

**35538**  
**LOAN AGREEMENT**

This Loan Agreement ("Agreement") is made as of May 15, 2020, by and between the AQUARIUM OF THE PACIFIC, a California nonprofit public benefit corporation ("Borrower"), and the CITY OF LONG BEACH, CALIFORNIA, a municipal corporation ("Lender").

RECITALS

A. This Agreement is made in connection with a loan in the amount of up to \$2,154,000 by Lender to Borrower (the "Loan"), evidenced by a Promissory Note, dated as of even date herewith, made by Borrower in favor of Lender in the principal amount of the Loan (the "Note").

B. The Note, this Agreement, and all other documents, certificates, and instruments executed or to be executed by Borrower in favor of Lender in connection with the Loan are referred to collectively in this Agreement as the "Loan Documents".

C. The Loan is being made by Lender to Borrower to pay for debt service, operating expenses and other costs associated with the aquarium and related facilities (the "Facility") located at 100 Aquarium Way, Long Beach, California, and more particularly described in Exhibit A attached hereto (the "Property"), resulting from the unexpected disruption of revenues caused by COVID-19 and the various governmental responses thereto.

D. Borrower leases the Property from the Long Beach Bond Finance Authority ("LBBFA") pursuant to that certain Lease Agreement dated as of April 1, 2001, by and between LBBFA, as landlord, and Borrower, as tenant (as amended, the "Lease").

E. Lender and Borrower have entered into that certain Amended and Restated Implementation Agreement dated as of November 15, 2017 by Lender and Borrower (the "Implementation Agreement"), in order to implement the terms that Lender and Borrower concluded are reasonably necessary to provide for the operation and periodic renewal of the Facility in accordance with the rights and obligations of Lender and Borrower set forth in the Lease, the 2012 Indenture referenced in the Lease, and Borrower's duly adopted Bylaws (as the same may be amended and/or restated, the "Bylaws").

F. Lender and Borrower are entering into a Second Amendment to Amended and Restated Implementation Agreement dated as of even date herewith ("Second Amendment to Implementation Agreement").

G. Lender and Borrower now desire to enter into this Agreement to provide the terms and conditions for the origination and repayment of the Loan, and the use of the proceeds of the Loan.

AGREEMENT

1. Borrower's Representations and Warranties. To induce Lender to enter into this Agreement and the other Loan Documents to which Lender is a party and to make the Loan, Borrower makes the following representations and warranties:

1.1 Capacity. Borrower is a nonprofit public benefit corporation duly organized and in good standing under the laws of the State of California (the "State"), and Borrower and the individuals executing the Loan Documents on Borrower's behalf have the full power, authority, and legal right to execute and deliver, and to perform and observe the provisions of this Agreement and the other Loan Documents, and to carry out the transactions on the part of Borrower contemplated by the Loan Documents.

1.2 Authority and Enforceability. Borrower's execution, delivery, and performance of this Agreement and the other Loan Documents have been duly authorized by all necessary corporate action and do not require any registration with, consent or approval of, notice to, or any action by any person or entity, or any federal, state, county or local governmental agency (each, a "Governmental Authority"). This Agreement and the other Loan Documents, when executed and delivered by Borrower and Lender, will constitute the legal, valid, binding obligations of Borrower enforceable against Borrower in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally, by the application of equitable principles regardless of whether enforcement is sought in a proceeding at law or in equity and by public policy.

1.3 Compliance with Other Instruments. The execution and delivery of this Agreement and the other Loan Documents, and compliance with their respective terms, will not result in a breach or violation of any of the terms or conditions of, or result in an occurrence of an event for which any holder or holders of indebtedness may declare the same due and payable under, any indenture, agreement, order, judgment, or instrument to which Borrower is a party or by which Borrower or its properties may be bound or affected, including but not limited to the Lease.

1.4 Compliance with Law. The execution and delivery of this Agreement and the other Loan Documents do not conflict with, result in a breach or default under, or create any lien or charge under any applicable law or administrative rule or regulation of any Governmental Authority (collectively, "Governmental Regulations") or any applicable court or administrative decree or order, to which Borrower is subject.

1.5 Litigation. There are no actions, suits, investigations, or proceedings pending or, to Borrower's knowledge after due inquiry and investigation, threatened against or affecting Borrower at law or in equity, before or by any person, entity or Governmental Authority, that, if adversely determined, would have a material adverse effect on the business, properties, or condition (financial or otherwise) of Borrower or on the validity or enforceability of this Agreement or any of the other Loan Documents.

