

FIRST AMENDMENT TO
PERMIT NO. 891
DEL MAR SEAFOODS, INC.

Permit No. 891 (hereinafter "Permit"), between the CITY OF LOS ANGELES, a municipal corporation acting by and through its Board of Harbor Commissioners ("City"), and DEL MAR SEAFOODS, INC. ("Tenant"), is hereby amended a first time as follows:

WHEREAS, Permit No. 891, approved by the Board on January 6, 2011, and effective on June 7, 2011, has an Initial Term of five years and three options to renew for a period of five years each, for a maximum term of twenty (20) years ("Term"); and

WHEREAS, City will exercise the third option to extend the Term for five years from June 7, 2026 to June 6, 2031; and

WHEREAS, City and Tenant agree to amend the Permit as set forth herein;

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

1. Section 10. Section 10 is hereby removed in its entirety and replaced with the following:

"Section 10. Assignments, Transfers and Subleases.

- (a) Assignment, Transfer and Subletting; City's Consent Required.

(1) Generally. Tenant shall not, in any manner, voluntarily or involuntarily, assign this Agreement, or any portion thereof or any interest therein, nor sublet, sublease, license or permit the use of the Premises, in whole or in part, without the prior written consent of the Board ("Transfer"). Any attempted Transfers in violation of this Section 10 shall entitle City to recapture the Premises, and/or to collect from Tenant all rent or other compensation Tenant received as a result of the attempted Transfer, at its sole and absolute option and discretion. In the event that the Tenant only wants to change its entity name or business name (i.e., a mere change in name not constituting a Transfer within the meaning of this Section 10), then such name change by Tenant may be made with the approval of the Executive Director. Tenant shall promptly, and in no case later than thirty (30) days prior to a change in name, notify the Executive Director in writing of any proposed changes to its name, or contact or delivery information, set forth in the preamble, or the notification sections, of this Agreement. Tenant shall provide City with all documents in connection with any name change within ten (10) days of City's written request for such documents. Tenant shall not change its name until Tenant receives written approval from the Executive Director for Tenant to change its name.

(2) Consent Required; Payment of City's Costs. No Transfer of this Agreement, or any interest therein or any right or privilege thereunder, regardless of whether accomplished by a separate agreement, sale of stock or assets, merger or consolidation or reorganization by, or of, Tenant (or any entity that directly or

indirectly controls or owns fifty percent (50%) or more of Tenant), or accomplished in any other manner, whether voluntary or by operation of law, including but not limited to assignment, sublease, transfer, gift, hypothecation, or grant of total or partial control, or any encumbrance of this Agreement, shall be valid or effective for any purpose unless (i) Tenant receives the prior written consent of the Board and (ii) Tenant satisfies the requirements in Subsection 10(c) (Procedure to Obtain Consent to Transfer). Consent to one Transfer shall not be deemed to be a consent to any subsequent Transfer, and following any consent to a Transfer, Tenant shall remain responsible under this Agreement for any undischarged obligations of the Transferee. For purposes of this Subsection 10(a)(2), the term "by operation of law" includes but is not limited to: (1) the placement of all or substantially all of Tenant's assets in the hands of a receiver or trustee; or (2) a transfer by Tenant for the benefit of creditors; or (3) transfers resulting from the death or incapacity of any individual who is a Tenant or of a general partner of a Tenant (except as provided in Subsection 10(b)(2) (Partnerships)).

Tenant acknowledges and agrees that it shall be required to pay the City for all City Costs incurred to review all documents submitted in response to a request to Transfer:

(3) **Transfer of Assets.** "Transfer" also shall include the involvement of Tenant or its assets in any transaction, or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise) whether or not there is a formal assignment or hypothecation of this Agreement or Tenant's assets, which involvement results in a reduction of the net worth of Tenant (defined as the net worth of Tenant, excluding guarantors, established by generally accepted accounting principles) by an amount greater than twenty-five percent (25%) of such net worth as it was represented at the time of the execution of this Agreement, or at the time of the most recent Transfer to which the Board has consented, or as it exists immediately prior to said transaction or transactions constituting such reduction, whichever was or is greater.

(b) **Transfers of Ownership.** A Transfer shall include:

(1) **Ownership or Control.** The transfer of more than twenty-five percent (25%) of the economic interest in Tenant or any entity that directly or indirectly controls or owns fifty percent (50%) or more of Tenant in one or more transactions, regardless of whether Tenant is a publicly or privately held entity, shall constitute a Transfer within the meaning of this Section 10.

