

RESOLUTION NO. 19-23

Authorizing the Issuance of Airport System Revenue Refunding Bonds

WHEREAS, The Metropolitan Washington Airports Authority (“Airports Authority”) desires to authorize the issuance of Airport System Revenue Refunding Bonds (referred to in this Resolution as the “Series 2020A Bonds”), which may be issued in one or more series or subseries in an aggregate principal amount not to exceed \$950,000,000, to refinance a portion of the costs of certain capital improvements (the “Projects”) at Ronald Reagan Washington National Airport and Washington Dulles International Airport (together, the “Airports”) and for other purposes identified below;

WHEREAS, A public hearing has been held relating to the Projects and the plan of financing to the extent required by Section 147 of the Internal Revenue Code of 1986, as amended (the “Code”);

WHEREAS, The Governor of Virginia and the Mayor of the District of Columbia have approved the plan of financing, including the issuance of the Series 2020A Bonds, to the extent that such bonds are subject to Section 147 of the Code;

WHEREAS, In Resolution No. 19-19, the Airports Authority previously selected a syndicate of investment banking firms to serve as underwriters for the Series 2020A Bonds, which included the selection of the investment banking firm of Siebert Williams Shank & Co., LLC (formerly known as Siebert Cisneros Shank & Co.) (“Siebert”), to serve as senior bookrunning manager;

WHEREAS, In a resolution adopted earlier this day, the Airports Authority has adopted an amendment to Resolution No. 19-19 which designates, as the substitute for Siebert, the investment banking firm of Wells Fargo Securities, to serve as senior bookrunning manager (the “Managing Underwriter”) for the Series 2020A Bonds;



WHEREAS, The Airports Authority desires to authorize the refunding of all or a portion of (i) its outstanding Airport System Revenue Bonds, Series 2010A, (ii) its outstanding Airport System Revenue Refunding Bonds, Series 2010B, (iii) its outstanding Airport System Revenue Refunding Bonds, Series 2010F-1, and (iv) such other of its outstanding Bonds as shall be cost-effective and in the best interests of the Airports Authority (all or the portions of such Bonds to be refunded are the "Refunded Bonds");

WHEREAS, The Airports Authority desires that proceeds of the Series 2020A Bonds be used to (1) refund the Refunded Bonds, (2) pay costs related to the termination of any interest rate swaps with respect to certain of the Refunded Bonds, (3) fund a deposit, if necessary, to a reserve account, and (4) pay costs of issuance of the Series 2020A Bonds;

WHEREAS, The Airports Authority desires to set forth guidelines for determining the interest rate or rates, maturities, and other terms of the Series 2020A Bonds and the termination of any interest rate swaps; and

WHEREAS, There has been presented to the Airports Authority the form of the following documents for execution in connection with the issuance of the Series 2020A Bonds, copies of which documents shall be filed in the records of the Airports Authority:

(a) the form of the Fifty-second Supplemental Indenture of Trust, between the Airports Authority and Manufacturers and Traders Trust Company, as trustee (the "Trustee"), relating to the issuance of the Series 2020A Bonds, which supplements the Amended and Restated Master Indenture of Trust, dated as of September 1, 2001, as amended (the "Master Indenture"), which form will be modified after pricing to reflect the pricing details and final terms of the Series 2020A Bonds and the Refunded Bonds and any termination of interest rate swaps (as determined in accordance with paragraph 3 below), and which form will be modified as necessary with respect to any additional supplemental indenture of trust for Series 2020A Bonds (collectively, the "Fifty-second Supplemental Indenture");

(b) the form of the Series 2020A Bonds, attached as Exhibit A to the Fifty-second Supplemental Indenture;

(c) the form of the Bond Purchase Agreement relating to the Series 2020A Bonds, between the Airports Authority and the Managing Underwriter and the other underwriting firms named therein (collectively, the "Underwriters"), which form will be modified as necessary with respect to any additional bond purchase agreement for Series 2020A Bonds, including for Series 2020A Bonds which may be issued on a forward delivery basis (collectively, the "Purchase Contract");

