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AMENDMENT NO. 4 TO THE INTERNATIONAL TERMINAL AND TERMINAL 3 NEWSSTANDS/CAFÉ LEASE
[Food & Beverage Minimum Annual Guarantee Reduction and Pre-Security Percentage Rent Reduction Program – Pre-Security Location – Percentage Rent Adjustment and MAG Methodology Adjustment]

This LEASE AMENDMENT NO. 4 TO THE INTERNATIONAL TERMINAL AND TERMINAL 3 NEWSSTANDS/CAFÉ LEASE NO. 12-0085 (this "**Amendment**") is dated as of the Effective Date (as defined below) and entered into by and between World Duty Free Group North America, LLC ("**Tenant**") and City and County of San Francisco ("**City**"), acting by and through its Airport Commission ("**Commission**").

RECITALS:

A. On April 17, 2012, by Resolution No. 12-0085, the Commission awarded to Tenant the International Terminal and Terminal 3 Newsstands/Café Lease (as amended, the "**Lease**") at San Francisco International Airport ("**Airport**"). The Lease was previously amended as follows:

(i) Amendment No. 1 with an effective date of June 22, 2017, approved on February 21, 2017 by Commission Resolution No. 17-0033 and on June 22, 2017 by Board of Supervisors Resolution No. 243-17;

(ii) Amendment No. 2 with an effective date of March 26, 2021, approved on October 6, 2020 by Commission Resolution No. 20-0180 and on January 5, 2021 by Board of Supervisors Ordinance No. 5-21; and

(iii) Amendment No. 3 with an effective date of April 25, 2024, approved on September 5, 2023 by Commission Resolution No. 23-0224 and on April 2, 2024 by Board of Supervisors Resolution No. 157-24.

C. On August 19, 2025, by Resolution No. 25-0130, the Commission authorized the Airport Director to implement the Food & Beverage Minimum Annual Guarantee Rent Reduction and Pre-Security Percentage Rent Reduction Program (the "**F&B Rent Reduction Program**") for 69 food and beverage leases at the Airport ("F&B Leases"). In recognition that these F&B Leases currently have an abnormally high rent as a percentage of sales brought about by an ongoing drop in per passenger spending, the F&B Rent Reduction Program, as it applies to this Amendment, establishes Percentage Rent at 6% of Tenant's Gross Revenues for the F&B facility of the Lease, and going forward, a new methodology for annual MAG adjustments that is more in line with common industry practice for such leases.

D. On ______________, by Resolution No. ____, the Board of Supervisors approved this Amendment pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

AGREEMENT:

1. Recitals. The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

2. Effective Date. This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, [including the approval of the Board of Supervisors], as set forth below on the signature page to this Amendment (the "**Effective Date**").

3. Amendments.

(a) **Lease Year:** The Lease Year shall be from January to December starting on January 1, 2026. The sales and rent for period December 1 - 31, 2025, shall be captured separately from prior lease year of December 1, 2024 to November 2025 and following lease year of January 1 to December 31, 2026.

(b) **MAG Adjustment Date:** The MAG shall occur on January 1, 2026 and every January 1 thereafter.

(c) **Base Rent:** Commencing in Lease Year 2026, Base Rent, as defined in the Major Lease Term Summary of the Lease shall be amended in its entirety as follows:

Base Rent for Space B, which is currently used for food and beverage permitted uses, shall be, per Lease Year (as defined below), the greater of the Space B MAG (as defined below) or six percent (6%) of Tenant's Gross Revenues generated from Space B (such sum being referred to as the "Space B Percentage Rent."

Base Rent for Spaces A, C, and D shall be the greater of the Spaces A, C, and D MAG (as defined below) or the following sum (such sum being referred to herein as the "Space A, C, and D Percentage Rent"):

(i) 12% of Gross Revenues (as defined below) generated from Spaces A, C, and D achieved up to and including $500,000; plus,
(ii) 14% of Gross Revenues generated from Spaces A, C, and D achieved from $500,000.01 up to and including $1,000,000; plus,
(iii) 16% of Gross Revenues generated from Spaces A, C, and D achieved over $1,000,000.

References in this Lease to "Base Rent" shall refer to the total aggregate amount of Base Rent for Space B and Base Rent for Spaces A, C, and D.

