

**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 NOTES IN THE MAXIMUM COMBINED AGGREGATE PRINCIPAL AMOUNT OF SEVENTEEN MILLION EIGHT HUNDRED SEVENTY-FIVE THOUSAND DOLLARS (\$17,875,000), TO REFUND ALL OR A PORTION OF THIS SCHOOL DISTRICT'S OUTSTANDING GENERAL OBLIGATION BOND, SERIES OF 2013, GENERAL OBLIGATION BONDS, SERIES AA OF 2014 AND GENERAL OBLIGATION BONDS, SERIES OF 2015; ACCEPTING A NOTE PURCHASE PROPOSAL; SETTING FORTH THE PARAMETERS, SUBSTANTIAL FORM OF AND CONDITIONS FOR ISSUING THE NOTES; PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THIS SCHOOL DISTRICT TO SECURE THE NOTES; APPOINTING A PAYING AGENT AND SINKING FUND DEPOSITORY; PROVIDING FOR THE REDEMPTION OF THE REFUNDED OBLIGATIONS; AND AUTHORIZING RELATED DOCUMENTS AND ACTIONS.

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

WHEREAS, the School Board, by its resolution adopted on November 18, 2013 (the "2013 Bond Enabling Resolution"), authorized and secured this School District's General Obligation Bond, Series of 2013, dated December 19, 2013, in the original principal amount of \$7,900,000 (the "2013 Bond"), to advance refund a portion of the School District's General Obligation Bonds, Series A of 2007 (the "2007A Bonds"), and which 2013 Bond is currently subject to optional redemption in whole or in part upon 5 days' notice; and

WHEREAS, the Department of Community and Economic Development of the Commonwealth (the "Department") approved the debt proceedings of this School District related to the 2013 Bond, as evidenced by Certificate of Approval No. GOB-13121305, dated December 13, 2013; and

WHEREAS, the School Board, by its resolution adopted on July 21, 2014 (the "2014AA Bonds Enabling Resolution"), authorized and secured this School District's General Obligation Bonds, Series AA of 2014, dated October 16, 2014, in the original aggregate principal amount of \$7,640,000 (the "2014AA Bonds"), to advance refund a portion of the 2007A Bonds, and which 2014AA Bonds are currently subject to optional redemption in whole or in part upon 30 days' notice; and

WHEREAS, the Department approved the debt proceedings of this School District related to the 2014AA Bonds, as evidenced by Certificate of Approval No. GON-14100303, dated October 3, 2014; and

WHEREAS, the School Board, by its resolution adopted on July 20, 2015 (the "2015 Bonds Enabling Resolution"), authorized and secured this School District's General Obligation Bonds, Series of 2015, dated August 26, 2015, in the original aggregate principal amount of \$8,640,000 (the "2015 Bonds"), to advance refund a portion of the 2007A Bonds, and which 2015 Bonds are subject to optional redemption in whole or in part on or after September 1, 2020 upon 30 days' notice; and

WHEREAS, the Department approved the debt proceedings of this School District related to the 2015 Bonds, as evidenced by Certificate of Approval No. GOB-15082101, dated August 21, 2015; and

WHEREAS, the School Board has determined to retire all or a portion of the outstanding 2013 Bond, the 2014AA Bonds and the 2015 Bonds (the "Refunded Obligations"), as described in a refunding report (the "Refunding Report") prepared for this School District by its financial advisor PFM Financial Advisors LLC (the "Financial Advisor"), at such time as the debt service savings to this School District resulting from refunding any of the Refunded Obligations, net of any resulting reduction in Commonwealth reimbursement, and after using proceeds of the Notes (hereinafter defined) to pay the costs of issuing such Notes, equals at least 2% of the principal amount of the Refunded Obligations (the "Required Savings"); and

WHEREAS, the School Board may issue one or more series of general obligation notes in the maximum aggregate principal amount of Seventeen Million Eight Hundred Seventy-Five Thousand Dollars (\$17,875,000) (the "Notes"), to undertake the current refunding of the Refunded Obligations, and to pay the costs and expenses of issuance of the Notes (the "Project"), all in accordance with the Debt Act; and

