

**NEW ISSUE — BOOK-ENTRY ONLY****Ratings: Moody's: "A3"****S&P: "A"**

*In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, based on an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2020A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. In the further opinion of Bond Counsel, interest on the Series 2020A Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that interest on the Series 2020A Bonds is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2020A Bonds. See "TAX MATTERS."*

**\$125,220,000****THE TRUST FOR CULTURAL RESOURCES OF THE CITY OF NEW YORK****Refunding Revenue Bonds, Series 2020A****Lincoln Center****(Lincoln Center for the Performing Arts, Inc.)*****Dated: Date of Delivery******Due: as shown on the inside cover page***

The Trust For Cultural Resources of The City of New York Refunding Revenue Bonds, Series 2020A (Lincoln Center for the Performing Arts, Inc.) (the "Series 2020A Bonds") will be issued and secured under the Revenue Bond Resolution, adopted by The Trust for Cultural Resources of The City of New York (the "Trust") on April 22, 2008, as supplemented by the Series 2020A Resolution, authorizing the issuance of the Series 2020A Bonds, adopted by the Trust on August 4, 2020. Pursuant to a Loan Agreement (the "Loan Agreement"), dated as of July 1, 2008, as amended, by and between the Trust and Lincoln Center for the Performing Arts, Inc. (the "Institution" or "LCPA"), the proceeds of the Series 2020A Bonds will be loaned to the Institution and applied as described herein under "PLAN OF FINANCE."

***The Series 2020A Bonds are not a debt of the State of New York or The City of New York or any other municipality, and neither the State of New York, The City of New York nor any other municipality shall be liable on the Series 2020A Bonds. The Trust has no taxing powers.***

The Series 2020A Bonds are issuable only as fully registered bonds without coupons. The Series 2020A Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository ("Securities Depository") of the Series 2020A Bonds. Purchases of beneficial interests in the Series 2020A Bonds will be made in book-entry form in denominations of \$5,000 and any integral multiple thereof. Purchasers will not receive certificates representing their ownership interest in the Series 2020A Bonds purchased. The principal of and interest on the Series 2020A Bonds are payable by U.S. Bank National Association, as the trustee (the "Trustee"), to the Securities Depository, which is to remit such principal and interest to its Participants (as defined herein), which are to remit such principal and interest to the Beneficial Owners (as defined herein) of the Series 2020A Bonds, as described herein. Interest on the Series 2020A Bonds is payable at the rates specified on the inside cover hereof on June 1 and December 1, commencing December 1, 2020.

The Series 2020A Bonds are limited obligations of the Trust payable exclusively from the Trust Estate (as defined herein) and payments made to the Trust by the Institution pursuant to the Loan Agreement, which revenues and payments are pledged under the Resolution (as defined herein), as more fully described herein. The Institution is obligated under the Loan Agreement to make payments sufficient to pay the principal of and interest on the Series 2020A Bonds. The Institution's obligation to make payments under the Loan Agreement is a general, unsecured obligation of the Institution as more fully described herein. None of the Series 2016A Bonds (as defined herein), the Series 2020A Bonds or the Institution's obligations under the Loan Agreement are secured by a pledge of or mortgage on any specific assets or property of the Institution.

The Series 2020A Bonds mature as shown on the inside cover page hereof and are subject to redemption and purchase in lieu of redemption prior to maturity as more fully described herein.

The Series 2020A Bonds are offered for delivery when, as and if issued by the Trust and received by the Underwriters, subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of legality by Orrick, Herrington & Sutcliffe LLP, New York, New York, Bond Counsel. Certain legal matters will be passed upon for the Institution, by its special counsel, Nixon Peabody LLP, New York, New York, for the Trust by its counsel, Bryant Rabbino LLP, New York, New York, for the Underwriters by their counsel, Katten Muchin Rosenman LLP, New York, New York, and for the Trustee by its counsel, Ballard Spahr LLP. It is expected that the Series 2020A Bonds will be available for delivery in New York, New York through the book-entry procedures of DTC on or about August 24, 2020.

**Goldman Sachs & Co. LLC****Loop Capital Markets*****Dated: August 14, 2020***

**\$125,220,000**  
**THE TRUST FOR CULTURAL RESOURCES OF THE CITY OF NEW YORK**  
**Refunding Revenue Bonds, Series 2020A**  
**(Lincoln Center for the Performing Arts, Inc.)**

Maturity	Principal Amount	Interest Rate	Yield <sup>c</sup>	CUSIP Number <sup>†</sup>
December 1, 2031	\$20,000,000	5.000%	1.760%	649717VG7
December 1, 2032	25,000,000	5.000	1.860	649717VH5
December 1, 2033	30,000,000	4.000	2.060	649717VJ1
December 1, 2034	30,000,000	4.000	2.100	649717VK8
December 1, 2035	20,220,000	4.000	2.170	649717VL6

<sup>c</sup> Yield calculated to the December 1, 2030 call date.

<sup>†</sup> CUSIP data herein are provided by CUSIP Global Services (“CGS”), operated on behalf of the American Bankers Association (the “ABA”) by S&P Global Market Intelligence, a division of S&P Global Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. The CUSIP numbers are included solely for the convenience of Bondholders of the Series 2020A Bonds. CUSIP numbers assigned to securities may be changed during the term of such securities based on a number of factors, including, but not limited to, the refunding or defeasance of such securities or the use of secondary market financing products. The CUSIP numbers are subject to being changed after the issuance of the Series 2020A Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of a maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by Bondholders that is applicable to all or a portion of the Series 2020A Bonds. Neither the Institution nor the Trust is responsible for the selection or use of the CUSIP numbers, and no representation is made as to their correctness on the Series 2020A Bonds or as indicated above.

## TABLE OF CONTENTS

<u>Page</u>	<u>Page</u>
INTRODUCTORY STATEMENT .....	1
General .....	1
Authority for Issuance .....	1
Purpose of Financing .....	1
Series 2020B Bonds .....	2
The Trust .....	2
The Institution .....	2
Security for the Series 2020A Bonds .....	3
Additional Bonds and Other Indebtedness .....	3
Interest on the Series 2020A Bonds .....	3
Redemption of the Series 2020A Bonds .....	3
THE TRUST FOR CULTURAL RESOURCES OF THE	
CITY OF NEW YORK .....	4
Organization and Membership .....	4
Powers of the Trust .....	7
Operations of the Trust .....	8
Other Financings of the Trust .....	8
PLAN OF FINANCE .....	8
SOURCES AND USES OF FUNDS .....	9
DESCRIPTION OF THE SERIES 2020A BONDS .....	9
General .....	9
Redemption .....	9
Selection of Series 2020A Bonds to be Redeemed .....	10
Purchase in Lieu of Optional Redemption .....	10
Notice and Effect of Redemption .....	10
BOOK-ENTRY ONLY SYSTEM .....	10
Securities Depository .....	10
SECURITY FOR THE SERIES 2020A BONDS .....	12
General .....	12
Additional Bonds .....	13
Loan Agreement Payment Obligations .....	14
Other Obligations .....	14
Bond Debt Service Requirements .....	15
CERTAIN INVESTMENT CONSIDERATIONS AND	
RISK FACTORS .....	15
Limited Obligations of the Trust .....	16
Unsecured Obligations .....	16
Impacts from the Novel Coronavirus (COVID-19)	
Pandemic .....	16
Institution Revenues and Expenses .....	17
Damage or Destruction of the Institution's Facilities .....	18
Restrictions Upon Use of Certain Institution Facilities .....	18
Cybersecurity Risk .....	19
Investment Risks .....	19
Additional Bonds .....	19
Additional Indebtedness .....	19
Matters Relating to Enforceability .....	20
Tax Exemption for the Series 2020A Bonds .....	20
Changes in Law .....	20
Basis of Ratings .....	21
Secondary Markets and Prices .....	21
TAX MATTERS .....	21
LITIGATION .....	23
CONTINUING DISCLOSURE INFORMATION .....	23
UNDERWRITING .....	24
RATINGS .....	25
LEGAL MATTERS .....	25
LEGAL INVESTMENTS .....	25
INDEPENDENT AUDITORS .....	25
MISCELLANEOUS .....	26
APPENDIX A — LINCOLN CENTER FOR THE PERFORMING	
ARTS, INC. ....	A-1
APPENDIX B — LINCOLN CENTER FOR THE PERFORMING	
ARTS, INC. AND RELATED ENTITY	
CONSOLIDATED FINANCIAL	
STATEMENTS .....	B-1
APPENDIX C — DEFINITIONS OF CERTAIN TERMS .....	C-1
APPENDIX D — SUMMARY OF CERTAIN PROVISIONS OF	
THE RESOLUTION .....	D-1
APPENDIX E — SUMMARY OF CERTAIN PROVISIONS OF	
THE LOAN AGREEMENT .....	E-1
APPENDIX F — FORM OF OPINION OF BOND COUNSEL .....	F-1
APPENDIX G — FORM OF CONTINUING DISCLOSURE	
AGREEMENT .....	G-1

No dealer, broker, salesperson or other person has been authorized by the Trust, the Institution or the Underwriters to give any information or to make any representations with respect to the Series 2020A Bonds other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2020A Bonds in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The information contained herein has been obtained by the Trust from the Institution, The Depository Trust Company and other sources which are believed to be reliable, but is not guaranteed as to accuracy or completeness, and such information is not to be construed to be the representation of the Trust or the Underwriters. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the parties referred to above since the date hereof. References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this final official statement for purposes of, and as that term is defined in, SEC Rule 15c2-12.

This Official Statement contains statements which, to the extent they are not recitations of historical fact, constitute "forward looking statements." If and when included in this Official Statement, the words "expects," "forecasts," "projects," "intends," "anticipates," "estimates," "will" and analogous expressions are intended to identify forward-looking statements and any such statements inherently are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include, among others, general economic and business conditions, changes in political, social and economic conditions, regulatory initiatives and compliance with governmental regulations, litigation and various other events, conditions and circumstances, many of which are beyond the control of the Trust and the Institution. These forward-looking statements speak only as of the date of this Official Statement. The Trust and the Institution disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Trust's or the Institution's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

THE UNDERWRITERS HAVE PROVIDED THE FOLLOWING SENTENCE FOR INCLUSION IN THIS OFFICIAL STATEMENT: THE UNDERWRITERS HAVE REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH AND AS PART OF THEIR RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITERS DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2020A BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITERS MAY OFFER AND SELL THE SERIES 2020A BONDS TO CERTAIN DEALERS AND CERTAIN DEALER BANKS AND BANKS AND OTHERS ACTING AS AGENTS AT PRICES LOWER THAN THE OFFERING PRICES STATED ON THE INSIDE COVER PAGE HEREOF, AND SAID OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT.

**\$125,220,000**  
**THE TRUST FOR CULTURAL RESOURCES OF THE CITY OF NEW YORK**  
**Refunding Revenue Bonds, Series 2020A**  
**(Lincoln Center for the Performing Arts, Inc.)**

---

**INTRODUCTORY STATEMENT**

**General**

The purpose of this Official Statement is to provide certain information concerning The Trust for Cultural Resources of The City of New York Refunding Revenue Bonds, Series 2020A (Lincoln Center for the Performing Arts, Inc.) in the principal amount shown above (the “Series 2020A Bonds”), to be issued by The Trust for Cultural Resources of The City of New York (the “Trust”). The Series 2020A Bonds are being issued for the principal purpose of refunding all of the Trust’s outstanding Refunding Revenue Bonds, Series 2008A (Lincoln Center for the Performing Arts, Inc.) (the “Series 2008A Bonds” or the “Refunded Bonds”), the proceeds of which were used to refund all of the Trust’s Revenue Bonds, Series 2006A (Lincoln Center for the Performing Arts, Inc.) (the “Series 2006A Bonds”), which were originally issued to finance a portion of the costs incurred for the acquisition, construction, expansion, improvement and rehabilitation of facilities operated by Lincoln Center for the Performing Arts, Inc. (the “Institution” or “LCPA”). Capitalized terms used in this Official Statement and not otherwise defined herein have the respective meanings set forth in “APPENDIX C—DEFINITIONS OF CERTAIN TERMS.”

**Authority for Issuance**

The Series 2020A Bonds are authorized to be issued pursuant to the New York State Cultural Resources Act, Articles 20 and 21 of the New York Arts and Cultural Affairs Law (collectively, the “Act”). The Series 2020A Bonds are to be issued by the Trust under and pursuant to the Revenue Bond Resolution adopted by the Trust (the “General Resolution”) on April 22, 2008, as supplemented by the Series 2020A Resolution, authorizing the issuance of the Series 2020A Bonds, adopted by the Trust on August 4, 2020 (the “Series 2020A Resolution” and, together with the General Resolution, the “Resolution”).

The Series 2020A Bonds are the fifth series of bonds to be issued under the General Resolution. The Trust has previously issued its \$151,250,000 Series 2008A Bonds, its \$100,000,000 Revenue Bonds, Series 2008B (Lincoln Center for the Performing Arts, Inc.) (the “Series 2008B Bonds”), its \$100,000,000 Revenue Bonds, Series 2008C (the “Series 2008C Bonds”) and its \$87,575,000 Revenue Bonds, Series 2016A (Lincoln Center for the Performing Arts, Inc.) (the “Series 2016A Bonds”). Currently, the Series 2008A Bonds and the Series 2016A Bonds remain outstanding (collectively, the “Outstanding Bonds”). Upon application of proceeds of the Series 2020A Bonds to refund the currently outstanding Series 2008A Bonds, only the Series 2016A Bonds and the Series 2020A Bonds will be outstanding and these will be secured under the Resolution on a parity basis with any additional bonds that are issued in accordance with the terms and conditions of the Resolution (hereafter the “Additional Bonds”). The Series 2016A Bonds and the Series 2020A Bonds, together with any Additional Bonds, are collectively referred to herein as the “Bonds.” See “PLAN OF FINANCE.”

**Purpose of Financing**

The proceeds of the Series 2020A Bonds will be used by the Trust to make a loan to the Institution pursuant to a Loan Agreement, dated as of July 1, 2008, as amended, by and between the Trust and the Institution (the “Loan Agreement”). The proceeds of the Series 2020A Bonds will be applied to: (i) refund all of the Series 2008A Bonds, the proceeds of which were used to refund the Series 2006A Bonds, which were originally issued to finance a portion of the costs incurred for the acquisition, construction, expansion, improvement and rehabilitation of facilities operated by the Institution; and (ii) pay certain expenses of the Trust and the Institution incurred in connection with the issuance of the Series 2020A Bonds. See “PLAN OF FINANCE,” “SOURCES

AND USES OF FUNDS” and “APPENDIX A—LINCOLN CENTER FOR THE PERFORMING ARTS, INC.—OPERATING RESULTS AND FINANCIAL CONDITION—Indebtedness and Interest Rate Exchange Agreements.”

The Institution is obligated under the Loan Agreement to make certain payments to the Trust at such times and in such amounts as will be sufficient to enable the Trust to pay the principal of, redemption premium (if any) and interest on the Bonds and, if applicable, to make certain additional payments at such times and in such amounts to pay the purchase price of the Bonds required to be purchased under the Resolution, including the Series 2020A Bonds, and certain administrative costs in connection with such Bonds. All right, title and interest of the Trust in and to the Loan Payments has been assigned and pledged under the Resolution to U.S. Bank National Association, New York, New York (the “Trustee” and the “Paying Agent”), for the benefit of the owners of all Bonds issued under the Resolution. The agreement of the Institution to make the Loan Payments and Additional Payments (as defined in “APPENDIX C—DEFINITIONS OF CERTAIN TERMS” hereto) under the Loan Agreement constitutes a general, unsecured obligation of the Institution. See “SECURITY FOR THE SERIES 2020A BONDS.”

### **Series 2020B Bonds**

On August 13, 2020, LCPA terminated two interest rate exchange agreements to which it was a party. LCPA plans to issue a series of taxable bonds (the “Series 2020B Bonds”) on August 20, 2020, the proceeds of which will be used to pay the amounts related to such terminations. The Series 2020B Bonds will be issued directly by LCPA pursuant to a separate offering memorandum. The Series 2020B Bonds will be issued in a principal amount of \$70,160,000 and will mature on December 1, 2035. The Series 2020B Bonds will be unsecured general obligations of LCPA. See “APPENDIX A—LINCOLN CENTER FOR THE PERFORMING ARTS, INC.—OPERATING RESULTS AND FINANCIAL CONDITION—Indebtedness and Interest Rate Exchange Agreements.”

### **The Trust**

The Act provides for the creation of trusts for cultural resources which will promote the expansion, improvement and rehabilitation of facilities used for cultural, recreational and educational activities. The Trust was established in 1976 pursuant to the Act to assist participating cultural institutions in The City of New York (the “City”) with the development of their unused and underutilized real property. The Trust is a corporate governmental agency and a public benefit corporation constituting a political subdivision of the State of New York (the “State”). The Trust is managed by a Board of Trustees consisting of nine members, six of whom are appointed by the Mayor of the City and three of whom serve *ex officio*. The Trust is empowered to make loans to participating cultural institutions to develop their cultural facilities located in the City and is empowered to develop combined-use facilities for certain participating cultural institutions in the City. See “THE TRUST FOR CULTURAL RESOURCES OF THE CITY OF NEW YORK.”

### **The Institution**

Located in the Borough of Manhattan in New York City, LCPA is a not-for-profit corporation serving three primary roles: presenter of artistic programming, national leader in arts education and community engagement, and manager of the Lincoln Center for the Performing Arts campus in support of itself and ten other constituent organizations (the “Constituents”). These organizations collectively provide world-class artistic programming and education to audiences and students from around the world. No Constituent will be in any way obligated with respect to Loan Payments or Additional Payments under the Loan Agreement or otherwise obligated to fund the payment of principal or purchase price of, and interest on the Series 2020A Bonds or any other payments payable by the Institution with respect thereto or with respect to any other existing indebtedness of the Institution. See “APPENDIX A—LINCOLN CENTER FOR THE PERFORMING ARTS, INC.”

## Security for the Series 2020A Bonds

The Series 2020A Bonds, together with any series of Additional Bonds hereafter issued under the Resolution, are limited obligations of the Trust, secured solely by and payable solely from the “Trust Estate” which includes: (i) the Loan Payments required to be made by the Institution pursuant to the Loan Agreement (the “Revenues”); (ii) all moneys and investments in funds and accounts established under the Resolution (including proceeds of all Bonds and Additional Bonds but excluding the Rebate Fund and bond purchase funds, established in connection with any subseries of Bonds and interest earned and gains realized thereon); provided, however, that all Series 2020A Bonds accounts created with respect to the Series 2020A Bonds and all additional accounts and subaccounts thereunder created with respect to other Series of Bonds of the Funds designated in the Resolution shall be pledged solely for the benefit, security and protection of the owners of the Series 2020A Bonds and the owners of such applicable Series of Bonds, respectively, and interest earned and gains realized on such funds; (iii) all income and gains, and the proceeds of such income and gains, received by the Trust; and (iv) all of the Trust’s right, title and interest in and to the Loan Agreement, excluding only the rights to all Additional Payments (as described herein) and the Trust’s rights to obtain notices and make consents and amendments thereunder relating thereto but including, without limitation, the immediate and continuing right to receive and collect Revenues. The Institution’s obligation to make payments under the Loan Agreement is a general, unsecured obligation of the Institution. ***Neither the Series 2020A Bonds nor the Institution’s obligation under the Loan Agreement are secured by a pledge of or mortgage on any specific assets or property of the Institution.*** The Loan Agreement does not limit the authority of the Institution to incur additional debt or place liens on, or otherwise dispose of, revenues, assets or property. See “SECURITY FOR THE SERIES 2020A BONDS” herein for a more complete description of the security for the Series 2020A Bonds.

***The Series 2020A Bonds are not a debt of the State of New York or The City of New York or any other municipality therein and neither the State of New York, The City of New York nor any other municipality shall be liable on the Series 2020A Bonds. The Trust has no taxing powers. The Series 2020A Bonds are special revenue obligations of the Trust, payable solely from the sources provided under the Resolution.***

## Additional Bonds and Other Indebtedness

The Resolution permits the issuance of Additional Bonds under the Resolution on a parity with the Series 2020A Bonds upon delivery of certain items, as provided in the Resolution. Additional Bonds may be issued for the purpose of, among other things: (i) financing the acquisition and construction of projects for use by the Institution; or (ii) refunding all or any portion of any Series of Bonds or of any other bonds issued by the Trust for the benefit of the Institution or certain other debt of the Institution. The Institution has certain other debt outstanding and has reserved the right to issue additional such debt subject to certain limitations. See “SECURITY FOR THE SERIES 2020A BONDS—Other Obligations” and “CERTAIN INVESTMENT CONSIDERATIONS AND RISK FACTORS—Additional Bonds” and “—Additional Indebtedness.”

## Interest on the Series 2020A Bonds

The Series 2020A Bonds will bear interest at the fixed rates of interest shown on the inside cover page of this Official Statement from their dated date until maturity. Interest on the Series 2020A Bonds will be payable on December 1, 2020, and on each June 1 and December 1 thereafter.

## Redemption of the Series 2020A Bonds

The Series 2020A Bonds are subject to redemption prior to maturity and purchase in lieu of optional redemption. See “DESCRIPTION OF THE SERIES 2020A BONDS—Redemption” and “—Purchase in Lieu of Optional Redemption.”

## THE TRUST FOR CULTURAL RESOURCES OF THE CITY OF NEW YORK

The Trust is a corporate governmental agency and a public benefit corporation constituting a political subdivision of the State. The general enabling legislation for the Trust is the Act, which provides for the establishment of trusts for cultural resources in cities throughout the State in order to assist participating cultural institutions in the appropriate development of their unused and underutilized real property.

The Act provides that the Trust and its corporate existence shall continue until terminated by law. However, the Trust may not be terminated so long as it has bonds, notes or other obligations outstanding unless adequate provision has been made for their payment.

### Organization and Membership

The Trust is managed by a Board of Trustees (the “Board”) consisting of six members appointed by the Mayor of the City, and three ex officio members, the Deputy Mayor - Economic Development and Finance of the City, the Chairperson of the New York City Industrial Development Agency and the Commissioner of the City’s Department of Cultural Affairs (collectively, the “Trustees”). The ex officio Trustees may each appoint a person to represent them and vote in their place at meetings of the Board. The Mayor also appoints the Chair of the Board from among the appointed Trustees. The appointed Trustees serve without pay for staggered terms of six years and continue to hold office until their successors are appointed. There are currently no vacancies on the Board. The Mayor may remove any appointed Trustee for cause. As noted below, a member of the Board of Trustees of the Trust currently serves as the Chief Communications and Marketing Officer of the Institution. She has recused herself from all consideration and votes of the Board with respect to issuance of the Series 2020A Bonds. In addition, the Commissioner of Cultural Affairs also serves ex officio on the Board of Trustees of the Institution and will also recuse himself from all consideration and votes of the Board with respect to issuance of the Series 2020A Bonds.

The present Trustees are as follows:

**SUSAN HENSHAW JONES**, Chair; term expires February 15, 2023. Susan Henshaw Jones retired on December 31, 2015 as the Ronay Menschel Director and Chief Executive Officer of the Museum of the City of New York. Her thirteen-year stint included the launch and completion of a \$99 million capital project; the organization of a multitude of temporary exhibitions and public programs; the initiation of a long-term exhibition called New York at its Core that opened in the fall of 2016; and numerous collections initiatives. Prior to leading the City Museum, Ms. Jones was the CEO of the National Building Museum in Washington, D.C., and the President of the New York Landmarks Conservancy on two occasions. She began her career in New York City in the administration of Mayor John V. Lindsay. Ms. Jones also worked as a lender at Citibank, N.A. after earning an MBA from Columbia Business School. She graduated from Vassar College.

**LEAH C. JOHNSON**; term expires February 15, 2025. Ms. Johnson is a communications strategist and business leader. In July 2019, she joined Lincoln Center for the Performing Arts, Inc. as the Chief Communications and Marketing Officer and Executive Vice President. Previously, she was the CEO of LCJ Solutions LLC and provided advice to clients seeking to build market strength and reputation. Prior to creating the firm, Ms. Johnson served as Senior Vice President of Corporate Affairs at Citigroup Inc., where she was the chief communications advisor to four CEOs and successfully led teams spanning 200 countries. Before joining Citigroup, Ms. Johnson was Vice President of Corporate Communications at Standard & Poor’s. She spent many years working in the public sector and was Press Secretary for Mayor David N. Dinkins Reelection Campaign and Deputy Director for Communications for the Clinton-Gore ’92 New York State Coordinated Campaign. She also served as a Special Assistant for Media Relations in the Office of the Deputy Mayor and Director of Communications for the New York City Comptroller. Ms. Johnson began her career in communications at the NYC Health and Hospitals Corporation and served as Director of Public Affairs at Kings County Hospital Center. Ms. Johnson is a Director at Pluralsight (PS:NASDAQ) where she is a member of the Nominations and Governance Committee and Pluralsight One’s advisory board. Ms. Johnson is a trustee of the Museum of the City of New York and of New York Public Radio. She previously served as Vice Chair of



Planned Parenthood New York City's Board of Trustees and chaired the Issues and Advocacy Committee and was also a member of Trinity Wall Street's Vestry. She is a mentor with W.O.M.E.N. in America and recently rejoined The Dalton School's Board of Trustees. Ms. Johnson is a graduate of Harvard College and lives in New York City with her husband and their daughter.

**ERIKA MALLIN**; term expires February 15, 2024. Erika Mallin was appointed Executive Director of The Aspen Institute Arts Program in July, 2018. Based in New York City, she leads the Institute's programs to support and invigorate the role of arts and culture in public life through programs, strategic initiatives, and public and private convening. Most recently, she was previously Signature Theatre's Executive Director for 10 years. Under her leadership, Signature became one of the country's preeminent non-profit theatre companies. Mallin successfully led Signature's expansion to the Frank Gehry-designed 75,000 square foot \$70 million Pershing Square Signature Center. The Center is the city's largest new theatre center built in nearly 50 years, and in 2014, Signature was the first New York City theatre company to win the Regional Theater Tony Award. Dedicated to making arts accessible to new and diverse audiences, Mallin piloted the City's first-ever subsidized ticket program at Atlantic Theatre Company. At Signature she expanded the program, doubled the funding and analyzed the impact on attracting underserved audiences. To date, the program has served over one million people and has become a national model. Prior to her work in the arts, Mallin was a Special Assistant to the Mayor of the City of New York. During her tenure, she created the Neighborhood Entrepreneurs Program, which received the "Innovations in Government" Award by Harvard's Kennedy School of Government. Mallin sits on the Board of NYC & Co. She has guest lectured at Columbia, Yale, NYU, Pace, CUNY, Women in Real Estate, Urban Land Institute, and the American Institute of Architecture. She also advises and consults for national and international arts institutions. Mallin began her career as a journalist and received her M.A. from Columbia University's Graduate School of Journalism and B.A. from the University of Michigan.

**LYNNE B. SAGALYN**; term expires February 15, 2025. Ms. Sagalyn is the Earle W. Kazis and Benjamin Shore Professor Emerita of Real Estate at Columbia University's School of Business, where she taught for more than twenty years and built its MBA Real Estate Program. As founding director of the Paul Milstein Center for Real Estate there, she spearheaded a program of deep engagement with the real estate industry. At other times she was on the faculty of the Department of Urban Studies and Planning at M.I.T. and the University of Pennsylvania's Wharton School and School of Design. Widely known for her research on urban redevelopment, Professor Sagalyn is author of *Power at Ground Zero: Politics, Money, and the Remaking of Lower Manhattan* (Oxford University Press 2016), *Times Square Roulette: Remaking the City Icon* (MIT Press 2001), and co-author of *Downtown, Inc.: How America Rebuilds Cities* (MIT Press 1989), as well as numerous publications on real estate finance and strategy and urban development politics. She serves as a director of UDR (NYSE: UDR), where she is Vice Chair; Blackstone Mortgage Trust (NYSE: BXMT), where she chairs the Audit Committee; on the Advisory Board of PRIME Property Fund of Morgan Stanley; and on the Advisory Board of Olshan Properties. In the not-for-profit realm, she serves on the Board of Directors of the Regional Plan Association, the Skyscraper Museum, and on the Audit and Compliance committee of Planned Parenthood New York City. She previously served on the Chancellor's Commission on the Capital Plan of the former NYC Board of Education, and has been a litigation expert and a consultant to both private firms and public agencies. Professor Sagalyn received her Ph.D. from the M.I.T., M.C.R.P. from Rutgers University, and B.S. with distinction from Cornell University.

**MERRYL H. TISCH**; term expires February 15, 2024. Dr. Merryl H. Tisch is one of the nation's leading voices on education. She was appointed Chair of the State University of New York in September of 2019, after serving as Vice-Chair since 2018. From 2009 to 2016, Dr. Tisch served as Chancellor of the New York State Board of Regents, New York State's governing body for education. Prior to serving as its Chancellor, Dr. Tisch was a member of the Board of Regents for twenty years and then held the position of Vice Chancellor from 2007 to 2009. While leading the Board of Regents, Dr. Tisch was responsible for setting the state's education policy and overseeing both public and private education throughout New York. Her policies were informed by years of experience in the fields of education, community service, and philanthropy. Dr. Tisch currently holds a number of philanthropic and civic positions in New York and beyond. She sits on the executive committees of The Washington Institute for Near East Policy and the Citizens Budget Commission. Additionally, she serves on the board of the Graduate School of Education's Board of Overseers at the University of

Pennsylvania. Dr. Tisch is also a Trustee of Barnard College. Dr. Tisch sits on the board of the Metropolitan Museum of Art and acts as the Met's representative on the Public Design Commission, and she also serves as the Chair of the Rhodes Scholarship District Selection Committee. Dr. Tisch is a member of the NYC Charter Revision Commission, and Chair Emeritus of the Metropolitan Council on Jewish Poverty, a leading social services agency. In 2008, Dr. Tisch and her husband James Tisch endowed the Tisch Cancer Institute at Mt. Sinai Hospital. She earned a B.A. from Barnard College, an M.A. in Education from New York University, and received an Ed.D from Teacher's College, Columbia University.

**DAWANNA WILLIAMS**; term expires February 15, 2025. Ms. Williams is the managing principal and founder of Dabar Development Partners, a real estate development and investment firm. Prior to founding Dabar in 2003, Ms. Williams worked as a commercial real estate lawyer, spending most of her career at Sidley Austin LLP. She has over 20 years of experience in the real estate industry and as an active supporter of the arts. Ms. Williams serves as Chairperson of the Board of Directors of the New York Real Estate Chamber. Ms. Williams has previously served as a member of the Museum of Modern Art Friends of Education Committee, the Board of Directors of the Museum of Contemporary African Diasporan Art and the Acquisition Committee of the Studio Museum in Harlem. She holds an A.B. from Smith College, an M.P.A. from Harvard University Kennedy School of Government and a J.D. from the University of Maryland School of Law.

**VICKI BEEN**; *ex officio* member. Ms. Been is the Deputy Mayor for Housing and Economic Development of The City of New York. She leads the de Blasio Administration's efforts to grow and diversify New York City's economy, invest in emerging industries across the five boroughs, build a new generation of affordable housing, and help New Yorkers secure good-paying jobs. Deputy Mayor Been oversees and coordinates the operations of over 20 agencies, offices and affiliated entities, including: the Economic Development Corporation, the Department of Housing Preservation and Development, the Housing Development Corporation, the New York City Housing Authority, the Department of City Planning, the Public Design Commission, the Board of Standards and Appeals, the Department of Cultural Affairs, the Landmarks Preservation Commission, Libraries, the Department of Parks and Recreation, the Office of Media & Entertainment, the Office of Housing Recovery Operations, NYC & Company, Brooklyn Navy Yard Development Corporation, Brooklyn Bridge Park Development Corporation, the Trust for Governors Island, the Hudson River Park Trust and the Rent Guidelines Board. Ms. Been has extensive experience fighting to make New York a more affordable and equitable city. As HPD Commissioner from 2014 to 2017, Ms. Been helped craft Housing New York, Mayor de Blasio's plan to tackle the affordability crisis and create and preserve 200,000 affordable homes by 2024. After HPD made rapid progress, the plan was updated in 2017, setting a new goal of 300,000 affordable homes by 2026. During her tenure, Ms. Been oversaw the financing of a record 62,500 affordable homes – enough for 170,000 New Yorkers. She restructured the City's programs to reach a wider range of incomes and secure more affordable housing for every public dollar spent. She also reformed the regulatory process to reduce the risk and cost of building and preserving affordable housing while ensuring its safety, quality, and financial stability. Ms. Been was instrumental in advancing the Mandatory Inclusionary Housing law that requires developers to dedicate a certain percentage of rental units at below market rate rents in areas that are rezoned for higher density. There are nearly 5,600 additional MIH homes in the affordable housing pipeline. Ms. Been formerly served as the Director of NYU's Furman Center for Real Estate and Urban Policy, the Boxer Family Professor of Law at NYU School of Law, and an Affiliated Professor of Public Policy of the NYU's Robert F. Wagner Graduate School of Public Service. The Furman Center is the leading authority on land use and housing issues in New York City and one of the premier research centers on urban policy in the United States. She has worked on assessing New York City's land use patterns, the effects of Hurricane Sandy on housing and neighborhoods, the interplay of community benefit agreements and land use practices, and on a variety of affordable housing issues, including inclusionary zoning and supportive housing. Ms. Been graduated from Colorado State University and received her J.D. from New York University School of Law. She has served as a Visiting Professor of Law at Harvard Law School, and an Associate Professor of Law at Rutgers, The State University of New Jersey. She clerked for Judge Edward Weinfeld of the Southern District of New York and Justice Harry Blackmun of the Supreme Court of the United States. Ms. Ali Davis is Ms. Been's designee on the Board of Trustees of the Trust.

**GONZALO CASALS**; *ex officio member*. As the Commissioner of the New York City Department of Cultural Affairs, he directs cultural policy for the City of New York and oversees City funding and support for over 1,000 non-profit cultural organizations that represent the full breadth of New York City's rich cultural life. A Queer, Latinx immigrant, Casals is a fervent believer in cultural democracy and equity. Prior to his appointment as Commissioner by Mayor Bill de Blasio, he was Director of the Leslie-Lohman Museum of Art; Vice President of Programs and Community Engagement at Friends of the High Line; and held various roles at El Museo del Barrio. Ms. Pranita Raghavan is Commissioner Casals' designee on the Board of Trustees of the Trust.

**JAMES PATCHETT**; *ex officio member*. Mr. Patchett was appointed the President of the New York City Economic Development Corporation ("NYCEDC") and Chairperson of the New York City Industrial Development Agency in February, 2017. A proponent of affordable housing and a principal driver of Mayor de Blasio's effort to create 100,000 jobs within ten years, he previously served as Chief of Staff to Deputy Mayor for Housing and Economic Development Alicia Glen. Before his transition to NYCEDC, Mr. Patchett was pivotal in securing many of the Mayor's signature affordable housing achievements and was one of the de Blasio administration's chief negotiators on major land use matters, including: the long-term preservation of six thousand affordable housing units at Stuyvesant Town/Peter Cooper Village and Harlem's Riverton Houses – two of New York City's most storied and important mixed-income communities; the successful passage in 2016 of Mandatory Inclusionary Housing, which requires for the first time through zoning, that a share of new housing be permanently affordable; and the \$100 million sale by the Hudson River Park Trust of two million square feet of air rights at Pier 40, which helped secure the financial future of Hudson River Park and facilitated the construction of five hundred new affordable homes. As Chief of Staff to the Deputy Mayor, Mr. Patchett worked on some of the City's key economic development initiatives, which included: constructing one of Brooklyn's largest tech hubs with a \$100 million investment in Building 77 at Brooklyn Navy Yard, which will create over 3,000 new jobs; overhauling Citi Bike when the system was on the verge of failure by securing new ownership, infusion of new capital, and a promise to double the number of bikes on the road; and modernizing the City's food distribution system through a \$150 million investment in the Hunts Point Food Distribution Center – home to over eight thousand jobs. Prior to joining the office of the Deputy Mayor, Mr. Patchett served as Vice President of the Urban Investment Group at Goldman Sachs where he helped finance a variety of real estate and economic development projects across the country. He previously worked as a consultant, assisting public and private organizations with economic development projects. He currently serves on the board of the Prospect Park Alliance, a nonprofit dedicated to sustaining Brooklyn's most famous park. Mr. Patchett holds a BA in Economics from Amherst College and an MBA from Stanford University. He lives in Brooklyn with his wife and two children. Mr. Krishna Omolade serves as Mr. Patchett's designee on the Board of Trustees of the Trust.

## **Powers of the Trust**

The Trust is empowered to make loans to participating cultural institutions to develop their cultural facilities located in the City and is also empowered to develop combined-use facilities for certain participating cultural institutions in the City. The Trust is authorized to issue bonds, notes and other obligations in order to finance the development of the institutional portion of combined-use facilities and cultural facilities for participating cultural institutions.

The Series 2020A Bonds will be issued pursuant to the Resolution, which constitutes a contract with the holders of the Series 2020A Bonds. The Trust has issued other bonds for cultural institutions other than the Institution. Such other bonds, notes and obligations issued by the Trust are required to be issued under separate and distinct resolutions and are secured by or payable from instruments, properties or revenues separate from those securing the Bonds. The Act provides that the Trustees, officers and employees of the Trust shall not be personally liable for any debt, obligation or liability incurred by or imposed on the Trust at any time. See "— Other Financings of the Trust" below and "SECURITY FOR THE SERIES 2020A BONDS—Other Obligations."

## **Operations of the Trust**

The Trust has no full-time staff or employees, but it has retained consultants, accountants and counsel to assist it in the conduct of its business. The Trust has contracted with the New York City Economic Development Corporation to provide the Trust with various administrative services.

The Institution will enter into an Indemnification Agreement with the Trust dated as of August 1, 2020 (the “Indemnification Agreement”), pursuant to which the Institution will agree to reimburse the Trust, its Trustees, officers and employees for all of its or their respective expenses relating to the issuance of the Series 2020A Bonds and will agree to indemnify the Trust, its Trustees, officers and employees for certain of their respective liabilities relating to the Series 2020A Bonds.

## **Other Financings of the Trust**

In addition to issuing bonds for the Institution, the Trust has previously issued bonds to finance facilities for the Alvin Ailey Dance Foundation, American Museum of Folk Art, The Asia Society, The Carnegie Hall Corporation, China Institute in America, Educational Broadcasting Corporation, The Solomon R. Guggenheim Museum, International Center for Photography, The Jewish Museum, The Juilliard School, Manhattan School of Music, The Metropolitan Museum of Art, The Museum of Modern Art, The Museum of Television and Radio, The New York Botanical Garden, The Pierpont Morgan Library, School of American Ballet, Inc., The Whitney Museum of American Art, Wildlife Conservation Society and WNYC Radio. All bonds issued by the Trust to finance facilities for the American Museum of Folk Art, The Asia Society, Educational Broadcasting Corporation (which is now known as WNET), The Solomon R. Guggenheim Museum, International Center for Photography, The Jewish Museum, the Museum of Television and Radio (which is now known as the Paley Center for Media) and WNYC Radio have been repaid in full. Each of these bond issues is or was secured separately and apart from the Bonds.

## **PLAN OF FINANCE**

A portion of the proceeds of the Series 2020A Bonds is expected to be applied to refund the Series 2008A Bonds on the date of delivery of the Series 2020A Bonds. See “SOURCES AND USES OF FUNDS,” “SECURITY FOR THE SERIES 2020A BONDS—Other Obligations” and “APPENDIX B—LINCOLN CENTER FOR THE PERFORMING ARTS, INC. AND RELATED ENTITY CONSOLIDATED FINANCIAL STATEMENTS—Note 9 - Long Term Debt.”

On August 13, 2020, LCPA terminated two interest rate exchange agreements to which it was a party. LCPA plans to issue the Series 2020B Bonds on August 20, 2020, the proceeds of which will be used to pay the amounts related to such terminations. The Series 2020B Bonds will be issued directly by LCPA pursuant to a separate offering memorandum. The Series 2020B Bonds will be issued in a principal amount of \$70,160,000 and will mature on December 1, 2035. The Series 2020B Bonds will be unsecured general obligations of LCPA. See “APPENDIX A—LINCOLN CENTER FOR THE PERFORMING ARTS, INC.—OPERATING RESULTS AND FINANCIAL CONDITION—Indebtedness and Interest Rate Exchange Agreements.”

## SOURCES AND USES OF FUNDS

The following are the expected sources and uses of funds with respect to the issuance of the Series 2020A Bonds:

<b>Sources of Funds</b>	<b><u>Series 2020A Bonds</u></b>
Principal Amount	\$125,220,000
Original Issue Premium	<u>27,360,126</u>
<b>Total Sources</b>	<b><u>\$152,580,126</u></b>
<b>Use of Funds</b>	
Redemption of Series 2008A Bonds	\$151,250,000
Costs of Issuance <sup>(1)</sup>	<u>1,330,126</u>
<b>Total Uses</b>	<b><u>\$152,580,126</u></b>

<sup>(1)</sup> Costs of issuance include underwriters' discount, counsel fees, rating agency fees and other costs associated with the issuance of the Series 2020A Bonds.

## DESCRIPTION OF THE SERIES 2020A BONDS

The following is a summary of certain provisions of the Series 2020A Bonds. Reference is made to the Series 2020A Bonds for the complete text thereof and to the Series 2020A Resolution for a more detailed description of such provisions. The discussion herein is qualified by such reference.

### General

The Series 2020A Bonds will be dated the date of their initial issuance, will mature on the dates and in the principal amounts, and will bear interest at the rates *per annum*, set forth on the inside cover page of this Official Statement. The Series 2020A Bonds are subject to redemption prior to maturity as described herein and shall bear interest, calculated on the basis of a 360-day year of twelve 30-day months, from their date until maturity, payable on December 1, 2020, and each June 1 and December 1 thereafter. The principal of and interest on the Series 2020A Bonds shall be payable as set forth below under the caption "BOOK-ENTRY ONLY SYSTEM" or as otherwise provided in the Resolution. U.S. Bank National Association, New York, New York, will serve as Trustee for the Bonds, including the Series 2020A Bonds, under the General Resolution.

The Series 2020A Bonds will be issued in fully registered form in Minimum Authorized Denominations (\$5,000 and any integral multiple thereof), registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company ("DTC"), New York, New York, or such other name as may be requested by an authorized representative of DTC. DTC acts as securities depository (the "Securities Depository") for the Series 2020A Bonds. Individual purchases may be made only in book-entry form, and purchasers will not receive certificates representing their interests in the Series 2020A Bonds purchased. Except as provided in the General Resolution, so long as Cede & Co. or such other nominee of DTC is the registered owner of the Series 2020A Bonds, references herein to "Owners," "Bondholders" or "Registered Owners" mean Cede & Co. and not the Beneficial Owners of the Series 2020A Bonds. In this Official Statement, the term "Beneficial Owner" means the person for whom its DTC Direct Participant or Indirect Participant, as applicable, (collectively, "Participants") acquires an interest in the Series 2020A Bonds. See "BOOK-ENTRY ONLY SYSTEM."

