated Common Use Loading Bridge O&M Rate.

2.8.5. Future Terminal Special Charges. The Executive Director, subject to Board approval, may impose additional Terminal Special Charges in similar circumstances, where LAWA is providing certain specified services or equipment in some, but not all of the Terminals; provided, however, that any such services or equipment were first provided by LAWA after December 31, 2012. LAWA shall notify and consult with the Airlines concerning any proposed new Terminal Special Charges at least 60 days before LAWA submits any proposed new Terminal Special Charges for approval by the Board.

2.9. Mid-year Adjustments. If it appears to LAWA, on the basis of information it is able to accumulate during the course of any calendar year, that the estimated expenses (excluding Operations and Maintenance Expenses and the costs referred to in Sections 2.8.1.1 and 2.8.2.1) or projected levels of Airline activity it has used to calculate the rates and charges set forth in Section 2 are likely to vary significantly (higher or lower) from actual results, LAWA may make adjustments to such rates and charges at mid-year or at such other time during the calendar year (a) as the need for such an adjustment becomes apparent to LAWA or (b) the variance between the estimated expenses or projected levels of Airline activity and actual results is expected to be ten percent (10%) or more. LAWA shall provide the AAAC with at least thirty (30) days advance written notice ("Mid-Year Adjustment Notice") of any adjustments to be made under this Section 2.9. The AAAC may, within fifteen (15) days of receipt of the Mid-Year Adjustment Notice, request a meeting with LAWA to review the information that LAWA used as the basis for an adjustment under this Section 2.9 and if the AAAC does so, LAWA shall meet with the AAAC within fifteen (15) days of the AAAC's request.

2.10. Annual Adjustments-to-Actual. Within 180 days after the close of each calendar year, LAWA shall recalculate the rates and charges as set forth in this Section 2 on the basis of actual expenses (excluding Operations and Maintenance Expenses and the costs referred to in Sections 2.8.1.1 and 2.8.2.1), Airline activity and other factors affecting the prescribed calculations and shall determine the amount of any overpayment (credit) or underpayment (deficit) due to or from each Airline. Any resulting credit will be issued to the Airline, and any resulting debit will be invoiced to and payable by the Airline, as prescribed in the Tariff.

Section 3. Calculation of Rates and Charges for Aeronautical Users other than Airlines. An Aeronautical User using any space in the Terminals pursuant to the Tariff shall be subject to the Terminal Buildings Charge described in Section 2.2.

Appendix 1

Cost Allocation Method

(1) *Description of Cost Centers.* Cost centers at the Airport are those functions or physically discrete areas that are used to account for costs incurred by LAWA to own (or otherwise provide), maintain, operate, construct, develop, and administer the Airport. There are two types of cost centers used to account for costs at the Airport: (a) direct cost centers, which are each related to a defined physical area of the Airport that serves a particular function, and (b) indirect cost centers, which are related to service functions that support the direct cost centers. The following are the direct and indirect cost centers used to account for both capital costs and operations and maintenance expenses at the Airport:

Direct Cost Centers

Terminals - the Terminals cost center comprises the land and all passenger terminal buildings and other related and appurtenant facilities, whether owned, operated, or maintained by LAWA. Facilities include the passenger terminal buildings located in the central terminal area, passenger terminal buildings located outside the central terminal area, associated concourses, holdrooms, passenger tunnels, and all other facilities that are a part of the passenger terminal buildings.

Airfield - the Airfield cost center comprises those portions of the Airport (excluding the aircraft aprons associated with the terminal, general aviation, cargo, and aircraft maintenance facilities) providing for the landing, taking off, and taxiing of aircraft, including approach and turning zones, clear zones, navigation or other easements, runways, a fully integrated taxiway system, runway and taxiway lights, and other appurtenances related to the aeronautical use of the Airport, including any property acquired for noise mitigation purposes.

Apron - the Apron cost center comprises the land and paved areas primarily adjacent to passenger terminal buildings, but also includes remote parking areas that provide for the parking, loading, and unloading of passenger aircraft. The Apron cost center does not include aprons associated with general aviation, cargo, or aircraft maintenance facilities.

Aviation - the Aviation cost center comprises the land and facilities related to air cargo, general aviation, fixed-base operations, aircraft fueling, aircraft maintenance, in-flight catering, and other aviation-related services.

Commercial - the Commercial cost center comprises the land and facilities not located in the Terminal cost centers and that are provided for nonaeronautical commercial and industrial activities, including public automobile parking, car rental service centers, golf courses, the Theme Building, and the Proud Bird restaurant.

Indirect Cost Centers

Access – the Access cost center includes the costs of facilities and services for on-Airport and off-Airport ground access for vehicles and pedestrians, including airside and landside access, and Airport access generally. It also includes the costs of increasing, preserving, or managing the capacity of the Airport's access facilities.

General Administration – the General Administration cost center includes the general administrative and support costs related to providing, maintaining, operating, and administering the Airport that cannot be directly allocated to other cost centers.

(2) *Allocation Methods.* Expenses directly attributable to the Terminals, and indirect Administrative and Access cost center expenses are allocated to the Terminals as follows:

- (i) Wherever possible, expenses directly attributable to the Terminals are allocated to the Terminals.
- (ii) Expenses attributable to Airport administrative divisions are allocated to the Terminals cost center based on its proportion of total direct expenses.
- (iii) Expenses directly allocated to the Access cost center are allocated to the Terminals cost center and all other direct cost centers on the basis of the ratio of land area by cost center.

Exhibit A

TERMINAL BUILDINGS RATE
Illustrative Calculation pursuant to the New Rate Methodology
 Los Angeles International Airport
 Calendar year

		Hypothetical Year
Unified Capital Requirement (a)		
Gross debt service		\$83,400,000
Less: PFC revenues		(52,600,000)
Debt service		\$30,900,000
Debt service coverage		7,700,000
Amortization		30,800,000
Unified Capital Requirement	[A]	\$69,400,000
Operations and Maintenance Requirement (b)	[B]	221,700,000
Less: Terminal 4 cost requirement	[C]	(33,950,000)
Terminal Buildings Requirement	[D=A+B+C]	\$257,150,000
Divided by: Rentable Area (c)	[E]	2,070,000
Terminal Buildings Rate (per square foot)	[=D/E]	\$124.23

Note: The results shown above are not projections.

- (a) See Section 2.2.1(a) of the New Rate Methodology.
- (b) See Section 2.2.1(b) of the New Rate Methodology.
- (c) See Section 1 of the New Rate Methodology.

Exhibit B

FIS RATE

Illustrative Calculation pursuant to the New Rate Methodology
Los Angeles International Airport
Calendar year

		Hypothetical Year
Capital Costs		
Gross debt service		\$36,400,000
Less: PFC revenues		(9,400,000)
Debt service		\$27,100,000
Debt service coverage		6,800,000
Amortization		2,800,000
Capital Costs	[A]	\$36,700,000
Operations and Maintenance Expenses	[B]	39,700,000
Gross FIS Requirement	[C=A+B]	\$76,400,000
Less: Rental revenue of space in FIS Areas from governmental agencies	[D]	(100,000)
Net FIS Requirement (a)	[E=C+D]	\$76,300,000
Divided by: Deplaned International Passengers (b)	[F]	7,300,000
FIS Rate (per deplaned international passenger)	[E/F]	\$10.45

Note: The results shown above are not projections.

- (a) See Section 2.3 of the New Rate Methodology.
- (b) See Section 1 of the New Rate Methodology.

Exhibit C

COMMON USE HOLDROOM RATE
Illustrative Calculation pursuant to the New Rate Methodology
Los Angeles International Airport
Calendar year

	Hypothetical Year
Terminal Buildings Rate (a)	\$124.23
Times: Common Use Holdroom Space (square feet)	268,000
Holdroom Requirement (b)	\$33,300,000
Divided by: Estimated Turns (weighted by aircraft class) (c)	117,300
Common Use Holdroom Rate (per full turn)	\$283.89

Common Use Holdroom Rates (per full turn) (by aircraft class): (c)

			Weighted
	Common Use	Relative charge	Common Use
Class	Holdroom Rate	per turn	Holdroom Rate
	[A]	[B]	[=A*B]
1	\$283.89	3.00	\$851.67
2	\$283.89	2.00	\$567.78
3	\$283.89	1.50	\$425.84
4	\$283.89	1.25	\$354.86
5	\$283.89	1.00	\$283.89
6	\$283.89	0.75	\$212.92

Note: The results shown above are not projections.

- (a) See illustrative Exhibit A.
- (b) See Section 2.4.1 of the New Rate Methodology.
- (c) See Section 2.4.2 of the New Rate Methodology.
 Expected use of Common Use Holdrooms (by aircraft class)

Class	Illustrative turns	Relative charge per turn	Illustrative turns (weighted)
1	1,500	3.00	4,500
2	6,000	2.00	12,000
3	14,800	1.50	22,200
4	1,100	1.25	1,400
5	74,500	1.00	74,500
6	3,600	0.75	2,700
	101,500		117,300

Exhibit D

COMMON USE BAGGAGE CLAIM SYSTEM RATE
Illustrative Calculation pursuant to the New Rate Methodology
Los Angeles International Airport
Calendar year

	Hypothetical Year
Non-Signatory Airline Terminal Buildings Rate (a)	\$124.23
Multiplied by: Common Use Baggage Claim Areas (square feet)	76,000
Common Use Baggage Claim System Requirement (b)	\$9,441,000
Divided by: Deplaned Domestic Passengers	9,192,000
Common Use Baggage Claim System Rate (per deplaned domestic passenger)	\$1.03
	=====

Note: The results shown above are not projections.

(a) See illustrative Exhibit A.

(b) See Section 2.5.1 of the New Rate Methodology.

Exhibit E

COMMON USE OUTBOUND BAGGAGE SYSTEM RATE
Illustrative Calculation pursuant to the New Rate Methodology
Los Angeles International Airport
Calendar year

	Hypothetical
	Year
Non-Signatory Airline Terminal Buildings Rate (a)	\$124.23
Multiplied by: Common Use Outbound Baggage System Areas (square feet)	152,000
Common Use Outbound Baggage System Requirement (b)	\$18,883,000
Less: Fees for Terminal 6 common use bag make-up unit (c)	(500,000)
Net Common Use Outbound Baggage System Requirement (c)	\$18,383,000
Divided by: Enplaned Passengers	10,594,000
Common Use Outbound Baggage System Rate (per enplaned passenger)	\$1.74

Note: The results shown above are not projections.

- (a) See illustrative Exhibit A.
- (b) See Section 2.6.1 of the New Rate Methodology.
- (c) Pursuant to Section 2.6.3 of the New Rate Methodology.

Exhibit F

COMMON USE TICKET COUNTER RATE
Illustrative Calculation pursuant to the New Rate Methodology
Los Angeles International Airport
Calendar year

	Hypothetical Year
Non-Signatory Airline Terminal Buildings Rate (a)	\$124.23
Multiplied by: Common Use Ticket Counter space (square feet)	17,000
Common Use Ticket Counter Requirement (b)	\$2,112,000
Divided by: Enplaned Passengers	5,606,000
Common Use Ticket Counter Rate (per enplaned passenger)	\$0.38
	=====

Note: The results shown above are not projections.

(a) See illustrative Exhibit A.

(b) See Section 2.7.1 of the New Rate Methodology.

Exhibit G-1

CUSTODIAL RATES
Illustrative Calculation pursuant to the Tariff
Los Angeles International Airport
Calendar year

	Hypothetical Year
CALCULATION OF THE AVERAGE CUSTODIAL RATE	
Payments by LAWA under service contracts	\$3,885,000
Cost to LAWA of providing janitorial services	31,683,000
Custodial Requirement (a)	\$35,568,000
Divided by: Terminal Building space receiving LAWA Custodial (b)	1,756,000
Average Custodial Rate	\$20.26
	=====

CALCULATION OF THE CUSTODIAL RATES

	Common Use Areas			
		Outbound		
		Ticket	Baggage	Baggage Claim
	Holdrooms	Counters	System Areas	Areas
Average Custodial Rate	\$20.26	\$20.26	\$20.26	\$20.26
Space	268,000	17,000	152,000	76,000
	\$5,428,000	\$344,000	\$3,079,000	\$1,539,000
Passengers (c)	14,247,000	5,606,000	10,594,000	9,192,000
Custodial Rate (per enpl./depl. passenger)	\$0.38	\$0.06	\$0.29	\$0.17

Note: The results shown above are not projections.

(a) See Section 2.8.1 of the New Rate Methodology.

(b) Terminal Building space receiving LAWA Custodial:

	Sq ft
Common Use Holdrooms	268,000
Common Use Ticket Counters	17,000
Common Use Outbound Baggage System Areas	152,000
Common Use Baggage Claim Areas	76,000
Common Use Areas	513,000
Public Areas	1,243,000
Terminal Building space receiving LAWA Custodial	1,756,000

(c) Only passengers on airlines using the specified Common Use Areas.

Holdrooms: Enplaned passengers in Terminals 1, 2, 3 and TBIT.

Ticket Counters: Enplaned passengers in Terminal 2 (excluding Hawaiian and Air Canada) and TBIT.

Outbound Baggage System Areas: Enplaned passengers in Terminals 1, 2 and 3.

Baggage Claim Areas: Deplaned passengers in Terminals 1, 2 (non-FIS) and 3.

Exhibit G-2

OUTBOUND BAGGAGE SYSTEM MAINTENANCE RATE
Illustrative Calculation pursuant to the Tariff
Los Angeles International Airport
Calendar year

	Hypothetical
	Year
Payments by LAWA under service contracts	\$3,201,000
Cost to LAWA of providing maintenance services	-
Outbound Baggage System Maintenance Requirement (a)	\$3,201,000
Divided by: Enplaned passengers (b)	10,594,000
Outbound Baggage System Maintenance Rate (per enpl. passenger)	\$0.30

Note: The results shown above are not projections.

- (a) See Section 2.8.2 of the New Rate Methodology.
- (b) Enplaned passengers for all Terminals with LAWA-maintained Outbound Baggage Systems (T1, T2 and T3).

Exhibit G-3

TERMINAL AIRLINE SUPPORT SYSTEM RATE
Illustrative Calculation pursuant to the Tariff
Los Angeles International Airport
Calendar year

	Hypothetical Year
Payments by LAWA under service contracts	\$0
Cost to LAWA of providing maintenance services	2,166,000
Terminal Airline Support System Requirement (a)	\$2,166,000
Divided by: Enplaned Passengers (b)	7,008,000
Terminal Airline Support System Rate (per enplaned passenger)	\$0.31

Note: The results shown above are not projections.

To be calculated separately for each Terminal that has a LAWA-provided
Airline Support System.

- (a) See Section 2.8.3 of the New Rate Methodology.
- (b) Enplaned passengers for all Terminals with LAWA-maintained Terminal Airline
Support Systems (T3 and TBIT).

Exhibit G-4

LOADING BRIDGE RATE -- MAINTENANCE
Illustrative Calculation pursuant to the Tariff
Los Angeles International Airport
Calendar year

	Hypothetical
	Year
LOADING BRIDGE RATE -- MAINTENANCE (a)	
O&M Expenses of LAWA-maintained loading bridges	\$1,719,000
Divided by: Number of LAWA-maintained loading bridges (b)	43
Loading Bridge Maintenance Charge (per bridge) (c)	\$40,000
Divided by: Estimated annual turns (per bridge) (weighted)	2,147
Loading Bridge Maintenance Rate (per full turn) (d)	\$18.63
Loading Bridge Maintenance Rates (per full turn) (by aircraft class): (e)	
	Weighted
	Loading
	Bridge Capital
	Rate
Class	Rate
	(A)
	(B)
	{=A*B}
1	\$18.63
2	\$18.63
3	\$18.63
4	\$18.63
5	\$18.63
6	\$18.63

Note: The results shown above are not projections.

- (a) See Section 2.8.4 of the New Rate Methodology.
- (b) All bridges in Terminals 1, 2 and 3, and 6 bridges in Terminal 6.
- (c) Per-bridge charge levied to airlines using preferential-use holdrooms.
- (d) Per-turn rate levied to airlines using Common Use Holdrooms.
- (e) Weighting by aircraft class matches the weighting of Common Use Holdroom Rates.

		Relative	Illustrative
		charge per	turns
Maintenance:	Class	turn	(weighted)
	1	400	1,200
	2	1,600	3,200
	3	5,400	8,100
	4	1,500	1,900
	5	75,200	75,200
	6	3,600	2,700
		87,700	92,300
Divided by: Number of LAWA-maintained loading bridges			43
Estimated annual turns (per bridge) (weighted)			2,147

Exhibit G-5

LOADING BRIDGE RATE -- CAPITAL
Illustrative Calculation pursuant to the Tariff
 Los Angeles International Airport
 Calendar year

	Hypothetical
	Year
LOADING BRIDGE RATE -- CAPITAL (a)	
Capital costs of LAWA-owned loading bridges	\$1,409,000
Divided by: Number of LAWA-owned loading bridges (b)	86
Loading Bridge Capital Charge (per bridge) (c)	\$16,000
Divided by: Estimated annual turns (per bridge) (weighted)	1,547
Loading Bridge Capital Rate (per full turn) (d)	\$10.35
Loading Bridge Capital Rates (per full turn) (by aircraft class): (e)	
	Weighted
	Loading
	Bridge Capital
	Rate
Class	Rate
	[A]
	Relative
	charge per
	turn
	[B]
	[=A*B]
1	\$10.35
2	\$10.35
3	\$10.35
4	\$10.35
5	\$10.35
6	\$10.35

Note: The results shown above are not projections.

- (a) See Section 2.8.4 of the New Rate Methodology.
- (b) All bridges in Terminals 1, 2, 3, 6 and TBIT (including remote gates).
- (c) Per-bridge charge levied to airlines using preferential-use holdrooms.
- (d) Per-turn rate levied to airlines using Common Use Holdrooms.
- (e) Weighting by aircraft class matches the weighting of Common Use Holdroom Rates.

