UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

In re:	:	Chapter 11
	:	
Museum of American Jewish History, d/b/a National Museum of American Jewish History	:	
	:	Case No. 20-11285
Debtor.	:	

DISCLOSURE STATEMENT WITH RESPECT TO DEBTOR'S FOURTH AMENDED CHAPTER 11 PLAN OF REORGANIZATION

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Dated: September 24, 2020

DISCLAIMER

THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS INCLUDED HEREIN FOR PURPOSES OF SOLICITING ACCEPTANCES OF THE FOURTH AMENDED CHAPTER 11 PLAN DATED SEPTEMBER 24, 2020, BY MUSEUM OF AMERICAN JEWISH HISTORY, D/B/A NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY, DEBTOR AND DEBTOR IN POSSESSION (AS MAY BE AMENDED IN ACCORDANCE WITH THE TERMS THEREOF AND APPLICABLE LAW, THE "PLAN"). THE INFORMATION CONTAINED HEREIN MAY NOT BE RELIED UPON FOR ANY PURPOSE OTHER THAN TO DETERMINE HOW TO VOTE ON THE PLAN. NO PERSON IS AUTHORIZED BY THE DEBTOR OR THE BANKRUPTCY COURT TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS, OTHER THAN THE INFORMATION AND REPRESENTATIONS CONTAINED IN THIS DISCLOSURE STATEMENT, REGARDING THE PLAN OR THE SOLICITATION OF ACCEPTANCES OF THE PLAN.

ALL CREDITORS ARE ADVISED AND ENCOURAGED TO READ THIS DISCLOSURE STATEMENT AND THE PLAN IN ITS ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. PLAN SUMMARIES AND STATEMENTS MADE IN THIS DISCLOSURE STATEMENT ARE QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE PLAN AND THE EXHIBITS ANNEXED TO THE PLAN. THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE ONLY AS OF THE DATE HEREOF AND THERE CAN BE NO ASSURANCE THAT THE STATEMENTS CONTAINED HEREIN SHALL BE CORRECT AT ANY TIME AFTER THE DATE HEREOF.

CERTAIN OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS BY ITS NATURE FORWARD LOOKING AND CONTAINS ESTIMATES, ASSUMPTIONS AND PROJECTIONS THAT MAY BE MATERIALLY DIFFERENT FROM ACTUAL, FUTURE RESULTS. EXCEPT WITH RESPECT TO THE FINANCIAL PROJECTIONS SET FORTH IN EXHIBIT A ANNEXED HERETO (THE "PROJECTIONS") AND EXCEPT AS OTHERWISE SPECIFICALLY AND EXPRESSLY STATED HEREIN, THIS DISCLOSURE STATEMENT DOES NOT REFLECT ANY EVENTS THAT MAY OCCUR SUBSEQUENT TO THE DATE HEREOF AND THAT MAY HAVE A MATERIAL IMPACT ON THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT. THE DEBTOR DOES NOT UNDERTAKE ANY OBLIGATION TO, AND DOES NOT INTEND TO, UPDATE THE PROJECTIONS; THUS, THE PROJECTIONS WILL NOT REFLECT THE IMPACT OF ANY SUBSEQUENT EVENTS NOT ALREADY ACCOUNTED FOR IN THE ASSUMPTIONS UNDERLYING THE PROJECTIONS. FURTHER, THE DEBTOR DOES NOT ANTICIPATE THAT ANY AMENDMENTS OR SUPPLEMENTS TO THIS DISCLOSURE STATEMENT WILL BE DISTRIBUTED TO REFLECT SUCH OCCURRENCES. ACCORDINGLY, THE DELIVERY OF THIS DISCLOSURE STATEMENT WILL NOT UNDER ANY CIRCUMSTANCE IMPLY THAT THE INFORMATION HEREIN IS CORRECT OR COMPLETE AS OF ANY TIME SUBSEQUENT TO THE DATE HEREOF. MOREOVER, THE PROJECTIONS ARE BASED ON ASSUMPTIONS THAT, ALTHOUGH BELIEVED TO BE REASONABLE BY THE DEBTOR, MAY DIFFER FROM ACTUAL RESULTS.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE UNITED STATES BANKRUPTCY CODE AND RULE 3016 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE AND NOT NECESSARILY IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER NON-BANKRUPTCY LAW. THIS DISCLOSURE STATEMENT HAS BEEN NEITHER APPROVED NOR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION (THE "SEC"), NOR HAS THE SEC PASSED UPON THE ACCURACY OR ADEQUACY OF THE STATEMENTS CONTAINED HEREIN. PERSONS OR ENTITIES TRADING IN OR OTHERWISE PURCHASING, SELLING OR TRANSFERRING SECURITIES OR CLAIMS OF THE DEBTOR AND DEBTOR IN POSSESSION SHOULD EVALUATE THIS DISCLOSURE STATEMENT AND THE PLAN IN LIGHT OF THE PURPOSE FOR WHICH THEY WERE PREPARED.

AS TO CONTESTED MATTERS, ADVERSARY PROCEEDINGS AND NON-BANKRUPTCY PROCEEDINGS OR THREATENED ACTIONS INVOLVING THE DEBTOR OR ANY OTHER PARTY, THIS DISCLOSURE STATEMENT SHALL NOT CONSTITUTE OR BE CONSTRUED AS AN ADMISSION OF ANY FACT OR LIABILITY, STIPULATION OR WAIVER, BUT RATHER AS A STATEMENT MADE IN SETTLEMENT NEGOTIATIONS. THIS DISCLOSURE STATEMENT SHALL NOT BE ADMISSIBLE IN ANY NON-BANKRUPTCY PROCEEDING NOR SHALL IT BE CONSTRUED TO BE CONCLUSIVE ADVICE ON THE TAX, SECURITIES OR OTHER LEGAL EFFECTS OF THE PLAN AS TO HOLDERS OF CLAIMS AGAINST OR EQUITY INTERESTS IN THE DEBTOR AND DEBTOR IN POSSESSION IN THIS CASE.

THE DEBTOR BELIEVES THAT THE PLAN WILL ACCOMPLISH THE OBJECTIVES OF CHAPTER 11 AND THAT ACCEPTANCE OF THE PLAN IS IN THE BEST INTERESTS OF THE DEBTOR, CREDITORS AND THE ESTATE. THE DEBTOR URGES ALL HOLDERS OF CLAIMS ENTITLED TO VOTE TO ACCEPT THE PLAN.

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I. INTRODUCTION

The debtor and debtor in possession in the above-referenced chapter 11 case (the "Chapter 11 Case") is Museum of American Jewish History, d/b/a National Museum of American Jewish History (the "Debtor").

The Debtor submits this disclosure statement (as may be amended, the "Disclosure Statement") pursuant to section 1125 of title 11 of the United States Code (the "Bankruptcy Code") for use in the solicitation of votes on the Fourth Amended Chapter 11 Plan of Reorganization dated as of September 24, 2020 (as may be amended, the "Plan"). **Each capitalized term used in this Disclosure Statement but not otherwise defined herein has the meaning ascribed to such term in the Plan**. See Article I, Section 1.01 of the Plan. In addition, all references in this Disclosure Statement to monetary figures refer to United States currency, unless otherwise expressly provided.

This Disclosure Statement sets forth certain information regarding the Debtor's prepetition operating and financial history, its reasons for seeking protection and reorganization under chapter 11 and significant events that have occurred during the Chapter 11 Case. This Disclosure Statement also describes certain terms and provisions of the Plan, certain effects of confirmation of the Plan, certain risk factors associated with the Plan and the manner in which distributions will be made under the Plan. In addition, this Disclosure Statement discusses the confirmation process and the voting procedures that Holders of Claims entitled to vote on the Plan must follow for their votes to be counted.

By order entered on or about September __, 2020, the Bankruptcy Court has approved this Disclosure Statement as containing "adequate information," in accordance with section 1125 of the Bankruptcy Code, to enable a hypothetical, reasonable investor typical of Holders of Claims against the Debtor to make an informed judgment as to whether to accept or reject the Plan, and has authorized its use in connection with the solicitation of votes with respect to the Plan. APPROVAL OF THIS DISCLOSURE STATEMENT DOES NOT, HOWEVER, CONSTITUTE A DETERMINATION BY THE BANKRUPTCY COURT AS TO THE FAIRNESS OR MERITS OF THE PLAN. No solicitation of votes may be made except pursuant to this Disclosure Statement and section 1125 of the Bankruptcy Code. In voting on the Plan, Holders of Claims entitled to vote should not rely on any information relating to the Debtor and its business, other than that contained in this Disclosure Statement, the Plan, and all exhibits and appendices hereto and thereto.

Pursuant to the provisions of the Bankruptcy Code, only classes of Claims or Interests that are (a) "impaired" by a plan and (b) entitled to receive a distribution under such plan are entitled to vote on the plan. In the Debtor's case, only Classes 3A and 3B, the Claim of the Bonds, and Class 5 General Unsecured Claims are Impaired by and entitled to receive a distribution under the Plan; accordingly, only the Holders of Claims in these Classes are entitled to vote to accept or reject the Plan. (As to Classes 3A and 3B, although the Indenture Trustee asserts that it holds the Claim of the Bonds, Bondholders hold the right to vote with respect to the Claim of the Bonds.) Claims and Interests in Classes 1, 2, 4, and 6 are Unimpaired by the Plan; accordingly, the Holders thereof are conclusively presumed to have accepted the Plan.

II. OVERVIEW OF THE PLAN

The following is a brief overview of the material provisions of the Plan and is qualified in its entirety by reference to the full text of the Plan. For a more detailed description of the terms and provisions of the Plan, see Article VI of this Disclosure Statement, entitled "Summary of the Plan."

The Plan provides for the classification and treatment of Claims against and Interests in the Debtor. The Plan designates 5 Classes of Claims and one class of Interests. These Classes take into account the differing nature and priority under the Bankruptcy Code of the various Claims and Interests.

A. General Structure of the Plan

The Plan contemplates the reorganization of the Debtor and the resolution of all outstanding Claims against, and Interests in, the Debtor. Subject to the specific provisions set forth in the Plan, all Claims will be satisfied by cash payments to be issued by the Debtor, or by honoring its membership obligations. Because the Debtor is a non-profit corporation, no interests in it will be cancelled but nothing will be distributed on account of interests.

The Debtor has estimated the ultimate distributions that will be made in respect of Allowed Claims and Interests. As explained more fully in Section VII entitled "Certain Risk Factors to Be Considered," however, because of inherent uncertainties, many of which are beyond the Debtor's control, including the Debtor's ability to obtain contributions from third parties, there can be no guaranty that actual performance will meet the Debtor's estimates. The Debtor nonetheless believes that if the Plan is not consummated, it is likely that Holders of Claims against the Debtor's estate will receive less than they would if the Plan is confirmed because dismissal of the Chapter 11 Case and subsequent dissolution of the Debtor's organization will not result in a higher distribution to any Class of Claims or Interests. Similarly, if the Debtor's organization were a for-profit entity that could be involuntarily liquidated under chapter 7 of the Bankruptcy Code, liquidation of the Debtor's assets will not result in a higher distribution to any Class of Claims or Interests.

B. Summary of Treatment of Claims and Interests under the Plan

The table below summarizes the classification and treatment of the prepetition Claims against and Interests in the Debtor under the Plan. For certain Classes of Claims, estimated percentage recoveries are also set forth below. Estimated percentage recoveries have been calculated based upon a number of assumptions, including the amount of Allowed Claims in each Class.

For certain Classes of Claims, the actual amounts of Allowed Claims could materially exceed or could be materially less than the estimated amounts shown in the table that follows. Except for Claims Allowed by the Plan, estimated Claim amounts for each Class set forth below are based upon the Debtor's review of its books and records and Claims filed to date in the case, and may include estimates of a number of Claims that are contingent, disputed and/or unliquidated.

Type of Claim or Interest	Description and Treatment under Plan
Unclassified — Administrative Claims	An Administrative Claim is a Claim for (a) any cost or expense of administration (including, without limitation, the fees and expenses of Professionals) of the Chapter 11 Case asserted or arising under sections 503, 507(a)(2), 507(b) or 1114(e)(2) of the Bankruptcy Code including, but not limited to (i) any actual and necessary post-Petition Date cost or expense of preserving the Debtor's Estate or operating the organization of the Debtor, (ii) any post-Petition Date cost, indebtedness or contractual obligation duly and validly incurred or assumed by the Debtor in the ordinary course of its organization, (iii) compensation or reimbursement of expenses of Professionals to the extent Allowed by the Bankruptcy Court under sections 330(a) or 331 of the Bankruptcy Code, and (iv) all Allowed Claims that are entitled to be treated as Administrative Claims pursuant to a Final Order of the Bankruptcy Court under section 546 of the Bankruptcy Code; and (b) any fees or charges assessed against the Debtor's Estate under section 1930 of title 28 of the United States Code. Under the Plan, Administrative Claims are Unimpaired. Unless otherwise provided in the Plan, each Holder of an Allowed Administrative Claim shall receive from the Debtor in full satisfaction, settlement, release, extinguishment and discharge of such Claim: (a) the amount of such unpaid Allowed Claim in Cash on or as soon as reasonably practicable after the later of (i) the Effective Date, (ii) the date on which such Administrative Claim becomes Allowed, or (iii) a date agreed to in writing by the Debtor and the Holder of such Administrative Claim; or (b) such other treatment on such other terms and conditions as may be agreed upon in writing by the Holder of such Claim and the Debtor, or as the Bankruptcy Court may order. Notwithstanding the foregoing, the SBA Claim, which is an Administrative Claim, shall be treated as follows:

Type of Claim or Interest	Description and Treatment under Plan
	The holder of the SBA Claim shall receive payments in accordance with the terms of the SBA Loan Documents. Interest shall be payable on the balance due on the SBA Claim at the rate of 2.75% per annum. The Debtor shall make payments of $ 641.00 per month commencing June 13, 2021, until the maturity date under the SBA Loan Documents of June 13, 2050. Administrative Claims are not classified and are treated as required by the Bankruptcy Code. The Holders of such Claims are not entitled to vote on the Plan. Estimated Percentage Recovery: 100%
Unclassified — Priority Tax Claims	The Plan defines Priority Tax Claims as any and all Claims accorded priority in payment pursuant to section 507(a)(8) of the Bankruptcy Code. Such Priority Tax Claims include Claims of governmental units for taxes owed by the Debtor that are entitled to a certain priority in payment pursuant to section 507(a)(8) of the Bankruptcy Code. The taxes entitled to priority are (a) taxes on income or gross receipts that meet the requirements set forth in section 507(a)(8)(A) of the Bankruptcy Code, (b) property taxes meeting the requirements of section 507(a)(8)(B) of the Bankruptcy Code, (c) taxes that were required to be collected or withheld by the Debtor and for which the Debtor is liable in any capacity as described in section 507(a)(8)(C) of the Bankruptcy Code, (d) employment taxes on wages, salaries or commissions that are entitled to priority pursuant to section 507(a)(4) of the Bankruptcy Code, to the extent that such taxes also meet the requirements of section 507(a)(8)(D), (e) excise taxes of the kind specified in section 507(a)(8)(E) of the Bankruptcy Code, (f) customs duties arising out of the importation of merchandise that meet the requirements of section 507(a)(8)(F) of the Bankruptcy Code and (g) prepetition penalties relating to any of the foregoing taxes to the extent such penalties are in compensation for actual

Type of Claim or Interest	Description and Treatment under Plan
	pecuniary loss as provided in section 507(a)(8)(G) of the Bankruptcy Code. Under the Plan, Priority Tax Claims are Unimpaired. Each Holder of an Allowed Priority Tax Claim shall receive, in full satisfaction, settlement, release, extinguishment and discharge of such Priority Tax Claim: (a) the amount of such unpaid Allowed Priority Tax Claim in Cash on or as soon as reasonably practicable after the later of (i) the Effective Date, (ii) the date on which such Priority Tax Claim becomes Allowed and (iii) a date agreed to by the Debtor and the Holder of such Priority Tax Claim; or (b) such other treatment on such other terms and conditions as may be agreed upon in writing by the Holder of such Priority Tax Claim and the Debtor, or as the Bankruptcy Court may order. Prior to the Effective Date, the Debtor shall have the right to prepay at any time, in whole or in part, any Allowed Priority Tax Claim without premium or penalty of any sort or nature. Priority Tax Claims are not classified and are treated as required by the Bankruptcy Code. The Holders of such Claims are not entitled to vote on the Plan. Estimated Percentage Recovery: 100%
Class 1 — Priority Claims	Class 1 consists of Priority Claims, which are Claims against the Debtor entitled to priority pursuant to section 507(a) of the Bankruptcy Code, other than Priority Tax Claims or Administrative Claims. Under the Plan, Class 1 Priority Claims are Unimpaired. Each Holder of an Allowed Class 1 Priority Claim shall receive, in full satisfaction, settlement, release, extinguishment and discharge of such Claim: (a) the amount of such unpaid Allowed Claim in Cash on or as soon as reasonably practicable after the later of (i) the Effective Date, (ii) the date on which such Class 1 Claim becomes Allowed, and (iii) a date agreed to by the Debtor and the Holder of

Type of Claim or Interest	Description and Treatment under Plan
	such Class 1 Priority Claim; or (b) such other treatment on such other terms and conditions as may be agreed upon in writing by the Holder of such Claim and the Debtor. Estimated Percentage Recovery: 100%
Class 2 — Member Claims	Class 2 Claims consist of Member Claims, which are defined as claims of Persons holding valid memberships to the Museum which (a) had been purchased prior to the Petition Date, and (b) had not expired by their terms as of the Effective Date. Under the Plan, Class 2 Member Claims are Unimpaired. Each Holder of an Allowed Class 2 Member Claim shall receive, in full satisfaction, settlement, release, extinguishment and discharge of such Claim, access and all rights at the Museum to which the Member's respective membership level entitles the Member for the duration of the valid membership, subject to all terms and conditions of such membership. Estimated Percentage Recovery: 0% cash recovery; recovery limited to the Museum honoring membership rights.
Classes 3A and 3B — Claim of the Bonds	Although the Indenture Trustee asserts that it holds the Claim of the Bonds, it is voted by the Bondholders, *i.e.*, beneficial holders of the Bonds as of the Voting Record Date. They have the right to vote, as Classes 3A and 3B, to accept or reject the Plan with respect to the Claim of the Bonds. Until payment in full of the amounts to be paid under the Plan to the Holders of the Class 3A and Class 3B Claims, the Holders of such claims will retain their liens on the Debtor's real property, personal property and other assets to the same extent and priority as exists on the Confirmation Date.

Type of Claim or Interest	Description and Treatment under Plan
	Class 3A The Class 3A Claim of the series 2015A Bonds is Impaired. It consists of the Claim held by the Indenture Trustee on account of the Series 2015A Bonds and under the Indenture, including the outstanding principal amount of the Series 2015A Bonds, plus accrued and unpaid interest as of the Petition Date, plus all other amounts due with regard to the Series 2015A Bonds or otherwise due under the Indenture and other documents related to the series 2015A Bonds, including without limitation the fees and expenses of the Indenture Trustee. Recovery on the Claim of the Bonds is set forth in the Plan, at Section 3.07, and below, at Section VI.C.2.c. The Holder of the Allowed Class 3A Claim shall receive, in full satisfaction, settlement, release, extinguishment and discharge of such Claim, (a) monthly payments over a term commencing on or as soon as reasonably practicable after the later of (i) the Effective Date, (ii) the date on which such Class 3A Claim becomes Allowed, and (iii) a date agreed to by the Debtor and the Holder of such Class 3A Claim, and ending on the ninth anniversary of the Effective Date. Such payments shall be in an amount determined as follows: (1) the Allowed secured amount of the claim shall equal Class 3A Claim's share of the value of the collateral securing the Class 3A and 3B Claims. The Debtor estimates that the value of all collateral alleged to secure the Class 3A and 3B claims, consisting of both real estate and certain accounts and/or other personal property, totals approximately $10,150,000, and that the share of the Class 3A Claim of such collateral is approximately 55% of the total value of collateral. The value of the collateral securing the Class 3 Claims shall be determined by the Bankruptcy Court by ruling on a motion filed by the Debtor to value the real estate, and by determining

Type of Claim or Interest	Description and Treatment under Plan
	the value of personal property in connection with the Confirmation hearing. (2) for the first twenty four (24) months following the Effective Date, monthly interest-only payments calculated at a fixed rate of interest of 3.25% on the Allowed secured amount of the Claim; and (3) thereafter, equal monthly payments of principal and interest, calculated with respect to the secured amount of the Allowed Class 3A Claim at a fixed rate of 3.25%, and amortized over a 20 year period from the commencement of such equal payments. A balloon payment in the amount of the entire balance of the unpaid principal and interest owed shall be made on the ninth anniversary of the Effective Date; or (b) notwithstanding the forgoing, in the event that the holder of the Allowed Class 3A Claim makes a timely written election which is filed on the docket in the bankruptcy case for the Class 3A Claim to be treated under 11 U.S.C. §1111(b)(2), then the payments to the holder of the Class 3A Claim shall be made over a term commencing on or as soon as reasonably practicable after the later of (i) the Effective Date, (ii) the date on which such Class 3A Claim becomes Allowed, and (iii) a date agreed to by the Debtor and the Holder of such Class 3A Claim, and ending on the 26th anniversary of the Effective Date, and such payments shall be in the amounts set forth in Schedule 3.07(A) to the Plan so that the total of all payments equals the Allowed amount of the Class 3A Claim. (c) such other treatment on such other less favorable terms and conditions as may be agreed upon in writing by the Holder of such Claim and the Debtor. The Class 3A Claim may be prepaid, in whole or in part, at any time without any prepayment penalty

Type of Claim or Interest	Description and Treatment under Plan
	or fee. Estimated Recovery Percentage: 33.8% <u>Class 3B</u> The Class 3B Claim of the series 2015B Bonds is Impaired. It consists of the Claim held by the Indenture Trustee on account of the Series 2015B Bonds and under the Indenture, including the outstanding principal amount of the Series 2015B Bonds, plus accrued and unpaid interest as of the Petition Date, plus all other amounts due with regard to the Series 2015B Bonds or otherwise due under the Indenture and other documents related to the series 2015B Bonds, including without limitation the fees and expenses of the Indenture Trustee. Recovery on the Claim of the Bonds is set forth in the Plan, at Section 3.07, and below, at Section VI.C.2.c. Holders of the Allowed Class 3B Claims shall receive, in full satisfaction, settlement, release, extinguishment and discharge of such Claims, a single payment in the amount of such Class 3B claimant's pro rata share of the Class 3B Payment Fund, calculated in proportion to the principal amount of such Class 3B Holder's claim, and payable without interest. Such payments shall be made on or as soon as reasonably practicable after the later of (i) the Effective Date, (ii) the date on which such Class 3B Claim becomes Allowed, and (iii) such later date as may be agreed upon by the Debtor and the Holder of such Class 3B Claim. Estimated Recovery Percentage: 0.7%

Type of Claim or Interest	Description and Treatment under Plan
Class 4 — Other Secured Claims	Class 4 consists of Other Secured Claims, which are defined as any Secured Claim arising before the Petition Date other than Classes 3A and 3B, the Claim of the Bonds, and excludes Artifact Lenders. Under the Plan, Class 4 Other Secured Claims are Unimpaired. Each Holder of an Allowed Class 4 Other Secured Claim shall receive, from the Debtor, in the sole discretion of the Debtor, in full satisfaction, settlement, release, extinguishment and discharge of such Claim: (a) the amount of such unpaid allowed claim in cash, on or as soon as practicable after the later of (i) the Effective Date, (ii) the date that such Secured Claim becomes Allowed, and (iii) a date agreed to by the Debtor and the Holder of such Class 4 Other Secured Claim; (b) reinstatement of such Allowed Secured Claim; (c) the return of the Property securing such Secured Claim; or (d) such other treatment on such other terms and conditions as may be agreed upon in writing by the Holder of such Claim and the Debtor. Estimated Percentage Recovery: 100%

Type of Claim or Interest	Description and Treatment under Plan
Class 5 — General Unsecured Claims	Class 5 consists of General Unsecured Claims which include all Claims, including Rejection Claims, that are not Administrative Claims; Priority Tax Claims; Priority Claims; Member Claims; the secured portion of the Claim of the Bonds; Other Secured Claims; or Interests. Class 5 includes the deficiency claim with respect to the Class 3A Claim but not any deficiency claim with respect to the Class 3B Claim. Under the Plan, Class 5 General Unsecured Claims are Impaired. Each Holder of a Class 5 Allowed General Unsecured Claim shall receive, in full satisfaction, settlement, release, extinguishment and discharge of such Claim, Cash in an amount equal to such Holder's pro rata share of the Class 5 Payment Fund, with such share to be calculated based on the Allowed amount of the Holder's Class 5 Claim relative to the total amount of Allowed Class 5 Claims. Such payment of Cash shall be made on or as soon as reasonably practicable after the later of (i) the Effective Date, (ii) the date such Class 5 Claim becomes Allowed, (iii) 10 business days after the date on which the amount of all Class 5 Claims have been determined by Final Order; and (iv) such later date as may be agreed upon by the Debtor and the Holder of such Class 5 Claim. Estimated Percentage Recovery: approx. 1%
Class 6 — Interests	Class 6 consists of interests in the Debtor. Under the Plan, Class 6 Interests are Unimpaired. Each Holder of Allowed Class 6 Interests shall retain its Interest and receive no Property or other value distribution on account of its Interest. Estimated Percentage Recovery: 0%

THE DEBTOR BELIEVES THAT THE PLAN PROVIDES THE BEST RECOVERIES POSSIBLE FOR HOLDERS OF CLAIMS AGAINST THE DEBTOR AND THUS STRONGLY RECOMMENDS THAT YOU VOTE TO ACCEPT THE PLAN.

III. PLAN VOTING INSTRUCTIONS AND PROCEDURES

A. Notice to Holders of Claims and Interests

Approval by the Bankruptcy Court of this Disclosure Statement means that the Bankruptcy Court has found that this Disclosure Statement contains information of a kind and in sufficient and adequate detail to enable Holders of Claims to make an informed judgment whether to accept or reject the Plan.

THE BANKRUPTCY COURT'S APPROVAL OF THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE EITHER A GUARANTY OF THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN OR THEREIN OR AN ENDORSEMENT OF THE PLAN BY THE BANKRUPTCY COURT.

IF THE PLAN IS APPROVED BY THE REQUISITE VOTE OF HOLDERS OF CLAIMS ENTITLED TO VOTE AND IS SUBSEQUENTLY CONFIRMED BY THE BANKRUPTCY COURT, THE PLAN WILL BIND ALL HOLDERS OF CLAIMS AGAINST, AND INTERESTS IN, THE DEBTOR, WHETHER OR NOT THEY WERE ENTITLED TO VOTE OR DID VOTE ON THE PLAN AND WHETHER OR NOT THEY RECEIVE OR RETAIN ANY DISTRIBUTIONS OR PROPERTY UNDER THE PLAN. THUS, ALL HOLDERS OF CLAIMS AGAINST THE DEBTOR ENTITLED TO VOTE ARE ENCOURAGED TO READ THIS DISCLOSURE STATEMENT AND ITS APPENDICES CAREFULLY AND IN ITS ENTIRETY BEFORE DECIDING TO VOTE EITHER TO ACCEPT OR REJECT THE PLAN.

No solicitation of votes may be made except after distribution of this Disclosure Statement and no person has been authorized by the Debtor or the Bankruptcy Court to distribute any information concerning the Debtor other than the information contained herein.

B. Voting Rights

Pursuant to the provisions of the Bankruptcy Code, only holders of claims in classes that are (a) treated as "impaired" by the plan and (b) entitled to receive a distribution under such plan are entitled to vote on the plan. In this Chapter 11 Case, under the Plan, only the Bondholders, who vote with respect to Classes 3A and 3B, the Claim of the Bonds, and the Holders of Class 5 General Unsecured Claims are entitled to vote on the Plan. Claims and Interests in other Classes which receive a distribution are Unimpaired and are deemed to have accepted the Plan.

Only Holders of Allowed Claims in the voting Classes are entitled to vote on the Plan. A Claim that is unliquidated, contingent or disputed is not an Allowed Claim, and is thus not entitled to vote, unless and until the amount is estimated or determined, or the dispute is determined, resolved or adjudicated in the Bankruptcy Court or another court of competent jurisdiction, or pursuant to agreement with the Debtor. However, the Bankruptcy Court may deem a contingent, unliquidated or disputed Claim to be Allowed on a provisional basis, for purposes only of voting on the Plan.

