

b.

PROPOSED BUS REPLACEMENT CYCLE
8/3/2015

BUS TYPE	CURRENT FLEET	REPL CYCLE
72	89	5-10 Yrs
Van w/ WC	24	4-5 Yrs
Van w/ WC AC	4	
TOTAL	122	

BUS TYPE	PURCHASE QTY	2017-18									
		RETURN (4) 2021-22	RETURN (5) 2022-23	RETURN (6) 2023-24	RETURN (7) 2024-25	RETURN (8) 2025-26	RETURN (9) 2026-27	RETURN (10) 2027-28			
72	36	0	6	6	6	6	6	6	6	6	
Van	12	6	6	6	6	6	6	6	6	6	
Van w/ WC	0	0	0	0	0	0	0	0	0	0	
Van w/ WC AC	4	2	2	2	2	2	2	2	2	2	
TOTAL	52	8	14	14	14	14	14	14	14	14	

BUS TYPE	PURCHASE QTY	2018-19									
		RETURN (4) 2022-23	RETURN (5) 2023-24	RETURN (6) 2024-25	RETURN (7) 2025-26	RETURN (8) 2026-27	RETURN (9) 2027-28	RETURN (10) 2028-29			
72	32	0	6	6	6	6	6	6	6	6	
Van	12	6	6	6	6	6	6	6	6	6	
Van w/ WC	0	0	0	0	0	0	0	0	0	0	
Van w/ WC AC	5	2	2	2	2	2	2	2	2	2	
TOTAL	49	8	15	15	15	15	15	15	15	15	

BUS TYPE	PURCHASE QTY	2019-20									
		RETURN (4) 2023-24	RETURN (5) 2024-25	RETURN (6) 2025-26	RETURN (7) 2026-27	RETURN (8) 2027-28	RETURN (9) 2028-29	RETURN (10) 2029-30			
72	21	0	3	3	3	3	3	3	3	3	
Van	0	0	0	0	0	0	0	0	0	0	
Van w/ WC	0	0	0	0	0	0	0	0	0	0	
Van w/ WC AC	0	0	0	0	0	0	0	0	0	0	
TOTAL	21	0	3	3	3	3	3	3	3	3	

BUS TYPE	PURCHASE QTY	2020-21									
		RETURN (4) 2024-25	RETURN (5) 2025-26	RETURN (6) 2026-27	RETURN (7) 2027-28	RETURN (8) 2028-29	RETURN (9) 2029-30	RETURN (10) 2030-31			
72	0	0	0	0	0	0	0	0	0	0	
Van	0	0	0	0	0	0	0	0	0	0	
Van w/ WC	0	0	0	0	0	0	0	0	0	0	
Van w/ WC AC	0	0	0	0	0	0	0	0	0	0	
TOTAL	0	0	0	0	0	0	0	0	0	0	

BUS TYPE	PURCHASE QTY	2021-22									
		RETURN (4) 2025-26	RETURN (5) 2026-27	RETURN (6) 2027-28	RETURN (7) 2028-29	RETURN (8) 2029-30	RETURN (9) 2030-31	RETURN (10) 2031-32			
72	0	0	0	0	0	0	0	0	0	0	
Van	0	0	0	0	0	0	0	0	0	0	
Van w/ WC	0	0	0	0	0	0	0	0	0	0	
Van w/ WC AC	0	0	0	0	0	0	0	0	0	0	
TOTAL	0	0	0	0	0	0	0	0	0	0	

BUS TYPE	PURCHASE QTY	TOTAL PURCHASES BY YEAR														
		2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32
72	36	32	21	0	0	0	6	12	15	14	14	14	15	9	4	0
Van	12	12	0	0	6	12	6	6	6	6	6	6	6	6	6	0
Van w/ WC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Van w/ WC AC	4	5	0	0	2	4	3	4	3	4	3	4	3	2	4	3
TOTAL	52	49	21	0	8	22	21	21	15	22	30	24	9	12	10	3

d



Online Driver's Education Agreement

64 Shattuck Square, Suite 285 • Berkeley, CA • 94704
Phone: (510) 848 5508 • Fax: (510) 848 5585 • Web: <http://somastream.com>

LICENSE AGREEMENT

PLEASE READ THE FOLLOWING END-USER LICENSE AGREEMENT CAREFULLY.

1. PRODUCT

An Online Driver's Education Course that incorporates registration, e-commerce, login security, administration functionality and online testing. The content of which has been created by SomaStream Interactive and is approved by the Pennsylvania Department of Transportation for the purposes of providing online Driver's Education Training.

The course would be implemented as follows:

The Online Course would be hosted by SomaStream Interactive.

The Online Course will be integrated into client's website.

The course will allow for administrative capabilities. Your school will be responsible for issuing student certificates.

2. TIMELINE

The Online Course will be delivered within 4 weeks.

3. COST

Client can set their own pricing for the course. You will have the option of being paid directly, with SomaStream billing you monthly via a credit card on file, or we will process the payments and issue you a monthly check. Our fees are \$20 per student for the sale of any product that includes our online driver's education course.

4. RIGHTS

You are contracting to share revenues earned from SomaStream's Online Driver's Education course and have no ownership rights to the course.

It is strictly prohibited for user to:

- A. Modify the software product in whole or in part.
- B. Reverse engineer, decompile or disassemble the software product.
- C. Share the course or resell the course to another Driving School.
- D. Modify or copy the written content in whole or in part.
- E. Redistribute the written content in whole or in part.

SHOULD YOU FAIL TO COMPLY WITH ANY OF THE CLAUSES ABOVE, YOUR USER RIGHTS ARE AUTOMATICALLY TERMINATED. THIS TERMINATION IS IN ADDITION TO THE LEGAL, CIVIL OR OTHER REMEDIES THAT SomaStream Interactive Inc. MAY SEEK.

5. LIMITED WARRANTY

DISCLAIMER FOR INDIRECT DAMAGES. This program is provided and licensed "as is," without any warranty of any type, either express or implied, including, but not limited to, implied warranties of merchantability or fitness for a particular purpose. In no event shall SomaStream Interactive Inc. or any

other third parties involved in the creation, production or delivery of the program be liable for any type of damage, in any circumstance (including, but not limited to, the direct or indirect damages caused by loss of business profits, business interruption, loss of business information or any other pecuniary loss), arising out of the use of or the inability to use the software product, even if SomaStream Interactive has been advised of the possibility of such damages.

6. PROPERTY

The software product, including its code, documentation, appearance, structure and design, is an exclusive product of SomaStream Interactive Inc. who permanently preserves all property rights to the software product or its copies, modifications or merged parts.

7. USE OF SERVICES

Bandwidth: SomaStream Interactive agrees to provide hosting of its online driver's education course on its servers with no bandwidth restrictions.

Back-Up Files: Client will have the ability to reinstate files which are automatically archived by SomaStream Interactive; however, SomaStream Interactive does not guarantee the existence, accuracy, regularity of its backup services and, therefore, Client is responsible for making back-up files in connection with its use of the services.

8. CLIENT LIABILITY AND INDEMNIFICATION

Parties agree that in no event shall SomaStream Interactive be liable to any third party for Client's breach or alleged breach of any of the terms and conditions set forth in this Agreement. Client agrees to defend, indemnify and hold harmless SomaStream Interactive from any and all expenses, losses, liabilities, damages or third party claims resulting from Client's breach or alleged breach of any Client obligations set forth hereunder.

9. TERM, TERMINATION AND REINSTATEMENT

Subject to the terms and conditions hereof, this agreement shall be effective on the date of receipt of a signed copy of this agreement and shall continue in effect for as long as the product is in use. Either party will have the right to terminate the agreement upon notice to the other party. **In the event of cancellation of services by either party, the canceling party must notify the other in writing. In the event SomaStream Interactive cancels services to client, cancellation shall take place in two stages: (1) All new registration for services provided will be immediately suspended upon the mailing of written notice of cancellation by SomaStream Interactive; (2) To allow client to successfully provide services to existing paid customers, Online Driver Education Course will remain active for continuing users only for a period of 3 months from the mailing of written notice of cancellation, after which access to all services provided will be completely suspended.** Sections 9-13 shall survive termination or expiration of this Agreement. Any fees paid to SomaStream Interactive are non-refundable.

10. TAXES

Client will pay and indemnify and hold SomaStream Interactive harmless from any and all taxes associated with or arising from Client's use of the Services, including any penalties and interest and any costs associated with the collection or withholding thereof.

11. LIMITATION OF LIABILITY

In no event shall SomaStream Interactive be liable for damages resulting from loss of data, profits, use of the SomaStream Interactive hosting site or any SomaStream Interactive hosting products or services, or for any incidental, indirect, punitive or consequential damages in connection with this agreement or in connection with any products or services provided hereunder. In no event shall SomaStream Interactive's cumulative liability exceed an amount greater than Five Hundred Dollars (\$500 US).

12. ARBITRATION

If a disagreement arises between the Parties concerning any matter set forth in, or related to, this Agreement, and the Parties are unable to resolve the disagreement by negotiation, then either Party may initiate proceedings to submit such disagreement to binding arbitration, to which both Parties here-in agree to accept. This arbitration will be conducted under the rules of the American Arbitration Association in Berkeley, California, and the decision of the arbitration panel will be final and binding upon both Parties. Both Parties shall be responsible for their legal and other expenses.

13. MISCELLANEOUS

Any notices or communication under this Agreement shall be in writing and shall be deemed delivered to the party receiving such communication at the address specified below (1) on the delivery date if delivered personally to the party, or a representative of the party; (2) one business day after deposit with a commercial overnight carrier, with written verification of receipt; (3) five business days after the mailing date, whether or not received, if sent by postal mail, return receipt requested; (4) on the delivery date if transmitted by confirmed facsimile.

If to SomaStream Interactive:

SomaStream Interactive
64 Shattuck Square, Suite 285
Berkeley, CA 94704

If to Client:

Name and address specified upon account setup

Any of the provisions, or portions thereof, of this Agreement are found to be invalid under any applicable statute or rule of law, then, that provision notwithstanding, this Agreement shall remain in full force and effect and such provision or portion thereof shall be deemed omitted. This Agreement (including the Exhibits, attachments and/or addenda, if any) represents the entire agreement of the parties with respect of the subject matter hereof and supersedes all prior and/or contemporaneous agreements or understandings, written or oral between the parties with respect to the subject matter hereof. This Agreement and the rights granted and obligations undertaken hereunder may not be transferred, assigned or delegated in any manner by Client, but may be so transferred, assigned or delegated by SomaStream Interactive. In the event this Agreement is transferred due to change in ownership of SomaStream Interactive, SomaStream Interactive will notify client of said transfer in writing. Any waiver or any provision of this Agreement, or a delay by any party in the enforcement of any right hereunder, shall neither be construed as a continuing waiver nor create an expectation of non-enforcement of that or any other provision or right. In any legal proceeding between the parties under this Agreement, the prevailing party shall be entitled to recover its costs, expenses and reasonable attorneys' fees. This Agreement is made under and shall be governed by the laws of the United States of America, except with regard to its conflict of law rules. SomaStream Interactive agrees to notify Client of any changes to this Agreement and only upon agreement by the client of said changes to the contract, shall the amendments to the contract apply. If the client does not agree to the amendments in the contract, SomaStream Interactive reserves the right to cancel the current contractual agreement between both parties. Continued usage of the Services after a change to this Agreement by SomaStream Interactive or after a new policy is implemented and posted on the SomaStream Interactive website constitutes your acceptance of such change or policy.

Please choose price option and initial

A) Lease

Free set up, then \$20 per student.

Hosting is included for no monthly fee.

Initial here _____

B) Lease, with website design. (Includes building a website or updating your website.)

\$250 for website design, then \$20 per student.

Hosting is included for no monthly fee.

Initial here _____

Please choose payment option and initial:

I will bill the student directly and pay the \$20 per student fee for any product including the online driver education course. I will not be charged a per student fee for products which do not include access to the online drivers education course. I agree to be billed monthly for the student fees on a credit card I have on file with your company. All of the above fees are applicable only to transactions processed through SomaStream Interactive's course management system and do not apply to any transactions processed outside of the course management system.

Initial here _____

Have SomaStream bill the student then send me a monthly check, minus the \$20 per student fee for any product that includes the online driver education course and the per transaction fee* imposed by our merchant service, PayPal, for all transactions processed through SomaStream Interactive's course management system.

Initial here _____

*As of 5/1/15, PayPal's fee is 3.9% per transaction. This fee may be adjusted at any time by PayPal.

COMPANY _____

COMPANY: SomaStream Interactive

PRINT NAME _____

PRINT NAME: Azhar Mirza

TITLE _____

TITLE: CFO

SIGNATURE _____

SIGNATURE 

DATE _____

e.

July 15, 2016

East Stroudsburg Area School District
Attn: Jeffrey Bader
50 Vine Street
East Stroudsburg, PA 18301

RE: 403(b) Plan Administration Services Contract

Dear Mr. Bader,

Please be advised that this notice serves to officially extend your contract for another year per the mutual agreement provisions of the contract. This automatic renewal will continue through July 31, 2017. Please indicate your acceptance by signing below and returning to us promptly to the following U.S. Postal service:

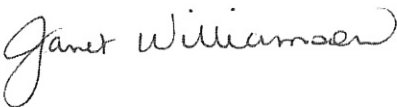
TSA Consulting Group, Inc.
Attn: Contracts
P.O. Box 2799
Fort Walton Beach, FL 32549

OR

E-mail: admin@tsacg.com
cc: jwilliamson@tsacg.com

If additional information is desired or if you have any questions regarding the extension, please email our Business Team at admin@tsacg.com or contact via phone at ext. 3200.

Sincerely,



Janet Williamson
Senior VP, Chief Finance Officer

Signature: _____

Typed Name: _____

Title: _____

Date: _____

f.



The PFM Group

Public Financial Management, Inc.
PFM Asset Management LLC
PFM Advisors

One Keystone Plaza
Suite 300
North Front & Market Streets
Harrisburg, PA 17101-2044

717-232-2723
717-233-6073 fax
www.pfm.com

July 18, 2016

Mr. Jeff Bader
East Stroudsburg Area School District
50 Vine Street
East Stroudsburg, PA 18301

Dear Jeff,

The Department of Education has requested that PlanCon K be completed for the East Stroudsburg Area School District's G.O. Bonds, Series of 2016. Enclosed are the PlanCon K documents which need to be submitted to PDE. Prior to submitting, Page K-1 must be executed. PDE requests that you do not submit double-sided copies. The fully executed packet of documents can be sent to the following address for processing:

Mr. James Grant
Division of School Facilities
Pennsylvania Dept. of Education
333 Market Street, 4th Floor
Harrisburg, PA 17126-0333

Please fax or email a copy of the fully executed page K01 to my attention for my records. If you have any questions, please do not hesitate to call.

Sincerely,

Jamie L. Doyle
Managing Director

JLD/gw

Enclosures

**PART K: PROJECT REFINANCING
BOARD TRANSMITTAL**

DISTRICT/CTC: East Stroudsburg Area School District COUNTY: Monroe & Pike
 FINANCING NAME: General Obligation Bonds, Series of 2016

<u>ALL REF</u>	<u>PAGE #</u>	
<u>X</u>	K02	Refinancing Transaction Explanation
<u>X</u>	K03	Summary of Sources and Uses of Funds
<u>X</u>		Signed Board Resolution Authorizing Financing Transaction (including the form of the Bond/Note)
<u>X</u>		Signed Bond/Note Purchase Contract <u>or</u> Completed and Signed Bid Form from Successful Bidder
<u>NA</u>		Signed Lease Agreement <u>or</u> Loan Agreement
<u>NA</u>		Signed Swap Transaction Confirmation, if applicable
<u>NA</u>		Unallocated Funds
<u>X</u>		Signed Verification Report for Advance Refunding/ Certification for Current Refunding from Paying Agent/Trustee
<u>NA</u>		Cash Flow Statement for Current Refunding Call Requirement (if call requirement <u>not</u> gross funded at settlement)
<u>X</u>		Payment Schedule for New Issue/Note
<u>X</u>		Payment Schedule for Original Issue/Note Refinanced
<u>X</u>		Payment Schedule for Issue/Note Not Refinanced

The financial consultant for this refinancing is: Public Financial Management, Inc.
Name of Firm/Company

The person to be contacted if there are any questions about Series of 2016 is:
Jamie L. Doyle, Managing Director (717) 232-2723 (717) 232-8610
Financial Consultant's Name and Position Phone Number Fax Number

The financial consultant's address is: 1 Keystone Plaza, Suite 300, N. Front & Market, Harrisburg, PA 17101

The financial consultant's e-mail address is: doylej@pfm.com

The school administrator to be contacted if there are any questions about Part K is:
Jeff Bader, Chief Financial Officer (570) 424-8500 x1520 (570) 420-8384
District/CTC Administrator's Name and Position Phone Number Fax Number

The school administrator's e-mail address is: jeffrey-bader@esasd.net

This certifies that the attached materials were approved for submission to the Pennsylvania Department of Education by board action.

