

ORDER NO. _____

An Order of the Board of Harbor Commissioners of the City of Los Angeles ("City") setting the Rent to be paid by Cathay Bank ("Concessioner"), pursuant to Concession Agreement No. 518, for the three five-year periods commencing January 1, 2001 through December 31, 2005, January 1, 2006 through December 31, 2010 and January 1, 2011 and ending December 31, 2015.

WHEREAS, Concession Agreement No. 518 provides that the Rent to be paid by Concessioner shall be subject to readjustment pursuant to Board Order in accordance with the procedures prescribed therein in Section 4(K); and

WHEREAS, City and Concessioner have agreed upon said Rent for the three five-year periods commencing January 1, 2001 and ending December 31, 2015;

NOW, THEREFORE, IT IS HEREBY ORDERED by the Board of Harbor Commissioners of the City of Los Angeles as follows:

Section 1. The Rent to be paid by Concessioner to the City as defined in Section 4 of Concession Agreement No. 518, as amended, for use of the premises shall be as follows:

- a) January 1, 2001 through December 31, 2005: Fixed Minimum Rent shall be \$2,017 per month. Percentage rents shall remain unchanged.
- b) January 1, 2006 through December 31, 2010: Fixed Minimum Rent shall be \$2,420 per month. Percentage rents shall remain unchanged.
- c) Beginning January 1, 2011, the Annual Rent shall be adjusted pursuant to Section 2, using the Fixed Minimum Rent of \$2,420 per month established in Section 1(b) as the prior year's Fixed Minimum Rent. In addition to Fixed Minimum Rent, Concessioner shall pay the City for each and every month of term of this Agreement, the following percentage rents equivalent to the amount, if any, by which the cumulative total of percentages of gross receipts of the operations and business conducted on or from the premises exceeds \$1,119 per month (Percentage Rent):

PERCENTAGE RENT:

- i. 0% (zero) of commission received for sale of new and used boats.
- ii. 0% (zero) of the gross commission on insurance brokerage.
- iii. 0% (zero) of the gross income from boat rental on a base-boat basis for 24 hours or less.
- iv. 0% (zero) of gross income from boat chartering, including sportfishing, diving, and whale watch, or the hiring of boats on a base-boat basis for periods in excess of 24 hours.
- v. 3.5% of the gross income from ship chandlery and bait and tackle sales.

- vi. 0% (zero) of the gross income from office space.
- vii. 3% of food and 5% of beverages sale from restaurant operation.
- viii. 3% of the gross income from general retail sales.
- ix. 25% of any commission or other compensation paid to Concessionaire for the right to install or operate coin operated vending, service or game machines or devices, or 5% of the gross income from any coin operated machines or devices owned, leased or rented by Concessioner.
- x. \$0.02500 per gallon of gasoline dispensed from premises and \$0.01500 per gallon of diesel dispensed from premises.
- xi. 5% of the gross income from any and all activities and business allowed under this Agreement and not otherwise provided for in tis section.

Section 2. Beginning on January 1, 2011, and annually thereafter, Concessioner shall pay in advance to the City for each and every month as rent for use of the premises Fixed Minumum Rent and Section 1(c)(x) Percentage Rent rate determined as follows:

- a) The Fixed Minimum Rent and Section 1(c)(x) Percentage Rent rate shall be adjusted annually and automatically beginning on January 1, 2011 by application of the change in the Consumer Price Index.
- b) The Adjusted Fixed Minimum Rent and Section1(c)(x) Percentage Rent rate shall be equal to the prior year's Fixed Minimum Rent and Section 1(c)(x) Percentage Rent rate, respectively, adjusted for inflation by multiplying the prior year's Fixed Minimum Rent and Section1(c)(x) Percentage Rent rate by the change in the October CPI-U of the 20xx and then dividing it by the October CPI-U of the 20xx-1.