1.6 No Untrue Statements. All statements, representations, and warranties made by Borrower in this Agreement or any other Loan Document and any other agreement, document, certificate, or instrument previously furnished or to be furnished by Borrower to Lender under the Loan Documents (a) are and shall be true, correct, and complete in all material respects at the time they were made and on and as of the date of this Agreement; (b) do not and shall not contain any untrue statement of a material fact; and (c) do not and shall not omit to state a material fact necessary to make the information in them neither misleading nor incomplete. Borrower understands that all such statements, representations, and warranties shall be deemed to have been relied on by Lender as a material inducement to make the Loan.

1.7 Financial Statements. All financial statements of Borrower furnished to Lender are true and correct in all material respects, are prepared in accordance with generally accepted accounting principles, and do not omit any material fact the omission of which makes such statement or statements misleading.

1.8 Taxes. Borrower has timely filed or caused to be filed all federal, State and local tax returns that are required to be filed by Borrower on or prior to the date of this Agreement, and Borrower has paid, or made provision for the payment of, all taxes, assessments, fees, and other governmental charges that have or may have become due under said returns, or otherwise, or under any assessment received by Borrower except that such taxes, if any, as are being contested in good faith and as to which adequate reserves (determined in accordance with

generally accepted accounting principles) have been provided which reserves, if any, are reflected in Borrower's financial statements.

1.9 Entity Compliance. Borrower shall do all things necessary to preserve and keep in full force and effect its existence, franchises, rights, and privileges as a non profit public benefit corporation under the laws of the State, and shall comply with all Governmental Regulations applicable to Borrower.

1.10 Nonprofit Status of Borrower. Borrower is an organization described in Section 501(c)(3) and Section 509 of the Internal Revenue Code of 1986, as amended (the "Code"), and the income of Borrower is exempt from federal taxation under Section 501(a) of the Code, except for those taxes described in Section 4940 et seq. of the Code and unrelated business income subject to taxation under Section 511 of the Code. Borrower has received a determination from the Internal Revenue Service to the foregoing effect, and none of the bases for such determination have changed materially since the date thereof. To the knowledge of Borrower, no proceedings are pending or threatened in any way contesting or affecting Borrower's status as an organization described in Section 501(c)(3) of the Code and no circumstance exists that reasonably could be expected to cause Borrower to fail to qualify as an organization described in Section 501(c)(3) of the Code.

2. Borrower's Covenants. During the term of this Agreement, Borrower hereby covenants and agrees with Lender that:

2.1 Costs and Expenses. Borrower shall pay all of Lender's costs and expenses incurred in connection with the making of the Loan. Borrower shall further pay all costs and expenses required to satisfy the conditions of this Agreement.

2.2 Notices. Borrower shall immediately notify Lender of any non-timely payment of Borrower's obligations under any financing documents to which it or its affiliates are a party (collectively, "Other Financing") or the Lease, or of the occurrence of any default by Borrower under the documents for any Other Financing or under the Lease.

2.3 Periodic Reports. Borrower shall submit to Lender, semi-annually, a financial report in form and content reasonably acceptable to Lender (the "Report"), providing detail on (i) the total projected cost and operating revenue projections of the Facility, and (iii) the status and amount of the Other Financing, and (iv) overall Borrower revenue and expense projections, including Borrower's assessment of its ability to pay its obligations under the Lease, debt service on the Loan, projected debt service for any Other Financing and operation expenses. The first Report shall be provided to City on or about July 1, 2020 and Borrower shall provide updated reports semi-annually thereafter.

2.4 Hazard Insurance. Borrower shall obtain such insurance policies as required by the Lease, and such policies shall name Lender as additional insured.

2.5 Maintenance of Existence. Borrower will preserve and maintain its existence, its status as a nonprofit corporation and an organization described in Section 501(c)(3) of the Code, and all of its rights, privileges and franchises necessary or desirable in the normal conduct of its business; and shall conduct its business in an orderly, efficient and regular manner. Borrower shall hold itself out to the public as a legal entity separate and distinct from any other entity (including any affiliate thereof).

3. Loan Administration.

3.1 Origination and Repayment of the Loan. Borrower acknowledges and agrees that the Loan shall have been fully originated, and interest on the full principal of the Loan shall commence to accrue, on the date such Loan is funded by Lender, which is expected to be on

or about October 1, 2020, and as otherwise set forth in the Note. The Loan shall be repayable by Borrower as provided in the Note and this Agreement.

