

THIRD AMENDMENT TO LEASE AGREEMENT
No. LAA-8758
BETWEEN THE CITY OF LOS ANGELES
FOR THE DEPARTMENT OF AIRPORTS AND
DENNY'S INC.
AT
5535 WEST CENTURY BOULEVARD, LOS ANGELES, CA 90045
AT LOS ANGELES INTERNATIONAL AIRPORT

THIS THIRD AMENDMENT TO Lease Agreement LAA-8758 (Lease Agreement LAA-8758 is also referred herein as the "Lease") is entered into this ____ day of _____, 20____, at Los Angeles, California, by and between the CITY OF LOS ANGELES, a municipal corporation, (herein after referred to as "City"), acting by order of and through the Board of Airport Commissioners (hereinafter referred to as "Board") of the Department of Airports, also known as Los Angeles World Airports (hereinafter referred to as "Department" or "LAWA"), and Denny's Inc. (hereinafter referred to as "Denny's", "Lessee", and/or "Party/Parties").

RECITALS

WHEREAS, City and Denny's previously entered into the Lease with the term commencing on May 1, 2013, through amendment extension, currently expiring on April 30, 2024; and

WHEREAS, City and Denny's desire to extend the Lease, and City is willing to enter into an agreement to extend the Lease, as well as increase the percentage of Gross Receipts payment to LAWA to Seven Percent (7%) from Six and three quarters Percent (6.75%) in the terms and conditions set forth in this Third Amendment; and

WHEREAS, LAWA is developing and constructing various projects associated with its Landside Access Modernization Program ("LAMP" or "Project") that have impacted Denny's and may require portions of Denny's Demised Premises (as defined in the Lease).

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

AMENDMENTS

Section 1. Article 1, Section 2, Term of Lease, is hereby amended in the following respects, only. Section 2.1 is hereby modified and Section 2.1.1 is added as follows:

"2.1 This Lease shall commence on May 1, 2013, ("Commencement Date"), and shall terminate April 30, 2025, with one (1) option ("Extension Option") to extend the Lease for an additional one-year term ("Option Term"), pursuant to the discretion of the City, unless the Lease is earlier terminated pursuant to the terms provided in this Lease, provided that either party may terminate the Lease with Sixty (60) days written notice to the other party.

2.1.1 During the Option Term, the terms and conditions of this Lease shall continue in effect except as to terms and conditions of this Lease which are expressly or by their operation applicable only during the original Term of this Lease. The exercise of the Extension Option shall not require an amendment to this Lease and shall not require the prior approval or later ratification by the Board or the Los Angeles City Council. For purposes of this Lease, unless otherwise provided herein, the phrase, "term of the Lease" and/or "Term" shall include any exercised portion of the Option Term if the Extension Option is exercised in accordance with this provision."

Section 2. Article 1, Section 4.1.2, is hereby deleted in its entirety, and lieu thereof the following shall be inserted:

"4.1.2. As consideration for the City granting the rights in this Lease, Lessee shall pay City commencing on the Rent Commencement Date, during the Term hereof, subject to the payment terms and as provided below, the greater of Six and three quarters Percent (6.75%) of Gross Receipts (As defined below) or a Minimum Annual Guarantee (MAG) of Two Hundred and sixty-four Thousand Dollars (\$264,000) from all sources. At the end of each Agreement year, Lessee shall reconcile the sum of all payments remitted to the City for that Agreement year. Should the sum be greater than the MAG, Lessee shall remit payment of the difference between such sum and the MAG within thirty (30) days of the end of the Agreement year.

(a) On May 1, 2024, the calculation applied to the Percentage of Gross Receipts referenced in Section 4.1.2. shall increase from Six and three quarters Percent (6.75%) to Seven Percent (7%)."

