

May \_\_, 2026

City of Hawthorne  
4455 W. 126th St.  
Hawthorne, CA 90250  
Attention: City Manager

RE: Letter Agreement regarding crosswalk improvements on Jack Northrop Avenue, Hawthorne, as described on attached **Exhibit 1** (the “***Crosswalk Improvements***”).

Dear \_\_\_\_\_:

This Letter Agreement (the “***Crosswalk Improvement Letter Agreement***”) between City of Hawthorne, a California municipal corporation (the “***City***”) and Space Exploration Technologies Corp., a Texas corporation (“***SpaceX***”) sets forth the terms and conditions by which SpaceX may undertake construction of some or all of the Crosswalk Improvements.

1. **Traffic Study.** In accordance with the terms and conditions of the Letter Agreement between the City and SpaceX, dated August 27, 2025 (the “***Traffic Study Letter Agreement***”), the City engaged Kimley-Horn to conduct a traffic study to evaluate potential pedestrian safety improvements along Jack Northrop Avenue between Crenshaw Boulevard and Prairie Avenue (the “***Study***”). The Study, which was completed in February of 2026 and paid for by SpaceX, demonstrated to the satisfaction of the City and SpaceX that the Crosswalk Improvements are recommended, feasible, and will not result in an increase of dangerous conditions.

2. **Crosswalk Improvement Agreement.** SpaceX has now determined that it may wish to proceed with the Study’s recommended upgrades to Crosswalk #1 and Crosswalk #2; and also with the Study’s recommended construction of Crosswalk #3 and Crosswalk #4 (or some lesser combination of upgrades and new construction (for example, only upgrading Crosswalk #2 and constructing Crosswalk #3)). Accordingly, the City and SpaceX now wish to set forth their respective roles and responsibilities related to the Crosswalk Improvements in this Crosswalk Improvement Letter Agreement.

3. **Design.** Should SpaceX elect to proceed, it will next engage, at its cost and expense, a duly-licensed traffic engineering firm (the “***Engineering Firm***”) to design a detailed plan for the Crosswalk Improvements recommended in the Study (the “***Plan***”).

4. **Plan Submission.** Should SpaceX elect to proceed to the next step, the Engineering Firm will then submit the Plan to the City for review and approval.

5. **Plan Review.** The City (in consultation with Los Angeles County) will then review the Plan and either: (a) approve the Plan, or (b) provide any required changes to the Plan.

6. **Plan Changes.** If the City requires changes to the Plan, SpaceX will at that point determine if it agrees to make such required changes or elects to terminate the Crosswalk Improvement effort.

7. **Plan Approval.** If SpaceX elects to proceed, the Engineering Firm will then update the Plan to incorporate changes required by the City and re-submit the Plan. Thereafter, if the Plan is acceptable, the City will approve the Plan.

8. **Contractor Engagement.** If SpaceX elects to proceed, SpaceX will then conduct an RFP among duly-licensed construction firms invited by SpaceX to bid on the Crosswalk Improvements (on an a la carte basis). SpaceX may thereafter, at its election, select a construction firm and sign an engagement agreement with such construction firm (the “*Contractor*”).

9. **Encroachment Permit Application.** If SpaceX elects to proceed, the Contractor will then submit an application to the City for an encroachment permit to authorize construction of some or all of the Crosswalk Improvements (the “*Permit*”) and pay any applicable fees.

10. **Permit Grant.** The City will review the Contractor’s application for the Permit and, if all is in order, the City will then grant the Permit to the Contractor. The Contractor will independently obtain a permit from and otherwise engage with So. Cal. Edison for the electrical hookups needed for the Crosswalk Improvements.

11. **Construction.** If SpaceX elects to proceed, the Contractor will then begin construction of the Crosswalk Improvements pursuant to the Plan.

12. **Inspection.** Once the Crosswalk Improvements have been completed by the Contractor, both the County and the City will inspect the Crosswalk Improvements to ensure that such improvements have been constructed in accordance with the Plan. SpaceX will pay the cost related to the inspection.