3.2 Disbursement and Use of Loan Proceeds.

3.2.1 Conditions to Disbursement. Lender shall disburse the full Loan amount when the following conditions precedent have occurred: (a) delivery to Lender of evidence of approval by the Board of Directors of Borrower of the Loan Documents; (b) execution by Borrower of this Agreement, the Note, and the Second Amendment to the Implementation Agreement; (c) delivery to Lender of written direction of Borrower's requested Loan amount, it being understood by the parties that Borrower has the right to borrow a lesser amount than the maximum Loan amount and all interest and payment schedules shall be adjusted accordingly; (d) delivery to Lender of an opinion of counsel to Borrower in form and substance acceptable to Lender regarding the enforceability of the Loan Documents against Borrower, with regard to the matters described in Sections 1.1, 1.2, 1.3, 1.5, and 1.10 of this Agreement, and as to such other matters as Lender shall reasonably request, and (e) Borrower is not in default of its representations, warranties, or obligations under the Loan Documents.

3.2.2 Use of Loan Proceeds. Borrower shall use proceeds of the Loan solely for payment of Section 5.02(c) Rent (as defined in the Implementation Agreement).

4. Default and Remedies.

4.1 Events of Default. Borrower shall be in default under this Agreement and the other Loan Documents if any of the following events (each an "Event of Default") occurs (a) the failure of Borrower to use any funds legally available to it that do not constitute Aquarium Operating Revenues (as defined in the Lease), or are otherwise in excess of amounts required to satisfy its obligations under the Lease and any Other Financing, to pay any amount due under the Note, or due from Borrower hereunder or under the other Loan Documents when the same is due and payable, whether by acceleration or otherwise; (b) the failure of Borrower to pay any amount due under the Note, or due from Borrower hereunder or under the Loan Documents when the same is due and payable; (c) the failure of Borrower to perform or comply with any non-monetary obligation hereunder or under the other Loan Documents within thirty (30) days of receiving written notice of such failure from Lender; (d) the failure to be true in any material respect when made of any representation or warranty of Borrower contained herein or in the other Loan Documents; (e) the existence of an event of default by Borrower in connection with any Other Financing or under the Lease; (f) the existence of any other event of default under any of the Loan Documents; or (g) the occurrence of a "Major Deviation" as defined in Section 13.2(d) of the Bylaws (as defined in the Implementation Agreement).

4.2 Lender's Rights and Remedies. If an Event of Default has occurred and continues, Lender may take whatever action or institute any proceeding, at law or in equity, as may be necessary or desirable for the collection of the payments and other amounts then due under the Loan Documents, including payments due under the Note, and thereafter to become due hereunder or under the Note or the enforcement of the performance and observance of any obligation, agreement or covenant of Borrower under this Agreement or the other Loan Documents, including but not limited to: (i) instituting and prosecuting to judgment or final decree and enforcing any such judgment or decree against and collect in the manner provided by law moneys decreed to be payable; (ii) by injunctive and other equitable relief, to require Borrower to perform each of Borrower's obligations hereunder and under the other Loan Documents and to otherwise protect Lender's rights hereunder and under the other Loan Documents, (iii) declare the unpaid principal of the Note to be immediately due and payable;

and/or (iv) exercise its rights under Section 13.2(d) of the Bylaws that arise by reason of a Major Deviation (as defined in the Bylaws).

4.3 Rescission of Event of Default. If Lender shall have proceeded to enforce its rights under this Agreement and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to Lender, then, and in every such case, Borrower and Lender shall be restored to their respective positions and rights hereunder and under the other Loan Documents, and all rights, remedies and powers of Borrower and Lender shall continue as though no such action had been taken (provided, however, that any settlement of such proceedings duly entered into by Lender or Borrower shall not be disturbed by reason of this provision).

4.4 General Indemnity. Borrower shall indemnify and shall defend and save harmless, Lender and Lender's affiliates, and the Councilmembers, officers, employees and agents of Lender (for the purposes of this Section, collectively the "Lender"), from and against any and all losses, liabilities, suits, obligations, fines, damages, penalties, claims, costs, charges and expenses harmless from any liability, claim, loss, cost, legal expenses, incurred by or alleged against Lender arising from or related to (a) the Property; or (b) Borrower's default under this Agreement or under any of the other Loan Documents.

4.5 Lender's Fees, Costs, and Expenses. Borrower shall promptly pay to Lender upon written demand all attorney's fees, costs, and other expenses paid or incurred by Lender in enforcing or exercising Lender's rights and remedies under this Agreement. Interest shall accrue on these amounts at the rate of interest on the Loan, as set forth in the Note, from the date the expense is incurred by Lender until repaid to Lender by Borrower.

4.6 Remedies Cumulative. Lender may (but is not required to) exercise any or all of the rights under this Agreement. All of Lender's rights and remedies contained in this Agreement are cumulative and are in addition to any other rights and remedies created in any other Loan Document or existing at law or in equity.