(2) **Partnerships.** If Tenant is a partnership, any transfer or attempted transfer by any general partner of Tenant of more than twenty-five percent (25%) of its partnership interest in Tenant in one or more transactions shall be a prohibited Transfer within the meaning of this Section 10. Notwithstanding the foregoing, if any transfer of a general partner's interest is due to the death of a general partner and results in the transfer to the immediate members of the general partner's family, who will be immediately and personally involved in the operation of the partnership, the

Board shall not unreasonably withhold its consent to such transfer.

(3) **Guarantor.** If a parent or other entity or person has guaranteed or otherwise secured any or all of Tenant's obligations under this Agreement and if the ownership, makeup or financial condition of such parent or other entity or person has, in the reasonable discretion of the Executive Director, materially changed at any point during the term of this Agreement, the right is reserved for City to require amendments of such guaranty, the provision of new security, or a combination thereof reasonably required by the Executive Director to maintain the level of security as provided by the original guaranty. Following the Effective Date, Tenant shall have a continuing obligation to notify City in writing of any and all events that do or might constitute a material change in financial condition within the meaning of this Subsection 10(b)(3).

(4) **Executive Director Authority to Modify.** The Executive Director shall have the authority, but not the obligation, to unilaterally modify the foregoing conditions based on the facts of a particular case.

(c) **Procedure to Obtain Board Consent to Transfer.** If Tenant desires to undertake a Transfer, it may seek the Board's consent thereto. Tenant covenants that before entering into or permitting any Transfer, it shall provide to City written notice at least ninety (90) days before the proposed effective date of the Transfer. In any event, Tenant's written request to City for consent shall hereinafter be referred to as "Transfer Notice."

(1) **Transfer Notice.** Tenant's Transfer Notice shall contain each of the following:

(i) Specific identification of the entity or entities with whom Tenant proposes to undertake the Transfer ("Transferee");

(ii) Specific and detailed description of the Transferee's entity type, ownership (including identification of all parent and subsidiary entities), background/history, nature of the Transferee's business, Transferee's character and reputation and experience in the operations proposed;

(iii) Specific and detailed description of the type of Transfer proposed (e.g., assignment, sublease, grant of control, etc.) and the rights proposed to be transferred, and the permissibility of the proposed Transfer under Applicable Laws or third-party consent concerning foreign investment and/or control of the Premises;

(iv) Specific and detailed description of the operations proposed to be undertaken at the Premises by Tenant and Transferee if the Board consents to the Transfer which includes a breakdown of the responsibilities and duties of Tenant and Transferee;

(v) All of the terms of the proposed Transfer, including the total consideration payable by Transferee; the specific consideration (if any)

payable by Transferee in connection with the Premises and/or uses under this Agreement if the proposed Transfer is part of an acquisition or purchase that involves assets outside this Agreement; the proposed use of the Premises; the effective date of the proposed Transfer; and a copy of all documentation concerning the proposed Transfer;

(vi) The proposed form of a guaranty or guaranties providing greater or substantially the same protection to City as any guaranty in effect prior to or contemporaneous with the proposed Transfer;

(vii) A business plan for the Transferee including specific estimates of revenue anticipated under each of the following categories: existing contracts, contracts under negotiation and other specified sources;

(viii) A general description of any planned Alterations or improvements to the Premises;

(ix) A description of the worth of the proposed Transferee including an audited financial statement;

(x) Any further information relevant to the proposed Transfer that City reasonably requests; and

(xi) Written authorization in a form acceptable to City allowing City to inspect and review but not to copy, at times and locations reasonably selected by City, any books and records or other information of Tenant or Transferee (or third-parties acting for or on either of their behalfs) reasonably determined by City to be necessary for its assessment of Tenant's request for consent.