Expected use of Common Use Holdrooms (by aircraft class):

		Relative	Illustrative
		charge per	turns
		turn	(weighted)
Capital:	Class	turns	
	1	1,500	4,500
	2	6,000	12,000
	3	14,800	22,200
	4	1,100	1,400
	5	85,900	85,900
	6	8,800	7,000
		118,100	133,000
Divided by: Number of LAWA-maintained loading bridges			86
Estimated annual turns (per bridge) (weighted)			1,547

EXHIBIT D
RATE AGREEMENT

RATE AGREEMENT

This RATE AGREEMENT (this "Agreement") is made and entered into as of December 12, 2012, by and between THE CITY OF LOS ANGELES DEPARTMENT OF AIRPORTS, a municipal corporation ("City"), acting by order of and through its Board of Airport Commissioners (the "Board"), and Delta Air Lines, Inc. ("Airline"). Airline and City are collectively referred to as "Parties." Capitalized terms used in this Agreement without definition shall have the meanings given to such terms in the New Rate Methodology (as defined below).

RECITALS

The Parties hereby acknowledge and agree that their respective decisions to enter into this Agreement are premised on the following recitals:

- A. City is the owner of Los Angeles International Airport (the "Airport") and operates the Airport for the promotion, accommodation and development of air commerce and air transportation.
- B. City has undertaken construction projects to refurbish and renovate certain Terminals at the Airport and expects to continue to make significant investments in all the Terminals over the next ten (10) years to improve and modernize the Airport and accommodate additional passengers. City and Airline desire to communicate regularly on the status of Capital Improvements to the Terminals.
- C. Airline (i) is or will be using space in a Terminal at the Airport pursuant to the Los Angeles International Airport Passenger Terminal Tariff (the "Tariff") or (ii) is using space in a Terminal at the Airport pursuant to a lease and desires to have the rates and charges for its use of Terminal space at the Airport calculated in accordance with this Agreement.
- D. The Board adopted a new methodology (the "New Rate Methodology") for the calculation of rates and charges for the use of Terminal space at the Airport on September 17, 2012, which Board-approved rates and charges methodology is attached to this Agreement as Exhibit A.
- E. Airline understands that the New Rate Methodology was developed in anticipation of future Terminal construction projects and is intended as a self-financing mechanism to recover the costs of constructing, acquiring, operating and maintaining the Terminals at the Airport.
- F. City and Airline desire predictable rates and charges for use of Airport facilities.
- G. City and Airline desire to avoid continuing disputes about the methods used to calculate rates and charges for use of Terminals at the Airport.

H. City will make this Agreement available to all Airlines that are operating at the Airport, and all Airlines that execute this Agreement will be "Signatory Airlines" under this Agreement. City will also make this Agreement available to airline consortiums that have been formed to manage specified Terminal facilities at the Airport and have been approved by City for this purpose, but nothing in this Agreement shall be construed to impose an obligation upon City to approve any new airline consortiums.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing recitals and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, City and Airline hereby agree as follows:

1. Term. With respect to any Airline, this Agreement shall commence on January 1, 2013 if executed by Airline and delivered to City on or before December 15, 2012 and otherwise shall commence on the first day of the next month beginning no less than sixty (60) days after execution by Airline and delivery to City. With respect to any approved airline consortium in existence on December 15, 2012 ("Existing Consortium"), this Agreement shall commence on January 1, 2013 if (a) executed by the Existing Consortium and delivered to City on or before December 15, 2012 and also (b) executed by individual airline members of such Existing Consortium responsible for no less than fifty percent (50%) of the enplaned passengers of all such consortium members at the Airport during fiscal year 2012 and delivered to City on or before December 15, 2012. With respect to any airline consortium formed and approved after December 15, 2012, this Agreement shall commence on the first day of the next month beginning no less than sixty (60) days after execution and delivery to City by such consortium and one hundred percent (100%) of the individual airline members of such consortium. This Agreement shall terminate on December 31, 2022; provided, however, with respect to any Existing Consortium, if one hundred percent (100%) of its individual airline members have not executed and delivered this Agreement to City by December 31, 2013, this Agreement shall terminate on December 31, 2013.

2. Acceptance of New Rate Methodology. Airline agrees that to pay charges for its use of space in the Terminals calculated in accordance with the New Rate Methodology as modified by this Agreement and acknowledges that this Agreement constitutes a written agreement with air carriers within the meaning of 49 U.S.C. § 47129(e)(1).

3. No Change to New Rate Methodology. City agrees that during the Term, City shall use the New Rate Methodology as modified by this Agreement to calculate Airline's rates and charges for the use of Terminal space at the Airport under the Tariff or Airline's lease, as applicable, and City shall not subject Airline to a different rates and charges methodology for the use of Terminal space at the Airport during the Term; provided, however, that City may modify the New Rate Methodology in a manner generally applicable to all Terminals with the written consent of Signatory Airlines that are then operating at the Airport. City shall give written notice and meet with the Signatory Airlines to discuss any such proposed modification. In lieu of providing written notice to each Signatory Airline, City may provide written notice to the Airline Airport Affairs Committee ("AAAC") at the Airport. City shall provide at least thirty (30) days

written notice of the meeting and request the written consent of the Signatory Airlines to the proposed modification no less than forty-five (45) days following the meeting. Such consent shall be deemed to have been given if the modification is approved in writing by a vote of Signatory Airlines that collectively paid no less than fifty-one percent (51%) of the total rates and charges paid under the New Rate Methodology by all Signatory Airlines during the immediately preceding fiscal year, and the Signatory Airlines voting to approve the modification paid no less than sixty-seven percent (67%) of the total rates and charges paid under the New Rate Methodology during the immediately preceding fiscal year by all Signatory Airlines participating in the vote. An airline consortium shall not itself participate in such a vote, but the rates and charges paid by a consortium that is party to this Agreement shall be credited proportionately to any of its members who are Signatory Airlines and participate in such a vote.

City and Airline acknowledge that during the Term questions may inevitably arise about the application of the New Rate Methodology in new or unforeseen circumstances. They commit to work together in good faith to resolve any such questions to the satisfaction of City and all Signatory Airlines in ways that are consistent with the intent of this Agreement and may not require any changes to the New Rate Methodology under this Section 3.

4. Tier One Revenue Sharing. City will share the concession revenues that City derives from the Terminals at the Airport with all Signatory Airlines in accordance with the following formulas ("Tier One Revenue Sharing"), which reduce the otherwise-indicated Terminal Buildings Requirement and FIS Requirement calculated under the New Rate Methodology. Airlines that are not signatories to this Agreement shall not be eligible for Tier One Revenue Sharing.

4.1. Tier One Terminal Buildings Revenue Sharing.

- (a) Commencing with calendar year 2014 (because the Terminal Buildings Rate for 2013 is fixed under Section 5.1 of this Agreement), the Terminal Buildings Requirement otherwise calculated under Section 2.2.1 of the New Rate Methodology for any given calendar year shall be reduced by the full amount of Tier One Terminal Buildings Concession Revenue applicable to that year. The Terminal Buildings Rate (and all rates derived from it under the New Rate Methodology) charged to all Signatory Airlines, including Airline, shall reflect the fixed rate prescribed for 2013 by Section 5.1 and, in subsequent years, the reduction in the Terminal Buildings Requirement yielded by Tier One Revenue Sharing.
- (b) For purposes of this section, the following definitions shall be used:
 - (i) "Terminal Buildings Concession Revenue" shall mean all revenue received by City from Terminal Buildings Concessions in the immediately preceding Fiscal Year.

- (ii) "Tier One Terminal Buildings Concession Revenue" shall mean fifty percent (50%) of the amount, if any, of Terminal Buildings Concession Revenue received by City in the immediately preceding Fiscal Year that is above the Terminal Buildings Concession Baseline.
- (iii) "Terminal Buildings Concessions" means all concessions and concessions management in the Terminal Buildings at the Airport (other than Terminal 4, unless and until all Airlines using Terminal 4 become subject to the New Rate Methodology) including, but not limited to, food and beverage, retail, telecommunications, ATMs, luggage carts, advertising and sponsorships, and Terminal commercial management and Terminal media operations. Terminal Building Concessions do not include FIS Concessions or parking and rental car concessions.
- (iv) "Terminal Buildings Concession Baseline" shall mean Sixty-Seven Million Dollars (\$67,000,000) as of July 1, 2011 and as subsequently adjusted as of July 1, 2013 and as of July 1 of each following year to reflect any changes after June 30, 2011 in the consumer price index published by the Bureau of Labor Statistics for "all urban consumers" for "all items" for the Los Angeles-Riverside-Orange County Area.

4.2. Tier One FIS Concession Revenue Sharing.

- (a) Commencing with calendar year 2016 (because the FIS Rates for 2013, 2014 and 2015 are fixed under Section 6 of this Agreement), the Gross FIS Requirement otherwise calculated under Section 2.3.1 of the New Rate Methodology for any given calendar year shall be reduced by the full amount of Tier One FIS Concession Revenue applicable to that year. The FIS Rate charged to all Signatory Airlines, including Airline, for calendar year 2016 and subsequent years shall reflect the reduction in the Gross FIS Requirement yielded by Tier One Concession Revenue Sharing.
- (b) For purposes of this section, the following definitions shall be used:
 - (i) "FIS Concessions" means duty free and foreign exchange concessions at the Airport. FIS Concessions do not include Terminal Buildings Concessions or parking and rental car concessions.
 - (ii) "Tier One FIS Concession Revenue" shall mean twenty-five percent (25%) of all revenues received by City from FIS Concessions contracts in the immediately preceding Fiscal Year.

5. Signatory Transitional Phase-In. City will phase in the rates and charges calculated under the New Rate Methodology for all Signatory Airlines, including Airline, by implementing the following signatory transitional phase-in ("STP") discounts to the Terminal Buildings Rate and all rates derived from it under the New Rate Methodology for each of the calendar years 2013 through 2017:

- 5.1. The Terminal Buildings Rate shall be Seventy-Five Dollars (\$75) for calendar year 2013 (when Tier One Revenue Sharing will not yet be in effect).
- 5.2. The Terminal Buildings Rate calculated pursuant to Section 4 of this Agreement to reflect Tier One Revenue Sharing shall be discounted by twenty percent (20%) for calendar year 2014.
- 5.3. The Terminal Buildings Rate calculated pursuant to Section 4 of this Agreement to reflect Tier One Revenue Sharing shall be discounted by fifteen percent (15%) for calendar year 2015.
- 5.4. The Terminal Buildings Rate calculated pursuant to Section 4 of this Agreement to reflect Tier One Revenue Sharing shall be discounted by ten percent (10%) for calendar year 2016.
- 5.5. The Terminal Buildings Rate calculated pursuant to Section 4 of this Agreement to reflect Tier One Revenue Sharing shall be discounted by five percent (5%) for calendar year 2017.

Illustrative calculations displaying how Tier One Revenue Sharing and the STP discounts will affect the rates and charges otherwise calculated under the New Rate Methodology are attached to this Agreement as Exhibit B through Exhibit H.

6. Fixed Signatory FIS Rates. For three (3) years City will lower and fix the FIS Rate otherwise calculated under Section 2.3 of the New Rate Methodology, and all Signatory Airlines, including Airline, shall be charged the following rates for each Deplaned International Passenger for the period from January 1, 2013 through December 31, 2015 for the use of the FIS Areas:

January 1, 2013 – December 31, 2013:	\$ 8.50
January 1, 2014 – December 31, 2014:	\$ 9.50
January 1, 2015 – December 31, 2015:	\$10.50

7. Capped Common Use Holdroom Fee. During any calendar year, City shall not charge any Signatory Airline, including Airline, cumulative Common Use Holdroom Fees for the use of a given Common Use Holdroom that exceed the Common Use Holdroom Cap. For purposes of this Section, "Common Use Holdroom Cap" means, for any given calendar year, the product of (x) the Terminal Buildings Rate calculated in accordance with this Agreement for that year and (y) the average number of square feet in all Common Use Holdrooms in the Terminals. For purposes of determining whether a Signatory Airline's cumulative Common Use Holdroom Fees for a given Common Use Holdroom exceed the Common Use Holdroom Cap, City shall include

Common Use Holdroom Fees paid by a Signatory Airline for the use of other Common Use Holdrooms if such Signatory Airline provides written documentation reasonably acceptable to the Executive Director that the use of such other Common Use Holdrooms was required in order to accommodate the schedule of another airline on the Common Use Holdroom for which the cumulative Common Use Holdrooms Fees are being computed.

8. Terminal Renewal and Improvement Fund & Tier Two Revenue Sharing. To provide a dedicated funding source for future Terminal capital improvement projects, City shall establish a Terminal Renewal and Improvement Fund ("TRIF").

8.1. Net Terminal Area Cash Flow. At the end of each calendar year, commencing at the end of calendar year 2013, the Net Terminal Area Cash Flow shall be deposited to the TRIF; provided, however, that the annual deposit of the Net Terminal Area Cash Flow shall not exceed the Net Terminal Area Cash Flow Cap. For purposes of this Section, the "Net Terminal Area Cash Flow" for any calendar year shall mean the difference between (a) the total revenues received by City from all sources for use of space in the Terminals (including Terminal 4) and (b) the sum of (x) debt service (net of PFC's) and Operations and Maintenance Expenses allocable to the Terminals and (y) required Reserve Deposits allocable to the Terminals (including Terminal 4) for the immediately preceding Fiscal Year. The "Net Terminal Area Cash Flow Cap" shall mean One Hundred Twenty-Five Million Dollars (\$125,000,000) as of July 1, 2013 and as adjusted as of July 1 of each following year to reflect any changes after July 1, 2013 in the consumer price index published by the Bureau of Labor Statistics for "all urban consumers" for "all items" for the Los Angeles-Riverside-Orange County Area. If at the end of any calendar year the Net Terminal Cash Flow exceeds the Net Terminal Cash Flow Cap, fifty percent (50%) of the funds in excess of the Net Terminal Cash Flow Cap shall be deposited to the Tier Two Revenue Sharing Fund; the remaining fifty percent (50%) of any such excess funds shall be deposited to City's revenue fund for City's unrestricted use for airport system capital or operating costs in accordance with applicable law.

8.2. Use of TRIF and Tier Two Revenue Sharing.

(a) TRIF.

(i) The funds in TRIF, if any, shall only be used by City to fund Capital Improvements in the Terminals unless the Executive Director reasonably determines, after consultation with the Signatory Airlines (except when exigent circumstances make such consultation impractical), that funds in TRIF are needed for other airport purposes (x) as a result of emergencies, including natural disasters or acts of war, (y) to meet regulatory or security requirements or (z) to satisfy bond covenants. The costs of Terminal projects funded by TRIF shall be amortized over the project's useful life and recovered through future rates and charges.

(ii) The TRIF Balance at the end of each fiscal year shall not exceed the TRIF Cap. At the end of each fiscal year, fifty percent (50%) of the funds in excess of the TRIF Cap shall be deposited to the Tier Two Revenue Sharing

Fund; the remaining fifty percent (50%) of any such excess funds shall be deposited to City's revenue fund for City's unrestricted use for airport system capital or operating costs in accordance with applicable law. For purposes of this Section, the "TRIF Balance" shall mean the TRIF account balance as of July 1 after depositing the Net Terminal Area Cash Flow pursuant to Section 8.1 of this Agreement for the immediately preceding fiscal year and including any accrued interest. The "TRIF Cap" shall mean Five Hundred Million Dollars (\$500,000,000), as of July 1, 2013 and as adjusted as of July 1 of each following year to reflect any changes after July 1, 2013 in the consumer price index published by the Bureau of Labor Statistics for "all urban consumers" for "all items" for the Los Angeles-Riverside-Orange County Area.

(b) Tier Two Revenue Sharing Fund Distributions.

(i) Commencing in calendar year 2014 and continuing on an annual basis until the end of the Term, the funds in the Tier Two Revenue Sharing Fund, if any, shall be distributed among all of the Signatory Airlines in the form of a credit (the "Tier Two Credit") at the end of each calendar year. Tier Two Credits can only be used by a Signatory Airline, including Airline, as an offset against amounts due to City in the following order of priority: first, against any amounts due to City on account of Airline's use of Terminal space at the Airport; and second, against any landing fees due to City on account of Airline's use of the airfield at the Airport. Tier Two Credits will not be issued in cash. Tier Two Credits must be used within twelve (12) months after they are issued and expire immediately if Airline ceases operations at the Airport for any reason other than the closure of the Airport. The distribution of Tier Two Credits shall be subject to the eligibility rules set forth below in subsection (ii) and shall be based upon the ratio of each Signatory Airline's payments of Terminal charges during the preceding calendar year to all payments of Terminal charges by Signatory Airlines during the preceding calendar year. The calculation of Tier Two Credits shall be made after the annual adjustment-to-actual of rates pursuant to Section 2.10 of the New Rate Methodology.

(ii) Conditions for the Issuance and Use of the Tier Two Credit. To be eligible to receive a Tier Two Credit, if any, for any given calendar year Airline must be operating at the Airport at the time the Tier Two Credits are issued. Airline will only be eligible to use Tier Two Credits as offsets against amount due to City, in accordance with Section 8.2(b)(i), if at the time Airline seeks to use such Credits, Airline is not in arrears to City by more than 45 (forty-five) days for any outstanding amount due on account of Airline's use of Terminal space or use of the airfield at the Airport for which City has given Airline notice (and for purposes of this Section 8.2(b)(ii), the discharge of a debt in a bankruptcy proceeding at any time during the preceding two (2) years shall not constitute the elimination of an arrearage or the payment of any amount to City).

An illustrative calculation displaying how Tier Two Revenue Sharing will work is attached to this Agreement as Exhibit I.