4.7 No Waivers. If Lender delays in exercising or fails to exercise any of its rights under this Agreement or under the other Loan Documents, that delay or failure shall not constitute a waiver of any Lender rights or of any breach, default, or failure of condition under this Agreement or under the other Loan Documents. No waiver by Lender of any of its rights or of any such breach, default, or failure of condition shall be effective, unless the waiver is expressly stated in a writing signed by Lender.

5. Miscellaneous.

5.1 Borrower's Cooperation. Borrower shall, at its own cost and expense, sign any instruments or documents, and supply any information and data that Lender considers necessary to accomplish the purposes of this Agreement. If, in Lender's reasonable opinion, a material modification of the terms of this Agreement is required, or occurs, Borrower shall execute an appropriate written amendment to this Agreement in a form provided by Lender.

5.2 Entire Agreement. This Agreement and the other Loan Documents are the entire understanding between Lender and Borrower about the Loan, and may not be modified, amended, or terminated except by written agreement signed by Lender and Borrower.

5.3 Assignment. This Agreement inures to and binds the heirs, legal representatives, successors, and assigns of Borrower and Lender; provided, however, that Borrower may not assign this Agreement, or assign or delegate any of its rights or obligations hereunder or under any of the other Loan Documents, without Lender's prior written consent in each instance, which consent may be withheld or conditioned in Lender's sole and absolute discretion.

5.4 Survival of Representations. Any promise Borrower makes under or pursuant to this Agreement or any of the other Loan Documents, shall survive the termination of this Agreement and the repayment of the Loan.

5.5 Notices. Any notice required to be provided in this Agreement shall be given in writing and shall be sent (a) for personal delivery by a delivery service that provides a record of the date of delivery, the individual to whom delivery was made, and the address where delivery was made; (b) by first-class certified United States mail, postage prepaid, return receipt requested; or (c) by a nationally recognized overnight courier service, marked for next day business delivery. All notices shall be addressed to the party to whom such notice is to be given at the property address stated below in this Section or to such other address as a party may designate by written notice to the other. All notices shall be deemed effective on the earliest of (a) actual receipt; (b) rejection of delivery by the intended recipient; or (c) if sent by certified mail, the third day on which regular United States mail delivery service is provided after the day of mailing or, if sent by overnight delivery service, on the next day on which such service makes next-business-day deliveries after the day of sending.

Borrower: Aquarium of the Pacific  
320 Golden Shore, Suite 100  
Long Beach, CA 90802  
Attn: President

Lender: City of Long Beach  
411 West Ocean Boulevard, 10th Floor  
Long Beach, CA 90802  
Attention: City Manager

5.6 No Third-Party Beneficiary. This Agreement is for the sole benefit of Lender and Borrower, and is not for the benefit of anyone else.

5.7 Governing Law. This Agreement shall be construed and be enforceable according to the laws of the State of California for all purposes.

5.8 Time Is of the Essence. Time is of the essence with respect to all obligations of Borrower under this Agreement.

5.9 Severability. If any provision of this Agreement, or the application of it to any party or circumstance, is held void, invalid, or unenforceable by a court of competent jurisdiction, the remainder of this Agreement, and the application of such provision to other parties or circumstances, shall not be affected thereby, the provisions of this Agreement being severable in any such instance.

5.10 Exhibits. The following exhibit is attached to and a part of this Agreement: Exhibit "A" - Description of the Property.

IN WITNESS WHEREOF, Borrower and Lender have executed and delivered this Loan Agreement as of the date first written above.

"Borrower"

AQUARIUM OF THE PACIFIC,  
a California nonprofit public benefit corporation

By: Jerry R. Schubel  
Name: Jerry R. Schubel  
Title: President & CEO

By: Anthony T. Brown  
Name: Anthony T. Brown  
Title: CFO / VP FINANCE

"Lender"

CITY OF LONG BEACH, CALIFORNIA, a  
municipal corporation

By: Rebecca A. Garner  
Thomas B. Modica  
City Manager

**EXECUTED PURSUANT  
TO SECTION 301 OF  
THE CITY CHARTER**

Approved as to form this 19<sup>th</sup> day of  
May, 2020.