(d) the form of the Preliminary Official Statement relating to the public offering of the Series 2020A Bonds, which form will be modified as necessary with respect to any additional preliminary official statement for Series 2020A Bonds (collectively, the "Preliminary Official Statement"; the final Official Statement, in substantially the form of the Preliminary Official Statement and including the final terms of the Series 2020A Bonds and any updates thereto that may occur in connection with the delivery of Series 2020A Bonds on a forward delivery basis, is the "Official Statement"); and

(e) the form of Refunding Agreement(s) between the Airports Authority and the Trustee relating to the refunding of the Refunded Bonds, which form will be modified as necessary with respect to agreements for additional outstanding Bonds that will be refunded (collectively, the "Refunding Agreement"); now, therefore, be it

RESOLVED, That the Underwriters are authorized to distribute the Preliminary Official Statement to prospective purchasers of the Series 2020A Bonds and the Official Statement to purchasers of the Series 2020A Bonds;

2. That the Series 2020A Bonds shall be issued in book-entry form, pursuant to the Master Indenture and the Fifty-second Supplemental Indenture and sold to the Underwriters pursuant to the Purchase Contract, all upon the terms and conditions specified therein;

3. That the Chairman or Vice Chairman, and at least one of the Co-Chairs of the Finance Committee, are authorized until December 31, 2020, and are directed, to jointly determine, after the Series 2020A Bonds have been priced in the market, the following:

(a) the date(s) of issuance of the Series 2020A Bonds and the exact principal amount, series and/or subseries designation (which may be by letter or number or combination thereof) of the Series 2020A Bonds, including whether issued as AMT, Non-AMT or Taxable, provided that the aggregate principal amount of the Series 2020A Bonds shall not exceed \$950,000,000;

(b) the interest rate or rates of each series or subseries of the Series 2020A Bonds;

(c) the maturity or maturities of each series or subseries of the Series 2020A Bonds, including the amount and date of any mandatory sinking fund redemption for a maturity;

(d) the provisions for redemption of each series or subseries of the Series 2020A Bonds prior to maturity;

(e) the amount and extent of any credit facility for the Series 2020A Bonds and the provider thereof;

(f) the amount of the debt service reserve requirement, if any, and the provider of any debt service reserve fund surety bond, if any, for each series or subseries of the Series 2020A Bonds;

(g) the amount of the purchase price for each series or subseries of the Series 2020A Bonds;

(h) the investment, if any, of the defeasance escrow(s) under the Refunding Agreement;

(i) the par amount and series of the Refunded Bonds to be refunded with proceeds of the Series 2020A Bonds;

(j) whether any series or subseries of the Series 2020A Bonds shall be issued on a forward delivery basis; and

(k) whether any interest rate swaps shall be terminated and the amount of any swap termination payments;

all in a manner to achieve the most favorable net effective interest rate while balancing the Airports Authority's exposure to interest rate and market risks on the entire long-term debt portfolio within the Airports Authority's Aviation Enterprise Fund, including the Series 2020A Bonds; provided, that the determinations made pursuant to this paragraph 3 shall comply with the following requirements: (i) the maximum term of the Series 2020A Bonds shall not exceed 35 years; (ii) except with respect to any make-whole redemption, no Series 2020A Bonds shall be subject to redemption at a redemption premium exceeding three percent of the principal amount thereof; (iii) the Underwriters' discount

relating to the Series 2020A Bonds shall not exceed two percent of the principal amount thereof; (iv) the true interest cost of the Series 2020A Bonds shall not exceed five percent per annum; (v) the Series 2020A Bonds shall be offered to the public at a price of not less than 95 percent and not more than 130 percent of the principal amount thereof, plus accrued interest, if any; and (vi) the aggregate net present value loss resulting from the termination of interest rate swaps and the refunding of the related Refunded Bonds shall not exceed \$5,000,000 and any such loss shall not be payable from available cash contributed by the Airports Authority;

4. That each of the Chairman, the Vice Chairman, either Co-Chair of the Finance Committee, the President and Chief Executive Officer, the Senior Vice President and General Counsel, the Senior Vice President for Finance and Chief Financial Officer and the Manager of Treasury is hereby appointed as an "Authority Representative" under the Master Indenture and the Fifty-second Supplemental Indenture;