Holders of Allowed Claims in the voting Classes may vote on the Plan only if they are Holders as of the Voting Record Date, which Voting Record Date is September 2, 2020.

C. Solicitation Materials

In soliciting votes for the Plan pursuant to this Disclosure Statement, the Debtor, through its noticing agent, will send to Bondholders and to Holders of Claims in Class 5 copies of (a) the Disclosure Statement and Plan, (b) the Order Approving (I) Disclosure Statement; (II) Procedures for the Solicitation and Tabulation of Votes to Accept or Reject the Debtor's Chapter 11 Plan; and (III) Related Notice and Objection Procedures (the "Order Approving Disclosure Statement"), (c) the notice of, among other things, (i) the date, time and place of the hearing to consider confirmation of the Plan and related matters and (ii) the deadline for filing objections to confirmation of the Plan (the "Confirmation Hearing Notice"), (d) ballot (and return envelope) to be used in voting to accept or to reject the Plan and (e) other materials as authorized by the Bankruptcy Court.

If you are the Holder of a Claim that is entitled to vote, but you did not receive a ballot, or if your ballot is damaged or illegible, or if you have any questions concerning voting procedures, you may contact the following:

Dilworth Paxson LLP
1500 Market St., Suite 3500E
Philadelphia, PA 19102
Attn: Christine Chapman-Tomlin
(215) 575-7224

For Bondholders:

Bondholders may also wish to contact the Indenture Trustee.

D. Voting Procedures, Ballots and Voting Deadline

Class 3A and Class 3B Bondholders have the right to vote on the Plan in Classes 3A and 3B with regard to the Claim of the Bonds. Bondholders who are beneficial holders of the Bonds as of the Voting Record Date (September 2, 2020) are entitled to vote to accept or reject the Plan, and all such Bondholders should receive a set of Solicitation Materials that includes a Bondholder Ballot and a return envelope. Holders of Class 5 Claims have the right to vote on the Plan in Class 5.

All parties entitled to vote should read the Disclosure Statement, Plan, and their Exhibits in their entirety. After carefully reviewing such documents, each party should complete its Ballot, including its vote with respect to the Plan, and return it as described in, and by the deadline given in, the instructions contained in the Ballot.

If a Class 3A, Class 3B or Class 5 creditor does not receive all of the Solicitation Materials, they are encouraged to contact counsel to the Debtor at the address given in Section III(C) immediately above.

IN ORDER FOR A VOTE TO BE COUNTED, THE BALLOT MUST BE PROPERLY COMPLETED AS SET FORTH ABOVE AND IN ACCORDANCE WITH THE VOTING INSTRUCTIONS CONTAINED IN THE BALLOT AND RECEIVED NO LATER THAN NOVEMBER 6, 2020 AT 4:00 P.M. PREVAILING EASTERN TIME.

Ballots should be returned to:

Dilworth Paxson LLP
1500 Market St., Suite 3500E
Philadelphia, PA 19102
Attn: Christine Chapman-Tomlin
(215) 575-7224

UNLESS OTHERWISE PROVIDED IN THE INSTRUCTIONS ACCOMPANYING THE BALLOTS, FAXED BALLOTS WILL NOT BE ACCEPTED. BALLOTS THAT ARE RECEIVED BUT NOT SIGNED WILL NOT BE COUNTED. BALLOTS THAT ARE SIGNED BUT DO NOT SPECIFY WHETHER THE HOLDER ACCEPTS OR REJECTS THE PLAN WILL BE NULL AND VOID. DO NOT RETURN ANY DEBT INSTRUMENTS OR OTHER EVIDENCE OF YOUR CLAIM WITH YOUR BALLOT.

Copies of this Disclosure Statement, the Plan and any appendices and exhibits to such documents are available to be downloaded free of charge on the Debtor's case website maintained by Donlin Recano. If you have any questions about (a) the procedure for voting your Claim, (b) the packet of materials that you have received, or (c) the amount of your Claim, or if you wish to obtain, at your own expense, unless otherwise specifically required by Bankruptcy Rule 3017(d), an additional copy of the Plan, this Disclosure Statement or any appendices or exhibits to such documents, please contact:

Dilworth Paxson LLP
1500 Market St., Suite 3500E
Philadelphia, PA 19102
Attn: Christine Chapman-Tomlin
(215) 575-7224

For further information and general instruction on voting to accept or reject the Plan, see Article XI of this Disclosure Statement and the instructions accompanying your ballot.

THE DEBTOR URGES ALL HOLDERS OF CLAIMS ENTITLED TO VOTE TO EXERCISE THEIR RIGHT BY VOTING IN FAVOR OF THE PLAN AND OTHERWISE COMPLETING THEIR BALLOTS AND RETURNING THEM TO COUNSEL TO THE DEBTOR BY THE VOTING DEADLINE.

E. Confirmation Hearing and Deadline for Objections to Confirmation

Pursuant to section 1128 of the Bankruptcy Code and Bankruptcy Rule 3017(c), the Bankruptcy Court has scheduled a Confirmation Hearing for November 20, 2020 at 10:30 A.M., (prevailing Eastern time). The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for the announcement of the adjournment date made at the Confirmation Hearing or at any subsequent adjourned Confirmation Hearing. Objections to confirmation of the Plan or proposed modifications to the Plan, if any, must be filed and served on or before November 13, 2020.

IV. GENERAL INFORMATION CONCERNING THE DEBTOR

A. Overview

The Debtor is a Pennsylvania non-profit organization which operates the National Museum of American Jewish History, located at 101 S. Independence Mall E, Philadelphia PA 19106. The Debtor has no shareholders or partners.

B. Description of Debtor's Operations

The Museum presents educational programs and experiences that preserve, explore, and celebrate the history of Jews in America. Its purpose is to connect Jews more closely to their heritage and to inspire in people of all backgrounds a greater appreciation for the diversity of the American Jewish experience and the freedoms to which Americans aspire**.**

The Debtor generates its revenues through a combination of sales of memberships and tickets to the Museum, event revenue, endowment income, and charitable contributions. Operationally, the Debtor generates sufficient revenues from memberships, individual tickets, and other sales and services to cover only a small portion of its expenses.

Historically, the Museum has generated approximately 20% of its operating budget from earned revenue, and relies heavily on contributed revenue. While contributed revenues – particularly those from individual donors – vary from year to year, contributions to the Museum have declined recently. The Debtor believes that contributed revenues have been adversely affected as a result of the uncertainty regarding resolution of the Class 3A and Class 3B claims. The Debtor expects the resolution of such claims as of the Effective Date of the Plan to positively affect contributed revenues to the Museum.

C. Management and Employees

1. *Management*

Mikhail Galperin is the Interim Chief Executive Officer and has served in this capacity since July 1, 2019. Philip M. Darivoff serves as Chair of the Board of Trustees. Paul Waimberg serves as Chief Financial Officer of the Debtor.

2. *Employees*

As of the Petition Date, the Debtor employed approximately 35 employees, of whom approximately 25 were full-time, salaried, employees, and approximately 6 were full-time hourly employees. The Debtor's employees are all non-union employees.

Following the closing of the Museum as a result of Coronavirus/COVID-19 issues, the Debtor implemented cost-cutting measures to reduce its expenses, including reductions in wages and salaries starting March 31st, reductions in the level of services from various providers, and the furlough of approximately 19 employees effective May 15th.

D. Summary of Assets

The Debtor has filed Schedules with the Bankruptcy Court that detail the assets which are either owned by the Debtor or in which the Debtor has an interest.

The Debtor's principal assets are the real estate at 101 S. Independence Mall East, which houses the Museum, and the exhibits contained therein. Other assets include cash on hand, bank accounts and investments, deposits, insurance policies, accounts receivable, equipment, furnishings and supplies, fixtures, and other items of personal property.

The Schedules generally provide asset values on a net book basis, which is not reflective of actual values. The Schedules may be reviewed on the Bankruptcy Court electronic case filing system or during business hours in the offices of the Clerk of the Bankruptcy Court. Additionally, the Schedules may be reviewed on the website of the Debtor's claims agent, Donlin Recano. Information regarding the Debtor's assets is also available in the Liquidation Analysis attached hereto as Exhibit B.

E. Historical Financial Information

Attached as Exhibit C are the Debtor's audited financial statements for the fiscal year ended June 30, 2019 (which includes information for FYE 2019 and 2018) and the Fiscal year ended June 30, 2017(which includes information for FYE 2017 and 2016). The Debtor's largest liabilities relate to the Bonds.

F. The Debtor's Debt Structure

At the request of the Debtor, the Philadelphia Authority for Industrial Development issued $30,750,000 in aggregate principal amount of its Revenue Bonds, Series 2015A and Series 2015B (National Museum of American Jewish History Project) (the "Bonds") under that Trust Indenture dated as of June 30, 2015, with the Indenture Trustee; and loaned the proceeds of the sale of the Bonds to the Museum under a loan agreement of the same date; with such loan being evidenced by a promissory note relating to and securing the Bonds, by the Museum to the Authority. Both the loan agreement and note were assigned by the Authority to the Indenture Trustee. The Museum's obligations and liabilities with respect to the note, and otherwise under the loan agreement, Trust Indenture, and related documents, were secured by, among other things, a Loan and Security agreement, made as of June 30, 2015 by the Museum to the Trustee.

The bonds consist of Series 2015 A in the original principal amount of $17,000,000, and Series 2015 B, in the total original principal amount of $13,750,000. The Series 2015A Bond is held by BNB Bank, formerly known as Bridgehampton National Bank. The Series 2015B Bonds are held by approximately 12 individuals and/or trusts or foundations, many of whom are insiders of the Debtor.

On information and belief, the Indenture Trustee asserts that under the Loan Agreement, the Museum pledged among other things, certain personal and fixture property including accounts, chattel paper, letter of credit rights, and other property, with the exception of certain property intended for exhibition, education or research at the Museum.

As of the Petition Date, the principal amounts outstanding under the Bonds consisted of approximately $16.3 million to the Series 2015A Bond Holder and $13.75 million to the Series 2015B Bondholders.

As of October 18, 2019, T.D. Bank, N.A. resigned as Indenture Trustee for the Bonds and UMB Bank, N.A. was appointed as the Indenture Trustee.

The debt service requirements with respect to the Series 2015A Bonds were structured as (a) monthly interest only payments at 3.25% for the first 24 months after the June 30, 2015 original issue date; (b) monthly payments of principal and interest at a fixed rate of 3.25% interest and on a 30 year amortization schedule from August 5, 2017 to June 5, 2022; and (c) a balloon payment of the remaining principal ($15,229,293.64) and interest on July 5, 2022.

The debt service requirements with respect to the Series 2015B Bonds were structured as (a) semi-annual interest only payments (on January 5 and July 5 of each year) at 4.5% interest through July 5, 2047; and (b) a balloon payment of the remaining principal ($13,750,000) on July 5, 2047.

The Debtor had unsecured trade debt totaling approximately $475,000 as of the Petition Date.

As set forth more fully below, the Debtor borrowed $150,000 through the United States Small Business Administration Economic Injury Disaster Loan Program pursuant to a loan agreement dated as of June 13, 2020. Pursuant to the SBA Loan Documents, interest shall be payable on the balance due on the SBA Claim at the rate of 2.75% per annum, and the Debtor is obligated to make payments of $ 641.00 per month commencing June 13, 2021, until the maturity date under the SBA Loan Documents of June 13, 2050.

Events Leading to the Commencement of the Chapter 11 Case

The Museum was originally located at 44 North 4th Street in Philadelphia, and shared a building with Congregation Mikveh Israel. In 2005, the Museum announced that it would be moving to its current location on Independence Mall, and the project to build the Museum broke ground in September 2007. The project was funded through a combination of donations and $30,750,000 borrowed pursuant to the Bonds. The Museum ultimately opened to the public at the end of 2010. The Museum's current location is significantly larger than the Debtor's previous location.

Since opening in 2010, the Museum's revenues from gate receipts and events have not reached the levels expected. Accordingly, the Museum reduced its operating expenses by eliminating some paid positions and by making other expense reductions. However, following such reduction in operating expenses, the Museum's revenues have remained at a level which is insufficient to fully fund its expenses.

By early 2019, it became apparent to the Board that the Museum would be unable to remain current on its Series 2015A Bond obligations given a significant decline in revenue and the increasing debt service requirements under the terms of the Series 2015A Bond obligations. Accordingly, in May, 2019, the Board initiated discussions with representatives of BNB regarding a restructuring of the Series 2015A Bond obligations Bond debt. The Board has engaged in numerous discussions and negotiations with BNB since May, 2019 in an attempt to restructure the Series 2015A Bonds.

Unfortunately, the discussions did not yield the necessary restructuring of the Series 2015A Bonds, and the Museum remains in a situation where its revenues are insufficient to cover its expenses. Additionally, the burden of the Series 2015A Bond obligations has proven to be an impediment to the Debtor's ability to raise funds, as potential donors are reluctant to donate to an entity saddled with the Bond obligation.

The Debtor did not make the payment due to the Indenture Trustee in August 2019, nor did the Debtor make any subsequent payment due to the Indenture Trustee for payment of principal or interest due on account of the Bonds. By notice from the Indenture Trustee to the Debtor dated August 20, 2019, due to events of default, the principal of all the Bonds outstanding was declared to be due and payable immediately, together with interest accrued thereon. Demand was made for the immediate repayment of all sums due and owing with respect to the Bonds or under the Bond Documents.

The Debtor continues to suffer declining operating revenues (because of the inability to reinvest in exhibits, marketing, etc.), and declining donations (because of the inability to repay the Bond debt).

As a result of the Debtor's lower than expected operating revenues, declining donations and its inability to restructure the Bond debt outside of bankruptcy, the Debtor made the difficult decision to file this Chapter 11 bankruptcy case.

V. THE CHAPTER 11 CASE

A. Continuation of Operations; Stay of Litigation

On March 1, 2020, the Debtor filed its petition for relief under chapter 11 of the Bankruptcy Code.

Since the Petition Date, the Debtor has continued in possession of its assets as a Debtor in possession subject to the supervision of the Bankruptcy Court and in accordance with the Bankruptcy Code. The Debtor is authorized to operate its organization and manage its property in the ordinary course, with transactions outside of the ordinary course of business requiring Bankruptcy Court approval.

An immediate effect of the filing of the Debtor's bankruptcy petition was the imposition of the automatic stay under the Bankruptcy Code which, with limited exceptions, enjoins the commencement or continuation of all collection efforts by creditors, the enforcement of liens against property of the Debtor and the continuation of litigation against the Debtor. The relief provides the Debtor with the "breathing room" necessary to assess its operations and prevents creditors from obtaining an unfair recovery advantage while the Chapter 11 Case is pending.

B. First Day Motions

On the first day of the Chapter 11 Case the Debtor filed several applications and motions seeking certain relief by virtue of so-called "first day orders." First day motions and orders are intended to facilitate the transition between a debtor's prepetition and post-petition business operations by approving certain regular business practices that may not be specifically authorized under the Bankruptcy Code or as to which the Bankruptcy Code requires prior approval by the Bankruptcy Court. The first day motions filed in the Chapter 11 Case are typical of motions filed in large Chapter 11 case across the country. Such motions sought, among other things, the following relief:

- the maintenance of the Debtor's bank accounts and operation of its cash management system substantially as such systems existed prior to the Petition Date;
- payment of employees' prepetition compensation, benefits and expense reimbursement amounts;
- payment of prepetition taxes and fee amounts;
- authority to administer customer programs and honor certain prepetition obligations to customers;
- an extension of the statutory period during which utilities are prohibited from altering, refusing or discontinuing services and/or requiring adequate assurance of payment as a condition of receiving services.

The First Day Motions were approved by the Bankruptcy Court, with certain revisions to the relief sought by the Debtor.

C. Retention of Professionals

The Debtor is represented in the Chapter 11 Case by Dilworth Paxson LLP ("Dilworth") as its bankruptcy counsel. The Debtor has also retained Lukens & Wolf as appraisers. Donlin

Recano was authorized to provide claims, noticing and balloting services to the Debtor, and by a separate order was authorized to assist the Debtor with the preparation of its Schedules and Statements of Financial Affairs.

D. Appointment of Creditors' Committee

No official committee of unsecured creditors has been appointed in this case.

E. Significant Post-Petition and Restructuring Events

On the Petition Date, the Debtor filed the *Motion of Debtor Order Authorizing Use of Cash Collateral*. The Debtor has been authorized by the Bankruptcy Court to use cash collateral in accordance with a cash collateral budget, subject to the terms of such motion and order.

The Debtor continued its operations without interruption at the outset of the Bankruptcy Case.

As a result of the Coronavirus/COVID-19 crisis and the related order of the Governor of Pennsylvania, however, the Debtor closed the Museum to the public as of March 15th, 2020. As a result, the Debtor did not generate revenue from admissions to the Museum from March 15th, 2020 through the date of filing this Disclosure Statement.. The Debtor continued to receive revenue from donations, online Museum store sales, and income from its endowment.

In response to the Coronavirus/COVID-19 crisis, the Debtor implemented cost-cutting measures to reduce its expenses, including reductions in wages and salaries starting March 31st, reductions in the level of services from various providers, and the furlough of approximately 19 employees effective May 15th.

The Debtor therefore revised its operating budget to reflect the reduction in revenues and reduction in expenses. Further, the Debtor has revised the Projections attached hereto as Exhibit A since filing such Projections on the Petition Date.

As of the filing of this Amended Disclosure Statement, the Debtor has not re-opened the Museum to the public. The Debtor intends to reopen the Museum to the public, but not until it makes financial sense to do so given the low levels of attendance expected at museums generally upon the re-opening of the economy after COVID-19 restrictions. Although the Debtor does not generate a significant portion of its income from admission fees to the Museum, upon reopening the Museum will again derive revenue from admissions.

The Debtor filed a Motion to Establish a Bar Date on April 29, 2020. By order dated May 29, 2020, a General Bar Date has been established as August 3, 2020 at 4:00 p.m. prevailing Eastern time, and a Governmental Bar Date has been established as September 4, 2020 at 4:00 pm prevailing Eastern time. Any claims arising from the rejection of an executory contract or unexpired lease must be filed before the later of (a) the General Bar Date, or (b) 30 days after the effective date of such rejection.

With the approval of the Bankruptcy Court, the Debtor borrowed $150,000 through the United States Small Business Administration Economic Injury Disaster Loan Program pursuant to a loan agreement dated as of June 13, 2020. Pursuant to the SBA Loan Documents, interest shall be payable on the balance due on the SBA Claim at the rate of 2.75% per annum, and the Debtor is obligated to make payments of $ 641.00 per month commencing June 13, 2021, until the maturity date under the SBA Loan Documents of June 13, 2050.

On July 23, 2020, the Debtor filed a Motion seeking a determination of the value of the Debtor's real property. The Debtor expects that the Bankruptcy Court will rule on such motion prior to confirmation of the Plan. In the event the Bankruptcy Court concludes that the value of the collateral for the Class 3A and Class 3B Claims greatly exceeds $10,150,000, then the Debtor may consider alternatives to the Plan as currently drafted.

SUMMARY OF THE PLAN

THIS SECTION PROVIDES A SUMMARY OF THE STRUCTURE AND IMPLEMENTATION OF THE PLAN AND THE CLASSIFICATION AND TREATMENT OF CLAIMS UNDER THE PLAN AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE PLAN WHICH ACCOMPANIES THIS DISCLOSURE STATEMENT.

THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT INCLUDE SUMMARIES OF THE PROVISIONS CONTAINED IN THE PLAN AND IN DOCUMENTS REFERRED TO THEREIN. THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT DO NOT PURPORT TO BE PRECISE OR COMPLETE STATEMENTS OF ALL THE TERMS AND PROVISIONS OF THE PLAN OR DOCUMENTS REFERRED TO THEREIN, AND REFERENCE IS MADE TO THE PLAN AND TO SUCH DOCUMENTS FOR THE FULL AND COMPLETE STATEMENTS OF SUCH TERMS AND PROVISIONS.

THE PLAN ITSELF AND THE DOCUMENTS REFERRED TO THEREIN WILL CONTROL THE TREATMENT OF CLAIMS AGAINST, AND INTERESTS IN, THE DEBTOR UNDER THE PLAN AND WILL, UPON THE EFFECTIVE DATE, BE BINDING UPON HOLDERS OF CLAIMS AGAINST, OR INTERESTS IN, THE DEBTOR AND OTHER PARTIES IN INTEREST. IN THE EVENT OF ANY CONFLICT BETWEEN THIS DISCLOSURE STATEMENT AND THE PLAN OR ANY OTHER OPERATIVE DOCUMENT, THE TERMS OF THE PLAN AND/OR SUCH OTHER OPERATIVE DOCUMENT WILL CONTROL.

F. Overall Structure of the Plan

Under the Plan, Claims against and Interests in the Debtor are divided into Classes according to their relative seniority and other criteria, in accordance with the provisions of the Bankruptcy Code.

If the Plan is confirmed by the Bankruptcy Court and consummated: (a) the Claims in certain Classes will be reinstated or modified and receive distributions equal to the full amount of such Claims, (b) the Claims of certain other Classes will be modified and receive distributions constituting a partial recovery on such Claims, and (c) the Claims and Interests in certain other

Classes will receive no recovery on such Claims or Interests. On the Effective Date and at certain times thereafter, the Debtor will distribute Cash and other property in respect of certain Classes of Claims as provided in the Plan. The Classes of Claims against and Interests in the Debtor created under the Plan, the treatment of those Classes under the Plan and the securities and other property to be distributed under the Plan are described below.

G. Necessity of Funding For the Plan

The Debtor intends to fund the Plan through (1) Funds currently held by the Debtor; (2) Funds obtained from ongoing operations; (3) Funding raised from donors through seasonal campaigns conducted in the ordinary course; and (4) if necessary, borrowing from a financial institution.

To fund the Plan, the Debtor must raise sufficient funds to make all payments called for on the Effective Date of the Plan, including but not limited to (1) payment of the sum of $100,000 with respect to the Class 3B Claim of the Bonds; and (2) payment of the sum of $250,000 with respect to Class 5, and all administrative and priority claims except the SBA Claim. The actual amount to be paid with respect to claims other than the Class 3 Claim of the Bonds depends on the resolution of several claims.

Obtaining sufficient funding is a condition to the Effectiveness of the Plan. If the Plan is confirmed but the Debtor does not raise sufficient funds to fund the Plan, the Debtor may borrow funds from a financial institution or may withdraw the Plan.

H. Classification and Treatment of Claims and Interests

Section 1122 of the Bankruptcy Code provides that a plan must classify the claims and interests of a debtor's creditors and equity interest holders. In accordance with section 1122 of the Bankruptcy Code, the Plan divides Claims and Interests into Classes and sets forth the treatment for each Class (other than Administrative Claims and Priority Tax Claims which, pursuant to section 1123(a)(1), do not need to be classified). The Debtor is required, under section 1122 of the Bankruptcy Code, to classify Claims against and Interests in the Debtor into Classes that contain Claims and Interests that are substantially similar to the other Claims and Interests in such Class.

The Debtor believes that the Plan has classified all Claims and Interests in compliance with the provisions of section 1122 of the Bankruptcy Code and applicable case law, but it is possible that a Holder of a Claim or Interest may challenge the Debtor's classification of Claims and Interests and that the Bankruptcy Court may find that a different classification is required for the Plan to be confirmed. In that event, the Debtor intends, to the extent permitted by the Bankruptcy Code, the Plan and the Bankruptcy Court, to make such reasonable modifications of the classifications under the Plan to permit confirmation and to use the Plan acceptances received for purposes of obtaining the approval of the reconstituted Class or Classes of which each accepting Holder ultimately is deemed to be a member. Any such reclassification could adversely affect the Class in which such Holder initially was a member, or any other Class under the Plan, by changing the composition of such Class and the vote required of that Class for approval of the Plan.

Except as to Claims specifically Allowed in the Plan, the amount of any Impaired Claim that ultimately is Allowed by the Bankruptcy Court may vary from any estimated Allowed amount of such Claim and accordingly the total Claims ultimately Allowed by the Bankruptcy Court with respect to each Impaired Class of Claims may also vary from any estimates contained herein with respect to the aggregate Claims in any Impaired Class. Thus, the value of the property that ultimately will be received by a particular Holder of an Allowed Claim under the Plan may be adversely or favorably affected by the aggregate amount of Claims ultimately Allowed in the applicable Class.

The classification of Claims and Interests and the nature of distributions to members of each Class are summarized below. The Debtor believes that the consideration, if any, provided under the Plan to Holders of Claims and Interests reflects an appropriate resolution of its Claims and Interests, taking into account the differing nature and priority of such Claims and Interests and the fair value of the Debtor's assets.

The Indenture Trustee objects to the classification of claims set forth in the Plan. On August 21, 2020 the Indenture Trustee filed a Motion Pursuant to Section 1122 of the Bankruptcy Code and Bankruptcy Rule 3013 For Order Determining that the Classification Scheme Under the Debtor's Third Amended Plan is Improper (the "Classification Motion"). A hearing on the Classification Motion is scheduled for October 6, 2020. The Court's decision on the Classification Motion could affect the solicitation of ballots with respect to the Plan.

In the event any Class rejects the Plan, the Debtor will seek confirmation of the Plan pursuant to the "cramdown" provisions of the Bankruptcy Code as to any dissenting Class. Section 1129(b) of the Bankruptcy Code permits confirmation of a chapter 11 plan in certain circumstances even if the plan has not been accepted by all Impaired classes of Claims and Interests. Although the Debtor believes that the Plan can be confirmed under section 1129(b) of the Bankruptcy Code, there can be no assurance that the Bankruptcy Court will find that the requirements to do so have been satisfied.

1. *Treatment of Unclassified Claims under the Plan*

(a) Administrative Claims

An Administrative Claim is a Claim for: (a) any cost or expense of administration (including, without limitation, the fees and expenses of Professionals) of the Chapter 11 Case asserted or arising under sections 503, 507(a)(1), 507(b) or 1114(e)(2) of the Bankruptcy Code including, but not limited to (i) any actual and necessary post Petition Date cost or expense of preserving the Debtor's Estate or operating the organization of the Debtor, (ii) any post Petition Date cost, indebtedness or contractual obligation duly and validly incurred or assumed by the Debtor in the ordinary course of operations, (iii) compensation or reimbursement of expenses of Professionals to the extent Allowed by the Bankruptcy Court under sections 330(a) or 331 of the Bankruptcy Code, and (iv) all Allowed Claims that are entitled to be treated as Administrative Claims pursuant to a Final Order of the Bankruptcy Court under section 546 of the Bankruptcy Code; and (b) any fees or charges assessed against the Debtor's Estate under section 1930 of title 28 of the United States Code.

Under the Plan, Administrative Claims are Unimpaired. Unless otherwise provided for therein, each Holder of an Allowed Administrative Claim shall receive, from the Debtor against which such Claim is Allowed, in full satisfaction, settlement, release, extinguishment and discharge of such Claim: (a) the amount of such unpaid Allowed Claim in Cash on or as soon as reasonably practicable after the later of (i) the Effective Date, (ii) the date on which such Administrative Claim becomes Allowed, or (iii) a date agreed to in writing by the Debtor and the Holder of such Administrative Claim; or (b) such other treatment on such other terms and conditions as may be agreed upon in writing by the Holder of such Claim and the Debtor, or as the Bankruptcy Court may order.

Notwithstanding the foregoing, the holder of the SBA Claim, which is classified as an Administrative Claim, shall receive payments in accordance with the terms of the SBA Loan Documents. Interest shall be payable on the balance due on the SBA Claim at the rate of 2.75% per annum. The Debtor shall make payments of $641.00 per month commencing June 13, 2021, until the maturity date under the SBA Loan Documents of June 13, 2050.

All fees payable pursuant to section 1930 of title 28 of the United States Code, as determined by the Bankruptcy Court at the Confirmation Hearing, will be paid on or before the Effective Date by the Debtor.

Applications for compensation for services rendered and reimbursement of expenses incurred by Professionals from the Petition Date through the Effective Date shall be filed no later than forty-five (45) days after the Effective Date. Such applications shall be served on: (a) the Debtor at 101 South Independence Mall East, Philadelphia, PA 19106 (Attn: Paul Waimberg, Chief Financial Officer); (b) Lawrence G. McMichael, Dilworth Paxson LLP, 1500 Market Street, Suite 3500E, Philadelphia, PA 19102, counsel to the Debtor; and (c) the Office of the United States Trustee. Applications that are not timely filed will not be considered by the Court. The Debtor may pay any Professional fees and expenses incurred on or after the Effective Date without any application to the Bankruptcy Court.

