

CONSENT TO TRANSFER

Tastes on the Fly San Francisco, LLC and Tastes on the Fly SFO International, LLC

This Consent to Transfer (this **Consent**), dated as of the date set forth below (the **Effective Date**) is entered into by and among the City and County of San Francisco (City), acting by and through its Airport Commission (the **Commission**), Tastes on the Fly San Francisco, LLC, a California limited liability company (TOTF-San Francisco), Tastes on the Fly SFO International, LLC, a California limited liability company (TOTF-SFO, and together with TOTF-San Francisco, sometimes collectively referred to herein as **TOTF Tenants**) and solely for the purposes of Section 5 below, HDS Retail North America LLC d/b/a Paradies Lagardere Travel Retail, (Paradies) with reference to the following facts:

Recitals

A. City, as landlord, and TOTF Tenants, as tenants, are parties to those certain concession leases at San Francisco International Airport (Airport), a complete list of which is attached to this Consent as Schedule 1 (Leases).

B. On September 19, 2023, by Resolution Nos. 23-0234 and 23-0235, the Commission awarded to TOTF-San Francisco, as tenant awardee, two additional concession leases at the Airport, a complete list of which is attached to this Consent as Schedule 2 (Contingent Leases), which remain unexecuted on the part of the City, subject to final approval by the Board of Supervisors of City, each in conformance with applicable law.

C. City and TOTF Tenants, as permittee, are parties to those certain permits at the Airport, a complete list of which is attached to this Consent as Schedule 3 (Permits).

D. TOTF Tenants have informed City that Paradies is acquiring one hundred percent (100%) of the shares of Tastes on the Fly Holdings, Inc. (**Transaction**), which is the indirect parent and beneficial owner of one hundred percent (100%) of the membership interest of TOTF Tenants.

E. Between them, TOTF Tenants collectively own an interest in six (6) Leases and two (2) Contingent Leases. Certain indirect subsidiaries of Paradies (**Paradies Tenants**) own an interest in four (4) concession leases and one (1) sublease (**Paradies Leases**).

F. After the closing of the Transaction, at the time of the commencement of operations of the Contingent Leases, without taking any action, Paradies will own a majority interest in 13 concession leases in violation of the Airport's Limit of 10 Leases Policy (**Limit of 10 Leases Policy**).

G. The Transaction constitutes a Transfer under the Leases, the Contingent Leases and the Permits (collectively, the **Transfer**), and TOTF Tenants have requested City's consent to such Transfer. City, acting through its Airport Director, the chief executive officer of the Airport, consents to the Transfer on the following terms and conditions:

Consent

1. City's consent to the Transfer shall be applicable only to the Transaction, and no further transfer or assignment shall be permitted without City's prior written consent, which consent may be granted or denied in accordance with the terms and conditions of the Leases. This Consent is limited to its specific purpose and shall not constitute a modification or amendment of the Leases, the Contingent Leases or the Permits.

2. TOTF Tenants each acknowledge and agree that, upon and after the Transaction, each is and shall remain fully responsible and liable for the payment of all rent, fees and other sums payable under the Leases, Contingent Leases and Permits, as applicable, and all other terms, conditions, and obligations required of TOTFL Tenants under the Leases, Contingent Leases and Permits.

3. This Consent does not give TOTF Tenants any rights under the Leases, Contingent Leases or Permits except those expressly granted by this Consent. TOTF Tenants each have full power and authority to enter into this Consent and the individuals executing this Consent on behalf of TOTF Tenants have the right, power and authority to bind TOTF Tenants to the terms and conditions of this Consent. This Consent contains all of the covenants, conditions and agreements between the parties related to the consent to transfer and shall supersede all prior correspondence, agreements and understandings, both verbal and written.

4. TOTF Tenants each expressly acknowledge and agree that the Contingent Leases remain unexecuted by City and remain subject to the final approval of the Board of Supervisors of the City and County of San Francisco in conformance with applicable law, and that this Consent does not in any way affect, modify, waive, expedite, or endorse such final approval, and is only being given by the City as an accommodation to the Transaction with respect to the Contingent Leases.

