

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

January 25, 2022

Chair Evelyn Smalls presided over the Meeting of the Members of the Board of Directors of the Philadelphia Authority for Industrial Development held on Tuesday, January 25, 2022, at 5:00 p.m. via Zoom.

Other Members attending:

David Hyman
Malcolm Ingram
Christina Wong
Thomas A. K. Queenan

Attending from PIDC staff:

Anne Bovaird Nevins, President
Ilene Burak, Esq., Senior Vice President and General Counsel
Cassie Gardner, Executive Assistant to the President

Upon a motion duly made and seconded the Minutes of the meeting held on December 14, 2021, were unanimously approved.

Chair Smalls requested approval of the following Resolution:

- I. A Resolution, in the form attached as Enclosure 1, authorizing the issuance of a multiple series of tax-exempt revenue bonds through PAID on behalf of The Philadelphia Museum of Art, in an amount not to exceed \$115,000,000.

The proposed Bond proceeds will finance (i) refinancing of the Authority's Revenue Bonds, Series 2008; (ii) refinancing of the Authority's Revenue Bonds, Series 2017; (iii) a portion of the costs and expenses associated with the upgrade of the fire alarm and public address system in certain areas of the Museum, and (iv) all or a portion of the costs associated with the issuance of the Bonds.

The appropriate officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements, and to do such other acts necessary to assist the Borrower, upon such terms and conditions as they deem to be in the best interest of PAID.

Upon a motion duly made and seconded, the Members unanimously approved the above Resolution.

There being no further business before the Board, the meeting was adjourned.

PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

**RESOLUTION
Adopted January 25, 2022**

AUTHORIZING A PROJECT FOR THE PHILADELPHIA MUSEUM OF ART; AUTHORIZING AND DIRECTING THE ISSUANCE OF MULTIPLE SERIES OF THE AUTHORITY'S REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$115,000,000; APPROVAL OF THE 2022 PROJECT AND THE ISSUANCE OF THE BONDS; APPROVAL OF THE 2022A/B TRUST INDENTURE, 2022A/B LOAN AGREEMENT, 2022A/B PLACEMENT AGREEMENT AND 2022C BOND PURCHASE AND LOAN AGREEMENT; APPROVAL OF THE ASSIGNMENT OF THE MUSEUM NOTES; FORM AND EXECUTION OF THE BONDS; TERMS OF THE BONDS; APPLICATION OF FUNDS UNDER THE 2022A/B TRUST INDENTURE; APPLICATION OF FUNDS UNDER THE 2022C BOND PURCHASE AND LOAN AGREEMENT; DIRECTIONS TO AUTHORIZED OFFICERS; AUTHORIZING FURTHER INCIDENTAL ACTIONS; RATIFYING CERTAIN PRIOR ACTIONS; APPOINTING BOND COUNSEL; APPOINTING 2022A/B TRUSTEE; ACKNOWLEDGING LIMITATIONS ON LIABILITY OF THE AUTHORITY AND ESTABLISHING THE EFFECTIVE DATE AND REPEALING INCONSISTENT PRIOR RESOLUTIONS.

WHEREAS, the Authority is a body corporate and politic constituting a public instrumentality of the Commonwealth of Pennsylvania ("**Commonwealth**"), created under and pursuant to the Pennsylvania Economic Development Financing Law, Act No. 102 of the General Assembly of the Commonwealth, approved August 23, 1967 (P.L. 251), as amended and supplemented (the "**Act**"); and

WHEREAS, the Authority is authorized, pursuant to the Act to acquire, hold, construct, improve, maintain, operate, own, finance, and lease, either in the capacity of lessor or lessee, industrial, commercial, or specialized development projects; and

WHEREAS, the Philadelphia Museum of Art (the "**Museum**") is a nonprofit corporation duly created and validly existing under the laws of the Commonwealth; and