(b) Priority Tax Claims

Priority Tax Claims are any and all Claims accorded priority in payment pursuant to section 507(a)(8) of the Bankruptcy Code. Such Priority Tax Claims include Claims of governmental units for taxes owed by the Debtor that are entitled to a certain priority in payment pursuant to section 507(a)(8) of the Bankruptcy Code. The taxes entitled to priority are (a) taxes on income or gross receipts that meet the requirements set forth in section 507(a)(8)(A) of the Bankruptcy Code, (b) property taxes meeting the requirements of section 507(a)(8)(B) of the Bankruptcy Code, (c) taxes that were required to be collected or withheld by the Debtor and for which the Debtor are liable in any capacity as described in section 507(a)(8)(C) of the Bankruptcy Code, (d) employment taxes on wages, salaries or commissions that are entitled to priority pursuant to section 507(a)(4) of the Bankruptcy Code, to the extent that such taxes also meet the requirements of section 507(a)(8)(D), (e) excise taxes of the kind specified in section 507(a)(8)(E) of the Bankruptcy Code, (f) customs duties arising out of the importation of merchandise that meet the requirements of section 507(a)(8)(F) of the Bankruptcy Code and (g) prepetition penalties relating to any of the foregoing taxes to the extent such penalties are in compensation for actual pecuniary loss as provided in section 507(a)(8)(G) of the Bankruptcy Code.

Priority Tax Claims are Unimpaired. Each Holder of an Allowed Priority Tax Claim shall receive, at the option of the Debtor in full satisfaction, settlement, release, extinguishment and discharge of such Priority Tax Claim: (a) the amount of such unpaid Allowed Priority Tax Claim in Cash on or as soon as reasonably practicable after the later of (i) the Effective Date, (ii) the date on which such Priority Tax Claim becomes Allowed, and (iii) a date agreed to by the Debtor and the Holder of such Priority Tax Claim; or (b) such other treatment on such other terms and conditions as may be agreed upon in writing by the Holder of such Priority Tax Claim and the Debtor or as the Bankruptcy Court may order. Prior to the Effective Date, the Debtor shall have the right to prepay at any time, in whole or in part, any Allowed Priority Tax Claim without premium or penalty of any sort or nature.

(c) Artifact Lenders

Artifact Lenders are defined in the Plan as parties who have lent an artifact to the Debtor. Artifact Lenders are not classified as Class 4 Other Secured Claims because no dollar amount was owed to such parties as of the Petition Date. The rights of Artifact Lenders are set forth in Section 10.08 of the Plan, which provides that all agreements with Artifact Lenders are assumed under Article VI of the Plan, so that the rights of Artifact Lenders under their agreements with the Debtor are preserved. Artifact Lenders are not required to file a proof of claim in order to preserve their rights regarding artifacts lent to the Debtor. The Debtor does not take the position that artifacts on loan are property of the Debtor's bankruptcy estate. Upon request for the return of an artifact, the Debtor shall comply with such request in accordance with the terms of the agreement with such Artifact Lender.

Treatment of Classified Claims and Interests under the Plan

(c) Class 1: Priority Claims

Class 1 Priority Claims are Unimpaired. Each Holder of an Allowed Class 1 Priority Claim shall receive, in the discretion of the Debtor, in full satisfaction, settlement, release, extinguishment and discharge of such Claim: (a) the amount of such unpaid Allowed Claim in Cash on or as soon as reasonably practicable after the later of (i) the Effective Date, (ii) the date on which such Class 1 Claim becomes Allowed, and (iii) a date agreed to by the Debtor and the Holder of such Class 1 Priority Claim; or (b) such other treatment on such other terms and conditions as may be agreed upon in writing by the Holder of such Claim and the Debtor.

(d) Class 2: Member Claims

Class 2 Member Claims are Unimpaired. Each Holder of an Allowed Class 2 Member Claim shall receive, in full satisfaction, settlement, release, extinguishment and discharge of such Claim, access and all rights at the Museum to which the Member's respective membership level entitles the Member for the duration of the valid membership, subject to all terms and conditions of such membership.

(e) Classes 3A and 3B: Claim of the Bonds

The Class 3A Claim of the series 2015A Bonds is Impaired. It consists of the Claim on account of the Series 2015A Bonds and under the Indenture, including the outstanding principal amount of the Series 2015A Bonds, plus accrued and unpaid interest as of the Petition Date, plus all other amounts due with regard to the Series 2015A Bonds or otherwise due under the Indenture and other documents related to the series 2015A Bonds, including without limitation the fees and expenses of the Indenture Trustee. Recovery on the Claim of the Bonds is set forth in the Plan, at Section 3.07, and described herein.

The Class 3A and 3B Claims are voted by the Bondholders, *i.e*., beneficial holders of the Bonds as of the Voting Record Date. They have the right to vote, as a Class, to accept or reject the Plan with respect to the Claim of the Bonds.

The Holder of the Allowed Class 3A Claim shall receive, in full satisfaction, settlement, release, extinguishment and discharge of such Claim,

(a) monthly payments over a term commencing on or as soon as reasonably practicable after the later of (i) the Effective Date, (ii) the date on which such Class 3A Claim becomes Allowed, and (iii) a date agreed to by the Debtor and the Holder of such Class 3A Claim, and ending on the ninth anniversary of the Effective Date.

Such payments shall be in an amount determined as follows:

(1) for the first twenty four (24) months following the Effective Date, monthly interest-only payments calculated at a fixed rate of interest of 3.25% on the Allowed secured amount of the Claim; and

(2) thereafter, equal monthly payments of principal and interest, calculated with respect to the secured amount of the Allowed Class 3A Claim at a fixed rate of 3.25%, and amortized over a 20 year period from the commencement of such equal payments. A balloon payment in the amount of the entire balance of the unpaid principal and interest owed shall be made on the ninth anniversary of the Effective Date. A schedule of such payments is attached hereto as Exhibit “E”; or

(b) notwithstanding the forgoing, in the event that the holder of the Allowed Class 3A Claim makes a timely written election which is filed on the docket in the bankruptcy case for the Class 3A Claim to be treated under 11 U.S.C. §1111(b)(2), then the payments to the holder of the Class 3A Claim shall be made over a term commencing on or as soon as reasonably practicable after the later of (i) the Effective Date, (ii) the date on which such Class 3A Claim becomes Allowed, and (iii) a date agreed to by the Debtor and the Holder of such Class 3A Claim, and ending on the 26^{th} anniversary of the Effective Date, and such payments shall be in the amounts set forth in schedule 3.07(A) to the Plan. The payments set forth in Schedule 3.07(A) include a balloon payment of $11,375,000 in year 26. In order to make such balloon payment, the Debtor will either refinance its debt or make accelerated payments over time prior to the due date of the balloon payment.

(c) such other treatment on such other less favorable terms and conditions as may be agreed upon in writing by the Holder of such Claim and the Debtor.

Until payment in full of the amounts to be paid under the Plan to the Holder of the Class 3A Claim, the Holder of the Allowed Class 3A Claim will retain its liens on the Debtor's real property, personal property and other assets to the same extent and priority as exists on the Confirmation Date. The Class 3A Claim may be prepaid, in whole or in part, at any time without any prepayment penalty or fee.

The Bonds were issued as tax-exempt. The Debtor anticipates that absent reissuance of the Bonds, the Bonds will lose their tax-exempt status. The Plan provides that in the event the Holder of the Class 3A Claim wishes to preserve or reinstate the tax-exempt status of the Bonds, upon written request the Debtor will provide reasonable cooperation with respect to reissuance of the Bonds (before or after the Effective Date), provided that all fees, expenses, or other costs associated with such reissuance are borne by the Holder of the Class 3A Claim.

The Class 3B Claim of the series 2015B Bonds is Impaired. It consists of the Claims on account of the Series 2015B Bonds and under the Indenture, including the outstanding principal amount of the Series 2015B Bonds, plus accrued and unpaid interest as of the Petition Date, plus all other amounts due with regard to the Series 2015B Bonds or otherwise due under the Indenture and other documents related to the series 2015B Bonds, including without limitation the fees and expenses of the Indenture Trustee. Recovery on the Claim of the Bonds is set forth in the Plan, at Section 3.07, and described herein. Holders of the Allowed Class 3B Claims shall receive, in full satisfaction, settlement, release, extinguishment and discharge of such Claims, a single payment in the amount of such Class 3B claimant's pro rata share of the Class 3B Payment Fund, calculated in proportion to the principal amount of such Class 3B Holder's claim, and payable without interest. Such payments shall be made on or as soon as reasonably practicable after the later of (i) the Effective Date, (ii) the date on which such Class 3B Claim becomes Allowed, and (iii) such later date as may be agreed upon by the Debtor and the Holder of such Class 3B Claim. Such payments shall be in lieu of the pari passu treatment provided for in the Indenture.

Attached hereto as Exhibit F is a list of the Class B Bondholders, the amount held by each, whether such bondholder is, in the view of the Debtor, an insider of the Debtor, and for each non-insider, whether such non-insider has ever contributed funds to the Museum. The Indenture Trustee and the holder of the Class 3A Claim dispute the Debtor's characterization of which of the Class B Bondholders are insiders and which are not insiders, and such issue shall ultimately be determined by the Bankruptcy Court.

Following the Effective Date of the Plan, all existing terms of the Indenture and the documents related thereto shall be deemed modified by the terms of the Plan; in the event of any conflict between the terms of the Indenture and related documents and the terms of the Plan, the terms of the Plan shall control. Further, section 2.8 of the Indenture (relating to Tender and Remarketing) shall be deemed deleted from the Indenture. The Debtor reserves the right to further modify the terms of the Indenture and documents related thereto which shall be in effect following the Effective Date by filing a description of such modifications on the docket in the bankruptcy case at least 10 calendar days prior to the Confirmation Date.

1111(b) Election. It is the Debtor's position that the Class 3A Bondholder, as the holder of a secured claim, has the right to make an 1111(b) election; and that although the Class 3B Bondholders also hold secured claims, they are effectively being asked through the Plan to consent to treatment which does not include the right to make an 1111(b) election. The Indenture Trustee disagrees with the Debtor's position regarding the 1111(b) election.

(f) Class 4: Other Secured Claims

Class 4 Other Secured Claims are Unimpaired. Each Holder of an Allowed Class 4 Other Secured Claim shall receive, in the discretion of the Debtor, in full satisfaction, settlement, release, extinguishment and discharge of such Claim: (a) Cash equal to the amount of such Allowed Secured Claim, plus any interest due through the date of payment, on or as soon as practicable after the later of (i) the Effective Date, (ii) the date that such Secured Claim becomes Allowed, and (iii) a date agreed to by the Debtor and the Holder of such Class 4 Other Secured Claim; (b) Reinstatement of such Allowed Secured Claim; (c) the Property securing such Secured Claim; or (d) such other treatment on such other terms and conditions as may be agreed upon in writing by the Holder of such Claim and the Debtor.

(g) Class 5: General Unsecured Claims

Class 5 General Unsecured Claims are Impaired. Class 5 General Unsecured Claims include all Claims, including Rejection Claims, that are not: Administrative Claims, Priority Tax Claims, Class 2 Member Claims, Class 3 Claim of the Bonds, Class 4 Other Secured Claims, Priority Claims, or Class 6 Interests. Each Holder of a Class 5 Allowed General Unsecured Claim shall receive, in full satisfaction, settlement, release, extinguishment and discharge of such Claim. Cash in an amount equal to such Holder's pro rata share of the Class 5 Payment Fund, with such share to be calculated based on the Allowed amount of the Holder's Class 5 Claim relative to the total amount of Allowed Class 5 Claims. Such payment of Cash shall be made on or as soon as reasonably practicable after the later of (i) the Effective Date, (ii) the date such Class 5 Claim becomes Allowed, (iii) 10 business days after the date on which the amount of all Class 5 Claims have been determined by Final Order; and (iv) such later date as may be agreed upon by the Debtor and the Holder of such Class 5 Claim.

(h) Class 6: Interests

Class 6 Interests are Unimpaired. This Class consists of the ownership interests in the Debtor. Allowed Class 6 Interests shall be retained and receive no Property or other distribution of value on account of the Class 6 Interest.

I. Reservation of Rights Regarding Claims

Except as otherwise explicitly provided in the Plan, nothing will affect the Debtor's rights and defenses, both legal and equitable, with respect to any Claims, including, but not limited to, all rights with respect to legal and equitable defenses to alleged rights of setoff or recoupment.

The Debtor specifically reserve all rights, remedies, claims, defenses and Causes of Action.

J. Allowed Claims, Distribution Rights and Objections to Claims

1. *Allowance Requirement*

Only Holders of Allowed Claims are entitled to receive distributions under the Plan. An Allowed Administrative Claim is a Claim or any portion thereof that has been Allowed, or adjudicated in favor of the Holder by estimation or liquidation, by a Final Order, that was incurred by the Debtor in the ordinary course of business during the Chapter 11 Case and as to which there is no dispute as to the Debtor's liability, or that has become Allowed by failure to object pursuant to Section 8.05 of the Plan. An Allowed Claim is such Claim or any portion thereof (other than an Administrative Claim) of (a) any Claim against the Debtor that has been listed by the Debtor in the Schedules, as such Schedules may have been amended by the Debtor from time to time in accordance with Bankruptcy Rule 1009, as liquidated in amount and not disputed or contingent, and with respect to which no contrary proof of claim has been filed, (b) any Claim specifically allowed under the Plan, (c) any Claim the amount or existence of which has been determined or allowed by a Final Order, or (d) any Claim as to which a proof of claim has been timely filed before the Bar Date, provided that at the time of the Effective Date the Debtor has not identified such Claim as being objectionable in part or in whole and no objection to the allowance thereof has been filed by the Claims Objection Deadline; provided, however, that the term Allowed, with reference to any Claim, shall not include (x) any unliquidated claim or (y) interest or attorneys' fees on or related to any Claim that accrues from and after the Petition Date unless otherwise expressly provided for in the Plan.

2. *Timing of Distributions*

Except as specifically set forth in the Plan, distributions of Property will be made to Holders of Allowed Claims in accordance with Article III of the Plan. If a Claim is not an Allowed Claim as of the applicable distribution date, distributions will be made only if and when the Claim is Allowed, and then in accordance with Article III of the Plan and, with respect to the cure of defaults for assumed executory contracts and unexpired leases, Section 6.02 of the Plan, and in each case, subject to Article VIII of the Plan. Distributions to be made as of the Effective Date on account of Claims that are Allowed as of the Effective Date and are entitled to receive distributions under the Plan shall be made on the Effective Date or as soon as reasonably practicable thereafter. Distributions to be made after the Effective Date shall be made on dates to be established by the Debtor pursuant to the terms of the Plan, taking into account the establishment of reserves for Disputed Claims and the Debtor's right to defer distributions if the amount of the Cash to be distributed on a particular date is insufficient to justify the costs of effectuating the distribution.

3. *Making of Distributions*

Distributions to Holders of Allowed Claims will be made in accordance with Article III of the Plan. On the Effective Date, the Debtor shall deposit cash into the Distribution Account. From the Distribution Account, the Debtor will make Cash distributions in accordance with the Plan. The Debtor shall be entitled to establish reserves for Disputed Claims to provide for payment of such Claims if and when Allowed. If any dispute arises as to the identity of a Holder of an Allowed Claim who is to receive any distribution, the Debtor shall, as appropriate and in lieu of making such distribution to such Holder, delay such distribution until the disposition thereof shall be determined by Final Order of the Bankruptcy Court or by written agreement among the interested parties to such dispute.

Distributions to Holders of Allowed Claims shall be made by the Debtor: (a) at the last known addresses of such Holders or (b) at the addresses set forth in any written notices of address change filed on the Docket in the Bankruptcy Case and delivered to the Debtor. If any Holder's distribution is returned as undeliverable, no further distributions to such Holder shall be made unless and until the Debtor is notified of such Holder's then current address, at which time all missed distributions shall be made to such Holder without interest.

Notwithstanding anything else herein, payment to the Indenture Trustee with respect to Classes 3A and 3B, the Claim of the Bonds, shall be made by wire transfer.

4. *Failure to Negotiate Checks/Unclaimed Distributions*

Checks issued in respect of distributions under the Plan shall be null and void if not negotiated within ninety (90) days after the date of issuance. Any amounts returned to the Debtor in respect of such non-negotiated checks shall be held by the Debtor. Requests for reissuance for any such check shall be made directly to the Debtor by the Holder of the Allowed Claim with respect to which such check originally was issued. All amounts represented by any voided check will be held until the earlier of: (a) one (1) month after date on which the check is voided, or (b) the date on which the Bankruptcy Court enters the Final Decree, and all requests for reissuance by the Holder of the Allowed Claim in respect of a voided check are required to be made prior to such date. Thereafter, all such amounts shall be deemed to be Unclaimed Property, in accordance with Section 5.07 of the Plan, and all Holders of Claims in respect of void checks shall be forever barred, estopped and enjoined from asserting a claim to such funds in any manner against the Debtor or its assets.

All Property distributed on account of Claims must be claimed prior to the date on which the Bankruptcy Court enters the Final Decree, or, in the case of a distribution made in the form of a check, must be negotiated and a request for reissuance be made as provided for in Section 5.07 of the Plan. All Unclaimed Property will be retained by and will revert to the Debtor. All full or partial payments made by the Debtor and received by the Holder of a Claim prior to the Effective Date will be deemed to be payments under the Plan for purposes of satisfying the obligations of the Debtor pursuant to the Plan. Nothing contained in the Plan shall require the Debtor to attempt to locate any Holder of an Allowed Claim other than by reviewing the records of the Debtor and any Claims filed in the Chapter 11 Case. Pursuant to section 1143 of the Bankruptcy Code, all Claims in respect of Unclaimed Property shall be deemed Disallowed and the Holder of any Claim Disallowed in accordance with Section 5.07 of the Plan will be forever barred, expunged, estopped and enjoined from asserting such Claim in any manner against the Debtor or its assets.

5. *Objection Procedures*

Unless otherwise ordered by the Court after notice and a hearing, under the Plan, the Debtor shall have the exclusive right, on and after the Effective Date, to file objections to Claims (other than Claims specifically Allowed in the Plan) and shall serve a copy of each such objection upon the Holder of the Claim to which the objection is made as soon as practicable, but in no event later than the Claims Objection Deadline. An objection to any Claim shall be deemed properly served on the Holder thereof if the Debtor effects service in any of the following manners: (i) in accordance with Rule 4 of the Federal Rules of Civil Procedure, as modified and made applicable by Federal Rule of Bankruptcy Procedure 7004, (ii) by first class mail, postage prepaid, on the signatory on the proof of claim or interest or other representative identified in the proof of claim or interest or any attachment thereto, or (iii) by first class mail, postage prepaid, on any counsel that has appeared on the Holder's behalf in the Chapter 11 Case.

K. Disposition of Executory Contracts and Unexpired Leases

Pursuant to sections 365 and 1123 of the Bankruptcy Code, except as otherwise set forth in Article VI of the Plan, each executory contract and unexpired lease to which the Debtor is a party shall be deemed automatically rejected by the Debtor effective as of the Confirmation Date, except for any executory contract or unexpired lease (i) that has been assumed or rejected pursuant to an order of the Bankruptcy Court entered prior to the Effective Date, (ii) that is the subject of a motion to assume or reject pending on the Effective Date, (iii) that is listed on Schedule 6.02 of the Plan and therefore is assumed pursuant to the Plan, or (iv) as to which a Treatment Objection has been filed and properly served by the Treatment Objection Deadline. If an executory contract or unexpired lease either (x) has been assumed or rejected pursuant to an order of the Bankruptcy Court entered prior to the Effective Date or (y) is the subject of a motion to assume or reject pending on the Confirmation Date, then the listing of any such executory contract or unexpired lease on Schedule 6.02 shall be of no effect.

1. *Schedule of Assumed Executory Contracts and Unexpired Leases.*

(a) Those executory contracts and unexpired leases listed on Schedule 6.02 of the Plan shall be assumed as of the Effective Date. Schedule 6.02 of the Plan represents the Debtor's good faith belief regarding the intended treatment of all executory contracts and unexpired leases to be assumed. The Debtor reserves the right, on or prior to 3:00 p.m. (prevailing Eastern time) on the third (3rd) Business Day immediately prior to the commencement of the Confirmation Hearing, (i) to amend Schedule 6.02 in order to add, delete or reclassify any executory contract or unexpired lease or amend a proposed assignment and (ii) to amend the Proposed Cure, in each case with respect to any executory contract or unexpired lease previously listed as to be assumed; provided, however, that if the Confirmation Hearing is adjourned for a period of more than two (2) consecutive calendar days, such amendment right shall be extended to 3:00 p.m. on the Business Day immediately prior to the rescheduled or continued Confirmation Hearing, and this proviso shall apply in the case of any and all subsequent adjournments of the Confirmation Hearing. Pursuant to sections 365 and 1123 of the Bankruptcy Code, and except with respect to executory contracts and unexpired leases as to which a Treatment Objection is properly filed and served by the Treatment Objection Deadline, each of the executory contracts and unexpired leases listed on Schedule 6.02 shall be deemed assumed (and, if applicable, assigned) effective as of the Assumption Effective Date specified thereon and the Proposed Cure specified in the notice mailed to each Assumption Party shall be the Cure and shall be deemed to satisfy fully any obligations the Debtor might have with respect to such executory contract or unexpired lease under section 365(b) of the Bankruptcy Code. The Debtor reserves the right to respond to any Treatment Objection.

(b) The Debtor shall file an initial version of Schedule 6.02 on or before the date of the hearing on the approval of the Disclosure Statement with the Bankruptcy Court and shall serve all notices thereof and any amendments thereto only on the relevant Assumption Parties. With respect to any executory contract or unexpired lease first listed on Schedule 6.02 later than the date that is ten (10) calendar days prior to the Voting Deadline, the Debtor shall use its best efforts to notify the applicable party promptly of such proposed treatment via facsimile, email or telephone at any notice address or number included in the relevant executory contract or unexpired lease or as otherwise timely provided in writing to the Debtor by any such counterparty or its counsel.

(c) With respect to any executory contracts or unexpired leases first listed on Schedule 6.02 later than the date that is ten (10) calendar days before the Voting Deadline, affected parties shall have five (5) calendar days from the date of such amendment to Schedule 6.02 to object to Confirmation of the Plan. With respect to any executory contracts or unexpired leases first listed on Schedule 6.02 later than the Voting Deadline, affected parties shall have until the Confirmation Hearing to object to Confirmation of the Plan or amend any vote on the Confirmation of the Plan.

(d) Notwithstanding anything contained in the Plan, the Debtor may in its sole discretion (but has no obligation to) honor any indemnification obligation to any current or former director, officer or employee, unless such obligation (i) shall have been previously rejected by the Debtor by Final Order of the Bankruptcy Court, or (ii) is the subject of a motion to reject pending on or before the Confirmation Date.

2. *Assumption Procedures and Resolution of Treatment Objections. Proposed Assumptions.*

(a) With respect to any executory contract or unexpired lease to be assumed pursuant to any provision of the Plan or any Notice of Intent to Assume or Reject, unless an Assumption Party files and properly serves a Treatment Objection by the Treatment Objection Deadline, such executory contract or unexpired lease shall be deemed assumed as of the Assumption Effective Date proposed by the Debtor, without any further notice to or action by the Bankruptcy Court, and any obligation the Debtor may have to such Assumption Party with respect to such executory contract or unexpired lease under section 365(b) of the Bankruptcy Code shall be deemed fully satisfied by the Proposed Cure, if any, which shall be the Cure.

(ii) Any objection to the assumption of an executory contract or unexpired lease that is not timely filed and properly served shall be denied automatically and with prejudice (without the need for any objection by the Debtor and without any further notice to or action, order or approval by the Bankruptcy Court), and any Claim relating to such assumption shall be forever barred from assertion and shall not be enforceable against any Debtor or its Estate or properties without the need for any objection by the Debtor and without any further notice to or action, order or approval by the Bankruptcy Court, and any obligation the Debtor may have under section 365(b) of the Bankruptcy Code (over and above any Proposed Cure) shall be deemed fully satisfied, released and discharged, notwithstanding any amount or information included in the Schedules or any Proof of Claim.

(b) Resolution of Treatment Objections.

i. On and after the Effective Date, the Debtor may, in its sole discretion, settle Treatment Objections without any further notice to or action by the Bankruptcy Court or any other party (including by paying any agreed Cure amounts).

ii. With respect to each executory contract or unexpired lease as to which a Treatment Objection is timely filed and properly served and that is not otherwise resolved by the parties after a reasonable period of time, the Debtor, in consultation with the Bankruptcy Court, shall schedule a hearing on such Treatment Objection and provide at least 14 calendar days' notice of such hearing to the relevant Assumption Party. Unless the Bankruptcy Court expressly orders or the parties agree otherwise, any assumption approved by the Bankruptcy Court notwithstanding a Treatment Objection shall be effective as of the Assumption Effective Date originally proposed by the Debtor or specified in the Plan.

iii. Any Cure shall be paid as soon as reasonably practicable following the entry of a Final Order resolving an assumption dispute and/or approving an assumption, unless the Debtor files a Notice of Intent to Assume or Reject under Section 6.05(d).

iv. No Cure shall be allowed for a penalty rate or default rate of interest, each to the extent not proper under the Bankruptcy Code or applicable law.

(c) Reservation of Rights. If a Treatment Objection is filed with respect to any executory contract or unexpired lease sought to be assumed by the

Debtor, the Debtor reserves the right (i) to respond to such Treatment Objection; (ii) to seek to assume or reject such agreement at any time before the assumption, rejection, assignment or Cure with respect to such agreement is determined by Final Order, and (iii) to the extent a Final Order is entered resolving a dispute as to Cure or the permissibility of assignment (but not approving the assumption of the executory contract or unexpired lease sought to be assumed), to seek to reject such agreement within fourteen (14) calendar days after the date of such Final Order, in each case by filing with the Bankruptcy Court and serving upon the applicable Assumption Party a Notice of Intent to Assume or Reject.

3. *Rejection Claims.*

With respect to any executory contract or unexpired lease that is rejected by the Debtor pursuant to the Plan or during the administration of this Chapter 11 Case, the Rejection Party shall file a Rejection Claim on or before the Rejection Bar Date. Any Rejection Claim for which a Rejection Claim is not properly filed and served by the Rejection Bar Date shall be forever barred and shall not be enforceable against the Debtor, or its Estate or properties. The Debtor reserves the right to contest any Rejection Claim, which dispute shall be resolved by the Bankruptcy Court prior to the allowance of the disputed Rejection Claim.

4. *Assignment.*

To the extent provided under the Bankruptcy Code or other applicable law, any executory contract or unexpired lease transferred and assigned pursuant to the Plan shall remain in full force and effect for the benefit of the transferee or assignee in accordance with its terms, notwithstanding any provision in such executory contract or unexpired lease (including those of the type described in section 365(b)(2) of the Bankruptcy Code) that prohibits, restricts or conditions such transfer or assignment. To the extent provided under the Bankruptcy Code or other applicable law, any provision that prohibits, restricts or conditions the assignment or transfer of any such executory contract or unexpired lease or that terminates or modifies such executory contract or unexpired lease or allows the counterparty to such executory contract or unexpired lease to terminate, modify, recapture, impose any penalty, condition renewal or extension, or modify any term or condition upon any such transfer and assignment constitutes an unenforceable anti-assignment provision and is void and of no force or effect.

5. *Approval of Assumption, Rejection, Retention or Assignment of Executory Contracts and Unexpired Leases.*

(a) Entry of the Confirmation Order by the Bankruptcy Court shall, subject to the occurrence of the Effective Date, constitute approval of the rejections, retentions, assumptions and/or assignments contemplated by the Plan pursuant to sections 365 and 1123 of the Bankruptcy Code. Each executory contract and unexpired lease that is assumed (and/or assigned) pursuant to the Plan shall vest in and be fully enforceable by the Debtor in accordance with its terms as of the applicable Assumption Effective Date, except as modified by the provisions of the Plan, any order of the Bankruptcy Court authorizing or providing for its assumption (and/or assignment), or applicable federal law.

(b) The provisions (if any) of each executory contract or unexpired lease assumed and/or assigned pursuant to the Plan that are or may be in default shall be deemed satisfied in full by the Cure, or by an agreed-upon waiver of the Cure. Upon payment in full of the Cure, any and all Proofs of Claim based upon an executory contract or unexpired lease that has been assumed in the Chapter 11 Case or under the terms of the Plan shall be deemed disallowed and expunged with no further action required of any party or order of the Bankruptcy Court.