### Redemption

*Optional Redemption of Series 2020A Bonds.* The Series 2020A Bonds are subject to optional redemption by the Trust, at the direction of the Institution, in whole or in part, at any time and in any order from the maturities designated by the Institution, on or after December 1, 2030, at a redemption price of 100% of the principal amount being redeemed, plus accrued interest to the date fixed for redemption.

### **Selection of Series 2020A Bonds to be Redeemed**

If less than all of the Series 2020A Bonds of a maturity are to be redeemed, the particular Series 2020A Bonds to be redeemed shall be selected by lot or as the Trustee shall deem fair and appropriate in its discretion in accordance with the provisions of the General Resolution for the selection of Series 2020A Bonds to be redeemed in part.

### **Purchase in Lieu of Optional Redemption**

Whenever the Series 2020A Bonds are subject to optional redemption, such Series 2020A Bonds may instead be purchased at the election of the Institution at a purchase price equal to the applicable redemption price. The Institution shall give written notice thereof and of the Series 2020A Bonds and the maturities of Series 2020A Bonds to be so purchased to the Trust and the Trustee. The Trustee shall select the particular Series 2020A Bonds of such maturities to be so purchased by lot in accordance with the provisions of the General Resolution for the selection of Series 2020A Bonds to be redeemed in part. Promptly thereafter, the Trustee shall give notice of the purchase of such Series 2020A Bonds at the times and in the manner provided in the General Resolution for the notice of redemption. All such purchases may be subject to conditions to the obligation of the Institution to purchase such Series 2020A Bonds and shall be subject to the condition that money for the payment of the purchase price therefor is available on the date set for such purchase. Notice of purchase having been given in the manner required above, then, if sufficient money to pay the purchase price of such Series 2020A Bonds is held by the Trustee, the purchase price of the Series 2020A Bonds or portions thereof so called for purchase shall become due and payable on the date set for purchase. The General Resolution provides that a purchased Series 2020A Bond shall not be considered to be no longer Outstanding by virtue of its purchase, that each such purchased Series 2020A Bond that is not a Book-Entry Bond shall be registered in the name or at the direction of the Institution, and that the Institution may not exercise certain rights that are provided to other holders of such Series 2020A Bonds thereunder.

### **Notice and Effect of Redemption**

Notice of redemption is to be provided in accordance with the operational arrangements of the Securities Depository, but in any event, notice of redemption is to be provided to Registered Owners not less than 10 and not more than 30 days prior to any proposed optional redemption date.

The General Resolution provides that, in the case of any optional redemption of the Series 2020A Bonds, such notice shall state that such redemption is conditional upon the deposit of moneys with the Trustee on or before the date fixed for redemption in the necessary amount to redeem such Series 2020A Bonds. If, on the redemption date specified in the notice of redemption, moneys for the redemption of the Bonds or portions thereof to be redeemed, with interest thereon to the redemption date, is held by the Trustee, and notice of redemption has been mailed as provided in the General Resolution, then from and after the redemption date, the Bonds or portions thereof called for redemption will cease to bear interest and will no longer be considered as Outstanding under the Resolution. If such moneys are not so available on the redemption date, such Bonds or portions thereof will continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

## **BOOK-ENTRY ONLY SYSTEM**

### **Securities Depository**

Unless otherwise noted, portions of the description which follows of the procedures and record-keeping with respect to beneficial ownership interests in the Series 2020A Bonds, payment of interest and other payments on the Series 2020A Bonds to DTC Participants or Beneficial Owners of the Series 2020A Bonds, confirmation and transfer of beneficial ownership interests in the Series 2020A Bonds and other bond-related transactions by and between DTC, the DTC Participants and Beneficial Owners of the Series 2020A Bonds is based solely on

information obtained from DTC. Accordingly, the Trust, the Trustee, the Institution and the Underwriters do not and cannot make any representations concerning these matters.

DTC will act as securities depository for the Series 2020A Bonds. The Series 2020A Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2020A Bond certificate will be issued for the Series 2020A Bonds, in the aggregate principal amount of such bond, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participant's accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of "AA+". The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Series 2020A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2020A Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2020A Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2020A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2020A Bonds, except in the event that use of the book-entry system for the Series 2020A Bonds is discontinued.

To facilitate subsequent transfers, all Series 2020A Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2020A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2020A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2020A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to Series 2020A Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Trust as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2020A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2020A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detailed information from the Trust or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Trust, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trust or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2020A Bonds at any time by giving reasonable notice to the Trust or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2020A Bond certificates are required to be printed and delivered.

The Trust may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository) with respect to the Series 2020A Bonds. In that event, Series 2020A Bond certificates will be printed and delivered.

NONE OF THE TRUST, THE TRUSTEE, THE INSTITUTION OR THE UNDERWRITERS SHALL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY PARTICIPANT OR THE PERSONS TO WHOM THEY ACT AS NOMINEES WITH RESPECT TO: THE ACCURACY OF THE RECORDS MAINTAINED BY DTC, CEDE & CO. OR ANY PARTICIPANT; PAYMENTS TO, OR THE PROVIDING OF NOTICE FOR, ANY PARTICIPANT OR ANY INDIRECT PARTICIPANT OR BENEFICIAL OWNER; OR ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE REGISTERED OWNER OF SERIES 2020A BONDS.

The Trust, the Trustee, the Underwriters and the Institution cannot and do not give any assurances that DTC, Participants or others will distribute: (i) payments of debt service on the Series 2020A Bonds paid to DTC or its nominee, as the registered owners; or (ii) any notices, to the Beneficial Owners, or that they will do so on a timely basis or that DTC will serve and act in a manner described in this Official Statement. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Trust, the Trustee, the Institution and the Underwriters believe to be reliable, but none of the Trust, the Trustee, the Institution or the Underwriters is responsible for the accuracy or completeness thereof.

## **SECURITY FOR THE SERIES 2020A BONDS**

### **General**

The Series 2020A Bonds, together with the Series 2016A Bonds, and any Additional Bonds hereafter issued under the Resolution, are limited obligations of the Trust, secured solely by and payable solely from the "Trust Estate" which includes: (i) the Loan Payments required to be made by the Institution pursuant to the Loan Agreement (the "Revenues"); (ii) all moneys and investments in funds and accounts established under the Resolution (including proceeds of all Bonds but excluding the Rebate Fund and interest earned and gains realized thereon); provided, however, that all accounts and subaccounts thereunder created with respect to the Series



2020A Bonds and all additional accounts and subaccounts thereunder created with respect to other Series of Bonds of the Funds designated in the Resolution shall be pledged solely for the benefit, security and protection of the owners of the Series 2020A Bonds or such other Series of Bonds, as applicable, and, in connection with a Series of Bonds secured by Credit Enhancement and/or a Liquidity Facility, the related Credit Enhancement Provider, and/or Liquidity Facility Provider, and interest earned and gains realized on such funds; (iii) all income and gains, and the proceeds of such income and gains, received by the Trust; and (iv) all of the Trust's right, title and interest in and to the Loan Agreement, excluding only the rights to all Additional Payments and the Trust's rights to obtain notices and make consents and amendments thereunder relating thereto but including, without limitation, the immediate and continuing right to receive and collect Revenues. The Institution's obligation to make payments under the Loan Agreement is a general, unsecured obligation of the Institution.

Under the terms of the Loan Agreement, the Institution has agreed to pay to the Trust, in addition to all other payments of any nature due under the Loan Agreement, the Loan Payments which shall be sufficient to pay the principal of, redemption premium (if any) and interest on the Bonds outstanding under the Resolution, whether at maturity, upon redemption, acceleration or otherwise, and to pay the purchase price of any Bonds required to be purchased pursuant to the Resolution at the times required thereby (but only to the extent certain other funds are not available therefor). The Institution has agreed in the Loan Agreement that the obligation to make the Loan Payments shall be absolute and unconditional irrespective of any defense or any rights of set-off, recoupment, counter-claim or deduction and without any rights of suspension, deferment, diminution or reduction the Institution might otherwise have. The Institution has agreed in the Loan Agreement that until such time as no Bonds are deemed outstanding under the Resolution, the Institution: (i) will not suspend or discontinue any Loan Payments except to the extent that the same have been prepaid; and (ii) will not terminate the Loan Agreement for any cause including, without limiting the generality of the foregoing, any failure on the part of the Trust to perform and observe any agreement, whether expressed or implied, or any duty, liability or obligation arising out of or in connection with the Loan Agreement. Under the terms of the Resolution, the Loan Payments have been pledged and assigned to the Trustee as security for the payment of the Bonds. See “—Other Obligations” below.

Moneys on deposit in the Debt Service Fund, including all income earned on such moneys from the temporary investment thereof, shall be used solely for the payment of the principal of and interest on the Bonds as the same shall become due and payable or as otherwise permitted by the Resolution; provided, however, that if a bond insurance policy is provided with respect to any Series of Bonds, moneys received from or with respect to such bond insurance policy may be applied only to the payment of amounts due on the Series of Bonds with respect to which such bond insurance policy was issued.

**The Series 2020A Bonds are not a debt of the State of New York, The City of New York or any other municipality therein, and neither the State of New York, The City of New York nor any other municipality therein shall be liable on the Series 2020A Bonds. The Trust has no taxing powers.**

Moneys or investments in the Rebate Fund created under the Resolution are not available for the payment of any Bonds.

### **Additional Bonds**

Subsequent to the issuance of the Series 2020A Bonds, the Trust may at any time and from time to time issue and deliver under the Resolution and secure under the Resolution at one time or from time to time one or more additional Series of Bonds for the purposes described in the Resolution, including: (i) financing the acquisition and construction of projects for use by the Institution; or (ii) refunding all or any portion of any Series of Bonds, other bonds issued by the Trust for the benefit of the Institution or certain other Institution indebtedness. Prior to the issuance of any such additional Series of Bonds certain conditions must be satisfied. See “—Other Obligations” below and “APPENDIX D—SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION—Authorization of Additional Bonds.”

Any such Series of Additional Bonds may provide for a maturity date or maturity dates of such additional Series of Bonds different from the Series 2020A Bonds, interest payment dates and record dates different from the Series 2020A Bonds, an interest rate or rates per annum (including a maximum rate, if applicable) or the manner of determining such rates different from the rate or rates or method of determination with respect to the Series 2020A Bonds, and terms and conditions (including redemption premiums, if any) for the redemption of any such Series of Additional Bonds different from the Series 2020A Bonds.

Except with respect to any Credit Enhancement or Liquidity Facility provided with respect to any particular Series of Bonds or accounts established with respect to any particular Series of Bonds, any such additional Series of Bonds shall rank on a parity as to liens on the Trust Estate with the Series 2020A Bonds in the manner provided in the Resolution.

### **Loan Agreement Payment Obligations**

Under the terms of the Loan Agreement, the agreement of the Institution to make Loan Payments constitutes a general, unsecured obligation of the Institution. The Institution's obligation under the Loan Agreement is not secured by a pledge of or mortgage of any specific assets or property of the Institution. See "CERTAIN INVESTMENT CONSIDERATIONS AND RISK FACTORS—Unsecured Obligations."

### **Other Obligations**

On July 17, 2008, the Trust issued the Series 2008A Bonds in the aggregate principal amount of \$151,250,000 to fund a loan to the Institution for the purpose of refunding the Series 2006A Bonds that were previously issued by the Trust and provided initial funding for the 65th Street Redevelopment Project described in "APPENDIX A—LINCOLN CENTER FOR THE PERFORMING ARTS, INC." hereto. The Series 2008A Bonds were issued as variable rate bonds secured, in part, by two irrevocable direct-pay letters of credit that expired in June 2015. In June 2015, all outstanding Series 2008A Bonds were purchased by a bank in a private placement. The Series 2008A Bonds will be redeemed with the proceeds of the Series 2020A Bonds. See "PLAN OF FINANCE."

On November 12, 2016, the Trust issued the Series 2016A Bonds in the aggregate principal amount of \$87,575,000 to fund a loan to the Institution for the purpose of refunding the Series 2008C Bonds, the proceeds of which were previously issued by the Trust to fund a loan to the Institution for the purpose of paying certain costs of the 65th Street Redevelopment Project, the Promenade Project and the David Rubenstein Atrium Project, each as described in "APPENDIX A—LINCOLN CENTER FOR THE PERFORMING ARTS, INC." hereto.

The Institution has also entered into an unsecured revolving credit agreement on February 13, 2012 (the "Line of Credit") for up to \$100,000,000, which has been extended four times and currently expires on November 14, 2021. The documentation relating to the Line of Credit also imposes certain limitations upon the incurrence of additional indebtedness by the Institution and gives the Line of Credit lender certain enforcement rights and the right to receive payments in addition to the stated interest rate formula in respect of certain costs incurred by the Line of Credit lender, including capital charges.

No assurance can be given as to the future availability to the Institution of further renewals of the Line of Credit or of any substitute liquidity facility or as to the future availability of other third-party credit or liquidity facilities. See "CERTAIN INVESTMENT CONSIDERATIONS AND RISK FACTORS—Additional Indebtedness" and "—Basis of Ratings," "APPENDIX A—LINCOLN CENTER FOR THE PERFORMING ARTS, INC. —OPERATING RESULTS AND FINANCIAL CONDITION—Indebtedness and Interest Rate Exchange Agreements" and "APPENDIX B—LINCOLN CENTER FOR THE PERFORMING ARTS, INC. AND RELATED ENTITY CONSOLIDATED FINANCIAL STATEMENTS—Note 8 - Line of Credit" and "—Note 9 - Long Term Debt."

## Bond Debt Service Requirements

The following table shows the Institution's debt service requirements with respect to the Bonds and the Series 2020B Bonds.

### Bond Debt Service Requirements<sup>(1)</sup>

Fiscal Year Ending June 30 <sup>(3)</sup>	Series 2016A Bonds		Series 2020A Bonds		Series 2020B Bonds <sup>(2)</sup>		Aggregate Debt Service Requirements
	Principal Installments	Interest	Principal Installments	Interest	Principal Installments	Interest	
2021	-	\$4,378,750	-	\$4,200,243	-	\$2,029,546	\$10,608,539
2022	-	4,378,750	-	5,458,800	-	2,600,130	12,437,680
2023	-	4,378,750	-	5,458,800	-	2,600,130	12,437,680
2024	-	4,378,750	-	5,458,800	-	2,600,130	12,437,680
2025	-	4,378,750	-	5,458,800	-	2,600,130	12,437,680
2026	-	4,378,750	-	5,458,800	-	2,600,130	12,437,680
2027	\$87,575,000	2,189,375	-	5,458,800	-	2,600,130	97,823,305
2028	-	-	-	5,458,800	-	2,600,130	8,058,930
2029	-	-	-	5,458,800	-	2,600,130	8,058,930
2030	-	-	-	5,458,800	-	2,600,130	8,058,930
2031	-	-	-	5,458,800	-	2,600,130	8,058,930
2032	-	-	\$20,000,000	4,958,800	-	2,600,130	27,558,930
2033	-	-	25,000,000	3,833,800	-	2,600,130	31,433,930
2034	-	-	30,000,000	2,608,800	-	2,600,130	35,208,930
2035	-	-	30,000,000	1,408,800	-	2,600,130	34,008,930
2036	-	-	20,220,000	404,400	\$70,160,000	1,300,065	92,084,465
Total	\$87,575,000	\$28,461,875	\$125,220,000	\$72,002,843	\$70,160,000	\$39,731,425	\$423,151,143

(1) Totals may not add due to rounding.

(2) On August 20, 2020, the Institution will issue its Series 2020B Bonds in a principal amount of \$70,160,000.

(3) Includes June 1, and December 1 debt service requirements.

## CERTAIN INVESTMENT CONSIDERATIONS AND RISK FACTORS

Prospective purchasers of the Series 2020A Bonds should be aware of certain investment considerations and risk factors in evaluating an investment in the Series 2020A Bonds. Purchase of the Series 2020A Bonds involves investment risk. Accordingly, prospective purchasers should consider carefully the following investment considerations and risk factors, in addition to the other information concerning the Institution contained in this Official Statement, before purchasing the Series 2020A Bonds offered hereby.

Written or oral statements made by the Trust, the Institution, the Underwriters or their respective representatives, including statements describing their respective objectives, estimate, expectations or predictions of the future may be "forward-looking statements," which can be identified by use of forward-looking terminology such as "believes," "expects," "may," "will," "should," "estimates," "anticipates" or the negative thereof or other variations thereon. The Trust, the Institution, and the Underwriters caution that, by their nature, forward-looking statements involve risk and uncertainty and that the actual results achieved by the Institution could differ materially from those expressed or implied in such forward-looking statements or could affect the extent to which a particular projection is realized. Some of the factors which may affect the actual results of the Institution are described below.

## **Limited Obligations of the Trust**

The Series 2020A Bonds are limited obligations of the Trust payable exclusively from the Trust Estate and payments made to the Trust by the Institution pursuant to the Loan Agreement, which revenues and payments are pledged under the Resolution. In addition, the Series 2020A Bonds are not a debt of the State of New York or The City of New York or any other municipality therein and none of the State of New York, The City of New York nor any other municipality shall be liable on the Series 2020A Bonds. No owner of any Series 2020A Bond shall have the right to compel the taxing power of the State of New York, The City of New York or any other municipality therein to pay the principal of or interest on the Series 2020A Bonds. The Trust has no taxing powers. See “SECURITY FOR THE SERIES 2020A BONDS.”

## **Unsecured Obligations**

The payment obligations of the Institution under the Loan Agreement are its general unsecured debt obligations and no specific revenues, property or assets of the Institution are pledged to pay debt service on the Series 2020A Bonds. In the event of a default and the exercise of available remedies by the Trustee, the Trustee would be an unsecured creditor with no rights to any specific revenues, property or assets of the Institution. See “SECURITY FOR THE SERIES 2020A BONDS” and “CERTAIN INVESTMENT CONSIDERATIONS AND RISK FACTORS—Institution Revenues and Expenses.”

## **Impacts from the Novel Coronavirus (COVID-19) Pandemic**

The outbreak of COVID-19, a strain of coronavirus that can result in serious illness, which was first detected in China and has since spread to other countries, including the United States, and to the City of New York (the “City”), has been declared a pandemic by the World Health Organization. The COVID-19 outbreak is altering the behavior of businesses and people in a manner that has had and may continue to have negative effects on global and local economies, including the economy of the City, and in turn, the operations and revenues of the Institution.

On March 7, 2020, Governor Andrew Cuomo declared a state of emergency in the State of New York. On March 12, 2020, Mayor Bill de Blasio declared a state of emergency in the City and subsequently took multiple actions to limit the spread of COVID-19 in the City. These actions included the closing of City theaters, clubs and concert venues, including the LCPA’s facilities.

Prioritizing the safety of the community, artists, and staff, LCPA, along with many of the Constituents, closed its offices, moved to remote working, and cancelled its traditional artistic programming through late January 2021. LCPA has taken certain additional steps to protect the organization during the pandemic and to plan and prepare for the gradual reopening of its business. Given the uncertainty in connection with the COVID-19 pandemic and lack of visibility into the impact of the economy, governmental actors and other stakeholders, there can be no assurance that LCPA has taken the necessary steps to ensure the financial and artistic sustainability of the organization. For a discussion of the impact of the COVID-19 pandemic on LCPA’s financial position and operations, see “APPENDIX A LINCOLN CENTER FOR THE PERFORMING ARTS, INC.—OVERVIEW—Impacts from the Novel Coronavirus (COVID-19) Pandemic.” The information contained therein represents LCPA’s current assessment, based on the data available to LCPA at the time of this Official Statement. Such data may ultimately prove to be incomplete or inaccurate, especially when reviewed over a longer period of time. Operating and financial performance of LCPA during the COVID-19 pandemic and beyond, in light of the continuing and lingering effects of the pandemic, are uncertain, and are dependent in part on the actions of the Constituents and federal, state, and local governments; the economy as a whole; tourism; and medical progress in treating and preventing COVID-19, among other factors. See “APPENDIX A—LINCOLN CENTER FOR THE PERFORMING ARTS, INC.—OVERVIEW—Impacts from the Novel Coronavirus (COVID-19) Pandemic.”

## **Institution Revenues and Expenses**

The Series 2020A Bonds are payable solely from and secured by payments to be made by the Institution. There can be no assurance that the revenue and assets of the Institution will provide sufficient funds to pay the principal of or interest on the Series 2020A Bonds. Revenue available to pay such debt service may also vary from year to year while the Series 2020A Bonds are outstanding. The Institution expects to be able to manage these increases and variations through its financial planning and its commitment of financial resources in order to meet debt service requirements. However, failure of the Institution to successfully achieve its financial planning goals, including as a result of the occurrence of unanticipated events and circumstances, may have an adverse impact on the Institution's ability to pay the principal of and interest on the Series 2020A Bonds. See "SECURITY FOR THE SERIES 2020A BONDS—Other Obligations" and "—Bond Debt Service Requirements" and "APPENDIX A—LINCOLN CENTER FOR THE PERFORMING ARTS, INC.—OVERVIEW—Impacts from the Novel Coronavirus (COVID-19) Pandemic" and "—OPERATING RESULTS AND FINANCIAL CONDITION —Indebtedness and Interest Rate Exchange Agreements."

The Institution derives its revenue from a variety of sources and activities, including revenues from performances and other performance-related programs, rentals for the use of the Institution's Facilities, reimbursement for management and operational services provided to Constituents, memberships and individual, corporate, foundation and governmental donations, and sponsorship of the Institution's performances and programs. The Institution's performances, programs, rentals and fundraising activities are conducted in competition with numerous other organizations, and this competitive landscape is constantly evolving. See "APPENDIX A—LINCOLN CENTER FOR THE PERFORMING ARTS, INC.—OVERVIEW—Impacts from the Novel Coronavirus (COVID-19) Pandemic."

A portion of the Institution's revenues and of its net operating revenues are directly or indirectly attributable to performance-related activities that are dependent upon the ability of the Institution and its Constituents to sustain their current national and international recognition as leading producers and presenters of the performing arts and their organizational reputations. The Institution regularly reviews its programs and activities and reserves the right to change these in its discretion. The Institution continually evaluates its strategy and may alter its strategic priorities in the future. Furthermore, the Institution does not control the programs and activities of the Constituents. See "APPENDIX A—LINCOLN CENTER FOR THE PERFORMING ARTS, INC.—OVERVIEW—Impacts from the Novel Coronavirus (COVID-19) Pandemic."

The Institution's operations are based, in part, upon activities taking place in the Institution's Facilities that are presented by one or more of the Institution and its Constituents, which are concentrated in, or in close proximity to, the Lincoln Center campus. Each of the Constituents is an independent entity from the Institution. Although none of the Constituents is responsible for the payment of the Series 2020A Bonds or of any other existing indebtedness of the Institution, factors affecting the performances and other activities presented by Constituents may adversely affect the financial condition of the Institution. In addition, an adverse change in the ability of one or more Constituents to reimburse the Institution for the management and operational services the Institution provides to the Constituents, may also adversely affect the financial condition of the Institution. See "APPENDIX A—LINCOLN CENTER FOR THE PERFORMING ARTS, INC.—OVERVIEW—Impacts from the Novel Coronavirus (COVID-19) Pandemic."

No assurance can be given that donors will continue to make pledges or gifts or that corporate, foundation and governmental donations and sponsorships of the Institution's performances and programs will continue. In addition, donors and sponsors may not honor existing pledges and the Institution may not prevail in any action to legally enforce such pledges. For example, pledges, donations and sponsorships may be adversely impacted in light of the COVID-19 pandemic. Further, the occurrence of an event that causes reputational harm to the Institution, its management or its Board of Directors may adversely affect donor confidence and the Institution's ability to achieve its fundraising goals. To the extent that contributions to the Institution do not reach the goals set by the Institution, the Institution would need to use other resources, including operating revenues and unrestricted assets to meet any such shortfall.

Over the term of the Series 2020A Bonds, many factors could adversely affect the Institution's sources of revenue, including, by way of illustration and not limitation, changes in local, national or international economic conditions, the development of additional performance, rental or fundraising competition, changes in audience demand to attend live performances, factors affecting tourism generally and changes to the management team and other senior level executives. Public health concerns may also adversely affect the Institution's sources of revenue, from time to time. Specifically, the outbreak of COVID-19 or a similar public health threat that discourages the gathering of large groups of people, or leads to travel restrictions, could have a material adverse impact on attendance at performances and events held by LCPA and the Constituents or on LCPA's venue rentals, or result in the cancellation of or substantial reductions in the number of such performances, events or venue rentals. See "APPENDIX A—LINCOLN CENTER FOR THE PERFORMING ARTS, INC.—OVERVIEW—Impacts from the Novel Coronavirus (COVID-19) Pandemic."

In addition, the David Geffen Hall Renovation is subject to a number of risks associated with renovation and construction, such as greater than anticipated disruption to existing operations during the renovation of David Geffen Hall; changes due to an acceleration of or delay in the completion of such renovation, due to design changes, scheduling logistics, site difficulties, shortages of materials, labor issues, or weather conditions, among others; shortfalls in fundraising to pay the costs of the project or an increase in the overall cost of the project, any of which could adversely affect the Institution's revenues, expenses and cash flows and could potentially impact the Institution's ability or need to obtain bridge financing or to otherwise incur additional indebtedness. Investors should read this Official Statement in its entirety. See "APPENDIX A—LINCOLN CENTER FOR THE PERFORMING ARTS, INC.—THE LCPA-SERVICED FACILITIES—Campus Facilities—David Geffen Hall and Current Project: The David Geffen Hall Renovation" and "APPENDIX B—LINCOLN CENTER FOR THE PERFORMING ARTS, INC. AND RELATED ENTITY CONSOLIDATED FINANCIAL STATEMENTS."

### **Damage or Destruction of the Institution's Facilities**

The Lincoln Center campus and other facilities utilized by the Institution (collectively, the "Institution's Facilities") could be subject to damage or destruction, in whole or in part. If an event occurs that materially damages, or causes, a material loss of the availability of the Institution's Facilities, the resulting economic losses to the Institution, which might include a reduction of revenues from affected Institution activities, might exceed its applicable insurance coverage. The amount of such insurance coverage might not be sufficient to replace or rebuild the Institution's Facilities. See "APPENDIX A—LINCOLN CENTER FOR THE PERFORMING ARTS, INC.—THE LCPA-SERVICED FACILITIES—Campus Facilities" and "APPENDIX B—LINCOLN CENTER FOR THE PERFORMING ARTS, INC. AND RELATED ENTITY CONSOLIDATED FINANCIAL STATEMENTS."

### **Restrictions Upon Use of Certain Institution Facilities**

The payment obligations of the Institution under the Loan Agreement are general, unsecured obligations. Although the Series 2020A Bonds are not secured by a mortgage upon any of the Institution's Facilities, the operating revenues of the Institution, which are the anticipated source of debt service payment for the Series 2020A Bonds, are substantially dependent upon its operation of the Institution's Facilities situated on or near the Lincoln Center campus, including the use of those facilities by the Constituents and third-party renters. The Institution's flexibility in operating certain such Institution Facilities, and its ability to obtain capital or revenues by selling or leasing such Institution's Facilities, in whole or in part, to another entity are limited by certain contractual and public land use restrictions. See "SECURITY FOR THE SERIES 2020A BONDS" and "APPENDIX A—LINCOLN CENTER FOR THE PERFORMING ARTS, INC.—THE LCPA-SERVICED FACILITIES."

## **Cybersecurity Risk**

The Institution, like many other large cultural institutions, relies upon a complex technology environment to conduct its operations, and faces multiple cybersecurity threats, including, but not limited to, hacking, phishing, viruses, malware and other attacks on its computing and other digital networks and systems (collectively, “Systems Technology”). In addition, in response to the COVID-19 pandemic, a substantial number of LCPA’s employees have been working remotely using technology platforms and much of LCPA’s programming is being distributed digitally. Further, in light of the COVID-19 pandemic, there has been a reported increase in the number of cybersecurity incidents. To mitigate the risk of impact on the Institution’s operations and/or damage from cybersecurity incidents or cyber-attacks, the Institution invests in multiple forms of cybersecurity and operational safeguards. While the Institution’s cybersecurity and operational safeguards are periodically tested, no assurances can be given by the Institution that such measures will ensure against cybersecurity threats and attacks, and any breach could damage the Institution’s Systems Technology. The costs of remedying any such damage or protecting against future attacks could be substantial. Furthermore, cybersecurity breaches could expose the Institution to material litigation and other legal and reputational risks, which could cause the Institution to incur material costs.

## **Investment Risks**

The Institution derives a portion of its annual revenues from the investment of its endowment and quasi-endowment funds in various publicly traded and private investment securities. Investment securities are exposed to various risks such as interest rate, market, legal and the operating performance of the underlying businesses, which impact investment valuations. Due to risks associated with investing in general, it is possible that changes in the values of investment securities could occur that might negatively impact the aggregate value of such endowment and quasi-endowment funds and the Institution’s total assets. See “APPENDIX A—LINCOLN CENTER FOR THE PERFORMING ARTS, INC.—OPERATING RESULTS AND FINANCIAL CONDITION—Investment Performance” and “APPENDIX B—LINCOLN CENTER FOR THE PERFORMING ARTS, INC. AND RELATED ENTITY CONSOLIDATED FINANCIAL STATEMENTS.”

## **Additional Bonds**

Additional Bonds may be issued under the Resolution and, if issued, will be secured on a basis of parity with the Series 2016A Bonds and the Series 2020A Bonds. See SECURITY FOR THE SERIES 2020A BONDS,” “APPENDIX D—SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION” and “APPENDIX E—SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT.”

## **Additional Indebtedness**

The Institution may issue, incur or assume additional indebtedness without limitation, subject to the Resolution and the Loan Agreement with respect to the issuance of Bonds. See “SECURITY FOR THE SERIES 2020A BONDS” and “APPENDIX E—SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT.” Unless such indebtedness is incurred through the issuance of Additional Bonds, any such indebtedness may be secured by a lien upon the Institution’s revenues or assets or by a mortgage on or security interest in property of the Institution without granting to the Trust any security interest in such property to secure the Institution’s obligations under the Loan Agreement. In the event of a default under any debt instrument secured by such property, the holder or trustee under such debt instrument will have the right to foreclose the lien on such property, and apply the money so collected to the payment of amounts due under such debt instrument. Any money so collected and applied will not be available for satisfying any of the Institution’s obligations under the Loan Agreement or with respect to the Series 2020A Bonds.

Currently, the Institution has also entered into an unsecured revolving credit agreement, which expires on November 14, 2021. Failure to extend or replace that unsecured revolving credit agreement may have an adverse impact on the Institution’s available liquidity and its ability to support the funding of its expenses, including the expenses of the David Geffen Hall Renovation. The outstanding balance at June 30, 2020 was

\$30,000,000. See “APPENDIX A—LINCOLN CENTER FOR THE PERFORMING ARTS, INC.—OPERATING RESULTS AND FINANCIAL CONDITION—Indebtedness and Interest Rate Exchange Agreements.”

On August 13, 2020, LCPA terminated two interest rate exchange agreements to which it was a party. LCPA plans to directly issue the Series 2020B Bonds on August 20, 2020, the proceeds of which will be used to pay the amounts related to such terminations. The Series 2020B Bonds are expected to be issued as unsecured general obligations and will mature on December 1, 2035. As of June 30, 2020, the value of the collateral that LCPA was required to post under these two interest rate exchange agreements was approximately \$62 million. See “APPENDIX A—LINCOLN CENTER FOR THE PERFORMING ARTS, INC.—OPERATING RESULTS AND FINANCIAL CONDITION—Indebtedness and Interest Rate Exchange Agreements.

### **Matters Relating to Enforceability**

The practical realization of any rights upon any default will depend upon the exercise of various remedies specified in the Resolution and the Loan Agreement. Any attempt by the Trustee to enforce these remedies may require judicial action, which is often subject to discretion and delay. Under existing law, certain of the remedies specified in the Resolution and the Loan Agreement may not be readily enforceable. For example, a court may decide not to order the specific performance of the covenants contained in these documents if it determines that monetary damages will be an adequate remedy. In the event of a bankruptcy of the Institution, the federal bankruptcy laws may delay or prevent the enforcement by the Trustee and the Bondholders of their claim to the Trust Estate, which could delay or prevent payment of debt service on the Series 2020A Bonds.

Donors under pledge agreements with the Institution also are subject to bankruptcy risks. In the event of a bankruptcy of a donor under a pledge agreement, the Institution may be delayed or prevented from enforcing the donor’s obligations under its agreement. Any such occurrence could adversely affect the Institution’s ability to meet its cash requirements.

All legal opinions with respect to the enforceability of legal documents will be expressly subject to a qualification that enforceability thereof may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting creditor’s rights generally and by applicable principles of equity.

### **Tax Exemption for the Series 2020A Bonds**

Interest on the Series 2020A Bonds could become includable in gross income for federal income tax purposes (including, in certain circumstances, from the issuance date of the Series 2020A Bonds) in the event of the failure of the Trust or the Institution to comply with certain covenants contained in the Resolution and the Loan Agreement, respectively. Upon the occurrence of such an event of taxability, there is no provision for mandatory redemption of the Series 2020A Bonds. In such event, the owners of the Series 2020A Bonds might incur a significant tax liability and might be unable to sell, or might suffer a loss in selling, their Series 2020A Bonds. Receipt of interest on the Series 2020A Bonds may have ancillary federal tax consequences to the recipient. The Trust and the Institution will covenant to maintain the tax-exempt status of the Series 2020A Bonds. See “TAX MATTERS” and “APPENDIX E —SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT—Tax Covenant.”

### **Changes in Law**

Legislative or administrative actions and court decisions, at either the federal or state level, could have an adverse impact on the potential benefits of the exclusion from gross income of the interest on the Series 2020A Bonds and for federal or state income tax purposes, and thus on the value and marketability of the Series 2020A Bonds. This could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), repeal of the exclusion of the interest on the Series 2020A Bonds from gross income for federal or state income tax purposes, or otherwise.



See “TAX MATTERS.” In addition, changes in legal requirements applicable to the conduct of the Institution’s activities by non-profit organizations, such as the Institution, could adversely affect the Institution’s ability to pay the principal of and interest on the Series 2020A Bonds.

### **Basis of Ratings**

The ratings that are assigned to the Series 2020A Bonds upon their initial issuance are based upon the current ratings of the respective rating agencies. The Institution has not covenanted to maintain the applicability of such ratings to the Series 2020A Bonds. The financial condition and affairs of the Institution, and the evaluations of the respective rating agencies of such matters, may change in a manner which could cause one or more of the rating agencies to suspend, reduce or withdraw the rating that it has previously assigned to the Series 2020A Bonds. To the extent that the COVID-19 pandemic has a further adverse financial impact on LCPA, it could result in a negative impact on LCPA’s ratings. Any such adverse rating action, or any statement by a rating agency that it is considering such an action with respect to the Series 2020A Bonds, may adversely affect the market value of the Series 2020A Bonds and the existence of a secondary market for the Series 2020A Bonds. See “RATINGS” and “APPENDIX A—LINCOLN CENTER FOR THE PERFORMING ARTS, INC.—OPERATING RESULTS AND FINANCIAL CONDITION—Recent Rating Actions.”

### **Secondary Markets and Prices**

The Underwriters will not be obligated to repurchase any of the Series 2020A Bonds, and no representation is made concerning the existence of any secondary market for the Series 2020A Bonds. No assurance is given that any secondary market will develop following the completion of the offering of the Series 2020A Bonds and no assurance is given that the initial offering prices for the Series 2020A Bonds will continue for any period of time.

## **TAX MATTERS**

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, based on an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2020A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. In the further opinion of Bond Counsel, interest on the Series 2020A Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that interest on the Series 2020A Bonds is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). A complete copy of the proposed form of opinion of Bond Counsel is set forth in “APPENDIX F—FORM OF OPINION OF BOND COUNSEL” hereto.

To the extent the issue price of any maturity of the Series 2020A Bonds is less than the amount to be paid at maturity of such Series 2020A Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Series 2020A Bonds), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each beneficial owner thereof, is treated as interest on the Series 2020A Bonds which is excluded from gross income for federal income tax purposes. For this purpose, the issue price of a particular maturity of the Series 2020A Bonds is the first price at which a substantial amount of such maturity of the Series 2020A Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Series 2020A Bonds accrues daily over the term to maturity of such Series 2020A Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Series 2020A Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Series 2020A Bonds. Beneficial owners of the Series 2020A Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Series 2020A Bonds with original issue discount, including the treatment of beneficial owners who do not purchase such Series 2020A

Bonds in the original offering to the public at the first price at which a substantial amount of such Series 2020A Bonds is sold to the public.

Series 2020A Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) (“Premium Tax-Exempt Bonds”) will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Tax-Exempt Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a beneficial owner’s basis in a Premium Tax-Exempt Bond, will be reduced by the amount of amortizable bond premium properly allocable to such beneficial owner. Beneficial owners of Premium Tax-Exempt Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Series 2020A Bonds. The Trust and the Institution have made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Series 2020A Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Series 2020A Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Series 2020A Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel’s attention after the date of issuance of the Series 2020A Bonds may adversely affect the value of, or the tax status of interest on, the Series 2020A Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

In addition, Bond Counsel has relied, among other things, on the opinion of Nixon Peabody LLP, Counsel to the Institution, regarding, among other matters, the current qualification of the Institution as an organization described in Section 501(c)(3) of the Code and the current operation of the facilities to be refinanced by the Series 2020A Bonds as substantially related to the Institution’s charitable purpose under Section 513(a) of the Code. Such opinion is subject to a number of qualifications and limitations. Furthermore, Counsel to the Institution cannot give and has not given any opinion or assurance about the future activities of the Institution, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the resulting changes in enforcement thereof by the Internal Revenue Service. Failure of the Institution to be organized and operated in accordance with the Internal Revenue Service’s requirements for the maintenance of its status as an organization described in Section 501(c)(3) of the Code, or to operate the facilities refinanced by the Series 2020A Bonds in a manner that is substantially related to the Institution’s charitable purpose under Section 513(a) of the Code, may result in interest payable with respect to the Series 2020A Bonds being included in federal gross income, possibly from the date of the original issuance of the Series 2020A Bonds..

Although Bond Counsel is of the opinion that interest on the Series 2020A Bonds is excluded from gross income for federal income tax purposes, the ownership or disposition of, or the accrual or receipt of interest on, the Series 2020A Bonds may otherwise affect a Beneficial Owner’s federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner’s other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Series 2020A Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Series 2020A Bonds. Prospective purchasers of the

Series 2020A Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel is expected to express no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Series 2020A Bonds for federal income tax purposes. It is not binding on the IRS or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Trust or the Institution or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Trust and the Institution covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Series 2020A Bonds ends with the issuance of the Series 2020A Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Trust, the Institution or the Beneficial Owners regarding the tax-exempt status of the Series 2020A Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the Trust, the Institution and their appointed counsel, including the Beneficial Owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of Series 2020A Bonds is difficult, obtaining an independent review of IRS positions with which the Trust or Institution legitimately disagrees may not be practicable. Any action of the IRS, including but not limited to selection of the Series 2020A Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Series 2020A Bonds, and may cause the Trust, the Institution or the Beneficial Owners to incur significant expense.

## **LITIGATION**

There is no litigation pending or, to the knowledge of the Trust or the Institution, threatened, against the Trust or the Institution, respectively, in any court to restrain or enjoin the issuance or delivery of the Series 2020A Bonds, or the collection of Loan Payments pledged or to be pledged to pay the principal of and interest on the Series 2020A Bonds, or in any way contesting or affecting the validity of the Series 2020A Bonds or the Resolution or in any way questioning the tax-exemption of interest on the Series 2020A Bonds.

There is no material litigation pending or, to the knowledge of the Trust, threatened against the Trust or involving any of the property or assets under the control of the Trust.

There is no material litigation pending or, to the knowledge of the Institution, threatened against the Institution or involving any of the property or assets under its control.

## **CONTINUING DISCLOSURE INFORMATION**

The Institution has covenanted for the benefit of the holders of the Series 2020A Bonds that, consistent with Rule 15c2-12 under the Securities and Exchange Act of 1934, as amended (the "Rule"), the Institution will provide or cause a dissemination agent to provide: annual financial information for the Institution, including audited financial statements of the Institution for each fiscal year ending on and after June 30, 2020, and notices of certain events with respect to the Series 2020A Bonds, including principal and interest payment delinquencies; non-payment related defaults, if material; unscheduled draws on debt service reserves reflecting financial difficulties; unscheduled draws on credit enhancements reflecting financial difficulties; substitution of credit or liquidity providers, or their failure to perform; adverse tax opinions, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2020A Bonds, or other material events affecting the tax status of the Series 2020A Bonds; modifications to rights of security holders, if material; bond calls, if material, and tender offers; defeasances; bankruptcy, insolvency, receivership or similar event of the Institution; rating changes; the consummation of a merger, consolidation, or acquisition involving the Institution or the sale

of all or substantially all of the assets of the Institution, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; appointment of a successor or additional trustee or the change of name of the trustee, if material; release, substitution, or sale of property securing repayment of the Series 2020A Bonds, if material; incurrence of a financial obligation of the Institution, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Institution, any of which affect security holders, if material, and default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Institution, any of which reflect financial difficulties. The annual financial information referred to above and the notices of the events referred to above will be provided to the Municipal Securities Rulemaking Board. The continuing obligation to provide annual financial information and notices referred to above will terminate with respect to the Series 2020A Bonds when the Series 2020A Bonds are no longer outstanding. Any failure by the Institution to comply with foregoing will not constitute a default with respect to the Bonds. In connection with the issuance of prior series of Bonds, the Institution entered into agreements to provide continuing disclosure for the benefit of the beneficial owners of such bonds, which agreements are similar to the agreement to provide continuing disclosure entered into by the Institution relating to the Series 2020A Bonds. See “APPENDIX G—FORM OF CONTINUING DISCLOSURE AGREEMENT.”

## UNDERWRITING

The Series 2020A Bonds are being purchased by the Underwriters listed on the cover page hereto (the “Underwriters”) for whom Goldman Sachs & Co. LLC is acting as representative. The Underwriters, on a joint and several basis, have agreed to purchase the Series 2020A Bonds from the Trust at a purchase price of \$152,207,407.69, representing the aggregate principal amount of the Series 2020A Bonds, plus original issue bond premium in the amount of \$27,360,126.40 and less an underwriters’ discount of \$372,718.71. The Underwriters will purchase the Series 2020A Bonds pursuant to a purchase contract for the Series 2020A Bonds entered into by and among the Underwriters, the Trust and the Institution. The obligation of the Underwriters to accept delivery of the Series 2020A Bonds is subject to various conditions contained in the purchase contract. The Underwriters will be obligated to purchase all the Series 2020A Bonds if any Series 2020A Bonds are purchased.