WHEREAS, the Museum has made application to the Authority requesting that the Authority undertake a project consisting of the issuance of multiple series of revenue bonds of the Authority (collectively, the “**Bonds**”), the proceeds of which will be used, in the aggregate, for the following purposes:

- (a) the refinancing of the Authority’s Revenue Bonds (Philadelphia Museum of Art Project) Series 2008 (the “**2008 Bonds**”), the proceeds of which were used to finance (i) a portion of the costs of constructing a landscaped parking facility and sculpture garden, (ii) all or a portion of the costs of acquiring certain works of art, the development, use, occupancy and management of certain buildings by the Museum for one or more museum-related purposes (including art galleries, art storage, art conservation, and administrative offices), the acquisition and installation of equipment, fixtures and furnishings at such buildings; and all development costs and expenses and architectural, engineering, consulting and professional fees, costs and expenses related to such buildings; (iii) the refunding of the Authority’s Revenue Bonds (Philadelphia Museum of Art Project) Series of 2000, the proceeds of which were used to finance a portion of the costs of the acquisition and renovation of certain real property and buildings located thereon, and the renovation, design, improvement to and equipping of certain other properties operated by the Museum; (iv) the refunding of the Authority’s Revenue Bonds (Philadelphia Museum of Art Project) Series of 2005, the proceeds of which were used to finance a portion of the costs of such facilities; and (v) the payment of the costs of issuance related thereto;
- (b) the refinancing of the Authority’s Revenue Bonds (Philadelphia Museum of Art Project) Series 2017 (the “**2017 Bonds**”), the proceeds of which were used for (i) the financing of the renovation of the Museum’s existing building at 2600 Benjamin Franklin Parkway, Philadelphia, Pennsylvania, including the restoration, substantial upgrades and equipping of the Museum’s building systems, the addition of 23,000 square feet of new gallery space, improvements to the Museum’s visitor amenities, creation of new food and dining services and centrally located stores, and other related capital improvements within the Museum’s Facilities Master Plan; (ii) the funding of any necessary reserves in respect of the Bonds; and (iii) the payment of the costs of issuance related thereto;
- (c) the financing of a portion of the costs and expenses associated with the upgrade of the fire alarm and public address system in certain areas of the Museum’s existing building at 2600 Benjamin Franklin Parkway, Philadelphia, Pennsylvania; and
- (d) the financing of all or a portion of the costs associated with the issuance of the Bonds (collectively, the “**2022 Project**”); and

WHEREAS, the Authority desires to issue the Bonds in multiple series as follows:

- (a) the 2022A/B Bonds (as defined in Section 5 hereof) will be issued pursuant to the Act and the terms of a Trust Indenture (the “**2022A/B Trust Indenture**”) by and between the Authority and The Bank of New York Mellon, Trust Company, N.A., as trustee (the “**2022A/B Trustee**”); and

(b) the 2022C Bonds (as defined in Section 5 hereof) will be issued pursuant to the Act and the terms of a Bond Purchase and Loan Agreement (or other similar financing agreement) (the “**2022C Bond Purchase and Loan Agreement**”) among the Authority, the Museum and Bank of America, N.A, or such other initial purchaser or purchasers as may be designated by the Museum and set forth in the 2022C Bond Purchase and Loan Agreement (the “**2022C Purchaser**”); and

WHEREAS, the Authority desires to loan to the Museum (a) the proceeds of the 2022A/B Bonds pursuant to one or more Loan Agreements (together, the “**2022A/B Loan Agreement**”) by and between the Authority and the Museum; and (b) the proceeds of the 2022C Bonds pursuant to the 2022C Bond Purchase and Loan Agreement in order to fund and undertake a portion of the 2022 Project consisting of the refunding of the 2008 Bonds, the refunding of a portion of the 2017 Bonds, the financing of the new capital expenditures and paying a portion of the costs of issuance; and