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

WHEREAS, the School Board has determined that the Notes shall be offered in a private sale by negotiation, at a net purchase price of not less than 95.0% nor more than 130.0% of the aggregate principal amount of the Notes issued, plus any accrued interest (the "Purchase Price"); and

WHEREAS, a "Proposal for the Purchase of Notes," dated August 17, 2020 (the "Proposal"), has been received from the Financial Advisor, containing the financial parameters for, and conditions to, the issuance of the Notes (the "Note Parameters"), which will be supplemented by one or more addendums (each an "Addendum") containing the final terms and identifying the purchaser of the Notes (the "Purchaser"), consistent with the Note Parameters; and

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

WHEREAS, the School Board has determined to appoint Manufacturers and Traders Trust Company (the "Paying Agent"), having a corporate trust office in Harrisburg, Pennsylvania and Buffalo, New York, as paying agent and sinking fund depository for the Notes, or such other paying agent and sinking fund depository as shall be acceptable to the School District.

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

SECTION 1. The School Board hereby authorizes the issuance of the Notes pursuant to this Resolution, in accordance with the Debt Act, to undertake the Project.

SECTION 2. The School Board finds that it is in the best financial interests of this School District to sell the Notes in a 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 by Section 8241(b)(1) of the Debt Act (reduction in total debt service over the life of the issue). The capital projects or facilities originally financed or refinanced by the Refunded Obligations have remaining useful lives varying from three (3) to at least seven (7) years and the aggregate principal amount of the Notes equal to the separate costs of each project financed or refinanced shall be stated to mature prior to the end of each useful life. The first maturity of principal of the Notes is not being deferred beyond two years.

SECTION 4. The Notes shall be awarded to the Purchaser in accordance with terms and conditions of the Proposal, including the Purchase Price. This School District's Chief Financial Officer or its Superintendent is hereby authorized to approve the final terms and conditions of the Notes, and each Addendum to be presented by the Financial Advisor, within the Note Parameters and Required Savings. Each 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 Notes, when issued, will be general obligation notes of this School District.

SECTION 6. The Notes shall be stated to mature not later than September 1, 2027 and shall mature, or be payable upon mandatory redemption prior to stated maturity, in the maximum annual amounts set forth in **Exhibit A**, which is attached hereto and made part hereof.

Each of the Notes shall bear interest at a rate or rates not to exceed 5.50%, per annum.

The Notes shall bear interest and be payable as further described in the substantial form of the Notes attached hereto as **Exhibit B**, with appropriate insertions, omissions and variations.

Notes within a series shall be numbered consecutively, as issued, without regard to denomination or maturity.

The Notes 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 Notes may be subject to mandatory redemption prior to maturity, determined in the manner described in Section 4 hereof, not in excess of any annual principal payment amount set forth in **Exhibit A** hereof.

SECTION 7. This School District and the Paying Agent may deem and treat the persons in whose names the Notes shall be registered as the absolute owners thereof for all purposes, whether such Notes shall be overdue or not, and payment of the principal of, premium, if any, and interest on the Notes 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 Notes, 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 8. Registration of the transfer of ownership of Notes shall be made upon surrender of any of the Notes 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 Notes 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 note or notes of authorized denominations of the same series, maturity and interest rate for the aggregate principal amount that the registered owner is entitled to receive. Notes may be exchanged for a like aggregate principal amount of Notes of other authorized denominations of the same series, maturity and interest rate.

SECTION 9. If Notes shall be subject to optional redemption or mandatory redemption prior to stated maturity, this School District and the Paying Agent shall not be required to register the transfer of or exchange any of the Notes 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 Notes 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 Notes selected for redemption in whole or in part until after the redemption date.

SECTION 10. This School District shall cause to be kept, and the Paying Agent shall keep, books for the registration, exchange and transfer of Notes in the manner provided herein and therein so long as Notes shall remain outstanding. Such registrations, exchanges and transfers shall be made without charge to noteholders, 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. This School District appoints the Paying Agent as the paying agent with respect to the Notes and directs that the principal of, premium, if any, and interest on the Notes shall be payable at a designated corporate trust office of the Paying Agent, in lawful money of the United States of America.