(2) Limitations on the Board's Consent. If the Board consents to a Transfer, the following limits apply:

(i) City does not agree to waive or modify the terms and conditions of this Agreement;

(ii) Such consent does not constitute either consent to any further or other Transfer by either Tenant or Transferee or a bar disqualifying submittal of additional Transfer Notices in accordance with the terms of this Agreement following such consent;

(iii) If, following such consent, Tenant remains a party to this Agreement, Tenant shall remain liable under this Agreement and any guarantor shall remain liable under its guaranty;

(iv) Such consent shall not transfer to the Transferee any option granted to the original Tenant by this Agreement unless such transfer is specifically consented to by the Board in writing;

(v) Tenant may enter into that Transfer in accordance with this Section 10 if: (a) the Transfer occurs within six (6) months after the Board's consent; (b) the Transfer, in the sole and absolute discretion of the Executive Director, is on substantially the same terms as specified in the Transfer Notice; and (c) Tenant delivers to City promptly after execution an original executed copy of all documentation pertaining to the Transfer in a form reasonably acceptable to the Executive Director;

(vi) If the Transfer occurs more than six (6) months after the Board's consent or, in the sole and absolute discretion of the Executive Director, the terms of the Transfer materially change from those in the Transfer Notice, Tenant shall submit a new Transfer Notice under this Section 10, requesting the Board's consent. A material change for purposes of this Section 10 is one where the terms would have entitled the Board to refuse to consent to the Transfer initially, or would cause, in the sole and absolute discretion of the Executive Director, the proposed Transfer to be more favorable to Transferee than the terms in the original Transfer Notice;

(vii) Tenant and/or Transferee, upon City's written request, shall provide proof, in a form satisfactory in the sole reasonable discretion of the Risk Manager of City's Harbor Department, demonstrating that insurance of the type and limits required by Subsection 9(b) (Insurance) is, and shall be, in full effect at all times in or around the time period in which the proposed Transfer is anticipated to occur. If requested in writing by City, Transferee shall provide a guaranty agreement in a form acceptable to City obligating Transferee to pay any uninsured or underinsured loss on a claim that, in City's sole and absolute discretion, would have been covered by insurance fully compliant with Subsection 9(b);

(viii) Transferee shall execute and deliver a written acceptance of Transfer in a form acceptable to City in which Transferee expressly assumes all of Tenant's obligations under the Agreement;

(ix) Tenant acknowledges and agrees that a proposed Transfer may require the approvals of third-parties not under the control of City in order to become effective and that failure to obtain such non-City approvals may prevent or invalidate the proposed Transfer notwithstanding any City approval of same. Tenant hereby releases and discharges City from and against any and all rights, claims, demands, damages, liabilities, accounts, reckonings, liens, attorney's fees, costs, expenses, actions and causes of action of every kind and nature whatsoever, whether in contract, tort, at law or in equity, or otherwise, now known or unknown, suspected or unsuspected, whether intentional, negligent (including joint, sole, concurrent and gross negligence) or otherwise, and whether existing at common law, by statute or other legislative act, or by constitutional provision which exist as of the effective date of this Agreement or the date of such Transfer that are based in whole or in part on, consist of, or which do or may arise out of, or which are or may be related to or in any way connected with the inability to obtain such non-City

approvals.

(d) **Factors Germane to Board Consent.** In evaluating any Transfer Notice, it shall not be unreasonable for the Board to withhold or condition its consent to a Transfer based on the following factors, among others:

(i) The net worth, financial condition and creditworthiness of the Transferee and the existence of any guaranty provided by the Transferee's parent or related entity or entities;

(ii) The character, experience and reputation of the Transferee (or its operator) in operating the business contemplated by the Transfer;

(iii) Whether the Transfer will negatively impact the short-term or long-term development, land use or other plans of City's Harbor Department, and whether consent to such Transfer would violate any of the legal duties of City's Harbor Department, including duties owed to other tenants;

(iv) Whether the proposed Transfer is consistent with the terms and conditions of this Agreement in existence when Tenant submitted the Transfer Notice and with the laws, rules and regulations applicable to the Premises and Tenant's use and occupancy thereof;

(v) Whether the information provided by Tenant in connection with Subsection 10(c)(1) (Transfer Notice) justifies such consent;

(vi) The Transferee's level of commitment and specific plans to invest to improve the Premises following approval of the proposed Transfer, if any;

(vii) Whether there are uncured defaults including, without limitation, unpaid Rent and, if there are, whether the proposed Transferee agrees to cure, remedy or otherwise correct any default by Tenant existing at the time of the Transfer, in a manner satisfactory to the Board;

(viii) Whether the Transferee, its operator or any Affiliate of the Transferee or its operator is listed on any of the following lists maintained by the Officer of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of the Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of Persons with which the City may not do business under Applicable Law: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List, and the Debarred List; and

(ix) And any other factors as determined by City in its sole and absolute discretion.