Fixed Minimum Rent

<i>Adjusted Fixed Minimum Annual Rent</i>	=	<i>Prior Year's Fixed Minimum Annual Rent</i>	X	<i>CPI October 1 20xx</i> <i>CPI October 1 20xx-1</i>
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Percentage Rental –Section 1(c)(x) – Fuel

<i>Adjusted Percentage Rent \$/Gallon</i>	=	<i>Percentage Rent \$/Gallon</i>	X	<i>CPI July 1 20xx</i> <i>CPI July 1 20xx-1</i>
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CPI is the Consumer Price Index for All Items, All Urban Consumers (“CPI – U”) for the Los Angeles–Riverside and Orange Counties, as published by the U.S. Department of Labor, Bureau of Labor Statistics as series CUURA421SAO for October of each year. If the publication of said index is discontinued, then a successor index selected by the Executive Director in his/her sole but reasonable discretion shall be substituted

- c) In no event shall the Fixed Minumum Rent or Percentage Rent referenced under Section1(c)(x) be lower than the prior year's amounts.

Section 3. Except as herein provided, each and every one of the covenants, terms and conditions of Concession Agreement No. 518, as previously amended, shall be and remain in full force and effect.

Section 4. The Board Secretary shall certify to the adoption of this Order by the Board of Harbor Commissioners of the City of Los Angeles.

I HEREBY CERTIFY that the foregoing Order was adopted by the Board of Harbor Commissioners of the City of Los Angeles at its meeting held _____.

ROSE M. DWORSHAK
Board Secretary

Concessioner hereby consents to the foregoing readjustment of minimum compensation and agrees to pay to the Board of Harbor Commissioners of the City of Los Angeles the amount set forth therein during the three five-year periods of the term of Concession Agreement No. 518 beginning on January 1, 2001, and ending on December 31, 2015.

Dated: _____, 2010

CATHAY BANK

By _____

(Print/Type Name and Title)

Attest _____

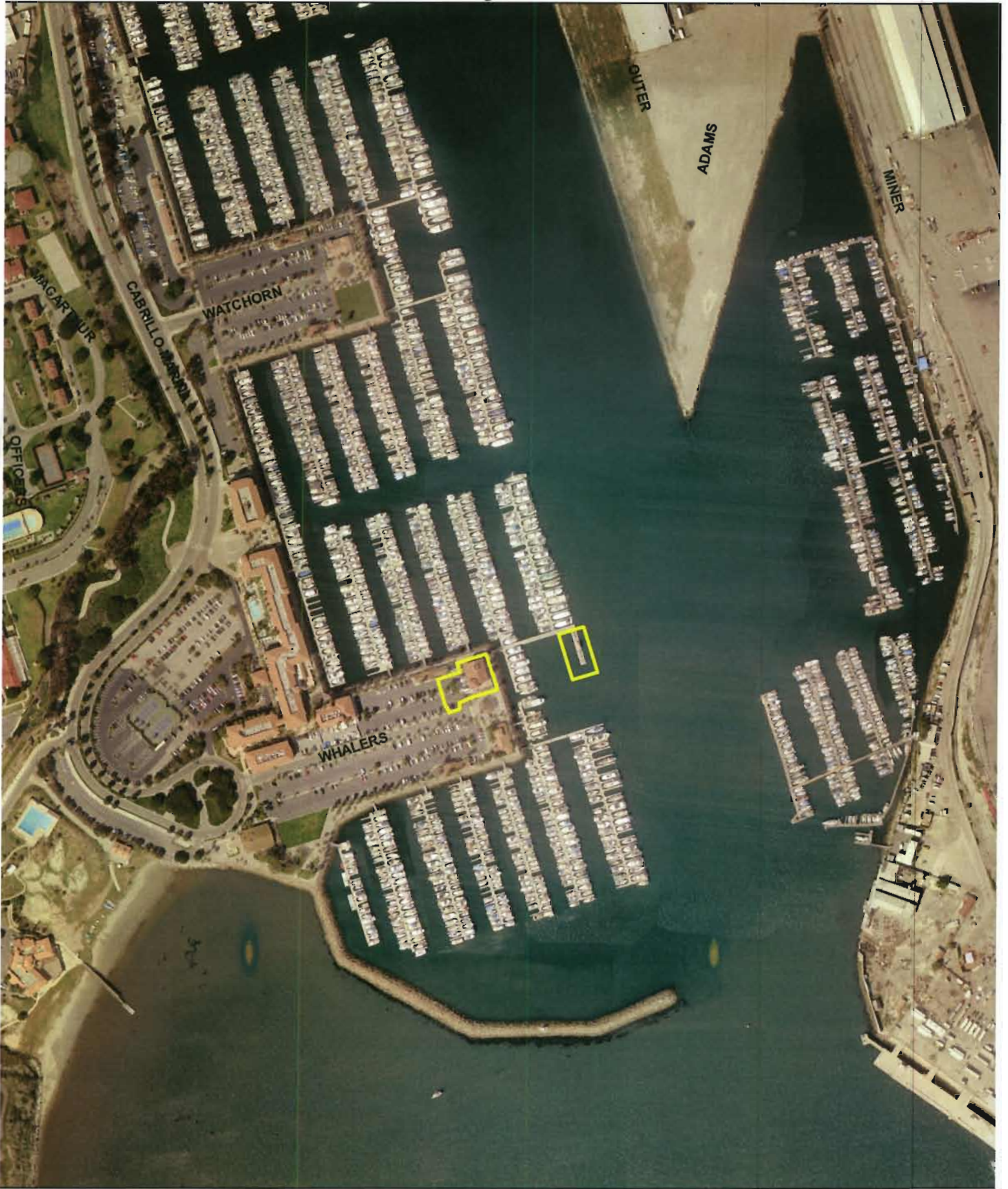
(Print/Type Name and Title)