Any corporation or association into which the Paying Agent, or any appointed successor to it, may be merged or converted or with which it, or any appointed successor to it, may be consolidated, or any corporation or association resulting from any merger, conversion or consolidation to which the Paying Agent shall be a party, or any corporation or association to which the Paying Agent, or any appointed successor to it, sells or otherwise transfers all or substantially all of its corporate trust business, including its functions under this Resolution, shall be the successor paying agent hereunder, without the execution or filing of any paper or any further act on the part of this School District, and thereafter references herein to the "Paying Agent" shall refer to such resulting corporation or association, or to such transferee, as the case may be.

If the Paying Agent at any time shall resign or shall be removed by this School District, the School Board shall appoint a successor paying agent that is duly qualified in accordance with the Act to serve as paying agent for the Notes and sinking fund depository with respect to the Sinking Fund created herein, and the principal of, redemption premium, if any, and interest on the Notes shall be payable, when due, at a designated office of the successor paying agent located in the Commonwealth and at such additional payment offices as the successor paying agent shall designate. Upon acceptance of such appointment and the transfer by the Paying Agent to the successor paying agent of the appropriate documents, records, and funds, references herein to the "Paying Agent" shall thereafter refer to such successor paying agent.

SECTION 12. The Notes 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 Notes.

SECTION 13. No note constituting one of the Notes shall be entitled to any benefit under this Resolution nor shall it be valid, obligatory or enforceable for any purpose until such note 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 Notes in accordance with the provisions hereof.

SECTION 14. This School District covenants to and with registered owners, from time to time, of the Notes 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 Notes, 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 Notes 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 15. There is created, pursuant to the requirements of the Debt Act, one or more sinking funds for the Notes (collectively, 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 16. This School District appoints the Paying Agent as the sinking fund depository with respect to the Sinking Fund.

SECTION 17. 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 Notes when due.

SECTION 18. The School Board hereby authorizes the preparation of a Preliminary Official Statement for use in the marketing of the Notes and authorizes the Superintendent of this School District, or the President or Vice President of the School Board, to approve the form of such Preliminary Official Statement and a final Official Statement with respect to the Notes of this School District, with such insertions and amendments as shall be necessary or appropriate to reflect the final terms and provisions of the Notes, 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 19. 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 Notes, 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 authorizes and directs that an appropriate borrowing base certificate be prepared for filing with the Department as required by the Debt Act. 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 preparation and execution of such borrowing base certificate.

SECTION 20. If applicable, as determined from the Proposal, the School Board authorizes and directs the purchase of municipal bond insurance with respect to the Notes. 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 of such insurance.

SECTION 21. 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 Notes and as sinking fund depository in connection with the Sinking Fund established for the Notes.

SECTION 22. 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 23. The officers and agents of this School District are authorized to deliver the Notes and to authorize payment of all costs and expenses associated with the issuance of the Notes 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 24. This School District covenants to and with purchasers of the Notes that it will make no use of the proceeds of such Notes, or of any other obligations deemed to be part of the same "issue" as the Notes under applicable Federal tax regulations, that will cause such Notes 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 Treasury Regulations implementing said Sections of the Code.

This School District further covenants to and with purchasers of the Notes that it will make no use of the proceeds of the Notes, of the proceeds of any other obligations deemed to be part of the same "issue" as the Notes under applicable federal tax regulations, or of any property or facilities financed with the proceeds of the Notes or of any such other obligations deemed to be part of the same "issue" as the Notes, that will cause the Notes to be or become "private activity bonds" within the meaning of Section 141 of the Code and the Treasury Regulations implementing said Sections of the Code. This School District shall 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 Notes.