BOARD ACTION DATE: _____

VOTING: AYE _____ NAY _____ ABSTENTIONS _____ ABSENT _____

Signature, Board Secretary Board Secretary's Name Printed or Typed

50 Vine Street, East Stroudsburg, PA 18301 _____
District/CTC Address Date

REFINANCING TRANSACTION EXPLANATION

District/CRC:
East Stroudsburg Area School District

Financing Name:
General Obligation Bonds, Series of 2016

Complete a separate information block for each bond series included in this PlanCon Part K submission. Enter "Not Applicable" or "N/A" if the information doesn't apply.

Refunding Issues/Notes/Loans (ex. GOB, Refunding Series of 2005)	Issues/Notes Refunded, Refinanced or Restructured (ex. GOB, Series A of 2000)	PDE Lease Number	Partial or Full Refunding	Current or Advance Refunding	New Money ≥ \$10,000 (Indicate Yes or No)	PDE Project Number and Building Name Funded by New Money
G.O. Bonds, Series of 2016	G.O. Bonds, Series of 2008		Partial	Advance	No	N/A

NOTES:

G.O. Bonds, Series of 2016						

NOTES:

SUMMARY OF SOURCES AND USES OF FUNDS

District/CTC: East Stroudsburg Area School District	Financing Name: General Obligation Bonds, Series of 2016	Closing Date: 6/22/2016
REPORT TO THE PENNY - DO NOT ROUND		
	SERIES 2016	SERIES _____
SOURCES:		
Bond Issue (Par)	\$9,500,000.00	
Original Issue Discount/Premium	76,149.35	
Accrued Interest		
Cash Contribution by District		
Unallocated Funds from Bond Issues Being Refunded		
Other Sources of Funds (Specify)		
1. _____		
2. _____		
3. _____		
4. _____		
TOTAL - Sources of Available Funds	\$9,576,149.35	
USES:		
Purchase of Investments/Escrow	\$9,329,641.97	
Cash for Current Refunding		
Issuance Costs:		
1. Underwriter Fees	142,500.00	
2. Bond Insurance		
3. Bond Counsel	25,991.30	
4. School Solicitor	5,000.00	
5. Financial Advisor	36,050.00	
5. Paying Agent/Trustee Fees and Expenses	750.00	
7. Printing	10,000.00	
8. Rating Fee	12,150.00	
9. Verification Report	2,500.00	
10. Computer Fees		
11. CUSIP	662.00	
12. Internet Auction Fee	2,750.00	
13. Escrow Agent	2,000.00	
14. Escrow Structuring	3,500.00	
15. _____		
Total - Issuance Costs	\$243,853.30	
Accrued Interest		
Capitalized Interest		
Surplus Monies or Cash to School District		
Other Uses of Funds (Specify)		
1. Sinking Fund Deposit	2,654.08	
2. _____		
TOTAL - USES OF AVAILABLE FUNDS	\$9,576,149.35	

EAST STROUDSBURG AREA SCHOOL DISTRICT

**\$9,500,000 GENERAL OBLIGATION BONDS,
SERIES OF 2016**

DISPOSITION OF FUNDS 06/22/2016

RECEIPTS AT CLOSING

Par Amount	9,500,000.00	
Net Original Issue Premium	76,149.35	
Underwriter's Discount	(142,500.00)	
Good Faith Deposit	(95,000.00)	
Wire from Janney Montgomery Scott LLC		9,338,649.35
Good Faith Deposit		95,000.00

TOTAL RECEIPTS 9,433,649.35

DISBURSEMENTS AT CLOSING

Rhoads & Sinon LLP		
Bond Counsel Fee	25,000.00	
Expenses	991.30	25,991.30
Law Offices of Thomas Dirvonas		
Solicitor Fee	5,000.00	5,000.00
Public Financial Management, Inc.		
Financial Advisory Fee	35,000.00	
Word Processing & Formatting	8,411.00	
Expenses	1,050.00	44,461.00
Grant Street Group		
Internet Auction Administrator	2,750.00	2,750.00
Moody's Investor Services		
Rating Fee	12,150.00	12,150.00
BondResource Partners LP		
Verification Agent	2,500.00	2,500.00
PFM Asset Management LLC		
Escrow Structuring	3,500.00	3,500.00
Mountaintop Studios		
Official Statement Printing	1,589.00	1,589.00
Janney Montgomery Scott LLC		
CUSIP Reimbursement	389.00	389.00
Bank of New York Mellon Trust Company, NA		
Escrow Agent	2,000.00	
Paying Agent	750.00	2,750.00
Standard & Poor's Corporation		
Split CUSIP	273.00	<u>273.00</u>

TOTAL EXPENSES PAID AT CLOSING **101,353.30**

Cost of the Escrow	9,329,641.97
Sinking Fund	2,654.08

TOTAL DISBURSEMENTS AT CLOSING 9,433,649.35

District/AVTS		East Stroudsburg Area School District			PDE LEASE # (PDE Use Only)	
Financing Name:		General Obligation Bonds, Series of 2016			Total Issue: 9,500,000	
Dated Date:		6/22/2016			Original Issue Premium: 76,149.35	
Settlement Date:		6/22/2016				
PAYMENT DATE	PRINCIPAL OUTSTANDING	PRINCIPAL	RATE	INTEREST	PERIOD TOTAL	STATE FISCAL YR TOTAL (7/1 - 6/30)
	9,500,000.00					
9/1/2016	9,305,000.00	195,000.00	0.650	40,771.33	235,771.33	
3/1/2017	9,305,000.00			105,726.25	105,726.25	341,497.58
9/1/2017	9,175,000.00	130,000.00	3.000	105,726.25	235,726.25	
3/1/2018	9,175,000.00			103,776.25	103,776.25	339,502.50
9/1/2018	9,040,000.00	135,000.00	4.000	103,776.25	238,776.25	
3/1/2019	9,040,000.00			101,076.25	101,076.25	339,852.50
9/1/2019	8,895,000.00	145,000.00	4.000	101,076.25	246,076.25	
3/1/2020	8,895,000.00			98,176.25	98,176.25	344,252.50
9/1/2020	8,745,000.00	150,000.00	4.000	98,176.25	248,176.25	
3/1/2021	8,745,000.00			95,176.25	95,176.25	343,352.50
9/1/2021	8,590,000.00	155,000.00	4.000	95,176.25	250,176.25	
3/1/2022	8,590,000.00			92,076.25	92,076.25	342,252.50
9/1/2022	8,430,000.00	160,000.00	2.000	92,076.25	252,076.25	
3/1/2023	8,430,000.00			90,476.25	90,476.25	342,552.50
9/1/2023	8,265,000.00	165,000.00	2.000	90,476.25	255,476.25	
3/1/2024	8,265,000.00			88,826.25	88,826.25	344,302.50
9/1/2024	8,260,000.00	5,000.00	2.050	88,826.25	93,826.25	
3/1/2025	8,260,000.00			88,775.00	88,775.00	182,601.25
9/1/2025	8,255,000.00	5,000.00	2.050	88,775.00	93,775.00	
3/1/2026	8,255,000.00			88,723.75	88,723.75	182,498.75
9/1/2026	8,240,000.00	15,000.00	2.050	88,723.75	103,723.75	
3/1/2027	8,240,000.00			88,570.00	88,570.00	192,293.75
9/1/2027	8,225,000.00	15,000.00	2.050	88,570.00	103,570.00	
3/1/2028	8,225,000.00			88,416.25	88,416.25	191,986.25
9/1/2028	8,220,000.00	5,000.00	2.050	88,416.25	93,416.25	
3/1/2029	8,220,000.00			88,365.00	88,365.00	181,781.25
9/1/2029	0.00	8,220,000.00	2.150	88,365.00	8,308,365.00	
3/1/2030						8,308,365.00
TOTAL		9,500,000.00		2,477,091.33	11,977,091.33	11,977,091.33

District/AVTS East Stroudsburg Area School District					PDE LEASE # (PDE Use Only)	
Financing Name: General Obligation Bonds, Series of 2008 (Refunded)					Total Issue: 8,590,000	
PAYMENT DATE	PRINCIPAL OUTSTANDING	PRINCIPAL	RATE	INTEREST	PERIOD TOTAL	STATE FISCAL YR TOTAL (7/1 - 6/30)
	8,590,000.00					
9/1/2016	8,590,000.00			214,750.00	214,750.00	
3/1/2017	8,590,000.00			214,750.00	214,750.00	429,500.00
9/1/2017	8,590,000.00			214,750.00	214,750.00	
3/1/2018	8,590,000.00			214,750.00	214,750.00	429,500.00
9/1/2018	8,590,000.00			214,750.00	214,750.00	
3/1/2019	8,590,000.00			214,750.00	214,750.00	429,500.00
9/1/2019	8,590,000.00			214,750.00	214,750.00	
3/1/2020	8,590,000.00			214,750.00	214,750.00	429,500.00
9/1/2020	8,590,000.00			214,750.00	214,750.00	
3/1/2021	8,590,000.00			214,750.00	214,750.00	429,500.00
9/1/2021	8,590,000.00			214,750.00	214,750.00	
3/1/2022	8,590,000.00			214,750.00	214,750.00	429,500.00
9/1/2022	8,590,000.00			214,750.00	214,750.00	
3/1/2023	8,590,000.00			214,750.00	214,750.00	429,500.00
9/1/2023	8,590,000.00			214,750.00	214,750.00	
3/1/2024	8,590,000.00			214,750.00	214,750.00	429,500.00
9/1/2024	8,590,000.00			214,750.00	214,750.00	
3/1/2025	8,590,000.00			214,750.00	214,750.00	429,500.00
9/1/2025	8,590,000.00			214,750.00	214,750.00	
3/1/2026	8,590,000.00			214,750.00	214,750.00	429,500.00
9/1/2026	8,440,000.00	150,000.00	5.000	214,750.00	364,750.00	
3/1/2027	8,440,000.00			211,000.00	211,000.00	575,750.00
9/1/2027	8,350,000.00	90,000.00	5.000	211,000.00	301,000.00	
3/1/2028	8,350,000.00			208,750.00	208,750.00	509,750.00
9/1/2028	8,350,000.00			208,750.00	208,750.00	
3/1/2029	8,350,000.00			208,750.00	208,750.00	417,500.00
9/1/2029	0.00	8,350,000.00	5.000	208,750.00	8,558,750.00	
3/1/2030						8,558,750.00
TOTAL		8,590,000.00		5,766,750.00	14,356,750.00	14,356,750.00

District/AVTS East Stroudsburg Area School District					PDE LEASE # (PDE Use Only)	
Financing Name: General Obligation Bonds, Series of 2008 (Remaining)					Total Issue: 23,700,000	
PAYMENT DATE	PRINCIPAL OUTSTANDING	PRINCIPAL	RATE	INTEREST	PERIOD TOTAL	STATE FISCAL YR TOTAL (7/1 - 6/30)
	23,700,000.00					
9/1/2016	23,695,000.00	5,000.00	4.000	591,091.25	596,091.25	
3/1/2017	23,695,000.00			590,991.25	590,991.25	1,187,082.50
9/1/2017	23,690,000.00	5,000.00	4.000	590,991.25	595,991.25	
3/1/2018	23,690,000.00			590,891.25	590,891.25	1,186,882.50
9/1/2018	23,685,000.00	5,000.00	4.000	590,891.25	595,891.25	
3/1/2019	23,685,000.00			590,791.25	590,791.25	1,186,682.50
9/1/2019	23,680,000.00	5,000.00	4.000	590,791.25	595,791.25	
3/1/2020	23,680,000.00			590,691.25	590,691.25	1,186,482.50
9/1/2020	23,675,000.00	5,000.00	4.375	590,691.25	595,691.25	
3/1/2021	23,675,000.00			590,581.88	590,581.88	1,186,273.13
9/1/2021	23,670,000.00	5,000.00	4.375	590,581.88	595,581.88	
3/1/2022	23,670,000.00			590,472.50	590,472.50	1,186,054.38
9/1/2022	23,630,000.00	40,000.00	4.375	590,472.50	630,472.50	
3/1/2023	23,630,000.00			589,597.50	589,597.50	1,220,070.00
9/1/2023	23,520,000.00	110,000.00	4.500	589,597.50	699,597.50	
3/1/2024	23,520,000.00			587,122.50	587,122.50	1,286,720.00
9/1/2024	23,330,000.00	190,000.00	4.550	587,122.50	777,122.50	
3/1/2025	23,330,000.00			582,800.00	582,800.00	1,359,922.50
9/1/2025	23,090,000.00	240,000.00	4.625	582,800.00	822,800.00	
3/1/2026	23,090,000.00			577,250.00	577,250.00	1,400,050.00
9/1/2026	19,520,000.00	3,570,000.00	5.000	577,250.00	4,147,250.00	
3/1/2027	19,520,000.00			488,000.00	488,000.00	4,635,250.00
9/1/2027	12,610,000.00	6,910,000.00	5.000	488,000.00	7,398,000.00	
3/1/2028	12,610,000.00			315,250.00	315,250.00	7,713,250.00
9/1/2028	2,330,000.00	10,280,000.00	5.000	315,250.00	10,595,250.00	
3/1/2029	2,330,000.00			58,250.00	58,250.00	10,653,500.00
9/1/2029	0.00	2,330,000.00	5.000	58,250.00	2,388,250.00	
3/1/2030						2,388,250.00
TOTAL		23,700,000.00		14,076,470.01	37,776,470.01	37,776,470.01

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North Front & Market Streets
Harrisburg, PA 17101-2044
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www.bondresourcepartners.com

June 22, 2016

East Stroudsburg Area School District
East Stroudsburg, Pennsylvania

Janney Montgomery Scott LLC
Philadelphia, Pennsylvania

Rhoads & Sinon LLP
Harrisburg, Pennsylvania

Public Financial Management, Inc.
Harrisburg, Pennsylvania

Law Office of Thomas Dirvonas
Stroudsburg, Pennsylvania

The Bank of New York Mellon Trust Company, N.A.
Dallas, Texas

Moody's Investors Service, Inc.
New York, New York

\$9,500,000

East Stroudsburg Area School District
Monroe and Pike Counties, Pennsylvania
General Obligation Bonds, Series of 2016

Ladies and Gentlemen:

We understand that the above-referenced bonds (the "Bonds") are to be issued by East Stroudsburg Area School District (the "Issuer") on June 22, 2016. We also understand that a portion of the proceeds of the Bonds to be held by The Bank of New York Mellon Trust Company, N.A. (the "Escrow Agent") will be used to advance refund a \$8,590,000 portion of the outstanding principal of the Issuer's General Obligation Bonds, Series of 2008 (the "Refunded Bonds") and to pay the costs of issuance of the Bonds. Furthermore, we understand that in the interim the moneys are to be used to purchase certain U.S. Government Obligations (the "Government Securities").

We have been requested to verify the mathematical correctness of certain computations relating to the aforementioned transactions. We have performed the procedures enumerated below solely to assist you in evaluating the computations in connection with the proposed

transaction. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below for any purpose.

Principal amounts, maturity dates and coupon rates for the Bonds, Government Securities and Refunded Bonds are shown on accompanying Schedules C, E and G. We compiled our schedules based on data provided to us by Public Financial Management, Inc. (the "Financial Advisor") and by PFM Asset Management LLC (the "Escrow Advisor").

We agreed the principal amounts, maturity dates, redemption dates, redemption prices and coupon rates for the Refunded Bonds as set forth in Schedule G to a copy of the Official Statement for the Refunded Bonds provided by the Financial Advisor, selected pages of which are provided in Exhibit III. We agreed the principal amounts, maturity dates, prices and coupon rates for the Government Securities as set forth in Schedule E to a copy of the Subscription for Purchase and Issue of U.S. Treasury Securities - State and Local Government Series submitted by the Escrow Advisor as shown in Exhibit II. Also, we compared the interest rate on each of the Government Securities to the corresponding maximum interest rate set forth in the SLGS Daily Rate Table on the Treasury Direct website (U.S. Department of the Treasury, Bureau of the Fiscal Service), effective for May 18, 2016, and determined that the interest rate on each of the Government Securities did not exceed the corresponding maximum interest rate set forth on said SLGS Daily Rate Table. We agreed the principal amounts, maturity dates and coupon rates for the Bonds as set forth in Schedule C to selected pages including the cover and inside cover of the Official Statement.

We have verified the computations of the payments of principal and interest on the Bonds, Government Securities and Refunded Bonds, as shown on Schedules C, F, G and H. We have also verified the computations of the cash flow shown on Schedule F and the yields of the Bonds and Government Securities shown on Schedules B and D. Furthermore, we are under no obligation to determine or disclose the fair market value of the securities referred to above and we are not acting as a fiduciary on your behalf. In performing these calculations, we have relied solely on the data set forth in Schedules A through H, inclusive, and the data furnished by the Financial Advisor and the Escrow Advisor.

In our opinion, the computations of the payments of principal and interest to be made on the Bonds, the payments of principal and interest to be made on the Refunded Bonds, the amount of the payments of maturing principal and interest to be received from the Government Securities to meet the debt service requirements of the Refunded Bonds, and the yields on the Bonds and Government Securities, all as set forth on Schedules A through H, inclusive, are mathematically correct.

In addition, the data presented in Schedule F indicate that the interest and principal to be received on the Government Securities together with the beginning cash will equal or exceed the amount needed to pay the principal and interest on the Refunded Bonds when due through and including their optional redemption date of March 1, 2018. Further, the results indicate that the yield on the Government Securities (0.784708%) does not exceed the yield on the Bonds (2.109510%).