Section 3. Except as amended or modified by this Third Amendment, Lease Agreement LAA-8758 is hereby ratified and confirmed and all other terms of Lease Agreement LAA-8758 shall remain in full force and effect, unaltered and unchanged by this Third Amendment. If there is any conflict between the provisions of this Third Amendment and the provisions of Lease Agreement LAA-8758, the provisions of this Third Amendment shall prevail. Whether or not specifically amended by this Third Amendment, all terms and provisions of Lease Agreement LAA-8758 are amended to the extent necessary to give effect to the purpose and intent of this Third Amendment.

Section 4. **No Third Party Beneficiaries.** No provisions of Lease Agreement LAA-8758 or this Third Amendment may be amended or added to except by a written agreement signed by the Parties or their respective successors-in-interest. This Third Amendment is not intended to confer upon any person other than the Parties, any rights or remedies hereunder.

Section 5. **Governing Law; Interpretation.** This Third Amendment shall be governed by, and construed in accordance with, the laws of the State of California. Lease Agreement LAA-8758 and this Third Amendment are subject to the provisions of the Los Angeles Administrative

Code. Each Party represents and warrants that this Third Amendment has been negotiated and drafted at arms-length by equally sophisticated parties, and any ambiguity cannot be attributed to either Party hereto. If any provision of this Third Amendment, or the application thereof to any persons or circumstances, shall be invalid or unenforceable, the remainder of this Third Amendment shall not be affected thereby, and each provision of this Third Amendment shall be valid and shall be enforceable to the fullest extent permitted by law.

Section 6. Electronic Signatures. This Third Amendment to Lease and any other document necessary for the consummation of the transaction contemplated by this Third Amendment to Lease may be executed in counterparts, including counterparts that are manually executed and counterparts that are in the form of electronic records and are electronically executed. An electronic signature means a signature that is executed by symbol attached to or logically associate with a record and adopted by a party with the intent to sign such record, including facsimile or e-mail signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Third Amendment to Lease and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called PDF format shall be legal and binding and shall have the same full force and effect as if a paper original of this Third Amendment to Lease had been delivered that had been signed using a handwritten signature. All parties to this Third Amendment to Lease (i) agree that an electronic signature, whether digital or encrypted, of a party to this Third Amendment to Lease is intended to authenticate this writing and to have the same force and effect as a manual signature; (ii) intended to be bound by the signatures (whether original, faxed, or electronic) on any document sent or delivered by facsimile or electronic mail or other electronic means; (iii) are aware that the other party(ies) will rely on such signatures; and, (iv) hereby waive any defenses to the enforcement of the terms of this Third Amendment to Lease based on the foregoing forms of signature. If this Third Amendment to Lease has been executed by electronic signature, all parties executing this document are expressly consenting, under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 (“E-SIGN”) and the California Uniform Electronic Transactions Act (“UETA”) (California Civil Code §1633.1 et seq.), that a signature by fax, e-mail, or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.”

Section 7. Incorporation of Recitals. City and Lessee each acknowledge the truth and accuracy of the Recitals set forth above, which by this reference are incorporated into this Third Amendment to Lease.

[Signatures on the following page.]

IN WITNESS WHEREOF, City has caused this Third Amendment to be executed on its behalf by the Chief Executive Officer (also referred to as Executive Director) or his or her designee, and Lessee has caused the same to be executed by its duly authorized officers, all as of the day and year first herein above written.

APPROVED AS TO FORM:
Hydee Feldstein Soto, City Attorney

CITY OF LOS ANGELES

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

Date: _____

By: _____
Chief Executive Officer

By: _____
Deputy/Assistant City Attorney

ATTEST:

Denny's Inc.

By: Mark S. Burgess
Mark S. Burgess, Vice President

By: Stephen C. Dunn
Stephen C. Dunn, Executive Vice President
Stephen Dunn
Executive Vice President
Chief Global Development Officer

Its: Mark Burgess
Vice President, Real Estate
& Business Development
Real Estate and Business Development

Its: _____
Chief Global Development Officer

[SEAL]