CHARLES PARKIN, City Attorney

By: [Signature]  
Deputy

## EXHIBIT A

### LEGAL DESCRIPTION OF PROPERTY

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL M (AQUARIUM SITE):

THAT PORTION OF THE ARTIFICIALLY CREATED LAND WITHIN THE TIDELANDS AND SUBMERGED LANDS CONVEYED TO THE CITY OF LONG BEACH BY THE STATE OF CALIFORNIA UNDER AN ACT OF MAY 1, 1911 CHAPTER 676, PAGE 1304, AS AMENDED, LYING IN SAID CITY, COUNTY OF LOS ANGELES, SAID STATE, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF PINE AVENUE (NORTH) AND SEASIDE WAY, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON PARCEL MAP NO. 14039, RECORDED APRIL 12, 1983, IN BOOK 161, PAGES 3 THROUGH 5, RECORDS OF SAID COUNTY, THENCE SOUTH 89 DEGREES 51' 47" WEST 5.00 FEET ALONG THE CENTERLINE OF SAID SEASIDE WAY (SHOWN AS SOUTH 89 DEGREES 52' 02" WEST ON SAID PARCEL MAP) TO THE INTERSECTION OF PINE AVENUE (SOUTH) WITH SEASIDE WAY AS ESTABLISHED NOVEMBER 12, 1991, PER DRAWING NO. C-5271, SHEET 5, ON FILE IN THE OFFICE OF THE CITY ENGINEER OF THE CITY OF LONG BEACH; THENCE ALONG THE CENTERLINE OF SAID PINE AVENUE SOUTH 0 DEGREES 05' 17" EAST 737.01 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE WEST AND HAVING A RADIUS OF 300.00 FEET; THENCE SOUTHERLY 134.98 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 25 DEGREES 46' 46", THENCE SOUTH 25 DEGREES 41' 29" WEST 167.74 FEET TO THE INTERSECTION OF SAID PINE AVENUE (SOUTH) AND THE HORIZONTAL CONTROL LINE FOR SHORELINE DRIVE WESTBOUND, SAID INTERSECTION HAVING THE COORDINATES NORTH 4,026,194.76; EAST 4,229,710.80 OF ZONE 7 OF THE CALIFORNIA COORDINATE SYSTEM, NAD 27, AS SHOWN ON DRAWING NO. H207, SHEET 32, ON FILE IN THE OFFICE OF SAID CITY ENGINEER; THENCE SOUTH 25 DEGREES 41' 29" WEST 32.00 FEET TO THE INTERSECTION OF PINE AVENUE (SOUTH) AND THE HORIZONTAL CONTROL LINE FOR SHORELINE DRIVE EASTBOUND; THENCE CONTINUING ALONG SAID SHORELINE DRIVE EASTBOUND HORIZONTAL CONTROL LINE NORTH 64 DEGREES 18' 31" WEST 121.56 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 2032.00 FEET; THENCE NORTHWESTERLY 133.30 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 3 DEGREES 45' 31" TO A TANGENT LINE; THENCE NORTH 60 DEGREES 33' 00" WEST 368.08 FEET TO THE INTERSECTION OF THE SHORELINE DRIVE EASTBOUND HORIZONTAL CONTROL LINE WITH THE CENTERLINE OF THE PROPOSED AQUARIUM ROADWAY; THENCE ALONG SAID CENTERLINE OF THE PROPOSED AQUARIUM ROADWAY SOUTH 29 DEGREES 27' 00" WEST 90.34 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 358.07 FEET; THENCE SOUTHWESTERLY 334.83 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 53 DEGREES 34' 40" TO A TANGENT LINE; THENCE SOUTH 83 DEGREES 01' 40" WEST 163.03 FEET; THENCE NORTH 56 DEGREES 42' 21" WEST 183.37 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 121.08 FEET; THENCE ALONG A RADIAL LINE TO SAID CURVE SOUTH 33 DEGREES 17' 39" WEST 35.00 FEET TO THE TRUE POINT OF BEGINNING, SAID POINT HAVING COORDINATES NORTH 4,026,254.86; EAST