We make no representation regarding questions of legal interpretation or provide any assurance as to the Issuer's solvency or ability to pay its debts. Furthermore, the agreed-upon procedures should not be taken to supplant the additional inquiries and procedures that the above-named addressees should undertake in their consideration of the transaction.

We express no opinions except as expressly stated herein. Had we been engaged to perform additional procedures, other matters might have come to our attention that would have been reported to you.

This letter is solely for the information of, and assistance to, the Issuer, Underwriter, Bond Counsel and the other above-named addressees in connection with the sale of the Bonds covered by the Official Statement, and is not to be used, circulated, quoted or otherwise referred to within or without this group for any other purpose, including, but not limited to, the registration, purchase or sale of securities. This letter is not to be filed with or referred to in whole or in part in any document, except that reference may be made to it in the Official Statement or Bond Retirement Agreement or in any list of closing documents pertaining to the sale of the Bonds covered by the Official Statement or Bond Retirement Agreement.

We have no obligation to update this letter because of events occurring, or data or information that comes to our attention, subsequent to the date of this letter.

BondResource Partners, LP

**East Stroudsburg Area School District
General Obligation Bonds, Series of 2016**

SCHEDULE A - SOURCES AND USES

Sources of Funds:	Bond Proceeds	Prior Bond Proceeds	Other Sources	Total
Par Amount of Bonds	9,500,000.00			9,500,000.00
Net Original Issue Premium/(Discount)	76,149.35			76,149.35
Accrued Interest	0.00			0.00
Total Sources	9,576,149.35	-	-	9,576,149.35

Uses of Funds:				
Escrow Deposit - SLGS	9,329,641.00			9,329,641.00
Escrow Deposit - Uninvested Cash	0.97			0.97
Underwriters Discount	142,500.00			142,500.00
Costs of Issuance	98,650.00			98,650.00
Contingency / Rounding	5,357.38			5,357.38
Total Uses	9,576,149.35	-	-	9,576,149.35

**East Stroudsburg Area School District
General Obligation Bonds, Series of 2016**

SCHEDULE B - CALCULATION OF BOND YIELD

Date	Redemption Value	Interest	Adjustments	Adjusted Debt Service	Days From 6/22/2016	PV Factor	Present Value @ 2.109510%
9/1/2016	195,000.00	40,771.33		235,771.33	69	0.995986	234,824.95
3/1/2017		105,726.25		105,726.25	249	0.985590	104,202.78
9/1/2017	130,000.00	105,726.25		235,726.25	429	0.975303	229,904.61
3/1/2018		103,776.25		103,776.25	609	0.965124	100,156.92
9/1/2018	135,000.00	103,776.25		238,776.25	789	0.955050	228,043.32
3/1/2019		101,076.25		101,076.25	969	0.945082	95,525.34
9/1/2019	145,000.00	101,076.25		246,076.25	1,149	0.935218	230,134.87
3/1/2020		98,176.25		98,176.25	1,329	0.925456	90,857.84
9/1/2020	150,000.00	98,176.25		248,176.25	1,509	0.915797	227,279.06
3/1/2021		95,176.25		95,176.25	1,689	0.906238	86,252.37
9/1/2021	155,000.00	95,176.25		250,176.25	1,869	0.896780	224,352.95
3/1/2022		92,076.25		92,076.25	2,049	0.887419	81,710.26
9/1/2022	160,000.00	92,076.25		252,076.25	2,229	0.878157	221,362.54
3/1/2023		90,476.25		90,476.25	2,409	0.868991	78,623.08
9/1/2023	165,000.00	90,476.25		255,476.25	2,589	0.859921	219,689.46
3/1/2024		88,826.25		88,826.25	2,769	0.850946	75,586.33
9/1/2024	5,000.00	88,826.25		93,826.25	2,949	0.842064	79,007.72
3/1/2025		88,775.00		88,775.00	3,129	0.833275	73,974.00
9/1/2025	5,000.00	88,775.00		93,775.00	3,309	0.824578	77,324.79
3/1/2026		88,723.75		88,723.75	3,489	0.815971	72,396.04
9/1/2026	15,000.00	88,723.75		103,723.75	3,669	0.807455	83,752.23
3/1/2027		88,570.00		88,570.00	3,849	0.799027	70,769.82
9/1/2027	15,000.00	88,570.00		103,570.00	4,029	0.790687	81,891.47
3/1/2028		88,416.25		88,416.25	4,209	0.782434	69,179.91
9/1/2028	5,000.00	88,416.25		93,416.25	4,389	0.774268	72,329.19
3/1/2029		88,365.00		88,365.00	4,569	0.766186	67,704.06
9/1/2029	8,220,000.00	88,365.00		8,308,365.00	4,749	0.758189	6,299,313.43
							9,500,000.00
		2,477,091.33	0.00	11,977,091.33			9,576,149.35

Par	9,500,000.00
Plus: Accrued Interest	0.00
Plus: Original Issue Premium/(Discount)	76,149.35
Less: Credit Enhancement	0.00
Target for Bond Yield	9,576,149.35

**East Stroudsburg Area School District
General Obligation Bonds, Series of 2016**

SCHEDULE C - PRODUCTION AND SEMI-ANNUAL DEBT SERVICE

Dated Date 6/22/2016
Delivery Date 6/22/2016

Date	Principal	Coupon	Price	Production	Yield	Premium/ (Discount)	Semi-Annual Interest	Scheduled Semi-Annual Debt Service
6/22/2016								
9/1/2016	195,000.00	0.6500%	100.000	195,000.00	0.6500%		40,771.33	235,771.33
3/1/2017							105,726.25	105,726.25
9/1/2017	130,000.00	3.0000%	102.663	133,461.90	0.7500%	3,461.90	105,726.25	235,726.25
3/1/2018							103,776.25	103,776.25
9/1/2018	135,000.00	4.0000%	106.824	144,212.40	0.8500%	9,212.40	103,776.25	238,776.25
3/1/2019							101,076.25	101,076.25
9/1/2019	145,000.00	4.0000%	109.399	158,628.55	1.0000%	13,628.55	101,076.25	246,076.25
3/1/2020							98,176.25	98,176.25
9/1/2020	150,000.00	4.0000%	111.846	167,769.00	1.1000%	17,769.00	98,176.25	248,176.25
3/1/2021							95,176.25	95,176.25
9/1/2021	155,000.00	4.0000%	114.050	176,777.50	1.2000%	21,777.50	95,176.25	250,176.25
3/1/2022							92,076.25	92,076.25
9/1/2022	160,000.00	2.0000%	103.502 *	165,603.20	1.3000%	5,603.20	92,076.25	252,076.25
3/1/2023							90,476.25	90,476.25
9/1/2023	165,000.00	2.0000%	102.993 *	169,938.45	1.4000%	4,938.45	90,476.25	255,476.25
3/1/2024							88,826.25	88,826.25
9/1/2024	5,000.00	2.0500%	99.463	4,973.15	2.1000%	(26.85)	88,826.25	93,826.25
3/1/2025							88,775.00	88,775.00
9/1/2025	5,000.00	2.0500%	99.463	4,973.15	2.1000%	(26.85)	88,775.00	93,775.00
3/1/2026							88,723.75	88,723.75
9/1/2026	15,000.00	2.0500%	99.463	14,919.45	2.1000%	(80.55)	88,723.75	103,723.75
3/1/2027							88,570.00	88,570.00
9/1/2027	15,000.00	2.0500%	99.463	14,919.45	2.1000%	(80.55)	88,570.00	103,570.00
3/1/2028							88,416.25	88,416.25
9/1/2028	5,000.00	2.0500%	99.463	4,973.15	2.1000%	(26.85)	88,416.25	93,416.25
3/1/2029							88,365.00	88,365.00
9/1/2029	8,220,000.00	2.1500%	100.000	8,220,000.00	2.1500%		88,365.00	8,308,365.00
	9,500,000.00			9,576,149.35		76,149.35	2,477,091.33	11,977,091.33

* Priced to the September 1, 2021 Optional Redemption Date.

**East Stroudsburg Area School District
General Obligation Bonds, Series of 2016**

SCHEDULE D - CALCULATION OF COMPOSITE ESCROW YIELD

Date	Combined Escrow Receipts	Days From 6/22/2016	PV Factor	Present Value @ 0.784708%
6/22/2016		0	1.000000	0.00
9/1/2016	214,751.00	69	0.998500	214,428.88
3/1/2017	214,749.72	249	0.994598	213,589.58
9/1/2017	214,749.38	429	0.990711	212,754.49
3/1/2018	8,804,749.93	609	0.986839	8,688,868.05
	9,449,000.03			9,329,641.00

Target Escrow Cost 9,329,641.00

Escrow Purchase Date 6/22/2016

**East Stroudsburg Area School District
General Obligation Bonds, Series of 2016**

SCHEDULE E - ESCROW PORTFOLIO COST

Type of Security	Maturity Date	First Interest Date	Par Amount	Coupon	Purchase Price	Purchase Cost	Accrued Interest	Total Purchase Cost
SLGS Certificate	9/1/2016	9/1/2016	201,053.00	0.270%	100.000000	201,053.00	-	201,053.00
SLGS Certificate	3/1/2017	3/1/2017	178,956.00	0.460%	100.000000	178,956.00	-	178,956.00
SLGS Note	9/1/2017	9/1/2016	179,524.00	0.650%	100.000000	179,524.00	-	179,524.00
SLGS Note	3/1/2018	9/1/2016	8,770,108.00	0.790%	100.000000	8,770,108.00	-	8,770,108.00
			9,329,641.00			9,329,641.00	-	9,329,641.00

Uninvested Cash Deposit	0.97
Total Escrow Deposit	9,329,641.97
Escrow Purchase Date	6/22/2016
SLGS Rate Table Date	5/13/2016

**East Stroudsburg Area School District
General Obligation Bonds, Series of 2016**

SCHEDULE F - ESCROW CASH FLOWS & SUFFICIENCY

Date	Begin Cash Balance	Cash Deposit	Escrow Receipts	Escrow Requirements	End Cash Balance
6/22/2016	-	0.97	-	-	0.97
9/1/2016	0.97		214,751.00	214,750.00	1.97
3/1/2017	1.97		214,749.72	214,750.00	1.69
9/1/2017	1.69		214,749.38	214,750.00	1.07
3/1/2018	1.07		8,804,749.93	8,804,750.00	1.00
		0.97	9,449,000.03	9,449,000.00	

**East Stroudsburg Area School District
General Obligation Bonds, Series of 2016**

**SCHEDULE G - REFUNDED DEBT SERVICE TO MATURITY
General Obligation Bonds, Series of 2008**

Date	Principal	Coupon	Interest	Total Debt Service
6/22/2016			-	-
9/1/2016			214,750.00	214,750.00
3/1/2017			214,750.00	214,750.00
9/1/2017			214,750.00	214,750.00
3/1/2018			214,750.00	214,750.00
9/1/2018			214,750.00	214,750.00
3/1/2019			214,750.00	214,750.00
9/1/2019			214,750.00	214,750.00
3/1/2020			214,750.00	214,750.00
9/1/2020			214,750.00	214,750.00
3/1/2021			214,750.00	214,750.00
9/1/2021			214,750.00	214,750.00
3/1/2022			214,750.00	214,750.00
9/1/2022			214,750.00	214,750.00
3/1/2023			214,750.00	214,750.00
9/1/2023			214,750.00	214,750.00
3/1/2024			214,750.00	214,750.00
9/1/2024			214,750.00	214,750.00
3/1/2025			214,750.00	214,750.00
9/1/2025			214,750.00	214,750.00
3/1/2026			214,750.00	214,750.00
9/1/2026	150,000.00	5.000%	214,750.00	364,750.00
3/1/2027			211,000.00	211,000.00
9/1/2027	90,000.00	5.000%	211,000.00	301,000.00
3/1/2028			208,750.00	208,750.00
9/1/2028			208,750.00	208,750.00
3/1/2029			208,750.00	208,750.00
9/1/2029	8,350,000.00	5.000%	208,750.00	8,558,750.00
	8,590,000.00		5,766,750.00	14,356,750.00

**East Stroudsburg Area School District
General Obligation Bonds, Series of 2016**

**SCHEDULE H - ESCROW REQUIREMENTS - REFUNDED DEBT SERVICE TO CALL
General Obligation Bonds, Series of 2008**

Date	Principal Redeemed	Coupon	Interest	Redemption Price	Total Debt Service
6/22/2016			-		-
9/1/2016			214,750.00		214,750.00
3/1/2017			214,750.00		214,750.00
9/1/2017			214,750.00		214,750.00
3/1/2018	8,590,000.00	Multiple	214,750.00	100.000%	8,804,750.00
	8,590,000.00		859,000.00		9,449,000.00

**EAST STROUDSBURG AREA SCHOOL DISTRICT,
Monroe and Pike Counties, Pennsylvania**

RESOLUTION

INCURRING NONELECTORAL DEBT TO BE EVIDENCED BY ONE OR MORE SERIES OF GENERAL OBLIGATION BONDS IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF ELEVEN MILLION FIVE HUNDRED THOUSAND DOLLARS (\$11,500,000), TO PROVIDE FUNDS TO ADVANCE REFUND A PORTION OF THE SCHOOL DISTRICT'S OUTSTANDING GENERAL OBLIGATION BONDS, SERIES OF 2008, AND PAY RELATED COSTS; ACCEPTING A PROPOSAL FOR PURCHASE OF THE BONDS; SETTING FORTH THE PARAMETERS, SUBSTANTIAL FORM OF, AND CONDITIONS TO, ISSUING THE BONDS; PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THIS SCHOOL DISTRICT TO SECURE THE BONDS; PROVIDING FOR REDEMPTION AND RETIREMENT OF SAID GENERAL OBLIGATION BONDS, SERIES OF 2008; APPOINTING A PAYING AGENT AND SINKING FUND DEPOSITORY; AND APPROVING RELATED DOCUMENTS AND ACTIONS.

WHEREAS, East Stroudsburg Area School District, in Monroe and Pike Counties, Pennsylvania (the "School District"), is a school district of the Commonwealth of Pennsylvania (the "Commonwealth"), a "Local Government Unit" within the meaning of the Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82 (the "Debt Act"), and is governed by its Board of School Directors (the "School Board"); and

WHEREAS, The School Board, by its resolution adopted on March 17, 2008 (the "2008 Bonds Enabling Resolution"), authorized and secured the issuance of its General Obligation Bonds, Series of 2008, dated as of April 17, 2008, in the original aggregate principal amount of \$32,320,000 (the "2008 Bonds"), for purposes described in the 2008 Bonds Enabling Resolution; and

WHEREAS, The Department of Community and Economic Development (the "Department") of the Commonwealth approved the proceedings of this School District related to the increase of nonelectoral indebtedness evidenced in part by the 2008 Bonds, which approval of the Department was evidenced by Certificate of Approval No. GOB-16768, dated April 14, 2008; and

WHEREAS, The School Board has determined to refund and retire a portion of the outstanding aggregate principal amounts of the 2008 Bonds (the "Refunded Bonds"), as described in a refunding report (the "Refunding Report") prepared for this School District by Public Financial Management, Inc. (the "Financial Advisor"), at such time as the debt service

savings to this School District resulting from refunding the Refunded Bonds, after using proceeds of the Bonds to pay the costs of issuing the Bonds, and accounting for reduced state reimbursement as a result of retiring the Refunded Bonds, equals at least \$258,300 (the "Required Savings"); and

WHEREAS, The School Board contemplates the authorization, sale, issuance and delivery of one or more series of general obligation bonds, from time to time, in the maximum aggregate principal amount of Eleven Million Five Hundred Thousand Dollars (\$11,500,000) (the "Bonds"), to undertake the advance refunding of the Refunded Bonds, and to pay the costs and expenses of issuance of the Bonds (the "Project"), all in accordance with the Debt Act; and

WHEREAS, The School Board has considered the possible manners of selling the Bonds, provided for in the Debt Act, at public sale or private sale, by negotiation; and

WHEREAS, The School Board has determined that the Bonds: (a) shall be offered at private sale by negotiation; and (b) shall be offered for sale at a net purchase price of not less than 95.0% nor more than 110% of the aggregate principal amount of the Bonds issued (including underwriting discount and original issue discount and/or premium), plus accrued interest (the "Purchase Price"); and

WHEREAS, A "Proposal for the Purchase of Bonds," dated May 16, 2016 (the "Proposal"), has been received from the Financial Advisor, containing the financial parameters for, and conditions to, the underwriting and issuance of the Bonds (the "Bond Parameters"), which will be supplemented by an addendum to the Proposal (the "Addendum") containing the final terms and identify the purchaser of the Bonds (the "Purchaser"), consistent with the Bond Parameters; and

WHEREAS, The School Board desires to accept the Proposal, to award the sale of the Bonds, to authorize the issuance of nonelectoral debt, and to take appropriate action and to authorize proper things, all in connection with the Project, and all in accordance with the Debt Act; and

WHEREAS, The School Board shall select one or more banks or trust companies (the "Paying Agent"), having a corporate trust office in Pennsylvania, to serve as the paying agent, sinking fund depository, and registrar for the Bonds.