5. That the refunding and, as applicable, redemption of the Refunded Bonds and, subject to the limitation contained in paragraph 3 of this Resolution, the payment of termination payments in connection with the termination of any interest rate swaps with a portion of the proceeds of the Series 2020A Bonds, together with any other funds of the Airports Authority, are authorized and directed in the manner set forth in the Refunding Agreement or the Fifty-second Supplemental Indenture, as applicable;

6. That the Chairman or the Vice Chairman is authorized and directed to execute, by manual or facsimile signature, the Fifty-second Supplemental Indenture, the Series 2020A Bonds, the Purchase Contract, the Official Statement and the Refunding Agreement, and that all forms of such documents are hereby approved, with such changes, insertions, completions, and omissions as are necessary (i) to reflect the bond principal amounts, the series or subseries designations, other terms determined pursuant to paragraph 3 of this Resolution, and the substitution of the Managing Underwriter for Siebert as the senior bookrunning manager for the Series 2020A Bonds, and (ii) to add to or revise the terms and conditions of such documents as may be necessary or desirable as a result of the substitution of the Managing Underwriter, and the execution of these documents by the Chairman or Vice Chairman shall constitute conclusive evidence of their approval by the Airports Authority;

7. That the Secretary or Assistant Secretary is authorized and directed to affix the Seal of the Airports Authority or a facsimile thereof on the Fifty-second Supplemental Indenture, the Series 2020A Bonds and the Refunding Agreement, after their execution by the Chairman or Vice Chairman, to attest the same, by a manual or facsimile signature, and to deliver the Series 2020A Bonds to the

Trustee for authentication upon the terms provided in the Master Indenture and the Fifty-second Supplemental Indenture;

8. That each of the Airports Authority Representatives is authorized, with respect to the Series 2020A Bonds, to execute one or more tax compliance certificates on behalf of the Airports Authority to implement the covenants and agreements set forth in the Fifty-second Supplemental Indenture and to make any election permitted by the Code, as amended, that is determined by such officer to be to the advantage of the Airports Authority; and the representations, agreements and elections set forth in the executed tax compliance certificate(s) shall be deemed to be the representations, agreements and elections of the Airports Authority, as if the same were set forth in the Fifty-second Supplemental Indenture;

9. That each of the Airports Authority Representatives is authorized to execute, deliver and file all other certificates and instruments related to the issuance and sale of the Series 2020A Bonds, including the Internal Revenue Service Forms 8038 and/or 8038-G, as applicable, any reimbursement agreement relating to any debt service reserve fund surety bond, any agreements and/or amendments to agreements for the investment of proceeds from the sale of, or other moneys relating to, the Series 2020A Bonds and/or the Refunded Bonds, and any agreements relating to the termination of the interest rate swaps referenced above, and to take any further action as the officer may consider necessary or desirable in connection with the issuance and sale of the Series 2020A Bonds, the refunding and, as applicable, redemption of the Refunded Bonds and the termination of such interest rate swaps, and the other determinations made pursuant to paragraph 3 of this Resolution;

10. That any authorization provided in this Resolution to execute a document shall include authorization to deliver the document to the other parties thereto; and

11. That any other acts of the Airports Authority Representatives or any other officer of the Airports Authority that are in conformity with the purposes, intent and conditions of this Resolution and in furtherance of the execution, delivery and performance by the Airports Authority of the Fifty-second Supplemental Indenture are hereby authorized, and the authorizations granted herein to such officers of the Airports Authority shall apply equally to any person serving in such capacity on an interim or acting basis, except that the Airports Authority reserves unto itself the authority to appoint or remove any person or

entity named, appointed or described in this Resolution or in the form of the Fifty-second Supplemental Indenture presented to the Airports Authority who is to serve as underwriter, trustee, or provider of a credit facility, if any, or in a similar role relating to the Series 2020A Bonds or the Refunded Bonds.

RECORDED VOTE:

Members Present	<u>12</u>
Members in Favor	<u>12</u>
Members Against	<u>0</u>
Members Abstaining	<u>0</u>

Adopted November 20, 2019


Monica R. Hargrove, Secretary