4,228,501.67 OF SAID COORDINATE SYSTEM; THENCE SOUTH 56 DEGREES 42' 21" EAST 104.81 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 20.00 FEET; THENCE SOUTHWESTERLY AND SOUTHERLY 18.83 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 53 DEGREES 56' 38" TO THE BEGINNING OF REVERSE CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 100.00 FEET; THENCE SOUTHERLY, SOUTHEASTERLY, AND EASTERLY 154.97 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 88 DEGREES 47' 31" TO A NON-TANGENT LINE; THENCE SOUTH 25 DEGREES 38' 58" EAST 85.24 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 435.00 FEET TO WHICH POINT A RADIAL OF LAST SAID CURVE BEARS NORTH 34 DEGREES 18' 13" WEST; THENCE SOUTHWESTERLY AND SOUTHERLY 524.62 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 69 DEGREES 06' 01" TO A NON-TANGENT LINE; THENCE SOUTH 76 DEGREES 35' 46" WEST 21.45 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE NORTH AND HAVING A RADIUS OF 133.33 FEET TO WHICH POINT OF CUSP A RADIAL OF LAST SAID CURVE BEARS SOUTH 72 DEGREES 13' 19" EAST; THENCE SOUTHWESTERLY, WESTERLY AND NORTHWESTERLY 341.80 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 146 DEGREES 52' 56" TO A NON-TANGENT LINE; THENCE NORTH 90 DEGREES 00' 00" WEST 107.56 FEET TO A NON-TANGENT CURVE CONCAVE TO THE WEST AND HAVING A RADIUS OF 153.00 FEET AND FROM WHICH POINT A RADIAL BEARS SOUTH 75 DEGREES 05' 02" EAST; THENCE NORTHERLY 46.14 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 17 DEGREES 16' 39" TO A TANGENT LINE; THENCE NORTH 2 DEGREES 21' 41" WEST 30.25 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 355.88 FEET; THENCE NORTHERLY AND NORTHEASTERLY 184.99 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 29 DEGREES 47' 00" TO A TANGENT LINE; THENCE NORTH 27 DEGREES 25' 19" EAST 181.12 FEET TO A TANGENT CURVE CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 265.00 FEET; THENCE NORTHEASTERLY 60.34 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 13 DEGREES 02' 42" TO A TANGENT LINE; THENCE NORTH 14 DEGREES 22' 37" EAST 188.83 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 86.08 FEET; THENCE NORTHEASTERLY, EASTERLY, AND SOUTHEASTERLY 163.64 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 108 DEGREES 55' 02" TO THE TRUE POINT OF BEGINNING.

**35538**  
**PROMISSORY NOTE**

\$2,154,000

May 15, 2020

Long Beach, California

FOR VALUE RECEIVED, the undersigned, AQUARIUM OF THE PACIFIC, a California nonprofit public benefit corporation ("Borrower"), hereby promises to pay to the CITY OF LONG BEACH, CALIFORNIA, a municipal corporation ("Lender"), or order, the principal sum of Two Million One Hundred Fifty-Four Thousand Dollars (\$2,154,000), or such lesser amount as may be funded by Lender at Borrower's written request, together with interest on the unpaid principal balance of this Note (the "Loan") from time to time outstanding at an annual rate as set forth below from October 1, 2020 until fully paid. All payments on this Note shall be remitted to Lender at 411 West Ocean Boulevard, 6th Floor, Long Beach, California 90802, Attention: Director of Financial Management, or at such other place as Lender may from time to time designate in writing to Borrower. This Note evidences the loan made by Lender to Borrower (the "Loan") pursuant to the Loan Agreement, dated as of May 15, 2020, between Lender and Borrower (the "Loan Agreement").

1. Interest. Interest on the unpaid principal balance of this Note will accrue at a variable annual rate equal to Lender's annualized book yield of its investment portfolio rate as of September 30, 2020 plus 0.25% (the "Variable Interest Rate"), and such rate shall be adjusted annually on each September 30 thereafter.

2. Payment. All sums due under this Note are payable in lawful money of the United States. Wire transfers constitute payment only when received, and checks constitute payment only when collected.

3. Method of Calculating Interest. Interest shall be computed based on a 360-day year and the actual number of days elapsed. Borrower acknowledges that interest computed based on a 360-day year is greater than interest computed based on a 365-day year.

4. Payment of Principal and Interest. Borrower shall make annual interest-only payments in arrears and one balloon principal payment on the Maturity Date, and otherwise in accordance with the payment schedule attached as Exhibit A hereto ("Payment Schedule"), subject to the annual adjustment of the Variable Interest Rate. Payments shall be due on the dates noted in the Payment Schedule. Notwithstanding Section 8, the entire unpaid indebtedness (both principal and interest) evidenced by this Note shall be due and payable on October 1, 2032 (subject to acceleration, the "Maturity Date"). Each payment under this Note shall be credited in the following order (a) costs, fees, charges, and advances paid or incurred by Lender or payable to Lender under any provision of the Loan Documents (as defined in the Loan Agreement) in such order as Lender, in its sole and absolute discretion, elects; (b) interest payable under this Note; and (c) principal payable under this Note. Borrower shall have the right to prepay all or a portion of outstanding principal and interest at any time prior to the Maturity Date without penalty, and in such event the Payment Schedule shall be adjusted accordingly to reflect such prepayment. The parties acknowledge that the Payment Schedule initially attached to this Note is meant as an example only, assuming certain present and future interest rates and assuming Borrower elects to borrow the maximum amount permitted by this Note.

