

# **DELEGATION OF AUTHORITY**

## **PREIT REALTY, LLC**

### **POLICY AND PROCEDURES AS OF JUNE 26, 2024**

#### **SECTION I**

##### **OVERALL LIMITS OF AUTHORITY**

###### **INTRODUCTION**

The Board of Managers of PREIT REALTY, LLC (the "Company" or "PREIT") has delegated specific authority and procedures to the Chief Executive Officer ("CEO") of the Company as described in the following pages of this document, who in turn delegates a portion of his authority to various levels of management within the Company. The various authorizations described in this "Delegation of Authority" document include authority to either commit or approve expenditures or enter into contracts or other agreements on behalf of the Company.

The delegation of authority applies to the Company and its direct or indirect subsidiaries. References to the "Company" or "PREIT" include its direct and indirect subsidiaries.

#### **SECTION II**

##### **RESPONSIBILITIES**

The CEO is responsible for ensuring that the Company prepares and delivers to the Board of Managers a five-year Strategic Plan and a comprehensive Annual Business Plan for the current fiscal year.

The CEO will be responsible for presenting to the Board of Managers and implementing an approved five-year Strategic Plan and will be responsible for presenting to the Board of Managers a progress report at least annually, highlighting the progress made to date.

The CEO will be responsible for presenting to the Board of Managers and executing an Annual Business Plan for the Company, which unless otherwise specified by the CEO, is year one of the five-year Strategic Plan, and will provide the Board of Managers quarterly updates on the Company's performance relative to the Annual Business Plan.

### **General Principle**

The CEO has full authority to make strategic, operational and policy decisions in the ordinary course of business, within the approved Annual Business Plan and approved five-year Strategic Plan.

### **Strategic Decisions**

- Acquisitions, mergers and sale of part or all of Business	No authority
- Incur, modify or default under any property level indebtedness	No authority

### **Operational Decisions**

<b>(i) Acquisition/Disposal of Corporate Assets &amp; Corporate Capital Expenditures</b>	
- Purchases of office buildings, equipment, and services for the Company's operations	Full authority within approved Annual Business Plan
- All other capital expenditures	Full authority within approved Annual Business Plan
<b>(ii) Acquisition/Disposal of Real Estate Assets</b>	Full authority up to <b>\$15</b> million for a mall property and up to <b>\$10</b> million for an outparcel and/or land
<b>(iii) Joint Ventures</b>	Full authority up to <b>\$15</b> million (calculated using the Company's ownership share of the joint venture applied to the respective transaction); transactions include, but are not limited to, the initial formation of the joint venture, the acquisition, disposition, and/or contribution of properties to the joint venture and financing (including a net non-recourse carveout guarantee)
<b>(iv) Expenditures within Approved the Annual Business Plan</b>	
- Renewal or termination of corporate office lease	Full authority within approved Annual Business Plan
- Purchase of goods & services	Full authority
- Approval of the lease or rental of equipment	Full authority
- Consultancy arrangements	Full authority
- Legal proceedings	Full authority with respect to settlements of up to <b>\$2.5</b> million individually and up to <b>\$10</b> million on an annual aggregate basis
- Insurance services	Full authority, as reported to the Board of Managers on an annual basis
- Sponsorship/ PR events	Full authority
- Political Contributions <sup>1</sup>	No authority
- Charitable donations and gifts	Full authority, as reported to the Board of Managers on an annual basis
- Travel, entertainment, and other business expenses	Full authority, except that CEO-related expenses are approved by the CFO.

<sup>1</sup> Note that PREIT has two PACs to which certain employees have contributed. Pennsylvania Real Estate Investment Trust PAC is a state PAC holding \$106.37 and PREIT-RUBIN, Inc. Federal Political Action Committee is a federal PAC holding \$13,975.44.

<b>(v) Expenditures not in the Annual Business Plan</b>	
- Specific operating expenditures for a budgeted item where the total of operating expenses does not exceed the total budgeted amount	Full authority
- Specific operating expenditures where the total operating expenses exceeds the total budgeted amount, but the operating expense ratio is equal to or less than budgeted ("ratio" means operating expenses divided by gross revenues)	Full authority
- Specific operating expenditures where the total expenditures by type exceed the budgeted amount by less than 5%	Full authority
- All other expenditures, including capital expenditures, above the amounts provided in the Annual Business Plan, other than those described in the sections above	Full authority up to <b>\$1</b> million individually and up to <b>\$10</b> million on an annual aggregate basis
<b>(vi) Accounting</b>	
- Write-off of tenant receivables or other assets	Full authority <b>\$5</b> million or less on an annual aggregate basis. No authority over <b>\$5</b> million; to be approved by Audit Committee and reviewed by Board
- Revaluing of assets not in accordance with GAAP	No authority
- Change in critical accounting policy	Full authority with review by Audit Committee
- Appointment of Auditors	No authority; approved by Audit Committee
<b>(vii) Cash &amp; Treasury</b>	
- Opening and Closing of Bank accounts (Corporate & Property)	Full authority including authorized signatories (additional authorized signatories include the CFO, CAO, Manager of Treasury, and General Counsel)
- Non-material changes to loan items, credit line or facilities	Full authority
- Loan payoffs (excludes line of credit and intercompany debt) over \$15 million not in business plan	No authority
- Changing banking relationship	Full authority
- Loan agreements and swaps over \$25 million (includes new agreements and material changes to existing agreements affecting loan amount, duration, and cancellations); excludes operational credit facility draws and payoffs and intercompany debt	No authority
<b>(viii) Personnel</b>	
- Hiring or termination of employees (including employment contracts, conditions of employment and separation agreements)	Full authority, except in the case of Executive Officers (i.e., certain direct reports to the CEO), which require approval of Compensation Committee; CEO hire or termination requires approval of the Board of Managers
- Other employment contracts (e.g., promotions) and Salary Increases	Full authority, except with respect to Executive Officers and the promotion of individuals to serve as Executive Officers, which requires approval of the Compensation Committee, as applicable

- 401(k) Plan	Full authority, plan overseen by 401 (k) Plan Administrative Committee whose members are appointed by the CEO
- Vacation policy	Individual exceptions to the general policy of the Company can be authorized by the CEO

### **Responsibilities**

The CEO will be responsible for ensuring that a comprehensive review and approval of the following matters is provided, on a regular basis, to the Committees of the Company and/or the Board of Managers as follows:

Subject	Frequency	Level of Review and/or Approval		
		Audit Committee	Compensation Committee	Board of Managers
Approval of five-year Strategic Plan	Annually	-	-	Approval
Substantial Modification to five-year Strategic Plan	As needed	-	-	Approval
Substantial Modification to Annual Business Plan	As needed	-	-	Additional approval as needed
Audited Financial Statements	Annually	Approval	-	Approval
Unaudited Quarterly Financial Statements	Quarterly	Approval	-	Review
Changes in Critical Accounting Policies	Annually	Review	-	
Appointment of Auditors	Annually	Approval	-	-
Executive Officers' Employment Contracts (excluding CEO)	As needed	-	Approval	Review
CEO Employment Contract	As needed	-	Approval	Approval
Executive Management Bonus	Annually	-	Approval	Review
New Employee Benefit Plans (does not include annual updates to existing plans)	Annually	-	Approval	Review
New Equity Compensation Plans	As needed	-	Approval	Review
Report on REIT Status	Annually	Review	-	-
Report on Insurance Matters	Annually	-	-	Review
Report on Status of Legal Matters	As needed	-	-	Review
Tenants (Detailed performance review)	Annually	-	-	Review
Related Party Transactions	As needed	Approval	-	Review