WHEREAS, 2022A Bonds are expected to be purchased by PNC Bank, National Association (the “**2022A Purchaser**”) in accordance with a Bond Placement Agreement (the “**2022A Placement Agreement**”) among the Authority, the Museum and the 2022A Purchaser in order to fund and undertake a portion of the 2022 Project consisting of the refunding of the remaining portion of the 2017 Bonds and paying a portion of the costs of issuance; and

WHEREAS, the 2022B Bonds are expected to be purchased by PNC Bank, National Association (the “**2022B Purchaser**” and, together with the 2022A Purchaser, the “**2022A/B Purchaser**” and, collectively with the 2022A Purchaser and the 2022C Purchaser, the “**Purchasers**”) without the necessity of a Bond Placement Agreement or, alternatively, in accordance with a separate Bond Placement Agreement (the “**2022B Placement Agreement**” and, together with the 2022A Placement Agreement, the “**2022A/B Placement Agreement**”) among the Authority, the Museum and the 2022B Purchaser, the date of which shall be at least fifteen days later than the 2022A Placement Agreement and of even date with the 2022C Bond Purchase and Loan Agreement, such that the 2022B Bonds and the 2022C Bonds shall be treated as a single issue for federal tax purposes; and

WHEREAS, as a condition to purchasing the 2022A/B Bonds pursuant to the 2022A/B Placement Agreement, the Museum shall enter into a Continuing Covenants Agreement (the “**2022A/B Continuing Covenants Agreement**”) with the 2022A/B Purchaser; and

WHEREAS, pursuant to both the 2022A/B Loan Agreement and the 2022C Bond Purchase and Loan Agreement, the Authority will make proceeds of each series of the Bonds available to the Museum to fund and undertake the 2022 Project; and

WHEREAS, pursuant to the 2022A/B Loan Agreement and the 2022A/B Continuing Covenants Agreement, the Museum will agree to make payments to the 2022A/B Trustee, as assignee of the Authority (or, alternatively, directly to the 2022A/B Purchaser), sufficient to pay when due, *inter alia*, the principal or redemption price of and interest on the 2022A/B Bonds; and

WHEREAS, pursuant to the 2022C Bond Purchase and Loan Agreement, the Museum will agree to make payments to the 2022C Purchaser, as assignee of the Authority, sufficient to pay when due, *inter alia*, the principal or redemption price of and interest on the 2022C Bonds; and

WHEREAS, in order to evidence its obligations to the Authority with respect to the 2022A/B Bonds and the 2022A/B Loan Agreement, the Museum will execute and deliver to the 2022A/B Trustee, as assignee of the Authority, one or more of its promissory notes (together, the “**2022A/B Museum Notes**”), without recourse, pursuant to one or more assignments thereof (together, the “**2022A/B Assignments of Museum Notes**”); and

WHEREAS, in order to evidence its obligations to the Authority with respect to the 2022C Bonds and the 2022C Bond Purchase and Loan Agreement, the Museum will execute and deliver to the 2022C Purchaser, as assignee of the Authority, one or more of its promissory notes (together, the “**2022C Museum Notes**,” and together with the 2022A/B Museum Notes, the “**Museum Notes**”), without recourse, pursuant to one or more assignments thereof (together, the “**2022C Assignments of Museum Notes**,” and together with the 2022A/B Assignments of Museum Notes, the “**Assignments of Museum Notes**”); and

WHEREAS, the Authority has determined that the 2022 Project represents an authorized undertaking by the Authority pursuant to the Act; and

WHEREAS, certain action is required to be taken by the Authority as a prerequisite to the issuance and sale of the Bonds and the financing of the 2022 Project;

NOW, THEREFORE, BE IT RESOLVED by the members of the Authority as follows:

Section 1. Approval of 2022 Project and the Issuance of the Bonds. The Authority hereby approves the 2022 Project as an authorized undertaking by the Authority, and authorizes the issuance of the Bonds and approves the application of the proceeds thereof for the purpose of financing the 2022 Project.