13. **Maintenance.** Once the Crosswalk Improvements have passed inspection, the City will continue to own the land upon which the crosswalks are located and accept all liability and otherwise be responsible for all maintenance and ownership thereof unless there is later discovered negligence attributable to SpaceX, to any degree.

14. **Ownership of Jack Northrop.** City acknowledges that (i) it owns the street commonly known as Jack Northrop Avenue; (ii) no third party has any rights in the space that will be utilized for the Crosswalk Improvements; and (iii) no third-party approvals will be required for such activities.

15. **Representations and Warranties of SpaceX.** SpaceX represents and warrants to the City that it is a duly formed corporation in good standing in the state of California, and that Bret Johnsen is duly authorized to execute this Crosswalk Improvement Letter Agreement on behalf of SpaceX.

16. **Representations and Warranties of City.** City represents and warrants to SpaceX that it is a duly formed municipal corporation in good standing in the state of California, and that \_\_\_\_\_ is duly authorized to execute this Crosswalk Improvement Letter Agreement on behalf of City.

17. **Confidentiality.** The parties agree that the information contained in this Crosswalk Improvement Letter Agreement and any information exchanged between the parties in connection with the transaction contemplated herein is strictly confidential. Each party agrees not to disclose such information, or any aspect of the transaction contemplated in this Crosswalk Improvement Letter Agreement to any third party without the other party's prior written consent; provided that any party may disclose such information (i) to any confidential advisors; (ii) to others as needed to perform their obligations hereunder; (iii) to prospective partner, investor, nominees, designee or lender, or any confidential advisor thereof; or (iv) as may be required by law.

18. **Counterparts.** This Crosswalk Improvement Letter Agreement may be executed in one or more counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument. An executed copy delivered by fax or similar electronic means shall be effective as an original.

19. **Governing Law; Waiver of Jury Trial.** This Crosswalk Improvement Letter Agreement shall be governed by and construed in accordance with the substantive laws of the State of California without regard to conflict of laws principles. Each of the parties hereby irrevocably and unconditionally waives the right to a jury trial in connection with any claim arising out of or related to this letter or the transactions contemplated hereby. Venue shall be in Los Angeles, California.

20. **Temporary Crosswalk Improvements.** Beginning on the date of this Crosswalk Improvement Letter Agreement and continuing until the Crosswalk Improvements have been inspected and approved by the County and the City, SpaceX may construct temporary crosswalk improvements that are recommended by the Engineering Firm and acceptable to the City in its sole discretion. SpaceX will accept all liability related to the temporary crosswalk improvements and otherwise be responsible for all maintenance and ownership thereof. Under no circumstances will the temporary Crosswalk Improvements remain in place for more than 12 calendar months following that date of this Crosswalk Improvement Letter Agreement.

If SpaceX elects not to proceed with the Crosswalk Improvements at any time and for any reason, SpaceX will have no further obligations under this Crosswalk Improvement Letter Agreement or otherwise with respect to the construction of the Crosswalk Improvements.

If this Crosswalk Improvement Letter Agreement is acceptable, please have City's authorized representative sign below where indicated and return a fully executed copy to my attention.

Very truly yours,

**SPACE EXPLORATION  
TECHNOLOGIES CORP.,  
A Texas corporation**

**By:** \_\_\_\_\_  
**Name:** Bret Johnsen  
**Title:** Chief Financial Officer

AGREED AND ACCEPTED THIS \_\_\_\_\_ DAY OF MAY 2026.

**CITY OF HAWTHORNE**

**By:** \_\_\_\_\_  
**Name:** \_\_\_\_\_  
**Title:** \_\_\_\_\_

## Exhibit 1

### Crosswalk Improvements Approximate Location

- Crosswalk #1 (renovation of existing crosswalk)**
- Crosswalk #2 (renovation of existing crosswalk)**
- Crosswalk #3 (construction of new crosswalk)**
- Crosswalk #4 (construction of new crosswalk)**