9. Terminal Capital Improvements.

9.1. Consultation. The AAAC will designate a representative of all Signatory Carriers (the "Airline Technical Representative") and will meet periodically with City to consult about the scope and status of Capital Improvements with costs allocable to the Terminals ("Terminal Capital Improvements"). City will meet with the Airline Technical Representative and the Signatory Airlines at least once each year to review Terminal Capital Improvements. The intent of these meetings is for City and Signatory Airlines to develop a common understanding of current and future Terminal Capital Improvements based upon reasonably available information. At each such meeting, City will provide the following: (a) a list and description of each Terminal Capital Improvement that is planned, designed or in construction at the time of the meeting; (b) the estimated gross project cost and construction schedule for each Terminal Capital Improvement; and (c) the anticipated source of funds for each Terminal Capital Improvement; and (d) the anticipated impact of each Terminal Capital Improvement on charges to be calculated in accordance with the New Rate Methodology and this Agreement, as well as any other information provided to the Board about each such Terminal Capital Improvement. City will give due consideration to written comments on these subjects provided to City by Signatory Airlines or the Airline Technical Representative within thirty (30) days of any such meeting and will advise the Board of any such comments when requesting Board action on any Terminal Capital Improvement that is the subject of such comments.

9.2. Funding Sources. Terminal Capital Improvements may be funded from one or more of the sources listed below. City's goal is to achieve a cumulative funding mix consistent with the targets set forth below for the Terminal Capital Improvements undertaken by City during the Term of this Agreement.

Sources of Funds	Target
<ul style="list-style-type: none">• TRIF• Airport revenue other than TRIF	<ul style="list-style-type: none">• Up to 30% of Project costs
<ul style="list-style-type: none">• Federal grants-in-aid	<ul style="list-style-type: none">• Where available to pay eligible Project costs
<ul style="list-style-type: none">• Airport revenue bonds	<ul style="list-style-type: none">• The balance of Project costs
<ul style="list-style-type: none">• PFC's	<ul style="list-style-type: none">• No less than 35% of PFC-eligible Project costs, including debt service, subject to availability and FAA approval

Airline acknowledges that the actual mix of sources used to fund Terminal Capital Improvements during the Term of this Agreement may vary depending upon, but not limited to, the following factors: (a) the availability of funds in TRIF and airport revenue accounts; (b) federal funding levels and Project eligibility; (c) the allowable amounts and uses of PFC's;

and (d) capital market conditions. City will defer for five years from the date of beneficial occupancy the collection of any amortization charges associated with the use of TRIP moneys to fund new Terminal Capital Improvements.

10. Partial Settlement Agreement. If Airline is a party to the 2008 "Partial Settlement Agreement" or the 2010 "First Amendment" to the Partial Settlement Agreement with City (collectively, the "PSA") regarding the calculation of rates for use of the Tom Bradley International Terminal ("TBIT"), Airline acknowledges and agrees that (a) this Agreement is in complete satisfaction of Sections 1.5(a) and 1.5(c) of the PSA; (b) the STP discounts described in Section 5 of this Agreement satisfy whatever remaining obligation, if any, City might otherwise have to provide the credit outlined in Recital G of the Partial Settlement Agreement and in Recital D of the First Amendment; and (c) Recital G and Section 1.3 of the Partial Settlement Agreement, and Recital D of the First Amendment, are all null and void, with no further effect.

11. Letter Agreement. If Airline is a signatory to a form of Letter Agreement approved by the Board on October 20, 2008 (Board Order No. AO-5108) or May 3, 2010 (Board Order No. AO-5159), Airline acknowledges and agrees that the Letter Agreement is terminated effective January 1, 2013 and that the section of the Letter Agreement with the heading "*LAX III Decision*" (which is either Section 2 or Section 3 of such Airline's Letter Agreement) is null and void, with no further effect.

12. Pending USDOT Complaints.

12.1. If Airline is a complainant in *Alaska Airlines, Inc. v. Los Angeles World Airports*, USDOT Docket No. OST-2007-27331 ("*LAX III*"), Airline acknowledges and agrees that its complaint in such proceeding before the USDOT is moot and consents to its dismissal with prejudice.

12.2. If Airline is a complainant in *Aer Lingus Group PLC v. Los Angeles World Airports*, USDOT Docket No. OST-2007-28118 ("*LAX IV*"), Airline acknowledges and agrees that its complaint in such proceeding before the USDOT does not now present a significant dispute within the meaning of 49 U.S.C. § 47129(c)(2) and consents to its dismissal with prejudice.

13. No Challenge to New Rate Methodology. Airline agrees that it will not contest or challenge, in any forum, the reasonableness or validity of the New Rate Methodology; provided, however, that Airline reserves the right to dispute whether the rates adopted by City for any given calendar year were calculated in accordance with the New Rate Methodology and this Agreement. Any such dispute shall be resolved in a court of competent jurisdiction in Los Angeles County, California unless otherwise agreed by City.

14. More Favorable Rate Methodology. If during the Term of this Agreement City adopts a new Tariff or otherwise makes available to other Airlines an alternative rate methodology that is more favorable than the New Rate Methodology, Airline may, at its option, elect to have its rates and charges calculated under such alternative rate methodology rather than in accordance with

this Agreement; provided, however, that if Airline makes such an election, Airline shall waive whatever rights, if any, it might have to Tier One Revenue Sharing, Tier Two Revenue Sharing and the Transitional Phase-In under this Agreement.

15. No Third Party Rights Or Obligations. No person or entity not a Party to or expressly identified as a beneficiary under this Agreement shall have any third-party beneficiary or other rights under this Agreement.

16. Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of California.

17. Venue. Any litigation concerning this Agreement may only be filed in a court of competent jurisdiction in Los Angeles County, California.

18. Binding Agreement. This Agreement shall be binding upon the Parties hereto and their respective successors and assigns, corporate parents, subsidiaries and affiliates, and representatives, including a debtor in possession, a chapter 11 trustee or a chapter 7 trustee in a case or cases commenced under 11 U.S.C. §§ 101 *et seq.*

19. Headings. Descriptive headings are used in this Agreement for convenience only and shall not control, limit, amplify or otherwise modify or affect the terms and provisions of this Agreement or the meaning or construction of the terms and provisions of this Agreement.

20. Multiple Counterparts. This Agreement may be executed in a number of identical counterparts, each of which for all purposes is deemed an original, and all of which constitute collectively one agreement. Facsimile signatures may be utilized, but original signature pages must be provided to the Board.

21. Sole Agreement. THIS WRITTEN AGREEMENT REPRESENTS THE FINAL AGREEMENT AMONG THE PARTIES WITH RESPECT TO THE SUBJECT MATTER HEREOF, AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

Delta Airlines, Inc.

By: [Signature]

Printed Name:

Tim Boucher

Its: CM: CORP REAL ESTATE

DATE: 12-7, 2012

Attest:

By: [Signature]

Printed Name:

Sonja LaVigne

Its: SE Analyst - Corp Real Estate

DATE: 12/7/12, 2012

THE CITY OF LOS ANGELES; LOS ANGELES WORLD AIRPORTS; LOS ANGELES BOARD OF AIRPORT COMMISSIONERS

By: [Signature]

Printed Name:

Debbie Bowers

Its: Deputy Executive Director of Commercial Development

APPROVED AS TO FORM:
CARMEN A. TRUTANICH, City Attorney

By: [Signature]
Deputy Assistant City Attorney

DATE: 12/12, 2012

EXHIBIT A

(SEE EXHIBIT C OF LEASE FOR TERMINALS 2/3)

Exhibit E

Preferential Use Gates on Delta Relocation to Terminals 2 & 3 at LAX

Terminal 2	21 21B 22 23 24 24A 25 26 27 28
Terminal 3	30 31A 31B 32 33A 33B 34 35 36 37A 37B 38

LOS ANGELES ADMINISTRATIVE CODE

Div. 10, Ch. 1, Art. 1

CHILD SUPPORT

Sec. 10.10. Child Support Assignment Orders.

a. Definitions.

1. **Awarding Authority** means a subordinate or component entity or person of the City (such as a City department or Board of Commissioners) that has the authority to enter into a contract or agreement for the provision of goods or services on behalf of the City of Los Angeles.

2. **Contract** means any agreement, franchise, lease or concession including an agreement for any occasional professional or technical personal services, the performance of any work or service, the provision of any materials or supplies, or the rendering of any service to the City of Los Angeles or to the public which is let, awarded or entered into with, or on behalf of, the City of Los Angeles or any awarding authority thereof.

3. **Contractor** means any person, firm, corporation, partnership or any combination thereof which submits a bid or proposal or enters into a contract with any awarding authority of the City of Los Angeles.

4. **Subcontractor** means any person, firm, corporation, partnership or any combination thereof who enters into a contract with a contractor to perform or provide a portion of any contract with the City.

5. **Principal Owner** means any person who owns an interest of 10 percent or more in a contractor or subcontractor as defined herein.

b. Mandatory Contract Provisions.

Every contract that is let, awarded or entered into with or on behalf of the City of Los Angeles shall contain a provision obligating the contractor or subcontractor to fully comply with all applicable State and Federal employment reporting requirements for the contractor or subcontractor's employees. The contractor or subcontractor will also be required to certify that the principal owner(s) thereof are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them

personally, that the contractor or subcontractor will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignments in accordance with California Family Code §§ 5230 *et seq.* and that the contractor or subcontractor will maintain such compliance throughout the term of the contract.

Failure of a contractor or subcontractor to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignments or Notices of Assignment or failure of the principal owner(s) to comply with any Wage and Earnings Assignments or Notices of Assignment applicable to them personally shall constitute a default under the contract. Failure of the contractor or subcontractor or principal owner thereof to cure the default within 90 days of notice of such default by the City shall subject the contract to termination.

c. Notice to Bidders.

Each awarding authority shall be responsible for giving notice of the provisions of this ordinance to those who bid on, or submit proposals for, prospective contracts with the City.

d. Current Contractor Compliance.

Within 30 days of the operative date of this ordinance, the City, through its operating departments, shall serve upon existing contractors a written request that they and their subcontractors (if any) comply with all applicable State and Federal employment reporting requirements for the contractor and subcontractor's employees, that they certify that the principal owner(s) of the contractor and any subcontractor are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally, that the contractor and subcontractor will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignments in accordance with California Family Code § 5230 *et seq.* and that the contractor and subcontractor will maintain such compliance throughout the term of the contract.

e. City's Compliance with California Family Code.

The City shall maintain its compliance with the provisions of California Family Code §§ 5230 *et seq.* and all other applicable law regarding its obligations as an employer to implement lawfully served Wage and Earnings Assignments and Notices of Assignment.

f. Report of Employees' Names to District Attorney.

1. The City shall maintain its current practice of assisting the District Attorney's support enforcement activities by annually reporting to the Los Angeles County District Attorney the names of all of its employees and retirees so that the District Attorney may identify those employees and retirees subject to Wage and Earnings Assignment Orders and Notices of Assignment and may establish court orders for support, where appropriate. Should the District Attorney so request it, the City will provide such information on a more frequent basis.

2. All applicants for employment with the City of Los Angeles will be asked to acknowledge their responsibility to comply with any court ordered support obligations and will be advised of the City's practice of assisting the District Attorney as described in the provisions of Subsection f.1., above.

SECTION HISTORY

Added by Ord. No. 172,401, Eff. 2-13-99.

LOS ANGELES WORLD AIRPORTS



CONTRACTOR RESPONSIBILITY PROGRAM

RULES AND REGULATIONS FOR LEASES

Effective date: July 1, 2012

Procurement Services Division
7301 World Way West, 4th Floor
Los Angeles, CA 900145
(424) 646-5380
(424) 646-9262 (Fax)

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These Rules and Regulations are promulgated pursuant to Board Resolution #21601, the Los Angeles World Airports Contractor Responsibility Program (CRP). Each Requesting LAWA Division shall cooperate to the fullest extent with the Executive Director in the administration of the CRP. The Executive Director may amend these Rules and Regulations from time to time as required for the implementation of the CRP.

A. DEFINITIONS

- (a) **"Awarding Authority"** means either the Executive Director or the Board or the Board's designee.
- (b) **"Bid"** means an application submitted by a bidder in response to an Invitation for Bid, Request for Proposal or Request for Qualifications or other procurement process.
- (c) **"Bidder"** means any person or entity that applies for any contract whether or not the application process is through an Invitation for Bid, Request for Proposal, Request for Qualifications or other procurement process.
- (d) **"Board"** means the City of Los Angeles Board of Airport Commissioners.
- (e) **"Contract"** means any agreement for the performance of any work or service, the provisions of any goods, equipment, materials or supplies, or the rendition of any service to LAWA or to the public or the grant of a Public Lease, which is awarded or entered into by or on behalf of LAWA. The provisions of these Rules and Regulations shall apply to all leases that require Board approval.
- (f) **"Contractor"** means any person, firm, corporation, partnership, association or any combination thereof, which enters into a Contract with LAWA and includes a Public Lessee.
- (g) **"CRP Pledge of Compliance"** means the CRP Pledge of Compliance developed by PSD. The CRP Pledge of Compliance shall require Public Lessees and Public Sublessees to sign under penalty of perjury that the Public Lessees and Public Sublessees will:
 - (1) Comply with all applicable Federal, State, and local laws and regulations during the performance of the lease, including but not limited to laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees.
 - (2) Notify LAWA within 30 calendar days after receiving notification that any government agency has initiated an investigation that may result in a finding that

the tenant or did not comply with subparagraph (g)(1) above in the performance of the contract.

- (3) Notify LAWA within 30 calendar days of all findings by a government agency or court of competent jurisdiction that the Public Lessee or Public Sublessee has violated subparagraph (g)(1) above in the performance of the Public Lease.
 - (4) Provide LAWA within 30 calendar days updated responses to the CRP Questionnaire if any change occurs which would change any response contained within the completed CRP Questionnaire. Note: This provision does not apply to amendments of Public Leases not subject to the CRP and to Public Sublessees not required to submit a CRP Questionnaire.
 - (5) Ensure that Public Lessees and Public Sublessees with LAWA leases shall complete, sign and submit a CRP Pledge of Compliance attesting under penalty of perjury to compliance with subparagraphs (u)(1) through (4).
 - (6) Notify LAWA within 30 days of becoming aware of an investigation, violation or finding of any applicable Federal, State, or local law involving Public Sublessees in the performance of a LAWA contract.
 - (7) Cooperate fully with LAWA during an investigation and to respond to request(s) for information within ten (10) working days from the date of the Notice to Respond.
- (h) **"CRP Questionnaire"** means the set of questions developed by PSD that will assist LAWA in determining a bidder, proposer's or contractor's responsibility. Information solicited from the CRP Questionnaire may include but is not limited to: ownership and name changes, financial resources and responsibility, satisfactory performance of other contracts, satisfactory record of compliance with relevant laws and regulations, and satisfactory record of business integrity. PSD may amend the CRP Questionnaire from time to time.
- (i) **"Executive Director"** means the Executive Director of the City of Los Angeles Department of Airports.
- (j) **"Invitation for Bid" ("IFB")** means the process through which the City solicits Bids including Request for Proposals (**"RFP"**) and Requests for Qualifications (**"RFQ"**).
- (k) **"Los Angeles World Airports"** means the City of Los Angeles Department of Airports.
- (l) **"PSD"** means LAWA's Procurement Services Division.
- (m) **"Public Lease"** means a lease of LAWA property.
- (n) **"Public Lessee"** means a Contractor that leases LAWA property under a Public Lease.

- (o) **"Public Sublessee"** means a Subcontractor that subleases LAWA property from a Public Lessee.
- (p) **"PSD"** means LAWA's Procurement Services Division.
- (q) **"Subcontractor"** means any person not an employee who enters into a contract with a Contractor to assist the Contractor in performing a Contract, including a Contractor or subcontractor of a Public Lessee or Public Sublessee, to perform or assist in performing services on the leased premises.
- (r) **"Prospective Lessee"** means any person, firm, corporation, partnership, association or any combination thereof that currently does not have a Public Lease.
- (s) **"Prospective Sublessee"** means any person, firm, corporation, partnership, association or any combination thereof that currently does not sublease LAWA property from a Public Lessee.
- (t) **"Requesting LAWA Division"** means the LAWA division(s) which issued the RFB, RFP or RFQ.
- (u) **"Responsibility"** means possessing the necessary "trustworthiness" and "quality, fitness and capacity" to perform the work set forth in the contract.

B. SUBMISSION OF CRP QUESTIONNAIRES

1. **Prospective Lessees** are required to submit a completed and signed CRP Questionnaire for determination of responsibility prior to award of a Public Lease.
2. **Public Lessees, Prospective Sublessees and Public Sublessees** are not required to submit a completed and signed CRP Questionnaire.

C. LAWA REVIEW OF SUBMITTED CRP QUESTIONNAIRES (APPLICABLE TO PROSPECTIVE LESSEES ONLY)

1. Posting of CRP Questionnaires and Sublessee Lists:

The Requesting LAWA Division will forward to PSD the completed CRP Questionnaires and sublessee list(s), if any, submitted by the Prospective Lessees to make available for public review and comment for a minimum of fourteen (14) calendar days prior to the award of the Public Lease.

2. Departmental Review of CRP Questionnaires

- a. PSD will determine Contractor Responsibility from the completeness and accuracy of the information in the submitted CRP Questionnaire; information from various

compliance and regulatory agencies; accuracy and completeness of the information received from the public; and through PSD's own reviews and investigations.

- b. PSD may submit written requests to the Prospective Lessee for clarification or additional documentation. Failure to respond to these requests within the specified time may render the Prospective Lessee non-responsible and disqualified.
- c. PSD will report its findings and determination to the Requesting LAWA Division.
- d. No award of a Public Lease will be made by LAWA until after the CRP Questionnaire review and Contractor Responsibility determination has been made.
- e. The CRP Questionnaire of the Prospective Lessee that is awarded a Public Lease will be retained by PSD. The CRP Questionnaires of the Prospective Lessees that are not awarded a Public Lease will also be retained by PSD.

