

**SECOND AMENDMENT TO THE
TERMINAL FACILITIES LEASE AND LICENSE AGREEMENT**

THIS SECOND AMENDMENT TO THE TERMINAL FACILITIES LEASE AND LICENSE AGREEMENT (this "Second Amendment") is made as of _____, 2020 ("Execution Date") 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 AMERICAN AIRLINES, INC., as tenant and licensee (the "Tenant") and shall be effective on the last day of the month following Los Angeles City Council approval of this Second Amendment.

RECITALS

WHEREAS, the Tenant and the Landlord entered into that certain Terminal Facilities Lease and License Agreement dated August 15, 2018 (LAA-9037) (the "AA Lease"); and

WHEREAS, the Tenant and the Landlord entered into that certain letter amendment dated April 2020 regarding rent and fee deferrals (LAA-9037A) (together with the AA Lease, the "Amended AA Lease"); and

WHEREAS, the Tenant and the Landlord wish to, among other things, update the Demised Premises exhibit to add space as well as to reflect changes to the Demised Premises as a result of the completion of certain renovations.

NOW, THEREFORE, in consideration of the mutual agreements contained in this Second Amendment, the Landlord and the Tenant agree with each other as follows (certain terms used in this Second Amendment and not defined elsewhere in the text of this Second Amendment, are used with the meanings specified in the Amended AA Lease):

AGREEMENT

1. Section 1.2.1(c) of the Amended AA Lease shall be amended and restated in its entirety as follows:

“(c) On September 1, 2020. On September 1, 2020, the Demised Premises shall be as described and delineated in Exhibit B-3.

(d) DTIP Approval. During the period starting on the date *if and when* the Board approves a future DTIP that includes improvements contemplated in the LAX T4 Project as defined in the Final Negative Declaration for the Terminal 4 Modernization Project, the Tenant’s Demised Premises shall be amended starting on the first day of the month of January following such Board approval ("Premises Adjustment Date") such that the space on the Premises Adjustment Date is 351,187 SF and increases by 7,150 SF on each 12 month anniversary of the Premises Adjustment Date until the premises are 394,087 SF as follows:

- Year 1: 351,187 SF;

- Year 2: 358,337 SF;
- Year 3: 365,487 SF;
- Year 4: 372,637 SF;
- Year 5: 379,787 SF;
- Year 6: 386,937 SF; and
- Year 7: 394,087 SF.

Each yearly increase in square footage, if any, shall be described and delineated in an amended Exhibit B-3 subject to City Attorney approval as to form.

(e) On the Potential WB Facility Gate Use Date. On the Potential WB Facility Gate Use Date, the premises as described and delineated in Exhibit B-4 (“Terminal 5 Premises”) shall be added to the Demised Premises.”

2. The references to Section 1.2.1(c) set forth in the first clause of Sections 1.2.2 and 1.2.3 of the Amended AA Lease shall be deleted and replaced with references to Section 1.2.1(e).

3. Section 1.2.4 of the Amended AA Lease shall be amended and restated in its entirety as follows:

“Terminal Renovations. Following the Terminal Renovations, modification(s) of the Demised Premises may be made by the CEO by an amendment to Exhibit B-3 and/or Exhibit B-4, as applicable, 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.”

4. Section 2.2.1(i) of the Amended AA Lease shall be amended and restated in its entirety as follows:

“The Tenant shall (a) only have a maximum of three (3) Gates out of service in the Terminals due to the construction of the Terminal Renovations and (b) manage its flight schedule on the number of active Gates without causing any airfield operational impacts, including overnight aircraft parking; provided, however, if the CEO, in his or her sole discretion, determines that it is reasonable to increase the number of Gates out of service to facilitate the acceleration of the construction of the Terminal Renovations, the CEO shall allow additional Gates to be taken out of service (all Gate closures permitted under this Subsection 2.2.1(i), the “Landlord-approved Gate Closures”).”

5. The last sentence of Section 2.2.3(a) of the Amended AA Lease shall be amended and restated in its entirety as follows:

“The Tenant further agrees to complete construction of the Regauged T5 Gate within nine (9) months of the Landlord advising the Tenant that it no longer requires that Gates 57 and 58 be maintained as wide body gates.”

6. The phrase “Two Hundred Fourteen Million Dollars (\$214,000,000)” at the end of Subsection 2.2.3(c)(i) of the Amended AA Lease shall be replaced with the phrase “Two Hundred Forty-One Million Five Hundred Thousand Dollars (\$241,500,000)”.

7. The phrase “Seventy-One Million Dollars (\$71,000,000)” at the end of Subsection 2.2.3(d)(i)(A) of the Amended AA Lease shall be replaced with the phrase “Eighty Million Five Hundred Thousand Dollars (\$80,500,000)”.

8. Schedule 1-C, Schedule 2, Schedule 3, Schedule 5, Exhibit B-1, Exhibit B-2 and Exhibit B-3 of the Amended AA Lease shall be replaced with the corresponding schedules or exhibits, as applicable, attached hereto.

9. Exhibit B-4 attached hereto shall be Exhibit B-4 of the Amended AA Lease.

10. Miscellaneous.

10.1. It is understood and agreed by and between the parties that, except as specifically provided herein, this Second Amendment shall not, in any manner, alter, change, modify or affect any of the rights, privileges, duties or obligations of either of the parties under the Amended AA Lease and except as expressly amended herein, all of the terms, covenants and conditions of the Amended AA Lease shall remain in full force and effect.

10.2. This Second Amendment shall be binding upon the parties hereto and their respective heirs, personal representatives, successors and assigns.

10.3. This Second Amendment 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 amendment, 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 Second Amendment 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 amendment had been delivered that had been signed using a handwritten signature. All parties to this Second Amendment (i) agree that an electronic signature, whether digital or encrypted, of a party to this Second Amendment 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 Second Amendment based on the foregoing forms of signature. If this Second Amendment 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.

[signature page follows]

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

APPROVED AS TO FORM:

Michael N. Feuer,
City Attorney

Date: September 21, 2020

By: [Signature]
Deputy/Assistant City Attorney

LANDLORD:

CITY OF LOS ANGELES

By: _____
Chief Executive Officer
Department of Airports

ATTEST:

By: Caroline B. Ray
Name: Caroline B. Ray
Title: Corporate Secretary

TENANT:

AMERICAN AIRLINES, INC.

By: [Signature]
Name: David J. Anderson
Title: Director, Properties