(e) **Additional Conditions for Subleases.** If Tenant requests consent to a Transfer consisting of a sublease of all or a portion of the Premises, the following terms and conditions shall also apply:

(i) Notwithstanding Subsection 10(c) (Procedure to Obtain Consent to Transfer), Tenant may request consent for a sublease with less than ninety (90) days' notice.

(ii) City reserves the right to recapture any portion of the Premises proposed by Tenant to be subleased (with appropriate amendments to this Agreement) and to undertake the transaction with the proposed Transferee directly;

(iii) Tenant shall owe to City as Additional Rent, one hundred percent (100%) of any amount collected from the sublessee as compensation that exceeds, on a pro rata basis, based on the preceding year's Rent, the compensation due City from Tenant under Section 4 (Rent);

(iv) Tenant must provide City with a copy of the Sublease Agreement; and a copy of any notice of default or breach of the sublease; and

(v) No sublessee shall further Transfer or sublet all or any part of the Premises without City's prior written consent.

(vi) Tenant shall be responsible for all costs of any kind, including but not limited to damages and claims, attributed to a Transferee without City making any demand on Transferee.

(f) **Transfers for Security Purposes.** Tenant's request to assign this Agreement to secure financing of improvements on the Premises will require Board approval and will be considered on a case-by-case basis. Consent to assignments for security purposes will not be granted unless Tenant and its lenders satisfy the following conditions, among others, which may be reasonably imposed by the Board:

(i) Monies borrowed will be used exclusively to construct improvements or alterations on the Premises.

(ii) Monies borrowed must be in a fixed amount. New borrowings or refinancing require further Board approval.

(iii) The collateral covered by the security agreement securing Tenant's loan shall cover only Tenant's leasehold interests and interest in improvements on the Premises, not the interests of City in improvements or land, and not any improvements or fixtures which, if removed, would leave the Premises untenable. In this Subsection 10(f), "untenable" means, the removal of improvements or fixtures which, in the City's sole and absolute discretion, would leave the Premises in a condition that prevents City from renting the Premises.

(iv) Nothing in the instrument which creates the security interest in the lender shall amend, modify, or otherwise affect the rights of City under this Agreement or any guaranty.

(v) In the event the lender initiates any action to foreclose the interest of Tenant in this Agreement, the lender agrees to deliver to the Board in person or by registered mail a copy of any notice of default sent to Tenant and agrees, ten (10) calendar days in advance of any foreclosure sale, to give written notice to the Board by registered mail. Such notices shall be addressed as follows:

Board of Harbor Commissioners
c/o Director of Real Estate Division
P.O. Box 151
San Pedro, CA 90733-0151

Such notice shall specify which of the below alternative courses of action the lender will take with respect to the Agreement and any guaranty. All of the stated alternatives set forth below are contingent upon the Board's approval in accordance with the conditions in subsection (vi) below. Lender may:

(1) Assume as principal all of the obligations and duties arising on or after the foreclosure conveyance date under the Agreement; or

(2) Assume as principal all of the obligations and duties arising on or after the foreclosure conveyance date under the Agreement, and hire an operator, acceptable to the Executive Director, who shall operate the Premises pursuant to the Agreement; or

(3) Assume as principal all of the obligations and duties arising on or after the foreclosure conveyance date, and thereafter reassign the Agreement with the consent of the Board. Notwithstanding any provision of this Agreement to the contrary, in the event the lender initiates any action to foreclose the interest of any subsequent assignee of the Agreement, the lender agrees to make the notifications and elections required herein.

The foregoing election by the lender shall be without prejudice to any rights the City may have with respect to Tenant's default of this Agreement; provided, however, that the City shall mail to both Tenant and lender a copy of any written notice of default in the performance of the terms and conditions of the Agreement, by registered mail, return receipt requested, addressed as follows:

(Name and Address of Tenant and lender is to be specified by Tenant. If no lender is specified, notice to Tenant alone is agreed to be sufficient.)

The lender shall have the option to cure such default within the time specified in such notice, provided that if such default is non-curable in nature, City shall have the right to immediately reclaim the Premises and lender shall have no further interest.

(vi) Any lender proposal to transfer its interest in this Agreement or interest therein or right or privilege thereunder requires the Board's consent. The Board may

withhold its consent in its reasonable discretion the Board determines that the proposed Transferee cannot meet all the following conditions, and any other conditions that may be reasonably imposed by the Board:

(1) This Agreement shall be in full force and effect and no default shall exist or the lender shall agree in writing to cure all such defaults before the transfer.