(d) **Minimum Annual Guarantee:** Commencing in Lease Year 2026, Minimum Annual Guarantee, as defined in the Major Lease Terms Summary of the Lease, shall be amended in its entirety as follows:

"Space B MAG in Lease Year 2026" shall be the Minimum Annual Guarantee for Space B and shall equal in the amount of $61,975.00 per annum, which is the lesser of MAG or 6% of gross revenues for Calendar Year 2024, and which shall be subject to adjustments as described below and (b) suspension and reinstatement under certain circumstances as described herein.

"Spaces A, C, and D MAG" shall be the Minimum Annual Guarantee for Spaces A, C, and D, which is based on the square footage of Spaces A, C, and D in proportion to Space B, and which shall be subject to adjustments as described below and (b) suspension and reinstatement under certain circumstances as described herein. For avoidance of doubt, Spaces A, C, and D MAG Lease Year 2026 and every Lease Year thereafter shall be adjusted based on CPI according to the Lease and proportion to the square footage for Spaces A, C, and D.

References in this Lease to "Minimum Annual Guarantee" or "MAG" shall refer to the total aggregate amount of Space B MAG and Spaces A, C, and D MAG."

(c) **Adjustments to Minimum Annual Guarantee for Space B.** Beginning in Lease Year 2026, MAG is adjusted to be the greater of existing MAG or 85% of the prior year's Base Rent.

4. Accessibility Disclosure. California Civil Code Section 1938 requires commercial landlords to disclose to tenants whether the property being leased has undergone inspection by a Certified Access Specialist ("**CASp**") to determine whether the property meets all applicable construction-related accessibility requirements. The law does not require landlords to have the inspections performed. Tenant is hereby advised that the Premises have not been inspected by a CASp. Pursuant to California Civil Code Section 1938(e), City provides the following disclosure to Tenant: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." In the event Tenant elects to obtain a CASp inspection of the Premises, Tenant shall provide notice of such to City, and Tenant agrees that Tenant shall bear the cost of the inspection and any necessary repairs within the Premises.

5. Miscellaneous.

(a) No Other Modifications. Except as expressly changed by this Amendment, all of the terms and conditions of the Lease shall remain unchanged and in full force and effect.

(b) Counterparts and Electronic Signatures. This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

(c) Entire Agreement. This Amendment, together with the Lease, contains all of the representations and the entire agreement between the parties with respect to the subject matter of this Amendment. Any prior correspondence, memoranda, agreements, warranties, or written or oral representations relating to the subject matter of this Amendment are superseded in their entirety by this Amendment. No prior drafts of this Amendment or changes between those drafts and the executed version of this Amendment shall be introduced as evidence in any litigation or other dispute resolution proceeding by any party or other person, and no court or other body should consider such drafts in interpreting this Amendment.

(d) Board of Supervisors Approval. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AMENDMENT, TENANT ACKNOWLEDGES AND AGREES THAT NO CITY OFFICER OR EMPLOYEE HAS AUTHORITY TO COMMIT CITY TO THIS AMENDMENT UNLESS AND UNTIL CITY'S BOARD OF SUPERVISORS HAS DULY ADOPTED A RESOLUTION APPROVING THIS AMENDMENT AND AUTHORIZING THE TRANSACTIONS CONTEMPLATED HEREBY. THEREFORE, ANY CITY OBLIGATIONS OR LIABILITIES UNDER THIS AMENDMENT ARE CONTINGENT ON ADOPTION OF A RESOLUTION, AND THIS AMENDMENT WILL BE NULL AND VOID IF CITY'S MAYOR AND THE BOARD OF SUPERVISORS DO NOT APPROVE THIS AMENDMENT, IN THEIR RESPECTIVE SOLE DISCRETION. APPROVAL OF THIS AMENDMENT BY ANY CITY DEPARTMENT, COMMISSION, OR AGENCY WILL NOT BE DEEMED TO IMPLY THAT A BOARD RESOLUTION WILL BE ADOPTED, AND NO APPROVAL WILL CREATE ANY BINDING CITY OBLIGATIONS.

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IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

TENANT:

World Duty Free Group North America, LLC, a Delaware limited liability company

By: Signed by: Jordi Martin-Consuegra
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Name: Jordi Martin-Consuegra

Title: Deputy President and Chief Executive Officer

CITY:

CITY AND COUNTY OF SAN FRANCISCO, acting by and through its Airport Commission

By: ___________________________

Name: Mike Nakornkhet
Title: Airport Director

Effective Date (to be inserted by City only): ___________________

APPROVED AS TO FORM:
DAVID CHIU,
City Attorney

By: ________________________
Christopher W. Stuart
Deputy City Attorney