The Institution has agreed to indemnify the Underwriters against certain liabilities arising out of, or relating to, misstatements in or omissions from this Official Statement or from materials supplied by the Institution in writing in connection with the offering of the Series 2020A Bonds.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities, as well as other financial and non-financial activities and services. The Underwriters and their affiliates have, from time to time, performed, and may in the future perform, various investment banking services for the Trust or the Institution, for which they received or will receive customary fees and expenses. The Institution intends to use the proceeds of the Series 2020A Bonds to refund the Series 2008A Bonds.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Trust and/or the Institution (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Trust and/or the Institution. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

## **RATINGS**

Moody's Investors Service, Inc. ("Moody's") has assigned a rating of "A3", with a negative outlook, to the Series 2020A Bonds. S&P Global Ratings, a division of The McGraw Hill Companies, Inc. ("S&P") has assigned a rating of "A", with a stable outlook, to the Series 2020A Bonds. Such ratings reflect only the views of the respective rating organizations, and any explanation of the meaning or significance of the ratings may only be obtained from the respective rating agency, as follows: from Moody's, Moody's Investors Service, 7 World Trade Center, 250 Greenwich Street – 23<sup>rd</sup> Floor, New York, New York, 10007, and from S&P, S&P Global Ratings, 55 Water Street, New York, New York 10041. Generally, rating agencies base their ratings on their own investigation, studies and assumptions. There can be no assurance that a rating when assigned will continue for any given period of time or that it will not be lowered or withdrawn entirely by a rating agency if in their judgment circumstances so warrant. Any lowering or withdrawal of a rating may have an adverse effect on the marketability or market price of the Series 2020A Bonds.

See "APPENDIX A—LINCOLN CENTER FOR THE PERFORMING ARTS, INC.—OPERATING RESULTS AND FINANCIAL CONDITION—Recent Ratings Actions."

## **LEGAL MATTERS**

All legal matters incident to the authorization, issuance, sale and delivery of the Series 2020A Bonds are subject to the approval of Orrick, Herrington & Sutcliffe LLP, New York, New York, Bond Counsel. The approving opinion of Bond Counsel will be in substantially the form attached to this Official Statement as "APPENDIX F—FORM OF OPINION OF BOND COUNSEL." Certain legal matters concerning the Trust will be passed on for the Trust by its counsel, Bryant Rabbino LLP, New York, New York. Certain legal matters, including the validity and enforceability of the Loan Agreement, will be passed upon for the Institution by its special counsel, Nixon Peabody LLP, New York, New York. Certain legal matters will be passed on for the Underwriters by their counsel, Katten Muchin Rosenman LLP, New York, New York. Certain legal matters will be passed on for the Trustee by its counsel, Ballard Spahr LLP.

## **LEGAL INVESTMENTS**

The Act provides that the Series 2020A Bonds are securities in which all public officers and bodies of the State and all municipalities and political subdivisions, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries, and all other persons who are now or may hereafter be authorized to invest in bonds or other obligations of the State, may properly and legally invest funds including capital in their control or belonging to them. The Act further provides that the Series 2020A Bonds are also securities which may be deposited with and may be received by all public officers and bodies of the State and all municipalities and political subdivisions for any purpose for which the deposit of bonds or other obligations of the State is now or may hereafter be authorized.

## **INDEPENDENT AUDITORS**

The consolidated financial statements of the Institution as of and for the year ended June 30, 2019, included in this Official Statement in "APPENDIX B—LINCOLN CENTER FOR THE PERFORMING ARTS, INC. AND RELATED ENTITY CONSOLIDATED FINANCIAL STATEMENTS," have been audited by KPMG LLP, independent auditors, as stated in their report appearing therein. The Institution's auditor, KPMG LLP, has not been engaged to perform and has not performed, since the date of its report included as APPENDIX B—"LINCOLN CENTER FOR THE PERFORMING ARTS, INC. AND RELATED ENTITY CONSOLIDATED FINANCIAL STATEMENTS" hereto, any procedures on the consolidated financial statements addressed in the report. KPMG also has not performed any procedures relating to this Official Statement.

## MISCELLANEOUS

The references herein to the Act, the Resolution and the Loan Agreement are brief summaries of certain provisions thereof. Such summaries do not purport to be complete and reference is made to such statute and documents for full and complete statements thereof. The agreements of the Trust with the holders of the Series 2020A Bonds are fully set forth in the Resolution, and neither any advertisement of the Series 2020A Bonds nor this Official Statement is to be construed as constituting an agreement with the purchasers of the Series 2020A Bonds. So far as any statements are made in this Official Statement involving matters of opinion, whether or not expressly so stated, they are intended merely as such and not as representations of fact. Copies of the documents mentioned in this paragraph are on file at the offices of the Trustee, U.S. Bank National Association.

The Institution has reviewed the information contained herein with respect to it, its facilities, its operations and its financial condition and has approved all such information for use in this Official Statement.

The execution and delivery of this Official Statement by the Chair of the Trust have been duly authorized by the Trust.

THE TRUST FOR CULTURAL RESOURCES  
OF THE CITY OF NEW YORK

By: /s/ Susan Henshaw Jones  
Chair

**APPENDIX A**

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.**

[THIS PAGE INTENTIONALLY LEFT BLANK]



## APPENDIX A

### LINCOLN CENTER FOR THE PERFORMING ARTS, INC.

This Appendix A provides certain financial and operating data relating to Lincoln Center for the Performing Arts, Inc. (“LCPA”) in connection with the issuance by the Trust for Cultural Resources of The City of New York (the “Trust”) of its Revenue Bonds (Lincoln Center for the Performing Arts, Inc. Project), Series 2020A (the “Series 2020A Bonds”). On August 20, 2020, LCPA expects to directly issue its Lincoln Center for the Performing Arts Taxable Bonds, Series 2020B (the “Series 2020B Bonds” and together with the Series 2020A Bonds, the “Series 2020 Bonds”).

### OVERVIEW

#### Introduction

Lincoln Center for the Performing Arts, Inc. (“LCPA”) is a not-for-profit corporation serving three primary roles: presenter of artistic programming, national leader in arts education and community engagement, and manager of the campus known as “Lincoln Center” in support of eleven constituent organizations, including LCPA. These organizations collectively provide world-class artistic programming and education to audiences and students from around the world. LCPA was responsible for the initial funding and construction of the original Lincoln Center facilities and it continues to pursue this mission by raising funds for Lincoln Center facilities.

LCPA has been among the world’s most active presenters of distinguished performing arts programming, typically offering several hundred live performances annually in Lincoln Center facilities and beyond the campus confines. These performances complement, and expand the scope and variety of, productions by other organizations at Lincoln Center, offering works and featuring artists that might otherwise not be presented: a significant portion of these performances are free to the public. LCPA owns, leases or licenses, and directly or indirectly provides management and other services for various Lincoln Center facilities (the “LCPA-Serviced Facilities”). LCPA-Serviced Facilities are principally situated on a 16.3-acre area that is east of Amsterdam Avenue and west of either Broadway or Columbus Avenue, between West 62<sup>nd</sup> Street and West 66<sup>th</sup> Street in Manhattan. LCPA owns and directly manages two major concert halls, Alice Tully Hall and David Geffen Hall. In addition, LCPA either directly manages or oversees management of other facilities and the public spaces that constitute the LCPA-Serviced Facilities, including a park, public plazas, theaters, concert halls, rehearsal studios, production facilities, classrooms, student dormitories, administrative offices, parking facilities and other public amenities. LCPA has overall operational oversight of security, utilities, operations, engineering, maintenance and construction management for the public spaces. Prior to the COVID-19 pandemic (defined below), approximately 6.5 million visitors from around the world, including approximately 4.5 million audience members at ticketed and free performances, special events, and civic celebrations, typically visited the Lincoln Center campus annually.

The other not-for-profit organizations (the “Constituents”) that, together with LCPA, constitute Lincoln Center are: The Chamber Music Society of Lincoln Center, Inc.; Film at Lincoln Center, Inc.; Jazz at Lincoln Center, Inc.; The Juilliard School; the Vivian Beaumont Theater, Inc., d/b/a Lincoln Center Theater; The Metropolitan Opera Association, Inc.; The Philharmonic-Symphony Society of New York, Inc. (the “New York Philharmonic”); The New York Public Library for the Performing Arts; School of American Ballet, Inc.; and the New York City Ballet, Inc. (“City Ballet”). Certain contractual obligations with respect to the use and maintenance of LCPA-Serviced Facilities and other matters exist between LCPA and the Constituents. In addition, with the opening by Jazz at Lincoln Center of its home at Broadway and West 60<sup>th</sup> Street in October 2004 and the opening by LCPA of the David Rubenstein

Atrium at 61 West 62<sup>nd</sup> Street in December 2009, the facilities principally utilized by the Constituents of Lincoln Center (collectively, the “Campus”) have expanded into the surrounding neighborhood. However, each of the Constituents is a wholly autonomous organization with a board of directors, staff and financial and legal affairs that are fully independent of those of LCPA, except that Constituents are entitled to designate a certain number of members to the LCPA Board of Directors. **No Constituent is in any way obligated with respect to the Series 2020 Bonds or other LCPA indebtedness.**

### **Impacts from the Novel Coronavirus (COVID-19) Pandemic**

The outbreak of COVID-19, a strain of coronavirus that can result in serious illness, which was first detected in China and has since spread to other countries, including the United States, and to the City of New York (the “City”), has been declared a pandemic by the World Health Organization (the “COVID-19 pandemic”). The COVID-19 pandemic is altering the behavior of businesses and people in a manner that is expected to have negative effects on global and local economies, including the economy of the City.

On March 7, 2020, Governor Andrew Cuomo declared a state of emergency in the State of New York. On March 12, 2020, Mayor Bill de Blasio declared a state of emergency in the City and subsequently took multiple actions to limit the spread of COVID-19 in the City. These actions include the closing of City theaters, clubs and concert venues, including the Lincoln Center facilities, a substantial portion of which remain closed.

The information provided in this Section entitled “*Impacts from the Novel Coronavirus (COVID-19) Pandemic*” represents LCPA’s current assessments, based on the data it had available as of the date of this Official Statement; such data may ultimately prove to be incomplete or inaccurate, especially when reviewed over a longer period of time. Operating and financial performance of LCPA during the COVID-19 pandemic and beyond, are uncertain in light of the continuing and unpredictable short-term and long-term effects of the crisis, and are dependent in part on the actions of the Constituents and federal, state, and local governments; the economy as a whole; tourism; and medical progress in treating and preventing COVID-19, among other factors.

### ***Operational Update***

#### **Impact on LCPA Sources of Revenue.**

Beginning on March 12, 2020, the LCPA-Serviced Facilities have experienced significantly reduced usage compared to previous years. Because more than 50% of LCPA’s revenues are generated by venue rentals, fundraising events, and facilities services, declining utilization has had and will continue to have a negative effect on LCPA’s revenues for an indeterminate period of time. To the extent that LCPA has had to curtail its own performances in the near term, this has not had an adverse financial impact to date, as performance expenses typically exceed box office revenues. See “OPERATING RESULTS AND FINANCIAL CONDITIONS – Fiscal Year 2020 Unaudited Results”. LCPA’s concert hall sales team is working with rental clients to postpone rather than cancel venue rentals, where possible, to support resumption of rental activity once conditions permit. Most of LCPA’s facilities services revenue represents cost reimbursements from Constituents, so although campus closure has resulted in decreased revenue, this has minimal net effect on LCPA’s operating results due to the pass-through nature of many of these expenses. In addition, Constituents who pay service fees to LCPA may be unable to meet certain future obligations to LCPA depending on the duration and severity of the COVID-19 pandemic. - See “THE LCPA-SERVICED FACILITIES – Constituency Agreements.”

There can be no assurance when and whether usage of the LCPA-Serviced Facilities will return to pre-COVID-19 pandemic levels. LCPA expects that activity levels will increase gradually, including resumption of gatherings on campus, as the City, the State of New York and the federal government lift restrictions. However, the speed of the recovery is difficult to estimate as it also depends on when the public is confident the emergency has abated and is willing to return to large gatherings, and the continuing impact on the economy and tourism, among other factors.

### Operational Changes

LCPA has taken certain actions to address the effect of the COVID-19 pandemic on the LCPA-Serviced Facilities, and its senior management and Board of Directors continue to proactively evaluate evolving circumstances to inform LCPA's decisions.

Prioritizing the safety of the community, artists, and staff, LCPA, along with many of the Constituents, suspended in-person performances, implemented remote working, and cancelled traditional artistic programming through late January 2021. LCPA has developed new virtual programming initiatives since the crisis outset, including *LC at Home* and *Lincoln Center Pop-Up Classroom*, to continue to connect with and engage audiences. LCPA is also collaborating with Constituents to develop programs utilizing Lincoln Center's outdoor spaces as part of a gradual reopening of the campus, in accordance with the orders and regulations of the City and the State of New York. To contain costs, non-essential activities and expenditures have been curtailed and, due to lower levels of activity, staffing was reduced concurrently, through a series of furloughs and layoffs.

### Fundraising

Although limitations on social gatherings have impacted contributed income, particularly from special events, philanthropic support for LCPA, particularly from its Board of Directors, has continued. LCPA has raised incremental funding to help finance expanding its digital and innovation initiatives. LCPA has also received approximately \$2.7 million in COVID-19 emergency support from private donors. The fiscal year 2021 budget for contributed income conservatively reflects reduced campus-based programming and events. See "FUNDRAISING" and "OPERATING RESULTS AND FINANCIAL CONDITION – Fiscal Year 2021 Budget."

### ***Financial Position***

#### Operating Costs

Through February 2020, LCPA was on track to achieve a balanced budget for the fiscal year. Audited financial results for the fiscal year will be available in November 2020, but LCPA currently expects an operating deficit of \$12-14 million due to the COVID-19 pandemic. For fiscal year 2021, LCPA is projecting a balanced budget, reduced approximately \$45 million from the prior year's budget and reflecting assumptions that LCPA believes to be conservative for the timeline for the gradual reopening of the campus and returning to normal operations. To date, LCPA has incurred minimal incremental costs in addressing COVID-19 operating protocols. See "OPERATING RESULTS AND FINANCIAL CONDITION – Fiscal Year 2020 Unaudited Results" and "– Fiscal Year 2021 Budget."

#### Capital Program

LCPA does not anticipate material impacts to its capital plan from the COVID-19 pandemic. Planning and preparatory steps for the David Geffen Hall renovation remain underway and certain pre-construction activities have begun. This project, undertaken in partnership with the New York

Philharmonic, is a strategic priority for both organizations. LCPA and the New York Philharmonic still anticipate the transformed Hall reopening no later than March 2024. See “LINCOLN CENTER REDEVELOPMENT PROJECTS – Current Project: The David Geffen Hall Renovation.”

### Liquidity

As of June 30, 2020, unrestricted cash and investments total approximately \$273 million (unaudited). SEE “OPERATING RESULTS AND FINANCIAL CONDITION – Investment Performance” and “–Indebtedness and Interest Rate Exchange Agreements.”

### **LCPA’s Artistic Programming**

Prior to the COVID-19 pandemic, LCPA annually presented or produced seven annual live performance series more fully described below: *Great Performers*, the newly expanded *Mostly Mozart Festival*, *Lincoln Center Out of Doors*, *White Light Festival*, *Midsummer Night Swing*, *American Songbook*, and programming at the David Rubenstein Atrium. These series collectively offered performances year-round, with special emphasis on events during the summer months when most Constituents are off-season.

- ***Great Performers Series:*** Offers classical and modern musical repertoire performed by renowned artists from around the world.
- ***Mostly Mozart Festival:*** Newly expanded to encompass the former *Lincoln Center Festival*, which was decommissioned in 2018, consists of international music, dance, and theater performances that embody the innovative and humane spirit of Mozart. The *Mostly Mozart Festival* Orchestra, which typically has a four-week summer season, is LCPA’s only permanent resident company.
- ***Lincoln Center Out of Doors:*** Presents dozens of free concerts and special events each year, including music from around the world, cutting-edge dance and theatrical performances, and special events for families.
- ***White Light Festival:*** Presents performances from across genres designed to illuminate the many dimensions of people’s interior lives.
- ***American Songbook:*** Dedicated to keeping the canon of popular American song up to date by spotlighting artists that expand the form with new interpretations and genres while celebrating its roots.
- ***Midsummer Night Swing:*** Draws participants and spectators to Damrosch Park for days and nights of outdoor dancing and music.
- ***Programming at the David Rubenstein Atrium:*** Presents free weekly performances at the David Rubenstein Atrium from artists from across the world.

LCPA, unlike many other performing arts organizations, is not bound to a fixed schedule that is replicated over multiple seasons. LCPA’s performance series are very flexible in their composition, and, from season to season, the number of presentations may change, and larger or smaller presentations may be scheduled. The level of paid attendance from season to season largely reflects the mix and scale of presentations in each season’s performance series, which is influenced by a number of artistic and other factors.

As of the date of this Official Statement, LCPA has cancelled its traditional artistic programming, including the programming described above, through late January 2021. LCPA is working on alternative virtual programming and is planning for a gradual resumption of in-person performances dependent on how and when it is safe to proceed in light of the COVID-19 pandemic. See “OVERVIEW – Impacts from the Novel Coronavirus (COVID-19) Pandemic”.

For example, when the COVID-19 pandemic resulted in the closure of Lincoln Center’s halls and offices, LCPA launched *Lincoln Center at Home*, a new online portal designed to help people maintain connections to one another through the arts. *Lincoln Center at Home* features on-demand content and a calendar of certain past and present programming by Lincoln Center and the Constituents. It hosts a variety of free virtual concerts, performance series, discussions, and educational programs. Certain current and recently offered programs on *Lincoln Center at Home* are more fully described below: *Concerts for Kids*, *Memorial for Us All*, *Lincoln Center Pop-Up Classroom*, *Lincoln Center Activate*, *Live from Lincoln Center*, and *Humanity in Concert*.

- **Concerts for Kids:** For family audiences, Concerts for Kids offers virtual concerts by artists who bring world-class performances and diverse perspectives.
- **Memorial for Us All:** Considering the impact COVID-19 has had on mourning and gathering rituals, LCPA partnered with religious leaders and New York artists to offer a weekly community remembrance in the form of short, virtual concerts. Community members are invited to submit the names of loved ones to be shown during a concert.
- **Lincoln Center Pop-Up Classroom:** Led by renowned artists and educators, Pop-Up Classroom helps families with children explore creatively at home with creative learning activities utilizing simple household materials.
- **Lincoln Center Activate:** This virtual summer convening brings together community artists, educators, teaching artists, and community leaders to build a global network that will support arts professionals in a changing landscape.
- **Live from Lincoln Center:** Bringing world-class performances captured on Lincoln Center’s campus to audiences at home, certain archival performances spanning the last 40 years are available on demand.
- **Humanity in Concert:** An online initiative encouraging artists from all over the world to participate in a moment of shared artistic connection using the hashtag #HumanityinConcert.

## Media Productions

LCPA’s *Live from Lincoln Center* broadcasts make the performing arts accessible to a national audience of millions of viewers. During the 46 years since its inception, *Live from Lincoln Center* has garnered 64 Emmy Award nominations and 17 Emmy Awards, as well as two George Foster Peabody Awards.

## Education, Engagement and Accessibility

The founders of Lincoln Center believed that “The arts are not for the privileged few, but for the many.” Since its founding, more than 20 million people have engaged with Lincoln Center’s myriad educational programs on its campus, at its affiliated schools and institutions, online, and beyond. LCPA is committed to presenting the finest examples of the performing arts to the broadest possible audience and

offering extensive education and community engagement programming geared to new and underserved communities. These have included a performance series for young people, free performances and discount ticket offerings, programs and services for people with disabilities, community engagement programs for families, professional development for artists and educators, and a wide array of educational programs that help develop students' critical thinking and problem-solving skills through the inquiry-based methods of art-making.

LCPA has partnered with the New York City Department of Education (the "Department") on several citywide initiatives, including "Middle School Audition Boot Camp" and "Arts in the Middle," and, in conjunction with the Department, opened in Fall 2005 the High School for Arts, Imagination and Inquiry at the neighboring Martin Luther King, Jr. High School campus. In fiscal year 2019, Lincoln Center's teaching artists worked with more than 6,000 students in intensive in-school settings and more than 19,000 people attended LCPA's artistic programming for young audiences. In the same year, LCPA hosted more than 300 educators from 16 states and 11 different countries at its annual Summer Forum, where participants gather to learn, practice, and refine their work in various fields of arts education and community engagement. LCPA is also committed to increasing access for people with disabilities. Each year, LCPA facilitates accommodations for events on the Lincoln Center campus, including audio description, captioning, American Sign Language interpretation, large print and Braille programs. Among other initiatives to make the campus more accessible, LCPA has offered supportive, inclusive programs for families with children and adults with disabilities, a performance-based program for individuals with dementia and their caregivers and a job training program for high school students with disabilities.

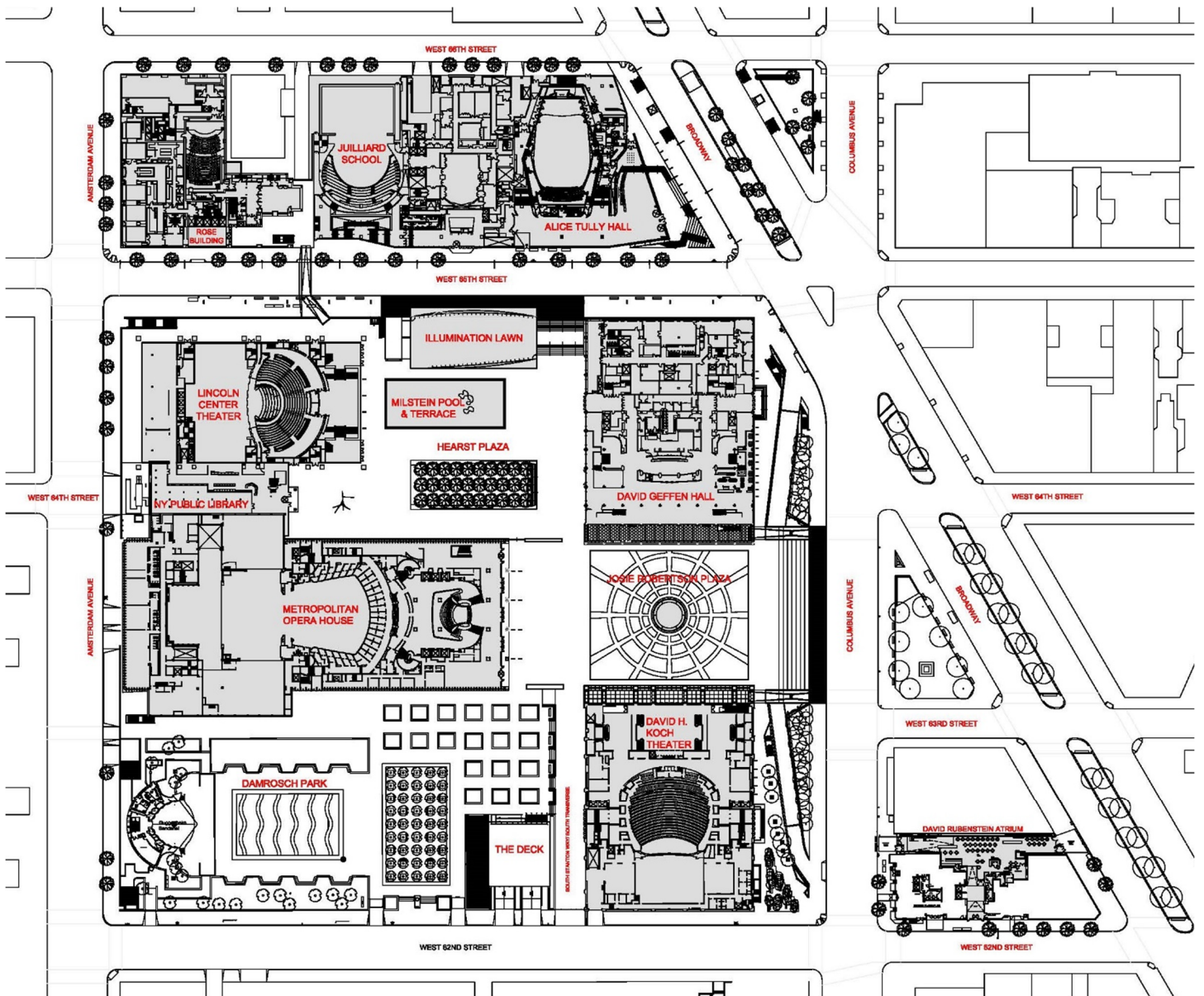
Due to the COVID-19 pandemic, LCPA has currently suspended many of its in-person education, engagement and accessibility programs and initiatives and is working to develop certain of these activities virtually.

## **THE LCPA-SERVICED FACILITIES**

### **General**

The map on the following page shows the approximate location of certain LCPA facilities.

*[Remainder of page intentionally left blank.]*



LCPA owns all LCPA-Serviced Facilities that are not otherwise owned by the City, with the exception of the David Rubenstein Atrium, including a number of buildings containing performance, academic, dormitory, administrative and related facilities, and also owns the land underlying certain such facilities. See—“Campus Facilities.”

The City owns: (i) the surface portions of the LCPA-Serviced Facilities that are occupied by Damrosch Park and Josie Robertson Plaza; (ii) certain subsurface portions of the LCPA-Serviced Facilities in which a garage and vehicular and pedestrian passageways are located; (iii) the land and building occupied by The David H. Koch Theater, formerly The New York State Theater; and (iv) the building facilities adjacent to the Vivian Beaumont Theater that are used by the New York Public Library for the Performing Arts.

LCPA operates and maintains (i) the City-owned open surface spaces, (ii) the City-owned subsurface facilities, and (iii) certain spaces owned by LCPA that are subject to easements to the City, pursuant to a renewed license agreement (the “License Agreement”) with the New York City Department of Parks and Recreation dated as of July 1, 2010. The current term of the License Agreement extends through June 30, 2030, with additional 10-year renewals contemplated.

### **Constituency Agreements**

LCPA has entered into separate agreements with each Constituent (“Constituency Agreements”). These Constituency Agreements include provisions that generally establish the basis upon which each Constituent is a part of Lincoln Center.

Some Constituency Agreements provide for exclusive facility use by the Constituent. In such cases, the Constituent is directly responsible for the costs of facility operation, maintenance and repair, as well as for the payment to LCPA of certain allocated costs, including, without limitation, the operating costs of the LCPA-Serviced Facilities’ central mechanical plant (the “CMP”), LCPA’s costs of securing and maintaining public LCPA-Serviced Facilities areas, operating costs, certain utility costs and certain other real estate-related costs and certain insurance costs. Such Constituents are also required to maintain certain insurance coverage. Such Constituents control food service and retail concessions in the applicable facilities.

Other Constituency Agreements provide for non-exclusive use by the Constituent. Such Constituency Agreements generally provide that the applicable Constituent pay LCPA rent equal to a base rental fee plus the costs of certain additional required and optional services and facilities. Such Constituents are also required to maintain certain insurance coverage. LCPA retains responsibility for food service and retail concessions with respect to Alice Tully Hall and David Geffen Hall. Facilities that are subject to such non-exclusive leases may be used by LCPA or may be rented by LCPA to other users, including other Constituents, when not used by the leasing Constituents. Constituency Agreements include provisions addressing the approval of facility operating budgets and resolution of disputes arising from operating cost allocation. Such disputes have been rare.

Certain facilities, however, are subject to separate arrangements with specific Constituents. For example, the New York Philharmonic has a participation interest in certain costs, revenues and deficits or surpluses resulting from the operation of David Geffen Hall and The Chamber Music Society of Lincoln Center has a participation interest in certain costs, revenues and deficits or surpluses resulting from the operation of Alice Tully Hall. These participation interests vary from year to year based on the respective Constituent’s actual usage of the applicable facilities.



Finally, Jazz at Lincoln Center, City Ballet and The New York Public Library for the Performing Arts occupy facilities that are not owned by LCPA, which facilities are not operated under lease terms with LCPA, although Jazz at Lincoln Center, City Ballet and The New York Public Library for the Performing Arts have certain obligations to LCPA in connection with shared services.

Although there can be no assurance that any Constituent will exercise any renewal term or will extend its Constituency Agreement upon expiration of all renewal terms, LCPA believes that it will be able to continue to utilize performance and other facilities in connection with the activities of LCPA, of Constituents and of third parties in a manner that will permit LCPA to fund the timely payment of principal and of interest on the Series 2020 Bonds and Series 2016A Bonds, as well as the costs of operation for which it is responsible, from revenues and other funds that LCPA expects to be available to it for such purposes.

LCPA and the Constituents are heavily affected by the restrictions on public gatherings. When and how LCPA and its Constituents can return to utilizing campus facilities will depend on the duration and severity of the COVID-19 pandemic. This may impact a Constituent's ability to pay service fees to LCPA. **Each Constituent retains the proceeds of its own ticket and subscription sales and of all donations and other fundraising proceeds that it receives. Under no circumstances will any Constituent revenues, or any other Constituent assets, be available to pay principal of or interest on the Series 2020 Bonds. See “—OPERATING SUPPORT AND FINANCIAL CONDITION—General Operating Support and Revenue.”**

### **Campus Facilities**

**The Juilliard School and Alice Tully Hall:** LCPA is the owner of both the land and the building that houses Alice Tully Hall and The Juilliard School. This building was completed in 1969 and was substantially renovated and expanded as part of the 65<sup>th</sup> Street Redevelopment Project described under “LINCOLN CENTER REDEVELOPMENT PROJECTS—65<sup>th</sup> Street Redevelopment Project.”

*Alice Tully Hall:* Alice Tully Hall is the home of The Chamber Music Society of Lincoln Center, which uses this facility on a non-exclusive basis pursuant to a Constituency Agreement that expires on June 30, 2034, with two 25-year renewal terms. This performance space seats 1,096. The Chamber Music Society of Lincoln Center has been a Constituent since 1969.

*The Juilliard School:* The Juilliard School uses its academic and performance facilities on an exclusive basis pursuant to a Constituency Agreement with a term that currently extends through June 30, 2024, with two 25-year renewal terms. The Stephanie P. McClelland Drama Theater, the Peter Jay Sharp Theater, the Morse Recital Hall and the Paul Recital Hall performance spaces in these facilities seat 206, 933, 200 and 278, respectively. The Juilliard School has been a Constituent for over 45 years.

**David Geffen Hall (formerly Avery Fisher Hall):** LCPA is the owner of both the land and the building. This building opened in 1962 and was substantially renovated in 1976. David Geffen Hall is the home of the New York Philharmonic, which uses this facility on a non-exclusive basis pursuant to a Constituency Agreement with a term that currently extends through June 30, 2039, with a 25-year renewal term remaining. The performance space in this facility seats 2,738. The New York Philharmonic was an original Constituent. Plans for the renovation of David Geffen Hall were announced publicly on December 2, 2019 under the name *Working in Concert*, a building and fundraising campaign jointly undertaken by LCPA and the New York Philharmonic. LCPA anticipates that the renovated Hall will open on or before March 2024. See “LINCOLN CENTER REDEVELOPMENT PROJECTS — Current Project: The David Geffen Hall Renovation.”

**Metropolitan Opera House:** LCPA is the owner of the land and the building. This building opened in 1966 and is the home of The Metropolitan Opera, which uses the facility on an exclusive basis pursuant to a Constituency Agreement that currently extends through May 31, 2041, with one 25-year renewal term. The capacity of the performance space in this facility is 4,031. The Metropolitan Opera was an original Lincoln Center Constituent.

**David H. Koch Theater:** This building opened in 1964 and has been the home of City Ballet, since 1965. The performance space in this facility seats 2,745 and underwent a major renovation in 2009. The City is the owner of the land and the building. The City licenses the David H. Koch Theater directly to City Ballet with a license term that extends through April 30, 2039, and with a one-time option to extend for 25 additional years. City Ballet is obligated to maintain and operate the David H. Koch Theater and to contribute to the costs of maintaining and operating the common spaces, such as Josie Robertson Plaza and the CMP.

**Lincoln Center Theater and the New York Public Library for the Performing Arts Building:** Lincoln Center Theater and The New York Public Library for the Performing Arts are housed in the same building. The City and LCPA each have an equal undivided interest in the building's common facilities.

*Lincoln Center Theater:* LCPA is the owner of the portion of the land and building that is occupied by the theater facilities. This building opened in 1965 and is the home of Lincoln Center Theater, which uses the theater facilities on an exclusive basis pursuant to a Constituency Agreement with a term that currently extends through December 31, 2032, with one renewal term of 24 years. These theater facilities have been modified and expanded by Lincoln Center Theater with the opening in 2012 of a third theater, the Claire Tow Theater. The Vivian Beaumont Theater, the Mitzi E. Newhouse Theater, and the Claire Tow Theater performance spaces in this facility seat 1,100, 299, and 131, respectively. The current Lincoln Center Theater organization has been a Constituent since 1985.

*The New York Public Library for the Performing Arts:* The City is the owner of the portion of the land and building that is occupied by The New York Public Library for the Performing Arts. The New York Public Library for the Performing Arts has been a Constituent since 1965.

**The Samuel B. and David Rose Building:** This mixed-use facility (the “Rose Building”) opened in 1990. LCPA is the owner of the land and the building, which is operated by LCPA. Portions of this facility were modified as part of the 65<sup>th</sup> Street Redevelopment Project. This building houses office, school and dormitory facilities utilized by The Chamber Music Society of Lincoln Center, Film at Lincoln Center, The Juilliard School, the Metropolitan Opera Guild, City Ballet, the New York Philharmonic, The School of American Ballet and the New York Public Library, as well as by LCPA. This building also houses the Walter Reade Theater performance space, operated exclusively by Film at Lincoln Center pursuant to an agreement entered into by the tenants of the Rose Building as of May 19, 1987 (the “Rose Building Participants Agreement”). This performance space seats 268. Film at Lincoln Center has been a Constituent since 1974. The School of American Ballet also uses certain facilities in this building on an exclusive basis, pursuant to the Rose Building Participants Agreement. The School of American Ballet has been a Constituent since 1987. The other Constituent occupants use portions of these facilities on an exclusive or non-exclusive basis, pursuant to the Rose Building Participants Agreement. The Metropolitan Opera Guild, though not a Constituent, also occupies space in the building. This building also houses the Stanley H. Kaplan Penthouse and the Clark Studio Theater performance facilities, which seat 225 and 125, respectively, and are directly controlled by LCPA, and the Daniel and Joanna S. Rose Rehearsal Studio performance facility, which seats 100 and is controlled by The Chamber Music Society of Lincoln Center.

**Damrosch Park:** This City-owned park, operated and maintained by LCPA pursuant to the License Agreement, occupies approximately 2.4 acres located on the southwest corner of the LCPA-Serviced Facilities. Damrosch Park is the principal site of the summer *Midsummer Night Swing* and *Lincoln Center Out of Doors* series. The park accommodates formal seating for an audience of 5,000 for performance purposes.

**Josie Robertson Plaza:** This City-owned public space, operated and maintained by LCPA pursuant to the License Agreement, is the principal entrance to and the center of the LCPA-Serviced Facilities. David Geffen Hall, the David Koch Theater and the Metropolitan Opera House all open onto Josie Robertson Plaza, which also serves as the site of numerous LCPA activities. Josie Robertson Plaza was renovated as part of the “Promenade Project.” See “LINCOLN CENTER REDEVELOPMENT PROJECTS—The Promenade Project.”

**Hearst Plaza:** This LCPA-owned public space, formerly known as the North Plaza, is located between David Geffen Hall and Lincoln Center Theater. Hearst Plaza was substantially renovated as part of the 65<sup>th</sup> Street Redevelopment Project. A pedestrian bridge and plaza, the former Milstein Plaza, that spanned a portion of West 65<sup>th</sup> Street between Broadway and Amsterdam Avenue, was demolished in the summer of 2006 and its replacement is now complete. The Laurie M. Tisch Illumination Lawn, an elevated 7,200 square foot expanse of public green space, slopes towards the new Paul Milstein Pool and Terrace. The Illumination Lawn sits atop Lincoln Ristorante; the Elinor Bunin Munroe Film Center, used by Film at Lincoln Center; indie food and wine, a restaurant located inside the Elinor Bunin Munroe Film Center; and LCPA offices.

**Subsurface Facilities:** LCPA operates and maintains various below-grade facilities that serve the multiple LCPA-Serviced Facilities, including: (i) a parking garage, and certain vehicular and pedestrian tunnels, pursuant to the License Agreement that permits LCPA to use certain parking revenues for application to maintain public areas of the LCPA-Serviced Facilities; and (ii) the CMP, which provides steam and chilled water to all buildings within the LCPA-Serviced Facilities, except the Rose Building. Portions of these facilities were modified as part of the 65<sup>th</sup> Street Redevelopment Project. The modernization and upgrading of the CMP is complete.

**David Rubenstein Atrium:** LCPA has entered into a lease for the atrium space at 61 West 62<sup>nd</sup> Street known as the David Rubenstein Atrium (formerly known as the Harmony Atrium), with a term that currently extends through April 30, 2077, with certain early termination and renewal options. See “LINCOLN CENTER REDEVELOPMENT PROJECTS—The David Rubenstein Atrium Project.”

## LINCOLN CENTER REDEVELOPMENT PROJECTS

### Introduction

Early in 2000, working in partnership with all Constituents, LCPA envisioned a long-range campus-wide site and facilities planning initiative that resulted in the creation of several redevelopment projects aimed at modernizing the technical and communications capacities of Lincoln Center’s large-scale theaters and concert halls, replacing essential building systems and equipment and redesigning certain public spaces on the Campus. LCPA undertook three main redevelopment projects, all completed by 2012: the 65<sup>th</sup> Street Redevelopment Project, the David Rubenstein Atrium Project and the Promenade Project (collectively, along with any future such projects, the “Lincoln Center Redevelopment Projects”).

## **Completed Lincoln Center Redevelopment Projects:**

### **The 65th Street Redevelopment Project**

The 65<sup>th</sup> Street Redevelopment Project centered upon the redesign and revitalization of West 65<sup>th</sup> Street, a major thoroughfare that transverses the LCPA-Serviced Facilities between Broadway and Amsterdam Avenue. The 65<sup>th</sup> Street Redevelopment Project encompassed the expansion and modernization of education and performance facilities, including Alice Tully Hall and facilities used by The Juilliard School, Film at Lincoln Center, The School of American Ballet, Lincoln Center Theater and LCPA. The 65<sup>th</sup> Street Redevelopment Project also included the enhancement and expansion of numerous shared public areas and visitor amenities, the transformation of a portion of West 65<sup>th</sup> Street between Broadway and Amsterdam Avenue into a pedestrian boulevard, the construction of a transparent footbridge and a grand entrance to Hearst Plaza and various other improvements to the facilities. A substantial portion of the capital enhancements that were part of the 65<sup>th</sup> Street Redevelopment Project were undertaken and financed by LCPA (“LCPA Project Components”) while related facility expansion and enhancement projects executed by The Juilliard School, Film at Lincoln Center, Lincoln Center Theater, The School of American Ballet, and The Chamber Music Society of Lincoln Center (“Related Constituent Projects”) were separately financed by the respective Constituents, with certain matching contributions, facade contributions and other defined contributions by LCPA.

### **The David Rubenstein Atrium Project**

The atrium space at 61 West 62<sup>nd</sup> Street, formerly known as the Harmony Atrium, was redesigned for the purpose of transforming the underutilized privately owned public space into an attractive visitor center and public amenity. The rebuilt space, now called the David Rubenstein Atrium, has a ticket booth where people can purchase day-of-performance discounted tickets and gather for the start of LCPA campus tours.

### **The Promenade Project**

The Promenade Project consisted of an upgrade to Josie Robertson Plaza and a rebuilding of Lincoln Center’s primary entrance along Columbus Avenue. This rebuilding of Lincoln Center’s primary entrance relocated the previous plaza-level service road to the concourse level, reconfigured the main staircase, and created new points of entry for pedestrians, subway riders, and individuals arriving by car.

## **Completed Lincoln Center Redevelopment Project Funding Requirements**

The overall cost of the completed Lincoln Center Redevelopment Projects, including the 65<sup>th</sup> Street Redevelopment Project costs, the Promenade Project costs, the David Rubenstein Atrium Project costs, and the Related Constituent Project costs, was \$1.2 billion. Aggregate project costs paid by LCPA of approximately \$722 million were funded through the application of bond proceeds loaned to LCPA by the Trust and by LCPA’s fundraising campaign “Bravo Lincoln Center.”

### **Current Project: The David Geffen Hall Renovation**

Plans for the renovation of David Geffen Hall were announced publicly on December 2, 2019 under the name *Working in Concert*, a building and fundraising campaign jointly undertaken by LCPA and the New York Philharmonic. Planning and preparatory steps for the David Geffen Hall renovation remain underway and certain pre-construction activities have begun. The estimated cost for this renovation is approximately \$550 million, of which more than 70% has already been committed to the fundraising campaign. In connection with that planned refurbishment, LCPA received a \$100 million

naming pledge from David Geffen, dated February 2, 2015, of which \$85,000,000, after deduction of \$15,000,000 of renaming expenses, was conditional and will be recognized as construction milestones are met. LCPA had previously entered into an agreement with the family of Avery Fisher enabling LCPA to pursue the new naming opportunity to help fund the renovation. LCPA and the New York Philharmonic are working jointly to complete the capital campaign and progress the renovation project. LCPA anticipates utilizing its line of credit described herein to bridge a portion of the costs of the renovation project. LCPA may incur additional bridge indebtedness to cover the costs of construction.

LCPA and the New York Philharmonic anticipate that the renovated David Geffen Hall will open on or before March 2024. In light of the COVID-19 pandemic, LCPA and the New York Philharmonic are currently evaluating opportunities to accelerate all or part of this renovation. The decision to accelerate all or part of the project and when to begin construction will depend on the evaluation of many factors, including potential cost savings from an accelerated schedule, potential bridge financing requirements and costs, timing of pledge commitments, and other logistical considerations. See “—Campus Facilities—David Geffen Hall (formerly Avery Fisher Hall).”

## GOVERNANCE

### Introduction

LCPA is governed by a Board of Directors. Board meetings are generally held four times a year and special meetings may be called as necessary. The Board oversees and establishes overall institutional policy and direction for the corporation.

Members of the Board may serve an unlimited number of three-year terms. The Board currently has 84 members, divided into three categories: public directors, Constituent-designated directors, and *ex officio* directors. The Board includes leaders in business, philanthropy, government, media, and other fields. In accordance with LCPA’s By-Laws and the applicable Constituency Agreement, the Constituents are entitled to designate certain Directors to the Board. All members of the Board are equal voting members. After an individual retires or steps down from the Board, he or she may be nominated as a Director Emeritus/a. These individuals have a voice at Board meetings, but no vote. LCPA officers are elected annually by the members of the Board.

The By-Laws provide that the Executive Committee of the Board, which generally meets four times a year, may exercise certain powers, including the power to authorize certain officers or agents to enter into any contract or to execute and deliver any instrument in the name of or on behalf of LCPA, between meetings of the Board. Certain LCPA Committees, including the Investment Committee, may be partially or wholly constituted of non-Board members. Non-Board membership on the Nominating and Governance Committee is limited to Directors Emeriti.