NOW, THEREFORE, BE IT RESOLVED, by the School Board, as follows:

SECTION 1. The School Board hereby authorizes the issuance of the Bonds pursuant to this Resolution, in accordance with the Debt Act, to undertake the Project. Rhoads & Sinon LLP is retained by this School District as its bond counsel in connection with the issuance of the Bonds.

SECTION 2. The School Board finds that it is in the best financial interests of this School District to sell the Bonds at private sale by negotiation and determines that the debt to be incurred pursuant to this Resolution shall be nonelectoral debt.

SECTION 3. The Project is authorized under Section 8241(b)(1) (reduction in total debt service over the life of the issue) of the Debt Act. The projects originally financed or refinanced by the 2008 Bonds have a remaining useful life of at least 14 years. The first maturity of principal of the Bonds will not be deferred beyond two years from the issue date of the Bonds.

SECTION 4. The Bonds shall be awarded to the Purchaser in accordance with terms and conditions of the Proposal, including the Purchase Price. The School District's Business Manager or Superintendent is hereby authorized to approve the final terms and conditions of the Bonds, and the Addendum to be presented by the Financial Advisor, within the Bond Parameters. The Addendum so approved shall be executed and delivered by the President or Vice President of the School Board and included as a part of the Proposal accepted by this Resolution.

SECTION 5. The Bonds, when issued, will be general obligation bonds of this School District.

SECTION 6. The Bonds shall be issuable, from time to time, as one or more series, as fully registered bonds, in denominations of \$5,000 principal amount or any integral multiple thereof.

Each of the Bonds shall bear interest from the interest payment date next preceding the date of registration and authentication of such bond, unless: (a) such bond is registered and authenticated as of an interest payment date, in which event such bond shall bear interest from said interest payment date; or (b) such bond is registered and authenticated after a Record Date (hereinafter defined) and before the next succeeding interest payment date, in which event such bond shall bear interest from such interest payment date; or (c) such bond is registered and authenticated on or prior to the Record Date next preceding the first interest payment date, in which event such bond shall bear interest from the dated date of the Bonds; or (d) as shown by the records of the Paying Agent, interest on such bond shall be in default, in which event such bond shall bear interest from the date to which interest was last paid on such bond. Interest on each of the Bonds shall be payable initially on a date selected by the School District, and thereafter, semiannually, until the principal sum thereof is paid or provision for payment thereof duly has been made. Except as to distinguishing series or subseries, numbers, denominations, interest rates and maturity dates, the Bonds and the Paying Agent's certificates of authentication shall be substantially in the forms and shall be of the tenor and purport hereinafter set forth, with insertions and variations (including CUSIP numbers) approved by this School District, the Purchaser and the Paying Agent, as may be appropriate for different series, subseries, denominations and maturity dates.

Principal, premium, if any, and interest with respect to the Bonds shall be payable in lawful money of the United States of America.

The principal of and premium, if any, on the Bonds shall be payable to the registered owners thereof or their transferees, upon presentation and surrender of the Bonds at the place or places set forth in the Bonds. Payment of interest on the Bonds shall be made by check mailed to the registered owners thereof whose names and addresses appear at the close of business on the fifteenth (15th) day next preceding each interest payment date (the "Record Date") on the

registration books maintained by the Paying Agent on behalf of this School District, irrespective of any transfer or exchange of any Bonds subsequent to the Record Date and prior to such interest payment date, unless this School District shall be in default in payment of interest due on such interest payment date. In the event of any such default, such defaulted interest shall be payable to the persons in whose names the Bonds are registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Paying Agent on behalf of this School District to the registered owners of the Bonds not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the persons in whose names the Bonds are registered at the close of business on the fifth (5th) day preceding the date of mailing.

If the date for payment of the principal of or interest on any Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth are authorized or required by law or executive order to close, then the date for payment of such principal or interest shall be the next succeeding day that is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized or required to close, and payment on such date shall have the same force and effect as if made on the nominal date established for such payment.

SECTION 7. Registration of the transfer of ownership of Bonds shall be made upon surrender of any of the Bonds to the Paying Agent, accompanied by a written instrument or instruments in form, with instructions, and with guaranty of signature satisfactory to the Paying Agent, duly executed by the registered owner thereof or his attorney-in-fact or legal representative. The Paying Agent shall enter any transfer of ownership of any of the Bonds in the registration books and shall authenticate and deliver, at the earliest practicable time, in the name of the transferee or transferees, a new fully registered bond or bonds of authorized denominations of the same series, maturity and interest rate for the aggregate principal amount that the registered owner is entitled to receive. Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations of the same series, maturity and interest rate.

SECTION 8. This School District and the Paying Agent shall not be required to register the transfer of or exchange any of the Bonds then considered for redemption during the period beginning at the close of business on the fifteenth (15th) day next preceding any date of selection of such Bonds to be redeemed and ending at the close of business on the day of mailing of the notice of redemption, as hereinafter provided, or to register the transfer of or exchange any portion of any of the Bonds selected for redemption in whole or in part until after the redemption date.

SECTION 9. This School District and the Paying Agent may deem and treat the persons in whose names the Bonds shall be registered as the absolute owners thereof for all purposes, whether such Bonds shall be overdue or not, and payment of the principal of, premium, if any, and interest on the Bonds shall be made only to or upon the order of the registered owners thereof or their legal representatives, but registration of a transfer of ownership may be made as herein provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon the Bonds, to the extent of the sum or sums so paid, and neither this School District nor the Paying Agent shall be affected by any notice to the contrary.

SECTION 10. This School District shall cause to be kept, and the Paying Agent shall keep, books for the registration, exchange and transfer of Bonds in the manner provided herein and therein so long as Bonds shall remain outstanding. Such registrations, exchanges and transfers shall be made without charge to bondholders, except for actual costs, including postage, insurance and any taxes or other governmental charges required to be paid with respect to the same.

SECTION 11. The Bonds shall bear interest, and a Purchase Price resulting in yield(s) to maturity, and principal shall mature or be payable upon mandatory sinking fund redemptions, in the maximum annual amounts, and in the fiscal years set forth in **Exhibit A** attached hereto and made a part hereof.

SECTION 12. The Bonds may be subject to optional redemption by this School District prior to maturity, on such date or dates and under such terms as may be determined in the manner described in Section 4 hereof. The Bonds may be subject to mandatory redemption prior to maturity, determined in the manner described in Section 4 hereof, not in excess of any of the annual principal payment amounts set forth in **Exhibit A** hereof.

SECTION 13. This School District appoints the Paying Agent as the paying agent with respect to the Bonds and directs that the principal of, premium, if any, and interest on the Bonds shall be payable at a designated corporate trust office of the Paying Agent, in lawful money of the United States of America.

SECTION 14. The form of the Bonds, including the form of Assignment and the form of the Paying Agent's Certificate, shall be substantially as set forth in **Exhibit B**, which is attached hereto and made part hereof, with appropriate insertions, omissions and variations.

SECTION 15. The Bonds shall be executed in the name of and on behalf of this School District by the manual or facsimile signature of the President or Vice President of the School Board, and the official seal or a facsimile of the official seal of this School District shall be affixed thereto and the manual or facsimile signature of the Secretary or Assistant Secretary of the School Board shall be affixed thereto in attestation thereof; and said officers are authorized to execute and to attest the Bonds.

SECTION 16. No bond constituting one of the Bonds shall be entitled to any benefit under this Resolution nor shall it be valid, obligatory or enforceable for any purpose until such bond shall have been registered and authenticated by the Certificate of Authentication endorsed thereon duly signed by the Paying Agent; and the Paying Agent is authorized to register and authenticate the Bonds in accordance with the provisions hereof.

SECTION 17. This School District covenants to and with registered owners, from time to time, of the Bonds that shall be outstanding, from time to time, pursuant to this Resolution, that this School District shall: (i) include the amount of the debt service on the Bonds, for each fiscal year of this School District in which the sums are payable, in its budget for that year, (ii) appropriate those amounts from its general revenues for the payment of the debt service, and (iii) duly and punctually pay or cause to be paid from the Sinking Fund (hereinafter identified) or any other of its revenues or funds the principal of and interest on each of the Bonds

at the dates and places and in the manner stated therein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, this School District shall and does pledge, irrevocably, its full faith, credit and taxing power. As provided in the Debt Act, the foregoing covenant of this School District shall be specifically enforceable.

SECTION 18. There is created, pursuant to the requirements of the Debt Act, a sinking fund for the Bonds (the "Sinking Fund") including, if applicable, multiple series, or a mandatory sinking fund. The Sinking Fund shall be administered in accordance with applicable provisions of the Debt Act.

SECTION 19. This School District appoints the Paying Agent as the sinking fund depository with respect to the Sinking Fund.

SECTION 20. This School District covenants to make payments out of the Sinking Fund, or out of any other of its revenues or funds, at such times and in such annual amounts, as shall be sufficient for prompt and full payment of all obligations of the Bonds when due.

SECTION 21. The School Board hereby authorizes the preparation of a Preliminary Official Statement for use in the marketing of the Bonds and authorizes the Superintendent of the School District to approve the form of such Preliminary Official Statement and a final Official Statement with respect to the Bonds of the School District, with such insertions and amendments as shall be necessary or appropriate to reflect the final terms and provisions of the Bonds, the accepted Proposal and this Resolution. The President of the School Board shall affix his or her signature to the Official Statement, as such officer, and such execution of the Official Statement shall constitute conclusive evidence of the approval of the Official Statement by the School Board.

SECTION 22. Following the acceptance of the final terms and conditions of the Bonds and Addendum as described in Section 4, the President or Vice President and the Secretary or Assistant Secretary, respectively, of the School Board are authorized and directed, as required, necessary and/or appropriate: (a) to prepare, to certify and to file with the Department the debt statement required by the Debt Act; (b) to prepare and to file with the Department any statements required by the Debt Act that are necessary to qualify all or any portion of the debt of this School District that is subject to exclusion as self-liquidating or subsidized debt for exclusion from the appropriate debt limit of this School District as self-liquidating or subsidized debt; (c) to prepare and to file the application with the Department, together with a complete and accurate transcript of the proceedings for the required approval relating to the debt, of which debt the Bonds, upon issue, will be evidence, as required by the Debt Act; (d) to pay or to cause to be paid to the Department all proper filing fees required in connection with the foregoing; and (e) to take other required, necessary and/or appropriate action.

The School Board also authorizes and directs that an appropriate borrowing base certificate be prepared for filing with the Department as required by the Debt Act following the acceptance of the final terms of the Bonds as described above. The President or Vice President and the Secretary or Assistant Secretary, respectively, of the School Board are hereby authorized

to prepare and to execute, or to authorize the auditors of this School District to prepare and to execute, such borrowing base certificate.

SECTION 23. If applicable, as determined from the Proposal, the School Board authorizes and directs the purchase of municipal bond insurance with respect to the Bonds. The officers and agents of this School District are authorized and directed to take all required, necessary and/or appropriate action with respect to such insurance, as contemplated in the Proposal, including the payment of the premium for such insurance.

SECTION 24. The President or Vice President and the Secretary or Assistant Secretary, respectively, of the School Board are authorized and directed to contract with the Paying Agent for its services as paying agent for the Bonds and as sinking fund depository in connection with the Sinking Fund established for the Bonds.

SECTION 25. It is declared that the debt to be incurred hereby, together with any other indebtedness of this School District, is not in excess of any limitation imposed by the Debt Act upon the incurring of debt by this School District.

SECTION 26. The officers and agents of this School District are authorized to deliver the Bonds and to authorize payment of all costs and expenses associated with issuance of the Bonds as provided for in the Proposal, but only after the Department has certified its approval pursuant to the provisions of the Debt Act or at such time when the filing authorized to be submitted to the Department pursuant to the Debt Act shall be deemed to have been approved pursuant to applicable provisions of the Debt Act.

SECTION 27. This School District covenants to and with the Purchaser (or any portion thereof intended to be exempt from federal taxation) that it will make no use of the proceeds of such Bonds, or of any other obligations deemed to be part of the same "issue" as any portion of such Bonds under applicable federal tax regulations, that will cause such Bonds to be or become "arbitrage bonds" within the meaning of Section 103(b)(2) and Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations implementing said Sections that duly have been published in the Federal Register or any other regulations implementing said Sections, and this School District further covenants to comply with all other requirements of the Code if and to the extent applicable to maintain continuously the Federal income tax exemption of interest on such Bonds.

This School District further covenants to and with the Purchaser that it will make no use of the proceeds of the Bonds, of the proceeds of any other obligations deemed to be part of the same "issue" as the Bonds under applicable federal tax regulations, or of any property or facilities financed with the proceeds of the Bonds or of any such other obligations deemed to be part of the same "issue" as the Bonds, that will cause the Bonds to be or become "private activity bonds" within the meaning of Section 141 of the Code and the regulations implementing said Sections that duly have been published in the Federal Register, and this School District further covenants to comply with all other requirements of the Code if and to the extent applicable to maintain continuously the Federal income tax exemption of interest on the Bonds.

The President or Vice President of the School Board is authorized to represent in a certificate delivered when the Bonds are issued, if appropriate, that this School District does not then reasonably expect to issue tax-exempt obligations that, together with all tax-exempt obligations reasonably expected to be issued by all entities that issue bonds on behalf of this School District and all "subordinate entities" (within the meaning of Section 265(b)(3)(E) of the Code) of this School District, in the aggregate, will exceed Ten Million Dollars (\$10,000,000) (excluding obligations issued to refund (other than to advance refund) any obligation to the extent that the amount of the refunding obligation does not exceed the outstanding amount of the refunded obligation) in the calendar year of issuance and, accordingly, thereby designate the Bonds (to the extent they are not "deemed designated" under Section 265(b)(3)(D)(ii) of the Code), on behalf of this School District, as "qualified tax-exempt obligations," as defined in Section 265(b)(3)(B) of the Code, for the purposes and effect contemplated by Section 265 of the Code.

SECTION 28. This School District does hereby authorize the optional redemption of the Refunded Bonds to be refunded, on the earliest date authorized by the 2008 Bonds (the "Redemption Date"), in accordance with the rights and privileges reserved to this School District in the Refunded Bonds, and as described in the Addendum.

Proper officers of the School Board are hereby authorized and directed to give irrevocable instructions to the paying agent and bond registrar for the Refunded Bonds to redeem the Refunded Bonds in accordance with this election of the School Board, following the acceptance of the final terms and conditions of the Bonds and Addendum as described in section 4 hereof.

If applicable, this School District, simultaneously with delivery of the Bonds to the Purchaser, shall enter into a bond retirement agreement or an escrow agreement (the "Bond Retirement Agreement") with the paying agent of the Refunded Bonds (the "Escrow Agent"), acting as escrow agent for the Refunded Bonds. The Bond Retirement Agreement shall provide for a deposit of Bond proceeds into one or more escrow accounts with the Escrow Agent sufficient to pay the debt service due on such Refunded Bonds through the applicable Redemption Date. The President or Vice President and the Secretary or Assistant Secretary, respectively, of the School Board are authorized and directed to execute, to attest, and to seal, as appropriate, and to deliver such Bond Retirement Agreement simultaneously with such delivery of the Bonds. The School District approves the Bond Retirement Agreement in form satisfactory to the Solicitor and Bond Counsel for this School District and as shall be approved by the officers of the School Board executing the same. Such approval of such officers shall be conclusively presumed to have been given by their execution of the Bond Retirement Agreement.

If applicable, the President, Vice President or Treasurer of the School Board, or the Superintendent or Business Manager, respectively, of this School District is each hereby authorized and directed to execute and deliver agreements, orders or subscriptions for purchase of United States Treasury Certificates of Indebtedness, Notes or Bonds, State and Local Government Series ("SLGS"), other securities of the United States of America, collateralized certificates of deposit or other investments satisfying the requirements of 53 Pa.C.S. §8250, as described in the Refunding Report, from proceeds of the Bonds and, if applicable, other funds to

be deposited under the Bond Retirement Agreement, and to do, to take and to authorize such other acts as shall be necessary or appropriate to provide for retirement of the payment of principal and interest on the Refunded Bonds, as described in the Refunding Report and this Resolution.

The officers and agents of this School District are hereby authorized and directed to take all such actions as may be necessary and appropriate to accomplish the redemption and retirement of the Refunded Bonds.

SECTION 29. The Secretary of the School Board of this School District is hereby authorized and directed to execute and to submit to the Pennsylvania Department of Education, promptly following settlement for the Bonds, the appropriate application and other documents and information necessary to obtain state reimbursement with respect to the debt service on the Bonds (including the filing of the appropriate PLANCON Parts, as applicable).

SECTION 30. This School District shall enter into, and hereby authorizes and directs the President or Vice President of the School Board to execute, a Continuing Disclosure Certificate (the "Certificate") on behalf of this School District on or before the date of issuance and delivery of the Bonds. Such Certificate shall be executed and delivered to satisfy the terms and conditions of the accepted Proposal for sale of the Bonds and Securities and Exchange Commission Rule 15c2-12, and shall be substantially in the form presented to this meeting, which is hereby approved, together with any changes therein made and approved by the executing officer of the School Board, whose execution and delivery thereof shall constitute conclusive evidence of such approval. A copy of the Certificate shall be filed with the Secretary of the School Board and shall be and hereby is made part of this Resolution.