3. Claims Resulting from Public Review and Comments

Prospective Lessees:

- a. Claims regarding a Prospective Lessee's responsibility must be submitted to PSD in writing. However, PSD may investigate a claim regarding a Prospective Lessee's responsibility, whether or not it is submitted in writing.
- b. If PSD receives information which calls into question a Prospective Lessee's responsibility, and the information was received **before** LAWA awards a Public Lease to the Prospective Lessee, PSD shall:
 - (1) Notify the Requesting LAWA Division in writing that LAWA will not award a Public Lease, until PSD has completed investigation into the matter.
 - (2) Investigate the complaint, collect necessary documentation, and determine the complaint's validity.
 - (3) Upon completion of the investigation, notify the Requesting LAWA Division in writing of the results of the investigation.
 - (4) Findings from the PSD investigation received by the Requesting LAWA Division will be considered by the Awarding Authority as part of the determination of the Prospective Lessee's responsibility.

Public Lessee:

- a. Claims regarding a Public Lessee's responsibility must be submitted to PSD in writing. However, PSD may investigate a claim regarding a Public Lessee's responsibility, whether or not it is submitted in writing.

- b. If PSD receives written information that calls into question a Public Lessee's responsibility, PSD shall investigate the matter as required in Section G, LAWA Investigation.

D. AWARD AND EXECUTION OF PUBLIC LEASES

1. Determination of Responsibility and Award of Public Lease

- a. PSD shall determine whether a Prospective Lessee is a responsible lessee with the necessary trustworthiness, quality, fitness and capacity to comply with the terms of the Public Lease by considering the following:
 - (1) Completeness and accuracy of the information contained in the CRP Questionnaire;
 - (2) Completeness and accuracy of the information received from the public;
 - (3) Information and documentation from PSD's own investigation; and
 - (4) Information that may be available from any compliance or regulatory governmental agency.
- b. The Awarding Authority may award and execute a Public Lease to a Prospective Lessee only if:
 - (1) The Prospective Lessee's CRP Questionnaire, and sublessee's list(s), if any, has been made available for public review for at least fourteen (14) calendar days unless otherwise exempted from the posting requirement by the CRP;
 - (2) The Prospective Lessee is not being investigated pursuant to the CRP;
 - (3) The Prospective Lessee has not been found to be a non-responsible lessee pursuant to the CRP;
 - (4) The Prospective Lessee does not appear on any City list of debarred bidders or contractors; and
 - (5) The Prospective Lessee has met all other applicable City requirements.

2. Submission of Pledge of Compliance

Prospective Lessees/Prospective Sublessees:

- a. Unless otherwise exempt from the CRP, all Prospective Lessees and Prospective Sublessees are required to submit a CRP Pledge of Compliance signed under penalty of perjury. Failure to submit a CRP Pledge of Compliance as required may render the Prospective Lessees or Prospective Sublessees, as applicable, non-compliant with the terms of the Public Lease or a consent to sublease, as applicable, and subject to sanctions.

Public Sublessees:

- b. Prior to LAWA's execution of a consent to sublease with a Prospective Sublessee, the Public Lessee shall submit to LAWA a signed CRP Pledge of Compliance from each Public Sublessee listed as occupying space on the leasehold premises.

3. Public Sublessee Responsibility

- a. Public Lessees shall ensure that their sublessees meet the criteria for responsibility set forth in the CRP and these Rules and Regulations.
- b. Public Lessees shall ensure that sublessees occupying space on the LAWA leasehold premises shall complete and submit a signed CRP Pledge of Compliance.
- c. Public Lessees shall not sublease to any sublessee that has been determined or found to be a non-responsible contractor by LAWA or the City.
- d. Subject to approval by the Awarding Authority, Public Lessees may substitute a non-responsible sublessee with another sublessee.

4. Execution of Public Leases/Consent to Subleases

Prospective Lessees:

- a. Unless exempt from the CRP, all Public Leases subject to the CRP shall contain language obligating the Public Lessee to comply with the CRP.
- b. No Public Lease may be awarded unless:
 - (1) The Prospective Lessee's CRP Questionnaire, unless otherwise exempt, has been made available for public review for at least fourteen (14) calendar days
 - (2) The Prospective Lessee has submitted a signed CRP Pledge of Compliance.
 - (3) The Prospective Lessee's sublessee list, if any, has been made available for public review for at least fourteen (14) calendar days.
 - (4) The Prospective Lessee is determined by LAWA to be a Responsible Contractor.

Prospective Sublessee:

- a. Unless exempt from the CRP, all subleases subject to the CRP shall contain language obligating the Public Sublessee to comply with the CRP.
- b. No consent to sublease will be executed by LAWA unless the Public Lessee has submitted a signed CRP Pledge of Compliance by the Prospective Sublessee.

E. LEASE AMENDMENTS

Compliance with the CRP is required in any amendment to a Public Lease if the initial lease was not subject to the CRP, but the total term and amount of the lease, inclusive of all amendments, would make the lease subject to the CRP.

- a. A Public Lessee subject to the CRP because of an amendment to the Public Lease shall submit a CRP Pledge of Compliance to LAWA before the amendment can be executed by LAWA.
- b. Unless exempt from the CRP, all Public Lease amendments shall contain contract language obligating the Public Lessee to comply with the CRP.

F. NOTIFICATION OF INVESTIGATIONS AND UPDATE OF INFORMATION

1. Notification of Investigations

Public Lessees shall:

- a. Notify LAWA within 30 calendar days after receiving notification that any government agency has initiated an investigation that may result in a finding that the Public Lessees is not in compliance with any applicable Federal, State, or local law that apply to the Public Lease or City lease agreement, including but not limited to laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees.
- b. Notify LAWA within 30 calendar days of receiving notice of any findings by a government agency or court of competent jurisdiction that the Public Lessee violated any applicable Federal, State, or local law that apply to the Public Lease or City lease agreement, including but not limited to laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees.

2. Public Sublessee Notification of Investigations

Public Lessees shall ensure that Public Sublessees occupying the LAWA leasehold premises abide by these same updating requirements, including the requirement to:

- a. Notify LAWA within 30 calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that the Public Sublessee did not comply with any applicable Federal, State, or local law that apply to the Public Lease or City lease agreement, including but not limited to laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees.

- b. Notify LAWA within 30 calendar days of all findings by a government agency or court of competent jurisdiction that the Public Sublessee violated any applicable Federal, State, or local law that apply to the Public Lease or City lease agreement, including but not limited to laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees.

3. Update of CRP Questionnaire Information – applies to Public Lessees only.

- a. Updates of information contained in the Public Lessee's responses to the CRP Questionnaire shall be submitted to LAWA within thirty (30) days of any changes to the responses if the change would affect the Public Lessee's fitness and ability to comply with the terms of the Public Lease.
- b. PSD, or the Requesting LAWA Division, shall determine whether a Public Lessee in a specific situation should have provided updated information.
 - (1) If PSD, or the Requesting LAWA Division, becomes aware of new information concerning a Public Lessee and determines that the Public Lessee should have provided information or updated LAWA of such information, but the Public Lessee has not done so, PSD shall issue a written notice to the Public Lessee requiring the Public Lessee to submit the required information within (ten) 10 calendar days.
 - (2) If PSD or the Requesting LAWA Division becomes aware of new information concerning a Public Sublessee and determines that the Public Sublessee should have provided information or updated LAWA of such information, but the Public Sublessee has not done so, PSD shall issue a written notice to the Public Lessee requiring the Public Sublessee to submit the required information within (ten) 10 calendar days of receipt of the written notice.
- c. The Public Lessee's failure to provide information or updated information when required by LAWA, the CRP or these Rules and Regulations, may be considered a material breach of the Public Lease, and LAWA may initiate a "Non-Responsibility Hearing" pursuant to the procedures set forth in Section I of these Rules and Regulations.

- 4. Submission of CRP Questionnaire and Updates of CRP Questionnaire Responses Not Applicable to Sublessees:** The requirement that Public Lessees submit to LAWA CRP Questionnaires and updates to the CRP Questionnaire responses does not apply to Public Sublessees.

G. LAWA INVESTIGATION

- 1. Reporting of Alleged Violations:** Allegations of violations of the CRP or these Rules and Regulations shall be reported to PSD. Complaints regarding a Prospective

Lessee's or Public Lessee's responsibility should be submitted to PSD in writing. However, PSD may investigate any claim or complaint regarding a Prospective Lessee's or Public Lessee's responsibility, whether or not it is submitted in writing. Whether based on a written complaint or otherwise, PSD shall be responsible for investigating such alleged violations.

2. Process:

- a. Upon receipt of a complaint or upon initiation of an investigation, PSD shall notify the Requesting LAWA Division, the Awarding Authority, and the Prospective Lessee or Public Lessee, as applicable, in writing that an investigation has been initiated.
- b. The Prospective Lessee or Public Lessee, as applicable, shall cooperate fully with PSD in providing information. If the Prospective Lessee or Public Lessee, as applicable, fails to cooperate with PSD's investigation or fails to timely respond to PSD's requests for information, LAWA may initiate a non-responsibility hearing as set forth in Section 1 of these Rules and Regulations. A failure to cooperate by a Public Lessee may be deemed a material breach of the Public Lease, and the City may pursue all available remedies.
- c. To the extent permissible, PSD shall maintain the identity of the complainant, if any, confidential.
- d. Upon completion of the investigation, PSD shall prepare a written report of the findings and notify the Requesting LAWA Division, the Awarding Authority, and the Prospective Lessee or Public Lessee, as applicable, of the results.

3. Results of Investigation

Prospective Lessee

- a. When an investigation is completed before a Public Lease is awarded, PSD shall notify the Requesting LAWA Division and the Awarding Authority of the results, and the Requesting LAWA Division and the Awarding Authority will consider the information as part of the determination of a Prospective Lessee's responsibility during the bid/proposal review process.

Public Lessees

- b. When an investigation is completed after the execution of a Public Lease:
 - (1) If violations of the CRP are found, PSD shall notify the Requesting LAWA Division and the Public Lessee of the violation and require the Public Lessee to make corrections or take reasonable measures within 10 calendar days.
 - (2) If the Public Lessee fails to make corrections as required, PSD shall notify the

Requesting LAWA Division and the Awarding Authority and may recommend that the Awarding Authority:

- (i) Terminate the Public Lease.
- (ii) Initiate a hearing to declare the Public Lessee a non-responsible lessee.

H. VIOLATIONS OF THE CRP OR ITS RULES AND REGULATIONS

1. Violations of the CRP or of these Rules and Regulations may be considered a material breach of the Public Lease and may entitle LAWA or the City to terminate the Public Lease.
2. Alleged violations of the CRP or of these Rules and Regulations shall be reported to the PSD which will investigate all such complaints.
3. When a violation of the CRP or of these Rules and Regulations is found, PSD shall notify the Public Lessee and the Awarding Authority of the violation. PSD shall require the Public Lessee to correct the violation within 10 calendar days. Failure to correct violations or take reasonable measures to correct violations within 10 calendar days may result in PSD:
 - a. Recommending that the Awarding Authority declare a material breach of the Public Lease and that the Awarding Authority exercise all contractual and legal remedies available, including but not limited to termination of the Public Lease.
 - b. Recommending that the Awarding Authority declare the Public Lessee a non-responsible lessee by initiating, within 30 calendar days or as soon as practicable, a non-responsibility hearing in accordance with Section I of these Rules and Regulations.

I. NON-RESPONSIBILITY HEARING

1. The process of declaring a Prospective Lessee or a Public Lessee a non-responsible lessee shall be initiated by the Awarding Authority after consultation with the City Attorney's Office.
2. Before a Prospective Lessee or a Public Lessee may be declared non-responsible, the Prospective Lessee or a Public Lessee shall be notified of the proposed determination of non-responsibility and provided with an opportunity for a hearing.
3. The Awarding Authority or the Executive Director's designee shall preside over the non-responsibility hearing and shall provide the Prospective Lessee or Public Lessee with the following:

- a. The Prospective Lessee or Public Lessee shall be provided with written Notice of intent to declare the Prospective Lessee or Public Lessee non-responsible ("Notice") which shall state that the Awarding Authority intends to declare the Prospective Lessee or Public Lessee a non-responsible bidder, proposer or lessee.
- b. The Notice shall provide the Prospective Lessee or Public Lessee with the following information:
 - (1) That the Awarding Authority intends to declare the Prospective Lessee or Public Lessee a non-responsible bidder, proposer or lessee.
 - (2) A summary of the information upon which the Awarding Authority is relying.
 - (3) That the Prospective Lessee or Public Lessee has a right to respond to the information by requesting a hearing to rebut adverse information and to present evidence of its necessary trustworthiness, quality, fitness and capacity to comply with the terms of the Public Lease or proposed Public Lease.
 - (4) That the Prospective Lessee or Public Lessee must exercise the right to a hearing by submitting to the Awarding Authority a **written request** for a hearing **within 10 working days** of the date of the Notice.
 - (5) That failure to submit a written request for hearing within 10 working days of the date of the Notice shall be considered a waiver of the right to a hearing that allows the Awarding Authority to proceed with the determination of non-responsibility.
- c. If the Prospective Lessee or Public Lessee submits a written request for a hearing, the hearing may be held by the Awarding Authority for recommendation to the Board, which shall make the final decision.
- d. The hearing must allow the Prospective Lessee or Public Lessee an opportunity to address the issues contained in the Notice of Intent to declare the Prospective Lessee or a Public Lessee non-responsible.
- e. The Awarding Authority may determine that the Prospective Lessee or Public Lessee:
 - (1) Does not possess the necessary trustworthiness, quality, fitness, or capacity to comply with the terms of the Public Lease or proposed Public Lease, should be declared a non-responsible bidder, proposer or lessee, and recommend to the Board invocation of the remedies set forth in Section J of these Rules and Regulations.
 - (2) Should not be declared a non-responsible bidder, proposer or lessee.
- f. The Board's determination shall be final and constitute exhaustion of administrative remedies.
- g. The Board's final decision shall be in writing and shall be provided to the Prospective Lessee or Public Lessee, the LAWA Requesting Division and to PSD. If the Prospective Lessee or Public Lessee is declared to be non-responsible, a copy of the final decision shall also be provided to the CAO.

J. NON-RESPONSIBILITY SANCTIONS

Sanctions for Airline Tenants:

Airline lessees that do not comply with the CRP requirements or are determined non-responsible by LAWA will be declared to have a material breach of the Public Lease. LAWA may exercise its legal remedies thereunder, which are to include, but are not limited to:

1. Non-issuance of a successor air carrier operating permit, resulting in the payment of higher landing fees as a non-permitted carrier.
2. Termination of the Public Lease, which may result in the loss of exclusive or preferential gate assignments.

Sanctions for Non-Airline Tenants:

1. **Prospective Lessees** that do not comply with CRP requirements and/or are determined non-responsible by LAWA will be disqualified and will not be awarded a Public Lease.
2. **Public Lessees** that do not comply with CRP requirements and/or are determined non-responsible will be declared to have a material breach of the Public Lease. LAWA may exercise its legal remedies thereunder, which are to include, but not limited to the termination of the Public Lease.

Such lessee shall not occupy any leasehold premises in the proposed Public Lease, whether as a master lessee, a sublessee, a partner in a partnership, a participant in a joint venture, a member of a consortium, or in any other capacity.

3. Upon final determination of a Prospective Lessee or Public Lessee as a non-responsible lessee, PSD shall provide the LAWA Requesting Division and the Prospective Lessee or Public Lessee, as applicable, with a written notice summarizing the findings and applicable sanctions.
4. PSD shall maintain a listing of Prospective Lessees/Public Lessees who have been found non-responsible by LAWA pursuant to the CRP.

K. EXEMPTIONS

1. **Categorical Exemption:** The following types of Public Leases are categorically exempt from the CRP and these Rules and Regulations:

Public Leases with a governmental entity such as the United States of America, the State of California, a county, city or public agency of such entities, or a public or quasi-public corporation located therein and declared by law to have such public status.

2. **Board approval required for CRP Exemptions:** The following types of Public Leases are exempt from the requirement to submit a Questionnaire but remain subject to the

requirement that the Public Lessee submit a Pledge of Compliance and notify the Awarding Authority within 30 days of any information regarding investigations of the results of investigations by any governmental agency into the Public Lessee's compliance with applicable laws.

- a. Public Leases awarded on the basis of exigent circumstances when the Board finds that LAWA would suffer a financial loss or that LAWA operations would be adversely impacted.
 - (1) The Awarding Authority shall submit a request to PSD for waiver along with written certification that the required conditions exist.
 - (2) No contract may be exempted under this provision unless PSD has granted written approval of the waiver.
- b. Public Leases entered into based on Charter Section 371(e)(6). The Awarding Authority must certify in writing that the Public Lease is entered into in accordance with Charter Section 371(e)(6).

L. EFFECTIVE DATE OF RULES AND REGULATIONS

1. These Rules and Regulations apply to RFBs and RFPs issued after the Executive Director has approved these Rules and Regulations.
2. These Rules and Regulations apply to Public Leases entered into by LAWA after the Executive Director has approved these Rules and Regulations.
3. Public Leases amended after these Rules and Regulations are approved by the Executive Director will become subject to CRP and these Rules and Regulations if they meet definitions contained in the CRP and these Rules and Regulations.

M. CONSISTENCY WITH FEDERAL AND STATE LAW

The CRP and these Rules and Regulations do not apply in instances where application would be prohibited by Federal and State law or where the application would violate or be inconsistent with the terms and conditions of a grant or contract with the Federal or State agency.

N. SEVERABILITY

If any provision of the CRP or these Rules and Regulations are declared legally invalid by any court of competent jurisdiction, the remaining provisions remain in full force and effect.