Directly below is a listing of all of the current and emeriti members of the LCPA Board, together with designations on certain committees. See “CERTAIN RELATIONSHIPS.”

*[Remainder of page intentionally left blank.]*

## BOARD OF DIRECTORS

### Chair

Katherine Farley<sup>1, 2, 3, 4</sup>

### Vice Chairs

Adrienne Arsht	Chairman Emerita	TotalBank
Richard K. DeScherer <sup>1</sup>	Chief Legal & Compliance Officer	Bloomberg L.P.
Joel S. Ehrenkranz <sup>1, 3, 4</sup>	Founding Partner	Ehrenkranz Partners L.P.
Roy Furman <sup>1</sup>	Vice Chairman	Jefferies LLC
John B. Hess <sup>1, 4</sup>	Chief Executive Officer	Hess Corporation
Bruce Kovner <sup>1, 5</sup>	Chairman	CAM Capital
Philip L. Milstein <sup>1, 2</sup>	Principal	Ogden CAP Properties
Laurie M. Tisch <sup>1</sup>	President	Laurie M. Tisch Illumination Fund
Clara Wu Tsai		Joe and Clara Tsai Foundation
Ann Ziff <sup>1</sup>		

### Treasurer

Blair W. Effron <sup>1, 3</sup>	Founding Partner	Centerview Partners LLC
---------------------------------	------------------	-------------------------

### Directors

Ronnie Ackman		
Robert Appel <sup>5</sup>	President	Appel Associates
Jody Arnhold	Founder	Dance Education Laboratory (DEL) 92Y
Sarah Arison	President	Arison Arts Foundation
Adrienne Arsht	Chairman Emerita	TotalBank
Joseph Y. Bae	Co-President and Co-COO	KKR Asia
Christina Baker		
Keith T. Banks <sup>2, 3</sup>	Vice Chairman of Global Wealth & Investment Management	Bank of America, N.A.
Ron Beck <sup>5</sup>	Advisory Partner	Oaktree Capital Management, LP
Renée Belfer		
Frank A. Bennack, Jr. <sup>1</sup>	Executive Vice Chairman & Former CEO	Hearst
Jeffrey C. Campbell <sup>1, 3</sup>	Executive Vice President and CFO	American Express
Cecily M. Carson	President	Carson Family Charitable Trust
Richard K. DeScherer <sup>1</sup>	Chief Legal & Compliance Officer	Bloomberg L.P.
James G. Dinan <sup>1, 4</sup>	Chairman, Co-CEO and Managing Partner	York Capital Management
Blair W. Effron <sup>1, 3</sup>	Founding Partner	Centerview Partners LLC
Joel S. Ehrenkranz <sup>1, 3, 4</sup>	Founding Partner	Ehrenkranz Partners L.P.
Martín Escobari	Co-President, Managing Director and Head of Latin America	General Atlantic
Elizabeth M. Eveillard <sup>5</sup>	Former Investment Banker; Chairman	The Frick Collection
Katherine Farley <sup>1, 2, 3, 4</sup>		
Harold Ford		
Bart Friedman <sup>1, 2</sup>	Senior Counsel	Cahill Gordon & Reindel, LLP
Joshua S. Friedman	Co-Chairman and Co-CEO	Canyon Partners, LLC
Roy Furman <sup>1</sup>	Vice Chairman	Jefferies LLC
Jeffrey L. Gates	Managing Partner	Gates Capital Management
David Geffen		
Bennett J. Goodman <sup>1, 3</sup>	Co-Founder and Senior Advisor	GSO Capital Partners

<sup>(1)</sup> Executive Committee <sup>(2)</sup> Audit Committee <sup>(3)</sup> Finance Committee <sup>(4)</sup> Investment Committee <sup>(5)</sup> Constituent-designated Director

Efraim Grinberg <sup>2</sup>	Chairman & CEO	Movado Group, Inc.
Audrey Butvay Gruss	President	Gruss & Co.
Mimi Haas <sup>3</sup>	President	Mimi and Peter Haas Fund
Ronald G. Harrington	Philanthropist and Entrepreneur	
Gerald L. Hassell	Retired Chairman & CEO	BNY Mellon
Rita E. Hauser <sup>1</sup>	President	The Hauser Foundation, Inc.
Jim Herbert <sup>1</sup>	Chairman and Chief Executive Officer (Founding)	First Republic Bank
John B. Hess <sup>1, 4</sup>	Chief Executive Officer	Hess Corporation
Elinor Hoover <sup>5</sup>	Managing Director	Citigroup Global Markets Inc.
Susan S. Huang	Global Head of Investment Banking, Vice President	Morgan Stanley & Co. LLC
David A. Hunt <sup>1</sup>	President and Chief Executive Officer	PGIM
Elliot S. Jaffe	Chairman & Co-Founder	Ascena Retail Group (Dress Barn)
Tod Johnson	Executive Chairman	The NPD Group
Sheryl Drangel Kaye	President	JCC Manhattan
Somesh Khanna <sup>2</sup>	Senior Partner	McKinsey & Company, Inc.
Bruce Kovner <sup>1, 5</sup>	Chairman	CAM Capital
Shelly Lazarus	Chairman Emeritus	Ogilvy & Mather
Betty Levin	President	Corporate Art Directions
Dr. Frayda B. Lindemann	President and Chief Executive Officer	The Metropolitan Opera
Bryan Lourd	Managing Director	Creative Artists Agency
Scott D. Malkin	Chairman	Value Retail Plc
Peter W. May <sup>1, 5</sup>	President and Founding Partner	Triam Partners
William R. Miller, CBE <sup>5</sup>	Former Vice Chairman	Bristol-Myers Squibb
Philip L. Milstein <sup>1, 2</sup>	Principal	Ogden CAP Properties
Eric Mindich <sup>1, 5</sup>	Founder & Chief Executive Officer	Eton Park Capital Management
William C. Morris <sup>1, 5</sup>	Chairman of Executive Committee	The Metropolitan Opera Association
Anna Nikolayevsky <sup>3, 4</sup>	CIO	Axel Capital Management
Ronnie Planalp	Founder and Producer	Clear Eye Productions
Adebayo Ogunlesi <sup>4</sup>	Chairman and Managing Partner	Global Infrastructure Partners
Jonelle Procope	President & CEO	Apollo Theater
Julian Robertson	Chairman	Tiger Management L.L.C.
Hon. Stephen C. Robinson	Partner	Skadden Arps, Slate, Meagher & Flom LLP
Stephen M. Ross <sup>1</sup>	Chairman and Founder	Related Companies
David M. Rubenstein	Co-Founder and Co-CEO	The Carlyle Group
Ralph Schlosstein <sup>1</sup>	President & CEO	Evercore
Thomas Schumacher	President & Producer	Disney Theatrical Group
Esta Eiger Stecher <sup>2</sup>	Managing Director	The Goldman Sachs Group, Inc.
Robert K. Steel <sup>1</sup>	Chairman	Perella Weinberg Partners
Gayfryd Steinberg <sup>5</sup>		
Steven R. Swartz <sup>1, 3</sup>	President and Chief Executive Officer	Hearst
Tony Tamer	Founder and Co-CEO	H.I.G. Capital, LLC
Chandrika K. Tandon <sup>1</sup>	Chairman	Tandon Capital Associates
Oscar Tang <sup>5</sup>	Co-Chairman	New York Philharmonic
Ann Tenenbaum <sup>5</sup>	Co-President	MTheory
John A. Thain		
Laurie M. Tisch <sup>1</sup>	President	Laurie M. Tisch Illumination Fund

---

(<sup>1</sup>) Executive Committee (<sup>2</sup>) Audit Committee (<sup>3</sup>) Finance Committee (<sup>4</sup>) Investment Committee (<sup>5</sup>) Constituent-designated Director

Sayu Ueno Ann Unterberg	President and Chief Executive Officer Co-Chairman	Mitsui USA Lincoln Center Education committee
Barbara Vogelstein <sup>5</sup> John E. Waldron <sup>1</sup> Darren Walker Kenneth L. Wallach Christopher J. Williams John Wren Clara Wu Tsai Ann Ziff <sup>1</sup>	Chairman President and Chief Operating Officer President Executive Chairman Chairman and Chief Executive Officer President and CEO	The School of American Ballet Goldman Sachs & Co. LLC Ford Foundation Central National Gottesman Inc. Siebert Williams Shank & Co., LLC Omnicom Group Joe and Clara Tsai Foundation

#### Ex Officio

Hon. Bill de Blasio (Barry H. Berke, Mayoral Designee)	The Mayor of the City of New York	
Hon. Corey Johnson (Frank Carucci, Speaker's Designee)	Speaker	New York City Council
Hon. Mitchell Silver	Commissioner, NYC Department of Parks and Recreation	
Hon. Gonzalo Casals	Commissioner NYC Department of Cultural Affairs	

#### Chairmen Emeriti

Amyas Ames (1906-2000)	Martin E. Segal (1916-2012)
Frank A. Bennack, Jr. <sup>1</sup>	Beverly Sills (1929-2007)
Bruce Crawford	George Weissman (1919-2009)
John D. Rockefeller 3 <sup>rd</sup> (1906-1978)	

#### Directors Emeriti / Co-Chairs

Hon. William H. Donaldson  
Peter L. Malkin

#### Directors Emeriti

Mrs. James A. Block	William B. Harrison, Jr.	Susan Rudin
Richard S. Braddock	Ruth W. Houghton	Howard Solomon
Diane M. Coffey	Peter S. Kraus	Daisy M. Soros
David A. Coulter	Thomas H. Lee <sup>1</sup>	Hon. Carl Spielvogel
Bruce Crawford	Martin J. Oppenheimer	Stephen Stamas
Harvey Golub <sup>1</sup>	Thomas A. Renyi	Alair A. Townsend
Paul B. Guenther	Jim Rosenthal	

---

<sup>(1)</sup> Executive Committee <sup>(2)</sup> Audit Committee <sup>(3)</sup> Finance Committee <sup>(4)</sup> Investment Committee <sup>(5)</sup> Constituent-designated Director



## MANAGEMENT AND ADMINISTRATION

The President and Chief Executive Officer (CEO) has primary responsibility for the management and operation of LCPA, reporting to the Chair of the Board of Directors. The following sets forth the principal officers of LCPA that report to the President and CEO, and a brief statement of their respective backgrounds.

**Henry Timms, President and Chief Executive Officer:** Henry Timms became President and CEO of LCPA on May 6, 2019. Previously he was the President and CEO of the 92nd Street Y, a cultural and community center that creates programs and movements that foster learning and civic engagement. Prior to his time at 92Y, Mr. Timms served as the International Director of the Louise Blouin Foundation in London, developing cultural programs around the world. Earlier in his career, he worked for two of His Royal Highness the Prince of Wales' charities that emphasized the importance of the arts for children and their value to the business world. He is the co-founder of #GivingTuesday, a global philanthropic movement that engages people in close to 100 countries that has generated over a billion dollars for good causes. Mr. Timms is the co-author of the international bestseller *New Power: How Power Works in the 21st Century – and How You Can Make It Work for You*. He serves in a variety of civic roles including Visiting Fellow at Stanford University's Center on Philanthropy and Civil Society, Hauser Visiting Leader at Harvard Kennedy School, and Senior Fellow at the United Nations Foundation. Mr. Timms holds a Bachelor of Arts in history from the University of Durham.

**Allison Allen, Executive Vice President, Chief People Officer,** joined Lincoln Center in 2019. Ms. Allen previously consulted on and executed Diversity, Inclusion & Talent Management programs at Gerson Lehrman Group (GLG). Before GLG, she was a Vice President of Diversity, Inclusion & Talent Management at Oath. Prior to Oath, Ms. Allen was Vice President, Talent & Organizational Development for AOL Inc. Before AOL, she headed up the Global Organizational Development Practice at Bloomberg LP and was Vice President in Global Talent and Leadership at Deutsche Bank. Ms. Allen began her career at Johnson & Higgins (now part of Marsh & McLennan Companies Inc.). Earlier in her career, she was a Manager of Learning & Organizational Development with Cushman & Wakefield, Inc. Ms. Allen received her degree in Business Administration and Management from New York University.

**Leah Johnson, Executive Vice President, Chief Communications and Marketing Officer,** joined Lincoln Center in 2019. Most recently, Ms. Johnson founded and led LCJ Solutions, partnering with brands and organizations to develop and promote their brand story. Before founding LCJ Solutions, Leah served as Senior Vice President of Corporate Affairs at Citigroup Inc. Prior to joining Citigroup, Ms. Johnson was Vice President of Corporate Communications for Standard & Poor's. In the public sector, Ms. Johnson served as Press Secretary for Mayor David N. Dinkins Reelection Campaign and as Deputy Director of Communications for the Clinton-Gore '92 New York State Coordinated Campaign. Prior to her campaign work, Ms. Johnson was the Media Relations Special Assistant for Deputy Mayor Bill Lynch. Ms. Johnson began her communications career at the NYC Health and Hospitals Corporation, served as Director of Public Affairs at Kings County Hospital Center, and served as Manager of Public Affairs at Bristol-Myers Squibb Co. Ms. Johnson holds a B.A. in Psychology from Harvard College. Ms. Johnson also serves on the Board of Trustees of the Trust.

**Lauren Ezrol Klein, Executive Vice President, General Counsel and Corporate Secretary,** joined Lincoln Center in 2018. Ms. Klein previously was Executive Vice President, General Counsel and Corporate Secretary, and a 21-year veteran of, Time Inc. At Time Inc., Ms. Klein was a member of the executive management team and responsible for overseeing global legal and governance affairs. Prior to joining Time Inc., Ms. Klein was an associate in the Corporate Department at Simpson Thacher & Bartlett, focusing on mergers and acquisitions and securities. Ms. Klein graduated from Harvard Law School, after receiving her B.S. from the School of Industrial and Labor Relations at Cornell University.

As part of a long-planned transition, Robert Cundall, who has served as Executive Vice President, Chief Financial Officer of LCPA since 2016, resigned his position effective June 30, 2020; however, he has been retained by Lincoln Center in a consulting capacity to support the Series 2020 Bond financing. In addition, Jim O'Hara is joining Lincoln Center in August 2020, as Executive Vice President, Chief Operating Officer, with responsibility for financial matters and various operational functions. Mr. O'Hara was previously Deputy Executive Director and Chief Financial Officer of the 92nd Street Y, a cultural and community center that creates programs and movements that foster learning and civic engagement.

LCPA is undertaking a search for a new Artistic Director following the retirement of Jane Moss on August 7, 2020 and a search for a new Chief Development Officer following the retirement as of July 6, 2020, of Tamar Podell. Ms. Podell will continue to serve as a consultant to LCPA.

## **OPERATING RESULTS AND FINANCIAL CONDITION**

### **Management and Financial Controls**

LCPA management annually presents an annual fiscal year budget and capital plan to the LCPA Board's Finance Committee, to its Executive Committee and to the full Board for final approval. In the course of the fiscal year, the Finance Committee, the Executive Committee and the full Board are updated regularly with regard to the financial outlook for that year.

The LCPA Board's Audit Committee selects LCPA's independent auditors and meets at least twice a year with the public accountants and senior staff to review the annual audit of the consolidated financial statements, the annual audit of the defined benefit pension plan, and any management letter recommendations. The consolidated financial statements of LCPA are prepared in accordance with U.S. generally accepted accounting principles.

The LCPA Board's Investment Committee meets several times per year to review endowment and pension fund investment results, asset allocations, investment manager performance, and investment guidelines.

### **Financial Information**

The following table summarizes certain information regarding LCPA's financial position and is derived from LCPA's audited financial statements as of June 30, 2015, 2016, 2017, 2018 and 2019. See "OVERVIEW – Impacts from the Novel Coronavirus (COVID-19) Pandemic" and "OPERATING RESULTS AND FINANCIAL CONDITION – Fiscal Year 2020 Unaudited Results" for a discussion of LCPA's financial position as of June 30, 2020. The report of KPMG LLP, LCPA's independent auditors, together with LCPA's consolidated financial statements as of and for the year ended June 30, 2019, is included in "APPENDIX B — LINCOLN CENTER FOR THE PERFORMING ARTS, INC. AND RELATED ENTITY CONSOLIDATED FINANCIAL STATEMENTS."

**FIVE YEAR FINANCIAL HISTORY**  
**SUMMARY CONSOLIDATED BALANCE SHEETS**

As of June 30, 2019  
(thousands)

<u>ASSETS:</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Cash and cash equivalents	\$ 15,693	\$ 20,033	\$ 12,435	\$ 9,634	\$ 2,911
Restricted cash	25,029	44,313	29,297	15,899	29,894
Accounts & investment income receivable	12,880	16,337	16,136	14,773	15,976
Contributions and grants receivable	99,561	104,166	108,401	79,416	72,681
Prepaid expenses and inventory	12,342	10,905	10,272	8,833	8,431
Investments	241,808	221,789	248,841	258,862	257,180
Fixed assets, net	344,484	350,505	360,785	349,613	350,641
Total assets	<u>\$751,797</u>	<u>\$768,048</u>	<u>\$786,167</u>	<u>\$737,030</u>	<u>\$737,714</u>
 <b>LIABILITIES</b>					
Accounts payable and accrued expenses	\$ 18,638	\$ 20,350	\$ 16,704	\$ 21,010	\$ 18,238
Fair value of interest rate swaps	44,688	66,487	48,170	36,837	50,032
Deferred revenue	9,195	13,815	20,846	18,753	24,689
Borrowings under line of credit	-	30,000	25,000	-	10,000
Long term debt	252,169	251,893	253,276	251,707	250,139
Total liabilities	<u>\$324,690</u>	<u>\$382,545</u>	<u>\$363,996</u>	<u>\$328,307</u>	<u>\$353,098</u>
 <b>NET ASSETS:</b>					
Without donor restrictions:					
General operating	\$ 11,377	\$ 10,519	\$ 10,611	\$ 10,760	\$ 9,583
Board designated	119,095	107,901	112,260	115,643	113,598
Redevelopment and other physical Capital	132,930	90,011	88,178	70,996	37,736
Total net assets without donor restrictions	<u>\$263,402</u>	<u>\$208,431</u>	<u>\$211,049</u>	<u>\$197,399</u>	<u>\$160,917</u>
With donor restrictions					
Purpose or time restricted	66,756	79,765	113,503	114,899	126,732
Endowment fund corpus	96,949	97,307	97,619	96,425	96,967
Total net assets with donor restrictions	<u>\$163,705</u>	<u>\$177,072</u>	<u>\$211,122</u>	<u>\$211,324</u>	<u>\$223,699</u>
Total net assets	<u>\$427,107</u>	<u>\$385,503</u>	<u>\$422,171</u>	<u>\$408,723</u>	<u>\$384,616</u>
Total liabilities and net assets	<u>\$751,797</u>	<u>\$768,048</u>	<u>\$786,167</u>	<u>\$737,030</u>	<u>\$737,714</u>

## Investment Performance

The table on the following page summarizes the fair values and total return of LCPA's investments (in thousands) for each of the last five fiscal years ended June 30, 2019.

### INVESTMENTS

(thousands)

<b><u>Fiscal Year</u></b>	<b><u>Fair Values At June 30</u></b>	<b><u>Investments Income (Net of Expenses)</u></b>	<b><u>Realized and Unrealized Appreciation</u></b>	<b><u>Investment Return<sup>(1)</sup></u></b>
2015	\$241,808	(\$838)	\$10,518	4.87%
2016	221,789	(701)	(10,031)	(4.32)
2017	248,841	(480)	34,684	16.06
2018	258,862	(865)	23,958	9.77
2019	257,180	(934)	10,895	4.64

(1) Net of all fees.

As of June 30, 2020, the unaudited estimated fair value of LCPA's investments was \$263.7 million and for the fiscal year ended June 30, 2020, the unaudited estimated investment return was 5.25%.

The fair value of investments is determined based on quoted market prices or net asset values provided by the investment managers. Fair value may be negatively impacted by adverse financial markets. See "APPENDIX B—LINCOLN CENTER FOR THE PERFORMING ARTS, INC. AND RELATED ENTITY CONSOLIDATED FINANCIAL STATEMENTS—Note 6—Investments."

LCPA's endowment consists of approximately 70 individual accounts that are invested jointly but accounted for separately to ensure compliance with donor restrictions.

LCPA has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while seeking to protect the original value of the gift after inflation. Under this policy, the endowment assets are invested in a manner that is intended to produce results consistent with LCPA's overall investment strategy. As of June 30, 2019, the endowment assets were classified as follows:

	<b><u>Without donor restrictions</u></b>	<b><u>Purpose or time restricted<sup>(1)</sup></u></b>	<b><u>Endowment fund corpus</u></b>	<b><u>Total</u></b>
Donor-restricted funds	\$ -----	\$52,754,257	\$96,966,862	\$149,721,119
Board-designated funds	108,282,526	-----	-----	108,282,526
Total endowment	\$108,282,526	\$52,754,257	\$96,966,862	\$258,003,645

<sup>(1)</sup> Purpose or time restricted endowment funds consists of accumulated gains on donor-restricted endowments.

Below is LCPA's asset allocation as of June 30, 2019:

Cash and cash equivalents	0.7%
Fixed income	0.2%
Equities:	
Large cap equity	17.3%
Small/mid cap equity	3.3%
Alternative investments with readily determinable fair value:	
Fixed income	4.5%
International equity	2.2%
Alternative investments measured at net asset value as a practical expedient:	
International equity	22.9%
Large cap equity fund	4.2%
Small/mid cap equity fund	3.4%
Absolute return	19.5%
Hedged equity	15.4%
Private equity and special situations	6.4%
<b>Total</b>	<b><u>100.0%</u></b>

LCPA's endowment spending policy for fiscal year 2020 permitted annual endowment draws of 4.7% based on a 20-quarter average market value as of the preceding December 31st. Prior to the pandemic, a reduction to 4.6% was planned for fiscal year 2021, in line with an ongoing effort to gradually reduce LCPA's annual spending policy to ensure the long-term sustainability of the endowment. To bolster operational funding during the 2021 fiscal year, however, the Board has authorized an increase to a 5.0% endowment draw. See "APPENDIX B—LINCOLN CENTER FOR THE PERFORMING ARTS, INC. AND RELATED ENTITY CONSOLIDATED FINANCIAL STATEMENTS—Note 15—Endowment Funds."

### **Indebtedness and Interest Rate Exchange Agreements**

In fiscal year 2006, LCPA entered into a long-term tax-exempt borrowing in the amount of \$150 million with the Trust for the purpose of financing, through proceeds from the Series 2006A Revenue Bonds (the "Series 2006A Bonds"), certain costs of previous Redevelopment Projects. The Series 2006A Bonds were refunded in July 2008 with the issuance, through the Trust, of \$151,250,000 Series 2008A variable rate tax exempt bonds (the "Series 2008A Bonds"). The Series 2008A Bonds are due December 1, 2035. In June 2015, the Series 2008A Bonds were purchased through a bank direct purchase. The Series 2008A Bonds currently bear interest at an Index Floating Rate and will be refunded in whole from the proceeds of the Series 2020A Bonds.

Effective January 17, 2006, LCPA entered into a fixed rate interest swap agreement with Morgan Stanley Capital Services, Inc. as a hedge on \$95,000,000 of variable rate debt. Under the terms of the agreement, LCPA pays interest at a fixed rate of 3.70% and receives a variable rate. This interest rate swap terminates on June 1, 2034.

Effective September 1, 2008, LCPA entered into an interest rate swap agreement for a notional amount of \$50,000,000 with The Bank of New York in which LCPA pays interest at a fixed rate of 4.01% and receives a variable rate. This interest rate swap terminates on September 1, 2038.

As of June 30, 2020, the value of the collateral that LCPA is required to post under these two interest rate swap agreements to secure its obligations to the swap counterparties was approximately \$62

million. The collateral posting requirements under the interest rate swap agreements have been supported by the Line of Credit described below.

On August 13, 2020, LCPA terminated both interest rate swap agreements. On August 20, 2020, LCPA intends to directly issue the Series 2020B Bonds in the aggregate principal amount of \$70,160,000. The proceeds of the Series 2020B Bonds will be used to pay the costs of such termination and the costs of issuance thereof. The Series 2020B Bonds are being offered pursuant to a separate offering memorandum. The Series 2020B Bonds will mature on December 1, 2035 and will be unsecured general obligations of LCPA. See “PLAN OF FINANCE” and “SECURITY FOR THE SERIES 2020A BONDS—Bond Debt Service Requirements” in the Official Statement to which this Appendix is attached.

In October 2008, LCPA entered into a long-term tax-exempt borrowing in the amount of \$100,000,000 with the Trust for the purpose of financing, through proceeds from the Series 2008C Revenue Bonds (the “Series 2008C Bonds”), certain costs relating to the completed Lincoln Center Redevelopment Projects. In November 2016, the Series 2008C Bonds were refinanced through the issuance by the Trust of \$87,575,000 of long-term tax-exempt The Trust for Cultural Resources of The City of New York Revenue Bonds, Series 2016A (Lincoln Center for the Performing Arts, Inc.). The bonds issued in 2016 were issued at a premium, bear 5% interest per annum and mature on December 1, 2026.

LCPA also entered into an unsecured revolving credit agreement on February 13, 2012 (the “Line of Credit”) for up to \$100,000,000, which has been extended four times and currently expires on November 14, 2021. The documentation relating to the Line of Credit also imposes certain limitations upon the incurrence of additional indebtedness by LCPA and gives the Line of Credit lender certain enforcement rights and the right to receive payments in addition to the stated interest rate formula in respect of certain costs incurred by the Line of Credit lender. Borrowings against the line bear interest at a LIBOR-based rate. The outstanding balance at June 30, 2020 was \$30,000,000.

See “SECURITY FOR THE SERIES 2020A BONDS—Other Obligations” in the Official Statement to which this Appendix is attached and “APPENDIX B—LINCOLN CENTER FOR THE PERFORMING ARTS, INC. AND RELATED ENTITY CONSOLIDATED FINANCIAL STATEMENTS—Note 8—Lines of Credit” and “—Note 9—Long Term Debt”.

### **Recent Rating Actions**

On December 5, 2019, Moody’s Investors Service, Inc. downgraded the rating on the Series 2016A Bonds from “A2” to A3.” Additionally, on June 24, 2020, S&P Global Ratings, a division of The McGraw Hill Companies, Inc., downgraded the rating on the Series 2016A Bonds from “A+” to “A.”

**Operating Results**  
(thousands)

The following table provides a summary of activities without donor restrictions derived from LCPA's Consolidated Statement of Activities for those fiscal years ended June 30. The table is divided into general operating activities and other changes.

	2015	2016	2017	2018	2019
<b><u>General Operating Support and Revenue</u></b>					
Contributions and special events, net	\$ 28,792	\$ 27,291	\$ 27,455	\$ 31,330	\$26,453
Investment return	4,208	4,756	4,908	4,944	5,053
Box office and other program service revenue	16,453	13,452	11,276	12,533	8,825
Facilities services and rental income	58,198	61,658	66,523	62,471	62,305
Other income	2,752	2,407	3,502	3,602	2,438
Net assets released from restrictions	21,076	29,146	23,188	20,827	22,045
Total general operating revenue	\$ 131,479	\$ 138,710	\$ 136,852	\$ 135,707	\$ 127,119
<b><u>General Operating Expenses</u></b>					
Program services:					
Performance presentations	\$ 27,168	\$ 24,520	\$ 22,498	\$ 22,676	\$ 19,376
Media development (Live from Lincoln Center)	5,819	9,036	5,183	4,537	3,576
Education and outreach	7,874	9,638	9,889	9,823	9,381
Facilities management and services	60,401	65,273	70,345	66,651	66,420
Guest services and other	4,383	3,259	3,760	2,384	1,288
Total program services	\$ 105,645	\$ 111,726	\$ 111,675	\$ 106,071	\$ 100,041
Supporting services:					
Management and general	\$ 18,776	\$ 19,891	\$ 21,992	\$ 25,203	\$ 20,211
Fundraising	6,050	6,071	7,203	7,178	6,317
Total supporting services	\$ 24,826	\$ 25,962	\$ 29,195	32,381	26,528
Total general operating expenses	\$ 130,471	\$ 137,688	\$ 140,870	\$ 138,452	\$ 126,569
Operating revenue over (under) expenses before transfers and one-time charges	\$ 1,008	\$ 1,022	(\$ 4,018)	(\$ 2,745)	\$ 550
One-time non-recurring charge		(1,380)*			
Transfers	(1,000)	(500)	4,109	2,894	(500)
Excess (deficiency) of operating revenue over expenses	\$ 8	(\$ 858)	\$ 91	\$ 149	\$ 50
<b><u>Other Changes in Net Assets Without Donor Restrictions</u></b>					
Board-designated contributions and other income	\$ 3,793	\$ 3,956	\$ 4,207	\$4,014	\$ 3,761
Board-designated investment return	221	(9,732)	10,696	5,329	(630)
Net unrealized (loss) gain on swap agreements	(5,863)	(21,798)	18,317	11,332	(13,195)
Redevelopment and other physical plant income	15,924	2,092	446	1,347	1,579
Net assets released from restrictions	41,492	4,308	3,676	760	723
Depreciation expense	(13,246)	(13,919)	(14,505)	(16,065)	(15,266)
Interest and other financing costs, net	(12,424)	(12,231)	(13,830)	(9,554)	(9,548)
Redevelopment and other physical plant expense	(19,276)	(7,288)	(2,372)	(8,068)	(3,229)
Transfers	1,000	500	(4,109)	(2,894)	500
Impact of change in accounting policy					(1,227)
Change in net assets without donor restrictions	\$ 11,629	(\$54,970)	\$ 2,617	(\$13,650)	(\$36,482)

\* Included in management and general in the audited consolidated financial statements.

## Discussion of Statements of Activities

Total general operating revenue decreased from \$131.5 million in fiscal year 2015 to \$127.1 million in fiscal year 2019 as certain LCPA programs and activities were realigned. Concurrently, total program service expenses decreased from \$105.6 million in fiscal year 2015 to \$100.0 million in fiscal year 2019. Fiscal year 2019's performance presentation revenue and expense reflect a key piece of this realignment, encompassing the decommissioning of *Lincoln Center Festival* in conjunction with an expansion and re-imagination of *Mostly Mozart Festival*.

Fiscal year 2016 program service expenses reflect increased investment in media development with the Dance in Cinema series, while a higher volume of hosted events and facility rentals resulted in higher program service expenses in fiscal year 2017. Management and general expenses for fiscal year 2018 include nonrecurring costs of an executive leadership transition and a voluntary separation program offered to certain staff.

Redevelopment and other physical plant income increased to \$15.9 million in fiscal year 2015 with the recognition of \$15.0 million of the contribution for naming rights to the renamed David Geffen Hall. Redevelopment and other physical plant expense was \$19.3 million in fiscal year 2015 primarily because of \$15.0 million of fundraising expenses which enabled LCPA to pursue a new hall naming opportunity.

Beginning on March 12, 2020, the LCPA-Serviced Facilities have experienced significantly reduced usage compared to previous years. Because more than 50% of LCPA's revenues are generated by venue rentals, special events, and facilities services, declining utilization has had and will continue to have a negative effect on LCPA's revenues for an indeterminate period of time. These declines are substantially mitigated by reduced expenses. The projected net operating loss for fiscal year 2020 is \$12-14 million, entirely as a result of the COVID-19 pandemic. See "OVERVIEW—Impacts from the Novel Coronavirus (COVID-19) Pandemic" and "—OPERATING RESULTS AND FINANCIAL CONDITIONS—Fiscal Year 2020 Unaudited Results." LCPA expects its audited financial results for fiscal year 2020 will be available in November 2020.

## General Operating Support and Revenue

*Contributions and special events, net* include unrestricted contributions from individuals, corporations, and foundations; memberships; government grants; and special events income net of expenses.

*Investment return* primarily represents the annual draw from the spending policy associated with the endowment investment pool.

*Box office revenue* represents proceeds for LCPA's artistic performance presentations. Paid attendance for LCPA's recurring artistic performance presentation series in each of the previous five fiscal years was as follows:

### **Paid Attendance for Recurring Artistic Performance Presentation Series**

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
96,758	98,190	97,231	107,040	104,532

The chart above excludes the decommissioned *Lincoln Center Festival*, which had paid attendance of 53,222, 44,794 and 41,051 during fiscal years 2016 through 2018, respectively. The chart



also excludes certain non-core or non-recurring activities. Fiscal year 2020 attendance figures include performances through March 12, 2020, after which LCPA cancelled all in-person performances scheduled for the rest of the fiscal year due to the COVID-19 pandemic.

LCPA also offers free programming, such as the annual *Lincoln Center Out of Doors* program and performances and events hosted at the David Rubenstein Atrium. *Midsummer Night Swing*, in addition to paid attendance to a special outdoor dance floor/bandstand facility, also attracts thousands of dancers and spectators who participate without charge in Damrosch Park. These participants are not included in the chart shown above.

*Other program service revenue* includes proceeds from fees charged to schools for Lincoln Center Education services, and income from auxiliary services, such as guided tours, Meet-the-Artist, and CenterCharge, a telephone sales service.

*Facilities services and rental income* is derived from several sources, reflecting LCPA's responsibilities with regard to the Campus. David Geffen Hall and Alice Tully Hall (collectively, the "Concert Halls"), operated by LCPA, earn rental income when they are used by Constituents or outside licensees. The Park-and-Lock Garage under the central Campus, owned by the City but managed by LCPA, earns parking revenues that are dedicated to support the costs of maintaining the public areas of the Campus. The Valet Garage located under the Rose Building earns income that is directed exclusively to LCPA from a management agreement with the garage operator. LCPA also provides facilities services to Constituents, including CMP heating and cooling services, security services, building operations and maintenance personnel for public areas and particular buildings.

Most of LCPA's facilities services revenue represents cost reimbursements from Constituents, so although campus closure has resulted in decreased revenue, this has minimal net effect on LCPA's operating results. However, Constituents who pay service fees to LCPA are also heavily affected by the reduced activity levels and may be unable to meet certain obligations to LCPA.

*Other income* includes fees for other services rendered to Constituents, corporate sponsorship revenue, visual art print sales, and revenue from cultural consulting services rendered to external parties.

*Net assets released from restrictions* includes restricted contributions utilized in current operations.

For a discussion as to the impact of the COVID-19 pandemic on LCPA's General Operating Revenue, see "OVERVIEW — Impacts from the Novel Coronavirus (COVID-19) Pandemic."

## **General Operating Expenses**

*Performance presentations* expenditures represent the costs associated with *Great Performers Series*, *Mostly Mozart Festival*, *Lincoln Center Festival* (through fiscal year 2018), *American Songbook*, *Midsummer Night Swing*, *Lincoln Center Out of Doors* and David Rubenstein Atrium programs, including artists, orchestras, advertising and other production costs.

*Media development (Live from Lincoln Center)* includes expenses associated with the *Live from Lincoln Center* television series and other media activities, including *Dance in Cinema*.

*Education and outreach* include expenses associated with Lincoln Center Education as well as certain community engagement programs.

*Facilities management and services* includes the operational costs of the Concert Halls, the Rose Building, the parking facilities, and the General Services departments providing security, building engineers and trades, heating and air conditioning, and maintenance.

*Guest services and other* includes the costs associated with guided tours, the visual arts program, and CenterCharge ancillary services, as well as those of outside cultural and educational consulting projects and merchandise sales through LCPA's retail kiosk.

*Supporting services* include all costs associated with management and general and fundraising departments.

*Transfers* primarily represents the *Renewal and Replacement Reserve* for capital repairs and renovations to the Concert Halls and other operations and managed space for which it is responsible; debt principal payments; and the use of a portion of prior period's accumulated surpluses. The annually revised five-year capital plan establishes the amounts LCPA should be contributing annually over time to this reserve. In certain instances, expenditures from this reserve are also partially funded by relevant Constituents. The capital plan also covers public area spending partially funded by the City.

For a discussion as to the impact of the COVID-19 pandemic on LCPA's General Operating Expenses, see "OVERVIEW —Impacts from the Novel Coronavirus (COVID-19) Pandemic."

### **Other Changes in Unrestricted Net Assets**

*Board-designated contributions and other income* primarily includes *Renewal and Replacement Reserve* contributions from Constituents.

*Board-designated investment returns* primarily reflects investment returns in excess of (less than) the annual spending policy.

*Net unrealized (loss) gain on swap agreements* reflects the change in fair value of LCPA's interest rate swap agreements. See APPENDIX B—LINCOLN CENTER FOR THE PERFORMING ARTS, INC. FINANCIAL STATEMENTS—Note 9—Long Term Debt.

*Redevelopment and other physical plant income* includes funding for the Lincoln Center Development Project, Inc. (LCDP) from Constituents and other sources.

*Net assets released from restrictions* primarily reflects the utilization of Bravo Lincoln Center Campaign restricted contributions for Lincoln Center Redevelopment Project expenses and for capital assets placed into service.

*Depreciation expense* reflects depreciation on all the facilities owned by LCPA.

*Redevelopment and other physical plant expense* reflects the expenditures related to the completed Lincoln Center Redevelopment Projects to the extent not capitalized and campaign fundraising and other expenses. LCPA does not capitalize outlays for the public areas, which are assets of the City.

*Transfers* relates to the Renewal and Replacement Reserve.

*Impact of change in accounting policy* encompasses a cumulative effect adjustment to opening net assets due to adoption and implementation of FASB Accounting Standards Update 2014-09, *Revenue from Contracts with Customers*.

## **Fiscal Year 2020 Unaudited Results**

With revenues and expenses of \$129.8 million, the original approved fiscal year 2020 general operating budget was similar to the budget for fiscal year 2019. Through February 2020, LCPA was on track to attain its budget goals for fiscal year 2020. Currently, LCPA anticipates an operating loss of approximately \$12-14 million for fiscal year 2020, driven primarily by reduced concert hall rentals, fewer opportunities for fundraising events, and approximately \$3 million in restructuring costs associated with administrative and union staff furloughs and terminations. LCPA expects its audited financial results for fiscal year 2020 will be available in November 2020.

For a discussion as to the impact of the COVID-19 pandemic on LCPA's fiscal year 2020 unaudited results, see "OVERVIEW — Impacts from the Novel Coronavirus (COVID-19) Pandemic."

## **Fiscal Year 2021 Budget**

For fiscal year 2021, LCPA targets a balanced budget, reduced approximately \$45 million from the prior year's budget and reflecting assumptions that LCPA believes to be conservative for the timeline for returning to normal operations. The approved fiscal year 2021 general operating budget projects revenues and expenses of \$84.9 million. It is premised on conservative revenue assumptions and may change throughout the year as circumstances shift; LCPA has prioritized flexibility in planning for the near-term future. The budget also marks the initial phase of LCPA's plan to incorporate certain debt service into its operating results as part of a broader strategic initiative to improve its financial and artistic sustainability. To date, LCPA has incurred minimal incremental costs in addressing COVID-19 operating protocols as activity increases across the LCPA-Serviced Facilities.

For a discussion as to the impact of the COVID-19 pandemic on LCPA's Fiscal Year 2021 Budget, see "OVERVIEW — Impacts from the Novel Coronavirus (COVID-19) Pandemic."

## **FUNDRAISING**

### **Annual Fundraising**

LCPA annually prepares a comprehensive annual fundraising plan, based upon a review of prior fiscal year results and current funding opportunities. Annual fundraising results have historically reflected a balanced and broadly diversified basis of support which continued through fiscal year 2020. The results of fiscal years 2017, 2018 and 2019 reflect the program and activity realignment referenced above under "OPERATING RESULTS AND FINANCIAL CONDITIONS – Discussion of Statement of Activities".

Annual fundraising revenues in fiscal years 2015 through 2019 was as follows:

<b><u>Annual Fundraising</u></b>				
<i>(millions)</i>				
<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$41.9	\$49.6	\$47.5	\$45.5	\$40.0

As indicated above, LCPA was on track for a balanced budget for fiscal year 2020 through February 2020. The anticipated operating deficit for the fiscal year in part reflects reduced fundraising

due to the need to defer fundraising events until the campus reopens. See “OVERVIEW - Impacts from the Novel Coronavirus (COVID-19) Pandemic.”

### **Campaign for Renovation of David Geffen Hall**

Plans for the renovation of David Geffen Hall were announced publicly on December 2, 2019 under the name *Working in Concert*, a building and fundraising campaign jointly undertaken by LCPA and the New York Philharmonic. The project is a strategic priority for both organizations and certain pre-construction work has begun. LCPA and the New York Philharmonic still anticipate the transformed Hall reopening no later than March 2024. See “LINCOLN CENTER REDEVELOPMENT PROJECTS — Current Project: The David Geffen Hall Renovation.”

## **EMPLOYEES AND LABOR RELATIONS**

As of July 1, 2020, LCPA employed approximately 400 regular full-time equivalent union and non-union employees, of which approximately 30% are currently on furlough. LCPA expects to reinstate furloughed employees as activities increase across LCPA-Serviced Facilities.

LCPA is a party to more than fifteen collective bargaining agreements with thirteen unions representing those employees. Four unions represent approximately 50% of LCPA’s regular full-time employees. These are: (1) Local 32BJ, Service Employees International Union (SEIU) (representing Security Officers, Porters, Matrons and Tour Guides); (2) Local One, International Alliance of Theatrical Stage Employees (IATSE) (representing Stagehands); (3) Local 30, International Union of Operating Engineers (IUOE) (representing Engineers and Mechanics); and (4) Local 751, Treasurers and Ticket Sellers Union (IATSE) (representing Box Office Treasurers).

During calendar year 2018, LCPA entered into new collective bargaining agreements with: (1) with Local 32BJ, SEIU, covering Tour Guides; (2) with Local 794 (IATSE), covering Television Camera Operators; and (3) with Local B-751, Mail and Telephone Order Clerks Union, covering CenterCharge Representatives. During calendar year 2019, LCPA (1) entered into a new collective bargaining agreement with Local 1 (IATSE), covering Stagehands; and (2) concluded negotiations with Local 306 (IATSE), covering Film Projectionists. During calendar year 2020, LCPA concluded negotiations with (1) Local 30 (IUOE), covering Engineers and Mechanics; (2) Local 32BJ, SEIU, covering Utility Persons; (3) Local 32BJ, SEIU, covering Security Guards; and (4) Local 802, covering the Mostly Mozart Festival Orchestra.

Additionally, the contract with Local 306 (IATSE) , representing ushers and ticket takers, expired April 30, 2020, and contracts with Local 751, Treasurers and Ticket Sellers Union (IATSE) and Local B-751, Mail and Telephone Order Clerks Union, expire later in calendar year 2020. Due to the COVID-19 pandemic, LCPA has not currently scheduled bargaining with Local 306 but anticipates negotiating with each of these unions as circumstances permit.