This School District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Certificate. Notwithstanding any other provision of this Resolution, failure of this School District to comply with the Certificate shall not be considered an event of default with respect to the Bonds; however, any registered owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause this School District to comply with its obligations under this Section and such Certificate.

SECTION 31. The Bonds shall be made available for purchase under a book-entry only system available through The Depository Trust Company, a New York corporation ("DTC"). If applicable, at or prior to settlement for the Bonds, this School District and the Paying Agent shall execute or signify their approval of a Representation Letter in substantially the form on file with DTC (the "Representation Letter"). The appropriate officers of this School District and the Paying Agent shall take such action as may be necessary from time to time to comply with the terms and provisions of the Representation Letter, and any successor paying agent for the Bonds, in its written acceptance of its duties under this Resolution, shall agree to take any actions necessary from time to time to comply with the requirements of the Representation Letter.

SECTION 32. Notwithstanding the foregoing provisions of this Resolution, the Bonds shall initially be issued in the form of one fully-registered bond for the aggregate principal

amount of the Bonds of each maturity, and the following provisions shall apply with respect to the registration, transfer and payment of the Bonds:

(a) Except as provided in subparagraph (g) below, all of the Bonds shall be registered in the name of Cede & Co., as nominee of DTC; provided that if DTC shall request that the Bonds be registered in the name of a different nominee, the Paying Agent shall exchange all or any portion of the Bonds for an equal aggregate principal amount of Bonds of the same series, interest rate and maturity registered in the name of such nominee or nominees of DTC.

(b) No person other than DTC or its nominee shall be entitled to receive from this School District or the Paying Agent either a Bond or any other evidence of ownership of the Bonds, or any right to receive any payment in respect thereof, unless DTC or its nominee shall transfer record ownership of all or any portion of the Bonds on the registration books (the "Register") maintained by the Paying Agent in connection with discontinuing the book-entry system as provided in subparagraph (g) below or otherwise.

(c) So long as any Bonds are registered in the name of DTC or any nominee thereof, all payments of the principal or redemption price of or interest on such Bonds shall be made to DTC or its nominee in accordance with the Representation Letter on the dates provided for such payments under this Resolution. Each such payment to DTC or its nominee shall be valid and effective to fully discharge all liability of this School District or the Paying Agent with respect to the principal or redemption price of or interest on the Bonds to the extent of the sum or sums so paid. In the event of the redemption of less than all of the Bonds outstanding of any maturity, the Paying Agent shall not require surrender by DTC or its nominee of the Bonds so redeemed, but DTC (or its nominee) may retain such Bonds and make an appropriate notation on the Bond certificate as to the amount of such partial redemption; provided that DTC shall deliver to the Paying Agent, upon request, a written confirmation of such partial redemption and thereafter the records maintained by the Paying Agent shall be conclusive as to the amount of the Bonds of such maturity which have been redeemed.

(d) This School District and the Paying Agent may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal or redemption price of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to holders of Bonds under this Resolution, registering the transfer of Bonds, obtaining any consent or other action to be taken by holders of Bonds and for all other purposes whatsoever; and neither this School District nor the Paying Agent shall be affected by any notice to the contrary. Neither this School District nor the Paying Agent shall have any responsibility or obligation to any participant in DTC, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any such participant, or any other person which is not shown on the Register as being a registered owner of Bonds, with respect to (1) the Bonds, (2) the accuracy of any records maintained by DTC or any such participant, (3) the payment by DTC or any such participant of any amount in respect of the principal or redemption price of or interest on the Bonds, (4) any notice which is permitted or required to be given to holders of the Bonds under this Resolution, (5) the selection by DTC or any such participant of any person to receive payment in the event of a partial redemption of the Bonds, and (6) any consent given or other action taken by DTC as holder of the Bonds.

(e) So long as the Bonds or any portion thereof are registered in the name of DTC or any nominee thereof, all notices required or permitted to be given to the holders of such Bonds under this Resolution shall be given to DTC as provided in the Representation Letter.

(f) In connection with any notice or other communication to be provided to holders of Bonds pursuant to this Resolution by this School District or the Paying Agent with respect to any consent or other action to be taken by holders of Bonds, DTC shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action, provided that this School District or the Paying Agent may establish a special record date for such consent or other action. This School District or the Paying Agent shall give DTC notice of such special record date not less than 15 calendar days in advance of such special record date to the extent possible.

(g) The book-entry only system for registration of the ownership of the Bonds may be discontinued at any time if either (1) after notice to this School District and the Paying Agent, DTC determines to resign as securities depository for the Bonds, or (2) after notice to DTC and the Paying Agent, this School District determines that continuation of the system of book-entry transfers through DTC (or through a successor securities depository) is not in the best interests of this School District. In either of such events (unless in the case described in clause (2) above, this School District appoints a successor securities depository), the Bonds shall be delivered in registered certificate form to such persons, and in such maturities and principal amounts, as may be designated by DTC, but without any liability on the part of this School District or the Paying Agent for the accuracy of such designation. Whenever DTC requests this School District and the Paying Agent to do so, this School District and the Paying Agent shall cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of certificates evidencing the Bonds.

SECTION 33. The President or Vice President and the Secretary or Assistant Secretary, respectively, of the Board of the School District are authorized and directed to perform such acts as may be necessary to facilitate the settlement for the Bonds and redemption of the Refunded Bonds.

SECTION 34. Any reference in this Resolution to an officer or member of the School Board shall be deemed to refer to his or her duly qualified successor in office, or other authorized representative, if applicable.

SECTION 35. In the event any provision, section, sentence, clause or part of this Resolution shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Resolution, it being the intent of this School District that such remainder shall be and shall remain in full force and effect.

SECTION 36. All resolutions or parts of resolutions, insofar as the same shall be inconsistent herewith, shall be and the same expressly are repealed.

SECTION 37. This Resolution shall be effective in accordance with the Debt Act.

DULY ADOPTED, by the School Board, in lawful session duly assembled, this 16th day of May, 2016.

EAST STROUDSBURG AREA SCHOOL
DISTRICT, Monroe and Pike Counties,
Pennsylvania

By: *Gary Summers*
(Vice) President of the Board of
School Directors

ATTEST:

Pat L. Ford
(Assistant) Secretary of the Board of
School Directors

(SEAL)

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EXHIBIT A

EAST STROUDSBURG AREA SCHOOL DISTRICT
Monroe and Pike Counties, Pennsylvania
\$11,500,000 Maximum Aggregate Principal Amount
General Obligation Bonds
Maximum Annual Principal Payment Schedule*

[SEE ATTACHED PAGE]

*Includes principal maturities and mandatory sinking fund redemptions.

EAST STROUDSBURG AREA SCHOOL DISTRICT					
SERIES OF 2016					
MAXIMUM PARAMETERS					

1	2	3	4	5	6
<u>Date</u>	<u>Max Principal</u>	<u>Max Rate</u>	<u>Interest</u>	<u>Semi-Annual Debt Service</u>	<u>Fiscal Year Debt Service</u>
9/1/2016	385,000	6.000	132,250.00	497,250.00	
3/1/2017			334,050.00	334,050.00	831,300.00
9/1/2017	290,000	6.000	334,050.00	624,050.00	
3/1/2018			325,350.00	325,350.00	949,400.00
9/1/2018	295,000	6.000	325,350.00	620,350.00	
3/1/2019			316,500.00	316,500.00	936,850.00
9/1/2019	295,000	6.000	316,500.00	611,500.00	
3/1/2020			307,650.00	307,650.00	919,150.00
9/1/2020	300,000	6.000	307,650.00	607,650.00	
3/1/2021			298,650.00	298,650.00	906,300.00
9/1/2021	305,000	6.000	298,650.00	603,650.00	
3/1/2022			289,500.00	289,500.00	893,150.00
9/1/2022	305,000	6.000	289,500.00	594,500.00	
3/1/2023			280,350.00	280,350.00	874,850.00
9/1/2023	310,000	6.000	280,350.00	590,350.00	
3/1/2024			271,050.00	271,050.00	861,400.00
9/1/2024	100,000	6.000	271,050.00	371,050.00	
3/1/2025			268,050.00	268,050.00	839,100.00
9/1/2025	100,000	6.000	268,050.00	368,050.00	
3/1/2026			265,050.00	265,050.00	833,100.00
9/1/2026	100,000	6.000	265,050.00	365,050.00	
3/1/2027			262,050.00	262,050.00	827,100.00
9/1/2027	100,000	6.000	262,050.00	362,050.00	
3/1/2028			259,050.00	259,050.00	821,100.00
9/1/2028	100,000	6.000	259,050.00	359,050.00	
3/1/2029			256,050.00	256,050.00	815,100.00
9/1/2029	8,535,000	6.000	256,050.00	8,791,050.00	
3/1/2030					8,791,050.00
TOTALS	11,500,000		7,598,950.00	19,098,950.00	19,098,950.00

EXHIBIT B

(FORM OF BOND)

[The following Legend is to be printed on any Bonds registered in the name of The Depository Trust Company or Cede & Co., its nominee: **“Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the Issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL in as much as the registered owner hereof, Cede & Co., has an interest herein.”**]

Number

\$

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
COUNTIES OF MONROE AND PIKE
EAST STROUDSBURG AREA SCHOOL DISTRICT
GENERAL OBLIGATION BOND, SERIES OF 2016

INTEREST
RATE

MATURITY
DATE

DATED DATE
OF THE BONDS

CUSIP

%

June 22, 2016

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _____ DOLLARS (\$_____)

EAST STROUDSBURG AREA SCHOOL DISTRICT, in Monroe and Pike Counties, Pennsylvania (the “Issuer”), a school district existing under laws of the Commonwealth of Pennsylvania (the “Commonwealth”), for value received, promises to pay to the order of the registered owner named hereon, or registered assigns, on the maturity date stated hereon, upon presentation and surrender hereof, the principal sum stated hereon, unless this General Obligation Bond, Series of 2016 (the “Bond”), shall be redeemable and duly shall have been called for earlier redemption and payment of the redemption price shall have been made or provided for, and to pay initially on September 1, 2016, and thereafter semiannually on March 1 and September 1 of each year, to the registered owner hereof, interest on said principal sum, at

the rate per annum stated hereon, until said principal sum has been paid or provision for payment thereof duly has been made. Interest on this Bond shall be payable from the interest payment date next preceding the date of registration and authentication of this Bond, unless: (a) this Bond is registered and authenticated as of an interest payment date, in which event this Bond shall bear interest from such interest payment date; or (b) this Bond is registered and authenticated after a Record Date (hereinafter defined) and before the next succeeding interest payment date, in which event this Bond shall bear interest from such interest payment date; or (c) this Bond is registered and authenticated on or prior to the Record Date next preceding September 1, 2016, in which event this Bond shall bear interest from the Dated Date of the Bonds; or (d) as shown by the records of the Paying Agent (hereinafter defined), interest on this Bond shall be in default, in which event this Bond shall bear interest from the date to which interest was last paid on this Bond. The interest on this Bond is payable by check drawn on _____ (the "Paying Agent"), or its successor. The principal of and premium, if any, on this Bond, when due, are payable upon surrender hereof at the designated corporate trust office of the Paying Agent. Payment of the interest hereon shall be made to the registered owner hereof whose name and address shall appear, at the close of business on the fifteenth (15th) day next preceding each interest payment date (the "Record Date"), on the registration books maintained by the Paying Agent, irrespective of any transfer or exchange of this Bond subsequent to such Record Date and prior to such interest payment date, unless the Issuer shall be in default in payment of interest due on such interest payment date. In the event of any such default, such defaulted interest shall be payable to the person in whose name this Bond is registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Paying Agent to the registered owner of this Bond not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the person in whose name this Bond is registered at the close of business on the fifth (5th) day preceding the date of mailing. Principal, premium, if any, and interest with respect to this Bond are payable in lawful money of the United States of America.

This Bond is one of a series of bonds of the Issuer, known generally as "General Obligation Bonds, Series of 2016" (the "Bonds"), all of like date and tenor, except as to numbers, denominations, dates of maturity, rates of interest, and provisions for redemption, in the aggregate principal amount of _____ Dollars (\$_____).

The Bonds have been authorized for issuance in accordance with provisions of the Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82 (the "Debt Act"), of the Commonwealth, and by virtue of a duly adopted resolution (the "Resolution") of the Issuer. The Debt Act, as such shall have been in effect when the Bonds were authorized, and the Resolution shall constitute a contract between the Issuer and registered owners, from time to time, of the Bonds.

The Issuer has covenanted, in the Resolution, to and with registered owners, from time to time, of the Bonds that shall be outstanding, from time to time, pursuant to the Resolution, that the Issuer shall: (i) include the amount of the debt service for the Bonds, for each fiscal year of the Issuer in which such sums are payable, in its budget for that year, (ii) appropriate such amounts from its general revenues for the payment of such debt service, and (iii) duly and punctually pay or cause to be paid, from the sinking fund established under the

Resolution or any other of its revenues or funds, the principal of and interest on each of the Bonds at the dates and place and in the manner stated therein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, the Issuer has pledged and does pledge, irrevocably, its full faith, credit and taxing power.

This Bond shall not be entitled to any benefit under the Resolution, nor shall it be valid, obligatory or enforceable for any purpose, until this Bond shall have been authenticated by the Paying Agent.

The Bonds are issuable only in the form of registered bonds, without coupons, in the denominations of \$5,000 principal amount or any integral multiple thereof. Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations of the same maturity and interest rate upon surrender of such Bonds to the Paying Agent, with written instructions satisfactory to the Paying Agent.

The Issuer and the Paying Agent may deem and treat the registered owner hereof as the absolute owner hereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof, premium, if any, and interest due hereon and for all other purposes, and the Issuer and the Paying Agent shall not be affected by any notice to the contrary.

This Bond may be transferred by the registered owner hereof upon surrender of this Bond to the Paying Agent, accompanied by a written instrument or instruments in form, with instructions, and with guaranty of signature satisfactory to the Paying Agent, duly executed by the registered owner of this Bond or his attorney-in-fact or legal representative. The Paying Agent shall enter any transfer of ownership of this Bond in the registration books and shall authenticate and deliver at the earliest practicable time in the name of the transferee or transferees a new fully registered bond or bonds of authorized denominations of the same series, maturity and interest rate for the aggregate principal amount which the registered owner is entitled to receive.

The Issuer and the Paying Agent shall not be required to issue or to register the transfer of or exchange any Bonds then considered for redemption during a period beginning at the close of business on the fifteenth (15th) day next preceding any date of selection of Bonds to be redeemed and ending at the close of business on the day of mailing of the applicable notice of redemption, as hereinafter provided, or to register the transfer of or exchange any portion of any bond selected for redemption until after the redemption date.

The Bonds stated to mature on or after September 1, ____, are subject to redemption prior to maturity, at the option of the Issuer, as a whole, on _____, ____, or on any date thereafter, upon payment of the principal amount thereof, together with accrued interest to the date fixed for redemption.

The Bonds stated to mature on or after September 1, ____, are subject to redemption prior to maturity, at the option of the Issuer, from time to time, in part, in any order of maturity selected by the Issuer, on _____, ____, or on any date thereafter. If less than all Bonds of any particular maturity are to be redeemed, the Bonds of such maturity to be

redeemed shall be drawn by lot by the Paying Agent. Any such redemption shall be upon payment of the principal amount to be redeemed, together with accrued interest thereon to the date fixed for redemption.

The Bonds stated to mature on September 1, ____, and on September 1, ____, are subject to mandatory redemption prior to maturity, in the amounts and on September 1 of the years set forth in the following schedules as drawn by lot by the Paying Agent in behalf of the Issuer:

Bonds Maturing on September 1, __ :

<u>Year</u>	<u>Amount</u>
	\$; and

Bonds Maturing on September 1, __ :

<u>Year</u>	<u>Amount</u>
	\$.

Any such redemption shall be upon application of money available for the purpose in the Mandatory Sinking Fund established under the Resolution and shall be upon payment of the principal amount to be redeemed, together with accrued interest thereon to the date fixed for redemption. In lieu of such mandatory redemption, the Paying Agent, as sinking fund depository, in behalf of the Issuer, may purchase, from money available for the purpose in the Sinking Fund established under the Resolution, at a price not to exceed the principal amount plus accrued interest, or the Issuer may tender to the Paying Agent, all or part of the Bonds subject to being drawn for redemption in any such year.

In the case of any partial redemption of Bonds of any maturity that is subject to mandatory sinking fund redemption, the Issuer shall be entitled to designate whether the amount to be redeemed shall be credited against the principal amount of such Bonds due at maturity or credited against the principal amount of such Bonds scheduled to be called for mandatory sinking fund redemption on any particular date or dates, in each case in an integral multiple of \$5,000 principal amount.

If this Bond is of a denomination larger than \$5,000, a portion of this Bond may be redeemed. For the purposes of redemption, this Bond shall be treated as representing the number of Bonds that is equal to the principal amount hereof divided by \$5,000, each \$5,000 portion of this Bond being subject to redemption. In the case of partial redemption of this Bond, payment of the redemption price shall be made only upon surrender of this Bond in exchange for Bonds of authorized denominations of the same maturity and interest rate and in aggregate principal amount equal to the unredeemed portion of the principal amount hereof; Provided, however, that should this Bond be registered in the name of The Depository Trust Company ("DTC") or Cede & Co., as nominee for DTC, or any other nominee of DTC, or any other

successor securities depository or its nominee, this Bond need not be surrendered for payment and exchange in the event of a partial redemption hereof and the records of the Paying Agent shall be conclusive as to the amount of this Bond which shall have been redeemed.