5. Default. Upon the occurrence and continuation of an Event of Default (as defined in the Loan Agreement), Lender may, at its option, declare this Note (including, without

limitation, all accrued and unpaid interest and principal) due and payable immediately regardless of the Maturity Date, and Lender may exercise such other remedies as are available to Lender under the Loan Agreement. Borrower expressly waives notice of the exercise of this option.

6. Late Charge. Borrower acknowledges that default in the payment of any sum due under this Note will result in losses and additional expenses to Lender in servicing the indebtedness evidenced by this Note, handling such delinquent payments, and meeting its other financial obligations. Borrower further acknowledges that the extent of such loss and additional expenses is extremely difficult and impractical to ascertain. Borrower therefore agrees that, if any payment due under this Note is not made when due, a charge equal to the greater of (a) five percent (5%) of the regularly scheduled payment or (b) One Thousand Dollars (\$1,000), would be a reasonable estimate of expenses so incurred (the "Late Charge"). If any payment is not received when due, Borrower shall pay the Late Charge to Lender (without prejudicing or affecting any other rights or remedies of Lender) as liquidated damages to cover expenses incurred in handling such delinquent payment.

7. Interest on Default. From and after the Maturity Date (either according to the terms of this Note or as the result of an acceleration), the entire unpaid principal balance of this Note shall automatically bear interest at a rate (instead of the rate specified in Section 1) equal to the lesser of (a) ten percent (10%) or (b) the maximum interest rate allowed by law (the "Default Rate").

8. Failure to Pay Scheduled Payments. If any payment specified in the Payment Schedule is not paid when due, the unpaid amount shall be added to the payment due on the next Payment Date shown in the Payment Schedule, and such scheduled but unpaid amount shall not continue to or otherwise bear interest, subject to Section 7.

9. Attorney Fees. Borrower agrees to pay upon demand the following costs, expenses, and attorney fees paid or incurred by Lender: (a) costs of collection and costs, expenses, and attorney fees paid or incurred in connection with the collection or enforcement of this Note, whether or not suit is filed; (b) costs, expenses, and attorney fees paid or incurred in connection with representing Lender in any bankruptcy, reorganization, receivership, or other proceedings affecting creditors' rights and involving a claim under this Note; and (c) costs of suit and such sum as a court of competent jurisdiction may adjudge as attorney fees in any action to enforce payment of this Note or any part of it or to enforce the provisions of the Loan Agreement, and interest shall accrue on any such amounts as provided in Section 4.5 of the Loan Agreement.

10. Waiver. Borrower, endorsers, and all other persons liable or to become liable on this Note waive (a) presentment, protest, and demand; (b) notice of protest, demand, and dishonor; and (c) all other notices or matters of a like nature.

11. Notice. Any notice required to be provided in this Note shall be given in writing and shall be sent (a) for personal delivery by a delivery service that provides a record of the date of delivery, the individual to whom delivery was made, and the address where delivery was made; (b) by first-class certified United States mail, postage prepaid, return receipt requested; or (c) by a nationally recognized overnight courier service, marked for next day business delivery. All notices shall be addressed to the party to whom such notice is to be given at the property address stated below in this Section or to such other address as a party may designate by written notice to the other. All notices shall be deemed effective on the earliest of (a) actual receipt; (b) rejection of delivery; or (c) if sent by certified mail, the third day on which regular United States mail delivery service is provided after the day of mailing or, if sent by overnight delivery service,

on the next day on which such service makes next-business-day deliveries after the day of sending.

Borrower: Aquarium of the Pacific  
320 Golden Shore, Suite 100  
Long Beach, CA 90802  
Attn: President

Lender: City of Long Beach  
411 West Ocean Boulevard., 10th Floor  
Long Beach, CA 90802  
Attention: City Manager

12. Loan Documents. In addition to this Note, the Loan is evidenced by and subject to the terms of the Loan Agreement and the other Loan Documents.

13. Forbearance Not a Waiver. If Lender delays in exercising or fails to exercise any of its rights under this Note, that delay or failure shall not constitute a waiver of any Lender rights hereunder or under the other Loan Documents, or of any breach, default, or failure of condition under this Note or under the other Loan Documents. No waiver by Lender of any of its rights or of any such breach, default, or failure of condition shall be effective, unless the waiver is expressly stated in a writing signed by Lender.

14. Assignment. This Note inures to and binds the heirs, legal representatives, successors, and assigns of Borrower and Lender; provided, however, that Borrower may not assign this Note or any proceeds of it, or assign or delegate any of its rights or obligations, without Lender's prior written consent in each instance, which consent may be withheld in Lender's sole and absolute discretion. Lender in its sole discretion may transfer this Note, and may sell or assign participations or other interests in all or any part of this Note, all without notice to or the consent of Borrower.

