

**FIFTH AMENDMENT TO LICENSE AGREEMENT
BETWEEN
CITY OF REDONDO BEACH
AND
NORTHROP GRUMMAN SYSTEMS CORPORATION
FOR USE OF AVIATION PARK GYMNASIUM**

THIS FIFTH AMENDMENT TO LICENSE AGREEMENT BY AND BETWEEN THE CITY OF REDONDO BEACH AND NORTHROP GRUMMAN SYSTEMS CORPORATION (this "Fifth Amendment") is entered into between the City of Redondo Beach, a chartered municipal corporation ("City"), and Northrop Grumman Systems Corporation, a Delaware corporation ("NGSC"), as successor-in-interest to Northrop Grumman Space & Missions Systems Corp., an Ohio corporation) ("NGS&MSC").

WHEREAS, NGS&MSC and the City entered into that certain License Agreement between the City of Redondo Beach and Northrop Grumman Space & Mission Systems Corp. for Use of Aviation Park Gymnasium, (the "Original License Agreement") between the City and NGS&MSC, dated April 7, 2009, as amended by that certain First Amendment to License Agreement between City of Redondo Beach and Northrop Grumman Systems Corporation for Use of Aviation Park Gymnasium (the "First Amendment") between the City and NGSC dated May 1, 2012, as further amended by that certain Second Amendment to License Agreement between City of Redondo Beach and Northrop Grumman Systems Corporation for Use of Aviation Park Gymnasium (the "Second Amendment") between the City and NGSC (collectively, the "Parties") dated April 16, 2013, as further amended by that certain Third Amendment to License Agreement between City of Redondo Beach and Northrop Grumman Systems Corporation for Use of Aviation Park Gymnasium (the "Third Amendment") between the Parties dated August 6, 2013; as further amended by that certain Fourth Amendment to License Agreement between City of Redondo Beach and Northrop Grumman Systems Corporation (the "Fourth Amendment") between the Parties dated February 17, 2015 (collectively, the Original License Agreement, the First Amendment, the Second Amendment, the Third Amendment and the Fourth Amendment are hereinafter referred to as to the "License Agreement");

WHEREAS, NGS&MSC assigned and NGSC assumed all of NGS&MSC's right, title and interest to lease agreements, including, without limitation the License Agreement as of January 1, 2010;

WHEREAS, the Parties wish to enter into this Fifth Amendment to amend the License Agreement which currently expires on March 31, 2018 in order to (1) extend the term of the License Agreement, (2) amend the use of the Fitness Center, (3) amend the option to extend, (4) amend the fee schedule, (5) delete Section 9. "City Utilization of NORTHROP GRUMMAN Parking Lots" (6) amend Section 10. "Indemnity" to delete the reference to parking lots and delete Exhibit B, among other things, as more particularly set forth herein.

NOW, THEREFORE, for the mutual promises herein contained and other good and valuable consideration, the Parties agree as follows:

1. Incorporation of Recitals; Definitions. The recitals set forth above shall be incorporated herein as a substantive part hereof. Capitalized terms used herein and not otherwise defined herein shall have the meanings given thereto in the License Agreement.

2. Section 4 regarding Term shall be revised as follows:

"Term. The term of this Agreement shall be extended for a period of three (3) years past its current expiration date; the new expiration date shall be March 31, 2021 unless terminated earlier by either party upon one hundred twenty (120) days prior written notice."

3. Section 2 regarding Uses shall be amended as follows:

"a. Exclusive use of the Fitness Center (Rooms G-7, G-8 and G-9) shall be available to NORTHROP GRUMMAN twenty-four (24) hours per day, seven (7) days per week."

4. Section 5 regarding Option to Extend shall be deleted in its entirety and replaced with the following:

"Option to Extend. The City hereby grants to NORTHROP GRUMMAN the option to extend the Term of this License Agreement for an additional three (3) year period (April 1, 2021 through March 31, 2024) on the same terms and conditions as set forth in the amended Agreement. The option must be exercised, if at all, by written notice delivered to the City at least six (6) months prior to the expiration of the then current term."

5. Section 6 regarding Fees shall be deleted in its entirety and replaced with the following:

"Fees. For the period commencing April 1, 2018 to March 31, 2021, the Fees shall remain at \$9,404.00 per month.

The Fee set forth above shall be all inclusive for the Base license fee for the exclusive use of the Fitness Center (G-7, G-8 and G-9); Maintenance fee for use of the Restroom/Locker Room area; and License fee for use of the Large and Small Gyms and Dance Room Monday through Friday for two hours each day except holidays.

Fee for each month is due ten (10) days after the end of such month and shall be paid by check made payable to:

City of Redondo Beach
Community Services Department
1935 Manhattan Beach Blvd.
Redondo Beach, CA 90278
Attention: John LaRock

In the event the fee is not paid within thirty (30) days of receipt of invoice, there shall be a late charge of five percent (5%) of the monthly fee due. Such charge shall be imposed not as a penalty, but as a compensation for the administrative costs resulting from such delay."

6. Section 9 regarding City Utilization of NORTHROP GRUMMAN Parking Lots shall be deleted in its entirety.

7. Section 10 regarding Indemnity shall be amended to delete:

"Additionally, the City shall defend, indemnify and hold harmless NORTHROP GRUMMAN, its officers, agents and employees from all liability from loss, damage or injury, including costs

and reasonable attorneys' fees, resulting from the use of NORTHROP GRUMMAN parking lots by the City, its officers, agents, employees, invitees and volunteers, during off hours."

8. Exhibit B shall be deleted in its entirety.
9. Except as modified herein, all other terms and conditions of the License Agreement shall remain in full force and effect. The License Agreement, as amended herein, shall constitute the entire agreement between the Parties and supersede any previous written or oral agreement.

IN WITNESS WHEREOF, the City and Northrop Grumman have entered into this Fifth Amendment as of this 20th day of March, 2018.

CITY OF REDONDO BEACH

NORTHROP GRUMMAN SYSTEMS
CORPORATION

William C. Brand, Mayor

A. J. Paz
Corporate Director of Real Estate

Attest:

Eleanor Manzano, City Clerk

Approved:

Jill Buchholz, Risk Manager

Approved as to Form:

Michael W. Webb, City Attorney