**LOS ANGELES WORLD AIRPORTS
CONTRACTOR RESPONSIBILITY PROGRAM
QUESTIONNAIRE FOR PROSPECTIVE TENANTS**

On December 4, 2001, the Board of Airport Commissioners adopted Resolution No. 21601, establishing LAWA's Contractor Responsibility Program (CRP). The intent of the program is to ensure that all LAWA tenants have the necessary quality, fitness and capacity to comply with the terms of the lease. To assist LAWA in making this determination, each prospective tenant is required to complete and submit the attached CRP Questionnaire prior to award of the new lease. The submitted CRP questionnaire will become public record and information contained therein will be available for public review for at least fourteen (14) calendar days prior to the award of the new lease, except to the extent that such information is exempt from disclosure pursuant to applicable law.

The signatory of this questionnaire guarantees the truth and accuracy of all statements and answers to the questions herein. Failure to complete and submit this questionnaire as required may render the prospective tenant non-compliant with the terms of the lease and result in non-award of the proposed lease. During the review period if the prospective tenant is found non-responsible, he/she is entitled to an Administrative Hearing, if a written request is submitted to LAWA within ten (10) working days from the date LAWA issued the non-responsibility notice. Final determination of non-responsibility will result in sanctions as outlined in the CRP Rules and Regulations for Leases.

All questionnaire responses must be typewritten or printed in ink. Where an explanation is required or where additional space is needed to explain an answer, use the CRP Questionnaire Attachment A. Submit the completed and signed Questionnaire and all attachments to LAWA. Retain a copy of this completed questionnaire for future reference. Tenants shall submit updated information to LAWA within thirty (30) days if changes have occurred that would make any of the responses inaccurate in any way.

A. LEASE DESCRIPTION AND LOCATION:

T2/T3 LEASE

B. TENANT INFORMATION:

<u>DELTA AIR LINES, INC</u>		<u></u>	
Legal Name		DBA	
<u>1030 DELTA BLVD DEPT 877 ATLANTA</u>	<u>GA</u>	<u>30354</u>	
Street Address	City	State	Zip
<u>SHANE JONES VP CRE</u>	<u>704 714 3498</u>	<u></u>	<u></u>
Contact Person, Title	Phone	Fax	

C. TYPE OF SUBMISSION:

- ☒ An initial submission of a CRP Questionnaire. **Please complete all questions and sign Attachment A.**
- ☐ Changes being reported. CRP Questionnaire dated ____/____/____ and previously submitted to LAWA is being updated. **Please complete all questions and sign Attachment A.**
- ☐ No changes being reported. CRP Questionnaire dated ____/____/____ and previously submitted to LAWA has no changes. **Please sign below and return this page.**

I certify under penalty of perjury under the laws of the State of California that there has been no change to any of the responses since the firm submitted the last CRP Questionnaire to LAWA.

<u>Shane Jones VP Corporate Real Estate</u>	<u>[Signature]</u>	<u>7/13/06</u>
Print Name, Title	Signature	Date

A. OWNERSHIP AND NAME CHANGES

1. In the past five (5) years, has your firm changed name?

☐ Yes ☒ No

If Yes, list on Attachment A, all the principal's names, prior legal and D.B.A. names, addresses, and the dates when used. Explain the specific (s) reason for each name change.

B. FINANCIAL RESOURCES AND RESPONSIBILITY

2. In the past five (5) years, has your firm ever been the debtor in a bankruptcy proceeding?

☐ Yes ☒ No

If Yes, explain on Attachment A the specific circumstances and dates surrounding each instance.

3. In the past five (5) years, has any bonding company made any payments to satisfy any claims made against a bond issued on your firm's behalf or a firm where you were the principal?

☐ Yes ☒ No Per Rick Price

If Yes, explain on Attachment A the specific circumstances surrounding each instance.

C. PERFORMANCE HISTORY

4. In the past five (5) years, has your firm ever defaulted under a lease agreement with a governmental entity or with a private individual or entity leading to termination of the lease?

☐ Yes ☒ No Per Jim Boucher, Sue Smith, Garland Reid, David Haman

If Yes, explain on Attachment A the specific circumstances surrounding each instance.

D. COMPLIANCE

5. In the past five (5) years, has your firm or any of its partners, or officers, been penalized for or been found to have violated any Federal, State, or local laws in the performance of a lease agreement, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws which affect employees?

☐ Yes ☒ No Per Meg Taylor's group

If Yes, explain on Attachment A the specific circumstances surrounding each instance, including the entity involved, the specific infraction(s), the dates of such instances, and the outcome and current status.

E. BUSINESS INTEGRITY

6. In the past five (5) years, has your firm been convicted of, or been found liable in a civil suit for making a false claim(s) or material misrepresentation(s) to any private or governmental entity in the United States?

☐ Yes ☒ No Per Scott McClain

If Yes, explain on Attachment A the specific circumstances surrounding each instance, including the entity involved, the specific infraction(s), the dates of such instances, and the outcome and current status.

7. In the past five (5) years, has your firm or any of its executives and management personnel, been convicted of a crime, including misdemeanors, or been found liable in a civil suit involving the bidding, awarding, or performance of a government lease agreement; or the crime of theft, fraud, embezzlement, perjury, or bribery?

☐ Yes ☒ No Per Scott McClain

If Yes, explain on Attachment A the specific circumstances surrounding each instance, including the entity involved, the specific infraction(s), the dates of such instances, and current status.

ATTACHMENT "A"
FOR ANSWERS TO QUESTIONS IN SECTIONS A THROUGH E

Use the space below to provide required additional information or explanation(s). Information submitted on this sheet must be typewritten. Indicate the question for which you are submitting the additional information. Information submitted on this Attachment will be available for public review, except to the extent that such information is exempt from disclosure pursuant to applicable law. Insert additional Attachment A pages as necessary.

CERTIFICATION UNDER PENALTY OF PERJURY

I certify under penalty of perjury under the laws of the State of California that I have read and understand the questions contained in this CRP Questionnaire. I further certify that I am responsible for the completeness and accuracy of the answers to each question, and that all information provided in response to this Questionnaire is true to the best of my knowledge and belief.

Jim Boucher - Director CRP [Signature] 6-30-16
Print Name, Title Signature Date

**LOS ANGELES WORLD AIRPORTS
CONTRACTOR RESPONSIBILITY PROGRAM
PLEDGE OF COMPLIANCE FOR LEASES**

The Los Angeles World Airports (LAWA) Contractor Responsibility Program (Board Resolution #21601) provides that, unless specifically exempted, LAWA Tenants for leases that require the Board of Airport Commissioners' approval shall comply with all applicable provisions of the LAWA Contractor Responsibility Program. Tenants for leases subject to the CRP are required to complete and submit this Pledge of Compliance with the lease agreement.. In addition, within ten (10) days of execution of any sublease agreement, the Tenant shall submit to LAWA this Pledge of Compliance from each Subtenant listed as performing work on, or otherwise occupying, the leasehold premises.

The Tenant agrees to comply with the Contractor Responsibility Program and the following provisions:

- (a) To comply with all applicable Federal, State, and local laws that apply to the lease agreement, including but not limited to, laws regarding health and safety, labor and employment, wage and hours, and licensing laws which affect employees.
- (b) To notify LAWA within thirty (30) calendar days after receiving notification that any government agency has initiated an investigation that may result in a finding that the Tenant is not in compliance with paragraph (a).
- (c) To notify LAWA within thirty (30) calendar days of all findings by a government agency or court of competent jurisdiction that the Tenant has violated paragraph (a).
- (d) To ensure that Subtenants occupying space through any Sublease in connection with a LAWA lease agreement shall complete and sign a Pledge of Compliance attesting under penalty of perjury to compliance with paragraphs (a) through (c) herein. To submit to LAWA the completed Pledges.
- (e) To notify LAWA within thirty (30) days of becoming aware of an investigation, violation or finding of any applicable Federal, State, or local law involving any Subtenant(s) in the LAWA lease agreement.
- (f) To cooperate fully with LAWA during an investigation and to respond to request(s) for information within ten (10) working days from the date of the Notice to Respond.

Failure to sign and submit this form to LAWA as required may render the Tenant non-compliant with the terms of the lease and subject to CRP sanctions.

BELTA AIR LINES, INC. 1030 BELTA BLVD ATLANTA, GA 30384
Company Name, Address and Phone Number (404) 877-7104

[Signature]
Signature of Officer or Authorized Representative 6-28-16
Date

THANE JONES VP CRE
Print Name and Title of Officer or Authorized Representative

12-13-16
Project Title

FIRST SOURCE HIRING PROGRAM FOR AIRPORT EMPLOYEES

- I. Purpose. The purpose of this First Source Hiring Program is to facilitate the employment of Targeted Applicants by Airport Employers. It is a goal of this First Source Hiring Program that this Program benefit Airport Employers by providing a pool of qualified job applicants through a non-exclusive referral system.
- II. Definitions. As used in this Program, the following capitalized terms shall have the following meanings. All definitions include both the singular and plural form.

"Airport" shall mean Los Angeles International Airport.

"Airport Employer" shall mean a party that, through a contract, lease, licensing arrangement, or other arrangement, agrees to comply with this First Source Hiring Program with regard to Airport Jobs. Operators of transportation charter party limousines, non-tenant shuttles, and taxis shall not be considered Airport Employers.

"Airport Job" shall mean a job that either (i) is performed On-Site, or (ii) is directly related to a contract, lease, licensing arrangement, or other arrangement under which the employer is an Airport Employer. Positions for which City's Worker Retention Policy requires hiring of particular individuals shall not constitute Airport Jobs for purposes of this Program.

"City" shall mean the City of Los Angeles.

"Coalition" shall mean the LAX Coalition for Economic, Environmental, and Educational Justice, an unincorporated association comprised exclusively of the following organizations: AGENDA; AME Minister's Alliance; Clergy and Laity United for Economic Justice; Coalition for Clean Air; Communities for a Better Environment; Community Coalition; Community Coalition for Change; Environmental Defense; Inglewood Coalition for Drug and Violence Prevention; Inglewood Democratic Club; Lennox Coordinating Council; Los Angeles Alliance for a New Economy; Los Angeles Council of Churches; Nation of Islam; Natural Resources Defense Council; Physicians for Social Responsibility Los Angeles; Service Employees International Union Local 347; and Teamsters Local 911.

"Coalition Representative" shall mean the following: The Coalition shall designate one individual as the "Coalition Representative" authorized to speak or act on behalf of the Coalition for all purposes under the Cooperation Agreement. The Coalition Representative may designate one or more assistants to assist the Coalition Representative in speaking or acting on behalf of the Coalition with respect to any specific program or activity or any other matter. The Coalition shall provide LAWA with contact information for the Coalition Representative upon request.

"Cooperation Agreement" shall mean the Cooperation Agreement between LAWA and the LAX Coalition for Economic, Environmental and Educational Justice.

"LAWA" shall mean Los Angeles World Airports.

"Low-Income Individual" shall mean an individual whose household income is no greater than 80% of the median income, adjusted for household size, for the Primary Metropolitan Statistical Area.

"On-Site" shall mean physically located on property owned or leased by LAWA and pertaining to Airport.

"Program" shall mean this First Source Hiring Program.

"Project Impact Area" shall have the meaning set forth in the "Final Environmental Impact Report" for the LAX Master Plan Program, dated April 2004, as supplemented by one or more EIR Addenda prior to certification of the EIR by the City Council.

"Referral System" shall mean the referral system established to provide applicant referrals for the Program.

"Special Needs Individuals" shall mean: (i) individuals who receive or have received public assistance through the [Temporary Assistance for Needy Families Program], within the past 24 months; (ii) individuals who are homeless; (iii) ex-offenders, (iv) chronically unemployed, and (v) dislocated airport workers.

"Targeted Applicants" shall have the meaning set forth in Section IV below.

III. Coverage. This Program shall apply to hiring by Airport Employers for all Airport Jobs, except for jobs for which the hiring procedures are governed by a collective bargaining contract that conflicts with this Program.

IV. Targeted Applicants. Referrals under the Program shall, to the extent permissible by law, be made in the order of priority set forth below.

- First Priority: Low-Income Individuals living in the Project Impact Area for at least one year and Special Needs Individuals; and

- Second Priority: Low-Income Individuals residing in City.

V. Initial Airport Employer Roles.

A. Liaison. Each Airport Employer shall designate a liaison for issues related to the Program. The liaison shall work with LAWA, the Coalition Representative, the Referral System provider, and relevant public officials to facilitate effective implementation of this Program.

- B. Long-Range Planning. Any entity that becomes an Airport Employer at least two (2) months prior to commencing operations related to Airport shall, at least two months prior to commencing operations related to Airport, provide to the Referral System the approximate number and type of Airport Jobs that it will fill and the basic qualifications necessary.

VI. Airport Employer Hiring Process.

- A. Notification of Job Opportunities. Prior to hiring for any Airport Job, an Airport Employer shall notify the Referral System, by e-mail or fax, of available job openings and provide a description of job responsibilities and qualifications, including expectations, salary, work schedule, duration of employment, required standard of appearance, and any special requirements (e.g., language skills, driver's license, etc.). Job qualifications shall be limited to skills directly related to performance of job duties.
- B. Referrals. After receiving a notification under Section VI.A above, the Referral System shall within five days, or longer time frame agreed to by the Referral System and Airport Employer, refer to the Airport Employer one or more Targeted Applicants who meet the Airport Employer's qualifications.
- C. Hiring.
1. New Employer Targeted Hiring Period. When making initial hires for the commencement of an Airport Employer's operations related to Airport, the Airport Employer shall consider and hire only Targeted Applicants for a two week period following provision of the notification described in Section VI.A. After this period, the Airport Employer shall make good-faith efforts to hire Targeted Applicants, but may consider and hire applicants referred or recruited through any source.
 2. Established Employer Targeted Hiring Period. When making hires after the commencement of operations related to Airport, an Airport Employer shall consider and hire only Targeted Applicants for a five-day period following provision of the notification described in Section VI.A. After this period, the Airport Employer shall make good-faith efforts to hire Targeted Applicants, but may consider and hire applicants referred or recruited through any source.
 3. Hiring Procedure During Targeted Hiring Periods. During the periods described in Sections VI.C.1 and VI.C.2 above, Airport Employers may hire Targeted Applicants recruited or referred through any source. During such periods Airport Employers shall use normal hiring practices, including interviews, to consider all applicants referred by the Referral System.

4. No Referral Fees. No Airport Employer or referred job candidate shall be required to pay any fee, cost or expense of the Referral System or this Program in connection with referrals.

VIII. Reporting and Recordkeeping.

- A. Reports. During the time that this Program is applicable to any Airport Employer, that Airport Employer shall, on a quarterly basis, notify the Referral System of the number, by job classification, of Targeted Applicants hired by the Airport Employer during that quarter, and the total number of employees hired by the Airport Employer for Airport Jobs during that quarter. Any Airport Employer who has not had hiring activity for the quarter, shall also notify the Referral System of such inactivity.
- B. Recordkeeping. During the time that this Program is applicable to any Airport Employer, that Airport Employer shall retain records sufficient for monitoring of compliance with this Program with regard to each Airport Job, including records of notifications sent to the Referral System, referrals from the Referral System, job applications received from any source, number of Targeted Applicants hired, and total number of employees hired for Airport Jobs. To the extent allowed by law, and upon reasonable notice, these records shall be made available to LAWA and to the Referral System for inspection upon request. The Coalition Representative may request that LAWA provide such records at anytime. Records may be redacted so that individuals are not identified by name and so that information required by law to remain confidential is excluded.
- C. Complaints. If LAWA, the Coalition, or the Referral System believes that an Airport Employer is not complying with this Program, then the designated LAWA office shall be notified to ensure compliance with this program.
- D. Liquidated Damages. Each Airport Employer agrees to pay to LAWA liquidated damages in the amount of One Thousand Dollars (\$1,000) where LAWA finds that the Airport Employer has violated this Program with regard to hiring for a particular Airport Job. LAWA shall establish procedures providing to Airport Employers notice and an opportunity to present all relevant evidence prior to LAWA's final determination regarding an alleged violation. This liquidated damages provision does not preclude LAWA from obtaining any other form of available relief to ensure compliance with this Program, including injunctive relief.

IX. Miscellaneous.

- A. Compliance with State and Federal Law. This Program shall be implemented only to the extent that it is consistent with the laws of the State of California and the United States. If any provision of this Program is held by a court of law to be in conflict with state or federal law, the applicable law shall prevail over the terms of

this Program, and the conflicting provisions of this Program shall not be enforceable.

- B. Severability Clause. If any term, provision, covenant or condition of this Program is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall continue in full force and effect.
- C. Binding on Successors. This Program shall be binding upon and inure to the benefit of the successors in interest, transferees, assigns, present and future partners, subsidiary corporations, affiliates, agents, representatives, heirs, and administrators of any party that has committed to comply with it. Any reference in this Program to a party shall be deemed to apply to any successor in interest, transferee, assign, present or future partner, subsidiary corporation, affiliate, agent, representative, heir or administrator of such party; provided, however, that any assignment, transfer or encumbrance of a lease agreement, permit or contract in which this Program is incorporated shall only be made in strict compliance with the terms of such lease agreement, permit or contract and the foregoing shall not constitute consent to any such assignment, transfer or encumbrance.
- D. Lease Agreements and Contracts. Airport Employers shall not execute any sublease agreement or other contract under which Airport Jobs may occur directly or indirectly, unless the entirety of this Program is included as a material term thereof, binding on all parties.
- E. Assurance Regarding Preexisting Contracts. Each Airport Employer warrants and represents that as of the date of execution of this Program, it has executed no sublease agreement or other contract that would violate any provision of this Program had it been executed after the date of incorporation of this Program into a binding contract.
- F. Intended Beneficiaries. LAWA, the Coalition, and the Referral System are intended third-party beneficiaries of contracts and other agreements that incorporate this Program with regard to the terms and provisions of this Program. However, the parties recognize that only LAWA has the sole responsibility to enforce the provisions of this Program.
- G. Material Terms. All provisions of this Program shall be material terms of any lease agreement or contract in which it is incorporated.
- H. Effective Date. Section VI of this Program shall become effective on the effective date of the contract or agreement into which it is incorporated.
- I. Construction. Any party incorporating this Program into a binding contract has had the opportunity to be advised by counsel with regard to this Program. Accordingly, this Program shall not be strictly construed against any party, and

the rule of construction that any ambiguities be resolved against the drafting party shall not apply to this Program.

