

**AMENDMENT NO. 1 TO  
DOMESTIC TERMINAL FOOD AND BEVERAGE LEASE NO. 03-0185  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

THIS AMENDMENT NO. 1 TO DOMESTIC TERMINAL FOOD AND BEVERAGE LEASE NO. 03-0185 AT THE SAN FRANCISCO AIRPORT ("Amendment No. 1"), dated as of April 5, 2011 for reference purposes only, is entered by and between the between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation (the "City"), acting by and through the SAN FRANCISCO AIRPORT COMMISSION (the "Airport"), as landlord, and BAYSUBWAY AIRPORT, as tenant (the "Tenant").

**RECITALS**

A. The Airport awarded to GDDC, Inc. Lease No. 03-0185 on February 23, 2003 (the "Lease") for certain food and beverage spaces located at the Airport in Boarding Area E of Terminal 3 and the Mezzanine Level of Terminal 3. On August 21, 2007, the Airport Commission approved assignment of the Lease to Tenant, BaySubway Airport. On May 22, 2009, the Airport Commission approved early exercise of the option term of the Lease.

B. On or around April 14, 2011, the Airport will close Boarding Area E for approximately one calendar year for major renovation ("Renovation Period"), subject to the Director's determination mentioned below. Airport Food and Beverage Concession Leases provide that the Tenant pays annual rent to City equal to the higher of a "Minimum Annual Guarantee" or percentage of gross revenues. Pursuant to Airport Commission Resolution No. 11-0080, the Airport Commission approved suspension and reinstatement of the Minimum Annual Guarantee, Tenant Infrastructure Fee, and Food Court Fee during the Renovation Period.

C. All capitalized terms not otherwise defined herein shall have the same meaning given to them 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 amend the Lease as follows:

**AGREEMENT**

1. **Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth herein.
2. **Effective Date.** The effective date of the modifications to the Lease contained in shall be the date upon which the Tenant and Airport Director signs this Amendment 1.

3. **Rent.** Section 4.14 Boarding Area E Renovation is hereby included as part of the Lease and shall read as follows:

4.14 Boarding Area E Renovation. Boarding Area E in Terminal 3 will undergo major renovations causing a loss of approximately 80% passenger traffic which supports Tenant's business.

- (a) Boarding Area E Renovation Period. The Renovation Period, as defined in Recital Paragraph B above, shall commence in or around on April 14, 2011, continue for approximately one calendar year and shall end when the Airport Director, in his sole and absolute discretion, determines that the renovations are complete
- (b) Minimum Annual Guarantee ("MAG") and Other Fees. During the Renovation Period, the MAG, Tenant Infrastructure Fee, and Food Court Fee shall be suspended for Tenant's facility in Boarding Area E by Gates 68 and 69. The MAG for Tenant's location in the Mezzanine Level of Terminal 3 shall be calculated based on its square footage multiplied by the current rate. Should Tenant elect to operate its facility in Boarding Area E by Gates 68 and 69 during the Renovation Period, the Rent shall be the percentage rent specified under the Lease Summary.
- (c) MAG Reinstatement. At the end of the Renovation Period, the MAG shall be reinstated. The MAG shall be subject to annual adjustments as specified in Lease Section 4.
- (d) Tenant Infrastructure Fee and Food Court Fee Reinstatement. At the end of the Renovation Period the Tenant Infrastructure Fee and Food Court Fee shall be reinstated in accordance with the Lease.

4. **Entire Agreement.** This Amendment No. 1 contains all of the representations and the entire agreement between the parties with respect to the subject matter of this agreement. Any prior correspondence, memoranda, agreements, warranties, or written or oral representations relating to the subject matter of the Amendment No. 1 are superseded in their entirety by this Amendment No. 1. No prior drafts of this Amendment No. 1 or changes between those drafts and the executed version of this Amendment No. 1 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 No. 1.

5. **Miscellaneous.** This Amendment No. 1 shall bind, and shall inure to the benefit of, the successors and assigns of the parties hereto. This Amendment No. 1 is made for the purpose of setting forth certain rights and obligations of Tenant and the Airport, and no other person shall have any rights hereunder or by reason hereof as a third party beneficiary of otherwise.

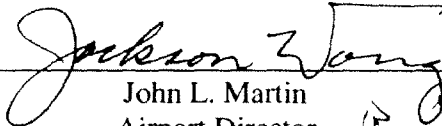
Each party hereto shall execute, acknowledge, and deliver to each other party all documents, and shall take all actions, reasonably requested by such other party from time to time to confirm or effect the matters set forth herein, or otherwise to carry out the purposes of this Amendment No. 1. This Amendment No. 1 may be executed in counterparts with the same force and effect as if the parties had executed one instrument, and each such counterpart shall constitute an original hereof. No provision of this Amendment No. 1 that is held to be inoperative, unenforceable or invalid shall affect the remaining provisions, and to this end all provisions hereof are hereby declared to be severable. Time is of the essence of this Amendment No. 1. This Amendment No. 1 shall be governed by the laws of the State of California. Neither this Amendment No. 1 nor any of the terms hereof may be amended or modified except by a written instrument signed by all the parties hereto.

6. **Full Force and Effect.** Except as specifically amended herein, the terms and conditions of the Lease shall remain in full force and effect.

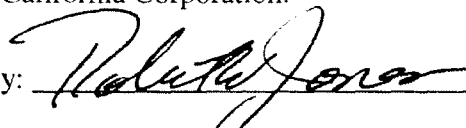
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IN WITNESS WHEREOF, the Airport and the Tenant execute this Amendment No. 1 to the Lease as of the last date set forth below.

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

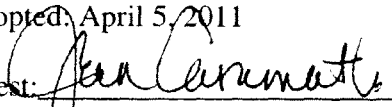
  
\_\_\_\_\_  
John L. Martin  
Airport Director

**TENANT:** BaySubway Airport,  
a California Corporation.

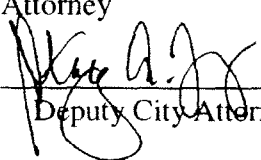
By:   
\_\_\_\_\_  
Name: Robert W. Jones  
(type or print)  
Title: President

AUTHORIZED BY AIRPORT  
COMMISSION

Resolution No. 11-0080  
Adopted: April 5, 2011

Attest:   
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DENNIS J. HERRERA,  
City Attorney

By:   
\_\_\_\_\_  
Deputy City Attorney

08.02.2011  
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