### **Pension Plan: Defined Benefit Plan**

The Lincoln Center Pension Plan is a multiple-employer defined benefit plan for eligible employees of LCPA (employees hired after July 1, 2017 are not eligible employees). Five Constituents (including LCPA) participate in this plan. Scheduled contributions have been made in each year except during years when no contributions were necessary under actuarial minimum funding requirements. As of July 1, 2019, the actuarial value of assets was \$81.3 million. The estimated actuarial accrued liability was \$98.2 million, yielding an estimated funding percentage of 83%. See “APPENDIX B—LINCOLN

CENTER FOR THE PERFORMING ARTS, INC. AND RELATED ENTITY CONSOLIDATED FINANCIAL STATEMENTS—Note 12—Pension Plan.”

**403(b) Plan: Defined Contribution Plan**

LCPA also has a defined contribution Tax Deferred 403(b) retirement plan, funded exclusively through employee contributions for employees hired prior to July 1, 2017. Employees hired July 1, 2017 and later are eligible to receive an employer discretionary match (based on employee contributions to the defined contribution 403(b) plan) and, at the discretion of the Institution, an additional nonelective contribution to the defined contribution 403(b) plan, subject to eligibility requirements. LCPA also contributes regularly to union pension and annuity plans in accordance with collective bargaining agreements.

**INSURANCE**

LCPA maintains insurance for all of the facilities and operations it manages. This includes commercial general liability, all-risk property insurance including business interruption, automobile, commercial crime, workers compensation, multimedia liability, directors and officers liability, terrorism and other insurance. Coverages are reviewed annually by the Audit Committee of the Board.

**CERTAIN RELATIONSHIPS**

Three current Board members, one of whom is a member of the Executive Committee of the Board of Directors of LCPA, one of whom is a member of the Audit Committee of the Board of Directors of LCPA, and one of whom is a member of the Investment Committee of the Board of Directors of LCPA, have corporate affiliations with Goldman, Sachs & Co. LLC. A former President and Chief Executive Officer of LCPA also had a corporate affiliation with Goldman, Sachs & Co. LLC. Goldman, Sachs & Co. LLC is serving as an underwriter of the Series 2020A Bonds.

A current Board member has a corporate affiliation with Morgan Stanley & Co. LLC, a counterparty to one of LCPA’s interest rate swap agreements.

One Board member who is a member of the Finance Committee and Audit Committee of the Board of Directors of LCPA, has a corporate affiliation with the Line of Credit lender, with which LCPA had previously entered into the Line of Credit on February 13, 2012. An affiliate of the same financial institution also currently holds the Series 2008A Bonds through a private placement.

LCPA holds endowment investments in certain funds managed by Canyon Partners, LLC, whose co-founder joined the Board in November 2019.

The Chief Communications and Marketing Officer of LCPA currently serves as a member of the Board of Trustees of the Trust.

The Commissioner of Cultural Affairs is an *ex officio* member of the Board of Directors of LCPA and a member of the Board of Trustees of the Trust.

[THIS PAGE INTENTIONALLY LEFT BLANK]

**APPENDIX B**

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY CONSOLIDATED FINANCIAL STATEMENTS**

[THIS PAGE INTENTIONALLY LEFT BLANK]





**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Consolidated Financial Statements and Consolidating Schedules

June 30, 2019

(With Independent Auditors' Report Thereon)



KPMG LLP  
345 Park Avenue  
New York, NY 10154-0102

## Independent Auditors' Report

The Board of Directors  
Lincoln Center for the Performing Arts, Inc.:

We have audited the accompanying consolidated financial statements of Lincoln Center for the Performing Arts, Inc. and related entity, which comprise the consolidated balance sheet as of June 30, 2019, and the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the consolidated financial statements.

### *Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Lincoln Center for the Performing Arts, Inc. and related entity as of June 30, 2019, and the changes in their net assets and their cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.



### *Emphasis of Matter*

As discussed in Note 2(t) to the consolidated financial statements, in 2019 Lincoln Center for the Performing Arts, Inc. and related entity adopted new accounting guidance, Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*, ASU No. 2016-18, *Restricted Cash*, ASU No. 2014-09, *Revenue from Contracts with Customers*, and ASU No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. Our opinion is not modified with respect to this matter.

### *Report on Summarized Comparative Information*

We have previously audited Lincoln Center for the Performing Arts, Inc. and related entity's 2018 consolidated financial statements, and we expressed an unmodified audit opinion on those consolidated financial statements in our report dated November 13, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived before the adjustments to adopt ASU No. 2016-14, ASU No. 2016-18, ASU No. 2014-09, and ASU No. 2018-08. As part of our audit of the 2019 consolidated financial statements, we also audited the adjustments described in Note 2(t) that were applied to adopt ASU No. 2016-14 and ASU No. 2014-09 retrospectively in the 2019 consolidated financial statements. In our opinion, such adjustments are appropriate and have been properly applied.

### *Other Matter*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information included in the accompanying consolidating schedules as of and for the year ended June 30, 2019 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

KPMG LLP

November 19, 2019

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Consolidated Balance Sheet

June 30, 2019  
(with comparative amounts for 2018)

<b>Assets</b>	<b>2019</b>	<b>2018</b>
Cash and cash equivalents	\$ 2,910,758	9,634,459
Restricted cash (note 9)	29,893,898	15,898,710
Accounts and investment income receivable	15,976,426	14,773,063
Contributions and grants receivable, net (note 5)	72,681,032	79,415,793
Prepaid expenses, inventory, and other assets	8,430,640	8,832,558
Investments (note 6)	257,179,645	258,862,068
Fixed assets, net (note 7)	350,641,384	349,612,925
Total assets	<u>\$ 737,713,783</u>	<u>737,029,576</u>
<b>Liabilities and Net Assets</b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 18,237,775	21,009,638
Deferred revenue (note 3)	24,688,952	18,752,798
Borrowings under line of credit (note 8)	10,000,000	—
Fair value of interest rate swaps (note 9)	50,032,292	36,837,135
Long-term debt (note 9)	250,138,509	251,707,362
Total liabilities	<u>353,097,528</u>	<u>328,306,933</u>
Commitments and contingencies (notes 8, 12, and 13)		
Net assets (notes 11 and 15):		
Without donor restrictions:		
General operating	9,582,653	10,759,475
Board designated	113,598,212	115,643,029
Redevelopment and other physical capital	37,736,276	70,996,292
Total net assets without donor restrictions	<u>160,917,141</u>	<u>197,398,796</u>
With donor restrictions:		
Purpose or time restricted	126,732,252	114,898,862
Endowment fund corpus	96,966,862	96,424,985
Total net assets with donor restrictions	<u>223,699,114</u>	<u>211,323,847</u>
Total net assets	<u>384,616,255</u>	<u>408,722,643</u>
Total liabilities and net assets	<u>\$ 737,713,783</u>	<u>737,029,576</u>

See accompanying notes to consolidated financial statements.

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Consolidated Statement of Activities

Year ended June 30, 2019

(with summarized comparative information for 2018)

	2019					2018				
	Without donor restrictions			With donor restrictions		Without donor restrictions			With donor restrictions	
	General operating	Board designated	Redevelopment and other physical plant (note 3)	Total	Purpose or time restricted	Endowment fund corpus	Total	Purpose or time restricted	Endowment fund corpus	Total
Revenue:										
Contributions, private grants, and bequests	\$ 16,238,657	88,962	126,217	16,453,836	28,075,302	541,877	45,071,015	28,075,302	541,877	35,671,972
Government grants	667,636	—	—	667,636	1,001,269	—	1,688,905	1,001,269	—	1,818,631
Investment return (note 6):										
Designated for current operations	5,005,820	—	—	5,005,820	6,082,675	—	11,088,495	6,082,675	—	10,738,015
In excess of (less than) amounts designated for current operations	46,851	(630,000)	12,787	(570,362)	(557,718)	—	(1,128,080)	(557,718)	—	12,354,670
Net unrealized (loss) gain on swap agreements (note 9)	—	—	(13,195,157)	(13,195,157)	—	—	(13,195,157)	—	—	11,332,276
Box office and other program service revenue	8,825,088	—	—	8,825,088	—	—	8,825,088	—	—	12,533,282
Facilities management and services	31,094,303	3,536,855	—	34,631,158	—	—	34,631,158	—	—	35,028,381
Rental income	31,211,179	—	—	31,211,179	—	—	31,211,179	—	—	31,245,853
Other income	2,437,658	134,952	1,439,579	4,012,189	—	—	4,012,189	—	—	4,748,885
Special event revenue, net of expenses of \$2,054,012 and \$1,670,248 in 2019 and 2018, respectively	9,546,635	—	—	9,546,635	—	—	9,546,635	—	—	9,220,949
Provision for restricted pledges	—	—	—	—	—	—	—	—	—	(6,000,000)
Net assets released from restrictions	22,044,654	(265,807)	989,291	22,768,138	(22,768,138)	—	—	(22,768,138)	—	—
Total revenue	127,118,481	2,864,962	(10,627,283)	119,356,160	11,833,390	541,877	131,731,427	11,833,390	541,877	158,690,914
Expenses (note 14):										
Program services:										
Performance presentations	19,375,682	—	278,021	19,653,703	—	—	19,653,703	—	—	22,989,639
Media development (Live from Lincoln Center)	3,575,659	—	—	3,575,659	—	—	3,575,659	—	—	4,536,979
Education and outreach	9,380,576	—	444,833	9,825,409	—	—	9,825,409	—	—	10,324,729
Facilities management and services	66,420,621	254,261	13,014,450	79,689,332	—	—	79,689,332	—	—	80,305,066
Guest services and other	1,245,784	—	—	1,245,784	—	—	1,245,784	—	—	2,383,098
Interest and other financing costs, net (note 9)	42,440	—	9,547,824	9,590,264	—	—	9,590,264	—	—	9,554,454
Total program services	100,040,762	254,261	23,285,128	123,580,151	—	—	123,580,151	—	—	130,093,965
Supporting services:										
Management and general	20,211,203	—	3,278,748	23,489,951	—	—	23,489,951	—	—	33,781,549
Fundraising	6,316,889	—	1,224,375	7,541,264	—	—	7,541,264	—	—	8,263,691
Total supporting services	26,528,092	—	4,503,123	31,031,215	—	—	31,031,215	—	—	42,045,240
Total expenses	126,568,854	254,261	27,788,251	154,611,366	—	—	154,611,366	—	—	172,139,205
Excess (deficiency) of revenue over expenses	549,627	2,610,701	(38,415,534)	(35,255,206)	11,833,390	541,877	(22,879,939)	11,833,390	541,877	(13,448,291)
Transfers:										
Renewal and replacement reserve	(500,000)	500,000	—	—	—	—	—	—	—	—
Investment in fixed assets	—	(5,155,518)	5,155,518	—	—	—	—	—	—	—
Total transfers	(500,000)	(4,655,518)	5,155,518	—	—	—	—	—	—	—
Change in net assets	49,627	(2,044,817)	(33,260,016)	(35,255,206)	11,833,390	541,877	(22,879,939)	11,833,390	541,877	(13,448,291)
Net assets at beginning of year, as previously reported	10,759,475	115,643,029	70,996,292	197,398,796	114,898,882	96,424,985	408,722,643	114,898,882	96,424,985	422,170,934
Impact of change in accounting policy (note 2(f))	(1,226,449)	—	—	(1,226,449)	—	—	(1,226,449)	—	—	—
Adjusted balance at beginning of year	9,533,026	115,643,029	70,996,292	196,172,347	114,898,882	96,424,985	407,496,194	114,898,882	96,424,985	422,170,934
Net assets at end of year	\$ 9,582,653	113,598,212	37,736,276	160,917,141	126,732,252	96,966,862	384,616,255	126,732,252	96,966,862	408,722,643

See accompanying notes to consolidated financial statements.

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Consolidated Statement of Cash Flows

Year ended June 30, 2019  
(with comparative amounts for 2018)

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities:		
Change in net assets	\$ (22,879,939)	(13,448,291)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Net realized and unrealized appreciation on investments	(10,894,883)	(23,957,753)
Change in fair value of interest rate swaps	13,195,157	(11,332,276)
Depreciation and amortization	13,697,507	14,496,445
Loss on disposition of fixed assets	253,202	134,718
Contributions and grants restricted for permanent endowment	(541,877)	(805,983)
Contributions restricted for capital assets	(20,505,000)	(1,400,000)
Changes in operating assets and liabilities:		
Accounts and investment income receivable	1,425,443	1,131,459
Contributions and grants receivable	19,186,261	19,156,660
Prepaid expenses, inventory, and other assets	(1,200,772)	1,408,226
Accounts payable and accrued expenses	(4,450,771)	5,261,363
Deferred revenue	6,282,754	(2,093,402)
Net cash used in operating activities	<u>(6,432,918)</u>	<u>(11,448,834)</u>
Cash flows from investing activities:		
Purchase of fixed assets	(16,548,021)	(5,028,278)
Accounts receivable – capital	(2,628,806)	231,985
Accounts payable and accrued expenses – capital	1,678,908	(955,877)
Purchase of investments	(72,932,626)	(39,265,132)
Proceeds from the sale of investments	85,509,932	53,201,552
Net cash (used in) provided by investing activities	<u>(4,920,613)</u>	<u>8,184,250</u>
Cash flows from financing activities:		
Contributions restricted for permanent endowment	541,877	805,983
Contributions restricted for capital assets	20,505,000	1,400,000
Change in contributions receivable for permanent endowment and capital	(12,451,500)	9,828,562
Decrease in funds held by bond trustee	29,641	30,853
Repayments on line of credit borrowing	(15,000,000)	(35,000,000)
Proceeds from line of credit borrowing	25,000,000	10,000,000
Net cash provided by (used in) financing activities	<u>18,625,018</u>	<u>(12,934,602)</u>
Net increase (decrease) in cash, cash equivalents, and restricted cash	7,271,487	(16,199,186)
Cash, cash equivalents, and restricted cash:		
Beginning of year	25,533,169	41,732,355
End of year	<u>\$ 32,804,656</u>	<u>25,533,169</u>
Interest paid	\$ 11,066,984	11,080,775

See accompanying notes to consolidated financial statements.

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Notes to Consolidated Financial Statements

June 30, 2019

(with comparative amounts for 2018)

**(1) Business**

Lincoln Center for the Performing Arts, Inc. (LCPA) was founded in 1956 to develop and maintain a performing arts complex that would sustain and encourage the musical and performing arts. In addition to operating and maintaining some of the performance facilities at the LCPA site in New York City, LCPA provides programs and presents concerts and other performances that supplement the presentations of its fellow constituent organizations (collectively, the Constituents): the Chamber Music Society of Lincoln Center, Film at Lincoln Center, Jazz at Lincoln Center, the Juilliard School, the Vivian Beaumont Theater (the Lincoln Center Theater), the Metropolitan Opera, the New York City Ballet, the Philharmonic Symphony Society of New York, Inc. (New York City Philharmonic Orchestra), the New York Public Library for the Performing Arts, and the School of American Ballet. LCPA has agreements with its Constituents to provide certain use of facilities on the Lincoln Center campus, central facility services and to manage the consolidated Corporate Fund which benefits LCPA and its Constituents. Pursuant to these agreements, the costs of providing these services and the funds raised from the consolidated fundraising campaign are allocated among LCPA and its Constituents.

On January 12, 2001, Lincoln Center Development Project, Inc. (LCDP) was incorporated to implement and oversee the redevelopment of certain specified components of the campus. On May 24, 2010, LCDP became a wholly owned related entity of LCPA. In July 2012, LCDP amended its Certificate of Incorporation to expand its purposes beyond the boundaries of the Lincoln Center campus. The amendment embraces Lincoln Center's goal of fostering the performing arts to improve the cultural life of communities throughout the United States and the world.

LCPA and LCDP are nonprofit organizations exempt from income tax under Section 501(c)(3) of the Internal Revenue Code.

**(2) Significant Accounting Policies**

**(a) Consolidation**

The accompanying consolidated financial statements include the assets, liabilities, net assets, and financial activities of LCPA and LCDP (collectively, Lincoln Center or the Organization). All significant inter-organization balances and transactions have been eliminated in consolidation.

**(b) Basis of Presentation**

The consolidated financial statements of Lincoln Center have been prepared on the accrual basis of accounting, in accordance with U.S. generally accepted accounting principles.

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Notes to Consolidated Financial Statements

June 30, 2019

(with comparative amounts for 2018)

**(c) Net Asset Classifications**

Lincoln Center reports information regarding its financial position and activities according to two classes of net assets: with donor restrictions and without donor restrictions. Net assets with donor restrictions are further categorized as net assets with donor restrictions – endowment fund corpus and with donor restrictions – purpose or time restricted.

- Net assets with donor restrictions:
  - Net assets with donor restrictions – endowment fund corpus contain donor-imposed restrictions, which stipulate that the resources be maintained permanently, but permit Lincoln Center to expend part or all of the income derived from the resources for either specified or unspecified purposes.
  - Net assets with donor restrictions – purpose or time restricted contain donor-imposed restrictions that permit Lincoln Center to expend the resources as specified. The restrictions are satisfied either by the passage of time or by actions of Lincoln Center.
- Net assets without donor restrictions are not restricted by donors, or the donor-imposed restrictions have been met. Lincoln Center's Board of Directors has designated a portion of the net assets without donor restrictions for renewal and replacement reserves, special operating reserves, investment in fixed assets, and long-term investments (funds functioning as endowment).

Revenues are reported as increases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on assets and liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law. Expirations of donor restrictions on net assets (i.e., the donor stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions. Contributions of cash and other assets restricted to the acquisition of long-lived assets are reported as donor restricted support that increases net assets with donor restrictions – purpose or time restricted; those restrictions expire when the long-lived assets are placed in service.

**(d) Cash and Cash Equivalents**

Cash equivalents include investments with original maturities of three months or less at time of purchase, except for such assets held by Lincoln Center's investment managers as part of their long-term investment strategies.

**(e) Restricted Cash**

Restricted cash consists of cash held as collateral by two major banking institutions under the terms of interest rate swap agreements.



**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Notes to Consolidated Financial Statements

June 30, 2019

(with comparative amounts for 2018)

**(f) Investments**

Investments with readily determinable fair values in debt and equity securities are reported at fair value based upon the last quoted market price or published net asset value for alternative investment funds with characteristics similar to a mutual fund. Other alternative investments (nontraditional, not readily marketable vehicles), such as limited partnership interests and hedge funds, are stated at estimated fair value, as a practical expedient, based on net asset values provided by the investment managers. Individual investment holdings within the other alternative investments may be invested in both publicly traded securities and less liquid securities, which are valued by the investment managers after considering pertinent factors. Lincoln Center reviews and evaluates methods and assumptions used in determining the net asset values of the other alternative investments. Lincoln Center believes that the carrying amount of such alternative investments is a reasonable estimate of fair value as of June 30, 2019 and 2018. Because the other alternative investments do not have readily determinable fair values, the estimated value is subject to uncertainty and, therefore, may differ from the value that would have been used had a ready market for the investment existed, and such difference could be material.

**(g) Fair Value**

Assets and liabilities reported at fair value are required to be classified within a fair value hierarchy which gives preference to the use of observable inputs over unobservable inputs. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices or published net asset value (unadjusted) in active markets for identical assets or liabilities that a reporting entity has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

For certain alternative investments, which do not have readily determinable fair values, including hedge funds, limited partnerships, and other funds, fair value is estimated using net asset value per share or its equivalent, as a practical expedient, as reported by the investment managers. In accordance with ASU No. 2015-07, *Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*, such investments are excluded from the fair value hierarchy levels.

**(h) Fixed Assets**

Fixed assets, which are recorded at cost, consist of land, building, leasehold improvements, equipment, works of art and construction in progress for assets owned by Lincoln Center. The Lincoln Center campus includes land and property owned by the City of New York (the City), such as the New York State Theater, Library/Museum, Damrosch Park, the Garage and Josie Robertson Plaza. In addition, certain construction costs of Lincoln Center-owned buildings, e.g., the Rose Building, are owned by other tenant Constituents using the building. Such City-owned properties and construction

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Notes to Consolidated Financial Statements

June 30, 2019

(with comparative amounts for 2018)

costs owned by other Constituents using Lincoln Center-owned properties are not included in the accompanying consolidated financial statements.

Costs incurred by Lincoln Center relating to improvements to City-owned facilities, including the public spaces, are expensed as incurred. Lincoln Center has been reimbursed by the City for a portion of those project expenses through an agreement with the NYC Economic Development Corporation.

The City-owned garage at Lincoln Center is operated under a License Agreement from the City. Pursuant to the License Agreement with the City, all operating surpluses from the garage are utilized to help fund the security and maintenance expenses for the public areas. If in any year there is an operating deficit, Lincoln Center may apply for reimbursement, but such reimbursement is not guaranteed, and therefore, not recorded as a receivable. If at the end of the year there is an operating surplus, such surplus is reported as a liability in the consolidated balance sheet.

Buildings and building improvements and furniture, fixtures, and equipment are depreciated on the straight-line method over their estimated useful lives (buildings and building improvements – 40 years; furniture, fixtures, and equipment – 3 to 10 years). Works of art are recorded at cost and not depreciated. Normal additions to and replacements of fixed assets below \$25,000 are expensed as incurred.

**(i) Deferred Bond Issuance Costs**

Bond issuance costs are deferred and amortized on a straight-line basis over the term of the bonds.

The unamortized debt issuance costs related to the recognized debt liability are presented as a direct reduction from the debt liability on the consolidated balance sheet.

**(j) Box Office Revenues**

Ticket sales are recognized as box office revenue on a specific performance basis upon Lincoln Center fulfilling its obligation of admitting and presenting the performance to each ticketholder. Advance ticket sales for the receipt of payment for future performances are reported in deferred revenue in the consolidated balance sheet. Such amounts were approximately \$2.8 million and \$2.9 million as of June 30, 2019 and 2018, respectively, and are recognized as revenue in the subsequent period.

**(k) Facilities Services Revenues**

Lincoln Center maintains certain public and private facilities both for the benefit of the various constituent organizations and to advance its own mission.

Lincoln Center charges each Constituent or outside licensee for the cost of the services provided for spaces they occupy or utilize, as well as their share of the costs of the services provided for the common areas, in the case of constituent organizations. Facility service revenue is recognized as the services are performed.

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Notes to Consolidated Financial Statements

June 30, 2019

(with comparative amounts for 2018)

**(l) Deferred Revenue**

Deferred revenue represents cash received and not yet earned by LCPA. As discussed further in note 2(t), as of June 30, 2018, deferred revenue included amounts received pursuant to agreements that, under Topic 606, constitute licenses for functional intellectual property.

**(m) Operating Measure**

The change in general operating net assets without donor restrictions includes operating support and revenue, operating expenses, transfers to a Board-designated renewal and replacement reserve, transfers to or from other funds without donor restrictions, and investment return, based on a spending rate, on certain endowment funds with permanent donor restrictions and net assets without donor restrictions functioning as endowment. The spending rate policy is designed to provide a predictable level of investment return (interest, dividends, and appreciation) in support of operations while maintaining the purchasing power of the endowment. For fiscal years 2019 and 2018, 4.8% and 4.9% of a 20-quarter rolling average market value of such funds was used.

The change in general operating net assets without donor restrictions excludes depreciation on buildings and equipment, investment return in excess of or less than the spending rate, investment return on renewal and replacement reserves, assessments to Constituents for renewal and replacement reserves, bequests, contributions related to gift annuities, contributions restricted for capital projects, revenues and expenses related to the Redevelopment Project and nonrecurring items.

**(n) Contributions**

Contributions, including unconditional promises to give (pledges), are reported as revenue at the date the contribution is received or pledged. Contributions with purpose or time restrictions are reported as increases in net assets with donor restrictions – purpose or time restricted and are released to net assets without donor restrictions when the purpose or time restrictions are met. Contributions subject to donor-imposed stipulations that the corpus be maintained permanently are recognized as increases in net assets with donor restrictions – endowment fund corpus.

Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. In 2015, Lincoln Center received a \$100,000,000 contribution of which \$85,000,000 was and remains conditional and will be recognized as construction milestones are met.

Contributions of assets other than cash are recorded at their estimated fair value.

Unconditional promises to give are recognized initially at fair value as contributions revenue in the period such promises are made by donors. Fair value is estimated giving consideration to anticipated future cash receipts (after allowance is made for uncollectible contributions, subject to reassessment and adjustment in subsequent periods) and discounting such amounts to present value. Amortization of the discount is recorded as additional contribution revenue.

Contributed goods are recognized as revenue at their estimated fair value at date of receipt and expensed when used. Contributed services are recognized as revenue if the services create or

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Notes to Consolidated Financial Statements

June 30, 2019

(with comparative amounts for 2018)

enhance nonfinancial assets or require a specialized skill, are provided by individuals possessing those skills, and typically need to be purchased if not provided by donation. Contributed services that do not meet the above criteria are not recognized as revenues and are not reported in the accompanying consolidated financial statements.

**(o) *Membership Income***

Lincoln Center offers individual and corporate memberships at various levels. These are for a single year period and are incorporated as part of operating support. Each membership has both a gift and exchange transaction component. The exchange component for membership is immaterial and Lincoln Center recognizes memberships as contribution revenue when received.

**(p) *Functional Classification of Expenses***

The costs of providing Lincoln Center's programs and other activities have been summarized on a functional basis in the consolidated statement of activities. General and administrative expenses include executive and financial administration, as well as human resources, public relations, in-house legal and information technology. None of these general and administrative activities has been determined to involve direct conduct or supervision of program or fundraising activities. As a result, none of the associated costs are allocated to program service or fundraising expense. Fundraising activities include salaries and employee benefits of staff that develop proposals for fundraising; solicit contributions; and conduct special fundraising events.

**(q) *Estimates***

The preparation of the consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period.

Significant estimates made in the preparation of these consolidated financial statements include the fair value of other alternative investments, fair value of swap agreements, allowance for uncollectible contributions receivable, the useful lives of fixed assets and the functional classification of expenses. Actual results could differ from those estimates.

**(r) *Accounting for Uncertainty in Income Taxes***

Lincoln Center recognizes the benefit of tax positions when it is more likely than not that the position will be sustainable based on the merits of the position.

**(s) *Comparative Financial Information***

The accompanying consolidated statement of activities is presented with prior year summarized financial information in total, but not by net asset class. Such information does not include sufficient detail to constitute a complete presentation; accordingly, such information should be read in conjunction with Lincoln Center's June 30, 2018 consolidated financial statements, from which the summarized information was derived.

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Notes to Consolidated Financial Statements

June 30, 2019

(with comparative amounts for 2018)

**(t) Recently Adopted Accounting Standards**

During 2019, LCPA adopted ASU No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 reduces the number of net assets from three to two: net assets without donor restrictions, previously reported as unrestricted net assets, and net assets with donor restrictions, previously reported as temporarily restricted net assets and permanently restricted net assets. Additionally, it expands the quantitative and qualitative disclosures regarding liquidity and availability of resources and requires expenses to be reported by both their natural and functional classification in one location. LCPA applied the changes retrospectively.

LCPA adopted ASU No. 2016-18, *Statement of Cash Flows: Restricted Cash*. In 2019 The ASU requires that a statement of cash flows explains the change during the period in the total of cash, and cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Accordingly, the statement of cash flows has been adjusted to include restricted cash in the amount of \$29,893,898 and \$15,898,710 for 2019 and 2018 in cash and cash equivalents, respectively.

LCPA adopted ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. The core principle of the standard is that, “an entity shall recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the considerations to which the entity expects to be entitled in exchange for those goods or services.” The standard developed a five-step model and related application guidance, which replaces most existing revenue recognition in U.S. GAAP. The standard also provides guidance on when costs to obtain a contract can be capitalized. LCPA implemented this ASU in the current year using the modified retrospective method, by recognizing the cumulative effect of initially applying Topic 606 to the opening net assets balance at July 1, 2018. The cumulative effect of the adoption results in a reduction of \$1,226,449 to the beginning net assets balance. Therefore, financial results for 2019 are presented in accordance with Topic 606, while 2018 financial results are reported in accordance with Lincoln Center’s pre-adoption accounting policies and have not been adjusted to conform to Topic 606. Details of the significant changes and the quantitative impact are disclosed below and within the notes to the consolidated financial statements.

The cumulative effect of the changes made to Lincoln Center’s consolidated balance sheets as of July 1, 2018 for the adoption of Topic 606 were as follows:

	<u>Balance at June 30, 2018</u>	<u>Adjustments due to Topic 606</u>	<u>Balance at July 1, 2018</u>
Assets:			
Prepaid expenses and other assets	8,832,558	(1,573,049)	7,259,509
Liabilities and net assets:			
Liabilities:			
Deferred revenue	18,752,798	(346,600)	18,406,198
Net assets:			
Net assets without donor restrictions – general operating	10,759,475	(1,226,449)	9,533,026

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Notes to Consolidated Financial Statements

June 30, 2019

(with comparative amounts for 2018)

LCPA adopted ASU No. 2018-08, *Not-for-Profit Entities: Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. ASU No. 2018-08 helps an entity evaluate whether it should account for a grant (or similar transaction) as a contribution or as an exchange transaction. The ASU also clarifies and expands the criteria for determining whether a contribution is conditional, which may delay recognition of contribution revenue (recipient) or expense (resource provided). LCPA implemented this ASU in the current year.

**(u) New Authoritative Accounting Pronouncements**

In February 2016, the FASB issued ASU No. 2016-02, *Leases*, which requires lessees to recognize leases on-balance sheet and disclose key information about leasing arrangements. It also requires lessors to classify leases as sales-type, direct financing, or operating leases. The provisions in this ASU are effective for annual periods beginning after December 15, 2018 (calendar 2019 and fiscal 2020 year-ends). LCPA will implement the provisions of ASU No. 2016-02 as of June 30, 2020.

In August 2018, the FASB issued ASU No. 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework – Changes to the Disclosure Requirements for Fair Value*, which modifies the disclosure requirement on fair value measurement in Topic 820. After the adoption of ASU No. 2018-13, an entity will no longer be required to disclose the amount of and reason for transfers between Level 1 and Level 2 of the fair value hierarchy; the policy for timing of transfers between levels; the valuation processes for Level 3 fair value measurements; and the changes in unrealized gain and losses for the period included in earnings for recurring Level 3 fair value measurements held at the end of the reporting period. However, in lieu of a rollforward for Level 3 fair value measurements, the entity will be required to disclose transfers into and out of Level 3 of the fair value hierarchy and purchases and issues of Level 3 assets and liabilities. This ASU will be effective for LCPA for fiscal year 2021.

**(3) The Redevelopment Project**

The Redevelopment Project includes the planned refurbishment and redevelopment of David Geffen Hall. Redevelopment expenses, excluding depreciation, interest and other financing costs, represent fundraising and general costs incurred for the Redevelopment Project. For the fiscal years ended June 30, 2019 and 2018, total redevelopment expenses were \$1,893,885 and \$3,037,341, respectively.

LCPA and the New York City Philharmonic Orchestra share certain costs of the Redevelopment Project. The payments received from the New York City Philharmonic Orchestra are recorded as deferred revenue in the accompanying consolidated balance sheet and will be recognized as income over the remaining term of the constituency agreement once the asset is put into use. The amounts remaining in deferred revenue at June 30, 2019 and 2018 were \$15,984,971 and \$11,405,409, respectively.

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Notes to Consolidated Financial Statements

June 30, 2019

(with comparative amounts for 2018)

**(4) Liquidity and Availability of Financial Assets**

Financial assets and resources available for general expenditures within one year of June 30, 2019 are as follows:

Available liquid financial assets:

Cash and cash equivalents	\$ 2,910,758
Accounts and investment income receivable	15,976,426
Operating contributions and grants receivable, net	11,166,192
Fiscal 2020 endowment appropriation	<u>11,178,851</u>

Total financial assets available for general expenditure within one year	41,232,227
--	------------

Additional liquid financial resources:

Line of credit (unused)	90,000,000
Board-designated endowment, net of fiscal 2020 endowment appropriation	<u>103,315,390</u>

Total resources available for general expenditure within one year, including those available upon action of the Board	\$ <u><u>234,547,617</u></u>
--	------------------------------

In addition to its available liquid financial assets, LCPA holds other resources which could readily be made available within one year for general expenditure. These financial resources include an unused line of credit of \$90,000,000 and Board-designated endowment funds. Although LCPA does not intend to utilize Board-designated endowment funds within the next year beyond the budgeted endowment spending policy appropriated for operations, if necessary, this amount could be made available upon approval of LCPA's Board of Directors.

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Notes to Consolidated Financial Statements

June 30, 2019

(with comparative amounts for 2018)

**(5) Contributions and Grants Receivable**

Contributions and grants receivable at June 30, 2019 and 2018 are expected to be collected as follows:

	<u>2019</u>	<u>2018</u>
Capital campaign:		
Within one year	\$ 30,987,794	30,742,281
One to five years	30,838,432	31,870,001
More than five years	<u>1,700,000</u>	<u>400,000</u>
	63,526,226	63,012,282
Less discount to present value at rates ranging from 0.39% to 3.08%	<u>(1,003,961)</u>	<u>(609,063)</u>
Total capital campaign	<u>62,522,265</u>	<u>62,403,219</u>
Program and endowment:		
Within one year	11,176,192	18,016,786
One to five years	4,867,114	6,524,053
More than five years	<u>2,071,440</u>	<u>2,939,120</u>
	18,114,746	27,479,959
Less discount to present value at rates ranging from 0.39% to 2.65%	<u>(255,979)</u>	<u>(417,385)</u>
Total program and endowment	17,858,767	27,062,574
Allowance for doubtful accounts	<u>(7,700,000)</u>	<u>(10,050,000)</u>
Total	<u>\$ 72,681,032</u>	<u>79,415,793</u>



**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Notes to Consolidated Financial Statements

June 30, 2019

(with comparative amounts for 2018)

**(6) Investments**

Lincoln Center's investments at June 30, 2019 and 2018 consisted of the following:

	<b>2019</b>		<b>2018</b>	
	<b>Fair value</b>	<b>Level 1</b>	<b>Fair value</b>	<b>Level 1</b>
Cash and cash equivalents	\$ 1,805,983	1,805,983	2,423,204	2,423,204
Fixed income (a)	411,631	411,631	427,487	427,487
Equities (a):				
Large cap equity	44,500,866	44,500,866	46,929,724	46,929,724
Small/mid cap equity	8,508,196	8,508,196	28,280,906	28,280,906
Alternative investments with readily determinable fair value (b):				
Fixed income	11,479,210	11,479,210	13,062,267	13,062,267
International equity	5,623,582	5,623,582	3,433,132	3,433,132
	<u>72,329,468</u>	<u>\$ 72,329,468</u>	<u>94,556,720</u>	<u>94,556,720</u>
Alternative investments measured at net asset value as a practical expedient (b):				
International equity	58,873,114		56,799,249	
Large cap equity fund	10,911,823		10,030,445	
Small/mid cap equity fund	8,666,946		—	
Absolute return	50,214,726		51,531,767	
Hedged equity	39,741,164		37,483,812	
Private equity and special situations	16,442,404		8,460,075	
Total alternative investments measured at net asset value	<u>184,850,177</u>		<u>164,305,348</u>	
Total investments	<u>\$ 257,179,645</u>		<u>258,862,068</u>	

**(a) Marketable Securities**

Fixed income consists primarily of U.S. Treasury notes. Equities consist of a diversified portfolio principally including securities with large market capitalizations, managed by growth, value, and quantitative disciplines.

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Notes to Consolidated Financial Statements

June 30, 2019

(with comparative amounts for 2018)

**(b) Alternative Investments**

Alternative investments represent limited partnership and similar interests in funds that invest in public and private securities and follow a variety of investment strategies. Terms and conditions of these investments, including liquidity provisions, are different for each fund.

*Fixed Income* – This category includes a fund with readily determinable fair value that invests primarily in U.S. Treasury notes, municipal bonds, corporate bonds, Federal Home Loan Mortgage Corp., Federal National Mortgage Association, and Government National Mortgage Association mortgage backed securities. Redemptions are allowed daily.

*International Equity* – This category includes investments in funds that focus on long only international equities. There is exposure to both developed and emerging markets. Redemptions are allowed at a frequency that ranges from weekly to annually.

*Large Cap Equity Fund* – This category includes long only investments in domestic and foreign, mid – and large cap stocks. Redemptions are allowed quarterly with 30 days' notice.

*Small/Mid Cap Equity Fund* – This category includes long-term investments in life sciences companies located primarily in North America. Redemptions are subject to a lock up provision, with further payout restrictions.

*Absolute Return* – This category includes multi-strategy absolute return investments focused on analyzing the probability-adjusted returns of individual securities and assets and attempting to capture the alpha in mis-priced assets/securities across conventional and alternative financial strategies. Managers initiate long and short positions targeting solid absolute risk adjusted returns. Some funds are subject to a lock up period up to two years. For those investments not subject to a lock up provision, redemptions are allowed at a frequency that ranges from monthly to annually.

*Hedged Equity* – This category includes investments in hedge funds that invest both long and short primarily in U.S. common stocks. Managers of the hedge funds have the ability to shift investments from value to growth strategies, from small to large capitalization stakes, and from a net long position to a net short position. The investments dominate exposure in the U.S. market, but will also take advantage of investment opportunities in Europe, Asia, and Emerging Markets. Some funds are subject to a lock up period up to three years. For those investments not subject to a lock up provision, redemptions are allowed at a frequency that ranges from quarterly to annually.

*Private Equity and Special Situations* – This category includes funds that focus on early stage venture capital, including investments in the technology, energy, retail and life science sectors, and funds that invest primarily in a diversified portfolio of residential mortgage backed securities, commercial mortgage backed securities, collateralized debt obligations and special situations. These investments are not redeemable. Instead, the nature of the investments in this category is that distributions are received through the liquidation of the underlying assets in the fund. All funds are subject to lock up provisions. At June 30, 2019, Lincoln Center's investments in these funds had remaining estimated lives of up to ten years. Remaining commitments to the funds in this category total \$9,838,100 as of June 30, 2019.

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Notes to Consolidated Financial Statements

June 30, 2019

(with comparative amounts for 2018)

Investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated balance sheet.

Lincoln Center's alternative investments contain various redemption period restrictions with required written notice ranging from 1 to 90 days. As of June 30, 2019, the following table summarizes the composition of such investments by the various redemption provisions:

<u>Redemption period</u>	<u>Amount</u>
Daily	\$ 17,102,792
Weekly	10,314,128
Monthly	46,010,864
Quarterly	61,013,208
Semiannual	8,981,987
Annual	6,958,427
Lock up	<u>51,571,563</u>
Total	<u>\$ 201,952,969</u>

Investment return and its classification in the consolidated statement of activities were as follows:

	<u>2019</u>	<u>2018</u>
Interest and dividend income	\$ 367,957	489,970
Investment management and custodial fees	(1,302,425)	(1,355,038)
Net appreciation in fair value of investments	<u>10,894,883</u>	<u>23,957,753</u>
Total investment return	9,960,415	23,092,685
Less investment return available under spending policy, including amounts with donor restrictions of \$6,082,675 and \$5,798,816 in 2019 and 2018, respectively	<u>(11,088,495)</u>	<u>(10,738,015)</u>
Investment return (less) greater than amounts available under spending policy, including amounts with donor restrictions of \$(557,718) and \$6,987,924 in 2019 and 2018, respectively	<u>\$ (1,128,080)</u>	<u>12,354,670</u>

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Notes to Consolidated Financial Statements

June 30, 2019

(with comparative amounts for 2018)

**(7) Fixed Assets**

Fixed assets balances were as follows at June 30:

	<u>2019</u>	<u>2018</u>
Land	\$ 15,513,280	15,513,280
Building and building improvements	529,855,646	525,399,696
Furniture, fixtures, and equipment	20,291,826	19,799,134
Fountain and works of art	1,690,114	1,690,114
Leasehold improvements	28,124,920	28,373,724
Construction in progress	40,582,920	29,190,417
Total fixed assets	636,058,706	619,966,365
Less accumulated depreciation and amortization	<u>(285,417,322)</u>	<u>(270,353,440)</u>
Fixed assets, net	<u>\$ 350,641,384</u>	<u>349,612,925</u>

Total depreciation expense for fiscal years ended June 30, 2019 and 2018 was \$15,266,360 and \$16,065,297, respectively.

**(8) Lines of Credit**

On March 15, 2018, Lincoln Center amended the \$100,000,000 revolving credit note agreement bearing interest at LIBOR driven rate that was entered into March 15, 2016. The amendment extended the agreement until March 15, 2020. Subsequently in November 2019, LCPA extended the agreement through November 14, 2021. The outstanding balance at June 30, 2019 was \$10,000,000, with varying repayment dates within 60 days of year-end. There was no outstanding balance as of June 30, 2018.

**(9) Long-Term Debt**

Long-term debt at June 30, 2019 and 2018 consists of the following:

	<u>2019</u>	<u>2018</u>
Trust for Cultural Resources of The City of New York:		
Series 2008A Revenue Bonds	\$ 151,250,000	151,250,000
Series 2016A Revenue Bonds	87,575,000	87,575,000
Long-term debt	238,825,000	238,825,000
Unamortized bond premium	12,456,391	14,135,904
Unamortized debt issuance costs	<u>(1,142,882)</u>	<u>(1,253,542)</u>
Total long-term debt	<u>\$ 250,138,509</u>	<u>251,707,362</u>

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Notes to Consolidated Financial Statements

June 30, 2019

(with comparative amounts for 2018)

In fiscal year 2006, Lincoln Center entered into a long-term tax-exempt borrowing in the amount of \$150,000,000 with the Trust for Cultural Resources of The City of New York (the Trust) for the purpose of financing, through proceeds from the Series 2006A Revenue Bonds (Series 2006A Bonds), certain costs of the previous Redevelopment Projects. The Series 2006A Bonds were refunded in July 2008 with the issuance, through the Trust, of \$151,250,000 Series 2008A variable rate tax exempt bonds (Series 2008A Bonds). The Series 2008A Bonds are due December 1, 2035 and were secured by two irrevocable direct pay letters of credit issued by two major banks that expired on June 17, 2015. In June 2015 with the expiration of these two letters of credit, the 2008A Bonds totaling \$151,250,000 were purchased by Banc of America Capital Corporation through a bank direct purchase, which is subject to a mandatory tender in June 2020. The bond is integrated with the below mentioned fixed interest rate swaps totaling \$145,000,000.

In November 2016, Lincoln Center, in conjunction with the Trust, refinanced existing bonds through the issuance of \$87,575,000 of long-term tax-exempt Series 2016A Revenue Bonds (Series 2016A Bonds). The Series 2016A Bonds mature December 1, 2026, bear interest at 5% per annum and were issued at a premium of \$16,795,133. The prior bonds were deemed legally defeased at the time of refinancing.

Effective January 17, 2006, Lincoln Center entered into a fixed rate interest swap agreement with a major investment banking institution as a hedge on \$95,000,000 of variable rate debt. Such agreement expires on June 1, 2034. Under the terms of the agreement, Lincoln Center pays interest at a predetermined fixed rate of 3.70% and receives a variable rate. The collateral on this agreement was \$19,246,746 and \$10,311,558 at June 30, 2019 and 2018, respectively.

