

FIRST AMENDMENT TO THE CONCESSION AGREEMENT
BETWEEN THE CITY OF PALOS VERDES ESTATES
AND THE PALOS VERDES TENNIS FOUNDATION

This First Amendment to the Concession Agreement Between the City of Palos Verdes Estates and the Palos Verdes Tennis Foundation dated January 28, 2003 (this "Amendment") is made and entered into by and between the City of Palos Verdes Estates, a municipal corporation (the "City") and the Palos Verdes Tennis Foundation, a California nonprofit mutual benefit corporation ("Foundation") and is dated for reference this 27th day of November, 2012.

RECITALS

A. The City currently owns certain property in Palos Verdes Estates located at 3303 Via Campesina, together with the buildings and improvements thereon (collectively, the "Premises").

B. The Foundation has been operating the Palos Verdes Tennis Club at the Premises, as well as operating and maintaining the Premises for the benefit of the public, pursuant to a concession agreement since 1979; the current concession agreement is dated January 28, 2003.

C. Under the Concession Agreement, the Foundation is permitted to admit up to 480 members to the Palos Verdes Tennis Club. Paragraph 15 of the Concession Agreement establishes two categories of membership and provides a maximum number of non-resident/non-owner members that may be members and the circumstances under which such members may be admitted.

D. The Foundation wishes to increase by 15 memberships the maximum number of non-resident/non-owners from 120 to 135. The City wishes to cooperate with the Foundation in assuring its continued success, while maintaining an excellent facility for City residents and without increasing the 480 overall maximum number of active memberships.

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements herein contained, the adequacy of which is hereby acknowledged, the Parties covenant, promise and agree as follows:

1. Subparagraphs a. (3), (4), (6), and (7) of Section 15, Membership Classifications, of the Concession Agreement are hereby amended to read as follows:

(3) The maximum number of Non-Resident/Non-owners who may be Active Members at any given time is one hundred thirty-five (135).

(4) Whenever there are fewer than four hundred (400) Active Members, the Foundation must first admit to Active Membership qualified Resident/Owner applicants, and then must admit to Active Membership

Non-Resident/Non-Owner applicants, provided, however, that in no event shall the number on Non-Resident/Non-Owners exceed one hundred thirty-five (135).

**

- (6) Active Members who remain in good standing may maintain their Active Membership upon cessation of both residency and property ownership in the City, provided, however, that if the total number of Non-Resident/Non-Owner Active Members is one hundred thirty-five (135) at the time that a Resident/Owner Active Members ceases to qualify as such (i.e., because such person no longer resides or owns property in the City), then said Resident/Owner's Active Membership shall be terminated at that time.
- (7) A Resident/Owner waiting list shall be established wherever there are four hundred eighty (480) Active Members. A Non-Resident/Non-Owner waiting list shall be established whenever there are four hundred (400) or more Active Members, or one hundred thirty-five (135) Non-Resident/Non-Owner Active Members.

2. Except as expressly set forth herein, the terms and provisions of the Concession Agreement shall remain in full forces and effect. In addition, nothing in this Amendment shall be deemed to affect the status of any person who currently holds an Active Membership.

Executed at Palos Verdes Estates, California, on the date first above written.

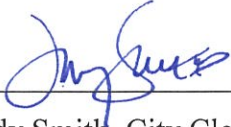
CITY OF PALOS VERDES ESTATES,
a Municipal Corporation

By: _____

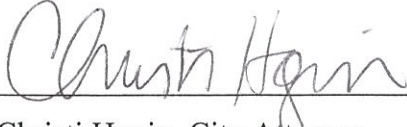

George F. Bird, Jr., Mayor

(Signatures continued on next page)

ATTEST:



Judy Smith, City Clerk



Christi Hogin, City Attorney

PALOS VERDES TENNIS FOUNDATION,
a California Nonprofit Benefit Corporation

By: _____

Its: _____

By: _____

Its: _____