Notice of redemption shall be deposited in first class mail not less than 30 days prior to the date fixed for redemption and shall be addressed to the registered owners of the Bonds to be redeemed at their addresses shown on the registration books kept by the Paying Agent as of the day such Bonds are selected for redemption. Failure to mail any notice of redemption or any defect therein or in the mailing thereof shall not affect the validity of any proceeding for redemption of other Bonds so called for redemption as to which proper notice has been given.

On the date designated for redemption, notice having been provided as aforesaid, and money for payment of the principal, premium, if any, and accrued interest being held by the Paying Agent, interest on the Bonds or portions thereof so called for redemption shall cease to accrue and such Bonds or portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Resolution, and registered owners of such Bonds or portions thereof so called for redemption shall have no rights with respect thereto, except to receive payment of the principal to be redeemed and accrued interest thereon to the date fixed for redemption, together with the redemption premium, if any.

The Issuer, in the Resolution, has established a sinking fund with the Paying Agent, as the sinking fund depository, into which funds for the payment of the principal of and the interest on the Bonds shall be deposited not later than the date fixed for the disbursement thereof. The Issuer has covenanted, in the Resolution, to make payments from such sinking fund or from any other of its revenues or funds, at such times and in such annual amounts as shall be sufficient for prompt and full payment of all obligations of this Bond.

It hereby is certified that: (i) all acts, conditions and things required to be done, to happen or to be performed as conditions precedent to and in issuance of this Bond or in creation of the debt of which this Bond is evidence have been done, have happened or have been performed in due and regular form and manner, as required by law; and (ii) the debt represented by this Bond, together with any other indebtedness of the Issuer, is not in excess of any limitation imposed by the Debt Act upon the incurring of debt by the Issuer.

This Bond has been designated or "deemed designated" by the Issuer as a "qualified tax-exempt obligation", as defined in Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the "Code"), for purposes and effect contemplated by Section 265 of the Code (relating to expenses and interest relating to tax-exempt income of certain financial institutions).

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed in its name by the manual or facsimile signature of the President of the Board of School Directors, and its official seal or facsimile thereof to be affixed hereto and the manual or facsimile signature of the Secretary of the Board of School Directors to be affixed hereto in attestation thereof, all as of the Dated Date of the Bonds.

EAST STROUDSBURG AREA SCHOOL
DISTRICT, Monroe and Pike Counties, Pennsylvania

By: _____
President of the Board of School Directors

ATTEST:

Secretary of the Board of School Directors

(SEAL)

(FORM OF PAYING AGENT'S CERTIFICATE)

CERTIFICATE OF AUTHENTICATION; CERTIFICATE AS TO OPINION; AND
CERTIFICATE AS TO INSURANCE

It is certified that:

(i) This Bond is one of the Bonds described in the within-mentioned Resolution;

(ii) An original Opinion issued by Rhoads & Sinon LLP, dated and delivered on the date of the original delivery of, and payment for, such Bonds that is on file at such designated corporate trust office where the same may be inspected; and

(iii) _____ has issued its municipal bond insurance policy, as stated in the Statement of Insurance printed upon this Bond, a copy of which policy is on file at such designated corporate trust office where the same may be inspected.

as Paying Agent

By: _____
Authorized Representative

Date of Registration and Authentication:

(FORM OF ASSIGNMENT)

ASSIGNMENT

FOR VALUE RECEIVED, _____, the undersigned, hereby sells, assigns and transfers unto

_____ (the "Transferee")
Name

Address

Social Security or Federal Employer Identification No. _____

the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints _____, as attorney, to transfer the within Bond on the books kept for registration thereof with full power of substitution in the premises.

Date: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an institution that is a participant in a signature guarantee program recognized by the Securities Transfer Association.

NOTICE: No transfer will be made in the name of the Transferee unless the signature(s) to this assignment correspond(s) with the name(s) appearing upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal Employer Identification Number of the Transferee is supplied. If the Transferee is a trust, the names and Social Security or Federal Employer Identification Numbers of the settlor and beneficiaries of the trust, the Federal Employer Identification Number and date of the trust and the name of the trustee must be supplied.

((

(FORM OF STATEMENT OF INSURANCE)

STATEMENT OF INSURANCE

[To Be Inserted by Insurer]

CERTIFICATE

I, the undersigned, (~~Assistant~~) Secretary of the Board of School Directors of EAST STROUDSBURG AREA SCHOOL DISTRICT, in Monroe and Pike Counties, Pennsylvania (the "School District"), certify that: the foregoing is a true and correct copy of a Resolution that duly was adopted by affirmative vote of a majority of all members of the Board of School Directors of the School District at a meeting duly held on May 16, 2016; said Resolution duly has been recorded in the minute book of the Board of School Directors of the School District; a notice with respect to the intent to adopt said Resolution has been published as required by law; said Resolution was available for inspection by any interested citizen requesting the same in accordance with the requirements of the Local Government Unit Debt Act of the Commonwealth of Pennsylvania and such notice; and said Resolution has not been amended, altered, modified or repealed as of the date of this Certificate.

I further certify that the Board of School Directors of the School District met the CURRENT notice and public comment requirements of the Sunshine Act, 65 Pa.C.S. §701 *et seq.*, by advertising the time and place of said meeting, by posting prominently a notice of said meeting at the principal office of the School District or at the public building in which said meeting was held, and by providing a reasonable opportunity for public comment prior to adoption of said Resolution, all as required by such Act.

I further certify that: the total number of members of the Board of School Directors of the School District is nine (9); the vote of members of the Board of School Directors of the School District upon said Resolution was called and duly was recorded upon the minutes of said meeting; and members of the Board of School Directors of the School District voted upon said Resolution in the following manner:

Gary Summers	- Aye
Robert Cooke	- Aye
Ronald D. Bradley	- Aye
Robert Gress	- Aye
Robert Huffman	- Aye
Debbie Kulick	- Aye
Wayne Rohner	- Aye
Judy Summers	- Aye
Lisa VanWhy	- Aye, 9-0 .

IN WITNESS WHEREOF, I set my hand and affix the official seal of the School District, this 16th day of May, 2016.



(Assistant) Secretary of the Board of
School Directors

(SEAL)

PROPOSAL FOR THE PURCHASE OF BONDS

In respect of
\$11,500,000
Maximum Aggregate Principal Amount
General Obligation Bonds

May 16, 2016

East Stroudsburg Area School District
50 Vine Street
East Stroudsburg, PA 18301

To: The Honorable Members of the Board of School Directors:

Public Financial Management, Inc., further to the financial advice, consultation and professional services which it customarily renders to the East Stroudsburg Area School District (the "School District") in connection with the timing, terms, sale and/or purchase of municipal bonds and other debt and investment instruments, acting as an advisor and agent on behalf of the School District (the "Financial Advisor"), and not as an underwriter (within the meaning of SEC Rule 15c2-12(f)(8)), investment banker or other person seeking to own, or acquire ownership rights in, the hereinafter-described Bonds, either for its own account or for the account of its customers, does hereby commit, undertake and agree, employing all its best professional efforts and capabilities, to cause, arrange for and otherwise complete the full sale, issuance and delivery of the School District's General Obligation Bonds, Series of 2016 (or other appropriate series designation) -- in an aggregate principal amount not to exceed \$11,500,000, maturing, or subject to mandatory redemption, at least annually in such individual principal amounts as shall not exceed the principal amounts set out at the respective maturity, or mandatory redemption, maturity dates, bearing interest (or having yields) at one or several rates, not to exceed the individual and respective rates, at a price or prices (inclusive of original issue discount/premium and underwriters' discount) not less than the value, subject to optional redemption, if at all, and having all the other terms and characteristics as are set out and contained within Schedule I, attached hereto and incorporated as a part hereof (as so further described in Schedule I, the "Bonds") -- to and by a qualified purchaser, generally understood as a person possessing full legal competency and financial capacity to enter into, execute and perform its duties under, a binding contract for the purchase of the Bonds and likely constituting a registered broker-dealer, or syndicate or selling compact of such firms, or a bank or other financial institution, (the "Purchaser"), as soon as (subject to sound financial practices), and so long as (but only in the event that), such sale by the School District and purchase by the Purchaser will enable the School District to achieve and effectuate, in all substantial and necessary aspects, the Project authorized and defined in its Resolution fully and finally adopted by this Honorable Board on even date (the "Resolution"), including, without fail, its objective to accomplish debt service savings over the life of the Prior Bonds, as set forth in the Resolution.

The final terms for the purchase of the Bonds (consistent with the objective of the Project and the terms of the Resolution and Schedule I hereto) shall be set forth in a written contract or bid form (the "Winning Bid"), to be executed and presented by the Purchaser who has been identified and proposed by the Financial Advisor, and also to be executed and accepted by the Designated Officer(s) of the School District pursuant to the directives and authority of the Resolution. Upon said bilateral execution of the Winning Bid, the specific duties of the Financial Advisor under this Proposal for the Purchase of the Bonds (but not necessarily pursuant to the terms of its regular

engagement) shall be deemed complete, fulfilled and discharged, and the terms and conditions of the Winning Bid, as between the Purchaser and the School District, shall govern all further aspects of the sale, purchase, issuance and delivery of the Bonds.

The Purchaser and its Winning Bid shall be proposed by the Financial Advisor following identification of the same under either one of two methods, as selected by the Financial Advisor in its sole discretion, employing its best professional judgment regarding prevailing conditions and opportunities in the financial markets: (1) through a direct negotiation of terms with a single, or limited number of, persons qualified to act as Purchaser; or (2) through an evaluation of bids (to determine lowest true interest cost) received from such qualified persons following release of an invitation to bid under a sealed bidding or auction process, such as that process regularly conducted by the Financial Advisor in its ordinary course of business at the PFM auction internet site.

The Designated Officer(s) may accept and execute the Winning Bid only after its full and final text, as embodied in either a bond purchase agreement, term sheet or proposal letter, in the case of method (1) above, or an invitation to bid, notice and terms of sale or bond bid specifications, with accompanying bid form, in the case of method (2) above, have been completely reviewed and approved, as to form, by the School District's regular counsel and by Rhoads & Sinon LLP, the School District's bond counsel, it being understood that said Winning Bid may contain or specify additional duties and/or liabilities of the School District relative to, among others, the sale of securities in the public markets. The Winning Bid shall also specify necessary terms and conditions of the closing and settlement of the purchase of the Bonds, including the date therefor.

This Proposal for the Purchase of Bonds may be cancelled and terminated by the School District at any time, upon payment of fair compensation to the Financial Advisor for its services rendered through the date of written notification of such termination.

This Proposal for the Purchase of Bonds has been made and entered into by the parties with the intent and purpose to comply with the terms and provisions of the Pennsylvania Local Government Unit Debt Act, 53 Pa.C.S.A. §8001 et seq. (the "Debt Act"), and its terms and provisions shall be read and interpreted in light of, and in a manner consistent with, the Debt Act and administrative and judicial rulings and determinations thereunder. In particular, it is agreed and understood that the primary right and correlative duty granted to or imposed on the Financial Advisor by the School District hereunder shall be the right to determine all the final terms of the Bonds (consistent with the objective of the Project and the terms of the Resolution and Schedule I hereto) and the duty to arrange their final purchase, it being the intention of the parties that the conveyance of such right and the assumption of such duty constitute the essential components of an acceptable proposal for the purchase of bonds, as such term and phraseology is used and understood under the Debt Act, particularly §8107 thereof.

Capitalized terms and phrases used herein and not defined shall have the meanings ascribed to such terms in the Resolution.

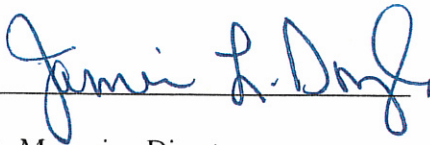
If any provision of this Proposal shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case, or in any particular jurisdiction, such provision shall be deemed severed and removed from the text of this Proposal, in order that the remainder of this Proposal shall be deemed to survive and to remain operative and in full force and effect.

This Proposal may be executed in several counterparts, each of which shall be regarded as an original (with the same effect as if the signatures thereto and hereto were placed upon the same document) and all of which shall constitute but one and the same document.

IN WITNESS WHEREOF, this Proposal has been executed and delivered by the Financial Advisor, as of the date first above written.

Very truly yours,

PUBLIC FINANCIAL
MANAGEMENT, INC.,
As Financial Advisor

By: 
Title: Managing Director

ACCEPTED AND AGREED TO, this 16th day of May, 2016.

EAST STROUDSBURG AREA SCHOOL DISTRICT

By: *Gary Summers*

Title: Board President

**SCHEDULE I
TO
PROPOSAL FOR THE PURCHASE OF BONDS**

In respect of
\$11,500,000
Maximum Aggregate Principal Amount
General Obligation Bonds

Fiscal Year (Ending June 30)	Maximum Interest Rate and Yield to Maturity (%)	Principal Maturity or Mandatory Sinking Fund Payment Amount (\$)
2017	6.00%	\$365,000
2018	6.00%	290,000
2019	6.00%	295,000
2020	6.00%	295,000
2021	6.00%	300,000
2022	6.00%	305,000
2023	6.00%	305,000
2024	6.00%	310,000
2025	6.00%	100,000
2026	6.00%	100,000
2027	6.00%	100,000
2028	6.00%	100,000
2029	6.00%	100,000
2030	6.00%	8,535,000

May 18, 2016

**EXHIBIT A
WINNING BID FORM**

**EAST STROUDSBURG AREA SCHOOL DISTRICT
Monroe and Pike Counties, Pennsylvania
\$9,500,000* GENERAL OBLIGATION BONDS, SERIES OF 2016**

Board of School Directors
East Stroudsburg Area School District
c/o Public Financial Management, Inc.
One Keystone Plaza, Suite 300
North Front & Market Streets
Harrisburg, PA 17101 (P. O. Box 11813, Harrisburg, PA 17108)
Fax #: (717) 232-8610

Ladies and Gentlemen:

Subject to the provisions of and in accordance with the terms of the Invitation to Bid, dated May 11, 2016 of the East Stroudsburg Area School District (the "School District") for its General Obligation Bonds, Series of 2016 (the "Bonds"), which is incorporated herein and hereby made a part hereof:

We hereby confirm that we have agreed to purchase all, but not less than all, of the \$9,500,000* aggregate principal amount of the Bonds described in the Invitation to Bid and to pay therefor the amount of \$9,436,562.35 constituting 99.332235% of the par value of the Bonds, plus the interest accrued, if any, on the Bonds from June 22, 2016. This offer is for the Bonds bearing interest at the rates and in the form of serial bonds and term bonds as follows:

<u>Sept. 1</u>	<u>Principal Amount⁽¹⁾</u>	<u>Interest Rate</u>	<u>Reoffering Price</u>	<u>Reoffering Yield</u>	<u>Term Maturity Date</u>
2016	\$210,000	0.650 %	100.000	0.650	
2017	145,000	3.000 %	102.663	0.750	
2018	150,000	4.000 %	106.824	0.850	
2019	155,000	4.000 %	109.399	1.000	
2020	155,000	4.000 %	111.846	1.100	
2021	155,000	4.000 %	114.050	1.200	
2022	160,000	2.000 %	103.502	1.300	
2023	160,000	2.000 %	102.993	1.400	
2024	5,000	%			
2025	5,000	%			
2026	5,000	%			
2027	5,000	%			
2028	5,000	2.050 %	99.463	2.100	2028
2029	8,185,000	2.150 %	100.000	2.150	

⁽¹⁾Aggregate principal amount and principal amortization amounts may be adjusted as set forth in the Invitation to Bid.

*Preliminary; subject to adjustment.

We acknowledge and have agreed that after we submit this proposal, the School District may modify the aggregate principal amount of the Bonds and/or the principal amounts of each maturity of the Bonds, subject to the limitations set forth in the Invitation to Bid.

We further acknowledge and have agreed that in the event that any adjustments are made to the principal amount of the Bonds, we will purchase all of the Bonds, taking into account such adjustments on the above specified terms of this proposal for the Bonds.

As the winning bidder, we confirm that we have agreed to wire \$95,000 to the School District, as security against any loss of the School District resulting from failure of the undersigned bidder to comply with terms of the bid.

As the winning bidder, we confirm that we have agreed to immediately furnish the additional information described under the caption "Information Required From Winning Bidder; Reoffering Price" in the Invitation to Bid.

As the winning bidder, we confirm that we have agreed to provide to the School District as soon as possible after the sale of the Bonds a complete list of syndicate members, if any, upon request, the actual allocation of the Bonds and the orders placed by the syndicate members.

In the event we have bid on behalf of a bidding syndicate, we represent that we have full and complete authority to submit the bid on behalf of our bidding syndicate and that the undersigned will serve as the lead manager for the group.

We desire 4 copies (not exceeding 200) of the Official Statement for the Bonds (as provided in the Invitation to Bid). We understand that we may obtain additional copies at our own expense.