6. *Modifications, Amendments, Supplements, Restatements or Other Agreements.*

Unless otherwise provided by the Plan or by separate order of the Bankruptcy Court, each executory contract and unexpired lease that is assumed, whether or not such executory contract or unexpired lease relates to the use, acquisition or occupancy of real property, shall include (i) all modifications, amendments, supplements, restatements or other agreements made directly or indirectly by any agreement, instrument or other document that in any manner affects such executory contract or unexpired lease and (ii) all executory contracts or unexpired leases appurtenant to the premises, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, powers, uses, reciprocal easement agreements and any other interests in real estate or rights in remedy related to such premises, unless any of the foregoing agreements has been or is rejected pursuant to an order of the Bankruptcy Court or is otherwise rejected as part of the Plan.

Modifications, amendments, supplements and restatements to pre-petition executory contracts and unexpired leases that have been executed by the Debtor during the Chapter 11 Case and actions taken in accordance therewith (i) do not alter in any way the pre-petition nature of the executory contracts and unexpired leases, or the validity, priority or amount of any Claims against the Debtor that may arise under the same, (ii) are not and do not create post-Petition contracts or leases, (iii) do not elevate to administrative expense priority any Claims of the counterparties to the executory contracts and unexpired leases against the Debtor and (iv) do not entitle any entity to a Claim under any section of the Bankruptcy Code on account of the difference between the terms of any pre-petition executory contracts or unexpired leases and subsequent modifications, amendments, supplements or restatements.

L. Means for Implementation of the Plan

1. *Continued Existence/Structure*

Except as otherwise provided in the Plan, on the Effective Date, the Debtor shall continue to exist as a non-profit corporate entity organized under the laws of the Commonwealth of Pennsylvania.

2. *Fundraising Requirements to Fund Plan*

The Plan will only go Effective if the Debtor raises sufficient funds to fund the Plan, or is able to borrow funds from a financial institution to fund the Plan.

If the Debtor is unable to raise or borrow sufficient funds to fund the Plan, the Debtor intends to withdraw the Plan in accordance with the procedure set forth in section 9.04 of the Plan.

The Debtor's efforts to improve financial performance since the Petition Date include the cost cutting measures described in section V (E) of the Disclosure Statement and the Debtor's decision not to immediately re-open once permitted to do so under state law. The Debtor obtained post-petition financing from the United States Small Business Administration Economic Injury Disaster Loan Program in the amount of $150,000 as more fully described in section V (E) of the Disclosure Statement.

The Debtor's projected fundraising revenues, as set forth in Exhibit A hereto, and the current level of donor pledge commitments received by the Debtor to date are as follows:

Current Pledge Commitments	Total Projected Fundraising
FY 2021 $1,275,000	$3,050,000
FY 2022 $465,000	$3,961,779
FY 2023 $167,000	$4,041,014
FY 2024 $47,000	$4,121,835
FY 2025 $0	$4,204,271

Of the current pledge commitments set forth above, the following amounts are subject to express restrictions by the terms of the pledges:

Commitments Restricted For Museum Functions		Commitments Restricted To Endowment
FY 2021	$35,000	$0
FY 2022	$10,000	$210,000
FY 2023	$10,000	$0
FY 2024	$0	$0
FY 2025	$0	$0

The commitments set forth above as expressly restricted for museum functions are restrictions relating to the use of the funds for educational and related purposes. Such purposes are an important part of the Museum's functions and a portion of its expenses are routinely spent on such functions. These funds will be used for such purposes. The commitments set forth above as restricted to endowment are required by their terms to be held as part of the Museum's endowment. If the Debtor determines in its discretion during FY 2022 that such funds are necessary to sustain operations, it may request that the donor release such restrictions.

The level of Current Pledge Commitments shown above is based on written agreements with various pledgors to pay the amounts stated in the respective years shown. For example the Current Pledge Commitments for FY 2021 includes those commitments to pay funds between July 1, 2020 and June 30, 2021.

It is typical that a non-profit entity such as the Museum does not have commitments in place at the beginning of a fiscal year for its forecasted level of donations.

3. *Restructuring Distributions*

On or as of the Effective Date, the distributions provided for under the Plan shall be made by the Debtor from funds on hand that were (a) solicited for the purpose of funding the Plan, or (b) derived from the Debtor's ongoing operations.

4. *Organization Action*

The entry of the Confirmation Order shall constitute authorization for the Debtor to take or cause to be taken all actions necessary or appropriate to consummate and implement the provisions of the Plan prior to, on and after the Effective Date, and all such actions taken or caused to be taken shall be deemed to have been authorized and approved by the Bankruptcy Court. On or, as applicable, before the Effective Date, the appropriate officers and directors of the Debtor are authorized and directed to execute and deliver the agreements, documents and instruments contemplated by the Plan in the name and on behalf of the Debtor.

M. Confirmation and/or Consummation

Described below are certain important considerations under the Bankruptcy Code in connection with confirmation of the Plan.

1. *Requirements for Confirmation of the Plan*

Before the Plan can be confirmed, the Bankruptcy Court must determine at the Confirmation Hearing that the following requirements for confirmation, set forth in section 1129 of the Bankruptcy Code, have been satisfied:

- The Plan complies with the applicable provisions of the Bankruptcy Code.
- The Debtor has complied with the applicable provisions of the Bankruptcy Code.
- The Plan has been proposed in good faith and not by any means forbidden by law.
- Any payment made or promised by the Debtor or by a Person acquiring property under the Plan for services or for costs and expenses in, or in connection with, the Chapter 11 Case, or in connection with the Plan and incident to the Chapter 11

Case, has been disclosed to the Bankruptcy Court, and any such payment made before confirmation of the Plan is reasonable, or if such payment is to be fixed after confirmation of the Plan, such payment is subject to the approval of the Bankruptcy Court as reasonable.

- The Debtor has disclosed (a) the identity and affiliations of (i) any individual proposed to serve, after confirmation of the Plan, as a director or officer of the Debtor under the Plan, and (ii) any affiliate of the Debtor participating in a joint plan with the Debtor, and (b) the identity of any Insider that will be employed or retained by the Debtor and the nature of any compensation for such Insider. See Exhibit D.

- With respect to each Class of Claims or Interests, each Impaired Claim and Impaired Interest Holder either has accepted the Plan or will receive or retain under the Plan, on account of the Claims or Interests held by such Holder, property of a value, as of the Effective Date, that is not less than the amount that such Holder would receive or retain if the Debtor were liquidated on such date. See Section IX. D.

- The Plan provides that Administrative Claims and Priority Claims other than Priority Tax Claims will be paid in full on the Effective Date and that Priority Tax Claims will receive on account of such Claims deferred cash payments, over a period not exceeding five years after the date of assessment of such Claims, of a value, as of the Effective Date, equal to the Allowed Amount of such Claims, except to the extent that the Holder of any such Claim has agreed to a different treatment.

- If a Class of Claims is Impaired under the Plan, at least one Class of Impaired Claims has accepted the Plan, determined without including any acceptance of the Plan by Insiders holding Claims in such Class.

- Confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtor. See Section IX. A.

The Debtor believes that, upon receipt of the votes required to confirm the Plan, the Plan will satisfy all the statutory requirements of chapter 11 of the Bankruptcy Code, that the Debtor have complied or will have complied with all of the requirements of chapter 11 and that the Plan has been proposed and submitted to the Bankruptcy Court in good faith.

Even if all of the foregoing are satisfied, if any Class of Claims is Impaired and votes to reject the Plan, the Debtor must satisfy the applicable “cramdown” standard with respect to that Class. Section 1129(b) of the Bankruptcy Code requires that the plan “not discriminate unfairly” and be “fair and equitable” with respect to such class. The Debtor does not anticipate that any Class of Claims will vote to reject the Plan. However, in the event any Class votes to reject the Plan, the Debtor believes it will satisfy the cramdown standards in section 1129(b) with respect to any such rejecting class.

2. *Conditions to Confirmation Date and Effective Date*

The Plan specifies conditions precedent to the Confirmation Date and the Effective Date. Each of the specified conditions must be satisfied or waived in whole or in part by the Debtor, without any notice to parties-in-interest or the Bankruptcy Court and without a hearing, except as otherwise set forth in the Plan.

The condition precedent to the occurrence of the Confirmation Date, which is the date of entry by the clerk of the Bankruptcy Court of the Confirmation Order, is that the form and substance of the Confirmation order shall be acceptable to the Debtor.

The conditions that must be satisfied on or prior to the Effective Date, which is the Business Day upon which all conditions to the consummation of the Plan have been satisfied or waived, and is the date on which the Plan becomes effective, are that: (a) the Confirmation Order, in form and substance acceptable to the Debtor, shall have been entered and become a Final Order; (b) all actions, documents and agreements required to be executed or delivered under the Plan on or prior to the Effective Date shall have been effected and executed as determined by the Debtor in its sole and absolute discretion; (c) the Debtor shall have received any authorizations, consents, regulatory approvals, rulings, letters, no-action letters, opinions or documents that are necessary to implement the Plan and that are required by law, regulation or order, in each case as determined by the Debtor in its sole and absolute discretion; and (d) the Debtor shall have raised or borrowed adequate funding to effectuate the Cash distributions required under the Plan.

In the event the Bankruptcy Court finds that the Debtor cannot reasonably satisfy the condition set forth in Section 9.02(d) of the Plan, then (a) the Plan shall be deemed withdrawn, (b) the Confirmation Order shall be vacated, and (c) the Plan and the Confirmation Order shall be null and void and of no effect, and nothing contained in the Plan Documents shall be deemed to constitute a waiver or release of any Claims by or against the Debtor or any other Person or to prejudice in any manner the rights of the Debtor or any Person in any further proceedings involving the Debtor.

N. Effects of Confirmation

1. *Vesting of Assets*

Upon the Effective Date, pursuant to sections 1141(b) and (c) of the Bankruptcy Code, all property of the Debtor shall vest in each of the Reorganized Debtor free and clear of all Claims, Liens, encumbrances, charges and other interests, except as otherwise specifically provided in the Plan. All Liens, Claims, encumbrances, charges and other interests shall be deemed fully released and discharged as of the Effective Date, except as otherwise provided in the Plan. Except as otherwise provided in the Plan or the Confirmation Order, all Transferred Avoidance Actions shall automatically revert to and become the property of the Reorganized Debtor. The Reorganized Debtor will waive the right to enforce and prosecute such Transferred Avoidance Actions against any Person or Entity, that arose before the Effective Date, other than those expressly preserved or retained as part of or pursuant to the Plan or Confirmation Order. Except as otherwise provided in the Plan or Confirmation Order, nothing herein shall constitute the

Debtor's waiver or release of claims, Causes of Action, or defenses not arising under chapter 5 of the Bankruptcy Code.

2. *Injunction*

(a) Claims and Interests

No Holder of a Claim against the Debtor may, on account of such Claim, seek or receive any payment or other distribution from, or seek recourse against, the Debtor, the Debtor's successors, if any, or its property, except as expressly provided in the Plan. Creditors' rights of setoff and recoupment are preserved, and the injunctions referenced in Article X of the Plan shall not enjoin the valid exercise of such rights of setoff and recoupment.

(b) Exculpation and Limitation of Liability

The Plan contains standard exculpation provisions applicable to certain of the key parties in interest with respect to conduct in the Chapter 11 Case. Specifically, the Plan provides that none of the Debtor or Exculpated Persons shall have or incur any liability to any Person, including, without limitation, any Holder of a Claim or Interest or any other party in interest, or any of their respective agents, employees, representatives, financial advisors, attorneys or affiliates or any of their successors or assigns, for any act taken or omission made in good faith in connection with, relating to, or arising out of, the Chapter 11 Case, filing, negotiating, prosecuting, administering, formulating, implementing, confirming or consummating the Plan, or the Property to be distributed under the Plan, including all post-petition activities leading to the promulgation and confirmation of the Plan, the Disclosure Statement (including any information provided or statement made in the Disclosure Statement or omitted therefrom), or any contract, instrument, release or other agreement or document created in connection with or related to the Plan or the administration of the Debtor or the Chapter 11 Case, provided, however, that the exculpation will not apply to any act of gross negligence or willful misconduct.

No Successor Liability

Except as otherwise expressly provided in the Plan, the Reorganized Debtor does not, pursuant to the Plan or otherwise, assume, agree to perform, pay, or indemnify or otherwise have any responsibilities for any liabilities or obligations of the Debtor or any other party relating to or arising out of the operations of or assets of the Debtor, whether arising prior to, on, or after the Effective Date.

O. Retention of Jurisdiction

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall retain after the Effective Date exclusive jurisdiction of all matters arising out of, arising in or related to, the Chapter 11 Case to the fullest extent permitted by applicable law, including, without limitation, jurisdiction to:

- classify, re-classify or establish the priority or secured or unsecured status of any Claim (whether filed before or after the Effective Date and whether or not contingent, Disputed or unliquidated) or resolve any dispute as to the treatment of any Claim or Interest pursuant to the Plan;

- grant or deny any applications for allowance of compensation or reimbursement of expenses pursuant to sections 330, 331 or 503(b) of the Bankruptcy Code or otherwise provided for in the Plan, for periods ending on or before the Effective Date;

- determine and resolve any matters related to the assumption, assumption and assignment or rejection of any executory contract or unexpired lease to which the Debtor is a party or with respect to which the Debtor may be liable, and to hear, determine and, if necessary, liquidate any Claims arising therefrom;

- ensure that all payments due under the Plan and performance of the provisions of the Plan are accomplished as provided herein and resolve any issues relating to distributions to Holders of Allowed Claims pursuant to the provisions of the Plan;

- construe, take any action and issue such orders, prior to and following the Confirmation Date and consistent with section 1142 of the Bankruptcy Code, as may be necessary for the enforcement, implementation, execution and consummation of the Plan and all contracts, instruments, releases, indentures and other agreements or documents created in connection with the Plan, including, without limitation, the Disclosure Statement and the Confirmation Order, for the maintenance of the integrity of the Plan and protection of the Debtor in accordance with sections 524 and 1141 of the Bankruptcy Code following consummation;

- determine and resolve any case, controversies, suits or disputes that may arise in connection with the consummation, interpretation, implementation or enforcement of the Plan (and all Exhibits to the Plan) or the Confirmation Order, including the indemnification and injunction provisions set forth in and contemplated by the Plan or the Confirmation Order, or any Entity's rights arising under or obligations incurred in connection therewith;

- hear any application of the Debtor to modify the Plan after the Effective Date pursuant to section 1127 of the Bankruptcy Code and the Plan or modify this Disclosure Statement, the Confirmation Order or any contract, instrument, release, indenture or other agreement or document created in connection with the Plan, the Disclosure Statement or the Confirmation Order, or remedy any defect or omission or reconcile any inconsistency in any Bankruptcy Court order, the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release, indenture or other agreement or document created in connection with the Plan, the Disclosure Statement or the Confirmation Order, in such manner as may be necessary or appropriate to consummate the Plan, to the extent authorized by the Bankruptcy Code and the Plan;

- issue injunctions, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Entity with consummation, implementation or enforcement of the Plan or the Confirmation Order;

- enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked or vacated;

- determine any other matters that may arise in connection with or relating to the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release, indenture or other agreement or document created in connection with the Plan, the Disclosure Statement or the Confirmation Order, except as otherwise provided in the Plan;

- determine such other matters and for such other purposes as may be provided in the Confirmation Order;

- hear and determine any other matters related hereto and not inconsistent with chapter 11 of the Bankruptcy Code;

- hear and determine disputes arising in connection with the interpretation, implementation or enforcement of the Plan;

- enter a final decree closing the Chapter 11 Case;

- determine and resolve any and all controversies relating to the rights and obligations of the Debtor in connection with the Chapter 11 Case;

- allow, disallow, determine, liquidate, reduce, re-classify or estimate any Claim, including the compromise, settlement and resolution of any request for payment of any Claim, the resolution of any Objections to the allowance of Claims and to hear and determine any other issue presented hereby or arising hereunder, including during the pendency of any appeal relating to any Objection to such Claim (to the extent permitted under applicable law);

- permit the Debtor, to the extent provided for in the Plan, to recover all assets of the Debtor and Property of its Estate, wherever located;

- hear and determine any motions or contested matters involving taxes, tax refunds, tax attributes and tax benefits and similar or related matters with respect to the Debtor or the Debtor's Estate arising prior to the Effective Date or relating to the period of administration of the Chapter 11 Case, including, without limitation, matters concerning federal, state and local taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code;

- hear and determine any motions, applications, adversary proceedings, contested matters and other litigated matters pending on, filed or commenced after the Effective Date that may be commenced by the Debtor thereafter, including Avoidance Actions, proceedings with respect to the rights of the Debtor to recover Property under sections 542, 543 or 553 of the Bankruptcy Code, or proceedings to otherwise collect to recover on account of any claim or Cause of Action that the Debtor may have; and

- hear any other matter not inconsistent with the Bankruptcy Code.

If the Bankruptcy Court abstains from exercising or declines to exercise jurisdiction over any matter arising under, arising in or related to the Debtor, including with respect to the matters set forth above, nothing in the Plan shall prohibit or limit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such subject matter.

P. Modification of Plan

The Debtor may modify the Plan at any time prior to the Confirmation Date, or after the Confirmation Date and before substantial consummation of the Plan, provided that the Debtor complies with Section 1127 of the Bankruptcy Code. Further, the Debtor may, so long as the treatment of Holders of Claims or Interests under the Plan is not adversely affected, institute proceedings in the Bankruptcy Court to remedy any defect or omission or to reconcile any inconsistencies in the Plan, the Disclosure Statement or the Confirmation Order and any other matters as may be necessary to carry out the purposes and effects of the Plan; provided, however, prior notice of such proceedings shall be served in accordance with Bankruptcy Rules 2002 and 9014.

VI. CERTAIN RISK FACTORS TO BE CONSIDERED

The Holders of Claims in Classes 3A and 3B (Bondholders) and Class 5 should read and carefully consider the following factors, as well as the other information set forth in this Disclosure Statement (and the documents delivered together herewith and/or incorporated by reference herein), before deciding whether to vote to accept or reject the Plan. These risk factors should not, however, be regarded as constituting the only risks associated with the Plan and its implementation.

A. General Considerations

The Plan sets forth the means for satisfying the Claims against the Debtor. See Section VI.C. of this Disclosure Statement entitled “Classification and Treatment of Claims and Interests” for a description of the treatments of each class of Claims and Interests. Certain Claims and Interests receive no distributions pursuant to the Plan.

B. Certain Bankruptcy Considerations

Even if all voting Impaired Classes vote in favor of the Plan, and if with respect to any Impaired Class deemed to have rejected the Plan the requirements for “cramdown” are met, the

Bankruptcy Court may choose not to confirm the Plan. Section 1129 of the Bankruptcy Code requires, among other things, a showing that confirmation of the Plan will not be followed by liquidation or the need for further financial reorganization of the Debtor, (see Section IX.A.), and that the value of distributions to dissenting Holders of Claims and Interests will not be less than the value such Holders would receive if the Debtor liquidated. See Section IX.D. Although the Debtor believe that the Plan will meet such tests, there can be no assurance that the Bankruptcy Court will reach the same conclusion. See Exhibit B for a liquidation analysis of the Debtor.

On July 23, 2020, the Debtor filed a Motion seeking a determination of the value of the Debtor's real property. The Debtor expects that the Bankruptcy Court will rule on such motion prior to confirmation of the Plan. In the event the Bankruptcy Court concludes that the value of the collateral for the Class 3A and Class 3B Claims greatly exceeds $10,150,000, then the Debtor may consider alternatives to the Plan as currently drafted.

C. Claims Estimations

There can be no assurance that any estimated Claim amounts set forth in this Disclosure Statement are correct. The actual Allowed amount of Claims likely will differ in some respect from the estimates. The estimated amounts are subject to certain risks, uncertainties, and assumptions. Should one or more of these risks or uncertainties materialize, or should any underlying assumptions prove incorrect, the actual Allowed amount of Claims may vary from those estimated herein.

D. Conditions Precedent to Consummation

The Plan provides for certain conditions that must be satisfied (or waived) prior to confirmation of the Plan and for certain other conditions that must be satisfied (or waived) prior to the Effective Date. As of the date of this Disclosure Statement, there can be no assurance that any or all of the conditions in the Plan will be satisfied (or waived). Accordingly, even if the Plan is confirmed by the Bankruptcy Court, there can be no assurance that the Plan will be consummated and the restructuring completed.

E. Inherent Uncertainty of Financial Projections

The Projections set forth in Exhibit A hereto have been prepared by management of the Debtor and cover the projected operations of the Debtor through fiscal year ending June 2025. These Projections are based on numerous assumptions that are an integral part of the Projections, including confirmation and consummation of the Plan in accordance with its terms, resumption of operations following resolution of Coronavirus/COVID-19 concerns, realization of the operating strategy of the Debtor, success in soliciting donations from major benefactors, ticket sale revenues, general business and economic conditions, the effect of Coronavirus/COVID-19 concerns on revenues including museum attendance and donations, competition, attraction and retention of key employees, and other matters. Certain additional material assumptions are disclosed on Exhibit A, and the Projections should be read in conjunction with these assumptions.

Although the Projections are presented with numerical specificity and are based on assumptions considered reasonable by the Debtor, the assumptions and estimates underlying the Projections are subject to business, economic and competitive uncertainties and contingencies. Accordingly, the Projections are only the Debtor's educated, good faith estimates and are necessarily contingent in nature. It can be expected that some or all of the assumptions in the Projections will not be realized and that actual results will vary from the Projections, which variations may be material and may increase over time. The projected financial information contained herein should not be regarded as a guaranty by the Debtor, the Debtor's advisors or any other Person that the Projections can or will be achieved. However, the Debtor believes that the Projections are credible and that there is a reasonable likelihood that the results set forth in the Projections can be achieved.

F. Certain Tax Considerations

There are a number of income tax considerations, risks and uncertainties associated with consummation of the Plan. Interested parties should read carefully the discussions set forth in Article VII regarding certain U.S. federal income tax consequences of the transactions proposed by the Plan to the Debtor and to Holders of Claims who are entitled to vote to accept or reject the Plan.

VII. CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

THE FOLLOWING DISCUSSION SUMMARIZES CERTAIN ANTICIPATED U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE TRANSACTIONS PROPOSED BY THE PLAN TO THE DEBTOR AND HOLDERS OF CLAIMS THAT ARE ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN. THIS SUMMARY IS PROVIDED FOR INFORMATION PURPOSES ONLY AND IS BASED ON THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), TREASURY REGULATIONS PROMULGATED THEREUNDER, JUDICIAL AUTHORITIES, AND CURRENT ADMINISTRATIVE RULINGS AND PRACTICE, ALL AS IN EFFECT AS OF THE DATE HEREOF AND ALL OF WHICH ARE SUBJECT TO CHANGE OR DIFFERING INTERPRETATION, POSSIBLY WITH RETROACTIVE EFFECTS THAT COULD ADVERSELY AFFECT THE U.S. FEDERAL INCOME TAX CONSEQUENCES DESCRIBED BELOW.

THIS SUMMARY DOES NOT ADDRESS ALL ASPECTS OF U.S. FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO A PARTICULAR HOLDER OF A CLAIM IN LIGHT OF ITS PARTICULAR FACTS AND CIRCUMSTANCES OR TO CERTAIN TYPES OF HOLDERS OF CLAIMS SUBJECT TO SPECIAL TREATMENT UNDER THE CODE (FOR EXAMPLE, NON-U.S. TAXPAYERS, FINANCIAL INSTITUTIONS, BROKER-DEALERS, INSURANCE COMPANIES, TAX-EXEMPT ORGANIZATIONS, AND THOSE HOLDING CLAIMS THROUGH A PARTNERSHIP OR OTHER PASS-THROUGH ENTITY). IN ADDITION, THIS SUMMARY DOES NOT DISCUSS ANY ASPECTS OF STATE, LOCAL, OR NON-U.S. TAXATION AND DOES NOT ADDRESS THE U.S. FEDERAL INCOME TAX CONSEQUENCES TO HOLDERS OF

CLAIMS THAT ARE UNIMPAIRED UNDER THE PLAN, HOLDERS OF CLAIMS THAT ARE NOT ENTITLED TO VOTE UNDER THE PLAN, AND HOLDERS OF CLAIMS THAT ARE NOT ENTITLED TO RECEIVE OR RETAIN ANY PROPERTY UNDER THE PLAN.

THE TAX RULES DESCRIBED HEREIN ARE COMPLEX AND ITS APPLICATION IS UNCERTAIN IN CERTAIN RESPECTS. EACH HOLDER OF A CLAIM IS STRONGLY URGED TO CONSULT WITH ITS OWN TAX ADVISOR REGARDING THE TAX CONSEQUENCES (INCLUDING STATE, LOCAL AND NON-U.S.) OF THE PLAN TO SUCH HOLDER.

A SUBSTANTIAL AMOUNT OF TIME MAY ELAPSE BETWEEN THE DATE OF THIS DISCLOSURE STATEMENT AND THE RECEIPT OF A FINAL DISTRIBUTION UNDER THE PLAN. EVENTS SUBSEQUENT TO THE DATE OF THIS DISCLOSURE STATEMENT, SUCH AS ADDITIONAL TAX LEGISLATION, COURT DECISIONS, OR ADMINISTRATIVE CHANGES, COULD AFFECT THE U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN AND THE TRANSACTIONS CONTEMPLATED THEREUNDER. NO RULING HAS BEEN OR IS EXPECTED TO BE SOUGHT FROM THE INTERNAL REVENUE SERVICE (THE "IRS") WITH RESPECT TO ANY OF THE TAX ASPECTS OF THE PLAN AND NO OPINION OF COUNSEL HAS BEEN OR IS EXPECTED TO BE OBTAINED BY THE DEBTOR WITH RESPECT THERETO.

To ensure compliance with United States Internal Revenue Service Circular 230, (a) any discussion of U.S. federal tax issues in this Disclosure Statement is not intended or written to be relied upon, and cannot be relied upon by Holders, for purposes of avoiding penalties that may be imposed on such Holders under the Code; (b) such discussion is written to support the promotion of the Plan; and (c) each Holder of a claim should seek advice based on such Holder's particular circumstances from an independent tax advisor.

A. Federal Income Tax Consequences to the Debtor

As a non-profit organization, the Debtor shall incur no U.S. federal income tax obligations as a result of the confirmation and consummation of the Plan and distributions made thereunder. The Debtor's tax-exempt status as an organization under section 501(c)(3) of the Internal Revenue Code shall remain unaffected by the Plan.

B. Federal Income Tax Consequences to Claim Holders

The U.S. federal income tax consequences to a Holder receiving, or entitled to receive, a payment in partial or total satisfaction of a Claim may depend on a number of factors, including the nature of the Claim, the Holder's method of accounting, and its own particular tax situation. Because the amounts due to the Class 3A and Class 3B Bondholders are modified or reduced under the Plan, the holders of the Class 3A and Class 3B Claims may be able to record a loss for federal income tax purposes arising from such modification or reduction. Because the Holders' Claims and tax situations differ, however, Holders should consult their own tax advisors to determine how the Plan affects them for federal, state and local tax purposes, based on their particular tax situations.

C. Other Tax Matters

1. *Information Reporting and Backup Withholding*

Certain payments or distributions pursuant to the Plan may be subject to information reporting to the IRS. Moreover, such reportable payments may be subject to backup withholding (at the then applicable rate) unless the taxpayer: (i) comes within certain exempt categories (which generally include corporations) and, when required, demonstrates this fact or (ii) provides a correct taxpayer identification number and certifies under penalty of perjury that the taxpayer identification number is correct and that the taxpayer is not subject to backup withholding because of a failure to report all dividend and interest income.

Backup withholding is not an additional tax but merely an advance payment, which may be refunded to the extent it results in an overpayment of tax and the appropriate information is supplied to the IRS.

In addition, from an information reporting perspective, Treasury Regulations generally require disclosure by a taxpayer on its federal income tax return of certain types of transactions in which the taxpayer participated, including, among other types of transactions, certain transactions that result in the taxpayer's claiming a loss in excess of specified thresholds.

