

DULUTH AIRPORT AUTHORITY LINE OF
CREDIT PROMISSORY NOTE

\$10,000,000.00

December xx, 2025

FOR VALUE RECEIVED, Duluth Airport Authority (the "Maker"), having an office at 4701 Grinden Drive, Duluth, MN 55811, does hereby promise to pay to the order of the City of Duluth, Minnesota (the "Lender"), at such place as Lender may designate in writing in lawful money of the United States of America, the principal sum of up to Ten Million Dollars (\$10,000,000.00), or such lesser amount as may be borrowed by the Maker as Draws under this line of credit promissory Note (the "Note").

This Note shall bear interest at a variable rate per annum. Each draw requested will bear interest at the lower range of the effective federal funds rate as published by Federal Reserve Bank of New York in place at the time the draw is requested plus .50%. In the case of multiple draws, each draw will bear interest, as calculated above, based on the execution date of the individual draws.

The entire outstanding principal amount, and remaining accrued interest, of this Note shall be due and payable by December 31, 2029 (the "Maturity Date").

1. Draws. Subject to the provisions of Section 2 below, the Maker shall have the right, at any time or from time to time prior to the maturity date to request draws from the Lender. The City Auditor shall determine the form and procedure for requesting draws and will maintain a record of all draws and payments made associated with the Note.

2. Use of Proceeds. All proceeds received by the Maker from each draw made by the Lender under this Note shall be used by the Maker solely to pay fees and expenses to be incurred by the Maker in connection with capital improvements of the Duluth Airport Authority.

3. Payment on Maturity Date; Prepayments. The entire unpaid draws under this Note, and remaining accrued interest, shall be due and payable in full on the maturity date. At any time, and from time to time before the maturity date, Maker shall have the right to prepay all or any part of the draws, in whole or in part, without premium or penalty. On the maturity date, if this Note has not been paid in full, it shall bear interest on the outstanding balance at the rate in place at the time of the draw(s) plus an additional 1.50% per annum until paid in full.

4. Choice of Law: Venue and Jurisdiction. This Note shall be governed and controlled as to validity, enforcement, interpretation, construction, effect and in all other respects, including, but not limited to, the legality of the interest charged hereunder, by the statutes, laws and decisions of the state of Minnesota. The exclusive venue and/or jurisdiction for any proceeding that may be brought in connection with this Note shall be in state court located in Duluth, Minnesota, and each of the parties hereto irrevocably consents to such venue and/or jurisdiction.

5. Miscellaneous Provisions.

(a) This Note may not be amended or modified, and revision hereto shall not be effective, except by an instrument in writing executed by Maker and Lender.

(b) Any and all notices, demands or requests required or permitted to be given under this Note shall be given in writing and sent, by registered or certified U.S. mail, return receipt requested, by hand, or by overnight courier, addressed to the parties hereto at their addresses set forth above or such addresses as they may from time-to-time designate by written notice, given in accordance with the terms of this Section. A party may change its address for notification purposes by giving the other parties notice in accordance with the terms of this Section S(b) of the new address and the date upon which it shall become effective.

(c) Maker hereby waives presentment, protest and demand, notice of protest, dishonor and nonpayment of this Note, and expressly agrees that, without in any way affecting the liability of Maker hereunder, Lender may extend the time for payment of any amount due hereunder and release any party liable hereunder without in any other way affecting the liability and obligation of Maker. Maker shall pay all attorneys' fees and other costs of collection actually incurred by Lender in connection with Lender enforcing its rights under this Note to receive payment or otherwise.

IN WITNESS WHEREOF, Maker has executed this Note as of the date first set forth above.

DULUTH AIRPORT AUTHORITY

By: _____

Its: _____

STATE OF MINNESOTA)
) ss.

COUNTY OF ST. LOUIS)

The foregoing instrument was acknowledged before me this ____ day of December, 2025, by _____ the _____ of Duluth Airport Authority, existing under the laws of the State of Minnesota on behalf of the Authority.

NOTARIAL STAMP OR SEAL

Signature of Person Taking

Acknowledgement