15. Governing Law. This Note shall be construed and enforceable according to the laws of the State of California for all purposes.

16. Usury. All agreements between Borrower and Lender are expressly limited, so that in no event or contingency, whether because of the advancement of the proceeds of this Note, acceleration of maturity of the unpaid principal balance, or otherwise, shall the amount paid or agreed to be paid to Lender for the use, forbearance, or retention of the money to be advanced under this Note exceed the highest lawful rate permissible under applicable usury laws. If, under any circumstances, fulfillment of any provision of this Note or the Loan Agreement or any other agreement pertaining to this Note, after timely performance of such provision is due, shall involve exceeding the limit of validity prescribed by law that a court of competent jurisdiction deems applicable, then, ipso facto, the obligations to be fulfilled shall be reduced to the limit of such validity. If, under any circumstances, Lender shall ever receive as interest an amount that exceeds the highest lawful rate, the amount that would be excessive interest shall be applied to reduce the unpaid principal balance under this Note and not to pay interest, or, if such excessive interest exceeds the unpaid principal balance under this Note, such excess shall be refunded to Borrower. This provision shall control every other provision of all agreements between Borrower and Lender.

17. Time Is of the Essence. Time is of the essence with respect to all obligations of Borrower under this Note.

18. Waiver of Statute of Limitations. The pleading of any statute of limitations as a defense to the obligations evidenced by this Note is waived to the fullest extent permissible by law.

19. Severability. If any provision of this Note, or the application of it to any party or circumstance, is held void, invalid, or unenforceable by a court of competent jurisdiction, the remainder of this Note, and the application of such provision to other parties or circumstances, shall not be affected thereby, the provisions of this Note being severable in any such instance.

20. Representation on Use of Proceeds. Borrower represents and warrants to Lender that the proceeds of the Loan evidenced by this Note will be used solely as required by the Loan Agreement.

21. Loan Subject to Borrower Termination. If, prior to the funding of any Loan proceeds by Lender under this Note, Borrower gives written notice to Lender of its intention to decline the Loan, then this Note shall immediately and automatically terminate and neither party shall have any further obligations to the other hereunder.

"Borrower"

AQUARIUM OF THE PACIFIC,  
a California nonprofit public benefit  
corporation

By: Jerry R Schubel

Name: Jerry R Schubel

Title: President + CEO

By: Anthony Braun

Name: Anthony Braun

Title: CFO

**EXHIBIT A**  
**PAYMENT SCHEDULE**

EXHIBIT A

PAYMENT SCHEDULE

Hypothetical Payment Schedule  
 Assumes The Corporation Chooses To Pay All Principal At Maturity  
 Illustrates The Maximum Loan Principal And Illustrative Book Yield Rates

Due Date of Loan Payment	Loan Principal Activity (Borrowed) / Repaid	Annual Pool Interest Rate Reset as of Each 9/30	Spread Over the Index Rate	Loan Rate	Interest on 2020 Deferral (Actual/360)	Principal & Interest Repayment
	a	b	c	d=b+c	e=a*d	e=a+e
10/1/2020	\$ (2,154,000.00)					
10/1/2021	\$ -	2.00%	0.25%	2.25%	\$ 48,465.00	\$ 48,465.00
10/1/2022	\$ -	2.10%	0.25%	2.35%	\$ 50,619.00	\$ 50,619.00
10/1/2023	\$ -	2.20%	0.25%	2.45%	\$ 52,773.00	\$ 52,773.00
10/1/2024	\$ -	2.30%	0.25%	2.55%	\$ 54,927.00	\$ 54,927.00
10/1/2025	\$ -	2.40%	0.25%	2.65%	\$ 57,081.00	\$ 57,081.00
10/1/2026	\$ -	2.50%	0.25%	2.75%	\$ 59,235.00	\$ 59,235.00
10/1/2027	\$ -	2.60%	0.25%	2.85%	\$ 61,389.00	\$ 61,389.00
10/1/2028	\$ -	2.70%	0.25%	2.95%	\$ 63,543.00	\$ 63,543.00
10/1/2029	\$ -	2.80%	0.25%	3.05%	\$ 65,697.00	\$ 65,697.00
10/1/2030	\$ -	2.90%	0.25%	3.15%	\$ 67,851.00	\$ 67,851.00
10/1/2031	\$ -	3.00%	0.25%	3.25%	\$ 70,005.00	\$ 70,005.00
10/1/2032	\$ 2,154,000.00	3.10%	0.25%	3.35%	\$ 72,159.00	\$ 2,226,159.00
					\$ 723,744.00	\$ 2,877,744.00