2. *Importance of Obtaining Professional Tax Assistance*

THE FOREGOING DISCUSSION IS INTENDED ONLY AS A SUMMARY OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING WITH A TAX PROFESSIONAL. THE ABOVE DISCUSSION IS FOR INFORMATION PURPOSES ONLY AND IS NOT TAX ADVICE. THE TAX CONSEQUENCES ARE IN MANY CASE UNCERTAIN AND MAY VARY DEPENDING ON A HOLDER'S INDIVIDUAL CIRCUMSTANCES. ACCORDINGLY, HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS ABOUT THE U.S. FEDERAL, STATE, LOCAL AND NON-U.S. INCOME AND OTHER TAX CONSEQUENCES OF THE PLAN.

VIII. FEASIBILITY OF THE PLAN AND BEST INTERESTS OF CREDITORS

A. Feasibility of the Plan

In connection with confirmation of the Plan, the Bankruptcy Court will be required to determine that the Plan is feasible pursuant to section 1129(a)(11) of the Bankruptcy Code, which means that the confirmation of the Plan is not likely to be followed by the liquidation or the need for further financial reorganization of the Debtor.

To support its belief in the feasibility of the Plan, the Debtor has prepared and relied upon the Projections with respect to the Debtor's operations and fundraising capabilities post-confirmation, which are annexed to this Disclosure Statement as Exhibit A.

The Plan contemplates that the Debtor will raise certain revenues, gifts and other donations as of the Effective Date. These amounts will ensure that the Debtor has sufficient Cash to satisfy all Allowed Claims as and to the extent provided in the Plan, and that no further financial restructuring will be necessary in the foreseeable future. Because the Debtor, like most museums, relies on donor contributions, the feasibility of the Plan depends upon continued contributions to the Museum by donors. The Debtor believes that the Plan complies with the financial feasibility standard of section 1129(a)(11) of the Bankruptcy Code.

The Projections were developed by the Debtor's management. The Projections are based upon numerous assumptions that are an integral part of the Projections, including, without limitation, confirmation and consummation of the Plan in accordance with its terms, resumption of operations following resolution of Coronavirus/COVID-19 concerns, realization of the Debtor's fundraising strategies, ticket and membership sales, no material adverse changes in applicable legislation or regulations, or the administration thereof, exchange rates or generally accepted accounting principles, general business and economic conditions, the effect of Coronavirus/COVID-19 concerns on revenues including museum attendance and donations, ,competition, absence of material contingent or unliquidated litigation, indemnity or other claims, and other matters. To the extent that the assumptions inherent in the Projections are based upon future operational decisions and objectives, they are subject to change. In addition, although they are presented with numerical specificity and the assumptions on which they are based are considered reasonable by the Debtor, the assumptions and estimates underlying the Projections are subject to organizational, economic and competitive uncertainties and contingencies. Accordingly, the Projections are only an educated, good faith estimate and are necessarily contingent in nature. It can be expected that some or all of the assumptions in the Projections will not be realized and that actual results will vary from the Projections, which variations may be material and may be adverse. The Projections should therefore not be regarded as a guaranty by the Debtor or any other Person that the results set forth in the Projections will be achieved. The Projections were prepared by the Debtor, and not by any of its creditors, and the Debtor's creditors make no representations concerning the reasonableness of the Projections. In light of the foregoing, readers are cautioned not to place undue reliance on the Projections. The projected financial information contained herein and in the Projections should not be regarded as a representation or warranty by the Debtor, the Debtor's advisors or any other Person that the Projections can or will be achieved. The Projections should be read together with the assumptions set forth in the Projections and information in Article VII of this Disclosure Statement entitled "Certain Risk Factors to be Considered," which sets forth important factors that could cause actual results to differ from those in the Projections. The Debtor, however, believe that the Projections are credible and that there is a reasonable likelihood that the results set forth in the Projections can be achieved.

The projections for the fiscal year ending June 30, 2021 reflect the Museum's budget for the current year under the existing circumstances, which include that the Museum is currently in Chapter 11 and is affected by Covid-19. Accordingly, the levels of revenue and expenses are well below the actual figures for previous years. Starting in FY 2022, the forecast incorporates the exit from Chapter 11 and a renewed level of philanthropy and earned revenue, which is expected to cause results to be consistent with the Museum's prior results. Various donors and foundations have indicated that the Museum's debt situation prior to the filing, and the subsequent Chapter 11 filing, have impacted their willingness to donate to the Museum. The Debtor expects that upon its emergence from Chapter 11, donations will increase based on renewed confidence in the future of the Museum.

Even so, the attached projections are conservative in their forecast results. The forecasted revenue (both fundraising revenue and total revenue) for FY 2022 is below the Museum's 5 year average prior to the filing:

	FY 2022	5 Year Avg. (2015-2019)
Fundraising Revenue Plus Fees for Galas And Special Events	$5,362,000	$6,455,000
Total Revenue	$7,851,000	$8,087,000

Subsequent to FY 2022, revenue and expenses are forecasted with a conservative growth rate of 2-3%.

The Debtor does not intend to update or otherwise revise the Projections, including any revisions to reflect events or circumstances existing or arising after the date of the Projections or to reflect the occurrence of unanticipated events, even if any or all of the underlying assumptions do not come to fruition. Furthermore, the Debtor does not intend to update or revise the Projections to reflect changes in general economic or industry conditions.

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995: This Disclosure Statement and the financial projections contained herein and in the Projections include "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. All statements other than statements of historical fact included in this Disclosure Statement are forward-looking statements, including, without limitation, financial projections, the statements, and the underlying assumptions, regarding the timing of, completion of and scope of the current restructuring, the Plan, debt and equity market conditions, current and future economic conditions, the potential effects of such matters on the Debtor's operating strategy, results of operations or financial position, and the adequacy of the Debtor's liquidity. The forward-looking statements are based upon current information and expectations. Estimates, forecasts and other statements contained in or implied by the forward-looking statements speak only as of the date on which they are made, are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to evaluate and predict. Although the Debtor believes that the expectations reflected in the forward-looking statements are reasonable, parties are cautioned that any such forward-looking statements are not guarantees of future performance, and involve risks and uncertainties, and that actual results may differ materially from those contemplated by such forward-looking statements. Certain important factors that could cause actual results to differ materially from the Debtor's expectations or what is expressed, implied or forecasted by or in the forward-looking statements include developments in the Chapter 11 Case, adverse developments in the timing or results of the Debtor's business plan (including the time line to emerge from chapter 11), the timing and extent of changes in economic conditions, the demand for attendance at a museum, motions filed or actions taken in connection with the bankruptcy proceedings, the availability of and the Debtor's ability to attract or retain high-quality personnel. Additional factors that could cause actual results to differ materially from the Projections or what is expressed, implied or forecasted by or in the forward-looking statements are stated herein in cautionary statements made in conjunction with the forward-looking statements or are included elsewhere in this Disclosure Statement.

B. Acceptance of the Plan

As a condition to Confirmation, the Bankruptcy Code requires that each Class of Impaired Claims vote to accept the Plan, except under certain circumstances.

Section 1126(c) of the Bankruptcy Code defines acceptance of a plan by a class of impaired claims as acceptance by holders of at least two-thirds (⅔) in dollar amount and more than one-half (½) in number of claims in that class, but for that purpose counts only those who actually vote to accept or to reject the Plan. Thus, Bondholders (Classes 3A and 3B) shall be deemed to have accepted this Plan if (a) with regard to the Bonds that are actually voted, the beneficial holders of at least two-thirds in aggregate principal amount of such Bonds in each respective Class (3A or 3B) have voted to accept the Plan, and (b) with regard to the Bondholders who actually vote, more than one-half in number of such Bondholders have voted to accept the Plan. Similarly, Holders of Claims in Class 5 will have voted to accept the Plan only if two-thirds (⅔) in amount and a majority in number of the Claims actually voting in such Classes cast their ballots in favor of acceptance. Holders of Claims who fail to vote are not counted as either accepting or rejecting the Plan.

C. Best Interests Test

As noted above, even if a plan is accepted by each class of claims and interests, the Bankruptcy Code requires a bankruptcy court to determine that the plan is in the best interests of all holders of claims or interests that are impaired by the plan and that have not accepted the plan. The "best interests" test, as set forth in section 1129(a)(7) of the Bankruptcy Code, requires a bankruptcy court to find either that all members of an impaired class of claims or interests have accepted the plan or that the plan will provide a member who has not accepted the plan with a recovery of property of a value, as of the effective date of the plan, that is not less than the amount that such holder would recover if the debtor were liquidated.

To calculate the probable distribution to holders of each impaired class of claims and interests if the debtor could be liquidated under chapter 7, a bankruptcy court must first determine the aggregate dollar amount that would be generated from the debtor's assets if its chapter 11 case were converted to a chapter 7 case under the Bankruptcy Code. This "liquidation value" would consist primarily of the proceeds from a forced sale of the debtor's assets by a chapter 7 trustee.

The amount of liquidation value available to unsecured creditors would be reduced by, first, the claims of secured creditors to the extent of the value of its collateral and, second, by the costs and expenses of liquidation, as well as by other administrative expenses and costs of both the chapter 7 case and the chapter 11 case. Costs of liquidation under chapter 7 of the Bankruptcy Code would include the compensation of a trustee, as well as of counsel and other professionals retained by the trustee, asset disposition expenses, all unpaid administrative expenses incurred by the Debtor in its chapter 11 case that are allowed in the chapter 7 case, litigation costs and claims arising from the operations of the debtor during the pendency of the chapter 11 case. The liquidation itself would trigger certain priority payments that otherwise would be due in the ordinary course of business. Those priority claims would be paid in full from the liquidation proceeds before the balance would be made available to pay general unsecured claims or to make any distribution in respect of equity security interests. The liquidation would also prompt the rejection of a large number of executory contracts and unexpired leases and thereby significantly enlarge the total pool of unsecured claims by reason of resulting rejection damages claims.

Once the bankruptcy court ascertains the recoveries in liquidation of secured creditors and priority claimants, it must determine the probable distribution to general unsecured creditors and equity security holders from the remaining available proceeds in liquidation. If such probable distribution has a value greater than the distributions to be received by such creditors and equity security holders under the plan, then the plan is not in the best interests of creditors and equity security holders.

D. Liquidation Analysis

The Debtor operates a non-profit organization. As such, it generally cannot be forced to liquidate its assets under chapter 7 of the Bankruptcy Code and, in the event that it were unable to confirm a chapter 11 plan, would be subject to dismissal of its bankruptcy case. In the event of dismissal, or in the event of liquidation, the Debtor might be left with insufficient funds to sustain operations and might need to cease operating and dissolve under state law.

Although not entirely applicable to non-profit entities, for purposes of the best interests test, the Debtor prepared a liquidation analysis, annexed hereto as Exhibit B (the "Liquidation Analysis"), which concludes that if a forced liquidation of the Debtor's assets under chapter 7 could occur, the aggregate value to be realized by the Debtor's unsecured creditors would be less than the amount proposed to be paid under the Plan. These conclusions are premised upon the assumptions set forth in Exhibit B, which the Debtor believes are reasonable.

The Debtor believes that any liquidation analysis with respect to the Debtor is inherently speculative. The Liquidation Analysis for the Debtor necessarily contains estimates of the net proceeds that would be received from a forced sale of assets, as well as the amount of Claims that would ultimately become Allowed Claims. Claims estimates are based solely upon the Debtor's books and records and Claims filed to date in this case. No order or finding has been entered by the Bankruptcy Court estimating or otherwise fixing the amount of Claims at the projected amounts of Allowed Claims set forth in the Liquidation Analysis. In preparing the Liquidation Analysis, the Debtor has projected an amount of Allowed Claims that represents an estimate of the chapter 7 liquidation dividend to Holders of Allowed Claims. The estimate of the amount of Allowed Claims set forth in the Liquidation Analysis should not be relied on for any other purpose, including, without limitation, any determination of the value of any distribution to be made on account of Allowed Claims under the Plan.

E. Application of the "Best Interests" of Creditors Test

It is impossible to determine with certainty the value each Holder of a Claim will receive under the Plan as a percentage of any Allowed Claim. Notwithstanding the difficulty in quantifying recoveries with precision, the Debtor believes that the financial disclosures and projections contained herein imply the greatest potential recovery to Holders of Claims in Impaired Classes. Accordingly, the Debtor believes that the "best interests" test of section 1129 of the Bankruptcy Code is satisfied.

F. Confirmation Without Acceptance of All Impaired Classes: The "Cramdown" Alternative

In the event any Class of Impaired Claims rejects the Plan, the Debtor may seek confirmation of the Plan pursuant to the "cramdown" provisions of the Bankruptcy Code.

Section 1129(b) of the Bankruptcy Code provides that a plan can be confirmed even if the plan is not accepted by all impaired classes, as long as at least one impaired class of claims has accepted it. The Bankruptcy Court may confirm a plan at the request of a debtor if the plan "does not discriminate unfairly" and is "fair and equitable" as to each impaired class that has not accepted the plan. A plan does not discriminate unfairly within the meaning of the Bankruptcy Code if a dissenting class is treated equally with respect to other classes of equal rank. The Debtor believes the Plan does not discriminate unfairly with respect to the Claims and Interests in Classes 3A, 3B and 5.

A plan is "fair and equitable" as to holders of unsecured claims that reject the plan if the plan provides either that: (a) each holder of a claim of such class receives or retains on account of such claim property of a value, as of the effective date of the plan, equal to the allowed amount of such claim; or (b) the holder of any claim or interest that is junior to the claims of such class will not receive or retain under the plan on account of such junior claim or interest any property.

A plan is fair and equitable as to a class of equity interests that rejects a plan if the plan provides (a) that each holder of an interest included in the rejecting class receive or retain on account of that interest property that has a value, as of the effective date of the plan, equal to the greatest of the allowed amount of any fixed liquidation preference to which such holder is entitled, any fixed redemption price to which such holder is entitled or the value of such interest or (b) that the holder of any interest that is junior to the interests of such class will not receive or retain under the plan on account of such junior interest any property at all.

The Debtor believes that it could, if necessary, meet the "fair and equitable" requirements of section 1129(b) of the Bankruptcy Code with respect to Holders of Claims and Interests in Classes 3A, 3B and 5.

IX. ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

The Debtor believes that the Plan affords creditors the potential for the greatest realization on the Debtor's assets and, therefore, is in the best interests of such Holders. If, however, the requisite acceptances are not received, or the Plan is not confirmed and consummated, the theoretical alternatives include (a) formulation of an alternative plan or plans of reorganization or (b) dismissal of the Debtor's bankruptcy case.

A. Alternative Plan(s) of Reorganization

If the requisite acceptances are not received or if the Plan is not confirmed, the Debtor (or, if the Debtor's exclusive periods in which to file and solicit acceptances of a plan of reorganization have expired, any other party in interest) could attempt to formulate and propose a different plan or plans of reorganization. Such a plan or plans might involve either a reorganization and continuation of the Debtor's organizations or an orderly liquidation of assets.

The Debtor believes that the Plan enables Creditors to realize the greatest possible value under the circumstances and has the greatest chance to be confirmed and consummated.

B. Liquidation

If no plan is confirmed, the Debtor may be forced to liquidate outside of bankruptcy or to convert to case under chapter 7 of the Bankruptcy Code, pursuant to which a trustee would be elected or appointed to liquidate certain of the Debtor's assets for distribution in accordance with the priorities established by the Bankruptcy Code. It is impossible to predict with certainty how the proceeds of the liquidation would be distributed to the respective Holders of Claims against or Interests in the Debtor. However, the Debtor believes these proceeds would likely go entirely to secured, administrative and priority claims, leaving nothing or very little for distribution to general unsecured claims.

The Debtor further believes that a liquidation would cause a substantial diminution in the Debtor's Estate given (i) the fact that it is relying upon donations and ongoing ticket sales to fund its reorganization, sources which would become unavailable in the event of a cessation of operations, (ii) the fact that its endowment would be placed in the control of the Attorney General and unavailable to creditors, and (ii) the substantial premium in the distribution value pursuant to the Plan over the liquidation value of its assets, as well as the additional administrative expenses involved in the appointment of a trustee or trustees and attorneys, accountants and other professionals to assist such trustees. The assets available for distribution to Creditors would be reduced by such additional expenses and by Claims, some of which would be entitled to priority, arising by reason of the liquidation and from the rejection of leases and other executory contracts in connection with the cessation of operations and the failure to realize the greater going concern value of the Debtor's assets.

X. THE SOLICITATION; VOTING PROCEDURES

A. Parties in Interest Entitled to Vote

In general, a holder of a claim or interest may vote to accept or to reject a plan if (a) the claim or interest is "allowed," which means generally that no party in interest has objected to such claim or interest, and (b) the claim or interest is "impaired" by the plan but entitled to receive or retain property under the plan.

Under section 1124 of the Bankruptcy Code, a class of claims or interests is deemed to be "impaired" under a plan unless (a) the plan leaves unaltered the legal, equitable and contractual rights to which such claim or interest entitles the holder thereof or (b) notwithstanding any legal right to an accelerated payment of such claim or interest, the plan cures all existing defaults (other than defaults resulting from the occurrence of events of bankruptcy) and reinstates the maturity of such claim or interest as it existed before the default.

If, however, the holder of an impaired claim or interest will not receive or retain any distribution under the plan on account of such claim or interest, the Bankruptcy Code deems such holder to have rejected the plan and, accordingly, holders of such claims and interests do not actually vote on the plan. If a claim or interest is not impaired by the plan, the Bankruptcy Code deems the holder of such claim or interest to have accepted the plan and, accordingly, holders of such claims and interests are not entitled to vote on the plan.

B. Classes Entitled to Vote to Accept or Reject the Plan

Bondholders, who vote in Classes 3A and 3B as to the Claim of the Bonds, and Holders of Claims in Class 5 are entitled to vote to accept or reject the Plan. By operation of law, each Unimpaired Class of Claims is deemed to have accepted the Plan, therefore, the Holders of Claims in such Unimpaired Classes are not entitled to vote to accept or reject the Plan. Classes 1, 2, 4, and 6 are deemed to have accepted the Plan, therefore, none of the Holders of Claims or Interests in such Classes are entitled to vote to accept or reject the Plan.

C. Solicitation Order

Upon approval of this Disclosure Statement, the Bankruptcy Court entered an order that, among other things, determines the dates, procedures and forms applicable to the process of soliciting votes on the Plan and establishes certain procedures with respect to the tabulation of such votes (the "Solicitation Order"). Parties in interest may obtain a copy of the Solicitation Order through the Bankruptcy Court's electronic case filing system, by downloading the Solicitation Order from the Debtor's case website at www.donlinrecano.com/nmajh or by making written request upon the Debtor's counsel.

D. Waivers of Defects, Irregularities, Etc.

All questions with respect to the validity, form, eligibility (including time of receipt), acceptance and revocation or withdrawal of ballots will be determined by the Bankruptcy Court. As indicated below under "Withdrawal of Ballots; Revocation," effective withdrawals of ballots must be delivered to the counsel to the Debtor prior to the Voting Deadline. The Debtor reserves the absolute right to contest the validity of any such withdrawal. The Debtor also reserves the right to seek rejection of any and all ballots not in proper form. The Debtor further reserve the right to seek waiver of any defects or irregularities or conditions of delivery as to any particular ballot. Ballots previously furnished (and as to which any irregularities have not theretofore been cured or waived) may be invalidated by the Bankruptcy Court.

E. Withdrawal of Ballots; Revocation

Any party who has delivered a valid ballot for the acceptance or rejection of the Plan may withdraw such acceptance or rejection by delivering a written notice of withdrawal to the counsel to the Debtor at any time prior to the Voting Deadline. A notice of withdrawal, to be valid, must (a) contain the description of the Claim(s) to which it relates and the aggregate principal amount represented by such Claim(s), (b) be signed by the withdrawing party in the same manner as the ballot being withdrawn, (c) contain a certification that the withdrawing party owns the Claim(s) and possesses the right to withdraw the vote sought to be withdrawn and (d) be received by the counsel to the Debtor in a timely manner via regular mail, overnight courier or hand delivery at the address set forth in Section III D above. As stated above, the Debtor expressly reserves the absolute right to contest the validity of any such withdrawals of ballots.

Unless otherwise directed by the Bankruptcy Court, a purported notice of withdrawal of ballots which is not received in a timely manner by the counsel to the Debtor will not be effective to withdraw a previously cast ballot.

Any party who has previously submitted to the counsel to the Debtor prior to the Voting Deadline a properly completed ballot may revoke such ballot and change its vote by submitting to the counsel to the Debtor prior to the Voting Deadline a subsequent properly completed ballot for acceptance or rejection of the Plan. In the case where more than one timely, properly completed ballot is received, only the ballot which bears the latest date will be counted for purposes of determining whether the requisite acceptances have been received.

F. Voting Rights of Disputed Claimants

Holders of Disputed Claims whose Claims are asserted as wholly unliquidated or wholly contingent in Proofs of Claim filed prior to the Distribution Record Date (collectively, the "<u>Disputed Claimants</u>") are not permitted to vote on the Plan except as provided in the Solicitation Order. Pursuant to the procedures outlined in the Solicitation Order, Disputed Claimants may obtain a ballot for voting on the Plan only by filing a motion under Bankruptcy Rule 3018(a) seeking to have its Claims temporarily Allowed for voting purposes (a "<u>Rule 3018 Motion</u>"). Any such Rule 3018 Motion must be filed and served upon the Debtor's counsel no later than the Voting Deadline. The ballot of any creditor filing such a motion will not be counted unless temporarily allowed by the Bankruptcy Court for voting purposes, after notice and a hearing. Any party timely filing and serving a Rule 3018 Motion will be provided a ballot and be permitted to cast a provisional vote to accept or reject the Plan. If and to the extent that the Debtor and such party are unable to resolve the issues raised by the Rule 3018 Motion prior to the Confirmation Hearing, then at the Confirmation Hearing the Bankruptcy Court will determine whether the provisional ballot should be counted as a vote on the Plan. Nothing herein affects the Debtor's right to object to any Proof of Claim after the Distribution Record Date.

G. Further Information; Additional Copies

If you have any questions or require further information about the voting procedures for voting your Claim or about the package of materials you received, or if you wish to obtain an additional copy of the Plan or this Disclosure Statement, or any exhibits or appendices to such documents (at your own expense, unless otherwise specifically required by Bankruptcy Rule 3017(d) or the Solicitation Order), you may obtain documents at **www.donlinrecano.com/nmajh** or contact counsel to the Debtor at:

Dilworth Paxson LLP
1500 Market St., Suite 3500E
Philadelphia, PA 19102
Attn: Christine Chapman-Tomlin
(215) 575-7224

RECOMMENDATION AND CONCLUSION

For all of the reasons set forth in this Disclosure Statement, the Debtor believes that confirmation and consummation of the Plan is preferable to all other alternatives. Consequently, the Debtor urges all Holders of Claims in voting Classes to vote to ACCEPT the Plan, and to complete and return its ballots so that they will be RECEIVED on or before 4:00 p.m. prevailing Eastern time, on November 6, 2020.

Dated: September 24, 2020

DILWORTH PAXSON LLP

By: /s/ Peter C. Hughes
Lawrence G. McMichael
Peter C. Hughes
Yonit A. Caplow
1500 Market St., Suite 3500E
Philadelphia, PA 19102
Telephone: (215) 575-7000
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Counsel for the Debtor and Debtor-in-Possession

EXHIBIT A

Financial Projections

National Museum of American Jewish History **Projections Fiscal Years 2021-2025**	*Projected* **Jun-21**	*Projected* **Jun-22**	*Projected* **Jun-23**	*Projected* **Jun-24**	*Projected* **Jun-25**
Revenue and Expenses					
Revenue					
Fundraising Revenue	3,050,000	3,961,779	4,041,014	4,121,835	4,204,271
Fees for Gala and Special Events	400,000	1,400,000	1,600,000	1,650,000	1,650,000
Earned Income (Including Membership)	630,000	2,262,650	2,330,529	2,400,445	2,472,459
Investment Income	-	226,644	229,754	248,336	266,820
Total Revenue	4,080,000	7,851,073	8,201,298	8,420,617	8,593,550
Expenses					
Department Expenses	1,903,925	3,648,531	3,721,502	3,795,932	3,871,851
Total Compensation	1,800,288	3,170,572	3,233,983	3,298,663	3,364,636
Museum Store, Facility Rentals, and Events	261,216	803,175	819,238	835,623	852,336
Strategic Plan Expenses		-	-	-	-
Total Expenses	3,965,429	7,622,278	7,774,723	7,930,218	8,088,822
Operating Profit	114,571	228,795	426,574	490,399	504,728
Interest Expense	104,417	179,001	177,260	168,932	159,982
Change in Fund Balance Before Other Items	10,154	49,795	249,314	321,467	344,746
Depreciation	30,178	50,297	50,297	50,297	50,297
Restructuring Expenses	600,000	-	-	-	-
Extraordinary Loss, Net	50,681,893	-	-	-	-
Change in Net Assets	(51,301,917)	(503)	199,017	271,170	294,449
Principal Payments	-	-	161,947	284,708	293,658
Change in Net Assets After Principal Payments	(51,301,917)	(503)	37,070	(13,539)	790

EXHIBIT B

Liquidation Analysis

National Museum of American Jewish History
Liquidation Analysis

	Estimated Book Value at 3/1/2020		High	Mid	Low
Cash and Cash Equivalents	559,750		559,750	559,750	559,750
Accounts Receivable	32,742		32,742	32,742	32,742
Pledges and Campaign Receivables	961,863	**[1]**	-	-	-
Store Inventory	175,425		35,085	26,314	17,543
Prepaid Insurance	81,002		-	-	-
Property and Equipment - Net	82,189,563		8,181,640	7,101,920	6,022,199
Investments, at Fair Value	4,423,815	**[2]**	-	-	-
Long-Term Pledges	1,310,971	**[3]**	-	-	-
Estimated Proceeds			8,809,217	7,720,725	6,632,233
Secured Lenders Collateral			8,214,382	7,134,661	6,054,940
Net Proceeds			594,835	586,064	577,293
Chapter 7 Administrative Expenses					
Chapter 7 Trustee Commission			287,527	254,872	222,217
Chapter 7 Trustee Professionals			200,000	175,000	150,000
Winddown Costs			50,000	37,500	25,000
Other (Records Storage)			25,000	25,000	25,000
Chapter 11 Administrative Expenses			620,000	620,000	620,000
Chapter 11 Employee Wages			118,760	118,760	118,760
Chapter 11 Taxes			2,971	2,971	2,971
Total Chapter 7 and Chapter 11 Expenses			1,304,258	1,234,103	1,163,948
Amounts Remaining for Prepetition General Unsecured Claims			-	-	-
Unsecured Debt			1,264,633	1,264,633	1,264,633
Secured Lenders Deficiency Claims			21,848,898	22,928,619	24,008,340
			23,113,531	24,193,252	25,272,973
			0.00%	0.00%	0.00%

[1] Pledges and Campaign Receivables represent endowment and non-endowment pledges from donors to the Museum. In the event of a sale of the Museum land and building to another party, the conditions within the pledges would be considered to be breached, and the donors would no longer be required to make payments to fulfill their pledge obligation.

[2] Investments, at fair value represent endowment funds permanently restricted by donors for specific purposes, which include the support of Museum operations, exhibits, and other Museum programs. The Museum believes that the disposition of these assets would be overseen by the Pennsylvania Attorney General.

[3] Long-Term Pledges represent endowment and non-endowment pledges from donors to the Museum which are scheduled to be paid over multiple years. In the event of a sale of the Museum land and building to another party, the conditions within the pledges would be considered to be breached, and the donors would no longer be required to make payments to fulfill their pledge obligation.

EXHIBIT C

Audited Financial Statements for the Fiscal Year ended June 30, 2019.

EISNERAMPER

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

FINANCIAL STATEMENTS

JUNE 30, 2019 AND 2018

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Contents

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
National Museum of American Jewish History

Report on the Financial Statements

We have audited the accompanying financial statements of the National Museum of American Jewish History, which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, changes in net assets, functional expenses, and cash flows for each of the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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 entity'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 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 financial statements referred to above present fairly, in all material respects, the financial position of the National Museum of American Jewish History as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for each of the years then ended in accordance with accounting principles generally accepted in the United States of America.

Effect of Adopting New Accounting Standards

As discussed in Note C[19], the National Museum of American Jewish History adopted Financial Accounting Standards Board ("FASB") Accounting Standard Update ("ASU") 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statement of Not-for-Profit Entities* as of and for the year ended June 30, 2019. The requirements of ASU 2016-14 have been applied retrospectively to all periods presented. Our opinion is not modified with respect to this matter.