We further certify (or declare) under penalty of perjury under the laws of the Commonwealth of Pennsylvania that our bid and this proposal is genuine, and not a sham or collusive, nor made in the interest of or on behalf of any person not herein named, and that the bidder has not directly or indirectly induced or solicited any other bidder to put in a sham bid or any other person, firm or corporation to refrain from bidding, and that the bidder has not in any manner sought by collusion to secure for itself an advantage over any other bidder.

Respectfully submitted,

JANNEY MONTGOMERY SCOTT LLC

Name of Bidder: [Signature]

By: [Signature]
Name and Title: Matthew Davis, MD

Address: 1717 Arch Street

Pike, PA 19103

Telephone: 215-665-6521

Facsimile: 215-537-8647

The above Bid is hereby accepted by the Board of School Directors of the East Stroudsburg Area School District, with Final Maturity Schedule as shown on the attached Exhibit A.

EAST STROUDSBURG AREA SCHOOL DISTRICT
Monroe and Pike Counties, Pennsylvania

Attest

By: [Signature]
(President) Gary Summers
[Signature]
(Assistant) Secretary Patricia Rosado

EAST STROUDSBURG AREA SCHOOL DISTRICT
 SERIES OF 2016
 REFUNDS THE SERIES OF 2008 BONDS

Settle 6/22/2016
 Dated 6/22/2016

1	2	3	4	5	6	7	8	9	10	11
Date	Principal	Coupon	Yield	Interest	Semi-Annual Debt Service	Fiscal Year Debt Service	State Aid	Proposed Local Effort	Existing Local Effort	Savings
9/1/2016	195,000	0.650	0.650	40,771.33	235,771.33					
3/1/2017				105,726.25	105,726.25	341,497.58	19,707.81	321,789.77	404,713.57	82,923.80
9/1/2017	130,000	3.000	0.750	105,726.25	235,726.25					
3/1/2018				103,776.25	103,776.25	339,502.50	19,592.68	319,909.82	404,713.57	84,803.75
9/1/2018	135,000	4.000	0.850	103,776.25	238,776.25					
3/1/2019				101,076.25	101,076.25	339,852.50	19,612.87	320,239.63	404,713.57	84,473.95
9/1/2019	145,000	4.000	1.000	101,076.25	248,076.25					
3/1/2020				98,176.25	98,176.25	344,252.50	19,866.80	324,385.70	404,713.57	80,327.87
9/1/2020	150,000	4.000	1.100	98,176.25	248,176.25					
3/1/2021				95,176.25	95,176.25	343,352.50	19,814.86	323,537.64	404,713.57	81,175.93
* 9/1/2021	155,000	4.000	1.200	95,176.25	250,176.25					
3/1/2022				92,076.25	92,076.25	342,252.50	19,751.38	322,501.12	404,713.57	82,212.45
9/1/2022	160,000	2.000	1.300 **	92,076.25	252,076.25					
3/1/2023				90,476.25	90,476.25	342,552.50	19,768.69	322,783.81	404,713.57	81,929.76
9/1/2023	165,000	2.000	1.400 **	90,476.25	255,476.25					
3/1/2024				88,826.25	88,826.25	344,302.50	19,869.68	324,432.82	404,713.57	80,280.76
9/1/2024	5,000	2.050	2.100	88,826.25	93,826.25					
3/1/2025				88,775.00	88,775.00	182,601.25	10,537.91	172,063.34	404,713.57	232,650.23
9/1/2025	5,000	2.050	2.100	88,775.00	93,775.00					
3/1/2026				88,723.75	88,723.75	182,498.75	10,532.00	171,966.75	404,713.57	232,746.82
9/1/2026	15,000	2.050	2.100	88,723.75	103,723.75					
3/1/2027				88,570.00	88,570.00	192,293.75	11,097.26	181,196.49	542,523.49	361,327.01
9/1/2027	15,000	2.050	2.100	88,570.00	103,570.00					
3/1/2028				88,416.25	88,416.25	191,986.25	11,079.52	180,906.73	480,332.35	299,425.62
9/1/2028	5,000	2.050	2.100	88,416.25	93,416.25					
3/1/2029				88,365.00	88,365.00	181,781.25	10,490.59	171,290.66	393,406.09	222,115.43
9/1/2029	8,220,000	2.150	2.150	88,365.00	8,308,365.00					
3/1/2030						8,308,365.00	479,475.41	7,828,889.59	8,064,824.88	235,935.29
TOTALS	9,500,000			2,477,091.33	11,977,091.33	11,977,091.33	691,197.46	11,285,893.87	13,528,222.53	2,242,328.66

* Assumed optional redemption date of September 1, 2021
 ** Yield to optional redemption date

Present Value Local Effort Savings 1,863,882.75

PE% 11.48% (Estimated)
 AR% 50.27% (2015-2016)
 Net 5.77% Effective Reimbursement

Savings Allocation	Amount	Percentage
School District's Share	2,242,328.66	26.10%
State's Share	137,330.01	1.60%
Total Savings	2,379,658.67	27.70%

9



COLONIAL INTERMEDIATE UNIT 20

A Regional Service Agency

6 Danforth Drive
Easton, PA 18045-7899
www.ciu20.org

Telephone (610) 252-5550 • FAX (610) 252-5740
Business Office FAX (610) 515-6524
Resolve FAX (610) 515-6501
Special Programs FAX (610) 559-7103
TDD/TYY Hearing Impaired (610) 252-3786

July 12, 2016

Mr. Jeff Bader
Business Manager
East Stroudsburg Area School District
50 Vine Street
East Stroudsburg, PA 18301

Re: Participation in Child Nutrition Programs

Dear Mr. Bader:

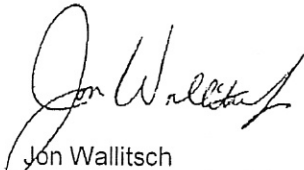
Colonial Intermediate Unit 20 has been advised by the State that we are required to have signed agreements with the districts we service because we are providing lunches at Colonial Academy. Since the Intermediate Unit purchases meals and provides them to students at Colonial Academy, we are considered the Sponsor of the lunch program.

Please find enclosed an Agreement for the 2016-2017 school year for Participation in Child Nutrition Programs Between School Districts, Area Vo-Techs and Intermediate Units. This indicates our role as the Sponsor and your district's agreement to forward copies of Household Meal Benefit Application for Free and Reduced Price Meals/Snacks/Free Milk paperwork to Colonial Academy included with the other appropriate paperwork at the time of enrollment of the student.

An "Approving Official" at Colonial Academy will be cross referencing these applications with daily enrollment. In the event this application is not on file, we will contact your district.

Please contact my office if you have any questions or wish to discuss further.

Sincerely,



Jon Wallitsch
Director of Fiscal Affairs

JW:pab

cc: Carolyn Krotowski

Enclosure

*Dedicated to Your Children and the People Who Serve Them.
Relationships – Responsiveness – Results*

**AGREEMENT FOR PARTICIPATION
IN CHILD NUTRITION PROGRAMS BETWEEN SCHOOL DISTRICTS,
AREA VO-TECHS AND INTERMEDIATE UNITS**

SPONSOR'S **AGREEMENT**
NAME: Colonial Intermediate Unit 20 **NUMBER:** 12000000

The Sponsor is the agency that plans to claim reimbursement under the National School Lunch Program, School Breakfast Program, Afterschool Snack Program and/or the Special Milk Program.

This Agreement between Colonial Intermediate Unit 20 (herein called "sponsor") and the **East Stroudsburg Area School District** (hereinafter called "school") is to provide students with services authorized by the National School Lunch Program, National School Breakfast Program, Afterschool Snack Program and/or the Special Milk Program under Traditional Menu Planning Option.

The term of this Agreement shall be limited to the period between July 1, 2016 and June 30, 2017.

NOW, THEREFORE, THE SPONSOR AGREES TO ACCEPT THE RESPONSIBILITIES LISTED HEREIN FOR THESE STUDENTS.

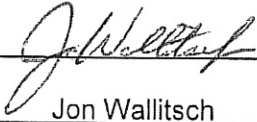
1. The sponsor agrees to submit to the Pennsylvania Department of Education an Application, Policy Statement/Agreement in regards to the above listed programs.
2. The sponsor will (check which one applies):
 - A. Agree to distribute Household Meal Benefit Applications for Free or Reduced Price Meals/Snacks/Free Milk to the parents of students attending classes. The sponsor agrees to verify the accuracy of the appropriate percentage of Household Meal Benefit Applications for Free or Reduced Price Meals/Snacks/Free Milk and to maintain records to document the results of verification as required by federal regulations.
 - B. Agree to obtain copies of Household Meal Benefit Applications for Free or Reduced Price Meals/Snacks/Free Milk from the home school and review to determine if the correct category of eligibility is indicated.
3. The sponsor agrees to designate an "Approving Official" to review and approve/deny Household Meal Benefit Applications for Free or Reduced Price Meals/Snacks/Milk. The sponsor will also designate a "Hearing Official" to establish and use a fair hearing procedure to appeals on the decision of the "Approving Official"
4. The sponsor agrees to count the number of paid, free and reduced price meals/snacks/free milk served to these students at the point of service.
5. The sponsor agrees to ensure that meals/snacks claimed for reimbursement contain all of the foods required for a reimbursable meal.

6. The sponsor agrees to submit a monthly claim for reimbursement to the Department of Education in accordance with the appropriate federal regulations.
7. The sponsor agrees to accept fiscal responsibility for the Program(s) and return to the Department Education any amount not properly earned by the sponsor as determined by a review or audit.
8. The sponsor and the school agree to comply with all federal and state regulations governing the administration of the program(s).

In accordance with Federal law and U. S. Department of Agriculture (USDA) policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, disability or retaliation. If you require this information in alternative format (Braille, large print, audiotape, etc), contact the USDA's TARGET Center at (202)720-2600 (Voice or TDD). If you require information about this program, activity or facility in a language other than English, contact the USDA agency responsible for the program or activity, or any USDA OFFICE. To file a complaint alleging discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, DC 20250-9410 or call, toll free, (866) 632-9992 (Voice). TDD users can contact USDA through local relay or the Federal Relay at (800) 877-8339 (TDD) or (866) 377-8642 (relay voice users). USDA is an equal opportunity provider and employer.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers, on the dates noted below.

PLEASE SIGN IN BLUE INK.

FOR THE SPONSOR BY:  DATE: July 12, 2016

TYPED NAME AND TITLE: Jon Wallitsch
Director of Fiscal Affairs
Colonial Intermediate Unit 20

FOR THE SCHOOL BY: _____ DATE: _____

TYPED NAME AND TITLE: _____

East Stroudsburg Area School District

h. i.

Change Order

No. 1

Date of Issuance: August 1, 2016 Effective Date: _____

Project: North Campus Paving	Owner: East Stroudsburg Area SD	Owner's Contract No.:
Contract: General Construction		Date of Contract: April 18, 2016
Contractor: Northeast Site Contractors		Engineer's Project No.: 28703

The Contract Documents are modified as follows upon execution of this Change Order:

Description: **Removal of existing soil and replacement with 2A modified stone, installation of underdrains, and additional full-depth paving repairs due to existing conditions.**

Attachments: (List documents supporting change): **Northeast Site Contractors' Change Order Request**

Change Order Proposal Amount: \$25,675.00

Less Project Allowance: \$17,087.20

Change Order Amount: \$ 8,587.80

CHANGE IN CONTRACT PRICE:

Original Contract Price:
\$ 132,021.00

[Increase] [Decrease] from previously approved Change Orders No. _____ to No. _____:
\$ 0.00

Contract Price prior to this Change Order:
\$ 132,021.00

[Increase] [Decrease] of this Change Order:
\$ 8,587.80

Contract Price incorporating this Change Order:
\$ 140,608.80

CHANGE IN CONTRACT TIMES:

Original Contract Times: Working days Calendar days
Substantial completion (days or date): July 27, 2016
Ready for final payment (days or date): August 3, 2016

[Increase] [Decrease] from previously approved Change Orders No. _____ to No. _____:
Substantial completion (days): N/A
Ready for final payment (days): _____

Contract Times prior to this Change Order:
Substantial completion (days or date): July 27, 2016
Ready for final payment (days or date): August 3, 2016

[Increase] [Decrease] of this Change Order:
Substantial completion (days or date): 15 days
Ready for final payment (days or date): 15 days

Contract Times with all approved Change Orders:
Substantial completion (days or date): August 11, 2016
Ready for final payment (days or date): August 18, 2016

RECOMMENDED:
By: Josh Grice, PE
Engineer (Authorized Signature)
Date: August 1, 2016

ACCEPTED:
By: _____
Owner (Authorized Signature)
Date: _____

ACCEPTED:
By: _____
Contractor (Authorized Signature)
Date: _____

Approved by Funding Agency (if applicable): _____ Date: _____

h. iii



Specializing in the Repair of the Building Envelope

July 29, 2016

Mr. Josh Grice, PE
D'Huy Engineering, Inc.
1 East Broad Street, Suite 310
Bethlehem, PA 18018

**RE: Resica Elementary
East Stroudsburg Area School District**

Subject: Atrium Leak Repair

Dear Josh:

Per our site visit 7/26/16 and discussion, C&D will provide two (2) Roofing Mechanics to provide repairs at valleys of the entrance atrium. Specific repairs will be determined following examination and removal of existing materials necessary to expose deficiencies.

We propose to perform this work on a time and materials basis as follows:

Labor: Two Roofing Mechanics at a rate of \$1,300.00 per 8 hr. day.

Materials: Invoice Cost, Plus 16%.

Truck & Fuel: \$50.00/Per Day

We include all Insurances, Access, Tools, Applicable Taxes, Overheads and Profit.

We shall perform this work for the sum of \$5,000.00 Five Thousand Dollars, not to exceed.

Prepared by,
C&D Waterproofing Corp.

A handwritten signature in cursive script that reads 'Jeffrey L. Marshman'.

Jeffrey L. Marshman
President

www.cdwaterproofingcorp.com • info@cdwaterproofingcorp.com

300 Papermill Road • Bloomsburg, Pennsylvania 17815 • 570.389.8446 • Fax: 570.389.8447

Member: Sealant, Waterproofing & Restoration Institute • Mason Contractors Association of America • National Roofing Contractors Association
Equal Opportunity Employer

h. iii

h. iv 1.



Costars Proposal

Costars Contract #008-326

To: East Stroudsburg Area School District	Date: 7/10/2016
Address: Business Office	From: Emily Schenkel
East Stroudsburg PA 18301	Phone: (610) 841-9632
Attn: Brad Fitzpatrick	Email: eschenkel@comsysinc.com
Phone: (570) 424-8500	Proposal #: C00Q6174-01
Email: eric-forsyth@esasd.net	Project: Bushkill Elementary Notifier: COSTARS

Dear Brad,

I appreciate this opportunity to propose the furnishing of a complete NOTIFIER Fire Alarm System as discussed and described herein. CSI's recommendations are based on our knowledge of your current system, and professional training.

1. PROJECT SUMMARY

CSI will provide and install a new Notifier NFS2-640 Fire Alarm System. The new 640 panel is an intelligent Fire Alarm Control Panel with features that minimize installation time, enable faster response times, and simplify maintenance and usability.

This upgrade proposal assumes that the existing wiring is in good condition and as such will be reused for this scope of work, with the exception of the remote annunciator cabling which will be replaced for compatibility reasons. This proposal is also based on the reutilization of existing back boxes. Given the present condition of your system, we do not expect any issues with the use of existing wiring. However, should we, during our implementation process, discover any problems with the existing wiring that will prohibit a successful upgrade installation; we will notify ESASD immediately and provide an estimate to resolve the issues. Work will not continue until ESASD authorizes.

2. OPERATIONAL SCOPE

System Scope and Objectives

- CSI will furnish and install all new components described below..
 - 1 – Notifier 640 Head end
 - 2 – FDU-80 Annunciators
 - 15 – Addressable pull stations
 - 61 – Addressable photo detectors with base
 - 11 – Addressable heat detectors with base
 - 8 – Duct detectors with housing, remote test head, relay and remote test station
 - 4 – Modules for sprinkler system
 - 64 – Horn/Strobe devices
 - 7 – Outdoor Horn/Strobe devices
 - 2 – Power supplies
- Programming of new Notifier Fire Alarm Control Panel
- CSI will provide all project management, engineering, and 2 hours of training.
- Installation/Upgrade of new Fire Alarm Control Panel (FACP) shall coincide with Fire Alarm Inspection. Additional charges for testing may be required if FACP is not replaced during normal inspection times.
- CSI will test all installed components.
- The proposal is not based on prevailing wage.
- The installation will require downtime of the fire alarm. Every effort will be made to minimize the duration of downtime.