APPROVED AS TO FORM AND LEGALITY

_____, 2010
CARMEN A. TRUTANICH, City Attorney

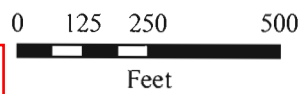
By _____
CHRISTOPHER BOBO, Deputy

Cathay Bank



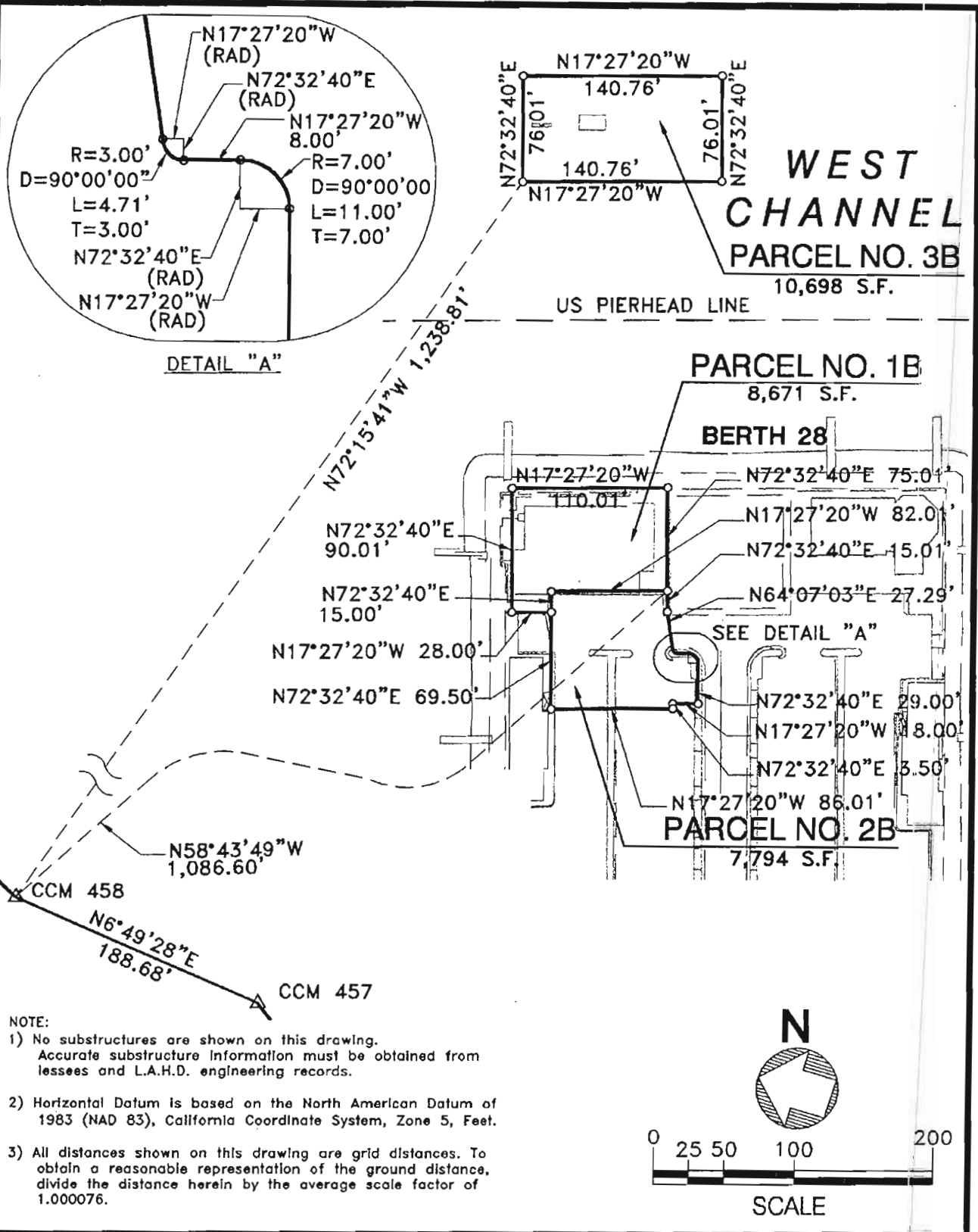
Notes:

TRANSMITTAL 2



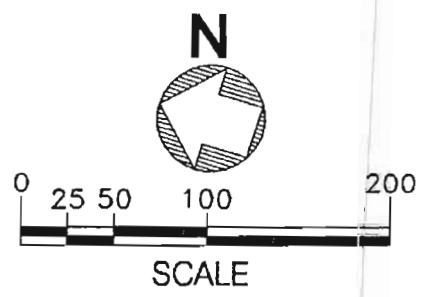
Harbor Department
Planning & Economic Development
Map Produced 8/2010





NOTE:

- 1) No substructures are shown on this drawing. Accurate substructure information must be obtained from lessees and L.A.H.D. engineering records.
- 2) Horizontal Datum is based on the North American Datum of 1983 (NAD 83), California Coordinate System, Zone 5, Feet.
- 3) All distances shown on this drawing are grid distances. To obtain a reasonable representation of the ground distance, divide the distance herein by the average scale factor of 1.000076.



SCALE: 1"=100'	DATE: 02-23-03	RECOMMENDED FOR APPROVAL	PERMIT MAP - AUTHORITY NO. CA518
DRAWN: PSOMAS	CHECKED: PSOMAS	DESIGNED: PSOMAS	
ENGR/ARCH	ASSISTANT CHIEF HARBOR ENGINEER	APPROVED: [Signature]	THE PORT OF LOS ANGELES ENGINEERING DIVISION P.O. BOX 111 SAN PEDRO, CA 90723-0111
DRAWING NUMBER			5-7180

POLJPROS_VER.1_L_12/96
5-7180

TRANSMITTAL 2A