Lincoln Center also has an interest rate swap contract for \$50,000,000 with a major bank in which Lincoln Center pays at a predetermined fixed rate of 4.01% and receives a variable rate, which expires on September 1, 2038. The collateral on this agreement was \$10,647,152 and \$5,587,152 at June 30, 2019 and 2018, respectively.

The collateral held under these agreements is reported as restricted cash on the accompanying consolidated balance sheet.

The aggregate estimated fair value of these two agreements is \$(50,032,292) and \$(36,837,135) at June 30, 2019 and 2018, respectively. Fair value is estimated based on pricing models that utilize significant observable inputs, such as relevant interest rates, that reflect assumptions market participants would use in pricing the instruments and is considered to be Level 2 in the fair value hierarchy. Such amount is recorded as a liability in the consolidated balance sheets. Unrealized (losses)/gains of \$(13,195,157) and \$11,332,276 on these swaps are reflected in the consolidated statements of activities for the years ended June 30, 2019 and 2018, respectively.

Interest expense reported in the consolidated statements of activities related to long-term debt is \$11,056,781 and \$11,080,775 in 2019 and 2018, respectively.

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Notes to Consolidated Financial Statements

June 30, 2019

(with comparative amounts for 2018)

**(10) Rose Building Garage**

In 1990, Lincoln Center entered into a management agreement with Performance Parking LLC for management of the Rose Building Garage, which expired on June 30, 2018. Under terms of the agreement, as amended, Performance Parking LLC was entitled to the net receipts and paid Lincoln Center an annual amount, subject to a 2% increase each year and further escalation as defined in the agreement. Lincoln Center received \$2,826,323 in fiscal year 2018, the final year of the agreement.

**(11) Net Assets**

Net assets at June 30, 2019 and 2018 were available for the following purposes:

	<u>2019</u>	<u>2018</u>
Without donor restrictions:		
General operating	\$ 9,582,653	10,759,475
Board designated:		
Board-designated endowment funds	108,282,526	109,089,812
Renewal and replacement reserves	4,694,789	5,932,320
Operations – special reserves	<u>620,897</u>	<u>620,897</u>
Total board designated	113,598,212	115,643,029
Redevelopment and other physical capital	<u>37,736,276</u>	<u>70,996,292</u>
Total without donor restrictions	<u>160,917,141</u>	<u>197,398,796</u>
With donor restrictions – purpose or time restricted:		
Program support, primarily accumulated gains on endowment of \$52,754,257 and \$53,329,808 in 2019 and 2018, respectively	62,976,950	70,527,444
Lincoln Center Redevelopment Projects and other capital	<u>63,755,302</u>	<u>44,371,418</u>
Total with donor restrictions – purpose or time restricted	126,732,252	114,898,862
With donor restrictions – endowment fund corpus, income restricted for various programs	<u>96,966,862</u>	<u>96,424,985</u>
Total with donor restrictions	<u>223,699,114</u>	<u>211,323,847</u>
Total net assets	<u>\$ 384,616,255</u>	<u>408,722,643</u>

**(12) Pension Plan**

Lincoln Center participates in a multiple employer defined benefit pension plan (the Plan) along with certain of its Constituents, which covers substantially all nonunion employees. Employers' contributions to the plan are commingled and available to pay the benefits of all plan participants. As of June 30, 2018 and 2017 (the most recent actuarial valuation information available), the actuarial value of plan assets was \$76,708,404 and \$72,168,828, the actuarial accrued liability was \$93,815,259 and \$87,363,710, and the funded percentage was 82% and 83%, respectively. In addition, at June 30, 2018 and 2017, the fair value

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Notes to Consolidated Financial Statements

June 30, 2019

(with comparative amounts for 2018)

of plan net assets available for benefits was \$75,233,671 and \$68,771,690, the present value of accumulated benefit obligation was \$93,406,272 and \$87,299,824, and the funded percentage based on the fair value of plan net assets was 81% and 79%, respectively. For fiscal years 2019 and 2018, Lincoln Center contributed \$3,599,517 and \$3,148,231, respectively, to the nonunion pension plan.

The Plan was amended to include a modified freeze effective July 1, 2017. Current participants will maintain a modified pension benefit. Employees hired after June 30, 2017 will not be eligible to participate in the Plan. Such employees will be able to participate in a modified 403(b) Plan, subject to eligibility requirements.

Lincoln Center also participates in two significant multiemployer pension plans based upon collective bargaining agreements. The two plans are outlined in the table below. Unless otherwise noted, the most recent Pension Protection Act (PPA) zone status is available at each plan's year end. The zone status is based on information that Lincoln Center received from the plan sponsor and, as required by the PPA, is certified by the plan's actuary. Both plans certified a green zone status for the plan years ended 2018 and 2017. Similarly, neither plan imposed a surcharge as part of their respective collective bargaining agreements. In addition, Lincoln Center would be responsible for any withdrawal liability under the agreements with the unions.

Pension fund	EIN	Plan year-end	Contributions from LCPA		Agreement expiration
			2019	2018	
32 BJ/Broadway League Pension Fund	13-1998219	12/31/2018	\$ 600,756	595,930	8/31/2019 10/31/2020
Treasurers and Ticket Sellers Local 751 Pension Fund	13-6164776	8/31/2018	148,732	153,886	8/31/2020

Lincoln Center also participates in certain other plans that are not considered significant. Lincoln Center contributed less than 5% of the total contributions to these plans, which collectively amounted to \$1,067,276 and \$1,071,529 for fiscal years 2019 and 2018, respectively.

**(13) Litigation**

Lincoln Center is involved in several legal proceedings and claims. Management believes that the liabilities, if any, resulting from such proceedings will not have a material adverse effect on the financial condition of Lincoln Center.

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Notes to Consolidated Financial Statements

June 30, 2019

(with comparative amounts for 2018)

**(14) Functional Expenses**

For fiscal year 2019 (with summary totals for fiscal year 2018), the following schedule describes management's allocation of expenses by natural classification to Lincoln Center's various functional categories:

	Performance presentations	Media development	Education and outreach	Facilities management and services	Guest services and others (In thousands)	Total program expenses	Management and general	Fundraising	2019	2018
Salaries and benefits	\$ 3,452	1,461	5,102	43,037	951	54,003	14,007	5,036	73,046	81,401
Artists and performing fees	8,154	387	1,091	3	2	9,637	—	—	9,637	12,780
Legal and other professional fees	59	2	232	212	116	621	3,332	270	4,223	4,243
Travel and entertainment	162	9	587	99	8	865	286	120	1,271	1,624
Equipment, production, and space rental	4,848	1,490	437	1,571	4	8,350	191	13	8,554	9,248
Advertising and promotion	2,272	164	149	18	3	2,606	182	42	2,830	3,647
Insurance	104	6	1	1,414	20	1,545	180	—	1,725	1,667
Maintenance, repairs, and other occupancy costs	31	9	97	10,678	19	10,834	1,559	181	12,574	12,998
Utilities	—	—	—	7,373	4	7,377	17	—	7,394	7,211
Other	294	48	1,684	2,523	119	4,668	2,454	1,379	8,501	11,701
Depreciation	278	—	445	12,761	—	13,484	1,282	500	15,266	16,065
Interest and other financing costs	—	—	—	9,590	—	9,590	—	—	9,590	9,554
Total	\$ 19,654	3,576	9,825	89,279	1,246	123,580	23,490	7,541	154,611	172,139

**(15) Endowment Funds**

Lincoln Center's endowment consists of 68 individual funds, including both donor-restricted endowment funds and amounts designated by the Board to function as endowments. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of Lincoln Center has interpreted the New York Prudent Management of Institutional Funds Act (NYPMIFA) as allowing Lincoln Center to appropriate for expenditures or accumulate so much of a donor-restricted endowment fund as Lincoln Center determines is prudent considering the uses, benefits, purposes, and duration for which the donor-restricted endowment fund is established, subject to the intent of the donor. Lincoln Center has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while seeking to protect the original value of the gift after inflation. Under this policy, the endowment assets are invested in a manner that is intended to produce results consistent with Lincoln Center's overall investment strategy.



**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Notes to Consolidated Financial Statements

June 30, 2019

(with comparative amounts for 2018)

Accounting guidance associated with NYPMIFA requires the portion of the donor-restricted endowment fund that is not classified as endowment fund corpus to be classified as net assets with donor restrictions – purpose or time restricted until appropriated for expenditure in a manner consistent with the standard of prudence prescribed by NYPMIFA.

Lincoln Center classifies as net assets with donor restrictions – endowment fund corpus the original value of gifts to the permanent endowment and the investment return required by the donor to be added to the permanent endowment.

The net asset classes of Lincoln Center's endowment funds, including contributions receivable of \$57,840 and \$66,991 and split interest agreements of \$847,354 and \$988,850 as of June 30, 2019 and 2018, respectively, are as follows:

<b>June 30, 2019</b>				
		<b>Without donor restrictions</b>		
	<b>Without donor restrictions</b>	<b>Purpose or time restricted</b>	<b>Endowment fund corpus</b>	<b>Total</b>
Donor-restricted funds	\$ —	52,754,257	96,966,862	149,721,119
Board-designated fund	108,282,526	—	—	108,282,526
Total endowment	\$ 108,282,526	52,754,257	96,966,862	258,003,645

<b>June 30, 2018</b>				
		<b>With donor restrictions</b>		
	<b>Without donor restrictions</b>	<b>Purpose or time restricted</b>	<b>Endowment fund corpus</b>	<b>Total</b>
Donor-restricted funds	\$ —	53,329,808	96,424,985	149,754,793
Board-designated fund	109,089,812	—	—	109,089,812
Total endowment	\$ 109,089,812	53,329,808	96,424,985	258,844,605

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Notes to Consolidated Financial Statements

June 30, 2019

(with comparative amounts for 2018)

The following tables present changes in Lincoln Center's endowment funds, including contributions receivable, for the years ended June 30, 2019 and 2018:

	June 30, 2019			
	Without donor restrictions	With donor restrictions		Total
		Purpose or time restricted	Endowment fund corpus	
Endowment net assets, June 30, 2018	\$ 109,089,812	53,329,808	96,424,985	258,844,605
Interest and dividends	133,324	234,633	—	367,957
Investment management and custodial fees	(577,248)	(725,177)	—	(1,302,425)
Net realized and unrealized appreciation of investments	4,874,465	6,020,418	—	10,894,883
Contributions and designations, net	88,962	—	541,877	630,839
Amounts appropriated for operations	(5,005,820)	(6,082,675)	—	(11,088,495)
Other	(320,969)	(22,750)	—	(343,719)
Endowment net assets, June 30, 2019	<u>\$ 108,282,526</u>	<u>52,754,257</u>	<u>96,966,862</u>	<u>258,003,645</u>

	June 30, 2018			
	Without donor restrictions	With donor restrictions		Total
		Purpose or time restricted	Endowment fund corpus	
Endowment net assets, June 30, 2017	\$ 104,702,273	46,365,144	97,619,002	248,686,419
Interest and dividends	178,136	311,834	—	489,970
Investment management and custodial fees	(603,491)	(751,547)	—	(1,355,038)
Net realized and unrealized appreciation of investments	10,731,300	13,226,453	—	23,957,753
Contributions and designations, net	158,109	—	(1,194,017)	(1,035,908)
Amounts appropriated for operations	(4,939,199)	(5,798,816)	—	(10,738,015)
Other	(273,031)	(23,260)	—	(296,291)
Appropriations in excess of designated spending rate	(864,285)	—	—	(864,285)
Endowment net assets, June 30, 2018	<u>\$ 109,089,812</u>	<u>53,329,808</u>	<u>96,424,985</u>	<u>258,844,605</u>

**(a) Funds with Deficiencies**

From time to time, the fair value of assets associated with an individual donor-restricted endowment fund may fall below the original value of the fund. Deficiencies of this nature are reported as net assets with donor restrictions. There were no funds with deficiencies at June 30, 2019 or 2018.

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Notes to Consolidated Financial Statements

June 30, 2019

(with comparative amounts for 2018)

**(b) Return Objectives and Risk Parameters**

Lincoln Center has adopted investment policies for its endowment that attempt to provide a reasonable level of support, as determined by Lincoln Center's spending policy, while seeking to preserve the real value of the endowment assets over time. Lincoln Center relies on a total return strategy under which investment returns are achieved through both appreciation (realized and unrealized) and yield (interest and dividends). Investments are diversified by asset class, as well as by investment manager and style, with a focus on achieving long-term return objectives within prudent risk constraints.

**(16) Related Party Transactions**

Members of Lincoln Center's Board of Directors and senior management may, from time to time, be associated, either directly or indirectly, with companies doing business with Lincoln Center. For senior management, Lincoln Center requires annual disclosure of significant financial interests in, or employment or consulting relationships with, entities doing business with Lincoln Center. When such relationships exist, measures are taken to appropriately manage the actual or perceived conflict in the best interests of Lincoln Center, and to undertake periodic review of continuing such relationships. Lincoln Center has a written conflict of interest policy that requires, among other things, that no member of the Board of Directors can participate in any decision in which he or she (or immediate family member) has a material financial interest. Each director is required to certify compliance with the conflict of interest policy on an annual basis and indicate whether Lincoln Center does business with an entity in which the director has a material financial interest. When such a relationship exists, measures are taken to mitigate any actual or perceived conflict, including requiring that such transactions be conducted at arm's length, for good and sufficient consideration, based on terms that are fair and reasonable to and for the benefit of Lincoln Center, and in accordance with applicable conflict of interest laws. No such associations are considered to be significant.

**(17) Subsequent Events**

Events that have occurred subsequent to June 30, 2019 have been evaluated through November 19, 2019, the date LCPA's consolidated financial statements were available to be issued, and no additional subsequent event disclosures were identified.

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Consolidating Balance Sheet  
June 30, 2019

Schedule 1

<b>Assets</b>	<b>Lincoln Center for the Performing Arts, Inc.</b>	<b>Lincoln Center Development Project</b>	<b>Total</b>	<b>Consolidation and elimination entries</b>	<b>Consolidated total</b>
Cash and cash equivalents	\$ 2,562,782	347,976	2,910,758	—	2,910,758
Restricted cash	29,893,898	—	29,893,898	—	29,893,898
Accounts and investment income receivable	15,635,329	2,169,630	17,804,959	(1,828,533)	15,976,426
Contributions and grants receivable, net	72,681,032	—	72,681,032	—	72,681,032
Prepaid expenses, inventory, and other assets	8,065,037	365,603	8,430,640	—	8,430,640
Investments	257,179,645	—	257,179,645	—	257,179,645
Fixed assets, net	350,502,226	139,158	350,641,384	—	350,641,384
Total assets	<u>\$ 736,519,949</u>	<u>3,022,367</u>	<u>739,542,316</u>	<u>(1,828,533)</u>	<u>737,713,783</u>
<b>Liabilities and Net Assets</b>					
Liabilities:					
Accounts payable and accrued expenses	\$ 17,289,823	2,776,485	20,066,308	(1,828,533)	18,237,775
Deferred revenue	24,688,952	—	24,688,952	—	24,688,952
Borrowings under line of credit	10,000,000	—	10,000,000	—	10,000,000
Fair value of interest rate swaps	50,032,292	—	50,032,292	—	50,032,292
Long-term debt	250,138,509	—	250,138,509	—	250,138,509
Total liabilities	<u>352,149,576</u>	<u>2,776,485</u>	<u>354,926,061</u>	<u>(1,828,533)</u>	<u>353,097,528</u>
Commitments and contingencies					
Net assets:					
Without donor restrictions:					
General operating	9,582,653	—	9,582,653	—	9,582,653
Board designated	113,598,212	—	113,598,212	—	113,598,212
Redevelopment and other physical capital	37,490,394	245,882	37,736,276	—	37,736,276
Total net assets without donor restrictions	<u>160,671,259</u>	<u>245,882</u>	<u>160,917,141</u>	<u>—</u>	<u>160,917,141</u>
With donor restrictions:					
Purpose or time restricted	126,732,252	—	126,732,252	—	126,732,252
Endowment fund corpus	96,966,862	—	96,966,862	—	96,966,862
Total net assets with donor restrictions	<u>223,699,114</u>	<u>—</u>	<u>223,699,114</u>	<u>—</u>	<u>223,699,114</u>
Total net assets	<u>384,370,373</u>	<u>245,882</u>	<u>384,616,255</u>	<u>—</u>	<u>384,616,255</u>
Total liabilities and net assets	<u>\$ 736,519,949</u>	<u>3,022,367</u>	<u>739,542,316</u>	<u>(1,828,533)</u>	<u>737,713,783</u>

See accompanying independent auditors' report.

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
AND RELATED ENTITY**

Consolidating Statement of Activities

Year ended June 30, 2019

	Lincoln Center for the Performing Arts, Inc.	Lincoln Center Development Project	Total	Consolidation and elimination entries	Consolidated total
<b>Revenue:</b>					
Contributions, private grants, and bequests	\$ 45,071,015	—	45,071,015	—	45,071,015
Government grants	1,668,905	—	1,668,905	—	1,668,905
Investment return:					
Designated for current operations	11,088,495	—	11,088,495	—	11,088,495
Less than amounts designated for current operations	(1,128,080)	—	(1,128,080)	—	(1,128,080)
Net unrealized loss on swap agreements	(13,195,157)	—	(13,195,157)	—	(13,195,157)
Box office and other program service revenue	8,825,088	—	8,825,088	—	8,825,088
Facilities services	34,644,355	—	34,644,355	(13,197)	34,631,158
Rental income	31,256,843	—	31,256,843	(45,664)	31,211,179
Other income	4,012,189	12,763,124	16,775,313	(12,763,124)	4,012,189
Special event revenue, net of expenses of \$2,054,012	9,546,635	—	9,546,635	—	9,546,635
Total revenue	131,790,288	12,763,124	144,553,412	(12,821,985)	131,731,427
<b>Expenses:</b>					
Program services:					
Performance presentations	19,653,703	—	19,653,703	—	19,653,703
Media development (Live from Lincoln Center)	3,575,659	—	3,575,659	—	3,575,659
Education and outreach	9,825,409	—	9,825,409	—	9,825,409
Facilities management and services	79,748,193	—	79,748,193	(58,861)	79,689,332
Guest services and other	1,245,784	—	1,245,784	—	1,245,784
Redevelopment projects	—	11,511,214	11,511,214	(11,511,214)	—
Interest and other financing costs, net	9,590,264	—	9,590,264	—	9,590,264
Total program services	123,639,012	11,511,214	135,150,226	(11,570,075)	123,580,151
Supporting services:					
Management and general	23,632,095	1,109,766	24,741,861	(1,251,910)	23,489,951
Fundraising	7,541,264	—	7,541,264	—	7,541,264
Total supporting services	31,173,359	1,109,766	32,283,125	(1,251,910)	31,031,215
Total expenses	154,812,371	12,620,980	167,433,351	(12,821,985)	154,611,366
Change in net assets	(23,022,083)	142,144	(22,879,939)	—	(22,879,939)
Net assets at beginning of year, as previously reported	408,618,905	103,738	408,722,643	—	408,722,643
Impact of change in accounting policy	(1,226,449)	—	(1,226,449)	—	(1,226,449)
Adjusted balance at beginning of year	407,392,456	103,738	407,496,194	—	407,496,194
Net assets at end of year	\$ 384,370,373	245,882	384,616,255	—	384,616,255

See accompanying independent auditors' report.

[THIS PAGE INTENTIONALLY LEFT BLANK]

**APPENDIX C****DEFINITIONS OF CERTAIN TERMS**

[THIS PAGE INTENTIONALLY LEFT BLANK]



## APPENDIX C

## DEFINITIONS OF CERTAIN TERMS

The following definitions of certain of the terms used in the Resolution and the Loan Agreement and used in this Official Statement do not purport to be complete and reference should be made to the aforementioned documents for full and complete definitions.

*“Accounts”* means all accounts created and established by or held pursuant to the Resolution.

*“Act”* means Articles 20 and 21 of Title E of the Arts and Cultural Affairs Laws of New York, as the same may be amended from time to time.

*“Act of Bankruptcy”* means the filing of a petition in bankruptcy by or against the Trust or the commencement of a receivership, insolvency, assignment for the benefit of creditors or other similar proceeding by or against the Trust, unless such case or petition was dismissed and all applicable appeal periods have expired without an appeal having been filed.

*“Additional Credit Enhancement”* means any policy of insurance, surety bond, irrevocable letter of credit, line or lines of credit or any other agreement used to provide credit support in addition to the Credit Enhancement, if any, then in effect for a particular Series of Bonds, which shall be accepted by the Trustee.

*“Additional Payments”* means certain payments to be made by the Institution to the Trustee, the Paying Agent and the Trust pursuant to the Loan Agreement.

*“Alternate Liquidity Facility”* means an irrevocable letter of credit, a surety bond, line or lines of credit, standby bond purchase agreement or other similar agreement or agreements or any other agreement or agreements delivered to the Trustee and providing liquidity support for the Bonds, satisfactory to the Institution and consented to by the Credit Enhancement Provider and containing administrative provisions reasonably satisfactory to the Trustee, issued and delivered to the Trustee in accordance with the applicable Series Resolution.

*“Authorized Newspaper”* means THE BOND BUYER or any other newspaper or publication carrying municipal bond notices and devoted primarily to financial news or the subject of state and municipal bonds, printed in the English language and generally circulating at least five days (other than legal holidays) in each calendar week in the Borough of Manhattan, City and State of New York.

*“Authorized Officer”* means: (i) in the case of the Trust, the Chairman, and when used with reference to any act or document also means any other person authorized by resolution of the Trust to perform such act or sign such document; (ii) in the case of the Institution, the President, the Senior Vice President, Vice President, Finance or Secretary, and when used with reference to any act or document also means any other person authorized by resolution of the Institution to perform such act or sign such document; (iii) in the case of any Credit Enhancement Provider, any President, Vice President, Treasurer or Secretary and when used with reference to any act or document also means any other person authorized by any Credit Enhancement Provider to perform such act or sign such document; (iv) in the case of any Liquidity Facility Issuer, any President, Vice President, Treasurer or Secretary and when used with reference to any act or document also means any other person authorized by any Liquidity Facility Issuer to perform such act or sign such document; and (v) in the case of the Trustee, any officer within the Corporate Trust Office with direct responsibility for the administration of the Resolution or any other

officer of the Trustee and also means any other officer to whom such matter is referred because of such officer's knowledge and familiarity with the particular subject.

*"Bond"* or *"Bonds"* means any of the bonds of the Trust authenticated and delivered under and pursuant to the provisions of the Resolution and any Series Resolution.

*"Bond Counsel"* means any law firm having a national reputation in the field of municipal law whose opinions are generally accepted by purchasers of municipal bonds, selected by the Trust and approved by the Institution.

*"Bondholder"* or *"holder"* or *"Owner"* or any similar term, when used with reference to a Bond or Bonds, means any person who is the registered owner of any Bond Outstanding.

*"Bond Register"* means the registration books for the registration and transfer of Bonds kept by the Trustee.

*"Business Day"* means a day other than (a) a Saturday, Sunday or other day on which banks located in New York, New York, or a city in which the principal offices of the Trustee or the Paying Agent are located are required or authorized by law or executive order to close, (b) a day on which banks in the city in which the office of any Credit Enhancement Provider or any Liquidity Facility Issuer at which a payment under any Credit Enhancement or Liquidity Facility, as the case may be, is to be made are required or authorized by law or executive order to be closed, or (c) a day on which the New York Stock Exchange is closed.

*"Code"* means, at any time, the Internal Revenue Code of 1986, as amended, and the applicable Treasury Regulations promulgated thereunder.

*"Continuing Disclosure Agreement"* means any agreement entered into between the Institution and the Trustee with respect to a Series of Bonds, pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934, as amended.

*"Corporate Trust Office"* means the principal corporate trust office of the Trustee at which at any particular time its corporate trust business shall be administered, which office at the date of adoption of the Resolution is located at 100 Wall Street, Suite 1600, New York, New York 10005, Attention: Corporate Trust Services.

*"Credit Enhancement"* means any policy of insurance, surety bond, irrevocable letter of credit, line or lines of credit or any other agreement or instrument used to provide credit support in connection with a particular Series of Bonds, as may be designated and set forth in the Series Resolution authorizing such Series of Bonds, any amendments thereof and any Replacement Credit Enhancement. **There is no Credit Enhancement being issued in connection with the Series 2020A Bonds.**

*"Credit Enhancement Payments Account"* means the account within the Debt Service Fund which is created and established by the Resolution.

*"Credit Enhancement Provider"* means each provider of Credit Enhancement, if any, issued in connection with a particular Series of Bonds, as may be designated and set forth in the Series Resolution authorizing such Series of Bonds.

*"Credit Enhancement Provider Event of Insolvency"* means the occurrence and continuance of one or more of the following events: (a) the issuance, under the laws of the State of New York, of an

order of rehabilitation, liquidation or dissolution of a Credit Enhancement Provider; (b) the commencement by a Credit Enhancement Provider of a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect including, without limitation, the appointment of a trustee, receiver, liquidator, custodian or other similar official for itself or any substantial part of its property; (c) the consent of a Credit Enhancement Provider to any relief referred to in the preceding clause (b) in an involuntary case or other proceeding commenced against it; (d) the making by a Credit Enhancement Provider of an assignment for the benefit of creditors; (e) the failure of a Credit Enhancement Provider to generally pay its debts as they become due; or (f) the initiation by a Credit Enhancement Provider of any actions to authorize any of the foregoing.

*“Debt”* means, without duplication, indebtedness for borrowed money, whether or not evidenced by notes, bonds, capitalized leases, debentures or other evidence of indebtedness, including indebtedness under purchase money mortgages and similar security arrangements, indebtedness which is non-recourse and any other obligation which appears as indebtedness on the balance sheet included in the Institution’s annual financial statement; provided, however, that debt service amounts for the payment of which moneys or defeasance securities maturing or redeemable at not less than 100% of the principal amount thereof solely at the option of the holder of such securities prior to the principal payment date or interest payment date on which they are to be applied have been irrevocably set aside to pay such debt service will not be considered Debt for purposes of the Loan Agreement. Debt incurred with respect to a credit facility or liquidity facility will be counted only to the extent the reimbursement obligation on amounts drawn, or in the reasonable judgment of the Institution likely to be drawn, on the credit facility or liquidity facility exceeds the obligation on the Debt for which a credit facility or a liquidity facility is provided.

*“Debt Service Fund”* means the fund so designated which is created and established by the Resolution.

*“Defeasance Obligations”* means noncallable obligations described in clause (A), (B) or (C) of the definition of “Permitted Investments.”

*“Depository”* means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State, or its nominee, or any other person, firm, association or corporation designated in the Series Resolution authorizing a Series of Bonds or a Series Certificate relating to a Series of Bonds to serve as securities depository for the Bonds of such Series.

*“Development Fund”* means the fund so designated which is created and established by the Resolution.

*“Favorable Opinion of Bond Counsel”* means an opinion of Orrick, Herrington & Sutcliffe LLP, or other Bond Counsel, addressed to the Trust, any remarketing agent or broker dealer, the Institution and the Trustee, and may be relied upon by the Credit Enhancement Provider and any Liquidity Facility Issuer to the effect that the action proposed to be taken is authorized or permitted by the laws of the State of New York and the Resolution and will not adversely affect any exclusion from gross income for federal income tax purposes of interest on a particular Series of Bonds.

*“Financed Facilities”* means all facilities included in the portion of the Project to which proceeds of Bonds are applied.

“*Fiscal Year*” means with respect to the Institution, the period beginning on July 1 of each year and ending on the next succeeding June 30, or any other successive twelve-month period hereafter selected and designated as the official fiscal year period of the Institution.

“*Funds*” means all funds created and established by or held pursuant to the Resolution.

“*Indemnification Agreement*” means the Indemnification Agreement, dated as of September 1, 2020, between the Trust and the Institution relating to the Series 2020A Bonds, as the same may be amended from time to time, and any other Indemnification Agreement entered into by the Trust and the Institution with respect to a Series of Bonds.

“*Institution*” means Lincoln Center for the Performing Arts, Inc., a not-for-profit corporation created and existing under the laws of the State of New York and a participating cultural institution for purposes of the Act.

“*Institution Payments Account*” means the account within the Debt Service Fund which is created and established by the Resolution.

“*Interest Payment Date*” means with respect to the Series 2020A Bonds, December 1, 2020 and each June 1 and December 1 thereafter in each calendar year during the term hereof.

“*Liquidity Facility*” means an irrevocable letter of credit, a surety bond, line or lines of credit, standby bond purchase agreement or other similar agreement or agreements or any other agreement or agreements delivered to the Trustee and providing liquidity support for the Bonds in accordance with a Series Resolution, and any Alternate Liquidity Facility, as the same may be amended or supplemented from time to time pursuant to the terms thereof. **There is no Liquidity Facility being issued in connection with the Series 2020A Bonds.**

“*Liquidity Facility Issuer*” means each issuer of a Liquidity Facility, if any, then in effect with respect to a particular Series of Bonds, as may be designated and set forth in the Series Resolution authorizing such Series of Bonds, and its successors and assigns.

“*Liquidity Facility Issuer Bond*” means each Bond purchased by the Liquidity Facility Issuer with the proceeds of a drawing under the Liquidity Facility pursuant to the applicable Series Resolution and registered and/or held in the name of and/or for the benefit of the Liquidity Facility Issuer or its nominee until the date on which such Bond is remarketed in accordance with the provisions of the applicable Series Resolution and sold by the Liquidity Facility Issuer pursuant to the applicable Series Resolution.

“*Loan Agreement*” means the Loan Agreement, by and between the Trust and the Institution, dated as of July 1, 2008, in connection with the issuance of Bonds, and assigned to the Trustee for the benefit of the Bondholders, as the same may be amended, supplemented or otherwise modified from time to time.

“*Loan Payments*” means those payments made by the Institution to the Trustee pursuant to the Agreement as set forth in Appendix E under the caption “Payment for the Bonds.”

“*Minimum Authorized Denominations*” means with respect to the Series 2020A Bonds, \$5,000 and any integral multiple thereof, and for any other Series of Bonds has the meaning ascribed to it in the related Series Resolution.

“*Moody’s*” means Moody’s Investors Service, Inc., or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the Trust.

“*Outstanding*” when used with reference to Bonds, means as of a particular date and subject to the Resolution, all Bonds authenticated and delivered under the Resolution except: (i) any Bond paid or redeemed or otherwise cancelled by the Trustee at or before such date; (ii) any Bond for the payment of which cash, equal to the principal amount thereof with interest to date of maturity, shall have theretofore been deposited with the Trustee prior to maturity pursuant to the Resolution; (iii) any Bond in lieu of or in substitution for which another Bond shall have been authenticated and delivered pursuant to the Resolution, and (iv) any Bond deemed paid under the provisions of the Resolution, except that any Bond described in clause (ii) or (iv) shall be considered Outstanding until the maturity or redemption date thereof solely for the purposes of the provisions of the Resolution relating to negotiability, transfer, exchange and registry of Bonds and Bonds mutilated, destroyed, lost or stolen; and provided further, that Liquidity Facility Issuer Bonds and Bonds the principal of or interest on which has been paid by any Credit Enhancement Provider under the Credit Enhancement provided by such Credit Enhancement Provider shall be considered Outstanding until such Credit Enhancement Provider and Liquidity Facility Issuer have been reimbursed in full for all amounts due or to become due with respect to the respective Credit Enhancement or Liquidity Facility.

“*Paying Agent*” means the Trustee appointed in the Resolution with such duties imposed under the Resolution and under the Series Resolution in the capacity of Paying Agent.

“*Permitted Investments*” means, to the extent permitted by applicable law:

- (A) Cash;
- (B) U.S. Dollar-denominated senior debt securities of the United States of America issued by the U.S. Department of the Treasury (including obligations issued or held in book entry form on the books of the Department of the Treasury) and backed by the full faith and credit of the United States of America;
- (C) U.S. Dollar-denominated obligations, debentures, notes or other evidence of indebtedness issued or guaranteed, directly or indirectly, by any of the following federally sponsored agencies or instrumentalities, which obligations are backed by the full faith and credit of the United States of America:
  - Commodity Credit Corporation
  - Export-Import Bank of the United States
  - Farm Credit System Financial Assistance Corporation
  - Federal Financing Bank
  - Federal Housing Administration
  - General Services Administration
  - Government National Mortgage Association (GNMA)
  - Maritime Administration
  - Rural Economic Community Development Administration (formerly, Farmers Home Administration)
  - Rural Electrification Administration
  - Rural Telephone Bank
  - Small Business Administration

- U.S. Department of Housing and Urban Development (PHAs)
  - U.S. Maritime Administration
  - Washington Metropolitan Area Transit Authority
  - such other federally sponsored agencies or instrumentalities which may hereafter be created or otherwise approved by the Credit Enhancement Provider;
- (D) U.S. Dollar-denominated obligations, debentures, notes or other evidence of indebtedness issued or guaranteed, directly or indirectly, by any of the following federally sponsored agencies or instrumentalities, which obligations are not backed by the full faith and credit of the United States of America:
- Federal Farm Credit Banks Funding Corporation
  - Federal Home Loan Banks (including their Consolidated Obligations issued through the Office of Finance of the Federal Home Loan Bank System)
  - Federal Home Loan Mortgage Corporation (FHLMC)
  - Federal National Mortgage Association (FNMA)
  - Financing Corporation (FICO)
  - Private Export Funding Corporation
  - Resolution Funding Corporation (REFCORP)
  - Student Loan Marketing Association (SALLIE MAE)
  - Tennessee Valley Authority
  - such other federally sponsored agencies or instrumentalities which may hereafter be approved by the Credit Enhancement Provider;
- (E) U.S. Dollar-denominated obligations issued by public agencies, instrumentalities or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States of America; or temporary notes, preliminary loan notes or project notes issued by public agencies, instrumentalities or municipalities, in each case fully secured as to payment of both principal and interest by a requisition or payment agreement with the United States of America;
- (F) U.S. Dollar-denominated demand deposits, interest-bearing time deposits, certificates of deposit, federal funds, bankers' acceptances or other similar banking arrangements, in each case issued by a domestic commercial bank (including the branch office located in the United States of a foreign bank) whose short term certificates of deposits are rated, on the date of purchase, in the highest ratings category (disregarding any gradations within such category) for comparable types of obligations by a nationally recognized securities rating organization ("NRSRO"), and which mature no more than 360 days after the date of purchase; and deposits which are fully insured by the Federal Deposit Insurance Corporation ("FDIC") in banks that have capital and surplus of at least \$50,000,000;
- (G) Repurchase agreements with (i) registered broker-dealers or (ii) domestic commercial banks that are members of the FDIC or any members of the Corporation of Primary Dealers in United States Government Securities (or any successor thereof), in each case the underlying securities of which are of the type described in (A)-(F) above; provided that, in the case of (ii) above, the long term senior unsecured debt obligations of the issuer (or of any unconditional guarantor) are rated, at the time of purchase, A2 or better by Moody's or A or better by S&P;

- (H) Direct obligations of any state, political subdivision or governmental authority or agency within the territorial United States of America whose debt obligations are rated, at the time of purchase, Aa2 or better by Moody's or AA or better by S&P, or any general obligation fully and unconditionally guaranteed as to principal and interest by any state, political subdivision or governmental authority or agency within the territorial United States of America whose debt obligations are rated, at the time of the purchase, A2 or better by Moody's or A or better by S&P;
- (I) Commercial paper with an original maturity at issuance of not more than 270 days, which is rated, at the time of purchase, in the highest ratings category (disregarding any gradations within such category) for comparable types of obligations by a NRSRO; other corporate debt instruments or any obligations which are rated, at the time of purchase, in one of the 2 highest ratings categories (disregarding any gradations within such categories) for comparable types of obligations by Moody's or S&P;
- (J) Money market funds rated Aaa by Moody's or AAm (or AAm-G) or better by S&P;
- (K) Municipal obligations, the payment of principal, interest and redemption premium, if any, of which are irrevocably secured by obligations of the type described in (A)-(D) above, and which have been deposited in an escrow arrangement that is irrevocably pledged to the payment of such obligations;
- (L) Investment agreements or guaranteed investment contracts with any company or financial institution; provided, that such agreements or contracts, or the senior unsecured long term debt obligations of the issuer (or of any unconditional guarantor) are rated, at the time such agreements or contracts are entered into, in one of the 2 highest ratings categories (disregarding any gradations within such categories) for comparable types of obligations by a NRSRO;
- (M) Forward purchase agreements pursuant to which the Trustee agrees to purchase securities of the type described in clauses (B), (C), (D), (E), (F), (H) or (I) of this definition of Permitted Investments; and
- (N) Other forms of investment provided for in an applicable Series Resolution.

*"Project"* means any project as permitted under the Act, or as set forth in one or more Series Resolutions.

*"Rating"* means a full letter grade (or its equivalent) rating category such as Aa in the case of Moody's and AA in the case of Standard & Poor's, without regard to "+" or "-" denotations or any other denotations intended by the Rating Agency assigning the rating to indicate qualitative differences within a particular rating category; and when applied to a Credit Enhancement Provider, "Rating" shall refer to the rating assigned to the claims-paying ability of such Credit Enhancement Provider; and when Bonds of the Series of Bonds to which it is being applied bear interest at a rate calculated more frequently than annually, "Rating" shall refer only to a "short-term" rating issued by the Rating Agency and when such Bonds bear interest calculated annually or less frequently than annually, the term shall refer only to a "long-term" rating issued by the Rating Agency (unless short-term and long-term ratings are otherwise said by such Rating Agency in an official announcement to refer to obligations on which interest is calculated at different times, in which case the revised definition of short-term and long-term shall apply in the Resolution).

“*Rating Agency*” means any nationally recognized rating agency (as determined by the Trust) having a Rating in effect on any Series of Bonds, which Rating has been affirmatively requested by the Trust.

“*Rebate Fund*” means the fund so designated which is created and established by the Resolution.

“*Redemption Fund*” means the fund so designated which is created and established by the Resolution.

“*Redemption Price*” when used with respect to a Bond, means the principal amount of such Bond plus the applicable premium, if any, payable upon redemption thereof pursuant to the Resolution.

“*Replacement Credit Enhancement*” means any policy of insurance, surety bond, irrevocable letter of credit, line or lines of credit or any other agreement or instrument issued in accordance with the provisions of the terms of the applicable Series Resolution which policy of insurance, surety bond, irrevocable letter of credit, line or lines of credit or any other agreement or instrument shall be accepted by the Trustee and the Institution in replacement of the Credit Enhancement then in effect;

“*Resolution*” means the Revenue Bond Resolution (Lincoln Center for the Performing Arts, Inc.), adopted by the Board of Trustees of the Trust on April 22, 2008, as supplemented by the Series 2020A Resolution Authorizing not in Excess of \$160,000,000 Refunding Revenue Bonds, Series 2020A (Lincoln Center for the Performing Arts, Inc.) adopted by the Board of Trustees of the Trust on August 4, 2020, as each of them may be amended or supplemented from time to time by one or more Supplemental Resolutions.

“*Revenues*” means all payments made or to be made by the Institution pursuant to the Loan Agreement (except for Additional Payments (as defined in the Loan Agreement) and payments made or to be made for deposit in the Rebate Fund).

“*Series*” means all of the Bonds authenticated and delivered on original issuance and pursuant to the Resolution and the applicable Series Resolution authorizing such Bonds as a separate Series of Bonds, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to the Resolution, regardless of variations in maturity, interest rate, Sinking Fund Installments or other provisions.

“*Series Certificate*” means a certificate of an Authorized Officer of the Trust establishing final terms, conditions and other details of a Series of Bonds prior to issuance thereof in accordance with the delegation of power to do so under the Resolution or any Series Resolution;

“*Series Resolution*” means a Supplemental Resolution authorizing Bonds under the provisions of the Resolution, including any Series Certificate delivered pursuant thereto.

“*Sinking Fund Installment*” means, as of any date of calculation and with respect to any Series of Bonds, the amount of money required by a Series Resolution, pursuant to which such Bonds were issued, to be paid at all events by the Trust on a single future date for the retirement of any Outstanding Bonds of said Series which mature after said date, but does not include any amount payable by the Trust by reason only of the maturity of a Bond, and said future date is deemed to be the date when a Sinking Fund Installment is payable and the date of such Sinking Fund Installment and said Outstanding Bonds are deemed to be the Bonds entitled to such Sinking Fund Installment.



“*Standard & Poor’s*” or “*S&P*” means S&P Global Ratings (formerly known as Standard & Poor’s Ratings Services), or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the Trust.

“*State*” means the State of New York.

“*Supplemental Resolution*” means any resolution supplemental to or amendatory of the Resolution or of any Series Resolution, adopted by the Trust in accordance with the terms of the Resolution.

“*Tax Certificate and Agreement*” means any Tax Certificate and Agreement with respect to a Series of Bonds, concerning certain matters pertaining to the use of proceeds of such Series of Bonds and the facilities financed thereby executed by and delivered to the Trust, the Institution and the Trustee on the date of issuance of such Series of Bonds, including any and all exhibits attached thereto, as the same may be supplemented or amended with a Favorable Opinion of Bond Counsel.

“*Trust*” means The Trust for Cultural Resources of The City of New York, a corporate governmental agency and a public benefit corporation constituting a political subdivision of the State of New York.

“*Trustee*” means the bank, trust company or national banking association then acting as Trustee in accordance with the Resolution, which is initially U.S. Bank National Association.

[THIS PAGE INTENTIONALLY LEFT BLANK]

**APPENDIX D**

**SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION**

[THIS PAGE INTENTIONALLY LEFT BLANK]

## APPENDIX D

### SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION

The descriptions contained herein do not purport to be complete, and reference should be made to the Resolution for a full and complete statement of their provisions.

*Resolution to Constitute Contract.* In consideration of the purchase and acceptance of any and all of the Bonds authorized to be issued under the Resolution by those who own the same from time to time, the Resolution is deemed to be a contract among the Trust, the Trustee and the holders from time to time of the Bonds. The pledges and assignments made in the Resolution and the covenants and agreements set forth in the Resolution to be performed by or on behalf of the Trust are for the benefit, protection and security of (i) the holders of any and all of the Bonds, all of which, regardless of the time or times of their issue or maturity, are of equal rank without preference, priority or distinction, except as expressly provided in or permitted by the Resolution and (ii) each Credit Enhancement Provider and Liquidity Facility Issuer, if any, as their interests may appear, as further provided in the Resolution.

*Authorization and Issuance of Bonds.* The Bonds may be issued at any time and from time to time to finance: (i) the cost of building, constructing, equipping and installing the Project; (ii) the cost of any additions or improvements to the Project; (iii) the payment to the Trust and the Institution of their administrative, legal and other necessary expenses in connection with developing the Project; (iv) the payment of the administrative, legal, accounting, financing and other expenses of the Trust and the Institution incidental to the issuance of the Bonds, the payment of fees, charges, expenses and costs (including, without limitation, attorneys' fees) of the Trustee and the payment of other costs of issuing the Bonds; (v) the payment of the principal and Redemption Price of and interest on the Bonds; (vi) the payment of fees, charges and other costs in connection with Credit Enhancement or other forms of credit support, or a Liquidity Facility, if applicable to a particular Series of Bonds; (vii) the payment of capitalized interest and accrued interest on the Bonds; and (viii) the payment of other obligations issued for any of the above purposes.