- J. Entire Contract. This Program contains the entire agreement between the parties on the subjects described herein, and supersedes any prior agreements, whether written or oral. This Program may not be altered, amended or modified except by an instrument in writing signed in writing by all parties to the contract in which it is incorporated.

LOS ANGELES ADMINISTRATIVE CODE

Div. 10, Chap. 1, Art. 11

LIVING WAGE ORDINANCE

Sec. 10.37. Legislative Findings.

The City awards many contracts to private firms to provide services to the public and to City government. Many lessees or licensees of City property perform services that affect the proprietary interests of City government in that their performance impacts the success of City operations. The City also provides financial assistance and funding to others for the purpose of economic development or job growth. The City expends grant funds under programs created by the federal and state governments. Such expenditures serve to promote the goals established for those programs by such governments and similar goals of the City. The City intends that the policies underlying this article serve to guide the expenditure of such funds to the extent allowed by the laws under which such grant programs are established.

Experience indicates that procurement by contract of services has all too often resulted in the payment by service contractors to their employees of wages at or slightly above the minimum required by federal and state minimum wage laws. Such minimal compensation tends to inhibit the quantity and quality of services rendered by such employees to the City and to the public. Underpaying employees in this way fosters high turnover, absenteeism, and lackluster performance. Conversely, adequate compensation promotes amelioration of these undesirable conditions. Through this article the City intends to require service contractors to provide a minimum level of compensation that will improve the level of services rendered to and for the City.

The inadequate compensation typically paid today also fails to provide service employees with resources sufficient to afford life in Los Angeles. It is unacceptable that contracting decisions involving the expenditure of City funds should foster conditions placing a burden on limited social services. The City, as a principal provider of social support services, has an interest in promoting an employment environment that protects such limited resources. In requiring the payment of a higher minimum level of compensation, this article benefits that interest.

Nothing less than the living wage should be paid by the recipients of City financial assistance themselves. Whether they be engaged in manufacturing or some other line of business, the City does not wish to foster an economic climate where a lesser wage is all that is offered to the working poor. The same adverse social consequences from such inadequate

compensation emanate just as readily from manufacturing, for example, as service industries. This article is meant to protect these employees as well.

The City holds a proprietary interest in the work performed by many employees employed by lessees and licensees of City property and by their service contractors and subcontractors. In a very real sense, the success or failure of City operations may turn on the success or failure of these enterprises, for the City has a genuine stake in how the public perceives the services rendered for them by such businesses. Inadequate compensation of these employees adversely impacts the performance by the City's lessee or licensee and thereby does the same for the success of City operations. By the 1998 amendment to this article, recognition is given to the prominence of this interest at those facilities visited by the public on a frequent basis, including but not limited to, terminals at Los Angeles International Airport, Ports O'Call Village in San Pedro, and golf courses and recreation centers operated by the Department of Recreation and Parks. This article is meant to cover all such employees not expressly exempted.

Requiring payment of the living wage serves both proprietary and humanitarian concerns of the City. Primarily because of the latter concern and experience to date regarding the failure of some employers to honor their obligation to pay the living wage, the 1998 amendments introduce additional enforcement mechanisms to ensure compliance with this important obligation. Non-complying employers must now face the prospect of paying civil penalties, but only if they fail to cure non-compliance after having been given formal notice thereof. Where non-payment is the issue, employers who dispute determinations of non-compliance may avoid civil penalties as well by paying into a City holding account the monies in dispute. Employees should not fear retaliation, such as by losing their jobs, simply because they claim their right to the living wage, irrespective of the accuracy of the claim. The 1998 amendments strengthen the prohibition against retaliation to serve as a critical shield against such employer misconduct.

SECTION HISTORY

*Article and Section Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99.*

Sec. 10.37.1. Definitions.

The following definitions shall apply throughout this article:

(a) "Airport" means the Department of Airports and each of the airports which it operates.

(b) "Airport Employer" means an Employer, as the term is defined in this section, at the Airport.

(c) "Airport Employee" means an Employee, as the term is defined in this section, of an Airport Employer.

(d) "Awarding authority" means that subordinate or component entity or person of the City (such as a department) or of the financial assistance recipient that awards or is otherwise responsible for the administration of a service contract or public lease or license, or, where there is no such subordinate or component entity or person, then the City or the City financial assistance recipient.

(e) "City" means the City of Los Angeles and all awarding authorities thereof, including those City departments which exercise independent control over their expenditure of funds, but excludes the Community Redevelopment Agency of the City of Los Angeles ("CRA"). The CRA is urged, however, to adopt a policy similar to that set forth in this article.

(f) "City financial assistance recipient" means any person who receives from the City discrete financial assistance for economic development or job growth expressly articulated and identified by the City, as contrasted with generalized financial assistance such as through tax legislation, in accordance with the following monetary limitations. Assistance given in the amount of one million dollars (\$1,000,000) or more in any twelve-month period shall require compliance with this article for five years from the date such assistance reaches the one million dollar (\$1,000,000) threshold. For assistance in any twelve-month period totaling less than one million dollars (\$1,000,000) but at least one hundred thousand dollars (\$100,000), there shall be compliance for one year if at least one hundred thousand dollars (\$100,000) of such assistance is given in what is reasonably contemplated at the time to be on a continuing basis, with the period of compliance beginning when the accrual during such twelve-month period of such continuing assistance reaches the one-hundred thousand dollar (\$100,000) threshold.

Categories of such assistance include, but are not limited to, bond financing, planning assistance, tax increment financing exclusively by the City, and tax credits, and shall not include assistance provided by the Community Development Bank. City staff assistance shall not be regarded as financial assistance for purposes of this article. A loan shall not be regarded as financial assistance. The forgiveness of a loan shall be

regarded as financial assistance. A loan shall be regarded as financial assistance to the extent of any differential between the amount of the loan and the present value of the payments thereunder, discounted over the life of the loan by the applicable federal rate as used in 26 U.S.C. Sections 1274(d), 7872(f). A recipient shall not be deemed to include lessees and sublessees.

A recipient shall be exempted from application of this article if:

(1) it is in its first year of existence, in which case the exemption shall last for one (1) year,

(2) it employs fewer than five (5) employees for each working day in each of twenty (20) or more calendar weeks in the current or preceding calendar year, or

(3) it obtains a waiver as provided herein.

A recipient - who employs the long-term unemployed or provides trainee positions intended to prepare employees for permanent positions, and who claims that compliance with this article would cause an economic hardship - may apply in writing to the City department or office administering such assistance, which department or office which shall forward such application and its recommended action on it to the City Council. Waivers shall be effected by Council resolution.

(g) "Contractor" means any person that enters into:

(1) a service contract with the City,

(2) a service contract with a proprietary lessee or licensee or sublessee or sublicensee, or

(3) a contract with a City financial assistance recipient to assist the recipient in performing the work for which the assistance is being given. Vendors, such as service contractors, of City financial assistance recipients shall not be regarded as contractors except to the extent provided in Subsection (i).*

*Technical correction due to re-lettering of subsections: "Subsection (f)" corrected to "Subsection (i)".

(h) "Designated Administrative Agency (DAA)" means the Department of Public Works, Bureau of Contract Administration, who shall bear administrative responsibilities under this article.

(i) "Employee" means any person - who is not a managerial, supervisory, or confidential employee and who is not required to possess an occupational license - who is employed

(1) as a service employee of a contractor or subcontractor on or under the authority of one or more service contracts and who expends any of his or her time thereon, including but not limited to: hotel

employees, restaurant, food service or banquet employees; janitorial employees; security guards; parking attendants; nonprofessional health care employees; gardeners; waste management employees; and clerical employees;

(2) as a service employee - of a public lessee or licensee, of a sublessee or sublicensee, or of a service contractor or subcontractor of a public lessee or licensee, or sublessee or sublicensee - who works on the leased or licensed premises;

(3) by a City financial assistance recipient who expends at least half of his or her time on the funded project; or

(4) by a service contractor or subcontractor of a City financial assistance recipient and who expends at least half of his or her time on the premises of the City financial assistance recipient directly involved with the activities funded by the City.

(j) **"Employer"** means any person who is a City financial assistance recipient, contractor, subcontractor, public lessee, public sublessee, public licensee, or public sublicensee and who is required to have a business tax registration certificate by Los Angeles Municipal Code §§ 21.00 - 21.198 or successor ordinance or, if expressly exempted by the Code from such tax, would otherwise be subject to the tax but for such exemption; provided, however, that corporations organized under §501(c)(3) of the United States Internal Revenue Code of 1954, 26 U.S.C. §501(c)(3), whose chief executive officer earns a salary which, when calculated on an hourly basis, is less than eight (8) times the lowest wage paid by the corporation, shall be exempted as to all employees other than child care workers.

(k) **"Person"** means any individual, proprietorship, partnership, joint venture, corporation, limited liability company, trust, association, or other entity that may employ individuals or enter into contracts.

(l) **"Public lease or license"**.

(a) Except as provided in (l)(b)*, **"Public lease or license"** means a lease or license of City property on which services are rendered by employees of the public lessee or licensee or sublessee or sublicensee, or of a contractor or subcontractor, but only where any of the following applies:

*Technical correction due to re-lettering of subsections: "(l)(b)" corrected to "(l)(b)".

(1) The services are rendered on premises at least a portion of which is visited by substantial numbers of the public on a frequent basis (including, but not limited to, airport passenger terminals, parking lots, golf courses, recreational facilities); or

(2) Any of the services could feasibly be performed by City employees if the awarding authority had the requisite financial and staffing resources; or

(3) The DAA has determined in writing that coverage would further the proprietary interests of the City.

(b) A public lessee or licensee will be exempt from the requirements of this article subject to the following limitations:

(1) The lessee or licensee has annual gross revenues of less than the annual gross revenue threshold, three hundred fifty thousand dollars (\$350,000), from business conducted on City property;

(2) The lessee or licensee employs no more than seven (7) people total in the company on and off City property;

(3) To qualify for this exemption, the lessee or licensee must provide proof of its gross revenues and number of people it employs in the company's entire workforce to the awarding authority as required by regulation;

(4) Whether annual gross revenues are less than three hundred fifty thousand dollars (\$350,000) shall be determined based on the gross revenues for the last tax year prior to application or such other period as may be established by regulation;

(5) The annual gross revenue threshold shall be adjusted annually at the same rate and at the same time as the living wage is adjusted under section 10.37.2 (a);

(6) A lessee or licensee shall be deemed to employ no more than seven (7) people if the company's entire workforce worked an average of no more than one thousand two-hundred fourteen (1,214) hours per month for at least three-fourths (3/4) of the time period that the revenue limitation is measured;

(7) Public leases and licenses shall be deemed to include public subleases and sublicenses;

(8) If a public lease or license has a term of more than two (2) years, the exemption granted pursuant to this section shall expire after two (2) years but shall be renewable in two-year increments upon meeting the requirements therefor at the time of the renewal application or such period established by regulation.

(m) **"Service contract"** means a contract let to a contractor by the City primarily for the furnishing of services to or for the City (as opposed to the purchase of goods or other property or the leasing or renting of property) and that involves an expenditure in excess of twenty-five thousand dollars (\$25,000) and a contract term of at least three (3) months; but only where any of the following applies:

EXHIBIT I LIVING WAGE ORDINANCE

(1) at least some of the services rendered are rendered by employees whose work site is on property owned by the City,

(2) the services could feasibly be performed by City employees if the awarding authority had the requisite financial and staffing resources, or

(3) the DAA has determined in writing that coverage would further the proprietary interests of the City.

(n) "Subcontractor" means any person not an employee that enters into a contract (and that employs employees for such purpose) with

(1) a contractor or subcontractor to assist the contractor in performing a service contract or

(2) a contractor or subcontractor of a proprietary lessee or licensee or sublessee or sublicensee to perform or assist in performing services on the leased or licensed premises. Vendors, such as service contractors or subcontractors, of City financial assistance recipients shall not be regarded as subcontractors except to the extent provided in Subsection (l).*

*Technical correction due to re-lettering of subsections: "Subsection (f)" corrected to "Subsection (i)".

(o) "Willful violation" means that the employer knew of his, her, or its obligations under this article and deliberately failed or refused to comply with its provisions.

SECTION HISTORY

*Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; Subsec. (e), Ord. No. 176,155, Eff. 9-22-04; Subsec. (e), Ord. No. 176,283, Eff. 12-25-04, Oper. 9-22-04; Subsecs. (a) through (l) re-lettered (d) through (o), respectively and new Subsecs. (a), (b), and (c) added, Ord. No. 180,877, Eff. 10-19-09.*

Sec. 10.37.2. Payment of Minimum Compensation to Employees.

(a) **Wages.** Employers shall pay Employees a wage of no less than the hourly rates set under the authority of this article. The initial rates were seven dollars and twenty-five cents (\$7.25) per hour with health benefits, as described in this article, or otherwise eight dollars and fifty cents (\$8.50) per hour without health benefits. With the annual adjustment effective July 1, 2009, together with all previous annual adjustments as provided by this subsection, such rates are ten dollars and thirty cents (\$10.30) per hour with health benefits or, if health benefits are not provided, then fourteen dollars and eighty cents (\$14.80) per hour for Airport Employees and eleven dollars and fifty-five cents

(\$11.55) per hour for all other Employees. The hourly rate with health benefits to be paid to all Employees and the hourly rate without health benefits to be paid to Airport Employees shall be adjusted annually to correspond with adjustments, if any, to retirement benefits paid to members of the Los Angeles City Employees Retirement System (LACERS), made by the CERS Board of Administration under § 4.1040. The Office of Administrative and Research Services shall so advise the DAA of any such change by June 1 of each year and of the required new hourly rates, if any. On the basis of such report, the DAA shall publish a bulletin announcing the adjusted rates, which shall take effect upon such publication.

(b) **Compensated Days Off.** Employers shall provide at least twelve (12) compensated days off per year for sick leave, vacation, or personal necessity at the employee's request. Employers shall also permit employees to take at least an additional ten (10) days a year of uncompensated time to be used for sick leave for the illness of the employee or a member of his or her immediate family where the employee has exhausted his or her compensated days off for that year.

SECTION HISTORY

*Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; Subsec. (a), Ord. No. 173,285, Eff. 6-26-00, Oper. 7-1-00; Subsec. (a), Ord. No. 180,877, Eff. 10-19-09.*

Sec. 10.37.3. Health Benefits.

(a) **Health Benefits.** The health benefits required by this article shall consist of the payment of at least four dollars and fifty cents (\$4.50) per hour by Airport Employers and at least one dollar and twenty-five cents (\$1.25) per hour by all other Employers towards the provision of health care benefits for Employees and their dependents. Proof of the provision of such benefits must be submitted to the awarding authority to qualify for the wage rate in Section 10.37(a) for Employees with health benefits. Airport Employees cannot waive the health benefits offered by an Airport Employer when the Airport Employer does not require an out-of-pocket contribution by the Airport Employee. Consistent with and as shall be reflected in the hourly rates payable to Airport Employees as provided in 10.37.2(a) above, the amount of payment for health benefits by Airport Employers shall be adjusted annually to correspond with adjustments, if any, to retirement benefits paid to members of the Los Angeles City Employees Retirement System (LACERS), made by the CERS Board of Administration under § 4.1040. The Office of Administrative and Research Services shall so advise the DAA of any such change by June 1 of each year and of the required new hourly payments, if any. On the basis of such report, the DAA shall publish a bulletin announcing the adjusted payment, which shall take effect upon such publication.

(b) **Periodic Review.** At least once every three years, the Office of Administrative and Research Services shall review the health benefit payment by Airport Employers set forth in 10.37.3(a) to determine whether the payment accurately reflects the cost of health care and to assess the impacts of the health benefit payment on Airport Employers and Airport Employees and shall transmit a report with its findings to the Council.

SECTION HISTORY

*Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; In
Entirety, Ord. No. 180,877, Eff. 10-19-09.*

Sec. 10.37.4. Notifying Employees of their Potential Right to the Federal Earned Income Credit.

Employers shall inform employees making less than twelve dollars (\$12) per hour of their possible right to the federal Earned Income Credit ("EIC") under Section 32 of the Internal Revenue Code of 1954, 26 U.S.C. Section 32, and shall make available to employees forms informing them about the EIC and forms required to secure advance EIC payments from the employer.

SECTION HISTORY

*Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99.*

Sec. 10.37.5. Retaliation Prohibited.

Neither an employer, as defined in this article, nor any other person employing individuals shall discharge, reduce in compensation, or otherwise discriminate against any employee for complaining to the City with regard to the employer's compliance or anticipated compliance with this article, for opposing any practice proscribed by this article, for participating in proceedings related to this article, for seeking to enforce his or her rights under this article by any lawful means, or for otherwise asserting rights under this article.

SECTION HISTORY

*Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99.*

Sec. 10.37.6. Enforcement.

(a) An employee claiming violation of this article may bring an action in the Municipal Court or Superior Court of the State of California, as appropriate, against an employer and may be awarded:

(1) For failure to pay wages required by this article - back pay for each day during which the violation continued.

(2) For failure to pay medical benefits - the differential between the wage required by this article without benefits and such wage with benefits, less amounts paid, if any, toward medical benefits.

(3) For retaliation - reinstatement, back pay, or other equitable relief the court may deem appropriate.

(4) For willful violations, the amount of monies to be paid under (1) - (3) shall be trebled.

(b) The court shall award reasonable attorney's fees and costs to an employee who prevails in any such enforcement action and to an employer who so prevails if the employee's suit was frivolous.