Section 2. Approval of the 2022A/B Trust Indenture, the 2022A/B Loan Agreement, the 2022A/B Placement Agreement and the 2022C Bond Purchase and Loan Agreement. The Authority hereby authorizes and approves the execution and delivery of (a) the 2022A/B Trust Indenture, the 2022A/B Loan Agreement and the 2022A/B Placement Agreement with respect to the 2022A/B Bonds and (b) the 2022C Bond Purchase and Loan Agreement with respect to the 2022C Bonds, each containing such terms and provisions as bond counsel, counsel to the Authority and the Authorized Officer (as defined in Section 8(a) hereof) of the Authority executing the same shall approve, such approval to be conclusively evidenced by such Authorized Officer’s execution thereof.

Section 3. Approval of the Assignment of Museum Notes. The Authority hereby authorizes and approves the execution and delivery of (a) the 2022A/B Assignments of Museum Notes in favor of the 2022A/B Trustee and (b) the 2022C Assignments of Museum Notes in favor of the 2022C Purchaser, without recourse, each containing such terms and provisions as bond counsel, counsel to the Authority and the Authorized Officer of the Authority executing the same shall approve, such approval to be conclusively evidenced by such Authorized Officer’s execution thereof.

Section 4. Form and Execution of Bonds. The form of the 2022A/B Bonds shall be contained in the 2022A/B Trust Indenture, and the form of the 2022C Bonds shall be contained in the 2022C Bond Purchase and Loan Agreement. The execution of the Bonds by the manual or

facsimile signatures of an Authorized Officer is hereby authorized and directed, and the Secretary or Assistant Secretary is hereby authorized and directed to affix or imprint the corporate seal of the Authority (or a facsimile thereof) to, and attest, the Bonds, by manual or facsimile signature, in such forms as bond counsel and counsel to the Authority may recommend and the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by such Authorized Officer's execution thereof. Each of the Authorized Officers is hereby further authorized and directed to (a) deliver the 2022A/B Bonds or cause them to be delivered to the 2022A/B Purchaser in accordance with the terms of the 2022A/B Trust Indenture and (b) deliver the 2022C Bonds or cause them to be delivered to the 2022C Purchaser in accordance with the terms of the 2022C Bond Purchase and Loan Agreement, in each case against receipt of the applicable purchase price therefor.

Section 5. Terms of the Bonds. The Bonds shall be designated by series as follows: (a) "Philadelphia Authority for Industrial Development Museum Revenue Bonds, Series 2022A (Philadelphia Museum of Art Project)" (the "**2022A Bonds**"); (b) "Philadelphia Authority for Industrial Development Variable Rate Museum Revenue Bonds, Series 2022B (Philadelphia Museum of Art Project)" (the "**2022B Bonds**" and, together with the 2022A Bonds, the "**2022A/B Bonds**"); and (c) "Philadelphia Authority for Industrial Development Museum Revenue Bonds, Series 2022C (Philadelphia Museum of Art Project)" (the "**2022C Bonds**") and each series shall be issued as tax-exempt bonds. The 2022A/B Bonds shall have the terms set forth in the 2022A/B Trust Indenture, and the 2022C Bonds shall have the terms set forth in the 2022C Bond Purchase and Loan Agreement, subject to the following terms: (a) the aggregate principal amount of the Bonds shall not exceed \$115,000,000; (b) the interest rates borne by the 2022A/B Bonds shall be determined as set forth in the 2022A/B Trust Indenture; (c) and the interest rate borne by the 2022C Bonds shall be determined as set forth in the 2022C Bond Purchase and Loan Agreement; and (d) the final maturity dates of the Bonds shall be no later than 30 years from the date of issuance.

Section 6. Application of Funds under the 2022A/B Trust Indenture. The Museum, the 2022A/B Purchaser and the 2022A/B Trustee, with respect to the 2022A/B Bonds, shall, by virtue of this Resolution and without further authorization from the Authority, be authorized, directed and requested to apply the proceeds of the sale of the 2022A/B Bonds to the costs of the 2022 Project pursuant to the terms of the 2022A/B Trust Indenture.