*Establishment of Funds and Accounts.* The Resolution creates and establishes the following Funds and separate Accounts within Funds to be held and maintained by the Trustee:

Development Fund (including the Costs of Issuance Account, the Capitalized Interest Account and the Project Account therein);

Debt Service Fund (including the Institution Payments Account therein and the Credit Enhancement Payments Account therein);

Redemption Fund (including the Credit Enhancement Payments Account therein); and

Rebate Fund.

*The Development Fund.* The Trustee will pay from the Costs of Issuance Account of the Development Fund to the firms, corporations or persons entitled thereto the legal, administrative, financing and incidental expenses of the Trust and the Institution relating to the issuance of the Bonds, and the other costs of issuing the Bonds, upon requisition.

Except as otherwise provided in the Resolution, any moneys deposited in the Development Fund, including net proceeds of any casualty insurance award, will be used only to pay the capitalized interest on the Bonds when due, any capitalized fees, the cost of building, constructing, equipping and installing

the Project or repairing or restoring the Project, including necessary incidental expenses, and further including reimbursement to the Institution for payments made for such purposes including reimbursement of payments made prior to the issuance of the related Series of Bonds with the expectation of such reimbursement and any ongoing payments to be made pursuant to an interest rate swap agreement entered into by the Institution; provided, however, that moneys on deposit in the Project Account may be used to pay the costs of other capital projects if the Trustee is provided with an opinion of Bond Counsel to the effect that such use is authorized by the Act and the Resolution and that such use will not adversely affect the exclusion from gross income of interest on the Bonds for federal tax purposes. Transfers may be made from time to time from the Capitalized Interest Account to the Project Account in order to pay costs of the Project. Upon the occurrence and continuance of an Event of Default under the Resolution, no moneys will be disbursed from the Development Fund for the payment of Project costs if the Trustee takes action in accordance with the Resolution to prohibit such disbursement.

Upon receipt of a certificate from the Institution pursuant to the Loan Agreement, the Trustee will thereupon certify the balance of moneys then remaining in the Development Fund and, as directed in writing by the Institution: (i) use such balance, less the amount estimated by the Institution to be necessary to complete the Project or its repair or restoration or fully effectuate the purposes for which such Bonds were issued; (ii) for the costs of other capital projects as permitted under the Resolution with the delivery of the opinion of Bond Counsel required thereunder; or (iii) deposit such balance in the Redemption Fund or the Debt Service Fund for the payment of principal of or Sinking Fund Installments then due, on the appropriate Series of Bonds to which such excess moneys relate, or for the payment of interest then due on the appropriate Series of Bonds with the delivery of an opinion of Bond Counsel to the same effect as provided in the paragraph above; provided, however, that one or more Series of Bonds issued simultaneously will be deemed to be one Series for such purposes.

Upon any declaration of acceleration pursuant to the Resolution, the Trustee may immediately transfer the balance in the Development Fund to the Institution Payments Account of the Debt Service Fund.

*The Debt Service Fund.* Except as may otherwise be provided in a Series Resolution and the Resolution, Revenues will be deposited upon receipt in the Institution Payments Account of the Debt Service Fund. On or before the date on which an interest payment or a principal payment is due on any Series of Bonds, the Trustee shall transfer to each subaccount of the Debt Service Fund for the applicable Series of Bonds for which such interest and/or principal payment is due, an amount sufficient to make such interest and/or principal payment, or, as may be more particularly described in a Series Resolution, to reimburse the Credit Enhancement Provider for such payments of interest and/or principal.

To the extent that Revenues held in the Institution Payments Account are insufficient to make all of such transfers three (3) Business Days before such amounts are due, the Trustee will immediately notify the Institution and the Credit Enhancement Provider and if such deficiency has not been remedied shall allocate the Revenues so held in the Institution Payments Account of the Debt Service Fund proportionately among the Series of Bonds for which an interest payment and/or principal payment is due. There may also be deposited in the Institution Payments Account any amounts remaining in the Development Fund upon any declaration of acceleration pursuant to the Resolution and the Trustee will allocate such money transferred from the Development Fund proportionately among the Series of Bonds for which an interest payment and/or principal payment is due. There will also be deposited in the Debt Service Fund any other amount required to be deposited therein pursuant to the Resolution and any Supplemental Resolution.

On each date on which principal installments are due on any Series of Outstanding Bonds, whether upon redemption, purchase in lieu of redemption, maturity or acceleration, the Trustee will pay,

from the sources described below and in the order of priority indicated, the amounts required for the payment of the principal installments due on the Outstanding Bonds on such date, as follows:

*first*, to the extent provided in any Series Resolution, from the Credit Enhancement Payments Account of the Debt Service Fund, and to the extent the moneys therein are insufficient for said purpose,

*second*, from the Institution Payments Account of the Debt Service Fund, and to the extent the moneys therein are insufficient for said purpose,

*third*, from any other moneys held by the Trustee under the Resolution and available for such purpose.

On each interest payment date, the Trustee will pay, from the sources described below and in the order of priority indicated, the amounts required for the payment of the interest due on any Series of Outstanding Bonds on such date, and on or before any redemption date, will pay, from the sources described below and in the order of priority indicated, the amounts required for the payment of accrued interest on Outstanding Bonds to be redeemed, as follows:

*first*, to the extent provided in any Series Resolution, from the Credit Enhancement Payments Account of the Debt Service Fund, and to the extent the moneys therein are insufficient for said purpose,

*second*, from the Institution Payments Account of the Debt Service Fund, and to the extent the moneys therein are insufficient for said purpose,

*third*, from any other moneys held by the Trustee under the Resolution and available for such purpose.

*The Redemption Fund.* There will be deposited in the applicable account of the Redemption Fund (i) excess amounts on deposit in the Development Fund, (ii) all moneys drawn under the Credit Enhancement for the redemption of Bonds and (iii) all moneys to be used to redeem Bonds pursuant to any Series Resolution.

*Application of Moneys in Certain Funds for Retirement of Bonds.* If at any time any funds held on deposit in the Debt Service Fund and the Redemption Fund, together with any funds held in the Development Fund (to the extent such funds are not needed to pay costs of the Project), are sufficient to effect defeasance and the release of the pledge of the Revenues in accordance with the Resolution, the Trust, upon direction of the Institution, will request the Trustee in writing to retire all Bonds. The Trustee will, upon receipt of any such request or direction in writing by the Trust and the Institution, proceed, as promptly as possible, to comply with such request or direction.

*The Rebate Fund.* The Rebate Fund shall be maintained by the Trustee as a fund separate from any other fund established and maintained under the Resolution. Within the Rebate Fund, the Trustee will maintain such accounts as required by the Institution in order to comply with the terms and requirements of any Tax Certificate and Agreement. Subject to the provisions of the Resolution, all money at any time deposited in the Rebate Fund will be held by the Trustee in trust, to the extent required to satisfy the Rebate Requirement (as defined in a Tax Certificate and Agreement), for payment to the Treasury Department of the United States of America, and the Trust, the Institution, any Credit Enhancement Provider or any provider of any credit facility or liquidity facility with respect to the Bonds or the owner of any Bonds shall not have any rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund shall be governed by the Resolution and by the applicable Tax Certificate and Agreement.

Upon the written direction of the Institution, the Trustee will deposit in the Rebate Fund funds received from the Institution and, to the extent that the Institution has provided insufficient funds the Trustee shall withdraw first, from available amounts held in the Redemption Fund, second, from available amounts held in the Development Fund and, third, from available amounts held in the Debt Service Fund if and to the extent required, so that the balance of the amount on deposit thereto shall be equal to the Rebate Requirement.

*Investment of Moneys.* Moneys in any of the Funds established or held pursuant to the Resolution (other than the Credit Enhancement Payments Account of the Debt Service Fund and the Credit Enhancement Payments Account of the Redemption Fund) shall be invested by the Trustee, as directed in writing by an Authorized Officer of the Institution, in Permitted Investments as defined in the Resolution; provided, however, that each such investment will permit the moneys so deposited or invested to be available for use at the times at which the Institution reasonably believes such moneys will be required for the purposes hereof. The Institution, in issuing such directions, will comply with the restrictions and instructions set forth in the Tax Certificate and Agreement.

Except as otherwise provided in the Resolution, including but not limited to the provisions thereof relating to rebate, interest or dividends derived on account of the investments in any Fund or account shall be deposited in and credited to the Fund or account with respect to which they derived.

Neither the Trust nor the Trustee, subject to the provisions of the Resolution governing the responsibilities of the Trustee, is liable for any depreciation in the value of any securities in which moneys of the Funds are invested, or for any loss arising from any investment.

*Tax Covenant.* The Trust covenants that it will not take any action, or fail to take any action, or permit such action to be taken on its behalf or cause or permit any circumstance within its control to arise or continue, if any such action or failure to take action would adversely affect the exclusion from gross income for federal income tax purposes under Section 103 of the Code of the interest on the Bonds that are issued as tax-exempt bonds. Without limiting the generality of the foregoing, the Trust covenants that it will comply with the instructions and requirements of any Tax Certificate and Agreement. This covenant will survive payment in full or defeasance of the Bonds.

*Appointment and Acceptance of Trustee.* U.S. Bank National Association, New York, New York, is appointed as Trustee and Paying Agent.

*Obligation of Trustee.* The Trustee is under no obligation to institute any suit, or to take any proceeding under the Resolution, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trusts created by the Resolution or in the enforcement of any rights and powers under the Resolution (other than (1) to draw on each Credit Enhancement or Liquidity Facility in accordance with the terms thereof and as provided by the Resolution and any Series Resolution, (2) to make required payments to Bondholders or to the Paying Agent for the benefit of Bondholders, (3) to accelerate the Bonds in accordance with the directions of the Bondholders or the Credit Enhancement Provider as provided in the Resolution or (4) to direct a mandatory tender or redemption of the Bonds following a notice from the Liquidity Facility Provider that the Liquidity Facility will be terminated), until it is indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees and other reasonable disbursements, and against all liability, except for liability stemming from its willful misconduct, willful disregard of instructions, negligence or bad faith.

The duties and obligations of the Trustee are determined by the express provisions of the Resolution, and the Trustee will not be liable except for the performance of such duties and obligations as are specifically set forth in the Resolution.



*Property Held in Trust.* All moneys and securities held by the Trustee and any Paying Agent at any time pursuant to the terms of the Resolution will be assigned, transferred and set over unto the Trustee and any Paying Agent in trust for the purposes and under the terms and conditions of the Resolution.

*Compensation.* Unless otherwise provided by contract with the Trustee, the Trust will pay to the Trustee, from time to time, reasonable compensation for all services rendered by it under the Resolution, including its services as registrar and Paying Agent, and also all its reasonable expenses, charges, counsel fees and other disbursements and those of its attorneys, agents, and employees, incurred in and about the performance of its powers and duties under the Resolution and the Trustee will have a lien for such compensation on any and all funds at any time held by it under the Resolution prior to the Bonds (other than proceeds of any Credit Enhancement, any Liquidity Facility, remarketing proceeds or funds provided by the Institution for optional and mandatory tenders pursuant to a Series Resolution or moneys on deposit in the Rebate Fund or the Debt Service Fund). None of the provisions contained in the Resolution will require the Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it, and none of the provisions contained in the Resolution will in any event require the Trustee to perform, or be responsible or liable for the manner of performance of, any obligations of the Institution or the Trust under the Resolution or any of the other documents related thereto.

*Resignation of Trustee.* The Trustee, or any successor thereof, may at any time resign and be discharged of its duties and obligations under the Resolution by giving not less than sixty (60) days written notice to the Trust, the Institution, any Credit Enhancement Provider and any Liquidity Facility Issuer, and publishing notice thereof, specifying the date when such resignation shall take effect, at least once in an Authorized Newspaper, the first publication to be made within ten (10) business days after the giving of such written notice. Such resignation will not take effect until a successor (including a temporary Trustee appointed under the Resolution) is appointed and has accepted such appointment.

*Removal of Trustee.* The Trustee, or any successor thereof, may be removed at any time by (i) the Institution (with the consent of the Trust) except during the continuance of an Event of Default of the Institution, (ii) the Trust, or (iii) the owners of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds Outstanding, excluding any Bonds held by or for the account of the Trustee. Such removal will be effected by an instrument or concurrent instruments in writing signed and acknowledged by the Institution, the Trust or such Bondholders, as applicable, or by their attorneys-in-fact duly authorized and delivered to the Trustee, the Trust, the Institution and the Bondholders. So long as a Series of Bonds is covered by Credit Enhancement, the Credit Enhancement Provider for such Series, at any time, may remove the Trustee for “cause” by notice to the Trust, the Trustee and the Institution. For such purposes, “cause” means (i) the negligence or willful misconduct of the Trustee in the performance of its duties under the Resolution or (ii) the failure or unwillingness of the Trustee to perform its duties under the Resolution. Upon receipt by the Trustee of notice of such termination, the Trustee will continue to act as Trustee under the Resolution and have the right to proceed to cure such negligence, willful misconduct or failure or unwillingness to perform its duties, for a period of two (2) weeks. If such cure is not effected within such time, the Trustee’s functions under the Resolution will be terminated immediately upon appointment of a successor trustee by the Institution (with the consent of the Trust), the Trust or such Bondholders with the written approval of each Credit Enhancement Provider. The Trustee or any successor thereof may also be removed at any time for cause or any breach of trust or for acting or proceeding in violation of, or failing to act or proceed in accordance with, any provisions of the Resolution with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon application by the Trust, the Institution, any Credit Enhancement Provider or the owners of not less

than fifty-one percent (51%) in aggregate principal amount of the Bonds then Outstanding. Copies of each such instrument providing for any such removal will be delivered by the Trust, the Institution, any Credit Enhancement Provider, any Liquidity Facility Issuer or such Bondholders to the Trustee and any successor thereof. Such removal of the Trustee will not take effect until a successor is appointed and has accepted such appointment.

*Successor Trustee.* In case the Trustee, or any successor thereof, resigns or is removed or becomes incapable of acting, or is adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee or of its property is appointed, or if any public officer takes charge or control of the Trustee, or of its property or affairs, a successor may be appointed by (i) the Institution (with the consent of the Trust) except during the continuance of an Event of Default of the Institution, (ii) the Trust or (iii) the owners of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds Outstanding, in any event with the written consent of each Credit Enhancement Provider. Such appointment will be effected by an instrument or concurrent instruments in writing signed and acknowledged by the Institution, the Trust or such Bondholders, as applicable, or by their attorneys-in-fact duly authorized and delivered to such successor Trustee with notification thereof being given to the Institution, the Trust or such Bondholders, as applicable.

If no appointment of a successor is made within forty-five (45) days after the Trust's receipt of the written notice of resignation or after the occurrence of any other event requiring or authorizing such appointment, the Trustee, the Trust, the Institution, any Credit Enhancement Provider or any Bondholder may apply to any court of competent jurisdiction for the appointment of such a successor, and such court may thereupon, after such notice, if any, as such court may deem proper, appoint such successor.

Any such successor must be a commercial bank or trust company or national banking association doing business and having its main office located in the State of New York, and having capital funds aggregating at least \$50,000,000, if there be such a bank or trust company or national banking association willing and able to accept the appointment on reasonable and customary terms (including the imposition of commercially reasonable fees) and authorized by law to perform all the duties required by the Resolution.

*The Paying Agents.* The Trustee and such other paying agent as is appointed in the appropriate Series Resolutions are the Paying Agents for the Bonds. The duties and obligations of each Paying Agent will be determined by the express provisions of the Resolution, and each Paying Agent will not be bound except to the performance of such duties and obligations as are specifically set forth in the Resolution. No Paying Agent is liable for any action taken or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by the Resolution. Unless otherwise provided by contract with each Paying Agent, the Trust (but solely from moneys provided by the Institution under the Loan Agreement) will pay to each Paying Agent reasonable compensation for all services rendered by it under the Resolution. In the event of the failure of any Paying Agent to accept its appointment, the resignation of any Paying Agent, or the failure of any Paying Agent to perform its duties satisfactorily, the Institution (with the consent of the Trust), the Trustee and each Credit Enhancement Provider may appoint a successor Paying Agent. Pending such appointment, the Trustee will succeed to the duties of the Paying Agent that resigned or is removed. Each Paying Agent must (i) be a commercial bank or trust company authorized by law to act in such capacity; and (ii) have capital funds aggregating at least \$50,000,000.

*Trustee to Exercise Powers of Statutory Trustee.* The Trustee is vested with all of the rights and powers of a trustee appointed by Bondholders pursuant to the Act and the rights of Bondholders to appoint a separate trustee to represent them pursuant to the Act is abrogated in accordance with the Act.

*Events of Default.* Each of the following events is an event of default (an “Event of Default”) under the Resolution:

- (a) payment of the principal of, premium, if any, or any installment of interest on any of the Bonds is not made when the same becomes due and payable; or
- (b) payment of the purchase price from any source of any of the Bonds tendered or deemed tendered for purchase pursuant to any Series Resolution is not made when the same becomes due and payable; or
- (c) the Trust defaults in the due and punctual performance of its tax covenants contained in the Resolution; or
- (d) the Trust defaults in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in the Resolution (other than any default described in paragraphs (a), (b) or (c) above) and such default continues for thirty (30) days after written notice specifying such default and requiring the same to be remedied has been given to the Trust by the Trustee, which may give such notice in its discretion, with the written consent of each Credit Enhancement Provider, and shall give such notice at the written request of any Credit Enhancement Provider or the holders of not less than fifty-one percent (51%) in principal amount of the Bonds Outstanding; or
- (e) an Act of Bankruptcy has occurred and is continuing or is deemed to have occurred and be continuing and the Trustee has received written notice of such from the Trust, the Institution, any Credit Enhancement Provider, any Liquidity Facility Issuer or a Bondholder; provided, however, that the filing of a petition in bankruptcy or similar proceeding against the Trust, if dismissed within ninety (90) days of the filing thereof, will not be deemed to be an Act of Bankruptcy for such purposes; or
- (f) the occurrence and continuance of an Event of Default under the Loan Agreement after any applicable grace period has run provided in the manner specified therein and the receipt by the Trustee of written notice thereof from the Trust, the Institution, the Credit Enhancement Provider, any Liquidity Facility Issuer or a Bondholder; or
- (g) receipt by the Trustee of written notice directing acceleration (to the extent permitted by the Resolution) from any Credit Enhancement Provider or any Liquidity Facility Issuer of an “Event of Default” under the documents governing the related Credit Enhancement or Liquidity Facility, as applicable.

*Acceleration of Maturity.* Subject to the provision described under “Credit Enhancement Provider Control of Remedies” below, upon the happening and continuance of any Event of Default specified the Resolution, then in every such case the Trustee may (with the prior written consent of each Credit Enhancement Provider) and, upon the written request of the Credit Enhancement Provider or the holders of not less than fifty-one percent (51%) in principal amount of the Bonds Outstanding, shall (with the prior written consent of each Credit Enhancement Provider), give notice in writing to the Trust, the Governor and Attorney General of the State of New York and the Mayor and Comptroller of The City of New York specifying the Event or Events of Default and stating that the Trustee will declare the principal of all Bonds Outstanding (other than Bonds registered in the name of the Institution) to be immediately due and payable.

Subject to the provision described under “Credit Enhancement Provider Control of Remedies” below, unless the Event of Default is fully cured, the Trustee may (with the prior written consent of each

Credit Enhancement Provider) and, upon the written request of the Credit Enhancement Provider or the holders of not less than fifty-one percent (51%) in principal amount of the Bonds Outstanding (and subject to such indemnification by such Bondholders pursuant to the Resolution), shall immediately (with the prior written consent of each Credit Enhancement Provider), by a notice in writing to the Trust, declare the principal of all the Bonds Outstanding and the interest accrued thereon to be due and payable immediately, whereupon such principal plus such accrued interest, shall become and be immediately due and payable. Upon a declaration of acceleration of the Bonds, the Trustee will draw on the Credit Enhancement in an amount equal to the principal of and accrued interest on the Bonds. For as long as the applicable provisions of the Act or a successor or similar provision is in effect, the Trustee will give the notice described above to the Governor and Attorney General of the State of New York and the Mayor and Comptroller of The City of New York at least thirty (30) days prior to the date of declaration of acceleration. So long as there are moneys to pay such acceleration, interest will cease to accrue on the Bonds upon such declaration of acceleration.

At any time after the principal of the Bonds has been declared to be due and payable as described in the preceding paragraph, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under the Resolution, the Trustee may and, the Trustee shall, with the written consent of the holders of not less than fifty-one percent (51%) in principal amount of the Bonds not then due by their terms and then Outstanding and by written notice to the Trust (in either case with the prior written consent of each Credit Enhancement Provider and subject to the reinstatement of any related Credit Enhancement and/or Liquidity Facility), annul such declaration and its consequences if certain conditions set forth in the Resolution are met.

*Exhaustion of Revenues.* If, following action to realize upon the security interests granted under the Resolution and under the Loan Agreement and otherwise to enforce the payment of all liabilities of the Institution under the Loan Agreement, it appears that no further Revenues will be received by the Trust or the Trustee and that no further recovery from the Institution may be realized and the moneys and investments held by the Trustee, together with earnings reasonably expected thereon, will be insufficient to pay in full the principal of, Sinking Fund Installments and interest on the Bonds as the same become due and payable, or to effect defeasance under the Resolution, the Trustee will proceed to give the required notice and, but only with prior written consent of the Credit Enhancement Provider, if any, to declare the principal of all the Bonds Outstanding (other than Bonds registered in the name of the Institution) to be due and payable immediately.

*Enforcement of Remedies.* Upon the happening and continuance of any Event of Default specified in the Resolution, then and in every such case, the Trustee may (with the prior written consent of each Credit Enhancement Provider) proceed, and upon the written request of the Credit Enhancement Provider or the holders of not less than fifty-one percent (51%) in principal amount of the Bonds Outstanding shall proceed (with the prior written consent of each Credit Enhancement Provider and subject to such indemnification as provided by the Resolution), to protect and enforce its rights and the rights of the holders of the Bonds under State law or under the Resolution by such suits, actions or special proceedings in equity or at law, either for the specific performance of any covenant contained under the Resolution or in aid or execution of any power granted in the Resolution, or for an accounting against the Trust as if the Trust were the trustee of an express trust as to moneys received by the Trust and pledged to the Trustee under the Resolution or for the enforcement of any proper legal or equitable remedy as the Trustee deems most effectual to protect and enforce such rights.

Upon the occurrence and continuance of any Event of Default, the Trustee may (with the prior written consent of each Credit Enhancement Provider) and shall upon the written request of the Credit Enhancement Provider, take such action, without notice or demand, as it deems advisable to protect and

enforce its rights under the Loan Agreement, institute an action, suit or proceeding in equity for the specific performance of any covenant, condition or agreement contained in the Resolution and pursue such other remedies as the Trustee may have under applicable law.

*Priority of Payments After Default.* If, at any time, the moneys held by the Trustee under the Resolution (other than proceeds of any Liquidity Facility, remarketing proceeds or moneys provided by the Institution for optional or mandatory tenders pursuant to a Series Resolution) are not sufficient to pay the principal of or Sinking Fund Installments and interest on the Bonds as the same become due and payable (either by their terms or by acceleration of maturity or otherwise under the provisions of the Resolution), such moneys, together with any moneys then available or thereafter becoming available for such purpose, will be applied (after payment of all amounts owing to the Trustee under the Resolution) as follows:

(a) Unless the principal of all the Bonds (other than Bonds registered in the name of the Institution) has become due and payable either by their terms, by redemption or by a declaration of acceleration, all such moneys are applied:

FIRST: To the payment to the persons entitled thereto of all installments of interest then due, in the order of the maturity of the installments of such interest, and, if the amount available is not sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference;

SECOND: To the payment to the persons entitled thereto of the unpaid principal or Redemption Price, if any, of any of the Bonds which have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of the Resolution) with interest upon such Bonds from the respective dates upon which they have become due, in the order of their due dates, and, if the amount available is not sufficient to pay in full Bonds due on any particular due date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto, without any discrimination or preference; and

(b) If the principal of all the Bonds has become due and payable, either by their terms, by redemption, or by a declaration of acceleration or otherwise, to the payment to the Bondholders of the principal and interest (at the rate or rates expressed in the Bonds) then due and unpaid upon the Bonds and if applicable to the Redemption Price of the Bonds without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference.

Amounts so paid are subject to the pledge and assignment set forth in the Resolution and any amounts pledged thereunder to secure the payment of a particular Series of Bonds will not be used for the payment of any other Series of Bonds.

*Bondholders May Control Proceedings.* Subject to the provisions described under “Credit Enhancement Provider Control of Remedies” below, the holders of no less than fifty-one percent (51%) in the aggregate principal amount of the Bonds Outstanding will have the right, subject to the provisions of the Resolution, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee under the Resolution, provided such direction shall not be otherwise than in accordance with law or the provisions of the Resolution, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondholders not parties to such direction.

*Restrictions Upon Action by Individual Bondholder.* Subject to the provisions described under “Credit Enhancement Provider Control of Remedies” below and of the applicable Series Resolution, no holder of any of the Bonds will have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust under the Resolution or for any other remedy under the Resolution, unless such holder satisfies certain requirements in the Resolution as to notification, request and offer of indemnity. No one or more holders of the Bonds have any right to affect, disturb or prejudice the security of or to enforce any rights under the Resolution except in the manner therein provided.

Subject to the provisions described under “Credit Enhancement Provider Control of Remedies” below and of the applicable Series Resolution, nothing contained in the Resolution will affect or impair, or be construed to affect or impair, the right of the holder of any Bond (i) to receive payment of the principal of or interest on such Bond, as the case may be, on or after the due date thereof or (ii) to institute suit for the enforcement of any such payment on or after such due date; provided, however, no Bondholder may institute or prosecute any such suit or enter judgment therein if, and to the extent that, the institution or prosecution of such suit or the entry of judgment therein would, under applicable law, result in the surrender, impairment, waiver or loss of the lien of the Resolution for (i) the equal and ratable benefit of all Bondholders and (ii) each Credit Enhancement Provider and Liquidity Facility Issuer, subject, however, to the provisions of the Resolution.

*Remedies Not Exclusive.* No remedy conferred upon or reserved in the Resolution to the Trustee, the Bondholders or any Credit Enhancement Provider or Liquidity Facility Issuer, is intended to be exclusive of any other remedy or remedies, and each and every such remedy is cumulative and in addition to every other remedy given under the Resolution or now or hereafter existing at law or in equity or by statute.

*Waiver and Non-Waiver.* No delay or omission of the Trustee, of any holder of Bonds or of any Credit Enhancement Provider or Liquidity Facility Issuer, if any, for such Bonds to exercise any right or power accruing upon any default will impair any such right or power or will be construed to be a waiver of any such default or an acquiescence therein and each and every power and remedy given by the Resolution to the Trustee, the Bondholders or to any Credit Enhancement Provider or Liquidity Facility Issuer, if any, respectively, may be exercised from time to time and as often as may be deemed expedient.

Subject to the provisions described under “Credit Enhancement Provider Control of Remedies” below and the reinstatement of any related Credit Enhancement and/or Liquidity Facility, the Trustee may with the consent of the Credit Enhancement Provider, and upon written request of the holders of not less than fifty-one percent (51%) of the aggregate principal amount of Bonds Outstanding or upon the direction of the Credit Enhancement Provider shall, waive any default or any Event of Default before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions of the Resolution or before the completion of the enforcement of any other remedy under the Resolution; provided, however, that no such waiver will extend to or affect any other existing or any subsequent default or defaults or impair any rights or remedies consequent thereon; provided further, any such waiver may be for any period of time as may be specified.

*Notice of Default.* The Trustee will mail to all Bondholders on the Bond Register, to each Credit Enhancement Provider and to each Liquidity Facility Issuer, written notice of the occurrence of any Event of Default described in clauses (a) or (b) under the caption “Events of Default” within thirty (30) days after any such Event of Default has occurred.

*Credit Enhancement Provider Control of Remedies.* Subject to the provisions set forth in the Series Resolution authorizing a Series of Bonds, if Credit Enhancement is in effect with respect to any Series of Bonds and the Credit Enhancement Provider has not failed to make lawful payment under the

Credit Enhancement in accordance with the terms of the Credit Enhancement after the presentation of documents strictly complying with the terms of the Credit Enhancement and no Credit Enhancement Provider Event of Insolvency has occurred, (i) the Credit Enhancement Provider will be deemed to be the owner of all Bonds then Outstanding to which the Credit Enhancement applies, with the right to exercise or direct the exercise of remedies on behalf of the owners of such Bonds in accordance with the terms of the Resolution following an Event of Default and (ii) the Trustee will not take any action with respect to an Event of Default at the direction of the Bondholders of such Series without the prior written consent of the Credit Enhancement Provider for such Series of Bonds.

If any Credit Enhancement Provider fails to make lawful payment under the Credit Enhancement in accordance with the terms of the Credit Enhancement after the presentation of documents strictly complying with the terms of the Credit Enhancement or a Credit Enhancement Provider Event of Insolvency occurs with respect to any Credit Enhancement Provider, then such Credit Enhancement Provider will no longer be deemed to be the owner of the Outstanding Bonds for which its Credit Enhancement was issued and will no longer have the right to exercise or direct the exercise of the remedies, or the right to give consent, in accordance with the terms of the Resolution with respect to such Bonds, but will retain such rights with respect to Bonds for which it is the registered or beneficial owner. All such rights of the Credit Enhancement Provider will be reinstated upon the cure of any such failure by the making of the related payment under and in accordance with the terms and provisions of the Credit Enhancement..

*Conflicting Rights.* In the event of a conflict between the rights of the Trustee or the Trust to give consents, directions, appointments or requests hereunder (or any actions taken by the Trustee or the Trust in the exercise of such rights) and such rights of a Credit Enhancement Provider in connection with Bonds for which such Credit Enhancement Provider has issued its Credit Enhancement (and the actions of such Credit Enhancement Provider in the exercise of such rights), such Credit Enhancement Provider will have priority in the exercise of such rights.

*Modification and Amendment Without Consent.* The Trust, with the prior written consent of an Authorized Officer of the Institution, each Credit Enhancement Provider (except that the consent of any Credit Enhancement Provider whose Credit Enhancement is being withdrawn, substituted or replaced will not be required for any amendment described in (e) below), may adopt at any time or from time to time a Supplemental Resolution supplementing the Resolution or supplementing any Supplemental Resolution so as to modify or amend such Resolutions for one or more of the following purposes:

- (a) to add to the covenants and agreements of the Trust contained in the Resolution other covenants and agreements thereafter to be observed which are not contrary to or inconsistent with the Resolution as theretofore in effect;
- (b) to surrender any right, power or privilege reserved to or conferred upon the Trust by the Resolution;
- (c) to confirm, as further assurance, any pledge or other security interest under and the subjection to any lien or pledge created or to be created by the Resolution;
- (d) to provide for the issuance, execution, delivery, authentication, payment, registration, transfer and exchange of Bonds in coupon form payable to bearer or in book-entry form; provided, however, that the Trust may then issue bonds in coupon form payable to bearer or in book-entry form, with interest thereon excludable from gross income for federal income tax purposes;

(e) to amend any provision of the Resolution upon any withdrawal, substitution or replacement of any Credit Enhancement or any Liquidity Facility and the delivery of any Additional Credit Enhancement, Replacement Credit Enhancement or Alternate Liquidity Facility, provided that such amendment shall not adversely affect the security for the Bonds;

(f) to provide for the issuance of Bonds in accordance with the Resolution;

(g) to amend any provision of any applicable Series Resolution relating to the conversion from any variable interest rate determination method on the Bonds to another variable interest rate determination method or to a fixed rate of interest, or to add to such provisions;

(h) to amend any provision of the Resolution or a Series Resolution and to take any action deemed necessary or desirable by the Trust with respect to a Series of Bonds on any mandatory tender date with respect to such Series of Bonds; and

(i) to include any modifications, amendments or supplements as may be required with respect to any Series of Bonds in order to obtain or maintain a favorable Rating or Ratings from one or more Rating Agency;

provided, that (i) notice of any such amendment or modification will be delivered to each Credit Enhancement Provider and each Liquidity Facility Issuer and (ii) an opinion of Bond Counsel with respect to such proposed amendments and/or additions will be delivered to the Trust, each Credit Enhancement Provider, each Liquidity Facility Issuer and the Trustee prior to the adoption of such amendments or additions.

Such Supplemental Resolution will become fully effective in accordance with its terms upon the filing with the Trustee of a copy of such Supplemental Resolution, certified by an Authorized Officer, Secretary or Assistant Secretary of the Trust and the original of the consent of the Institution, and if required by any Series Resolution, the Credit Enhancement Provider .

*Supplemental Resolutions Effective With Consent of Trustee.* At any time or from time to time but subject to the conditions or restrictions contained in the Resolution, a Supplemental Resolution amending or supplementing the Resolution or any Supplemental Resolution may be adopted, with the written consent of an Authorized Officer of the Trustee, the Institution, each Credit Enhancement Provider and each Liquidity Facility Issuer, curing any ambiguity or curing, correcting or supplementing any defect or inconsistent provisions contained in the Resolution or making such provisions in regard to matters or questions arising under the Resolution as may be necessary or desirable and, in the reasonable opinion of the Trustee, not materially prejudicial to the interests of Bondholders; the Trustee may rely on an opinion of counsel, which may be counsel to the Trust or the Institution, in connection with such determination that any such Supplemental Resolution is not materially prejudicial to the interests of Bondholders. No such Supplemental Resolution, however, will be effective until after the filing with the Trustee of a copy of such Supplemental Resolution certified by an Authorized Officer, Secretary or Assistant Secretary of the Trust, and the filing with the Trust of original counterparts of an instrument in writing made by the Trustee, the Institution, the Credit Enhancement Provider and the Liquidity Facility Issuer consenting to such Supplemental Resolution.

*Supplemental Resolutions Effective With Consent of Bondholders.* (a) At any time or from time to time but subject to the conditions or restrictions contained in the Resolution, a Supplemental Resolution of the Trust amending or supplementing the Resolution, any Supplemental Resolution or the Bonds may be adopted, with the prior written consents of Authorized Officers of the Institution, each Credit Enhancement Provider and each Liquidity Facility Issuer. No such Supplemental Resolution,



however, will be effective until after the filing with the Trustee of a copy of such Supplemental Resolution certified by an Authorized Officer, Secretary or Assistant Secretary of the Trust and original counterparts of the consent of the Institution, each Credit Enhancement Provider and each Liquidity Facility Issuer and unless such Supplemental Resolution is approved or consented to by or on behalf of Bondholders in accordance with and subject to the provisions of the Resolution. Subject to the provisions of the Resolution, any such modification will require the consent or approval obtained as provided in the Resolution of the holders of at least fifty-one percent (51%) in aggregate principal amount of all Bonds Outstanding. Pursuant to the Resolution, in computing such required percentage there will be excluded from such consent, and from the Bonds Outstanding, any Bonds owned or held by or for the account of the Trust or the Institution or any person controlling, controlled by or under common control with the Institution.

(b) Except as described under “Modifications by Unanimous Action,” no such modification changing any terms of redemption of Bonds, due date of principal of or interest on Bonds or making any reduction in principal or Redemption Price of and in the rate of interest on any Bond will be made without the consent of the affected Bondholder, nor will any modification of any rights or obligations of the Trustee be made without the consent of the Trustee.

(c) No Supplemental Resolution will be adopted by the Trust, except as described under “Modifications by Unanimous Action,” reducing the percentage of consent of Bondholders required for any modifications of the Resolution or diminishing the pledge of Revenues securing the Bonds.

(d) For the foregoing purposes described under “Supplemental Resolutions Effective With Consent of Bondholders,” (i) the purchasers of the Bonds of a Series, whether purchasing as underwriters, for resale or otherwise, upon such purchase and (ii) the remarketing agent for Bonds of a Series, upon a mandatory tender date for such Bonds, may consent to an amendment, change, modification or waiver of the Resolution with the same effect as a consent given by the Owners of such Bonds.

*Consent of Bondholders.* Any consent is binding upon the Bondholder giving such consent and on any subsequent holder of such Bonds (whether or not such subsequent holder has notice thereof) unless such consent is revoked in writing by the holder of such Bonds giving such consent or a subsequent holder by filing a revocation with the Trustee prior to the date when notice is first published.

*Rights of Credit Enhancement Provider.* Subject to the provisions set forth in the Series Resolution authorizing a Series of Bonds, for so long as any Credit Enhancement Facility is in effect and the Credit Enhancement Provider has not failed to make lawful payment under the Credit Enhancement in accordance with the terms of the Credit Enhancement after the presentation of documents strictly complying with the terms of the Credit Enhancement and no Credit Enhancement Provider Event of Insolvency has occurred, the Credit Enhancement Provider is deemed to be the Owner of all the Bonds supported by such Credit Enhancement for all purposes of consents to amendments to the Resolution, to the exclusion of the persons in whose names and such Bonds are registered on the registration books maintained by the Trustee.

*Modifications by Unanimous Action.* The rights and obligations of the Trust and of the holders of the Bonds and the terms and provisions of the Resolution, any Supplemental Resolution or the Bonds may be modified or amended in any respect upon the adoption of the Supplemental Resolution by the Trust, the consents of the Institution, each Credit Enhancement Provider and each Liquidity Facility Issuer and the consent of the holders of all of the Bonds Outstanding; provided, however, that no such modification or amendment will change or modify any of the rights or obligations of the Trustee or of any Paying Agent without its written consent thereto in addition to the consent of the Bondholders.

*Exclusion of Bonds.* Bonds owned or held by or for the account of the Trust or the Institution or any affiliate thereof will not be deemed Bonds Outstanding for the purpose of any consent or other action or any calculation of Bonds Outstanding provided for under the Resolution.

*Defeasance.* If the Trust will pay or cause to be paid or there are otherwise paid, (i) to the holders of the Bonds (other than Bonds registered in the name of the Institution) the principal or Redemption Price thereof and interest thereon, at the times and in the manner stipulated therein and in the Resolution, (ii) all fees, expenses and other amounts due and payable under the Resolution and the Loan Agreement and (iii) all amounts due to each Credit Enhancement Provider and each Liquidity Facility Issuer pursuant to the applicable Credit Enhancement or Liquidity Facility, then the pledge of any Revenues or other moneys and securities pledged and the estate and rights granted by the Resolution and all covenants, agreements and other obligations of the Trust to the Bondholders will thereupon cease, terminate, become void and be discharged and satisfied and the Bonds will thereupon cease to be entitled to any lien, benefit or security under the Resolution, except as expressly provided.

Any Bond or Bonds will, prior to the maturity or redemption date thereof, be deemed to have been paid if: (i) in case any of such Bonds are to be redeemed on any date prior to their maturity, the Trust, upon written direction of the Institution, has given to the Trustee, in form satisfactory to the Trustee, irrevocable instructions to give notice of redemption that such Bonds will be redeemed on such date; (ii) there has been deposited with, and held and segregated by, the Trustee either moneys or Defeasance Obligations, the principal of and the interest on which when due will provide moneys which, together with moneys, if any, deposited with the Trustee at the same time for such purpose, are sufficient, to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on such Bonds (and if any Bonds bear interest at a variable interest rate, other than a variable interest rate which has been determined through the principal payment date, calculated at the maximum rate of interest payable on such Series of Bonds) on and prior to the redemption date or maturity date thereof, as the case may be, and all fees, expenses and other amounts payable or to become payable under the Resolution and the Loan Agreement; (iii) in the event such Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Trust, upon written direction of the Institution, has given the Trustee irrevocable instructions to publish, as soon as practicable, at least twice, at an interval of not less than seven days between publications, in an Authorized Newspaper a notice to the Bondholders that the required deposit has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with the Resolution and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or Redemption Price, if applicable, of such Bonds; (iv) in the event the Bonds are subject to optional or mandatory tender prior to the date of payment of the principal or Redemption Price thereof, there also has been deposited with the Trustee amounts in the form of either moneys in an amount which are sufficient, or Defeasance Obligations the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time for such purpose, are sufficient, without reinvestment, to pay when due the Purchase Price of any Bonds not remarketed or purchased by the Liquidity Facility Issuer for such Bonds, if any, on the date of tender; (v) there has been filed with the Trustee an opinion of Bond Counsel to the effect that the Bonds for which such moneys and Defeasance Obligations have been deposited with the Trustee are, upon such deposit with the Trustee, deemed paid as set forth in the Resolution; and (vi) there has been filed with the Trustee a verification report if required by the Trust or the Credit Enhancement Provider as to the sufficiency of such moneys and Defeasance Obligations. To the extent required for the payment of the principal or Redemption Price, if applicable, and interest on said Bonds, neither Defeasance Obligations nor moneys deposited with the Trustee nor principal or interest payments on any such obligations will be withdrawn or used for any purpose other than, and will be held in trust for, the payment of the principal or Redemption Price, if applicable, and interest on such Bonds; provided, that any cash received from such principal or interest payments on such Defeasance Obligations deposited with the Trustee, if not then needed for such purpose, will, to the extent practicable, be reinvested (subject

to certain restrictions contained in the Resolution). Interest earned from such reinvestment will be paid over to the Institution upon written request of the Trust, free and clear of any lien or pledge under the Resolution.

*Moneys and Funds Held for Particular Bonds.* The amounts held by the Trustee and any Paying Agent for the payment of the principal or Redemption Price of and interest on the Bonds due on any date with respect to particular Bonds, pending such payment, will be set aside and held in trust for the holders of the Bonds entitled thereto.

*No Recourse on the Bonds.* No recourse will be had for the payment of the principal or Redemption Price of and interest on the Bonds or for any claims based thereon or on the Resolution against any officer or other trustee of the Trust or any Trustee or any person executing the Bonds, all such liability, if any, being expressly waived and released by every Bondholder by the acceptance of the Bond.

*Resolution of Conflicts Between Documents.* In the event of a conflict between the provisions of the Resolution and any Series Resolution or Supplemental Resolution, the provisions of the Series Resolution or Supplemental Resolution will control.

*Payment on Business Days.* In the event that the date of payment of any amount due under the Resolution is not a Business Day, then such payment will be made on the next succeeding Business Day with the same force and effect as if made on the scheduled date of payment without the accrual of any additional interest.

[THIS PAGE INTENTIONALLY LEFT BLANK]

**APPENDIX E**

**SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT**

[THIS PAGE INTENTIONALLY LEFT BLANK]

## APPENDIX E

## SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT

The descriptions contained herein do not purport to be complete, and reference should be made to the Loan Agreement for a complete statement of its provisions.