5. In express consideration of City entering into this Consent, Paradies covenants and agrees to take all necessary actions at the appropriate time with respect to the Leases or the Paradies Leases such that Paradies will at all times be in compliance with the Limit of 10 Leases Policy, as determined by City. City expressly reserves all rights and remedies under the Leases, the Paradies Leases and the Limit of 10 Leases Policy for the failure of Paradies to fully and timely comply with the Limit of 10 Leases Policy. Notwithstanding anything in this Consent to the contrary, City expressly reserves all of its rights to further consent to any transfers of any interest in the Leases, the Paradies Leases and the Permits, whether or not for the purposes of Paradies' satisfaction of its obligations hereunder. Paradies has full power and authority to enter into this Consent, and the individual executing this Consent on behalf of Paradies has the right, power and authority to bind Paradies to the terms and conditions of this Consent.

6. In the event that the Transaction shall not finally occur and be terminated, then this Consent shall be void and of no further force or effect.

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

TENANTS:

Tastes on the Fly San Francisco, LLC, a California limited liability company

By: 

Name: Michael Levine

Title: Executive Chairman

Tastes on the Fly SFO International, LLC, a California limited liability company

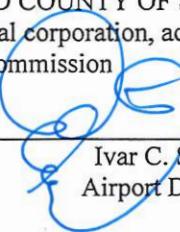
By: 

Name: Michael Levine

Title: Executive Chairman

CITY:

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

By: 

Ivar C. Satero
Airport Director



Effective Date (to be inserted by City):
October 30, 2023

Solely for Section 5 of this Consent:

HDS Retail North America LLC, an Illinois limited liability company d/b/a Paradies Lagardere Travel Retail

By: 

Name: Gregg S. Paradies

Title: President & CEO

APPROVED AS TO FORM:

DAVID CHIU,
City Attorney

By: 

Christopher W. Stuart
Deputy City Attorney

Schedule 1

Leases

1. Domestic Terminal Food and Beverage Lease No. 03-0192. (TOTF-SFO)
2. Terminal 2 Gourmet Market and Wine Bar Lease No. 10-0029. (TOTF-San Francisco)
3. Terminal 2 Sit Down Restaurant Lease No. 10-0032. (TOTF-San Francisco)
4. Terminal 3 Boarding Area F and Terminal 1 Boarding Area C Food and Beverage Concession Lease No. 7, Lease No. 16-0315. (TOTF-San Francisco)
5. Terminal 1 Food and Beverage Concession Lease No. 5, Lease No. 18-0213. (TOTF-San Francisco)
6. International Terminal Food and Beverage Concession Lease No. 3, Lease No. 16-0014. (TOTF-SFO)

Schedule 2

Contingent Leases

1. Harvey Milk Terminal 1 Food and Beverage Food Hall Lease No. 23-0234 (TOTF-San Francisco)
2. Harvey Milk Terminal 1 Food and Beverage Historic Restaurant Lease No. 23-0235 (TOTF-San Francisco)

Schedule 3

Permits

Tastes on the Fly San Francisco, LLC Permits

1. Storage Permit P4386
2. Storage Permit P4387
3. Storage Permit P4618
4. Storage Permit P4623
5. Storage Permit P4625
6. Storage Permit P4390
7. Storage Permit P4286
8. Storage Permit P4339
9. Storage Permit P4684
10. Storage Permit P4683
11. Storage Permit P4825
12. Storage Permit P5082
13. Office Permit P4622
14. Office Permit P4629
15. Pest Permits P4796, P4795, P4793, P4794
16. Trash Permits P4391, P4795, P4793, P4329

Tastes on the Fly SFO International, LLC Permits

1. Storage Permit P4585
2. Storage Permit P4586
3. Storage Permit P4587
4. Storage Permit P4688
5. Storage Permit P4715
6. Pest Permits P4790, P4788, P4793, P4794
7. Trash Permit P4845