Section 7. Application of Funds under the 2022C Bond Purchase and Loan Agreement. The Museum and the 2022C Purchaser, with respect to the 2022C Bonds, shall, by virtue of this Resolution and without further authorization from the Authority, be authorized, directed and requested to apply the proceeds of the sale of the 2022C Bonds to the costs of the 2022 Project pursuant to the terms of the 2022C Bond Purchase and Loan Agreement.

Section 8. Directions to Authorized Officers.

(a) For purposes of this Resolution, any officer or member of the Board of the Authority shall be deemed to be an "Authorized Officer" and each Authorized Officer may act jointly or individually in performing his or her duties hereunder.

(b) The Board hereby authorizes and directs any Authorized Officer to execute and deliver the Bonds, the 2022A/B Trust Indenture, the 2022A/B Loan Agreement, the 2022A/B Placement Agreement, the 2022C Bond Purchase and Loan Agreement and, without recourse, the

Assignments of Museum Notes, and, subject to the approval thereof by bond counsel, counsel to the Authority and the Authorized Officer executing the same, to execute and deliver such other documents, agreements, instruments or certificates, including escrow deposit or refunding agreements; tax and closing certificates; and any other instruments, documents, certificates or agreements, each as may be necessary or appropriate to be executed by the Authority in connection with the issuance of the Bonds, and such execution and delivery shall be conclusive evidence of the approval thereof by the Board.

(c) The Board hereby authorizes and directs the Secretary, Assistant Secretary, or another Authorized Officer of the Authority to affix and attest the seal of the Authority to any document if and as may be required, and to attest the signature of any Authorized Officer if and as may be required.

Section 9. Further Actions. The Authorized Officers are hereby authorized and directed, jointly and individually, to take such further actions as may be necessary or appropriate to effect the matters contemplated hereby, to implement and complete the 2022 Project, to issue and sell the Bonds, or otherwise to effect the purposes of this Resolution.

Section 10. Ratification of Prior Actions. All actions heretofore taken and all documents and instruments heretofore executed by or on behalf of the Authority in connection with the 2022 Project and the Bonds are hereby ratified and approved.

Section 11. Appointment of Bond Counsel. Ballard Spahr LLP of Philadelphia, Pennsylvania, is hereby appointed as Bond Counsel to the Authority in connection with the issuance of the Bonds. The Authorized Officers are authorized to appoint a replacement Bond Counsel at the request of the Museum.

Section 12. Appointment of 2022A/B Trustee. The Bank of New York Mellon Trust Company, N.A. is hereby appointed as the 2022A/B Trustee under the 2022A/B Trust Indenture, with respect to 2022A/B Bonds. The Authorized Officers are authorized to appoint a replacement Trustee at the request of the Museum.

Section 13. Limitation of Liability. The issuance and sale of the Bonds shall not be construed so as to give rise to any pecuniary liability of the Authority or any of its members, officers, or employees, or to give rise to a charge upon the general credit of the Authority or such members, officers or employees, including without limitation in respect of general liability for repayment of the Bonds; any pecuniary liability hereunder of the Authority shall be limited exclusively to the extent provided for in the 2022A/B Trust Indenture, the 2022A/B Loan Agreement, the 2022A/B Placement Agreement and/or the 2022C Bond Purchase and Loan Agreement.

Section 14. Effective Date of Resolution; Repeal of Prior Inconsistent Resolutions. This Resolution shall take effect immediately this 25th day of January 2022 and all prior resolutions inconsistent with the terms hereof are hereby repealed.

I, the undersigned (Assistant) Secretary of the Philadelphia Authority for Industrial Development, hereby certify that the foregoing is the text of the Resolution adopted by said Authority at a meeting held January 25, 2022 after the giving of the required public notice and at which a quorum was present.

(Assistant) Secretary

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