(c) Compliance with this article shall be required in all City contracts to which it applies, and such contracts shall provide that violation of this article shall constitute a material breach thereof and entitle the City to terminate the contract and otherwise pursue legal remedies that may be available. Such contracts shall also include a pledge that there shall be compliance with federal law proscribing retaliation for union organizing.

(d) An employee claiming violation of this article may report such claimed violation to the DAA which shall investigate such complaint. Whether based upon such a complaint or otherwise, where the DAA has determined that an employer has violated this article, the DAA shall issue a written notice to the employer that the violation is to be corrected within ten (10) days. In the event that the employer has not demonstrated to the DAA within such period that it has cured such violation, the DAA may then:

(1) Request the awarding authority to declare a material breach of the service contract, public lease or license, or financial assistance agreement and exercise its contractual remedies thereunder, which are to include, but not be limited to, termination of the service contract, public lease or license, or financial assistance agreement and the return of monies paid by the City for services not yet rendered.

(2) Request the City Council to debar the employer from future City contracts, leases, and licenses for three (3) years or until all penalties and restitution have been fully paid, whichever occurs last. Such debarment shall be to the extent permitted by, and under whatever procedures may be required by, law.

(3) Request the City Attorney to bring a civil action against the employer seeking:

(i) Where applicable, payment of all unpaid wages or health premiums prescribed by this article; and/or

(ii) A fine payable to the City in the amount of up to one hundred dollars (\$100) for each violation for each day the violation remains uncured.

Where the alleged violation concerns non-payment of wages or health premiums, the employer will not be subject to debarment or civil penalties if it pays the monies in dispute into a holding account maintained by the City for such purpose. Such disputed monies shall be presented to a neutral arbitrator for binding arbitration. The arbitrator shall determine whether such monies shall be disbursed, in whole or in part, to the employer or to the employees in question. Regulations promulgated by the DAA shall establish the framework and procedures of such arbitration process. The cost of arbitration shall be borne by the City, unless the arbitrator determines that the employer's position in the matter is frivolous, in which event the arbitrator shall assess the employer for the full cost of the arbitration. Interest earned by the City on monies held in the holding account shall be added to the principal sum deposited, and the monies shall be disbursed in accordance with the arbitration award. A service charge for the cost of account maintenance and service may be deducted therefrom.

(e) Notwithstanding any provision of this Code or any other ordinance to the contrary, no criminal penalties shall attach for violation of this article.

SECTION HISTORY

*Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; Subsec. (d), Para. (1), Ord. No. 173,747, Eff. 2-24-01.*

Sec. 10.37.7. Administration.

The City Council shall by resolution designate a department or office, which shall promulgate rules for implementation of this article and otherwise coordinate administration of the requirements of this article ("designated administrative agency" - DAA). The DAA shall monitor compliance, including the investigation of claimed violations, and shall promulgate implementing regulations consistent with this article. The DAA shall also issue determinations that persons are City financial assistance recipients, that particular contracts shall be regarded as "service contracts" for purposes of Section 10.37.1(j), and that particular leases and licenses shall be regarded as "public leases" or "public licenses" for purposes of Section 10.37.1(i), when it receives an application for a determination of non-coverage or exemption as provided for in Section 10.37.13. The DAA shall also establish employer reporting requirements on employee compensation and on notification about and

usage of the federal Earned Income Credit referred to in Section 10.37.4. The DAA shall report on compliance to the City Council no less frequently than annually.

During the first, third, and seventh years of this article's operation since May 5, 1997, and every third year thereafter, the Office of Administrative and Research Services and the Chief Legislative Analyst shall conduct or commission an evaluation of this article's operation and effects. The evaluation shall specifically address at least the following matters:

(a) how extensively affected employers are complying with the article;

(b) how the article is affecting the workforce composition of affected employers;

(c) how the article is affecting productivity and service quality of affected employers;

(d) how the additional costs of the article have been distributed among workers, their employers, and the City. Within ninety days of the adoption of this article, these offices shall develop detailed plans for evaluation, including a determination of what current and future data will be needed for effective evaluation.

SECTION HISTORY

*Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; Ord. No. 173,285, Eff. 6-26-00, Oper. 7-1-00; Ord. No. 173,747, Eff. 2-24-01.*

Sec. 10.37.8. Exclusion of Service Contracts from Competitive Bidding Requirement.

Service contracts otherwise subject to competitive bid shall be let by competitive bid if they involve the expenditure of at least two-million dollars (\$2,000,000). Charter Section 372 shall not be applicable to service contracts.

SECTION HISTORY

*Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; Ord. No. 173,285, Eff. 6-26-00, Oper. 7-1-00.*

Sec. 10.37.9. Coexistence with Other Available Relief for Specific Deprivations of Protected Rights.

This article shall not be construed to limit an employee's right to bring legal action for violation of other minimum compensation laws.

SECTION HISTORY

Added by Ord. No. 171,547, Eff. 5-5-97.

Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99.

Sec. 10.37.10. Expenditures Covered.

This article shall apply to the expenditure - whether through aid to City financial assistance recipients, service contracts let by the City, or service contracts let by its financial assistance recipients - of funds entirely within the City's control and to other funds, such as federal or state grant funds, where the application of this article is consonant with the laws authorizing the City to expend such other funds.

SECTION HISTORY

Added by Ord. No. 171,547, Eff. 5-5-97.

Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99.

Sec. 10.37.11. Timing of Application.

(a) **Original 1997 Ordinance.** The provisions of this article as enacted by City Ordinance No.171,547, effective May 5, 1997, shall apply to

(1) contracts consummated and financial assistance provided after such date,

(2) contract amendments consummated after such date and before the effective date of the 1998 ordinance which themselves met the requirements of former Section 10.37.1(h) (definition of "service contract") or which extended contract duration, and

(3) supplemental financial assistance provided after May 5, 1997 and before the effective date of the 1998 ordinance which itself met the requirements of Section 10.37.1(c).

(b) **1998 Amendment.** The provisions of this article as amended by the 1998 ordinance shall apply to

(1) service contracts, public leases or licenses, and financial assistance agreements consummated after the effective date of such ordinance and

(2) amendments, consummated after the effective date of such ordinance, to service contracts, public leases or licenses, and financial assistance agreements that provide additional monies or which extend term.

(c) **2000 amendment.** The provisions of this article as amended by the 2000 ordinance shall apply to

(1) service contracts, public leases or public licenses and City financial assistance recipient agreements consummated after the effective date of such ordinance and

(2) amendments to service contracts, public leases or licenses and City financial assistance recipient agreements which are consummated after the effective date of such ordinance and which provide additional monies or which extend the term.

(d) **2009 Amendment.** The provisions of this article as amended by the 2009 ordinance shall become operative ninety (90) days following the effective date of the 2009 ordinance.

SECTION HISTORY

Added by Ord. No. 171,547, Eff. 5-5-97.

Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; Subsec.

(b), Subsec. (c) Added, Ord. No. 173,747, Eff. 2-24-01; Subsec. (d)

Added, Ord. No. 180,877, Eff. 10-19-09.

Sec. 10.37.12. Supersession by Collective Bargaining Agreement.

Parties subject to this article may by collective bargaining agreement provide that such agreement shall supersede the requirements of this article.

SECTION HISTORY

Added by Ord. No. 171,547, Eff. 5-5-97.

Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99.

Sec. 10.37.13. Liberal Interpretation of Coverage; Rebuttable Presumption of Coverage.

The definitions of "City financial assistance recipient" in Section 10.37.1(c), of "public lease or license" in Section 10.37.1(i), and of "service contract" in Section 10.37.1(j) shall be liberally interpreted so as to further the policy objectives of this article. All recipients of City financial assistance meeting the monetary thresholds of Section 10.37.1(c), all City leases and licenses (including subleases and sublicenses) where the City is the lessor or licensor, and all City contracts providing for services that are more than incidental, shall be presumed to meet the corresponding definition just mentioned, subject, however, to a determination by the DAA of non-coverage or exemption on any basis allowed by this article, including, but not limited to, non-coverage for failure to satisfy such definition. The DAA shall by regulation establish procedures for informing persons engaging in such transactions with the City of their opportunity to apply for a determination of non-coverage or exemption and procedures for making determinations on such applications.

SECTION HISTORY

Added by Ord. No. 172,336, Eff. 1-14-99.

Amended by: Ord. No. 173,747, Eff. 2-24-01.

Sec. 10.37.14. Severability.

If any provision of this article is declared legally invalid by any court of competent jurisdiction, the remaining provisions shall remain in full force and effect.

SECTION HISTORY

Added by Ord. No. 172,336, Eff. 1-14-99.

Sec. 10.37.15. Coexistence with Other Ordinances.

This article is not superseded by any requirement in Article 7 of Chapter XVIII of the Los Angeles Municipal Code.

SECTION HISTORY

Added by Ord. No. 183,805, Eff. 9-19-15.

LOS ANGELES ADMINISTRATIVE CODE

Div. 10, Ch. 1, Art. 10

SERVICE CONTRACTOR WORKER RETENTION ORDINANCE

Sec. 10.36 Findings and Statement of Policy.

The City awards many contracts to private firms to provide services to the public and to City government. The City awards many contracts to private firms to provide services to the public and to City government. The City also provides financial assistance and funding to others for the purpose of economic development or job growth. At the conclusion of the terms of a service contract with the City or with those receiving financial assistance from the City, competition results in the awarding of a service contract to what may be a different contractor. These new contracts often involve anticipated changes in different managerial skills, new technology or techniques, new themes or presentations, or lower costs.

The City expends grant funds under programs created by the federal and state governments. Such expenditures serve to promote the goals established for those programs by such governments and similar goals of the City. The City intends that the policies underlying this article serve to guide the expenditure of such funds to the extent allowed by the laws under which such grant programs are established.

Despite desired changes through the process of entering into new contracts, it is the experience of the City that reasons for change do not necessarily include a need to replace workers presently performing services who already have useful knowledge about the workplace where the services are performed.

Incumbent workers have already invaluable knowledge and experience with the work schedules, practices, and clients. The benefits of replacing these workers without such experiences decreases efficiency and results in a disservice to City and City financed or assisted projects.

Retaining existing service workers when a change in contractors occurs reduces the likelihood of labor disputes and disruptions. The reduction of the likelihood of labor disputes and disruptions results in the assured continuity of services to citizens who receive services provided by the City or by City financed or assisted projects.

It is unacceptable that contracting decisions involving the expenditure of City funds should have any potential effect of creating unemployment and the consequential need for social services. The City, as a principal provider of social support services, has an interest in the stability of employment under contracts with the City or by those receiving financial assistance from the City. The retention of existing workers benefits that interest.

SECTION HISTORY

Article and Section Added by Ord. No. 170,784, Eff. 1-13-96.

Amended by: Article and Section, Ord. No. 171,004, Eff. 5-18-96.

Sec. 10.36.1. Definitions.

The following definitions shall apply throughout this article:

(a) **"Awarding authority"** means that subordinate or component entity or person of the City (such as a department) or of the financial assistance recipient that awards or is otherwise responsible for the administration of a service contract or, if none, then the City or the City financial assistance recipient.

(b) **"City"** means the City of Los Angeles and all awarding authorities thereof, including those City departments which exercise independent control over their expenditure of funds, but excludes the Community Redevelopment Agency of the City of Los Angeles.

(c) **"City financial assistance recipient"** means any person that receives from the City in any twelve-month period discrete financial assistance for economic development or job growth expressly articulated and identified by the City totaling at least one hundred thousand dollars (\$100,000); provided, however, that corporations organized under Section § 501(c)(3) of the United States Internal Revenue Code of 1954, 26 U.S.C. § 501(c)(3), with annual operating budgets of less than five million dollars (\$5,000,000) or that regularly employ homeless persons, persons who are chronically unemployed, or persons receiving public assistance, shall be exempt.

Categories of such assistance include, but are not limited to, bond financing, planning assistance, tax

increment financing exclusively by the City, and tax credits, and shall not include assistance provided by the Community Development Bank. City staff assistance shall not be regarded as financial assistance for purposes of this article. A loan shall not be regarded as financial assistance. The forgiveness of a loan shall be regarded as financial assistance. A loan shall be regarded as financial assistance to the extent of any differential between the amount of the loan and the present value of the payments thereunder, discounted over the life of the loan by the applicable federal rate as used in 26 U.S.C. Sections 1274(d), 7872(f). A recipient shall not be deemed to include lessees and sublessees. Service contracts for economic development or job growth shall be deemed such assistance once the \$100,000 threshold is reached.

(d) **"Contractor"** means any person that enters into a service contract with the City or a City financial assistance recipient.

(e) **"Employee"** means any person employed as a service employee of a contractor or subcontractor earning less than fifteen dollars (\$15.00) per hour in salary or wage whose primary place of employment is in the City on or under the authority of a service contract and including but not limited to: hotel employees; restaurant, food service or banquet employees; janitorial employees; security guards; parking attendants; nonprofessional health care employees; gardeners; waste management employees; and clerical employees; and does not include a person who is (1) a managerial, supervisory, or confidential employees, or (2) required to possess an occupational license.

(f) **"Person"** means any individual, proprietorship, partnership, joint venture, corporation, limited liability company, trust, association, or other entity that may employ individuals or enter into contracts.

(g) **"Service contract"** means a contract let to a contractor by the City or a City financial assistance recipient primarily for the furnishing of services to or for the City or financial assistance recipient (as opposed to the purchase of goods or other property) and that involves an expenditure or receipt in excess of twenty-five thousand dollars (\$25,000) and a contract term of at least three months.

(h) **"Subcontractor"** means any person not an employee that enters into a contract with a contractor to assist the contractor in performing a service

contract and that employs employees for such purpose.

(i) **"Successor service contract"** means a service contract where the services to be performed are substantially similar to a service contract that has been recently terminated.

SECTION HISTORY

Added by Ord. No. 170,784, Eff. 1-13-96.

Amended by: Ord. No. 171,004, Eff. 5-18-96; Subsec. (c), Ord. No. 172,843, Eff. 11-4-99.

Sec. 10.36.2. Transition Employment Period.

(a) Where an awarding authority has given notice that a service contract has been terminated, or where a service contractor has given notice of such termination, upon receiving or giving such notice, as the case may be, the terminated contractor shall within ten (10) days thereafter provide to the successor contractor the name, address, date of hire, and employment occupation classification of each employee in employment, of itself or subcontractors, at the time of contract termination. If the terminated contractor has not learned the identity of the successor contractor, if any, by the time that notice was given of contract termination, the terminated contractor shall obtain such information from the awarding authority. If a successor service contract has not been awarded by the end of the ten (10)-day period, the employment information referred to earlier in this subsection shall be provided to the awarding authority at such time. Where a subcontract of a service contract has been terminated prior to the termination of the service contract, the terminated subcontractor shall for purposes of this article be deemed a terminated contractor.

(1) Where a service contract or contracts are being let where the same or similar services were rendered by under multiple service contracts, the City or City financial aid recipient shall pool the employees, ordered by seniority within job classification, under such prior contracts.

(2) Where the use of subcontractors has occurred under the terminated contract or where the use of subcontractors is to be permitted under the successor contract, or where both circumstances arise, the City or City financial assistance recipient shall pool, when applicable, the employees, ordered by seniority within job classification, under such prior contracts or

subcontracts where required by and in accordance with rules authorized by this article.

(b) A successor contractor shall retain, for a ninety (90)-day transition employment period, employees who have been employed by the terminated contractor or its subcontractors, if any, for the preceding twelve (12) months or longer. Where pooling of employees has occurred, the successor contractor shall draw from such pools in accordance with rules established under this article. During such ninety (90)-day period, employees so hired shall be employed under the terms and conditions established by the successor contractor (or subcontractor) or as required by law.

(c) If at anytime the successor contractor determines that fewer employees are required to perform the new service contract than were required by the terminated contractor (and subcontractors, if any), the successor contractor shall retain employees by seniority within job classification.

(d) During such ninety (90)-day period, the successor contractor (or subcontractor, where applicable) shall maintain a preferential hiring list of eligible covered employees not retained by the successor contractor (or subcontractor) from which the successor contractor (or subcontractor) shall hire additional employees.

(e) Except as provided in subsection (c) of this section, during such ninety (90)-day period the successor contractor (or subcontractor, where applicable) shall not discharge without cause an employee retained pursuant to this article. "Cause" for this purpose shall include, but not be limited to, the employee's conduct while in the employ of the terminated contractor or subcontractor that contributed to any decision to terminate the contract or subcontract for fraud or poor performance.

(f) At the end of such ninety (90)-day period, the successor contractor (or subcontractor, where applicable) shall perform a written performance evaluation for each employee retained pursuant to this article. If the employee's performance during such ninety (90)-day period is satisfactory, the successor contractor (or subcontractor) shall offer the employee continued employment under the terms and conditions established by the successor contractor (or subcontractor) or as required by law. During such ninety (90)-day period, the successor contractor shall maintain a preferential hiring list of eligible covered employees not retained by the successor contractor

from which the successor contractor shall hire additional employees.

(g) If the City or a City financial assistance recipient enters into a service contract for the performance of work that prior to the service contract was performed by the City's or the recipient's own service employees, the City or the recipient, as the case may be, shall be deemed to be a "terminated contractor" within the meaning of this section and the contractor under the service contract shall be deemed to be a "successor contractor" within the meaning of this section and section 10.36.3.

SECTION HISTORY

Added by Ord. No. 170,784, Eff. 1-13-96.

Amended By: Ord. No. 171,004, Eff. 5-18-96; Subsec. (g) Added, Ord. No. 172,349, Eff. 1-29-99.

Sec. 10.36.3. Enforcement.

(a) An employee who has been discharged in violation of this article by a successor contractor or its subcontractor may bring an action in the Municipal Court or Superior Court of the State of California, as appropriate, against the successor contractor and, where applicable, its subcontractor, and may be awarded:

(1) Back pay for each day during which the violation continues, which shall be calculated at a rate of compensation not less than the higher of:

(A) The average regular rate of pay received by the employee during the last 3 years of the employee's employment in the same occupation classification; or

(B) The final regular rate received by the employee.