3. EQUIPMENT LIST

Qty	Manufacturer	Part No	Item		Extended
1	Notifier	CPU2-640	Central processing unit for the NFS2-640 with integral 120V power supply, includes CHS2-M2 Chassis.	\$1,121.59	\$1,121.59
1	Notifier	KDM-R2	Keyboard Display Module; For CPU2-640 80-character display and QWERTY programming keypad included.	\$672.71	\$672.71
1	Notifier	LEM-320	Loop Expander Module; expands a 640 to two Signaling Line Circuits.	\$775.06	\$775.06
1	Notifier	UDACT-2	ASSY,FNL,UNIVERSAL DGTAL MCOMMTR-2	\$374.06	\$374.06
1	Honeywell	IPCHSKIT	Chassis to mount IP communicator in CHSA series chassis	\$32.32	\$32.32
1	Honeywell	IPDACT-2	IPDACT Communicator	\$332.77	\$332.77
2	ICC	H2-PCSJ03RD	Cat 5, 3ft. Patch Cord, Red	\$1.53	\$3.06
1	Notifier	DR-B4	Door, lock & keys. Accepts 2 chassis, black.	\$187.93	\$187.93
1	Notifier	SBB-B4	Backbox, 2 chassis, black.	\$150.22	\$150.22
1	Notifier	DP-1B	Dress panel blank; covers unused cabinet row(s), painted black.	\$27.82	\$27.82
1	Notifier	BMP-1	Blank module dress plate; used to cover annunciator positions. Also mounts some option modules.	\$19.75	\$19.75
1	Notifier	DP-DISP2	Dress Plate used when CPU2-640 is mounted on top row.	\$46.08	\$46.08
1	Notifier	NFS-LBB	NFS Large Battery Backbox, houses up to two 55 AH batteries, black.	\$175.96	\$175.96
1	Honeywell Fire Systems US / No	BAT-12550	Battery, 12 volt, 55 AH.	\$220.85	\$220.85
2	Notifier	FDU-80	80 Character Display Annunciator. Security Keypad mechanical design. For use with the NFS-320, NFS2-640, NFS-640, NFW2-100, and NFW-100	\$356.11	\$712.22
15	Notifier	NBG-12LX	Addressable NBG-12L Pull Station; with FlashScan.	\$68.16	\$1,022.40
61	Notifier	FSP-851	Intelligent Addressable Photo detector; with FlashScan.	\$54.86	\$3,346.46
11	Notifier	FST-851	Intelligent Addressable 135 degree thermal detector with FlashScan.	\$38.90	\$427.90
72	Notifier	B210LP	Conventional Flanged Mounting Base	\$9.64	\$694.08
8	Notifier	DNRW	InnovairFlex duct detector, non-relay, does not include head, watertight.	\$135.86	\$1,086.88
8	Notifier	FSP-851R	Remote test capable Intelligent Photo detector with FlashScan; For use with DNR(W) duct detector housing	\$56.53	\$452.24
8	Notifier	DST5	InnovairFlex sampling tube, steel, 5' with holes	\$11.64	\$93.12
8	Notifier	FRM-1	Addressable Relay Module with FlashScan; Provides two Form-C dry contacts that switch together.	\$55.20	\$441.60
8	Notifier	RTS151	Remote test station; with switch, alarm and power LED's.	\$33.25	\$266.00

4	Notifier	FMM-1	Addressable Monitor Module; with FlashScan; Supervises either a Class A or Class B circuit of N.D. dry-contact input devices.	\$41.90	\$167.60
64	Notifier	P2W	Horn/Strobe, 12/24 Volt, White, Multi-Candela 15,15/75, 30,75,110,115 cd	\$37.91	\$2,426.24
7	Notifier	P2RK	Horn/Strobe, 12/24 Volt, Red, Multi-Candela 15,15/75,30, 75,110,115 cd, Outdoor, Includes backbox	\$60.52	\$423.64
2	Notifier	FCPS-24S8	8.0 amps, 120 VAC remote charger power supply. Includes main printed circuit board, transformers and installation instructions.	\$359.77	\$719.54
2	Notifier	FMM-1	Addressable Monitor Module; with FlashScan; Supervises either a Class A or Class B circuit of N.D. dry-contact input devices.	\$41.90	\$83.80
4	Universal Battery	UB1270	BATTERY 12V 7 AH SLA LCR12V7.3P	\$13.97	\$55.88
			Subtotal		\$16,559.78
			Installation services including project management, engineering, cable installation, device installation, connection, testing and training		\$21,315.00
Total COSTARS Price					\$37,874.78
			Installation hardware including cable	\$2,510.22	\$2,510.22

This product is not in stock.
Please indicate if you require special shipping on the return order (additional charges may apply).

4. DOCUMENTATION AND DELIVERABLES

- a. System drawings, submittals and programming documentation available upon request. Additional charges may apply.

5. WHAT IS NOT INCLUDED

- a. Submittals and CAD drawings.
- b. Quote does not include any additional items which may be required by AHJ for code compliance. This can be provided if required for an additional charge.

6. SYSTEM INVESTMENT

Select <input checked="" type="checkbox"/>	Description	Quantity	Price
<input checked="" type="checkbox"/>	Base Proposal Investment	1	\$37,874.78
<input checked="" type="checkbox"/>	Miscellaneous Installation Hardware	1	\$2,510.22
	TOTAL		\$40,385.00

7. PAYMENT TERMS

Payment Schedule
Products
<i>Invoice for Materials upon Delivery. Due upon receipt.</i>
Installation & Completion – Progressive Invoicing for Remaining Balance
<i>Includes Physical Installation on Customer Premise, Testing, Calibration, Demonstration and Training. Due upon receipt.</i>

8. ORDERING AND ACCEPTANCE

To place an order, please send a signed copy of this proposal to us along with an approved purchase order. You will be invoiced as indicated in the Payment Schedule. This order will be processed upon receipt of payment in full or Mobilization amount. Past due accounts are subject to interest penalties. Work may be suspended on accounts that are not current. (See credit policy). Please note that the following must be included with your Purchase Order to qualify as a COSTARS purchase.

- The Purchase Order (PO) MUST list CSi’s Costars number (008-326).
- The PO MUST list CSi's Payment Terms
- The PO MUST be accompanied by a signed copy of CSi's Proposal

Client Signature

CSi Signature

Client Print Name

CSi Print Name

Date

Date

Purchase Order #

Tax Status: Exempt (copy of current certificate required)

Non-Exempt

Providing an Authorized Acceptance Signature indicates that you have read and understand the Terms & Conditions attached to this agreement. This document represents the entire agreement.

9. TERMS AND CONDITIONS

- a. This proposal does not include any material or services other than that stated in the project scope and equipment list above, permits, applicable sales tax, bonds, special shipping and services to repair, trouble shoot or correct problems related directly or indirectly to pre-existing site conditions, wiring or installation errors by others.
- b. System drawings and submittals are not included. If drawings or submittals are required, there will be an additional charge based on actual engineering and clerical time and materials. We will advise you at the time of placing your order what the turn-around time for this order will be.
- c. Our price will remain valid for 30 days.
- d. Payment terms are as specified in "payment terms", upon approved credit.
- e. CSi reserves the right to modify payment terms as stated or implied in this proposal, pursuant to results from our credit approval process.
- f. Material that is authorized to return for credit must be returned within 30 days from the invoice date in the original unopened cartons. Material that is not returned under these conditions is subject to inspection and may be rejected for credit by the manufacturer.
- g. Applicable sales taxes will be added to all invoices. Tax exemption certificates must be remitted with an executed proposal to be applicable.
- h. Any equipment ordered for the project and then returned at the discretion of the Customer will be subject to a 25% restocking fee.
- i. Source code for all software developed within the scope of this offering remains the property of CSi. Licensing terms are available upon request.
- j. When integrating hardware and/or software with the client's existing network; demarcations will be established to identify clear points of responsibility. If an issue would arise that impacts system design and/or functionality, additional IT engineering will be charged at the current IT service rate.
- k. Data backup is the sole responsibility of the customer. CSi is not held responsible for any loss of data.
- l. Project schedule changes and delays outside of the control of CSi will be accommodated whenever possible. Costs incurred by CSi because of delays outside of CSi's will be considered outside of scope and may be considered billable.
- m. The cost of any permits required by Authorities Having Jurisdiction will be borne by the owner.
- n. These terms cannot be altered by verbal or implied communication. All variances from these terms must be requested in writing.
- o. This proposal was prepared in good faith, exclusively for the individual(s) to whom it is addressed. It contains information that is privileged, confidential and exempt from disclosure under applicable law.

10. INDEMNIFICATION

To the fullest extent permitted by law, the owner shall indemnify and hold harmless the CSi, and agents and employees of any of them from and against claims, damages, losses and expenses, including but not limited to attorney's fees, arising out of or resulting from performance of the Work under this proposal, provided that any such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Work itself), but only to the extent caused by the negligent acts or omissions of CSi, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, regardless of whether or not such claim, damage, loss or expense is caused in part by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or otherwise reduce other rights or obligations of indemnity which would otherwise exist.

h. iv. 2.



Costars Proposal

Costars Contract #008-326

To: East Stroudsburg Area School District
Address: Business Office
East Stroudsburg PA 18301
Attn: Brad Fitzpatrick
Phone: (570) 424-8500
Email: eric-forsyth@esasd.net
Date: 7/10/2016
From: Emily Schenkel
Phone: (610) 841-9632
Email: eschenkel@comsysinc.com
Proposal #: C00Q4585-02
Project: Notifier 3030 - COSTARS

Dear Brad,

I appreciate this opportunity to propose the furnishing of a complete NOTIFIER Fire Panel Upgrade as discussed and described herein. CSI's recommendations are based on our knowledge of your current system, and professional training.

I. PROJECT SUMMARY

CSI will provide material and labor required for the fire alarm panel head end upgrade of the existing Notifier AM2020 to a new Notifier NFS2-3030. The new 3030 panel is an intelligent Fire Alarm Control Panel which is designed specifically for mid-sized applications with features that minimize installation time, enable faster response times, and simplify maintenance and usability.

2. OPERATIONAL SCOPE

This upgrade proposal assumes that the existing wiring is in good condition and as such will be reused for this scope of work. Given the present condition of your system, we do not expect any issues with the use of existing wiring.

- CSi will furnish and install all new components described below.
• Programming of new NOTIFIER Fire Alarm Control Panel
• CSi will provide all project management, engineering, and 4 hours of training.
• Installation/Upgrade of new Fire Alarm Control Panel (FACP) shall coincide with Fire Alarm Inspection.
• CSi will test all installed components.

3. EQUIPMENT LIST

Table with 6 columns: Qty, Manufacturer, Part No, Item, Price, Extended. Row 1: 1, Notifier, CPU2-3030D, NFS2-3030 CPU with 640-character Display; Required for single panel (one CPU2-3030) systems. Includes: CPU, 640-Character backlit LCD display, QWERTY programming and control keypad, installation, programming and operating manuals. Supports one to 10 Signaling line circuits (up to five LCM-320 and five LEM-320). Order, \$1,579.44, \$1,579.44

			one per system or as necessary (up to 200 network nodes) for a networked system. Requires top row of a cabinet.		
1	Notifier	CHS-M3	Mounting Chassis, used for CPU-3030, CPU2-3030,	\$86.18	\$86.18
2	Notifier	LCM-320	Loop Control Module. Each LCM may be expanded to two loops by adding a LEM-320. NFS2-3030 and NFS-3030 only.	\$903.14	\$1,806.28
2	Notifier	LEM-320	Loop Expander Module; expands a 640 to two Signaling Line Circuits.	\$775.06	\$1,550.12
1	Notifier	AMPS-24	Addressable Power Supply, 120 VAC (NFS-3030/NFS2-3030).	\$735.56	\$735.56
1	Notifier	APS2-6R	Auxiliary Power Supply, 6 Amps; mounts in same positions as AVPS-24. 120 VAC	\$344.74	\$344.74
1	Notifier	DP-DISP	DP-DISP is for top row in cabinet with CPU2-3030D installed	\$45.49	\$45.49
2	Notifier	BMP-1	Blank module dress plate; used to cover annunciator positions. Also mounts some option modules.	\$19.75	\$39.50
2	Notifier	DP-1B	Dress panel blank; covers unused cabinet row(s), painted black.	\$27.82	\$55.64
1	Notifier	BP2-4	Battery Dress Panel for CAB-4 Series; for use with the NFS2-3030, NFS2-640, NCA-2, and DVC systems.	\$40.10	\$40.10
1	Notifier	UDACT-2	ASSY,FNL,UNIVERSAL DGTLAL MCOMMXMTR-2	\$374.06	\$374.06
1	Honeywell	IPDACT-2	IPDACT Communicator	\$332.77	\$332.77
1	Honeywell	IPCHSKIT	Chassis to mount IP communicator in CHSA series chassis	\$32.32	\$32.32
1	Notifier	BB-100	Optional Combination Power Supply and Battery	\$247.78	\$247.78
2	Honeywell Fire Systems US / No	BAT-121000	Battery, 12 volt, 100 AH.	\$408.18	\$816.36
2	Honeywell Fire	LCD2-80	80 character LCD mimic annunciator	\$532.67	\$1065.34
59	Notifier	NBG-12LX	Addressable NBG-12L Pull Station; with FlashScan.	\$68.16	\$4,021.44
			SubTotal		\$13,173.12
		Ancillary Services	Installation services including project management, engineering, cable installation, device installation, connection, testing and training		\$11,375.00
Total COSTARS Price					\$24,548.12

			Miscellaneous Installation Hardware including wire		\$1,247.50
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This product is not in stock.
Please indicate if you require special shipping on the return order (additional charges may apply).

4. DOCUMENTATION AND DELIVERABLES

- a. System drawings, submittals and programming documentation available upon request. Additional charges may apply.

5. WHAT IS NOT INCLUDED

- a. Submittals and CAD drawings.
- b. Quote does not include any additional items which may be required by AHJ for code compliance. This can be provided if required for an additional charge.

6. SYSTEM INVESTMENT

Select <input checked="" type="checkbox"/>	Description	Quantity	Price
<input checked="" type="checkbox"/>	Base Proposal Investment COSTARS	1	\$24,548.12
<input checked="" type="checkbox"/>	Miscellaneous Installation Hardware	1	\$1,247.50
	TOTAL		\$25,795.62

7. PAYMENT TERMS

Payment Schedule
Products
<i>Invoice for Materials upon Delivery. Due upon receipt.</i>
Installation & Completion – Progressive Invoicing for Remaining Balance
<i>Includes Physical Installation on Customer Premise, Testing, Calibration, Demonstration and Training. Due upon receipt.</i>

8. ORDERING AND ACCEPTANCE

To place an order, please send a signed copy of this proposal to us along with an approved purchase order. You will be invoiced as indicated in the Payment Schedule. This order will be processed upon receipt of payment in full or Mobilization amount. Past due accounts are subject to interest penalties. Work may be suspended on accounts that are not current. (See credit policy). Please note that the following must be included with your Purchase Order to qualify as a COSTARS purchase.

- The Purchase Order (PO) MUST list CSi's Costars number (008-326) and CSi's Payment Terms
- The PO MUST be accompanied by a signed copy of CSi's Proposal

Client Signature

CSi Signature

Client Print Name

CSi Print Name

Date

Date

Purchase Order #

Tax Status: Exempt (copy of current certificate required)

Non-Exempt

Providing an Authorized Acceptance Signature indicates that you have read and understand the Terms & Conditions attached to this agreement. This document represents the entire agreement.



9. TERMS AND CONDITIONS

- a. This proposal does not include any material or services other than that stated in the project scope and equipment list above, permits, applicable sales tax, bonds, special shipping and services to repair, trouble shoot or correct problems related directly or indirectly to pre-existing site conditions, wiring or installation errors by others.
- b. System drawings and submittals are not included. If drawings or submittals are required, there will be an additional charge based on actual engineering and clerical time and materials. We will advise you at the time of placing your order what the turn-around time for this order will be.
- c. Our price will remain valid for 30 days.
- d. Payment terms are as specified in "payment terms", upon approved credit.
- e. CSi reserves the right to modify payment terms as stated or implied in this proposal, pursuant to results from our credit approval process.
- f. Material that is authorized to return for credit must be returned within 30 days from the invoice date in the original unopened cartons. Material that is not returned under these conditions is subject to inspection and may be rejected for credit by the manufacturer.
- g. Applicable sales taxes will be added to all invoices. Tax exemption certificates must be remitted with an executed proposal to be applicable.
- h. Any equipment ordered for the project and then returned at the discretion of the Customer will be subject to a 25% restocking fee.
- i. Source code for all software developed within the scope of this offering remains the property of CSi. Licensing terms are available upon request.
- j. When integrating hardware and/or software with the client's existing network; demarcations will be established to identify clear points of responsibility. If an issue would arise that impacts system design and/or functionality, additional IT engineering will be charged at the current IT service rate.
- k. Data backup is the sole responsibility of the customer. CSi is not held responsible for any loss of data.
- l. Project schedule changes and delays outside of the control of CSi will be accommodated whenever possible. Costs incurred by CSi because of delays outside of CSi's will be considered outside of scope and may be considered billable.
- m. The cost of any permits required by Authorities Having Jurisdiction will be borne by the owner.
- n. These terms cannot be altered by verbal or implied communication. All variances from these terms must be requested in writing.
- o. This proposal was prepared in good faith, exclusively for the individual(s) to whom it is addressed. It contains information that is privileged, confidential and exempt from disclosure under applicable law.

10. INDEMNIFICATION

To the fullest extent permitted by law, the owner shall indemnify and hold harmless the CSi, and agents and employees of any of them from and against claims, damages, losses and expenses, including but not limited to attorney's fees, arising out of or resulting from performance of the Work under this proposal, provided that any such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Work itself), but only to the extent caused by the negligent acts or omissions of CSi, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, regardless of whether or not such claim, damage, loss or expense is caused in part by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or otherwise reduce other rights or obligations of indemnity which would otherwise exist.