(2) When requesting the Board's consent to such a Transfer, the lender shall demonstrate that: (a) the financial condition of the proposed Transferee is as sound as that of Tenant at the time this Agreement was initially entered into or as at the time of the proposed transfer - whichever provides the better financial security to the City; (b) the proposed Transferee has the requisite experience and reputation or has retained an operator with the requisite experience and reputation to operate the Premises; and (c) the proposed Transfer will not unfavorably affect the revenues of the City, employment or the services available to the maritime community; and (d) the proposed Transferee, its operator or any Affiliate of the proposed Transferee or its operator is not listed on any of the following lists maintained by the Officer of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of the Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of Persons with which the City may not do business under Applicable Law: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List, and the Debarred List.

(3) Even if the Board consents to such a proposed Transfer, the Board may first require that the Transferee and the Board agree on a new compensation for the Premises transferred. If the Board modifies the compensation, it shall take into account the then existing Board policy for setting compensation and the prevailing market conditions.

(vii) The form of all instruments and documents affecting the City's interests in the Premises shall be acceptable to Executive Director and City Attorney of City in their sole and absolute discretion.

(viii) The Board shall have the authority, but not the obligation, to modify any of the foregoing conditions based on the facts of a particular case.

(g) Transfer Fee.

If the Board approves any Transfer as herein provided, City may require, as Additional Rent, that Tenant pay to City ten percent (10%) of the net present value of future rent payments, as determined by the Executive Director, using a discount rate of ten percent (10%). The agreement evidencing such Transfer, as the case may be, after approval by the Board, shall not be amended without the Board's prior written consent, and, at the Board's option, shall contain a provision directing such transferee to pay the rent and other sums due thereunder directly to City upon receiving written notice from City that Tenant is in

Default under this Agreement following applicable notice and cure periods with respect to the payment of Rent. In the event that, notwithstanding the giving of such notice, Tenant collects any rent or other sums from such transferee, then Tenant shall hold such sums in trust for the benefit of City and shall immediately forward the same to City. City's collection of such rent and other sums shall not constitute an acceptance by City of attornment by such transferee.

(h) Charter and Administrative Code. Tenant acknowledges that this Agreement is subject to the Charter of City and the Administrative Code of City and that approval of a Transfer may require action by several separate entities, including but not limited to the Los Angeles City Council.

(i) Tenant Remedies. If the Board wrongfully denies or conditions its consent, Tenant may seek only declaratory and/or injunctive relief. Tenant specifically waives any damage claims against City in connection with the withholding or conditioning of consent.

(j) Indemnity in Favor of City; Tenant's Rights. In addition to and not as a substitute for the indemnities Tenant provides to City pursuant to Subsection 9(a) (Indemnity), Tenant shall indemnify, defend and hold harmless City and any and all of its boards, officers, agents, or employees from and against any and all claims and/or causes of action of any third-party (including but not limited to Transferee) arising out of or related to a proposed Transfer except for claims arising from the sole gross negligence or willful misconduct of City in withholding its consent in which case Tenant's sole remedy shall be entitled only to seek specific performance.

(k) Rent or Performance. City, in its sole discretion, may accept Rent or performance of Tenant's obligations under this Agreement from any person other than Tenant pending approval or disapproval of a Transfer. City's exercise of discretion to accept Rent or performance shall be reflected in writing.

(l) Written Certification. If requested in writing by the Executive Director, Tenant shall, within ten (10) days of its receipt of such written request, certify under penalty of perjury under California Law whether it has or has not undertaken a purported Transfer."

Except as amended herein, all remaining terms and conditions of Permit No. 891 shall remain in full force and effect.

Subject to the provisions of Charter Section 373, the effective date of this Amendment shall be the date of its execution by Executive Director upon approval of the Los Angeles City Council.

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IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Permit No. 891 on the date to the left of their signatures.

THE CITY OF LOS ANGELES, by its
Board of Harbor Commissioners

Dated: _____

By: _____
EUGENE D. SEROKA
Executive Director

Attest: _____
AMBER M. KLESGES
Board Secretary

Dated: March 30, 2026

DEL MAR SEAFOODS, INC.

By: _____
Joe Cappuccito President
(Print Name and Title)

By: _____
Joseph Rizzo CFO
(Print Name and Title)

APPROVED AS TO FORM AND LEGALITY

April 16, 2026
HYDEE FELDSTEIN SOTO, City Attorney
STEVEN Y. OTERA, General Counsel

By: _____
Heather M. McCloskey, Deputy