Emphasis of Matter Regarding Going Concern

The accompanying financial statements have been prepared assuming that the National Museum of American Jewish History will continue as a going concern. As discussed in Note B to the financial statements, the National Museum of American Jewish History has suffered recurring losses from operations, has a working capital deficiency, declared Chapter 11 bankruptcy on March 1, 2020 and has stated that substantial doubt exists about the National Museum of American Jewish History's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in Note B. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

EisnerAmper LLP

EISNERAMPER LLP
Philadelphia, Pennsylvania
June 8, 2020

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Statements of Financial Position

	June 30, 2019	June 30, 2018
ASSETS		
Current assets:		
Cash and cash equivalents	**$ 1,173,599**	$ 2,093,029
Pledges receivable	**2,144,225**	2,651,392
Capital campaign pledges receivable, net of allowance for uncollectible pledges of $59,421 in 2019 and 2018	**292,404**	667,407
Other receivables	**108,014**	171,144
Inventory, net of reserve for obsolescence of $145,115 in 2019 and $169,000 in 2018	**206,127**	215,685
Prepaid expenses	**133,069**	48,861
Total current assets	**4,057,438**	5,847,518
Property and equipment, net of accumulated depreciation	**84,091,535**	86,815,568
Other assets:		
Investments, at fair value	**4,444,036**	4,585,503
Pledges receivable, net of current portion	**876,341**	1,655,878
Capital campaign pledges receivable, net of current portion	**360,311**	661,401
Total other assets	**5,680,688**	6,902,782
	$ 93,829,661	$ 99,565,868
LIABILITIES		
Current liabilities:		
Current portion of long-term debt, net of unamortized debt issuance costs of $429,387 in 2019	**$ 29,664,036**	$ 348,078
Accounts payable and accrued expenses	**1,621,024**	1,466,962
Deferred revenue	**521,933**	491,329
Total current liabilities	**31,806,993**	2,306,369
Long-term debt, net of unamortized debt issuance costs of $511,308 in 2018	**-**	29,582,105
Total liabilities	**31,806,993**	31,888,474
NET ASSETS		
Without donor restrictions	**53,202,795**	57,456,316
With donor restrictions	**8,819,873**	10,221,078
Total net assets	**62,022,668**	67,677,394
	$ 93,829,661	$ 99,565,868

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Statement of Activities
Year Ended June 30, 2019

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Operating activities:			
Revenues and gains:			
Individual and corporate contributions	$ 2,074,798	$ 501,759	$ 2,576,557
Foundation contributions	135,070	130,425	265,495
Federal, state and local government grants	153,431	-	153,431
Museum store/café revenue, net of sale discounts of $38,490 and cost of goods sold of $228,033	262,781	-	262,781
Special events, net costs of direct benefits of donors of $490,507	1,315,071	-	1,315,071
Program revenue	833,240	-	833,240
Investment income, net of investment expenses of $11,987	2,410	159,200	161,610
Net assets released from restrictions	2,192,589	(2,192,589)	-
Total revenues and gains	6,969,390	(1,401,205)	5,568,185
Expenses:			
Program services - Museum Services	3,266,991	-	3,266,991
General and administrative	2,209,343	-	2,209,343
Fundraising	1,437,164	-	1,437,164
	6,913,498	-	6,913,498
Increase (decrease) in net assets from operating activities before interest expense and depreciation	55,892	(1,401,205)	(1,345,313)
Interest expense	1,244,544	-	1,244,544
Depreciation	2,944,484	-	2,944,484
Decrease in net assets from operating activities	(4,133,136)	(1,401,205)	(5,534,341)
Nonoperating activities:			
Restructuring costs	(120,385)	-	(120,385)
Decrease in net assets from nonoperating activities	(120,385)	-	(120,385)
Decrease in net assets	$ (4,253,521)	$ (1,401,205)	$ (5,654,726)

See notes to financial statements

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Statement of Activities
Year Ended June 30, 2018

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Operating activities:			
Revenues and gains:			
Individual and corporate contributions	$ 3,045,812	$ 1,262,076	$ 4,307,888
Foundation contributions	178,615	132,408	311,023
Federal, state and local government grants	372,724	-	372,724
Museum store/café revenue, net of sale discounts of $44,329 and cost of goods sold of $238,382	248,998	-	248,998
Special events, net costs of direct benefits of donors of $659,221	384,887	-	384,887
Program revenue	910,852	-	910,852
Investment income, net of investment expenses of $34,577	1,213	380,593	381,806
Net assets released from restrictions	2,292,074	(2,292,074)	-
Total revenues and gains	7,435,175	(516,997)	6,918,178
Expenses:			
Program services	3,608,123	-	3,608,123
General and administrative	1,838,856	-	1,838,856
Fundraising	1,351,032	-	1,351,032
	6,798,011	-	6,798,011
Increase (decrease) in net assets from operating activities before interest expense and depreciation	637,164	(516,997)	120,167
Interest expense	1,255,844	-	1,255,844
Depreciation	2,958,913	-	2,958,913
Decrease in net assets from operating activities	(3,577,593)	(516,997)	(4,094,590)
Nonoperating activities:			
Restructuring costs	(119,891)	-	(119,891)
Decrease in net assets from nonoperating activities	(119,891)	-	(119,891)
Decrease in net assets	$ (3,697,484)	$ (516,997)	$ (4,214,481)

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Statements of Changes in Net Assets
Years Ended June 30, 2019 and 2018

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Net assets - July 1, 2017	$ 61,153,800	$ 10,738,075	$ 71,891,875
Decrease in net assets	(3,697,484)	(516,997)	(4,214,481)
Net assets - June 30, 2018	57,456,316	10,221,078	67,677,394
Decrease in net assets	(4,253,521)	(1,401,205)	(5,654,726)
Net assets - June 30, 2019	**$ 53,202,795**	**$ 8,819,873**	**$ 62,022,668**

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Statement of Functional Expenses
Year Ended June 30, 2019

	Museum Services	General and Administrative	Fundraising	Total
Operating expenses:				
Salaries, payroll taxes and related benefits	$ 1,395,286	$ 944,005	$ 607,847	$ 2,947,138
Professional services	308,876	208,675	134,560	652,111
Equipment leases and maintenance	58,945	42,610	25,679	127,234
Advertising and marketing	80,321	54,343	34,991	169,655
Office supplies and printing	252,332	169,684	109,927	531,943
Insurance	77,521	52,448	33,772	163,741
Building, facilities and telephone	991,523	669,441	431,951	2,092,915
Exhibition and other operating costs	102,187	68,137	58,437	228,761
Operating expenses before interest expense and depreciation	3,266,991	2,209,343	1,437,164	6,913,498
Interest expense	1,244,544	-	-	1,244,544
Depreciation	1,394,029	943,155	607,300	2,944,484
Total operating expenses	5,905,564	3,152,498	2,044,464	11,102,526
Nonoperating expenses:				
Restructuring costs	-	120,385	-	120,385
Total nonoperating expenses	-	120,385	-	120,385
Total expenses included in expense section on the statement of activities	5,905,564	3,272,883	2,044,464	11,222,911
Plus expenses included with revenue on the statement of activities:				
Special events - costs of direct benefits to donors:				
Food and beverage	-	-	392,011	392,011
Entertainment	-	-	98,496	98,496
Total special events - costs of direct benefits to donors	-	-	490,507	490,507
Cost of goods sold	-	228,033	-	228,033
Total expenses	$ 5,905,564	$ 3,500,916	$ 2,534,971	$ 11,941,451

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Statement of Functional Expenses
Year Ended June 30, 2018

	Museum Services	General and Administrative	Fundraising	Total
Operating expenses:				
Salaries, payroll taxes and related benefits	$ 1,476,986	$ 752,734	$ 537,086	$ 2,766,806
Professional services	354,306	180,569	128,839	663,714
Equipment leases and maintenance	63,785	32,508	23,195	119,488
Advertising and marketing	82,773	42,185	30,099	155,057
Office supplies and printing	260,743	132,890	94,816	488,449
Insurance	88,784	45,248	32,285	166,317
Building, facilities and telephone	1,152,301	587,261	419,019	2,158,581
Exhibition and other operating costs	128,445	65,461	85,693	279,599
Operating expenses before interest expense and depreciation	3,608,123	1,838,856	1,351,032	6,798,011
Interest expense	1,255,844	-	-	1,255,844
Depreciation	1,579,537	804,999	574,377	2,958,913
Total operating expenses	6,443,504	2,643,855	1,925,409	11,012,768
Nonoperating expenses:				
Restructuring costs	-	119,891	-	119,891
Total nonoperating expenses	-	119,891	-	119,891
Total expenses included in expense section on the statement of activities	6,443,504	2,763,746	1,925,409	11,132,659
Plus expenses included with revenue on the statement of activities:				
Special events - costs of direct benefits to donors:				
Food and beverage	-	-	405,633	405,633
Entertainment	-	-	253,588	253,588
Total special events - costs of direct benefits to donors	-	-	659,221	659,221
Cost of goods sold	-	238,382	-	238,382
Total expenses	$ 6,443,504	$ 3,002,128	$ 2,584,630	$ 12,030,262

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Statements of Cash Flows

	Year Ended June 30, 2019	2018
Cash flows from operating activities:		
Decrease in net assets	**$ (5,654,726)**	$ (4,214,481)
Adjustments to reconcile decrease in net assets to net cash used in operating activities:		
Depreciation	**2,944,484**	2,958,913
Amortization of debt issuance costs	**81,921**	81,921
Unrealized (gain) loss on investments	**(73,178)**	392,521
Realized (gain) loss on investments	**2,397**	(617,021)
Donated securities	**(116,246)**	(124,537)
Proceeds from sale of donated securities	**116,246**	124,537
Contribution restricted for endowment	**-**	(16,408)
(Increase) decrease in assets:		
Pledges receivable	**1,286,704**	864,078
Other receivables	**63,130**	(93,139)
Inventory	**9,558**	679
Prepaid expenses	**(84,208)**	(38,275)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	**154,062**	(70,270)
Deferred revenue	**30,604**	43,041
Net cash used in operating activities	**(1,239,252)**	(708,441)
Cash flows from investing activities:		
Acquisition of investments	**(2,207,357)**	(5,689,391)
Sale of investments	**2,419,605**	5,830,190
Acquisition of equipment	**(220,451)**	(84,178)
Net cash provided by (used in) investing activities	**(8,203)**	56,621
Cash flows from financing activities:		
Proceeds from capital campaign pledges receivable	**676,093**	757,872
Repayment of long-term debt	**(348,068)**	(308,509)
Proceeds from contribution restricted for endowment	**-**	16,408
Net cash provided by financing activities	**328,025**	465,771
Net change in cash and cash equivalents	**(919,430)**	(186,049)
Cash and cash equivalents at beginning of year	**2,093,029**	2,279,078
Cash and cash equivalents at end of year	**$ 1,173,599**	$ 2,093,029
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	**$ 1,162,623**	$ 1,173,923

See notes to financial statements

NOTE A - NATURE OF OPERATIONS

National Museum of American Jewish History (the "Museum") is a nonprofit organization that collects and exhibits artifacts of American Jewish history. The Museum is a 100,000 square-foot facility located on Independence Mall in Philadelphia, Pennsylvania. The Museum tells the story of over 360 years of American Jewish history through its artifacts, interactive technology and original films. The Museum also offers public programs and cultural events.

Fulfilling its mission to collect and preserve the material culture of American Jews, the Museum has a growing collection which consists of more than 20,000 objects documenting over 360 years of Jewish life in this country. Materials originate in the Americas and Europe, with the greatest percentage being North American in both manufacture and provenance. A social history approach has been applied to collecting activities since 1991, giving priority to acquisitions that encompass the daily occupational, domestic and communal aspects of American Jewish life.

The Museum's focus on American Jewish material culture distinguishes its holdings from those of other Jewish museums in this country. The changing realities of American Jewish life and the shaping of Jewish identities at home, at work, and in communal activity are included in the collection which includes printed matter, buttons and badges, sound recordings, sheet music, ritual objects, photographs of Jewish people and places (families and Jewish-owned businesses), ceremonial art, and a wide variety of domestic and commercial artifacts.

NOTE B - GOING CONCERN

The Museum has incurred a decrease in net assets of approximately $5,655,000 and $4,214,000 for the years ended June 30, 2019 and 2018, respectively, and negative cash flows from operating activities of approximately $1,239,000 and $708,000 for the years ended June 30, 2019 and 2018, respectively. Also, the Museum is in default with its Series A and Series B bonds, which have been reclassified as current liabilities as of June 30, 2019 and are causing a working capital deficit of approximately $27,750,000. In addition, due to the recent outbreak of the coronavirus (COVID-19), the Museum closed to the public beginning on March 15, 2020 and has remained closed due to governmental regulations. On May 16, 2020, the Museum furloughed 19 of its 31 employees.

Based upon the Museum's existing cash and cash equivalents and investment balances as of June 30, 2019, management of the Museum does not believe that is has adequate resources to satisfy liquidity requirements for one year after issuance of the financial statements. The ability of the Museum to maintain successful operations will depend on, among other things, new sources of revenues and donor contributions and the restructure of its long-term debt. If anticipated revenues are not achieved, the Museum may be required to further curtail spending to reduce cash outflows. There can be no assurance that new sources of revenue or additional financing can be obtained on terms acceptable to the Museum.

On March 1, 2020, the Museum filed for Chapter 11 bankruptcy protection. Through Chapter 11 bankruptcy, the Museum will implement a restructuring plan that will focus on refinancing its long-term debt and rightsize operating expenses to match the Museum's historical revenue streams. Anticipated cost reductions as part of the restructuring plan may include a reduction of workforce, matching hours of operating throughout the course of the year to meet demand, and the elimination of programs and activities not absolutely central to mission fulfillment. These efforts will enable the Museum to remain highly visible and continue to serve the community despite a reduced program menu.

The accompanying financial statements have been prepared assuming that the Museum will continue as a going concern; however, the above conditions raise substantial doubt about the Museum's ability to do so. The financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classifications of liabilities that may result should the Museum be unable to continue as a going concern.

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Notes to Financial Statements
June 30, 2019 and 2018

NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] Basis of presentation:

The accompanying financial statements of the Museum have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP").

[2] Classification of net assets:

The Museum reports information regarding its financial position and activities based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- ***Net Assets Without Donor Restrictions***

Net assets available for use in general operations and not subject to donor or certain grantor restrictions.

- ***Net Assets With Donor Restrictions***

Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purposed for which the resource was restricted has been fulfilled, or both.

Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized.

[3] Operations:

The accompanying statements of activities distinguish between operating and nonoperating activities. Operating activities primarily include all revenues and expenses that are an integral part of the Museum's programmatic, fundraising and general and administrative activities. Nonoperating activities include restructuring costs.

[4] Use of estimates:

The preparation of financial statements in conformity with U.S. GAAP 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include estimated useful lives for the building and improvements, discount rates used to calculate the net present value of pledges receivable, and an allowance for uncollectible pledges receivable. Actual results could differ from those estimates.

[5] Cash and cash equivalents:

Cash and cash equivalents include all cash balances and all highly liquid debt instruments purchased with initial maturities of three months or less. The Museum places its short-term cash investments with high credit quality financial institutions. At times, cash may be in excess of the Federal Deposit Insurance Corporation insurance limit. Management believes that the Museum is not exposed to any significant credit risks on its cash accounts.

NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[6] Investments:

Investments in marketable securities with readily determinable fair value and all investments in debt securities are stated at fair value in the statements of financial position. Unrealized gains and losses are included in investment income on the statements of activities. Dividend and interest income is recorded as earned.

[7] Contributions:

Contributions, including unconditional promises to give, are recognized as revenue when received. Contributions of assets other than cash are recorded at their estimated fair value at the date of donation. Pledges that are expected to be collected within one year are recorded at net realizable value. Pledges that are expected to be collected greater than one year are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using a risk-free rate of return appropriate for the expected term of the promise to give. Amortization of the discounts is included in contribution revenue.

[8] Allowance for uncollectible pledges:

Pledges receivable are periodically reviewed by management for collectability. Bad debts are provided for on the allowance method based on historical experience and management's evaluation of outstanding pledges receivable. Pledges are written off when they are deemed uncollectible. The allowance for uncollectible pledges as of both June 30, 2019 and 2018 was $-0-. The allowance for uncollectible capital campaign pledges as of both June 30, 2019 and 2018 was $59,421.

[9] Revenue recognition:

Revenue from admissions is recognized as the services are rendered. Included in deferred revenue are revenues received in advance related to group tours and facility rentals, as well as revenues related to the Museum's membership campaign that represent future admissions to the Museum. Federal, state and local grants are recognized as revenue in the period the grant is received. Special event revenue is recognized when the event takes place.

[10] Collection items:

The Museum has adopted the policy of not capitalizing either purchased or donor donated collection items. Purchases of collection items are recorded as decreases in net assets without restrictions in the year in which the items are acquired or as decreases in net assets with donor restrictions if the assets used to purchase the items are restricted by donors. The Museum follows standard practice in the field in the care and documentation of its collections.

[11] Inventory:

Inventory primarily consists of Judaica items, which are valued at the lower of cost or net realizable value as determined using the first-in, first-out method based on historical sales and sales trends in the Museum's store. Management has estimated an inventory reserve for obsolescence of $145,115 and $169,000 for the years ended June 30, 2019 and 2018, respectively, which is included on the statements of financial position.

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Notes to Financial Statements
June 30, 2019 and 2018

NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[12] Property and equipment and depreciation:

Self-constructed assets and assets that are purchased are stated at cost less accumulated depreciation and recognized in the statements of financial position. Depreciation is provided on the straight-line method over the estimated useful lives of the assets. Donated assets (except for museum collection items) are recorded at their approximate fair value at the date of the gift. Estimated useful lives are as follows:

Asset Class	Useful Lives in Years
Building and related components	15 - 50
Exhibit equipment	15
Equipment	5 - 15
Furniture and fixtures	15 - 20

Management evaluates the recoverability of the investment in long-lived assets on an ongoing basis and recognizes any impairment in the year of determination. Long-lived assets were tested for impairment as of June 30, 2019 and 2018, and in the opinion of management, there was no impairment. It is reasonably possible that relevant conditions could change in the near term and necessitate a change in management's estimate of the recoverability of these assets.

[13] Deferred financing charges:

Expenses related to obtaining loan financing are capitalized and subsequently amortized to interest expense using the straight-line method, which approximates the effective interest method, over the term of the loan. Costs aggregating $511,308 remain unamortized in relation to the debt refinancing in June 2015. These costs are netted against outstanding debt (see Note I) in the statements of financial position.

Amortization included in interest expense for each of the years ended June 30, 2019 and 2018 was $81,921.

[14] Donated assets:

Donated materials are recorded as contributions at their estimated fair value at the date of donation. For the years ended June 30, 2019 and 2018, the Museum received donated media and production services with an estimated value of $13,920 and $38,986, respectively, which is included in individual and corporate contributions and fundraising expenses on the statements of activities.

The Museum received donated securities during each of the years ended June 30, 2019 and 2018 which were sold upon receipt. The proceeds from these donated securities were $116,246 and $124,537 for the years ended June 30, 2019 and 2018, respectively.

[15] Advertising:

Advertising costs are expensed as incurred. Such expenses for the years ended June 30, 2019 and 2018 were $169,655 and $155,057, respectively.

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Notes to Financial Statements
June 30, 2019 and 2018

NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[16] Functional allocation of expenses:

Directly identifiable expenses are charged to program services, general and administrative, and fundraising. Expenses related to more than one function are allocated among the functions benefited, as follows: salaries, payroll taxes, and related benefits, professional services, equipment leases and maintenance, advertising and marketing, office supplies and printing, insurance, building, facilities, and telephone - based on a count of employees and depending on the employee's function.

[17] Cost of direct benefits to donors:

The Museum conducts special events in which a portion of the gross proceeds paid by the participant represents payment for the direct costs of the benefits received by the participant at the event. The costs of the special events, which ultimately benefit the donor, were $124,600 and $126,800 for the years ended June 30, 2019 and 2018, respectively, which is included in fundraising expenses on the statements of activities.

[18] Federal tax status:

The Internal Revenue Service has classified the Museum as exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code ("Code"); as an organization, contributions to which are deductible under Section 170(c) of the Code; and as an organization that is not a private foundation as defined in Section 509(a) of the Code.

U.S. GAAP requires management to evaluate tax positions taken and recognize a tax liability, if the Museum has taken an uncertain tax position that more likely than not would not be sustained upon examination by a government authority. Management has analyzed the tax positions taken by the Museum and has concluded that as of June 30, 2019 and 2018, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

The Museum recognizes accrued interest and penalties associated with income taxes, if any, as part of administrative expenses. There were no income tax related interest and penalties recorded for either of the years ended June 30, 2019 or 2018.

[19] New accounting pronouncement:

In August 2016, Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 amends the presentation and disclosures to help not-for-profit organizations provide more relevant information about their resources (and the changes in those resources) to donors, grantors, creditors, and other users. ASU 2016-14 includes qualitative and quantitative requirements in the following areas: a) net asset classes, b) investment return, c) expenses, d) liquidity and availability of resources, and e) presentation of operating cash flows. The Museum has adopted the ASU as of and for the year ended June 30, 2019 and has retroactively applied its provisions to all periods presented. The adoption of ASU 2016-14 required reclassification of net asset classes and additional disclosures related to liquidity and availability of resources.

NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[19] New accounting pronouncement (continued):

A summary of the net assets reclassifications as a result of the adoption of ASU 2016-14 as of July 1, 2017 is as follows:

	ASU 2016-14 Classifications		
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total Net Assets
Net assets classifications:			
As previously reported:			
Unrestricted	$ 61,153,800	$ -	$ 61,153,800
Temporarily restricted	-	5,703,083	5,703,083
Permanently restricted	-	5,034,992	5,034,992
Net assets, as reclassified, at January 1, 2017	$ 61,153,800	$ 10,738,075	$ 71,891,875

[20] Upcoming accounting pronouncements:

In February 2016, FASB issued ASU 2016-02, *Leases (Topic 842)*. This standard requires entities that lease assets to recognize on the balance sheet the assets and liabilities for the rights and obligations created by those leases. The standard is effective for fiscal years beginning after December 15, 2021. The guidance is required to be applied by the modified retrospective transition approach. Early adoption is permitted. Management is currently evaluating the effect that this new guidance will have on its financial statements and related disclosures.

In May 2014, FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. ASU 2014-09 requires an entity to recognize revenue depicting the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASU 2014-09 will also result in enhanced revenue related disclosures. The new standard is effective for fiscal years beginning after December 15, 2019 (which is the year beginning on July 1, 2020 for the Museum). The standard permits the use of either the retrospective or cumulative effect transition method. The adoption of ASU 2014-19 is not expected to have a material effect on the financial statements but will require enhanced disclosures.

In June 2018, FASB issued ASU 2018-08, *clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. ASU 2018-08 clarifies and improves guidance concerning, 1) evaluating whether a transaction should be accounted for as an exchange transaction or as a contribution, and 2) determining whether a contribution received is conditional. ASU 2018-08 is effective for annual periods beginning after December 15, 2018 for entities that are resource recipients and for annual periods beginning after December 15, 2019 for entities that are resource providers, which will be the year beginning on July 1, 2019 for the Museum, with early adoption permitted. ASU 2018-08 should be applied on a modified prospective basis. The adoption of ASU 2018-08 is not expected to have a material effect on the financial statements but will require enhanced disclosures.

NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[21] Reclassification:

Certain amounts in the 2018 financial statements were reclassified to conform to the current year's presentation.

NOTE D - LIQUIDITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement financial position date, is comprised of the following as of June 30, 2019:

Current financial assets:	
Cash and cash equivalents	$ 1,173,599
Pledges receivable	2,144,225
Capital campaign pledges receivable	292,404
Other receivables	108,014
Total current financial assets	3,718,242
Less amounts not available to be used within one year:	
Endowment receivable, classified as a pledge receivable	(500,000)
Financial assets available to meet cash needs for general expenditures within one year	$ 3,218,242

General expenditures include program services expenses, general and administrative expenses, and fundraising expenses expected to be paid in the subsequent year.

The Museum will evaluate its 2020 endowment spending policy after the first quarter results of 2020. In the second quarter of 2020, the Board of Directors will determine its election on the 2020 endowment spending-rate policy.

Net assets with donor restrictions subject to expenditures for specified purposes are expected to be released in 2020.

As part of the Museum's liquidity management plan, the Museum structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Museum invests cash in excess of daily requirements in money market funds and other short-term investments.

NOTE E - PLEDGES RECEIVABLE

The Museum has received pledges, some of which are receivable in future years. Pledges that are receivable in more than one year are discounted at a risk-free rate of return appropriate for the expected term of the promise to give to approximate the net present value of the estimated future cash flows. In considering estimated cash flows, the Museum considers the creditworthiness of the donors, the Museum's past collection experience and its procedures to collect promises to give.

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Notes to Financial Statements
June 30, 2019 and 2018

NOTE E - PLEDGES RECEIVABLE (CONTINUED)

As of June 30, 2019 and 2018, pledges receivable and capital campaign pledges receivable, consisted of the following:

	2019	2018
Receivable in less than one year	$ 2,496,050	$ 3,378,220
Receivable in one to five years	1,310,972	2,424,239
Total pledges	3,807,022	5,802,459
Less discount to net present value	(74,320)	(106,960)
Less allowance for uncollectible accounts	(59,421)	(59,421)
Net pledges receivable	$ 3,673,281	$ 5,636,078
Current pledges	$ 2,144,225	$ 2,651,392
Current capital campaign pledges	292,404	667,407
Noncurrent pledges	876,341	1,655,878
Noncurrent capital campaign pledges	360,311	661,401
	$ 3,673,281	$ 5,636,078

Pledges which are receivable in more than one year are discounted at an appropriate rate of return for the expected term of the pledge, ranging from 0.72% to 2.73%.

NOTE F - PROPERTY AND EQUIPMENT

Major classes of property and equipment and accumulated depreciation as of June 30, 2019 and 2018 are as follows:

	2019	2018
Land	$ 11,354,303	$ 11,354,303
Building and improvements	95,268,083	95,252,897
Exhibit equipment	2,886,457	2,827,346
Equipment	1,425,196	1,280,226
Furniture and fixtures	1,389,390	1,388,206
	112,323,429	112,102,978
Less accumulated depreciation	28,231,894	25,287,410
	$ 84,091,535	$ 86,815,568

NOTE G - INVESTMENTS

Market values and unrealized appreciation as of June 30, 2019 and 2018 are summarized as follows:

	2019		
	Cost	**Market**	**Unrealized Appreciation**
Mutual funds - domestic	**$ 4,070,709**	**$ 4,221,072**	**$ 150,363**
Money market funds	**222,964**	**222,964**	**-**
	$ 4,293,673	**$ 4,444,036**	**$ 150,363**

	2018		
	Cost	**Market**	**Unrealized Appreciation**
Mutual funds - domestic	$ 4,462,467	$ 4,539,652	$ 77,185
Money market funds	45,851	45,851	-
	$ 4,508,318	$ 4,585,503	$ 77,185

Investment income for the years ended June 30, 2019 and 2018 is comprised of the following:

	2019	**2018**
Dividends and interest	**$ 102,816**	$ 191,883
Net realized and unrealized investment income	**70,781**	224,500
Investment expenses	**(11,987)**	(34,577)
	$ 161,610	$ 381,806

NOTE H - FAIR VALUE MEASUREMENTS

FASB Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Fair value is an estimate of the exit price, representing the amount that would be received to sell an asset in an orderly transaction between market participants (i.e., the exit price at the measurement date).

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements), and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

NOTE H - FAIR VALUE MEASUREMENTS (CONTINUED)

Level 2 - Inputs to the valuation methodology include (a) quoted prices for similar assets or liabilities in active markets; (b) quoted prices for identical or similar assets or liabilities in inactive markets; (c) inputs other than quoted prices that are observable for the asset or liability; or (d) inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The valuation levels are not necessarily an indication of the risk or liquidity associated with the underlying assets.

The following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in the methodology used as of June 30, 2019 or 2018.

Mutual funds – Valued at the closing price reported in the active market on which the individual securities are traded.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Museum believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth, by level, the Museum's investments at fair value, within the aforementioned fair value hierarchy, as of June 30, 2019 and 2018:

	Investment Assets at Fair Value as of June 30, 2019			
	Level 1	**Level 2**	**Level 3**	**Total**
Mutual funds - domestic	**$ 4,221,072**	**$ -**	**$ -**	**$ 4,221,072**

	Investment Assets at Fair Value as of June 30, 2018			
	Level 1	**Level 2**	**Level 3**	**Total**
Mutual funds - domestic	$ 4,539,652	$ -	$ -	$ 4,539,652

Changes in fair value levels:

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period. For the years ended June 30, 2019 and 2018, there were no transfers into or out of Levels 1, 2 or 3.

