

ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY

RESOLUTION NO. G25-04

**RESOLUTION OF THE ALASKA INDUSTRIAL DEVELOPMENT
AND EXPORT AUTHORITY AUTHORIZING THE EXECUTIVE
DIRECTOR TO RESEARCH AND POTENTIALLY ENTER INTO
AGREEMENTS, CONTRACTS, OR OTHER ARRANGEMENTS**

WHEREAS, the mission of the Alaska Industrial Development and Export Authority (Authority) is to work with public and private institutions to promote, develop, and advance the general prosperity and economic welfare of the people of the State;

WHEREAS, the purpose of the Authority is to promote, develop, and advance the general prosperity and economic welfare of the people of the State pursuant to the provisions of AS 44.88.010 – 44.88.900, to relieve problems of unemployment, and to create additional employment by: (1) providing various means of financing and means of facilitating the financing, in cooperation with federal, state, and private institutions, of industrial, manufacturing, energy, export, small business, and business enterprises and the other facilities in the State; (2) owning and operating or providing development project financing for businesses, enterprises and other facilities; (3) fostering the expansion of exports of goods, services, and raw materials of the State; (4) cooperating and acting in conjunction with other organizations, public and private, the objects of which are the promotion and advancement of export trade activities in the State; (5) establishing a source of funding, credit guarantees and insurance, not otherwise available, to support export development; and (6) providing and cooperating or participating with federal, state, and private institutions to provide actual and potential state exporters, particularly small- and medium-sized exporters, with financial assistance in support of commercial and economic development transactions;

WHEREAS, the funds the Authority uses to perform such work include historic appropriations made the Alaska Legislature to the Authority, money or other assets transferred to the revolving fund by the Authority, and unrestricted payments on loans made or purchased by the Authority;

WHEREAS, pursuant to 44.88.190(b) the funds, income, or receipts of the Authority may not be considered or constitute money of the State;

WHEREAS, pursuant to AS 44.88.088(a) the Authority shall adopt a policy for payment of a dividend from the revolving fund...to the state each fiscal year...the Authority shall notify the commissioner of revenue when the dividend for a fiscal year are available for appropriation;

WHEREAS, the Authority may create additional accounts either in the revolving fund or outside the revolving fund subject to agreements made with the holders of the Authority's bonds or with other persons and, the Authority may transfer amounts in accounts in the revolving fund to other accounts within the revolving fund and amounts deposited in the revolving fund may be pledged to the payment of bonds of the Authority or expended for any and all purposes of the Authority;

WHEREAS, the Authority is authorized by statute to issue revenue bonds for the purpose of providing funds to pay or to refinance the costs of acquiring, constructing, and equipping projects in the State (and to refund bonds previously issued by the Authority for such purposes) provided that the user of the project financed (or refinanced) with the proceeds of the bonds agrees to pay to the Authority an amount at least sufficient to pay the principal of, and the premium, if any, and interest on, said bonds and other expenses incurred by the Authority;

WHEREAS, with the Authority's above-referenced mission and purposes in mind, the Authority wishes to explore the creation of contracts, agreements, or trusts to invest, protect, or use the Authority's assets and as part of this effort to provide a rated, secured, and flexible financing vehicle to allow the Authority and to pledge its assets to facilitate the incurrence of debt over time on a parity basis (or an equal lien on the pledged assets);

WHEREAS, similar to other trust agreements, a trust is a contract between the trustor (in this instance, the Authority) and a trustee;

WHEREAS, the role of the trust is to preserve and protect the Authority's assets and secured bond holders and ensure that the trust is administered in accordance with its terms, the Authority's mission and purposes;

WHEREAS, the trustee has a fiduciary duty to act in accordance with the provisions of the trust;

WHEREAS, such trusts are popular for financing and investment entities such as the Authority with multiple borrowing affiliates (such as healthcare entities) by pooling assets and collateral to strengthen the trustor's credit profile;

WHEREAS, a trust has many advantages, including but not limited to: (1) providing an efficient and flexible borrowing framework for borrowing money by setting uniform covenants, terms and security; (2) pooling of security/collateral increases the credit strength of the Authority which is often reflected in a higher or stronger credit rating by rating agencies; and (3) allowing additional indebtedness to be issued efficiently on a parity basis under a master collateral package whereby creditors share the underlying collateral on a pro rata basis;

WHEREAS, maintaining and strengthening the Authority's credit rating is essential to its ability to finance projects;

WHEREAS, the establishment of a dedicated, legally distinct trust structure would enhance the security of the Authority's accounts, reinforce its operational autonomy, and provide greater assurance to credit rating agencies regarding the stability and predictability of the Authority's cash flows and debt service coverage; and

WHEREAS, the Authority is interested in pursuing use of a trust agreement that will better enable the Authority to achieve its mission and purposes as described above.

NOW, THEREFORE, BE IT RESOLVED BY THE ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY, AS FOLLOWS:

Section 1. The Authority authorizes its Executive Director to pay for the costs of researching and/or creation of contracts, agreements, or trusts, as referenced above.

Section 2. The Authority's Executive Director is authorized to take such actions as may be necessary or appropriate to carry out the actions intended by this Resolution, including, but not limited to researching, investigating, reviewing and entering into contracts, agreements or trusts, and to execute and deliver for and on behalf of the Authority any and all additional agreements, certificates, documents, opinions or other papers and perform all other acts (including without limitation the filing of any financing statements or any other documents to create and maintain a security interest on the properties and revenues pledged or assigned pursuant to the trust agreement, and the execution of all closing documents) as may be required by bond counsel and approved by counsel to the Authority as they deem necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

. Section 3. The Authority's Executive Director and/or its General Counsel shall report to the Authority's Board regarding the status of any such research, investigation, or entry of a

contract, agreement, or trust, as outlined above and encompassed by this Resolution, and take such actions he deems appropriate to protect, preserve or invest AIDEA's assets.

Section 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

Section 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict with this Resolution are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

Section 6. This Resolution and all documents related to or referenced herein may be executed and entered into as provided for pursuant to and in accordance with AS 09.80.40.

DATED at Anchorage, Alaska this 31st day of July 2025.

ATTEST:



Secretary



J. Dana Pruhs, Chair