*Assignment.* Under the Loan Agreement, the Institution consents to and authorizes the assignment, transfer and pledge by the Trust to the Trustee for the benefit of the Bondholders, each Credit Enhancement Provider, if any, and each Liquidity Facility Issuer, if any, as their interests may appear: of the Trust's rights to receive the payments required to be made under the Loan Agreement; any or all security interests that hereafter may be granted by the Institution; of the obligations and other securities delivered pursuant to the Loan Agreement; and of all funds and accounts established by the Resolution (other than the Rebate Fund and the Bond Purchase Fund) and pledged under the Resolution, in each case, to secure any payment or the performance of any obligation of the Institution hereunder or arising out of the transactions contemplated by the Loan Agreement whether or not the right to enforce such payment or performance is specifically assigned by the Trust to the Trustee (for the benefit of the Bondholders, any Credit Enhancement Provider and any Liquidity Facility Issuer, as their interest may appear). The Institution further agrees that the Trust may pledge and assign to the Trustee (for the benefit of the Bondholders, any Credit Enhancement Provider and any Liquidity Facility Issuer, as their interest may appear) any and all of the Trust's rights and remedies under the Loan Agreement. Upon any pledge and assignment by the Trust to the Trustee (or any Credit Enhancement Provider and any Liquidity Facility Issuer) authorized by the Loan Agreement, the Trustee will be fully vested with all of the rights of the Trust so assigned and pledged and may thereafter exercise or enforce, by any remedy provided therefor hereby or by law, any of such rights directly in its own name. Any such pledge and assignment will be limited to securing the Institution's obligation to make all payments required by the Loan Agreement and to performing all other obligations required to be performed by the Institution under the Loan Agreement. Any pledge made or security interest granted by the Loan Agreement will not, by operation of law or otherwise, result in cancellation or termination hereof or the obligations of the Institution under the Loan Agreement.

*Covenants.* The Institution makes certain representations in the Loan Agreement for the benefit of the Trust as to its authority to enter into and perform its obligations under certain agreements, its qualification as a participating cultural institution under the Act, its tax-exempt status, and its charitable purposes, among other matters. The Institution covenants in the Loan Agreement with the Trust as to the maintenance of its tax-exempt status, its continued operation as a non-profit institution for educational and cultural purposes as set forth in its Charter, its rights to its properties and the provision of certain financial statements and notices, among other matters. The Institution also covenants that:

- (i) It will at all times procure and maintain or cause to be procured and maintained such insurance on the Financed Facilities as a prudent person owning property similar to the Financed Facilities would customarily obtain at the time; and
- (ii) It will apply all cash and investment type property as defined in the Code received in the future, that are delivered from pledges or other contributions to the Institution the use of which is restricted to costs of the Financed Facilities or debt service in accordance with the provisions of the Tax Certificate and Agreement and the Resolution.

*Continuing Disclosure.* The Institution covenants and agrees that if at any time the Bonds of any Series are subject to the provisions of S.E.C. Rule 15c2-12 (the "Rule") it will enter into a Continuing Disclosure Agreement satisfying the requirements of the Rule. Notwithstanding any other provision of

the Loan Agreement, failure of the Institution to comply with any Continuing Disclosure Agreement will not be considered an Event of Default under the Loan Agreement; however, the Trustee may (and, at the request of the holders of at least 51% aggregate principal amount in Outstanding Bonds or the Credit Enhancement Provider or the Liquidity Facility Issuer, if any, must) or any Bondholder or any owner of a beneficial interest in a Bond or Bonds may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Institution to comply with its continuing disclosure obligations under the Loan Agreement.

*Payment for the Bonds.* The Institution unconditionally agrees to pay, subject to certain permitted credits under the Loan Agreement, directly to the Trustee, from any moneys legally available to it, the following amounts, which payments constitute “Loan Payments”:

- (i) To the Rebate Fund, upon at least five (5) Business Days’ notice, such amounts as are required to be paid by the Institution into the Rebate Fund pursuant to the Resolution and the Tax Certificate and Agreement;
- (ii) To the Institution Payments Account of the Debt Service Fund, at least three (3) Business Days prior to the Interest Payment Date, the amount of interest due on all Bonds on such Interest Payment Date;
- (iii) To the Debt Service Fund, at least three (3) Business Days prior to each principal or Sinking Fund Installment payment date, an amount equal to the principal or Sinking Fund Installment due on the Bonds on such principal or Sinking Fund Installment payment date;
- (iv) To the Redemption Fund on or prior to the date on which Bonds are to be redeemed pursuant to the Resolution, an amount equal to the principal of and interest and premium, if any, on such Bonds payable upon such redemption;
- (v) Promptly upon demand by an Authorized Officer of the Trust or the Trustee, all amounts required to be paid by the Institution pursuant to an acceleration of payments owed by the Institution to the Trust as provided in the Loan Agreement;
- (vi) Any other amounts that, from time to time, may be required to enable the Trust to pay amounts to the Trustee pursuant to the Resolution equal to the principal or purchase price of, premium, if any, and interest on any Bonds; and
- (vii) To the Debt Service Fund for the payment of principal then due or the Sinking Fund Installment, if any, then due on Bonds or to the Redemption Fund at the election of the Institution, all amounts received from pledges, gifts, grants or donations restricted to the Financed Facilities, other than amounts used to pay costs of the Financed Facilities pursuant to the Loan Agreement, or as otherwise permitted by the Loan Agreement.

Notwithstanding any provisions of the Loan Agreement or the Resolution to the contrary (except as otherwise specifically provided for in the Loan Agreement), (i) all moneys paid pursuant to the Loan Agreement by the Institution to the Trustee, or credited against the obligations of the Institution as provided in clause (ii) below, are made in satisfaction of the Institution’s indebtedness to the Trust to the extent of such payment or credit and (ii) investment earnings on moneys held in the Debt Service Fund or the Redemption Fund, to the extent credited to the account or Fund in which such moneys are held or transferred to any other of such accounts or Funds in accordance with the applicable provisions of the Loan Agreement or the Resolution, are credited, to the extent available to pay principal, premium, if any,



or interest on the Bonds, against the obligations of the Institution under the Loan Agreement to make such payments.

To the extent that the Trustee has withdrawn funds from the Debt Service Fund, the Redemption Fund or the Development Fund to provide a sufficient deposit to the Rebate Fund, when due, under the Resolution, the Institution will be obligated under the Loan Agreement to promptly replenish any or all of such Funds to the extent of the amounts which were withdrawn for such payment; provided, however, that the Institution is not obligated to replenish funds withdrawn from the Debt Service Fund to the extent the funds subject to such withdrawal were in excess of the amount required to be on deposit in the Debt Service Fund on the date of such withdrawal.

The Institution shall have no further obligation to make any Loan Payments (except for payments required to be made to the Rebate Fund pursuant to the terms of the Loan Agreement and of the Resolution) with respect to any Series of Bonds to the Trust during the term of the Loan Agreement when and so long as the amount of cash and Defeasance Obligations that has remained on deposit in the Debt Service Fund and the Redemption Fund for such Series of Bonds is sufficient to pay such Series of Bonds and all amounts payable or that may become payable to the Credit Enhancement Provider and the Liquidity Facility Issuer, if any, by the Institution as provided in the Resolution.

*Additional Payments.* The Institution unconditionally agrees to make certain payments and indemnifications specified in the Loan Agreement to the Trustee, the Paying Agent and the Trust from any moneys legally available to it.

*Security for Purchase Price.* The Institution unconditionally agrees to pay or cause to be paid directly to the Paying Agent, from any monies legally available to it, the Purchase Price of the Bonds, pursuant to the provisions of an applicable Series Resolution, on the respective Purchase Dates, in immediately available funds, but only to the extent that proceeds for the purchase of such Bonds so tendered are not available, either from the remarketing effort conducted by the Remarketing Agent or from the Liquidity Facility, if any, on the respective Purchase Dates at the time specified in the relevant provisions of such Series Resolution. The obligations of the Institution under this paragraph will inure to the benefit of the Bondholders.

#### *General Provisions.*

(a) As security for the performance of its Loan Payment obligations with respect to principal of, Sinking Fund Installments and interest on any particular Series of Bonds, the Institution may, to the extent it deems necessary or desirable, arrange for the delivery of Credit Enhancement with respect to such Series of Bonds to the Trustee. As security for the payment of the Purchase Price of Bonds tendered and not remarketed, the Institution may, to the extent it deems necessary or desirable, arrange for the delivery of a Liquidity Facility with respect to such Series of Bonds to the Trustee.

(b) After all the Bonds have been retired and all interest and applicable premiums, if any, due thereon have been paid or provision for such retirement and payment has been made in accordance with the provisions of the Resolution and the Institution has performed all its other obligations under the Loan Agreement and under the Resolution, and any fees and miscellaneous expenses (including reasonable attorneys' fees and expenses) of each of the Trustee, the Paying Agent, any Auction Agent, any Broker-Dealer, any Remarketing Agent, any Credit Enhancement Provider, any Liquidity Facility Issuer, if any, and the Trust required to be paid by the Institution, have been paid or provided for, any excess moneys in the Funds established under the Resolution will be paid, from whatever source derived: first, to the Rebate Fund to pay any rebate amounts due and owing; second, to the Liquidity Facility Issuer, if any, to the extent any amount remains owing to it; third, to the Credit Enhancement Provider, if any, to the extent

amounts remain owing to it; and, fourth, to the order of the Institution as an adjustment of Loan Payments and Additional Payments. This paragraph will survive the termination or expiration of the Loan Agreement for any reason.

(c) The obligation of the Institution to make payments required under the Loan Agreement is absolute and unconditional, irrespective of any defense or any rights of set-off, recoupment or counterclaim or deduction and without any rights of suspension, deferment, diminution or reduction the Institution might otherwise have against the Trust, the Trustee, any Paying Agent, any Credit Enhancement Provider, any Liquidity Facility Issuer, any Remarketing Agent, any Broker-Dealer, any Auction Agent, or any purchaser or the holder of any Bond. Until such time as no Bonds are deemed Outstanding and all other payment obligations of the Institution under the Loan Agreement have been satisfied, the Institution will not suspend or discontinue any such payment (except to the extent that the same has been prepaid) or terminate the Loan Agreement for any cause including, without limiting the generality of the foregoing, any acts or circumstances that may constitute an eviction or constructive eviction, failure of consideration, failure of title, or commercial frustration of purpose, or any damage to or destruction of the Financed Facilities, or the taking by eminent domain of title to or the right of temporary use of all or any part of the Financed Facilities, or any change in the tax or other laws of the United States, the State or any political subdivision of either thereof, or any failure of the Trust to perform and observe any agreement or covenant, whether express or implied, or any duty, liability or obligation arising out of or connected with the Loan Agreement and the Institution waives all rights now or hereafter conferred by statute or otherwise to grant, terminate, or surrender the Loan Agreement, or any part thereof except as provided in the Loan Agreement or to any abatement, suspension, deferment, diminution or reduction in the payments under the Loan Agreement. Except to the extent provided in the first and second sentences of this paragraph, nothing contained herein will be construed to prevent or restrict the Institution from asserting any rights which it may have against the Trust under the Loan Agreement or under any provision of law.

*Events of Default.* Any one or more of the following events will constitute an “Event of Default” under the Loan Agreement:

(a) Failure to pay any Loan Payment or any payment described under the heading “*Security for Purchase Price*” when due and payable and such failure continues for three (3) Business Days;

(b) Failure to pay any amount (except the obligation to make Loan Payments or any payment described under the heading “*Security for Purchase Price*” that has become due and payable under the Loan Agreement, and such failure will continue for thirty (30) days after notice thereof from the Trust, any Credit Enhancement Provider, any Liquidity Facility Issuer, or the Trustee to the Institution;

(c) Failure of the Institution, in any material respect, to observe and perform any covenant, condition or agreement under the Loan Agreement on its part to be performed (except as set forth in (a) or (b) above) and continuance of such failure for a period of thirty (30) days after notice thereof is given by the Trust, any Credit Enhancement Provider, any Liquidity Facility Issuer or the Trustee to the Institution; provided that if such failure, cannot be cured within such thirty (30) day period, it will not constitute an Event of Default for a period not to exceed an additional sixty (60) days if the Institution commences corrective action during such thirty (30) day period and diligently pursues such cure of such failure;

(d) The Institution (i) applies for or consents to the appointment of or the taking of possession by a receiver, liquidator, custodian or trustee of itself or of all or a substantial part of its property, (ii) admits in writing its inability, or be generally unable, to pay its debts as such debts become due, (iii) makes a general assignment for the benefit of its creditors, (iv) commences a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect), (v) files a petition seeking to take

advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, (vi) fails to controvert in a timely or appropriate manner, or acquiesce in writing to, any petition filed against itself in an involuntary case under such Bankruptcy Code or (vii) takes any action for the purpose of effecting any of the foregoing;

(e) A proceeding or case is commenced, without the application or consent of the Institution, in any court of competent jurisdiction, seeking (i) liquidation, reorganization, dissolution, winding-up or composition or adjustment of debts, (ii) the appointment of a trustee, receiver, liquidator, custodian or the like of the Institution or of all or any substantial part of its assets, or (iii) similar relief under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts, and such proceeding or case will continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing is entered and continues unstayed and in effect, for a period of ninety (90) days; or any order for relief against the Institution is entered in an involuntary case under such Federal Bankruptcy Code;

(f) A final nonappealable judgment or order for the payment of money in excess of \$1,500,000 and that is not fully covered by insurance is rendered against the Institution and the same remains undischarged for a period of sixty (60) consecutive days during which execution is not effectively stayed or in the case of an appealable judgment, the Institution fails to deliver a bond satisfactory to the Trust;

(g) Any representation or warranty made (i) by the Institution in any document or statement submitted to the Trust by the Institution, or prepared on its behalf, for approval of the Project, or (ii) by the Institution in the Loan Agreement or (iii) by the Institution in any report, certificate, financial statement or other instrument furnished in writing pursuant to the Loan Agreement or any of the foregoing proves to have been false when made and continues to be misleading or incorrect in any material respect;

(h) The Charter of the Institution is repealed, suspended or revoked for more than ninety (90) days;

(i) An “Event of Default” under the Resolution occurs and is continuing;

(j) An “Event of Default” under the Indemnification Agreement has occurred and is continuing and the Trust gives notice of such event to the Trustee; or

(k) A default after any applicable grace period in the payment of the principal of, or interest on, any of its Debts, which Debt is in a principal amount in excess of \$1,500,000.

*Remedies on Default.* Whenever any Event of Default under the Loan Agreement has occurred and is continuing, the Trust, or the Trustee where so provided, may (with the prior written consent of the Credit Enhancement Provider) or shall, upon the request of any Credit Enhancement Provider, take any one or more of the following remedial steps; provided, that, to the extent the Credit Enhancement Provider has failed to make lawful payment under its Credit Enhancement in accordance with the terms of the Credit Enhancement after the presentation of documents strictly complying with the terms and provisions of the Credit Enhancement or a Credit Enhancement Provider Event of Insolvency has occurred with respect to any Credit Enhancement Provider, such Credit Enhancement Provider shall not have any rights under the Loan Agreement to consent to or to request any remedial steps to be taken:

(a) The Trustee may cause all Loan Payments payable under the Loan Agreement for the remainder of the term of the Loan Agreement to be immediately due and payable, whereupon the same, together with any accrued interest thereon, will become immediately due and payable;

(b) The Trustee may withhold any payments, advances or reimbursement from the Development Fund including, but not limited to, bond proceeds to which the Institution may otherwise be entitled under the Loan Agreement and apply any such proceeds or moneys in the Development Fund for such purposes as are authorized by the Resolution;

(c) The Trust may withhold any or all further performance under the Loan Agreement;

(d) The Trust may take whatever action at law or in equity as may appear necessary or desirable to collect the Loan Payments and Additional Payments then due and thereafter to become due, or to enforce performance or observance of any obligations, agreements or covenants of the Institution under the Loan Agreement;

(e) The Trustee may take any action permitted under the Resolution with respect to an Event of Default thereunder including any action to realize its security thereunder, subject to the rights of any Credit Enhancement Provider set forth in the Loan Agreement; and

(f) The Trust may proceed to enforce the Trust's rights by an action for damages, injunction or specific performance.

All rights and remedies given or granted in the Loan Agreement to the Trust or the Trustee (for the benefit of the Bondholders, any Credit Enhancement Provider and any Liquidity Facility Issuer, as their interests may appear) are cumulative, non-exclusive and in addition to any and all rights and remedies that the Trust may have or may be given by reason of any law, statute, ordinance or otherwise, and no failure to exercise or delay in exercising any remedy will effect a waiver of the Trust's right to later exercise such remedy.

No such action taken (including by operation of law or otherwise), except as expressly provided in the Loan Agreement, will relieve the Institution from its obligations under the Loan Agreement, all of which will survive any such action.

*Waiver and Non-Waiver.* No delay or omission of the Trustee, of any holder of Bonds or of any Credit Enhancement Provider or of any Liquidity Facility Issuer for such Bonds to exercise any right or power accruing upon any default will impair any such right or power or will be construed to be a waiver of any such default or an acquiescence therein and each and every power and remedy given by the Loan Agreement to the Trustee, the holders of such Bonds or to any Credit Enhancement Provider or to any Liquidity Facility Issuer, respectively, may be exercised from time to time and as often as may be deemed expedient.

Subject to certain provisions of the Resolution and the reinstatement of any Credit Enhancement and/or Liquidity Facility, the Trustee may with the consent of the Credit Enhancement Provider, and upon written request of the holders of not less than fifty-one percent (51%) of the aggregate principal amount of the Bonds Outstanding of a Series or upon the direction of the Credit Enhancement Provider, if any, will, waive any default or any Event of Default before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions of the Resolution or before the completion of the enforcement of any other remedy under the Resolution; provided, however, that no such waiver will extend to or affect any other existing or any subsequent default or defaults or impair any rights or

remedies consequent thereon; provided further, any such waiver may be for any period of time as may be specified.

Notwithstanding the foregoing, the provisions regarding any payments to be made to the Trust in the Loan Agreement may only be waived with the prior written consent of the Trust.

*Tax Covenants.* The Institution covenants that it will not take any action or inaction, nor fail to take any action or permit any action to be taken, if any such action or inaction would adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds under Section 103 of the Code. Without limiting the generality of the foregoing, the Institution covenants that it will comply with the instructions and requirements of the Tax Certificate and Agreement. The Institution will, on a timely basis, provide the Trust with all necessary information and, with respect to the Institution's Rebate Requirement or Yield Reduction Payments (as defined in the Tax Certificate and Agreement) required to be paid, all necessary funds, in addition to any funds that are then available for such purpose in the Rebate Fund, to enable the Trust to comply with all arbitrage and rebate requirements of the Code as identified in the Resolution when due. Such covenant will survive the defeasance or payment in full of any and all Bonds.

*Assignment.* The Loan Agreement may not be assigned in whole or in part by the Institution without the prior written consent of the Trust and any Credit Enhancement Provider and any Liquidity Facility Issuer, as applicable.

*Amendment.* The Loan Agreement may be amended by the Institution and the Trust without the consent of the holders of the Bonds but with the prior written consent of the Trustee, so long as, in the reasonable judgment of the Trustee, any such amendment cures an ambiguity or cures, corrects or supplements any defect or inconsistent provision of the Loan Agreement, or modifies or supplements the Loan Agreement in any other respect as the Trustee, the Institution and the Trust may consider necessary or desirable and if the same is not materially prejudicial to the interests of Bondholders. Any amendment other than as described in the preceding sentence will only be effective with the prior written consent of the Owners of at least fifty-one percent (51%) in principal amount of all Bonds Outstanding and each Credit Enhancement Provider and Liquidity Facility Issuer, if any. With respect to the consents of Owners, (i) the purchasers of the Bonds of a Series, whether purchasing as underwriters, for resale or otherwise, upon such purchase and (ii) the remarketing agent for Bonds of a Series, upon a mandatory tender date for such Bonds, may consent to an amendment, change, modification or waiver of the Loan Agreement with the same effect as a consent given by the Owners of such Bonds.

Notwithstanding the foregoing, for so long as any Credit Enhancement Facility is in effect with respect to any Series of Bonds and the Credit Enhancement Provider has not failed to make lawful payment under the Credit Enhancement in accordance with the terms of the Credit Enhancement after the presentation of documents strictly complying with the terms of the Credit Enhancement and no Credit Enhancement Provider Event of Insolvency has occurred, the Credit Enhancement Provider shall be deemed to be the Owner of all the Bonds of such Series supported by such Credit Enhancement for all purposes of this subsection, to the exclusion of the persons in whose names and such Bonds are registered on the registration books maintained by the Trustee.

*Governing Law.* The Loan Agreement is governed by and construed in accordance with the laws of the State of New York.

*Corporate Obligation.* Any other provision of the Loan Agreement, or of any other document delivered pursuant to or otherwise in connection with the Loan Agreement, to the contrary notwithstanding, all covenants, stipulations, obligations and agreements of the Institution contained in or

arising under the Loan Agreement or any such document: (i) shall be deemed to be corporate covenants, stipulations, obligations and agreements of the Institution that are payable, to the extent constituting payment obligations, solely from unrestricted assets of the Institution; and (ii) shall not be deemed to be covenants, stipulations, obligations and agreements of any member of the Board, of any of the Authorized Officers or of any other Institution employee acting under any of their direction, in his or her individual capacity, and no such person shall be subject to any personal liability or accountability by reason of the execution and delivery of the Loan Agreement or of any other such document or by reason of any action taken by him or her in the good faith discharge of his or her duties in any such capacity.

**APPENDIX F**

**FORM OF OPINION OF BOND COUNSEL**

[THIS PAGE INTENTIONALLY LEFT BLANK]



August 24, 2020

The Trust for Cultural Resources  
of The City of New York

Re: The Trust for Cultural Resources of The City of New York Refunding  
Revenue Bonds, Series 2020A (Lincoln Center for the Performing Arts, Inc.)

Ladies and Gentlemen:

We have acted as bond counsel to The Trust for Cultural Resources of The City of New York (the “Trust”) in connection with the Trust’s issuance of \$125,220,000 aggregate principal amount of its Refunding Revenue Bonds, Series 2020A (Lincoln Center for the Performing Arts, Inc.) (the “Series 2020A Bonds”), issued pursuant to the provisions of the New York State Cultural Resources Act and The Trust for Cultural Resources of The City of New York Act, said acts being Articles 20 and 21 of Title E of the Arts and Cultural Affairs Law of the State of New York; a Revenue Bond Resolution (Lincoln Center for the Performing Arts, Inc.) adopted by the Board of Trustees of the Trust on April 22, 2008, as supplemented by the Series 2020A Resolution adopted by the Board of Trustees of the Trust on August 4, 2020, and the corresponding Series 2020A Certificate dated as of August 14, 2020 and delivered on August 24, 2020, (collectively, the “Resolution”). The Series 2020A Bonds are being issued for the purpose of making a loan of the proceeds thereof to Lincoln Center for the Performing Arts, Inc. (the “Institution”) pursuant to a Loan Agreement, dated as of July 1, 2008 (the “Loan Agreement”), between the Trust and the Institution, for the purpose of refunding certain outstanding bonds issued by the Trust for the benefit of the Institution. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Resolution.

In such connection, we have reviewed the Resolution; the Loan Agreement; opinions of counsel to the Trust, the Institution, and U.S. Bank National Association, as trustee and paying agent (the “Trustee”); the Tax Certificate and Agreement, dated the date hereof (the “Tax Certificate”), among the Trust, the Institution and the Trustee; certificates of the Trust, the Trustee, the Institution and others; and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

We have relied on the opinion of Nixon Peabody LLP, special counsel to the Institution,, regarding, among other matters, the current qualification of the Institution as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the “Code”) and the use of the facilities financed or refinanced with the proceeds of the Series 2020A Bonds in activities that are not considered unrelated trade or business activities of the Institution within the meaning of Section 513 of the Code. We note that such opinion is subject to a number of qualifications and limitations. Failure of the Institution to be organized and operated in accordance with the Internal Revenue Service’s requirements for the maintenance of its status as an organization described in Section 501(c)(3) of the Code, or use of the bond-financed or refinanced facilities in activities that are considered unrelated trade or business activities of the Institution within the meaning of Section 513 of the Code, may result in interest on the Series 2020A Bonds being included in gross income for federal income tax purposes, possibly from the date of issuance of the Series 2020A Bonds.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after original delivery of the Series 2020A Bonds on the date

hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after original delivery of the Series 2020A Bonds on the date hereof. Accordingly, this letter speaks only as of its date and is not intended to, and may not, be relied upon or otherwise used in connection with any such actions, events or matters. Our engagement with respect to the Series 2020A Bonds has concluded with their issuance, and we disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than the Trust. We have assumed without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions referred to in the second and third paragraphs hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Resolution, the Loan Agreement and the Tax Certificate, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Series 2020A Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Series 2020A Bonds, the Resolution, the Loan Agreement and the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles and to the exercise of judicial discretion in appropriate cases. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute or having the effect of a penalty), right of set-off, arbitration, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents, nor do we express any opinion with respect to the state or quality of title to or interest in any of the real or personal property described in or subject to the lien of the Resolution or the Loan Agreement or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such property. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Series 2020A Bonds and express no opinion with respect thereto.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Series 2020A Bonds constitute the valid and binding limited obligations of the Trust.
2. The Resolution has been duly adopted by, and constitutes the valid and binding obligation of, the Trust. The Resolution creates a valid pledge, to secure the payment of the principal of and interest on the Series 2020A Bonds, of the Revenues and any other amounts (including proceeds of the sale of the Series 2020A Bonds) held by the Trustee in any fund or account established pursuant to the Resolution, except the Rebate Fund, subject to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution.
3. The Loan Agreement has been duly executed and delivered by, and, assuming the due authorization, execution and delivery thereof by the Institution, constitutes a valid and binding agreement of, the Trust.
4. The Series 2020A Bonds are not a lien or charge upon the funds or property of the Trust except to the extent of the aforementioned pledge. Neither the faith and credit nor the taxing power of the State of New York or of any political subdivision thereof (including The City of New York) is pledged to the payment of the principal of or interest on the Series 2020A Bonds. The Series 2020A Bonds are not a debt of the State of New York or The City of New York, and neither said State nor said City is liable for the payment thereof.
5. Interest on the Series 2020A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. Interest on the Series 2020A Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Interest on the Series 2020A Bonds is exempt from personal income taxes imposed by the laws of the State of New York or any political subdivision thereof (including The City of

New York). We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2020A Bonds.

Very truly yours,

[THIS PAGE INTENTIONALLY LEFT BLANK]

## APPENDIX G

## FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this “Agreement”), dated as of August 24, 2020, by and between the Lincoln Center for the Performing Arts, Inc. (the “Institution”) and U.S. Bank National Association, as trustee (the “Trustee”) under the Revenue Bond Resolution (Lincoln Center for the Performing Arts, Inc.) (the “General Resolution”), adopted by The Trust for Cultural Resources of The City of New York (the “Issuer”) on April 22, 2008, as supplemented by a Series 2020A Resolution adopted by the Issuer on August 4, 2020 (the “Series Resolution,” and collectively with the General Resolution, the “Resolution”), is executed and delivered in connection with the issuance of the Issuer’s \$125,220,000 Refunding Revenue Bonds, Series 2020A (Lincoln Center for the Performing Arts, Inc.) (the “Bonds”). The proceeds of the Bonds are being loaned by the Issuer to the Institution pursuant to a Loan Agreement, dated as of July 1, 2008, between the Issuer and the Institution (the “Loan Agreement”). Capitalized terms used in this Agreement which are not otherwise defined in the Resolution shall have the respective meanings specified in Article IV hereof. Pursuant to Section 3.02 of the Loan Agreement, the parties agree as follows:

ARTICLE I  
The Undertaking

Section 1.1. *Purpose; No Issuer Responsibility or Liability.* This Agreement shall constitute a written undertaking for the benefit of the holders of the Bonds, and is being executed and delivered solely to assist the Underwriters in complying with subsection (b)(5) of the Rule. The Institution and the Trustee acknowledge that the Issuer has undertaken no responsibility, and shall not be required to undertake any responsibility, with respect to any reports, notices or disclosures required by or provided pursuant to this Agreement, and shall have no liability to any person, including any holder of the Bonds, with respect to any such reports, notices or disclosures.

Section 1.2. *Annual Financial Information.* (a) the Institution shall provide, or shall cause the Dissemination Agent to provide, Annual Financial Information with respect to each fiscal year of the Institution, commencing with fiscal year ending June 30, 2020, by no later than six months after the end of the respective fiscal year, to the MSRB. The Trustee shall provide notice in writing to the Institution that such Annual Financial Information is required to be provided by such date, at least 45 days but not more than 60 days in advance of such date.

(b) The Institution shall provide, or shall cause the Dissemination Agent to provide, in a timely manner, notice of any failure of the Institution to provide the Annual Financial Information by the date specified in subsection (a) above to the MSRB.

Section 1.3. *Audited Financial Statements.* If not provided as part of Annual Financial Information by the date required by Section 1.2(a) hereof, the Institution shall provide, or shall cause the Dissemination Agent to provide, Audited Financial Statements, when and if available, to the MSRB.

Section 1.4. *Notice Events.* (a) If a Notice Event occurs, the Institution shall provide, or shall cause the Dissemination Agent to provide, in a timely manner not in excess of ten (10) business days of the occurrence of such Notice Event, notice of such Notice Event to (i) the MSRB, (ii) Goldman Sachs & Co. LLC and Loop Capital Markets, LLC (collectively, the “Underwriters”) and (iii) the Trustee.

(b) Any notice of a defeasance of Bonds shall state whether the Bonds have been escrowed to maturity or to an earlier redemption date and the timing of such maturity or redemption.

(c) The Trustee shall promptly advise the Institution and the Issuer whenever, in the course of performing its duties as Trustee under the Resolution, the Trustee has actual notice of an occurrence which, if

material, would require the Institution to provide notice of a Notice Event hereunder; provided, however, that the failure of the Trustee so to advise the Institution or the Issuer shall not constitute a breach by the Trustee of any of its duties and responsibilities under this Agreement or the Resolution.

(d) Each Notice Event notice relating to the Bonds shall include the CUSIP numbers of the Bonds to which such Notice Event relates or, if the Notice Event relates to all bond issues of the Issuer including the Bonds, such Notice Event notice need only include the CUSIP number of the Issuer.

Section 1.5. *Additional Disclosure Obligations.* The Institution acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Institution, and that, under some circumstances, compliance with the terms of this Agreement, without additional disclosures or other action, may not fully discharge all duties and obligations of the Institution under such laws.

Section 1.6. *Additional Information.* Nothing in this Agreement shall be deemed to prevent the Institution from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Information or notice of Notice Event hereunder, in addition to that which is required by this Agreement. If the Institution chooses to include any information in any Annual Financial Information or notice of Notice Event in addition to that which is specifically required by this Agreement, the Institution shall have no obligation under this Agreement to update such information or include it in any future Annual Financial Information or notice of Notice Event hereunder.

## ARTICLE II *Operating Rules*

Section 2.1. *Reference to Other Filed Documents.* It shall be sufficient for purposes of Section 1.2 hereof if the Institution provides or causes to be provided Annual Financial Information (but not notices of Notice Events) by specific reference to documents (i) available to the public on the MSRB Internet Web site (currently, [www.emma.msrb.org](http://www.emma.msrb.org)) or (ii) filed with the SEC.

Section 2.2. *Submission of Information.* Annual Financial Information may be provided in one document or multiple documents, and at one time or in part from time to time.

Section 2.3. *Dissemination Agents.* The Institution has designated the Trustee, as Dissemination Agent, to act on its behalf in providing or filing notices, documents and information as required of the Institution under this Agreement, and revoke or modify any such designation.

Section 2.4. *Transmission of Information and Notices.* Unless otherwise required by the MSRB, all notices, documents and information provided to the MSRB shall be provided to the MSRB's Electronic Municipal Markets Access (EMMA) system, the current Internet Web address of which is [www.emma.msrb.org](http://www.emma.msrb.org). All notices, documents and information provided to the MSRB shall be provided in an electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

Section 2.5. *Fiscal Year.* Annual Financial Information shall be provided at least annually notwithstanding any fiscal year longer than 12 calendar months. The Institution's current fiscal year is July 1–June 30, and the Institution shall promptly notify (i) the MSRB, (ii) the Underwriters and (iii) the Trustee in writing of each change in its fiscal year.

ARTICLE III  
*Effective Date, Termination, Amendment and Enforcement*

Section 3.1. *Effective Date; Termination.* (a) This Agreement shall be effective upon the issuance of the Bonds.

(b) If the obligations of the Institution under the Loan Agreement are assumed in full by some other entity, such person shall be responsible for compliance with this Agreement in the same manner as if it were the Institution, and thereupon the Institution shall have no further responsibility hereunder.

(c) The obligations of the Institution and the Trustee under this Agreement shall terminate upon a legal defeasance, prior redemption or payment in full of all of the Bonds.

(d) This Agreement, or any provision hereof, shall be null and void in the event that the Institution (1) delivers to the Trustee an opinion of Counsel, addressed to the Issuer and the Trustee, to the effect that those portions of the Rule which require this Agreement, or such provision, as the case may be, do not or no longer apply to the Bonds, whether because such portions of the Rule are invalid, have been repealed, or otherwise, as shall be specified in such opinion, and (2) delivers to the Trustee and the Issuer a notice that this Agreement or any provision hereof is null and void because those portions of the Rule do not or no longer apply to the Bonds to the MSRB.

Section 3.2. *Amendment.* (a) This Agreement may be amended, by written agreement of the parties, without the consent of the holders of the Bonds (except to the extent required under clause (4)(ii) below), if all of the following conditions are satisfied: (1) such amendment is made in connection with a change in circumstances that arises from a change in legal (including regulatory) requirements, a change in law (including rules or regulations) or in interpretations thereof, or a change in the identity, nature or status of the Institution or the type of business conducted thereby, (2) this Agreement as so amended would have complied with the requirements of the Rule as of the date of this Agreement, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, (3) the Institution shall have delivered to the Trustee an opinion of Counsel, addressed to the Institution, the Issuer and the Trustee, to the same effect as set forth in clause (2) above, (4) either (i) the Institution shall have delivered to the Trustee an opinion of Counsel or a determination by a person unaffiliated with the Issuer or the Institution (such as bond counsel or the Trustee) and acceptable to the Institution, addressed to the Institution, the Issuer and the Trustee, to the effect that the amendment does not materially impair the interests of the holders of the Bonds or (ii) the holders of the Bonds consent to the amendment to this Agreement pursuant to the same procedures as are required for amendments to the Resolution with the consent of holders of the Bonds pursuant to Section 9.03 of the General Resolution as in effect at the time of the amendment, and (5) the Institution shall have delivered copies of such amendment to the MSRB.

(b) In addition to subsection (a) above, this Agreement may be amended, by written agreement of the parties, without the consent of the holders of the Bonds, if all of the following conditions are satisfied: (1) an amendment to the Rule is adopted, or a new or modified official interpretation of the Rule is issued, after the effective date of this Agreement which is applicable to this Agreement, (2) the Institution shall have delivered to the Trustee an opinion of Counsel, addressed to the Institution, the Issuer and the Trustee, to the effect that performance by the Institution and the Trustee under this Agreement as so amended will not result in a violation of the Rule and (3) the Institution shall have delivered copies of such amendment to the MSRB.

(c) In addition to subsections (a) and (b) above, this Agreement may be amended by written agreement of the parties, without the consent of the holders of the Bonds, if all of the following conditions are satisfied: (1) the Institution shall have delivered to the Trustee an opinion of Counsel, addressed to the Institution, the Issuer and the Trustee, to the effect that the amendment is permitted by rule, order or other official pronouncement, or is consistent with any interpretive advice or no-action positions of staff, of the SEC, and (2) the Trustee shall have delivered copies of such amendment to the MSRB.

(d) To the extent any amendment to this Agreement results in a change in the type of financial information or operating data provided pursuant to this Agreement, the first Annual Financial Information provided thereafter shall include a narrative explanation of the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

(e) If an amendment is made pursuant to Section 3.2(a) hereof to the accounting principles to be followed by the Institution in preparing financial statements, the Annual Financial Information for the fiscal year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. Such comparison shall include a qualitative and, to the extent reasonably feasible, quantitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information.

Section 3.3. *Benefit; Third-Party Beneficiaries; Enforcement.* (a) The provisions of this Agreement shall constitute a contract with and inure solely to the benefit of the holders from time to time of the Bonds, except that (i) beneficial owners of Bonds shall be third-party beneficiaries of this Agreement and (ii) the Issuer shall be deemed to be a third party beneficiary of this Agreement and shall be entitled to enforce the rights of the Trustee under this Agreement to the extent the Trustee shall fail or refuse or shall be unable to take any enforcement action hereunder. The provisions of this Agreement shall create no rights in any person or entity except as provided in this subsection (a) and in subsection (b) of this Section.

(b) The obligations of the Institution to comply with the provisions of this Agreement shall be enforceable: (i) in the case of enforcement of obligations to provide financial statements, financial information, operating data and notices, by any holder of Outstanding Bonds, or by the Trustee on behalf of the holders of Outstanding Bonds; or (ii), in the case of challenges to the adequacy of the financial statements, financial information and operating data so provided, by the Trustee on behalf of the holders of Outstanding Bonds; provided, however, that the Trustee shall not be required to take any enforcement action except at the direction of the Issuer (but the Issuer shall have no obligation to take any such action), or the holders of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding, who shall have provided the Trustee with adequate security and indemnity. The holders' and Trustee's rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the obligations of the Institution under this Agreement. In consideration of the third-party beneficiary status of beneficial owners of Bonds pursuant to subsection (a) of this Section, beneficial owners shall be deemed to be holders of Bonds for purposes of this subsection (b).

(c) Any failure by the Institution or the Trustee to perform in accordance with this Agreement shall not constitute a default or an "Event of Default" under the Resolution or the Loan Agreement, and the rights and remedies provided by the Resolution upon the occurrence of a default or an Event of Default shall not apply to any such failure.

(d) This Agreement shall be construed and interpreted in accordance with the laws of the State of New York, and any suits and actions arising out of this Agreement shall be instituted in a court of competent jurisdiction in the State of New York, provided, however, that to the extent this Agreement addresses matters of federal securities laws, including the Rule, this Agreement shall be construed in accordance with such federal securities laws and official interpretations thereof.



## ARTICLE IV

### *Definitions*

Section 4.1. *Definitions.* The following terms used in this Agreement shall have the following respective meanings:

(1) “Annual Financial Information” means, collectively, (a) Audited Financial Statements, if available, or Unaudited Financial Statements of the Institution, (b) to the extent not provided in such Audited or Unaudited Financial Statements of the Institution, the financial and quantitative operating data of the Institution of the types included in the tables appearing in APPENDIX A to the Official Statement, and (c) the information regarding amendments to this Agreement required pursuant to Sections 3.2(c) and Sections 3.2(d) of this Agreement.

The descriptions contained in clause (b) above of financial information and operating data constituting Annual Financial Information are of general categories of financial information and operating data. When such descriptions include information that no longer can be generated because the operations to which it related have been materially changed or discontinued, a statement to that effect shall be provided in lieu of such information. Any Annual Financial Information containing modified financial information or operating data shall explain, in narrative form, the reasons for the modification and the impact of the modification on the type of financial information or operating data being provided.

(2) “Audited Financial Statements” means the annual financial statements, if any, of the Institution, audited by such auditor as shall then be required or permitted by applicable law or the Resolution. Audited Financial Statements shall be prepared in accordance with GAAP; provided, however, that pursuant to Section 3.2(a) hereof, the Institution may from time to time, if required by federal or state legal requirements, modify the accounting principles to be followed in preparing its financial statements. The written notice of any such modification required by Section 3.2(a) hereof shall include a reference to the specific federal or State law or regulation describing such accounting principles or other description thereof.

(3) “Counsel” means any nationally recognized bond counsel or counsel expert in federal securities laws as they relate to municipal securities.

(4) “Dissemination Agent,” means U.S. Bank National Association or any successor Dissemination Agent, if any, designated in writing by the Institution pursuant to Section 2.3 of this Agreement and which has filed with the Institution and the Trustee a written acceptance of such designation.

(5) “Financial Obligation” means a (i) a debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

(6) “GAAP” means generally accepted accounting principles in the United States of America as prescribed from time to time by the Financial Accounting Standards Board or any successor to the duties or responsibilities thereof.

(7) “MSRB” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Agreement.

(8) “Notice Event” means any of the following events with respect to the Bonds, whether relating to the Institution or otherwise:

- (i) principal and interest payment delinquencies;

- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;<sup>1</sup>
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;<sup>2</sup>
- (v) substitution of credit or liquidity providers, or their failure to perform;<sup>2</sup>
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) modifications to rights of Bond holders, if material;
- (viii) bond calls, if material, and tender offers;
- (ix) defeasances;
- (x) release, substitution, or sale of property securing repayment of the Bonds, if material;<sup>3</sup>
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or similar event of the Issuer, or of the Institution;

Note to clause (xii): For the purposes of the event identified in clause (xii) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer, or for the Institution, in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or of the Institution, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer, or of the Institution.

- (xiii) the consummation of a merger, consolidation, or acquisition involving the Issuer or of the Institution, or the sale of all or substantially all of the assets of the Issuer, or of the Institution, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) incurrence of a Financial Obligation of the Institution, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a

---

<sup>1</sup> No debt service reserve fund will be established under the Resolution to secure the Bonds.

<sup>2</sup> There is initially no credit enhancement or liquidity provider with respect to the Bonds.

<sup>3</sup> No mortgage or pledge of, or security interest in, specific property or assets of the Institution secures the Bonds.

Financial Obligation of the Institution, any of which affect Bond holders, if material;  
and

- (xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Institution, any of which reflect financial difficulties.

(9) “Official Statement” means the “final official statement,” as defined in paragraph (f)(3) of the Rule.

(10) “Rule” means Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 CFR Part 240, §240.15c2-12), as in effect on the date of this Agreement, including any official interpretations thereof issued either before or after the effective date of this Agreement which are applicable to this Agreement.

(11) “SEC” means the United States Securities and Exchange Commission.

(12) “Unaudited Financial Statements” means the same as Audited Financial Statements, except that they shall not have been audited.

## ARTICLE V

### *Miscellaneous*

Section 5.1. *Duties, Immunities and Liabilities of Trustee.* Article VI of the Resolution is hereby made applicable to this Agreement as if this Agreement were (solely for this purpose) contained in the Resolution. The Trustee shall have only such duties under this Agreement as are specifically set forth in this Agreement.

Section 5.2. *Counterparts.* This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have each caused this Agreement to be executed by their duly authorized representatives, all as of the date first above written.

**LINCOLN CENTER FOR THE PERFORMING ARTS, INC.**

By: \_\_\_\_\_  
An Authorized Representative

**U.S. BANK NATIONAL ASSOCIATION, as Trustee**

By: \_\_\_\_\_  
An Authorized Representative



# Lincoln Center



Printed by: ImageMaster, LLC  
[www.imagemaster.com](http://www.imagemaster.com)