(2) Costs of benefits the successor contractor would have incurred for the employee under the successor contractor's (or subcontractor's, where applicable) benefit plan.

(b) If the employee is the prevailing party in any such legal action, the court shall award reasonable attorney's fees and costs as part of the costs recoverable.

(c) Compliance with this article shall be required in all City contracts to which it applies, and such contracts shall provide that violation of this article

shall entitle the City to terminate the contract and otherwise pursue legal remedies that may be available.

(d) Notwithstanding any provision of this Code or any other ordinance to the contrary, no criminal penalties shall attach for any violation of this article.

SECTION HISTORY

*Added by Ord. No. 170,784, Eff. 1-13-96.
Amended By: Ord. No. 171,004, Eff. 5-18-96.*

Sec. 10.36.4. Exemption for Successor Contractor or Subcontractor's Prior Employees.

An awarding authority shall upon application by a contractor or subcontractor exempt from the requirements of this article a person employed by the contractor or subcontractor continuously for at least twelve (12) months prior to the commencement of the successor service contract or subcontract who is proposed to work on such contract or subcontract as an employee in a capacity similar to such prior employment, where the application demonstrates that (a) the person would otherwise be laid off work and (b) his or her retention would appear to be helpful to the contractor or subcontractor in performing the successor contract or subcontract. Once a person so exempted commences work under a service contract or subcontract, he or she shall be deemed an employee as defined in Section 10.36.1(e) of this Code.

SECTION HISTORY

*Added by Ord. No. 170,784, Eff. 1-13-96.
Amended By: Ord. No. 171,004, Eff. 5-18-96.*

Sec. 10.36.5. Coexistence with Other Available Relief for Specific Deprivations of Protected Rights.

This article shall not be construed to limit an employee's right to bring legal action for wrongful termination.

SECTION HISTORY

*Added by Ord. No. 170,784, Eff. 1-13-96.
Amended By: Ord. No. 171,004, Eff. 5-18-96.*

Sec. 10.36.6. Expenditures Covered by this Article.

This article shall apply to the expenditure, whether through service contracts let by the City or by its financial assistance recipients, of funds entirely

within the City's control and to other funds, such as federal or state grant funds, where the application of this article is consonant with the laws authorizing the City to expend such other funds. City financial assistance recipients shall apply this article to the expenditure of non-City funds for service contracts to be performed in the City by complying themselves with § 10.36.2(g) and by contractually requiring their service contractors to comply with this article. Such requirement shall be imposed by the recipient until the City financial assistance has been fully expended.

SECTION HISTORY

*Added by Ord. No. 171,004, Eff. 5-18-96.
Amended by: Ord. No. 172,337, Eff. 1-14-99; Ord. No. 172,843, Eff. 11-4-99*

Sec. 10.36.7. Timing of Application of Ordinances Adding and then Amending this Article.

The provisions of this article as set forth in City Ordinance No. 171,004 shall apply to contracts consummated and financial assistance provided after May 18, 1996 (the effective date of City Ordinance No. 171,004). As for contracts consummated and financial assistance provided after the original version of this article took effect on January 13, 1996 (by City Ordinance No. 170,784) and through May 18, 1996, the City directs its appointing authorities and urges others affected to use their best efforts to work cooperatively so as to allow application City Ordinance No. 171,004 rather than City Ordinance No. 170,784 to service contracts let during such period. No abrogation of contract or other rights created by City Ordinance No. 170,784, absent consent to do so, shall be effected by the retroactive application of City Ordinance No. 171,004.

SECTION HISTORY

*Added by Ord. No. 171,784, Eff. 1-13-96.
Amended by: Ord. No. 171,004, Eff. 5-18-96; Ord. No. 172,337, Eff. 1-14-99.*

Sec. 10.36.8. Promulgation of Implementing Rules.

The City Council shall by resolution designate a department or office, which shall promulgate rules for implementation of this article and otherwise coordinate administration of the requirements of this article.

SECTION HISTORY

Added by Ord. No. 171,004, Eff. 5-18-96.

Sec. 10.36.9. Severability.

If any severable provision or provisions of this article or any application thereof is held invalid, such invalidity shall not affect other provisions or applications of the article that can be given effect notwithstanding such invalidity.

SECTION HISTORY

Added by Ord. No. 171,004, Eff. 5-18-96.

LOS ANGELES ADMINISTRATIVE CODE

Div. 10, Ch. 1, Art. 1

EQUAL EMPLOYMENT

Sec. 10.8.3. Equal Employment Practices Provisions.

Every non-construction contract with or on behalf of the City of Los Angeles for which the consideration is \$1,000 or more, and every construction contract for which the consideration is \$1,000 or more, shall contain the following provisions, which shall be designated as the **EQUAL EMPLOYMENT PRACTICES** provision of such contract:

A. During the performance of this contract, the contractor agrees and represents that it will provide equal employment practices and the contractor and each subcontractor hereunder will ensure that in his or her employment practices persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

1. This provision applies to work or service performed or materials manufactured or assembled in the United States.
2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
3. The contractor agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.

B. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

C. As part of the City's supplier registration process, and/or at the request of the awarding authority, or the Board of Public Works, Office of Contract Compliance, the contractor shall certify in the specified format that he or she has not discriminated in the performance of City

contracts against any employee or applicant for employment on the basis or because of race, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status or medical condition.

D. The contractor shall permit access to and may be required to provide certified copies of all of his or her records pertaining to employment and to employment practices by the awarding authority or the Office of Contract Compliance for the purpose of investigation to ascertain compliance with the Equal Employment Practices provisions of City contracts. On their or either of their request the contractor shall provide evidence that he or she has or will comply therewith.

E. The failure of any contractor to comply with the Equal Employment Practices provisions of this contract may be deemed to be a material breach of City contracts. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to the contractor.

F. Upon a finding duly made that the contractor has failed to comply with the Equal Employment Practices provisions of a City contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, such failure to comply may be the basis for a determination by the awarding authority or the Board of Public Works that the said contractor is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Charter of the City of Los Angeles. In the event of such a determination, such contractor shall be disqualified from being awarded a contract with the City of Los Angeles for a period of two years, or until the contractor shall establish and

carry out a program in conformance with the provisions hereof.

G. Notwithstanding any other provision of this contract, the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.

H. The Board of Public Works shall promulgate rules and regulations through the Office of Contract Compliance, and provide necessary forms and required language to the awarding authorities to be included in City Request for Bids or Request for Proposal packages or in supplier registration requirements for the implementation of the Equal Employment Practices provisions of this contract, and such rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive orders. No other rules, regulations or forms may be used by an awarding authority of the City to accomplish the contract compliance program.

I. Nothing contained in this contract shall be construed in any manner so as to require or permit any act which is prohibited by law.

J. At the time a supplier registers to do business with the City, or when an individual bid or proposal is submitted, the contractor shall agree to adhere to the Equal Employment Practices specified herein during the performance or conduct of City Contracts.

K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:

1. Hiring practices;
2. Apprenticeships where such approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
3. Training and promotional opportunities; and
4. Reasonable accommodations for persons with disabilities.

L. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the City.

SECTION HISTORY

Amended by: Ord. No.147,030, Eff. 4-28-75; Paragraphs A., B., C., Ord. No. 164,516, Eff. 4-13-89; Paragraphs C., Ord. No.168,244, Eff. 10-18-92; Ord. No. 173,186, Eff. 5-22-00; Subsec. F., Ord. No.173,285, Eff. 6-26-00, Oper. 7-1-00.

LOS ANGELES ADMINISTRATIVE CODE

Div. 10, Ch. 1, Art. 1

AFFIRMATIVE ACTION

Sec. 10.8.4. Affirmative Action Program Provisions.

Every non-construction contract with or on behalf of the City of Los Angeles for which the consideration is \$100,000 or more and every construction contract with or on behalf of the City of Los Angeles for which the consideration is \$5,000 or more shall contain the following provisions which shall be designated as the **AFFIRMATIVE ACTION PROGRAM** provisions of such contract:

A. During the performance of a City contract, the contractor certifies and represents that the contractor and each subcontractor hereunder will adhere to an affirmative action program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

1. This provision applies to work or services performed or materials manufactured or assembled in the United States.

2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.

3. The contractor shall post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.

B. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

C. As part of the City's supplier registration process, and/or at the request of the awarding authority or the Office of Contract Compliance, the contractor shall certify on an electronic or hard copy form to be supplied, that the contractor has not discriminated in the performance of City contracts against any employee or applicant for employment on the basis or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

D. The contractor shall permit access to and may be required to provide certified copies of all of its records pertaining to employment and to its employment practices by the awarding authority or the Office of Contract Compliance, for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of City contracts, and on their or either of their request to provide evidence that it has or will comply therewith.

E. The failure of any contractor to comply with the Affirmative Action Program provisions of City contracts may be deemed to be a material breach of contract. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to the contractor.

F. Upon a finding duly made that the contractor has breached the Affirmative Action Program provisions of a City contract, the contract may be forthwith cancelled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, such breach may be the basis for a determination by the awarding authority or the Board of Public Works that the said contractor is an irresponsible bidder or

proposer pursuant to the provisions of Section 371 of the Los Angeles City Charter. In the event of such determination, such contractor shall be disqualified from being awarded a contract with the City of Los Angeles for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.

G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that the contractor has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a City contract, there may be deducted from the amount payable to the contractor by the City of Los Angeles under the contract, a penalty of TEN DOLLARS (\$10.00) for each person for each calendar day on which such person was discriminated against in violation of the provisions of a City contract.

H. Notwithstanding any other provisions of a City contract the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.

I. The Public Works Board of Commissioners shall promulgate rules and regulations through the Office of Contract Compliance and provide to the awarding authorities electronic and hard copy forms for the implementation of the Affirmative Action Program provisions of City contracts, and rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive Orders. No other rules, regulations or forms may be used by an awarding authority of the City to accomplish this contract compliance program.

J. Nothing contained in City contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.

K. The contractor shall submit an Affirmative Action Plan which shall meet the requirements of this chapter at the time it submits its bid or proposal or at the time it registers to do business with the City. The plan shall be subject to approval by the Office of Contract Compliance prior to award of the contract. The awarding

authority may also require contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Plan. Affirmative Action Programs developed pursuant to this section shall be effective for a period of twelve months from the date of approval by the Office of Contract Compliance. In case of prior submission of a plan, the contractor may submit documentation that it has an Affirmative Action Plan approved by the Office of Contract Compliance within the previous twelve months. If the approval is 30 days or less from expiration, the contractor must submit a new Plan to the Office of Contract Compliance and that Plan must be approved before the contract is awarded.

(1) Every contract of \$5,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall in addition comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.

(2) A contractor may establish and adopt as its own Affirmative Action Plan, by affixing his or her signature thereto, an Affirmative Action Plan prepared and furnished by the Office of Contract Compliance, or it may prepare and submit its own Plan for approval.

L. The Office of Contract Compliance shall annually supply the awarding authorities of the City with a list of contractors and suppliers who have developed Affirmative Action Programs. For each contractor and supplier the Office of Contract Compliance shall state the date the approval expires. The Office of Contract Compliance shall not withdraw its approval for any Affirmative Action Plan or change the Affirmative Action Plan after the date of contract award for the entire contract term without the mutual agreement of the awarding authority and the contractor.

M. The Affirmative Action Plan required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Board of Public Works, Office of Contract Compliance or the awarding authority shall, without limitation as to

the subject or nature of employment activity, be concerned with such employment practices as:

1. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
2. Classroom preparation for the job when not apprenticeable;
3. Pre-apprenticeship education and preparation;
4. Upgrading training and opportunities;
5. Encouraging the use of contractors, subcontractors and suppliers of all racial and ethnic groups, provided, however, that any contract subject to this ordinance shall require the contractor, subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the contractor's, subcontractor's or supplier's geographical area for such work;
6. The entry of qualified women, minority and all other journeymen into the industry; and
7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.

N. Any adjustments which may be made in the contractor's or supplier's work force to achieve the requirements of the City's Affirmative Action Contract Compliance Program in purchasing and construction shall be accomplished by either an increase in the size of the work force or replacement of those employees who leave the work force by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.

O. Affirmative Action Agreements resulting from the proposed Affirmative Action Plan or the pre-registration, pre-bid, pre-proposal or pre-award conferences shall not be confidential and may be publicized by the contractor at his or her discretion. Approved Affirmative Action Agreements become the property of the City and may be used at the discretion of the City in its Contract Compliance Affirmative Action Program.

P. This ordinance shall not confer upon the City of Los Angeles or any Agency, Board or Commission thereof any power not otherwise provided by law to determine the legality of any existing collective bargaining agreement and shall have application only to discriminatory employment practices by contractors or suppliers engaged in the performance of City contracts.

Q. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the City.

SECTION HISTORY

Amended by Ord. No. 147,030, Eff. 4-28-75; Paragraphs A., B., C., Ord. No. 164,516, Eff. 4-13-89; Paragraphs B. and C., Ord. No. 168,244, Eff. 10-18-92; Title and Section, Ord. No. 173,186, Eff. 5-22-00; Subsec. F, Ord. No. 173,285, Eff. 6-26-00, Oper. 7-1-00.

**ALTERNATIVE FUEL VEHICLE REQUIREMENT PROGRAM
(LAX ONLY)**

I. Definitions.

The following capitalized terms shall have the following meanings. All definitions include both the singular and plural form.

"Airport Contract" shall mean a contract awarded by LAWA and pertaining to LAX, and subcontracts of any level under such a contract.

"Airport Contractor" shall mean (i) any entity awarded an Airport Contract, and subcontractors of any level working under an Airport Contract; (ii) any contractors that have entered into a contract with an Airport Lessee to perform work on property owned by LAWA and pertaining to LAX, and any subcontractors working in furtherance of such a contract; and (iii) any contractor that have entered into a contract with an Airport Licensee to perform work pertaining to LAX, and any subcontractors working under such a contract.

"Airport Lessee" shall mean any entity that leases or subleases any property owned by LAWA and pertaining to LAX.

"Airport Licensee" shall mean any entity issued a license or permit by LAWA for operations that pertain to LAX.

"Alternative-Fuel Vehicle" shall mean a vehicle that is not powered by petroleum-derived gasoline or diesel fuel. Alternative-Fuel Vehicles include, but are not limited to, vehicles powered by compressed or liquefied natural gas, liquefied petroleum gas, methanol, ethanol, electricity, fuel cells, or other advanced technologies. Vehicles that are powered with a fuel that includes petroleum-derived gasoline or diesel are Alternative-Fuel Vehicles only if the petroleum-derived energy content of the fuel is no more than twenty percent (20%) of the total energy content of the fuel. Vehicles powered by dual fuel technologies are Alternative-Fuel Vehicles only if no more than twenty-percent (20%) of the fuel used by the engine comes from a petroleum-derived fuel. Vehicles powered by fuels that are derived from sources other than petroleum, but that can be used in conventional spark or combustion-ignition engines, are Alternative-Fuel Vehicles.

"CARB" shall mean the California Air Resources Board.

"Comparable Emissions Vehicle" shall mean a vehicle powered by an engine certified by CARB operating on petroleum-derived gasoline or diesel fuel that has criteria pollutant emissions less than or equal to a comparable alternative fuel engine.

"Covered Vehicles" is defined in Section II below.

"EPA" shall mean the United States Environmental Protection Agency.

"Independent Third Party Monitor" shall mean a person or entity empowered by LAWA to monitor compliance with and/or implementation of particular requirements in this policy.

"LAWA" shall mean Los Angeles World Airports.

"LAX" shall mean Los Angeles International Airport.

"Least-Polluting Available Vehicle" shall mean a vehicle that (i) is determined by an Independent Third Party Monitor to be (x) commercially available, (y) suitable for performance of a particular task, and (z) certified by CARB or EPA to meet the applicable engines emission standard in effect at the time of purchase; and (ii) is equipped with a retrofit device that reduces NOx emissions by at least twenty-five percent (25%) and reduces particulate matter by at least eighty-five percent (85%). Where more than one vehicle meets these requirements for a particular task, LAWA, working with the Independent Third Party Monitor, will designate as the Least-Polluting Available Vehicle the vehicle that emits the least amount of criteria air pollutants.

"Operator" shall mean any Airport Contractor, Airport Lessee, or Airport Licensee.

II. Covered Vehicles. The requirements under this Attachment shall apply to all on-road vehicles, including trucks, shuttles, passenger vans, and buses that are 8,500 lbs gross vehicle weight rating or more and are used in operations related to LAX ("Covered Vehicles").

III. Conversion Schedule.

- A. By January 31, 2010, fifty percent (50%) of the Covered Vehicles operated by an Operator shall be Alternative-Fuel Vehicles or Comparable Emissions Vehicles.
- B. By January 31, 2015, one hundred percent (100%) of the Covered Vehicles operated by an Operator shall be Alternative-Fuel Vehicles or Comparable Emissions Vehicles.

IV. Least-Polluting Available Vehicles. In cases where an Operator cannot comply with the requirements established pursuant to Section III above because neither Alternative-Fuel Vehicles nor Comparable Emissions Vehicles are commercially available for performance of particular tasks, LAWA will instead require Operators to use Least-Polluting Available Vehicles for such tasks. An Independent Third Party Monitor will determine on an annual basis whether Alternative-Fuel Vehicles or Comparable Emissions Vehicles are commercially available to perform particular tasks, and, in cases where Alternative-Fuel Vehicles are not commercially available for performance of a particular task, will identify the Least-Polluting Available Vehicle for performance of that task.

V. Written Reports. Operator shall complete and submit to LAWA the vehicle information required on the reporting form accessible on-line at <https://online.lawa.org/altfuel/> on a semi-annual basis. The reporting form may be amended from time to time by LAWA.