NOTE I - LONG-TERM DEBT

On June 30, 2015, Bridgehampton National Bank purchased $17,000,000 of Series A bonds and a group of friends and family of the Museum, some of whom are Board members, purchased $13,750,000 of Series B bonds of the Museum's revenue bonds from Philadelphia Authority for Industrial Development ("PAID") to retire existing mortgage debt.

The Series A bonds principal and interest payments of $74,407 began in August 2017 and continue through July 2022, with a balloon payment due on July 5, 2022 of $15,270,540; interest is 3.25%.

The Series B bonds are payable in semi-annual payments of interest only through maturity in July 2032 at which time a balloon payment of principal is due; interest is 4.50%.

The Series A and Series B bonds are collateralized by the Museum building. A related trust indenture agreement contains restrictive financial covenants which require the maintenance of certain financial ratios relating to leverage, as defined in the agreement. The Museum was in not in compliance with the restrictive financial covenants as of June 30, 2017. On August 3, 2018, the Museum obtained a forbearance agreement from Bridgehampton National Bank, which waived the financial covenant requirements through September 30, 2019 and included additional financial conditions and reporting requirements. The Museum remains out of compliance with the restrictive financial covenants as of June 30, 2019 and was unable to obtain an additional forbearance agreement from Bridgehampton National Bank. Therefore, the Museum is in default with its Series A and Series B bonds, which have been reclassified as current liabilities as of June 30, 2019.

Interest expense under the bonds for the years ended June 30, 2019 and 2018 was $1,162,623 and $1,173,923, respectively.

Scheduled future maturities of long-term debt as of June 30, 2019 are as follows:

Year Ending June 30,	
2020	$ 30,093,423
Less unamortized debt issuance costs	429,387
	$ 29,664,036

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Notes to Financial Statements
June 30, 2019 and 2018

NOTE J - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes as of and for the years ended June 30, 2019 and 2018:

	2019	2018
Subject to expenditures for specified purpose:		
Operations	**$ 706,074**	$ 1,181,065
Dream.Dare.Do	**1,416,536**	1,546,329
Education	**107,315**	121,084
Education outreach	**51,974**	50,974
New Jewish Culture Network	**4,000**	4,000
Special exhibition	**553,232**	444,329
Internship and academic programs	**102,967**	108,383
Promises to give, the proceeds from which have been restricted by donors for:		
Dream.Dare.Do	**407,500**	859,721
	3,349,598	4,315,885
Subject to time restrictions	**476,550**	770,000
Endowments:		
Perpetual in nature, earnings from which are subject to the Museum's spending policy and appropriation:		
Investments in perpetuity:		
Operations	**1,577,910**	1,559,484
Lecture series	**525,064**	528,136
Museum Director position	**2,622,603**	2,637,957
Pledges receivable - restricted to operations endowment in perpetuity	**500,000**	500,000
Underwater endowments	**(231,852)**	(90,384)
Total endowments	**4,993,725**	5,135,193
	$ 8,819,873	$ 10,221,078

NOTE J - NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Net assets released from restrictions as of June 30, 2019 and 2018 are:

	2019	2018
Satisfaction of purpose restrictions:		
Operations	**$ 849,700**	$ 465,980
George M. Ross investment fund	**-**	20,000
Dream.Dare.Do	**582,014**	894,431
Education	**13,768**	41,305
Education outreach	**5,000**	57,413
New Jewish Culture Network	**32,000**	28,000
Special exhibition	**89,823**	71,194
Internship and academic programs	**26,834**	40,501
	1,599,139	1,618,824
Expiration of time restrictions	**293,450**	376,450
Restricted purpose spending-rate distributions and appropriations:		
Operations	**99,805**	94,440
Lecture series	**33,370**	33,730
Museum Director position	**166,825**	168,630
	300,000	296,800
	$ 2,192,589	$ 2,292,074

NOTE K - ENDOWMENT FUNDS

The Museum’s endowment consists of five individual gifts designated for a variety of purposes. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Trustees of the Museum has interpreted the Commonwealth of Pennsylvania state law as requiring the preservation of the fair value of the original gift as of the gift date of the endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Museum classifies as net assets with donor restrictions (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund, and (d) enhancements and diminution of the fund after amount deemed income under Pennsylvania law. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Museum in a manner consistent with the Commonwealth of Pennsylvania state law.

NOTE K - ENDOWMENT FUNDS (CONTINUED)

As of June 30, 2019 and 2018, the Museum's endowment had the following net asset composition:

	2019		
	Net Assets Without Donor Restrictions	**Net Assets With Donor Restrictions**	**Total**
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	**$ -**	**$ 5,225,577**	**$ 5,225,577**
Accumulated investment losses	**-**	**(231,852)**	**(231,852)**
	$ -	**$ 4,993,725**	**$ 4,993,725**

	2018		
	Net Assets Without Donor Restrictions	**Net Assets With Donor Restrictions**	**Total**
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	$ -	$ 5,225,577	$ 5,225,577
Accumulated investment losses	-	(90,384)	(90,384)
	$ -	$ 5,135,193	$ 5,135,193

NOTE K - ENDOWMENT FUNDS (CONTINUED)

The Museum's endowment had the following activity for the years ended June 30, 2019 and 2018:

	2019 Net Assets With Donor Restrictions	2018 Net Assets With Donor Restrictions
Endowment net assets at beginning of year	**$ 5,135,193**	$ 5,034,992
Investment income	**158,532**	380,593
Contributions	**-**	16,408
Appropriation of endowment assets pursuant to spending-rate policy:		
Operations	**(99,805)**	(94,440)
Lecture series	**(33,370)**	(33,730)
Museum Director position	**(166,825)**	(168,630)
Change in net assets	**(141,468)**	100,201
Endowment net assets at end of year	**$ 4,993,725**	$ 5,135,193
Endowment receivables at end of year	**$ 500,000**	$ 500,000

[1] Return objectives and risk parameters:

The Museum has adopted investment and spending policies for endowment assets that attempt to provide a relatively predictable and growing stream of annual distributions in support of the Museum while preserving the long-term, real purchasing power of assets.

[2] Strategies employed for achieving objectives:

To satisfy its long-term rate-of-return objectives, the Museum relies on a total return strategy in which investment returns are achieved through both capital appreciation (depreciation) (realized and unrealized) and current yield (interest and dividends). The Museum targets a diversified asset allocation that places greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

NOTE K - ENDOWMENT FUNDS (CONTINUED)

[3] Spending policy and how the investment objectives relate to spending policy:

Net realized and unrealized gains and interest and dividends on restricted investments are included as restricted revenues unless stipulated by the donor for perpetuity. The total amount so designated when added to net yield (interest and dividends less fees) is to be between 2% and 7% of the average of the past three fiscal years' market values of the donor-restricted amounts required to be maintained in perpetuity as of March 31. Pursuant to this Commonwealth of Pennsylvania law and at the direction of the Board of Trustees, $300,000 and $296,800 of accumulated investment gains on endowments were appropriated for spending and released to net assets without donor restrictions for the years ended June 30, 2019 and 2018, respectively, and have been reported as net assets released from restrictions in the accompanying statements of activities.

[4] Funds with deficiencies:

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the original gift amount maintained as net assets with donor restrictions. We have interpreted Pennsylvania state law to permit spending from underwater endowments in accordance with prudent measures required under the law. Deficiencies of this nature exist in the net assets with donor restrictions held in perpetuity, which had an original gift value of $5,225,577, a current fair value of $4,993,725, and a deficiency of $231,852 as of June 20, 2019. Deficiencies of this nature exist in the net assets with donor restrictions held in perpetuity, which had an original gift value of $5,225,577, a current fair value of $5,135,193, and a deficiency of $90,384 as of June 20, 2018. These deficiencies result from unfavorable market fluctuations.

NOTE L - LEASE COMMITMENTS

The Museum leases certain office equipment under various agreements. Scheduled minimum future payments under the terms of the leases are as follows:

Year Ending June 30,	
2020	$ 4,191
2021	4,191
2022	2,427
2023	1,839
	$ 12,648

For the years ended June 30, 2019 and 2018, equipment lease expense of $17,792 and $19,585, respectively, is included in general and administrative expenses.

NOTE M - BENEFIT PLANS

The Museum participates as a covered entity in a 401(k) plan under its third-party Professional Employer Organization ("PEO"). The PEO manages the Museum's human resources and payroll functions. Eligible employees are covered under this plan and the Museum may make matching contributions equal to a discretionary percentage of the participants' contributions to be determined by the Board of Trustees.

Total contributions to the benefit plan for the years ended June 30, 2019 and 2018 totaled $66,494 and $57,549, respectively.

NOTE N - CONCENTRATIONS OF CREDIT AND MARKET RISK

[1] Capital Campaign pledges receivable:

Approximately 92% and 87% of Capital Campaign pledges receivable on the statements of financial position are from two donors for the years ended June 30, 2019 and 2018,respectively.

[2] Investments:

The Museum invests in various investment securities that are exposed to various risks including interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect account balances and the amounts reported in the statements of financial position.

NOTE O - SUBSEQUENT EVENTS

The Museum has evaluated subsequent events through June 8, 2020, which is the date the financial statements were available to be issued.

On March 1, 2020, the Museum filed for Chapter 11 bankruptcy protection.

The extent of the impact and effects of the recent outbreak of the coronavirus (COVID-19) on the operation and financial performance of the Museum will depend on future developments, including the duration and spread of the outbreak, related travel advisories and restrictions, the recovery time of the disrupted economy, and the consequential staff shortages, or the uncertainty with respect to philanthropic giving, all of which are highly uncertain and cannot be predicted. If the Museum's individual and corporate contributions are impacted by this outbreak for an extended period, its results of operations or liquidity may be materially adversely affected.

EXHIBIT C-1

EISNERAMPER

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

FINANCIAL STATEMENTS

JUNE 30, 2017 AND 2016

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Contents

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
National Museum of American Jewish History

Report on the Financial Statements

We have audited the accompanying financial statements of the National Museum of American Jewish History, which comprise the statements of financial position as of June 30, 2017 and 2016, and the related statements of activities, changes in net assets, functional expenses, and cash flows for each of the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Museum's preparation and fair presentation of the 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 Museum'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 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 financial statements referred to above present fairly, in all material respects, the financial position of the National Museum of American Jewish History as of June 30, 2017 and 2016, and the changes in its net assets and its cash flows for each of the years then ended in accordance with accounting principles generally accepted in the United States of America.

EisnerAmper LLP

EISNERAMPER LLP
Philadelphia, Pennsylvania
September 6, 2018

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Statements of Financial Position

	June 30	
ASSETS	**2017**	**2016**
Current assets:		
Cash and cash equivalents	**$ 2,279,078**	$ 3,928,292
Pledges receivable	**2,158,794**	1,658,076
Capital campaign pledges receivable, net of allowance for uncollectible pledges of $59,421 in 2017 and 2016	**778,516**	1,373,850
Other receivables	**78,005**	115,789
Inventory, net of reserve for obsolescence of $169,000 in 2017 and $171,000 in 2016	**216,364**	250,005
Prepaid expenses	**10,586**	71,021
Total current assets	**5,521,343**	7,397,033
Property and equipment, net of accumulated depreciation	**89,690,303**	92,618,072
Other assets:		
Investments, at fair value	**4,501,802**	4,275,239
Pledges receivable, net of current portion	**3,012,554**	3,452,646
Capital campaign pledges receivable, net of current portion	**1,308,164**	1,765,890
Total other assets	**8,822,520**	9,493,775
	$ 104,034,166	$ 109,508,880
LIABILITIES		
Current liabilities:		
Current portion of long-term debt	**$ 308,522**	$ -
Accounts payable and accrued expenses	**1,537,232**	1,376,160
Deferred revenue	**448,288**	405,268
Total current liabilities	**2,294,042**	1,781,428
Long-term debt, net of unamortized debt issuance costs of $593,229 in 2017 and $675,151 in 2016	**29,848,249**	30,074,849
Total liabilities	**32,142,291**	31,856,277
Commitments (Note L)		
NET ASSETS		
Unrestricted	**61,153,800**	67,038,587
Temporarily restricted	**5,703,083**	5,733,862
Permanently restricted	**5,034,992**	4,880,154
Total net assets	**71,891,875**	77,652,603
	$ 104,034,166	$ 109,508,880

See notes to financial statements

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Statements of Activities

	Year Ended June 30, 2017			
	Unrestricted	**Temporarily Restricted**	**Permanently Restricted**	**Total**
Operating activities:				
Revenues and gains:				
Individual and corporate contributions	**$ 3,422,820**	**$ 1,720,134**	**$ 50,000**	**$ 5,192,954**
Foundation contributions	**10,500**	**351,000**	**8,065**	**369,565**
Federal, state and local government grants	**449,840**	**-**	**-**	**449,840**
Museum store/café revenue, net of sale discounts of $58,763	**562,757**	**-**	**-**	**562,757**
Special events	**1,400,470**	**-**	**-**	**1,400,470**
Program revenue	**985,673**	**-**	**-**	**985,673**
Replenishment of funds with deficiencies	**75,684**	**(172,457)**	**96,773**	**-**
Net assets released from restrictions	**2,371,713**	**(2,371,713)**	**-**	**-**
Total revenues and gains	**9,279,457**	**(473,036)**	**154,838**	**8,961,259**
Expenses:				
Program services	**6,413,272**	**-**	**-**	**6,413,272**
General and administrative	**1,506,675**	**-**	**-**	**1,506,675**
Fundraising	**2,910,705**	**-**	**-**	**2,910,705**
Total expenses	**10,830,652**	**-**	**-**	**10,830,652**
Increase (decrease) in net assets from operating activities	**(1,551,195)**	**(473,036)**	**154,838**	**(1,869,393)**
Nonoperating activities:				
Investment income	**17,831**	**442,257**	**-**	**460,088**
Interest expense	**(1,261,844)**	**-**	**-**	**(1,261,844)**
Depreciation	**(2,995,270)**	**-**	**-**	**(2,995,270)**
One-time charges	**(94,309)**	**-**	**-**	**(94,309)**
Increase (decrease) in net assets from nonoperating activities	**(4,333,592)**	**442,257**	**-**	**(3,891,335)**
Increase (decrease) in net assets	**$ (5,884,787)**	**$ (30,779)**	**$ 154,838**	**$ (5,760,728)**

	Year Ended June 30, 2016			
	Unrestricted	**Temporarily Restricted**	**Permanently Restricted**	**Total**
Operating activities:				
Revenues and gains:				
Individual and corporate contributions	$ 1,596,362	$ 3,273,035	$ -	$ 4,869,397
Foundation contributions	11,000	63,603	12,154	86,757
Federal, state and local government grants	72,424	-	-	72,424
Museum store/café revenue, net of sale discounts of $94,227	532,843	-	-	532,843
Special events	1,875,921	-	-	1,875,921
Program revenue	978,448	-	-	978,448
Borrowings for funds with deficiencies	(75,684)	346,634	(270,950)	-
Net assets released from restrictions	3,490,256	(3,490,256)	-	-
Total revenues and gains	8,481,570	193,016	(258,796)	8,415,790
Expenses:				
Program services	5,734,642	-	-	5,734,642
General and administrative	1,575,112	-	-	1,575,112
Fundraising	2,647,493	-	-	2,647,493
Total expenses	9,957,247	-	-	9,957,247
Increase (decrease) in net assets from operating activities	(1,475,677)	193,016	(258,796)	(1,541,457)
Nonoperating activities:				
Investment income (loss)	407	(151,629)	-	(151,222)
Interest expense	(1,278,816)	-	-	(1,278,816)
Depreciation	(3,190,387)	-	-	(3,190,387)
Decrease in net assets from nonoperating activities	(4,468,796)	(151,629)	-	(4,620,425)
Increase (decrease) in net assets	$ (5,944,473)	$ 41,387	$ (258,796)	$ (6,161,882)

See notes to financial statements

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Statements of Changes in Net Assets
Years Ended June 30, 2017 and 2016

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Net assets - July 1, 2015	$ 72,983,060	$ 5,692,475	$ 5,138,950	$ 83,814,485
Increase (decrease) in net assets	(5,944,473)	41,387	(258,796)	(6,161,882)
Net assets - June 30, 2016	67,038,587	5,733,862	4,880,154	77,652,603
Increase (decrease) in net assets	(5,884,787)	(30,779)	154,838	(5,760,728)
Net assets - June 30, 2017	**$ 61,153,800**	**$ 5,703,083**	**$ 5,034,992**	**$ 71,891,875**

See notes to financial statements

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Statements of Functional Expenses

	Year Ended June 30, 2017			
	Program Services	**General and Administrative**	**Fundraising**	**Total**
Operating expenses:				
Salaries, payroll taxes and related benefits	**$ 2,587,249**	**$ 621,555**	**$ 943,432**	**$ 4,152,236**
Professional services	**440,166**	**45,844**	**249,624**	**735,634**
Equipment leases and maintenance	**72,347**	**22,208**	**43,053**	**137,608**
Advertising and marketing	**664,124**	**22,065**	**2,254**	**688,443**
Office supplies and printing	**273,647**	**58,718**	**424,995**	**757,360**
Insurance	**140,984**	**29,923**	**23,703**	**194,610**
Building, facilities and telephone	**1,892,156**	**412,811**	**296,007**	**2,600,974**
Exhibition and other operating costs	**342,599**	**5,351**	**91,483**	**439,433**
Special events	**-**	**-**	**836,154**	**836,154**
Cost of goods sold	**-**	**288,200**	**-**	**288,200**
Total operating expenses	**6,413,272**	**1,506,675**	**2,910,705**	**10,830,652**
Nonoperating expenses:				
Interest expense	**1,261,844**	**-**	**-**	**1,261,844**
Depreciation	**1,720,881**	**865,913**	**408,476**	**2,995,270**
One-time charges	**65,813**	**22,715**	**5,781**	**94,309**
Total nonoperating expenses	**3,048,538**	**888,628**	**414,257**	**4,351,423**
Total functional expenses	**$ 9,461,810**	**$ 2,395,303**	**$ 3,324,962**	**$ 15,182,075**

	Year Ended June 30, 2016			
	Program Services	**General and Administrative**	**Fundraising**	**Total**
Operating expenses:				
Salaries, payroll taxes and related benefits	$ 2,341,742	$ 650,920	$ 1,078,213	$ 4,070,875
Professional services	600,465	43,339	117,738	761,542
Equipment leases and maintenance	61,060	25,064	46,607	132,731
Advertising and marketing	621,089	18,821	17,017	656,927
Office supplies and printing	261,410	69,083	487,189	817,682
Insurance	114,710	31,787	25,847	172,344
Building, facilities and telephone	1,526,951	462,481	342,292	2,331,724
Exhibition and other operating costs	207,215	2,755	111,379	321,349
Special events	-	-	421,211	421,211
Cost of goods sold	-	270,862	-	270,862
Total operating expenses	5,734,642	1,575,112	2,647,493	9,957,247
Nonoperating expenses:				
Interest expense	1,278,816	-	-	1,278,816
Depreciation	1,658,837	1,038,446	493,104	3,190,387
Total nonoperating expenses	2,937,653	1,038,446	493,104	4,469,203
Total functional expenses	$ 8,672,295	$ 2,613,558	$ 3,140,597	$ 14,426,450

See notes to financial statements

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Statements of Cash Flows

	Year Ended June 30	
	2017	**2016**
Cash flows from operating activities:		
Decrease in net assets	**$ (5,760,728)**	$ (6,161,882)
Adjustments to reconcile decrease in net assets to net cash used in operating activities:		
Depreciation	**2,995,270**	3,190,387
Amortization	**81,921**	81,921
Unrealized (gain) loss on investments	**(288,318)**	189,710
Realized (gain) loss on investments	**(52,190)**	97,170
Reserve for inventory obsolescence	**(2,000)**	(8,000)
Contribution restricted for endowment	**(58,065)**	(12,154)
(Increase) decrease in assets:		
Pledges receivable	**(60,626)**	(1,202,806)
Other receivables	**37,784**	(11,339)
Inventory	**35,641**	33,635
Prepaid expenses	**60,435**	(15,743)
Increase in liabilities:		
Accounts payable and accrued expenses	**161,072**	501,250
Deferred revenue	**43,020**	67,367
Net cash used in operating activities	**(2,806,784)**	(3,250,484)
Cash flows from investing activities:		
Acquisition of investments	**(1,946,059)**	(1,794,117)
Sale of investments	**2,060,005**	1,963,247
Acquisition of equipment	**(67,501)**	(67,855)
Net cash provided by investing activities	**46,445**	101,275
Cash flows from financing activities:		
Proceeds from Capital campaign pledges	**1,053,060**	2,272,482
Deferred loan costs	**-**	(5,000)
Proceeds from contribution restricted for endowment	**58,065**	12,154
Net cash provided by financing activities	**1,111,125**	2,279,636
Net change in cash and cash equivalents	**(1,649,214)**	(869,573)
Cash and cash equivalents at beginning of year	**3,928,292**	4,797,865
Cash and cash equivalents at end of year	**$ 2,279,078**	$ 3,928,292
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	**$ 1,179,923**	$ 841,479
Supplemental disclosure of noncash financing activities:		
In-kind support	**$ 22,200**	$ -

See notes to financial statements

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Notes to Financial Statements
June 30, 2017 and 2016

NOTE A - NATURE OF OPERATIONS

National Museum of American Jewish History (the "Museum") is a nonprofit organization that collects and exhibits artifacts of American Jewish history. The Museum is a 100,000 square-foot facility located on Independence Mall in Philadelphia, Pennsylvania. The Museum tells the story of over 360 years of American Jewish history through its artifacts, interactive technology and original films. The Museum also offers public programs and cultural events.

Fulfilling its mission to collect and preserve the material culture of American Jews, the Museum has a growing collection which consists of more than 20,000 objects documenting 360 years of Jewish life in this country. Materials originate in the Americas and Europe, with the greatest percentage being North American in both manufacture and provenance. A social history approach has been applied to collecting activities since 1991, giving priority to acquisitions that encompass the daily occupational, domestic and communal aspects of American Jewish life.

The Museum's focus on American Jewish material culture distinguishes its holdings from those of other Jewish museums in this country. The changing realities of American Jewish life and the shaping of Jewish identities at home, at work, and in communal activity are included in the collection which includes printed matter, buttons and badges, sound recordings, sheet music, ritual objects, photographs of Jewish people and places (families and Jewish-owned businesses), ceremonial art, and a wide variety of domestic and commercial artifacts.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] Basis of presentation:

The financial statements of the Museum have been prepared utilizing the accrual basis of accounting conforming to accounting principles generally accepted in the United States of America ("U.S. GAAP") as applicable to not-for-profit organizations. Resources in the financial statements are classified for accounting and reporting purposes into classes of net assets according to the existence or absence of donor-imposed restrictions.

- ***Unrestricted***

  Unrestricted net assets are used to account for funds which have not been restricted by donors, and over which the Board of Trustees has discretionary control.

- ***Temporarily Restricted***

  Temporarily restricted net assets represent those resources that have been restricted by donors for specific purposes. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the accompanying statements of activities as net assets released from restrictions. Temporarily restricted net assets with donor restrictions associated with capital projects are reclassified as unrestricted net assets and reported in the accompanying statements of activities as net assets released from restrictions when the related assets are placed into service.

- ***Permanently Restricted***

  Permanently restricted net assets represent those resources subject to donor-imposed stipulations that they be maintained permanently by the Museum. Generally, the donors of these assets permit the Museum to use all or part of the income earned on related investments, and the net capital appreciation thereon, for general or specific purposes.

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Notes to Financial Statements
June 30, 2017 and 2016

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[2] Operations:

The accompanying statements of activities distinguish between operating and nonoperating activities. Operating activities primarily include all revenues and expenses that are an integral part of the Museum's programmatic, fundraising and general and administrative activities. Nonoperating activities include investment income (loss), interest expense and depreciation and amortization.

[3] Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include estimated useful lives for the building and improvements, discount rates used to calculate the net present value of pledges receivable, and an allowance for uncollectible pledges receivable. Actual results could differ from those estimates.

[4] Cash and cash equivalents:

Cash and cash equivalents include all cash balances and all highly liquid debt instruments purchased with initial maturities of three months or less. The Museum places its short-term cash investments with high credit quality financial institutions. At times, such investments may be in excess of the Federal Deposit Insurance Corporation insurance limit. Management believes that the Museum is not exposed to any significant credit risks on its cash accounts.

[5] Investments:

Investments in marketable securities with readily determinable fair value and all investments in debt securities are stated at fair value in the statements of financial position. Unrealized gains and losses are included in the statements of activities.

[6] Pledges receivable:

Unconditional pledges are recorded as receivables at the time such pledges are received. Contributions of assets other than cash are recorded at their estimated fair value at the date of donation. Pledges that are expected to be collected within one year are recorded at net realizable value. Pledges that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using a risk-free rate of return appropriate for the expected term of the promise to give. Amortization of the discounts is included in contribution revenue.

[7] Allowance for uncollectible pledges:

Pledges receivable are periodically reviewed by management for collectibility. Bad debts are provided for on the allowance method based on historical experience and management's evaluation of outstanding pledges receivable. Pledges are written off when they are deemed uncollectible. The allowance for uncollectible pledges as of both June 30, 2017 and 2016 was $-0-. The allowance for uncollectible capital campaign pledges as of both June 30, 2017 and 2016 was $59,421.

[8] Revenue recognition:

Revenue from admissions is recognized as the services are rendered. Included in deferred revenue are revenues received in advance related to group tours and facility rentals, as well as revenues related to the Museum's membership campaign that represent future admissions to the Museum.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[9] Collection items:

The Museum has adopted the policy of not capitalizing either purchased or donated collection items. Purchases of collection items are recorded as decreases in unrestricted net assets in the year in which the items are acquired or as decreases in temporarily restricted net assets if the assets used to purchase the items are restricted by donors. The Museum follows standard practice in the field in the care and documentation of its collections.

[10] Inventory:

Inventory primarily consists of Judaica items, which are valued at the lower of cost or market as determined using the first-in, first-out method based on historical sales and sales trends in the Museum's store. Management has estimated an inventory reserve for obsolescence of $169,000 and $171,000 for the years ended June 30, 2017 and 2016, respectively, which is included on the statements of financial position.

[11] Property and equipment and depreciation:

Self-constructed assets and assets that are purchased are stated at cost less accumulated depreciation and recognized in the statements of financial position. Depreciation is provided on the straight-line method over the estimated useful lives of the assets. Donated assets (except for museum collection items) are recorded at their approximate fair value at the date of the gift. Estimated useful lives are as follows:

Asset Class	Useful Lives in Years
Building and related components	15 - 50
Exhibit equipment	15
Equipment	5 - 15
Furniture and fixtures	15 - 20

Management evaluates the recoverability of the investment in long-lived assets on an ongoing basis and recognizes any impairment in the year of determination. Long-lived assets were tested for impairment as of June 30, 2017 and 2016, and in the opinion of management, there was no impairment. It is reasonably possible that relevant conditions could change in the near term and necessitate a change in management's estimate of the recoverability of these assets.

[12] Endowment spending:

Net realized and unrealized gains and interest and dividends on permanently restricted investments are included as temporarily restricted revenues unless stipulated by the donor for perpetuity. Commonwealth of Pennsylvania law permits the Museum to define as income a portion of net realized gains, and during the years ended June 30, 2017 and 2016 the Museum maintained this policy. The total amount so designated when added to net yield (interest and dividends less fees) is to be between 2% and 7% of the average of the past three fiscal years' market values of the permanently restricted net assets as of March 31. Pursuant to this Commonwealth of Pennsylvania law and at the direction of the Board of Trustees, $269,800 and $310,431 of net realized gains on endowments was distributed for unrestricted purposes and was included in unrestricted revenues for the years ended June 30, 2017 and 2016, respectively, and has been reported as net assets released from restrictions in the accompanying statements of activities.

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Notes to Financial Statements
June 30, 2017 and 2016

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[13] Deferred financing charges:

Expenses related to obtaining loan financing are amortized using the straight-line method, which approximates the effective interest method, over the term of the loan. Costs aggregating $593,229 remain in relation to the debt refinancing in June 2015. These costs are netted against outstanding debt (see Note H).

Amortization for each of the years ended June 30, 2017 and 2016 was $81,921.

