

**Amendment to Amended and Restated Subordinated, Fully-Negotiable Promissory Note
Between the San Diego Unified Port District and
San Diego County Regional Airport Authority**

THIS AMENDMENT TO PROMISSORY NOTE ("Amendment"), is entered into by and between the SAN DIEGO UNIFIED PORT DISTRICT ("Port"), a public corporation, and the SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY ("Holder"), a local governmental entity of regional government.

WHEREAS, the Port executed and delivered a Promissory Note, dated as of June 1, 2004, entitled "Amended and Restated Subordinated, Fully-Negotiable Promissory Note" for the benefit of the Holder in the original principal amount of Fifty Million Dollars (\$50,000,000) ("Note");

WHEREAS, the Note provides that the current Fixed Interest Rate is Five and One Half Percent (5.50%) and shall remain at this fixed interest rate through December 31, 2030; and

WHEREAS, the Note provides that the Port may prepay principal on the Note at any time, in any amount without penalty; and

WHEREAS, the Port requested the Holder amend the Fixed Interest Rate from Five and One-Half Percent (5.50%) to Three and 63/100 Percent (3.63%) to commence November 1, 2021; and

WHEREAS, the remaining principal balance owed to the Holder under the Note as of November 1, 2021 is Twenty Six Million Four Hundred Seventy Nine Thousand Nine Hundred Sixty Four Dollars and 27/100 (\$26,479,964.27); and

WHEREAS, the Holder finds that it is in the Authority's best interest to amend the Fixed Interest Rate from 5.50% to 3.63% for the remaining term of the Note; and

WHEREAS, the Port and the Holder desire to amend the Note as set forth herein.

NOW, THEREFORE, for good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, it is hereby agreed by the Port and the Holder as follows:

1. The foregoing recitals are true and correct and by this reference are incorporated herein.
2. At page 1, section 1 entitled "**INTEREST RATE**", shall be amended as follows:

"The outstanding principal balance of this Note shall bear interest from June 1, 2004 through December 31, 2005 (computed on the basis of a 365-day year, actual days elapsed) at a per annum variable interest rate (the "Variable Interest Rate") equal to one percent (1%) over the prevailing "prime rate" as reported daily at 4:00 p.m. Eastern time by Moneyline Telerate (which rate appears in daily newspapers such as the San Diego Daily Transcript). The initial Variable Interest Rate shall be One Percent (1%) over the prevailing "prime rate" as reported by Moneyline Telerate at 4:00 p.m. Eastern time on May 28, 2004. The Variable Interest Rate shall be adjusted as set forth below in Section 2(a).

The interest rate on this Note shall convert to a per annum fixed interest rate (the “**Initial Fixed Interest Rate**”) of Five and One-Half Percent (5.50%) on January 1, 2006 and shall remain at this Initial Fixed Interest Rate through October 31, 2021 (computed on the basis of a 365-day year, actual days elapsed).

On November 1, 2021, the interest rate on this Note shall be per annum fixed interest rate (the “**Fixed Interest Rate**”) of Three and 63/100 Percent (3.63%) and shall remain at this Fixed Interest Rate through December 31, 2030 (computed on the basis of a 365-day year, actual days elapsed).”

3. At page 2, Section 2(b) entitled “Principal and Interest Payments for Period January 1, 2006 to December 31, 2030”, Section 2(c) entitled “Application of Payments,” Section 2(d) entitled “Prepayment” and Section 2(e) entitled “Subordination” are hereby deleted and replaced with the following:

“(b) Principal and Interest Payments for Period January 1, 2006 to October 31, 2021. For the period from January 1, 2006 to and including January 31, 2006, the Port shall make one (1) monthly payment of principal and interest in the amount of Three Hundred Nineteen Thousand Eighty Six Dollars and 86/100 (\$319,086.86) and for the period from February 1, 2006 to and including October 31, 2021, the Port shall make 189 monthly payments of principal and interest corresponding to the 189 in such period (each an “**Initial Amortization Month**”) each payment in the amount of \$307,043.75, as set forth in the amortization schedule attached to this Note. The Port shall pay the principal and interest each Initial Amortization Month, as set forth in the amortization schedule attached to this Note, to Holder on the last day of the Initial Amortization Month, or, if the last day of such Initial Amortization Month is not a Business Day, then on the first Business Day of the immediately following month. The interest accrued during each Initial Amortization Month shall be calculated based on the Initial Fixed Interest Rate.

(c) Principal and Interest Payments for Period November 1, 2021 to December 31, 2030. For the period from November 1, 2021 to and including December 31, 2030, the Port shall make one hundred ten (110) monthly payments of principal and interest (each, an “**Amortization Month**”) each payment in the amount of Two Hundred Eighty-Three Thousand Three Hundred Fifty Five Dollars and 55/100 (\$283,355.55), as set forth in the amortization schedule attached to this Note. The Port shall pay the principal and interest each Amortization Month, as set forth in the amortization schedule attached to this Note, to Holder on the last day of such Amortization Month, or, if the last day of such Amortization Month is not a Business Day, then on the first Business Day of the immediately following month. The interest accrued during each Amortization Month shall be calculated based on the Fixed Interest Rate.

(d) Application of Payments. Each payment made on this Note shall be credited (i) first, to any interest then due and (ii) second, to the outstanding principal balance hereof.

(e) Prepayment. The Port may prepay principal on this Note at any time, in any amount and without penalty.”

4. At page 2, a new Section 2(f) entitled “Subordination” is hereby added as follows:

“(f) Subordination. This Note is subordinate to all other bonded indebtedness; however, if the Port defaults on payments on this Note for any reason, the Holder has the right to discontinue its lease payments to the Port for the General Dynamics and Teledyne Ryan properties in an amount equal to the amount of the default until the payments on this Note are brought current.”

5. The attachment to the Note entitled “Amended and Restated Subordinated, Fully-Negotiable Promissory Note. Amortization Schedule – Effective January 1, 2006” is hereby deleted in its entirety and replaced with the amortization schedule identified as “Attachment A”, with the effective date of November 1, 2021, attached to this Amendment and incorporated herein by reference.
6. Except as specifically modified in this Amendment, all other terms and conditions of the Note shall remain and continue in full force and effect.
7. The effective date of this Amendment is November 1, 2021.
8. This Amendment may be signed in counterparts, each of which shall constitute an original and which collectively shall constitute one instrument. This Amendment may be signed with electronic signatures.

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**SAN DIEGO COUNTY
REGIONAL AIRPORT AUTHORITY**

Approved as to Form:

Name: Amy Gonzalez

Title: General Counsel

Dated: _____

By: Kimberly J. Becker

Title: President/CEO

Dated: _____

SAN DIEGO UNIFIED PORT DISTRICT

Approved as to form and legality:

GENERAL COUNSEL

Assistant/Deputy

By:

Title:

Dated: _____