[14] Donated assets:

Donated materials are recorded as contributions at their estimated fair value at the date of donation. For the years ended June 30, 2017 and 2016, the Museum received donated media and production services with an estimated value of $22,200 and $-0-, respectively, which is included in individual and corporate contributions on the statements of activities.

The Museum received donated securities during each of the years ended June 30, 2017 and 2016 which were sold upon receipt. The proceeds from these donated securities were $145,422 and $920,724 for the years ended June 30, 2017 and 2016, respectively.

[15] Advertising:

Advertising costs are expensed as incurred. Such expenses for the years ended June 30, 2017 and 2016 were $688,443 and $656,927, respectively.

[16] Functional allocation of expenses:

The costs of providing various programs and supporting services have been summarized on a functional basis in the accompanying statements of functional expenses. Accordingly, certain expenses have been allocated among programs and supporting services based on estimates determined by management.

[17] Federal tax status:

The Internal Revenue Service has classified the Museum as exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code ("Code"); as an organization, contributions to which are deductible under Section 170(c) of the Code; and as an organization that is not a private foundation as defined in Section 509(a) of the Code.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken and recognize a tax liability, if the Museum has taken an uncertain tax position that more likely than not would not be sustained upon examination by a government authority. Management has analyzed the tax positions taken by the Museum and has concluded that as of June 30, 2017 and 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

The Museum recognizes accrued interest and penalties associated with income taxes, if any, as part of administrative expenses. There were no income tax related interest and penalties recorded for either of the years ended June 30, 2017 or 2016.

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Notes to Financial Statements
June 30, 2017 and 2016

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[18] New accounting pronouncements:

In February 2016, Financial Accounting Standards Board ("FASB") issued Accounting Standards Board ("ASU") 2016-02, *Leases (Topic 842)*. This standard requires entities that lease assets to recognize on the balance sheet the assets and liabilities for the rights and obligations created by those leases. The standard is effective for fiscal years beginning after December 15, 2019. The guidance is required to be applied by the modified retrospective transition approach. Early adoption is permitted. Management is currently evaluating the effect that this new guidance will have on its financial statements and related disclosures.

In August 2016, FASB issued ASU 2016-14, *Not-for-Profit Entities (Subtopic 958): Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 amends the presentation and disclosures to help not-for-profit organizations provide more relevant information about their resources (and the changes in those resources) to donors, grantors, creditors, and other users. ASU 2016-14 includes qualitative and quantitative requirements in the following areas: a) net asset classes, b) investment return, c) expenses, d) liquidity and availability of resources, and e) presentation of operating cash flows. The new standard will be effective for annual financial statements issued for fiscal years beginning after December 15, 2017, which will be the year beginning on July 1, 2018 for the Museum, with early adoption permitted. Management is currently evaluating the effect that this new guidance will have on its financial statements and related disclosures.

[19] Reclassification:

Certain amounts in the 2016 financial statements were reclassified to conform to the current year's presentation.

NOTE C - LIQUIDITY

Management believes the existing liquidity position is adequate to meet current needs. To address long-term liquidity needs, management will continue the campaign to strengthen fundraising efforts as well as initiating, and executing, a restructuring plan for operating in fiscal 2018 and beyond.

The restructuring plan, which was announced in June 2017, centered around right-sizing operating expenses to match the Museum's historical revenue streams. Cost reductions included a reduction of workforce, matching our hours of operation to meet demand, and the elimination of programs and activities that are not central to mission fulfillment.

The plan allows the Museum to continue focusing on its core mission by carefully selecting initiatives which will increase earned and contributed revenue; expand national footprint; raise visibility in markets with philanthropic potential, increase attendance and selecting projects that perform all four of the initiatives. Management believes these changes will allow the Museum to remain highly visible and continue to serve the community, despite a reduced program menu.

NOTE D - PLEDGES RECEIVABLE

The Museum has received pledges, some of which are receivable in future years. Pledges that are receivable in more than one year are discounted at a risk-free rate of return appropriate for the expected term of the promise to give to approximate the net present value of the estimated future cash flows. In considering estimated cash flows, the Museum considers the creditworthiness of the donors, the Museum's past collection experience and its procedures to collect promises to give.

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Notes to Financial Statements
June 30, 2017 and 2016

NOTE D - PLEDGES RECEIVABLE (CONTINUED)

As of June 30, 2017 and 2016, pledges receivable consisted of the following:

	2017	2016
Receivable in less than one year	**$ 2,996,731**	$ 3,091,347
Receivable in one to five years	**4,543,878**	5,468,606
Total pledges	**7,540,609**	8,559,953
Less discount to net present value	**(223,160)**	(250,070)
Less allowance for uncollectible accounts	**(59,421)**	(59,421)
Net pledges receivable	**$ 7,258,028**	$ 8,250,462
Current	**$ 2,937,310**	$ 3,031,926
Noncurrent	**4,320,718**	5,218,536
	$ 7,258,028	$ 8,250,462

Pledges which are receivable in more than one year are discounted at an appropriate rate of return for the expected term of the pledge, ranging from 0.72% to 1.89%.

NOTE E - PROPERTY AND EQUIPMENT

Major classes of property and equipment and accumulated depreciation as of June 30, 2017 and 2016 are as follows:

	2017	2016
Land	**$ 11,354,303**	$ 11,354,303
Building and improvements	**95,239,128**	95,236,498
Exhibit equipment	**2,762,187**	2,697,316
Equipment	**1,274,976**	1,274,976
Furniture and fixtures	**1,388,206**	1,388,206
	112,018,800	111,951,299
Less accumulated depreciation	**22,328,497**	19,333,227
	$ 89,690,303	$ 92,618,072

Depreciation for the years ended June 30, 2017 and 2016 was $2,995,270 and $3,190,387, respectively.

NOTE F - INVESTMENTS

Market values and unrealized appreciation as of June 30, 2017 and 2016 are summarized as follows:

	2017		
	Cost	**Market**	**Unrealized Appreciation**
Mutual funds - domestic	**$ 3,019,257**	**$ 3,372,114**	**$ 352,857**
Mutual funds - foreign	**875,832**	**992,681**	**116,849**
	3,895,089	**4,364,795**	**469,706**
Money market funds	**137,007**	**137,007**	**-**
	$ 4,032,096	**$ 4,501,802**	**$ 469,706**

	2016		
	Cost	**Market**	**Unrealized Appreciation**
Mutual funds - domestic	$ 2,879,746	$ 3,041,381	$ 161,635
Mutual funds - foreign	978,894	998,647	19,753
	3,858,640	4,040,028	181,388
Money market funds	235,211	235,211	-
	$ 4,093,851	$ 4,275,239	$ 181,388

Investment income (loss) for the years ended June 30, 2017 and 2016 is comprised of the following:

	2017	**2016**
Dividends and interest	**$ 119,580**	$ 135,658
Net realized and unrealized investment income (loss)	**340,508**	(286,880)
	$ 460,088	$ (151,222)

NOTE G - FAIR VALUE MEASUREMENTS

FASB Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Fair value is an estimate of the exit price, representing the amount that would be received to sell an asset in an orderly transaction between market participants (i.e., the exit price at the measurement date).

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements), and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology include (a) quoted prices for similar assets or liabilities in active markets; (b) quoted prices for identical or similar assets or liabilities in inactive markets; (c) inputs other than quoted prices that are observable for the asset or liability; or (d) inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The valuation levels are not necessarily an indication of the risk or liquidity associated with the underlying assets.

The following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in the methodology used as of June 30, 2017 or 2016.

Mutual funds – Valued at the closing price reported in the active market on which the individual securities are traded.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Museum believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Notes to Financial Statements
June 30, 2017 and 2016

NOTE G - FAIR VALUE MEASUREMENTS (CONTINUED)

The following tables set forth, by level, the Museum's investments at fair value, within the aforementioned fair value hierarchy, as of June 30, 2017 and 2016:

	Investment Assets at Fair Value as of June 30, 2017			
	Level 1	**Level 2**	**Level 3**	**Total**
Mutual funds - domestic:				
Growth funds	$ 984,233	$ -	$ -	$ 984,233
Blend funds	68,036	-	-	68,036
Value funds	500,872	-	-	500,872
Fixed income funds	687,441	-	-	687,441
Other funds	822,448	-	-	822,448
Real Estate - U.S. public	309,084	-	-	309,084
Total mutual funds - domestic	3,372,114	-	-	3,372,114
Mutual funds - foreign:				
Blend funds	319,336	-	-	319,336
Exchange-traded funds	131,902	-	-	131,902
Fixed income funds	264,797	-	-	264,797
Diversified emerging markets funds	276,646	-	-	276,646
Total mutual funds - foreign	992,681	-	-	992,681
Total investment assets at fair value	$ 4,364,795	$ -	$ -	$ 4,364,795

NOTE G - FAIR VALUE MEASUREMENTS (CONTINUED)

	Investment Assets at Fair Value as of June 30, 2016			
	Level 1	Level 2	Level 3	Total
Mutual funds - domestic:				
Growth funds	$ 743,606	$ -	$ -	$ 743,606
Exchange-traded funds	176,276	-	-	176,276
Value funds	752,676	-	-	752,676
Commodity funds	84,494	-	-	84,494
Fixed income funds	714,390	-	-	714,390
Other funds	483,712	-	-	483,712
Real Estate - U.S. public	86,227	-	-	86,227
Total mutual funds - domestic	3,041,381	-	-	3,041,381
Mutual funds - foreign:				
Growth funds	207,154	-	-	207,154
Exchange-traded funds	105,534	-	-	105,534
Value funds	205,948	-	-	205,948
Fixed income funds	172,324	-	-	172,324
Diversified emerging markets funds	307,687	-	-	307,687
Total mutual funds - foreign	998,647	-	-	998,647
Total investment assets at fair value	$ 4,040,028	$ -	$ -	$ 4,040,028

Changes in fair value levels:

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period. For the years ended June 30, 2017 and 2016, there were no transfers into or out of Levels 1, 2 or 3.

NOTE H - LONG-TERM DEBT

The Museum obtained a loan of $35,000,000 from TD Bank for the construction of the Museum building in August 2009. The construction loan was collateralized by substantially all of the Museum's assets relating to the Museum's building including land, improvements, agreements, and pledges. The loan was converted to a mortgage loan effective on August 26, 2011.

On June 30, 2015, the Museum issued bonds to pay off the mortgage loan. Bridgehampton National Bank purchased $17,000,000 of Series A bonds and a group of friends and family of the Museum, some of whom are Board members, purchased $13,750,000 of Series B bonds of the Museum's revenue bonds from Philadelphia Authority for Industrial Development ("PAID").

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Notes to Financial Statements
June 30, 2017 and 2016

NOTE H - LONG-TERM DEBT (CONTINUED)

The Series A bonds are payable in monthly payments of interest only through July 2017; interest is 3.25%. Principal payments begin in August 2017 and continue through July 2022, with a balloon payment due on July 5, 2022 of $15,270,540.

The Series B bonds are payable in semi-annual payments of interest only through maturity in July 2032 at which time a balloon payment of principle is due; interest is 4.50%.

The Series A and Series B bonds are collateralized by the Museum building. The trust indenture agreement contains restrictive financial covenants which require the maintenance of certain financial ratios for leverage as defined in the agreement. The Museum was in not in compliance with the restrictive financial covenants of as of June 30, 2017. On August 3, 2018, the Museum obtained a forbearance agreement from Bridgehampton National Bank, which waived the financial covenant requirements through September 30, 2019 and included additional financial conditions and reporting requirements.

Interest expense under the loan agreement for the years ended June 30, 2017 and 2016 was $1,179,923 and $1,196,895, respectively.

Scheduled future maturities of long-term debt as of June 30, 2017 are as follows:

Year Ending June 30	
2018	$ 308,522
2019	348,078
2020	358,256
2021	371,708
2022	384,142
Thereafter	28,979,294
	30,750,000
Less unamortized debt issuance costs	593,229
	30,156,771
Less current portion	308,522
	$ 29,848,249

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Notes to Financial Statements
June 30, 2017 and 2016

NOTE I - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes as of and for the years ended June 30, 2017 and 2016:

Purpose	July 1, 2016	Contributions and Investment Return	Releases from Restrictions	June 30, 2017
Annual fund, time-restricted	$ 2,169,091	**$ 830,315**	**$ 962,791**	**$ 2,036,615**
George M. Ross investment fund	39,189	**811**	**20,000**	**20,000**
Dream.Dare.Do	2,904,405	**800,359**	**682,979**	**3,021,785**
Education	165,812	**53,800**	**72,223**	**147,389**
Education outreach	61,152	**145,011**	**125,276**	**80,887**
New Jewish Culture Network	26,903	**-**	**22,903**	**4,000**
Public programs	66,075	**-**	**66,075**	**-**
Special exhibition	177,662	**224,445**	**126,184**	**275,923**
Internship and academic programs	117,025	**16,393**	**16,934**	**116,484**
Young friends	6,548	**-**	**6,548**	**-**
Endowment investment income	-	**269,800**	**269,800**	**-**
	$ 5,733,862	**$ 2,340,934**	**$ 2,371,713**	**$ 5,703,083**

Purpose	July 1, 2015	Contributions and Investment Return	Releases from Restrictions	June 30, 2016
Annual fund, time-restricted	$ 765,344	$ 1,984,782	$ 581,035	$ 2,169,091
George M. Ross investment fund	108,115	1,074	70,000	39,189
Dream.Dare.Do	3,858,405	1,045,409	1,999,409	2,904,405
Education	161,166	34,631	29,985	165,812
Education outreach	114,297	69,182	122,327	61,152
New Jewish Culture Network	39,193	32,000	44,290	26,903
Public programs	50,000	32,500	16,425	66,075
Special exhibition	392,737	66,902	281,977	177,662
Internship and academic programs	87,792	45,158	15,925	117,025
Young friends	-	25,000	18,452	6,548
Endowment investment income	115,426	195,005	310,431	-
	$ 5,692,475	$ 3,531,643	$ 3,490,256	$ 5,733,862

NOTE J - PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets as of June 30, 2017 and 2016 are:

	2017	2016
Investments in perpetuity, the income from which is expendable to support operations	**$ 1,979,718**	$ 1,887,509
Investments in perpetuity, the income from which is expendable to support a lecture series	**510,023**	500,000
Investments in perpetuity, the income from which is expendable to support a Museum Director position	**2,545,251**	2,492,645
	$ 5,034,992	$ 4,880,154

NOTE K - ENDOWMENT FUNDS

The Museum's endowment consists of five individual gifts designated for a variety of purposes. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Trustees of the Museum has interpreted the Commonwealth of Pennsylvania state law as requiring the preservation of the fair value of the original gift as of the gift date of the endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Museum classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund, and (d) enhancements and diminution of the fund after amount deemed income under Pennsylvania law. The remaining portion of the donor-restricted endowment fund that is not classified as permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Museum in a manner consistent with the Commonwealth of Pennsylvania state law.

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Notes to Financial Statements
June 30, 2017 and 2016

NOTE K - ENDOWMENT FUNDS (CONTINUED)

The Museum's endowment had the following activity for the years ended June 30, 2017 and 2016:

	2017			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net asset (deficiency) at beginning of year	$ (75,684)	$ -	$ 4,880,154	$ 4,804,470
Investment return:				
Investment income	-	112,031	-	112,031
Change in investment value (realized and unrealized)	-	330,226	-	330,226
Total investment return	-	442,257	-	442,257
Contributions	-	-	58,065	58,065
Appropriation of endowment assets for expenditure	269,800	(269,800)	-	-
Released for designated purpose:				
Operations	(78,700)	-	-	(78,700)
Lecture series	(31,900)	-	-	(31,900)
Museum Director position	(159,200)	-	-	(159,200)
Replenishment of funds with deficiencies	75,684	(172,457)	96,773	-
Change in net assets	75,684	-	154,838	230,522
Endowment net assets at end of year	$ -	$ -	$ 5,034,992	$ 5,034,992
Endowment receivables at end of year	$ -	$ -	$ 500,000	$ 500,000

NATIONAL MUSEUM OF AMERICAN JEWISH HISTORY

Notes to Financial Statements
June 30, 2017 and 2016

NOTE K - ENDOWMENT FUNDS (CONTINUED)

	2016			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets at beginning of year	$ -	$ 115,426	$ 5,138,950	$ 5,254,376
Investment return:				
Investment income	-	125,972	-	125,972
Change in investment value (realized and unrealized)	-	(277,601)	-	(277,601)
Total investment return	-	(151,629)	-	(151,629)
Contributions	-	-	12,154	12,154
Appropriation of endowment assets for expenditure	310,431	(310,431)	-	-
Released for designated purpose:				
Operations	(78,100)	-	-	(78,100)
Lecture series	(52,331)	-	-	(52,331)
Museum Director position	(180,000)	-	-	(180,000)
Borrowings for funds with deficiencies	(75,684)	346,634	(270,950)	-
Change in net assets	(75,684)	(115,426)	(258,796)	(449,906)
Endowment net asset (deficiency) at end of year	$ (75,684)	$ -	$ 4,880,154	$ 4,804,470
Endowment receivables at end of year	$ -	$ -	$ 500,000	$ 500,000

[1] Return objectives and risk parameters:

The Museum has adopted investment and spending policies for endowment assets that attempt to provide a relatively predictable and growing stream of annual distributions in support of the Museum while preserving the long-term, real purchasing power of assets.

[2] Strategies employed for achieving objectives:

To satisfy its long-term rate-of-return objectives, the Museum relies on a total return strategy in which investment returns are achieved through both capital appreciation (depreciation) (realized and unrealized) and current yield (interest and dividends). The Museum targets a diversified asset allocation that places greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

NOTE K - ENDOWMENT FUNDS (CONTINUED)

[3] Spending policy and how the investment objectives relate to spending policy:

The Museum has a policy of appropriating for distribution each year between 2% and 7% of its endowment fund's three-year average value. During the year ended June 30, 2017, the Museum's Board of Trustees approved a 6% distribution. In establishing this policy, the Museum seeks to reduce the variability of the annual fund distributions by factoring past spending and portfolio asset values into its current spending policy, its target asset allocation, or both.

[4] Funds with deficiencies:

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the original gift amount maintained as permanently restricted net assets. Total endowment deficiencies of this nature totaled $-0- and $75,684 as of June 30, 2017 and 2016, respectively. Such deficiencies are recorded as unrestricted net assets. These deficiencies resulted from unfavorable market fluctuations. In subsequent years, $174,177 will still need to be transferred from temporarily restricted net assets to permanently restricted net assets.

NOTE L - LEASE COMMITMENTS

The Museum leases certain office equipment under various agreements. Scheduled minimum future payments under the terms of the leases are as follows:

Year Ending June 30	
2018	$ 4,488
2019	3,598
2020	2,352
2021	2,352
2022	588
	$ 13,378

For the years ended June 30, 2017 and 2016, equipment lease expense of $22,573 and $24,267, respectively, is included in general and administrative expenses.

NOTE M - BENEFIT PLANS

The Museum participates as a covered entity in a 401(k) plan under its third-party Professional Employer Organization ("PEO"). The PEO manages the Museum's human resources and payroll functions. Eligible employees are covered under this plan and the Museum may make matching contributions equal to a discretionary percentage, to be determined by the Board of Trustees, of the participants' contributions.

Total contributions to the benefit plan for the years ended June 30, 2017 and 2016 totaled $82,346 and $79,721, respectively.

NOTE N - CONCENTRATIONS OF CREDIT AND MARKET RISK

[1] Capital Campaign pledges receivable:

Approximately 90% of Capital Campaign pledges receivable on the statements of financial position are from two donors for each of the years ended June 30, 2017 and 2016.

[2] Investments:

The Museum invests in various investment securities that are exposed to various risks including interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect account balances and the amounts reported in the statements of financial position.

NOTE O - SUBSEQUENT EVENTS

The Museum has evaluated subsequent events through September 6, 2018, which is the date the financial statements were available to be issued.

EXHIBIT D

Identity of Certain Directors, Officers, and Trustees

STAFF LIST	
Mikhail "Misha" Galperin	Chief Executive Officer
Paul Waimberg	Chief Financial Officer

BOARD OF TRUSTEES **NMAJH OFFICERS**	
Philip M. Darivoff	Chairperson
Lyn M. Ross	Chairperson
Stephen A. Cozen	First Vice Chairperson
Elijah S. Dornstreich	Treasurer
Alan J. Hoffman	Vice Chairperson
Mark Oster	Secretary
Miriam Schneirov	Vice Chairperson
Lindy Snider	Vice Chairperson

TRUSTEES		
Susanna Lachs Adler	Scott Akman	Philip Balderston
Alec Ellison	Phyllis Finkelstein	Thomas O. Katz
Sharon Tobin Kestenbaum	Andrew Klaber	Elaine Lindy
Mitchell L. Morgan	Matthew Petronk	Lisa B. Popowich
Daniel Promislo	Ronald Rubin, Chairperson Emeritus	Laury Saligman
Sherrie R. Savett	Miriam Schneirov	Brett Schulman
Daniel A. Shapiro	Michelle Singer	Meredith C. Slawe
Lindy Snider	Michael Swift	Joseph S. Zuritsky

Of the individuals listed above, only Mikhail Galperin (CEO) and Paul Waimberg (CFO) will be compensated by the Debtor after the Effective Date. The compensation to be paid to Mikhail Galperin will be $312,000 per year plus benefits, and the compensation to be paid to Paul Waimberg will be $176,000 per year plus benefits.

EXHIBIT E

Payments to BNB

NMAJH DEBT PAYMENTS UNDER EXIT PLANS

		Principal	Interest	TOTAL
Month	1	-	$15,119.27	$15,119.27
	2	-	$15,119.27	$15,119.27
	3	-	$15,119.27	$15,119.27
	4	-	$15,119.27	$15,119.27
	5	-	$15,119.27	$15,119.27
	6	-	$15,119.27	$15,119.27
	7	-	$15,119.27	$15,119.27
	8	-	$15,119.27	$15,119.27
	9	-	$15,119.27	$15,119.27
	10	-	$15,119.27	$15,119.27
	11	-	$15,119.27	$15,119.27
	12	-	$15,119.27	$15,119.27
	13	-	$15,119.27	$15,119.27
	14	-	$15,119.27	$15,119.27
	15	-	$15,119.27	$15,119.27
	16	-	$15,119.27	$15,119.27
	17	-	$15,119.27	$15,119.27
	18	-	$15,119.27	$15,119.27
	19	-	$15,119.27	$15,119.27
	20	-	$15,119.27	$15,119.27
	21	-	$15,119.27	$15,119.27
	22	-	$15,119.27	$15,119.27
	23	-	$15,119.27	$15,119.27
	24	-	$15,119.27	$15,119.27
	25	$16,544.43	$15,119.27	$31,663.70
	26	$16,589.24	$15,074.46	$31,663.70
	27	$16,634.17	$15,029.53	$31,663.70
	28	$16,679.22	$14,984.48	$31,663.70
	29	$16,724.39	$14,939.31	$31,663.70
	30	$16,769.69	$14,894.01	$31,663.70
	31	$16,815.11	$14,848.60	$31,663.70
	32	$16,860.65	$14,803.06	$31,663.70
	33	$16,906.31	$14,757.39	$31,663.70
	34	$16,952.10	$14,711.60	$31,663.70
	35	$16,998.01	$14,665.69	$31,663.70
	36	$17,044.05	$14,619.66	$31,663.70
	37	$17,090.21	$14,573.49	$31,663.70

38	$17,136.49	$14,527.21	$31,663.70
39	$17,182.91	$14,480.80	$31,663.70
40	$17,229.44	$14,434.26	$31,663.70
41	$17,276.11	$14,387.60	$31,663.70
42	$17,322.90	$14,340.81	$31,663.70
43	$17,369.81	$14,293.89	$31,663.70
44	$17,416.86	$14,246.85	$31,663.70
45	$17,464.03	$14,199.68	$31,663.70
46	$17,511.32	$14,152.38	$31,663.70
47	$17,558.75	$14,104.95	$31,663.70
48	$17,606.31	$14,057.40	$31,663.70
49	$17,653.99	$14,009.71	$31,663.70
50	$17,701.80	$13,961.90	$31,663.70
51	$17,749.74	$13,913.96	$31,663.70
52	$17,797.82	$13,865.89	$31,663.70
53	$17,846.02	$13,817.68	$31,663.70
54	$17,894.35	$13,769.35	$31,663.70
55	$17,942.82	$13,720.89	$31,663.70
56	$17,991.41	$13,672.29	$31,663.70
57	$18,040.14	$13,623.57	$31,663.70
58	$18,089.00	$13,574.71	$31,663.70
59	$18,137.99	$13,525.72	$31,663.70
60	$18,187.11	$13,476.59	$31,663.70
61	$18,236.37	$13,427.34	$31,663.70
62	$18,285.76	$13,377.95	$31,663.70
63	$18,335.28	$13,328.42	$31,663.70
64	$18,384.94	$13,278.76	$31,663.70
65	$18,434.73	$13,228.97	$31,663.70
66	$18,484.66	$13,179.04	$31,663.70
67	$18,534.72	$13,128.98	$31,663.70
68	$18,584.92	$13,078.78	$31,663.70
69	$18,635.26	$13,028.45	$31,663.70
70	$18,685.73	$12,977.98	$31,663.70
71	$18,736.33	$12,927.37	$31,663.70
72	$18,787.08	$12,876.63	$31,663.70
73	$18,837.96	$12,825.74	$31,663.70
74	$18,888.98	$12,774.73	$31,663.70
75	$18,940.14	$12,723.57	$31,663.70
76	$18,991.43	$12,672.27	$31,663.70
77	$19,042.87	$12,620.84	$31,663.70
78	$19,094.44	$12,569.26	$31,663.70
79	$19,146.16	$12,517.55	$31,663.70

80	$19,198.01	$12,465.69	$31,663.70
81	$19,250.00	$12,413.70	$31,663.70
82	$19,302.14	$12,361.56	$31,663.70
83	$19,354.42	$12,309.29	$31,663.70
84	$19,406.83	$12,256.87	$31,663.70
85	$19,459.40	$12,204.31	$31,663.70
86	$19,512.10	$12,151.61	$31,663.70
87	$19,564.94	$12,098.76	$31,663.70
88	$19,617.93	$12,045.77	$31,663.70
89	$19,671.06	$11,992.64	$31,663.70
90	$19,724.34	$11,939.36	$31,663.70
91	$19,777.76	$11,885.94	$31,663.70
92	$19,831.32	$11,832.38	$31,663.70
93	$19,885.03	$11,778.67	$31,663.70
94	$19,938.89	$11,724.81	$31,663.70
95	$19,992.89	$11,670.81	$31,663.70
96	$20,047.04	$11,616.67	$31,663.70
97	$20,101.33	$11,562.37	$31,663.70
98	$20,155.77	$11,507.93	$31,663.70
99	$20,210.36	$11,453.34	$31,663.70
100	$20,265.10	$11,398.61	$31,663.70
101	$20,319.98	$11,343.72	$31,663.70
102	$20,375.02	$11,288.69	$31,663.70
103	$20,430.20	$11,233.51	$31,663.70
104	$20,485.53	$11,178.17	$31,663.70
105	$20,541.01	$11,122.69	$31,663.70
106	$20,596.64	$11,067.06	$31,663.70
107	$20,652.43	$11,011.28	$31,663.70
108	$20,708.36	$10,955.34	$31,663.70
109	$4,024,341.74	$0.00	$4,024,341.74

Exhibit F

List of Class B Bondholders

NMAJH B BONDS BONDHOLDERS

Bondholder	Amount	Insider	Insider **Amounts**	Non-Insider **Amounts**	Contributor to the Museum
Cozen, Stephen	250,000	Yes - Board Member	250,000	-	
Darivoff, Philip	1,500,000	Yes - Board Member	1,500,000	-	
The Sydney Kimmel Revocable Trust	4,000,000	No		4,000,000	No
Morgan, Mitchell	1,000,000	Yes - Board Member	1,000,000	-	
Lyn M. Ross Charitable Remainder Trust	3,000,000	No		3,000,000	No
Rubin, Ronald	1,000,000	Yes - Board Member	1,000,000	-	
The Robert Saligman Chartiable Foundation	500,000	No		500,000	Yes
Williams, Connie	1,000,000	No		1,000,000	Yes
Winigrad, Etta	500,000	Yes	500,000		
Witten, Richard	500,000	No		500,000	Yes
Zuritsky, Joseph	500,000	Yes- Board Member	500,000	-	
	$ 13,750,000		**4,750,000**	**9,000,000**	
			35%	65%	