The President or Vice President of the School Board is authorized to represent in a certificate delivered when the Notes are issued, 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 notes or 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 Notes (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 25. This School District does hereby authorize the optional redemption of the Refunded Obligations on the earliest respective dates authorized by the 2013 Bond Enabling Resolution, the 2014AA Bonds Enabling Resolution or the 2015 Bonds Enabling Resolution (each a "Redemption Date"), in accordance with the rights and privileges reserved to this School District in the Refunded Obligations, *following the acceptance of the final terms and conditions of the applicable series of the Notes as described in section 4 hereof.*

Officers and agents of the School Board are hereby authorized and directed to give irrevocable instructions to the paying agent and bond registrar for the Refunded Obligations to redeem the Refunded Obligations 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 Notes, shall enter into one or more bond retirement agreements or escrow agreements (collectively, the "Bond Retirement Agreement") with the appropriate paying agent of the Refunded Obligations (each an "Escrow Agent"), acting as escrow agent for the appropriate Refunded Obligation. The Bond Retirement Agreement shall provide for a deposit of Note proceeds into one or more escrow accounts with the Escrow Agent sufficient to pay the debt service due on the Refunded Obligations 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 Notes. This 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 Chief Financial Officer, 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, Bonds, State and Local Government Series ("SLGS") or 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 updates to the Refunding Report, from proceeds of the Notes 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 Obligations, 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 and provide all such documentation as may be necessary and appropriate to accomplish the redemption and retirement of the Refunded Obligations.

SECTION 26. The Secretary or Assistant Secretary of the School Board is hereby authorized and directed to execute and to submit to the Pennsylvania Department of Education, promptly following settlement for the Notes, the appropriate application and other documents and information necessary to obtain state reimbursement with respect to the debt service on the Notes (including the filing of the appropriate PLANCON Parts, as applicable).

SECTION 27. 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 Notes. Such Certificate shall be executed and delivered to satisfy the terms and conditions of the accepted Proposal for sale of the Notes and Securities and Exchange Commission Rule 15c2-12, and shall be substantially in the form previously utilized by this School District, 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 Notes; however, any registered owner of the Notes 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 28. The Notes 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 Notes, 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 Notes, 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 29. Notwithstanding the foregoing provisions of this Resolution, the Notes shall initially be issued in the form of one fully-registered note for the aggregate principal amount of the Notes of each maturity, and the following provisions shall apply with respect to the registration, transfer and payment of the Notes:

(a) Except as provided in subparagraph (g) below, all of the Notes shall be registered in the name of Cede & Co., as nominee of DTC; provided that if DTC shall request that the Notes be registered in the name of a different nominee, the Paying Agent shall exchange all or any portion of the Notes for an equal aggregate principal amount of Notes 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 Note or any other evidence of ownership of the Notes, 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 Notes 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 Notes are registered in the name of DTC or any nominee thereof, all payments of the principal or redemption price of or interest on such Notes 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 Notes to the extent of the sum or sums so paid. In the event of the redemption of less than all of the Notes outstanding of any maturity, the Paying Agent shall not require surrender by DTC or its nominee of the Notes so redeemed, but DTC (or its nominee) may retain such Notes and make an appropriate notation on the Note 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 Notes 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 Notes registered in its name for the purposes of payment of the principal or redemption price of or interest on the Notes, selecting the Notes or portions thereof to be redeemed, giving any notice permitted or required to be given to holders of Notes under this Resolution, registering the transfer of Notes, obtaining any consent or other action to be taken by holders of Notes 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 Notes 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 Notes, with respect to (1) the Notes, (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 Notes, (4) any notice which is permitted or required to be given to holders of the Notes 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 Notes, and (6) any consent given or other action taken by DTC as holder of the Notes.

(e) So long as the Notes 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 Notes 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 Notes 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 Notes, 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 Notes 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 Notes, 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 Notes 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 Notes.

SECTION 30. The President and Vice President and the Secretary or Assistant Secretary, respectively, of the School Board are authorized and directed to perform such acts as may be necessary to facilitate the marketing and settlement of the Notes and the retirement of the Refunded Obligations.

SECTION 31. 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 32. 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 33. All resolutions or parts of resolutions, insofar as the same shall be inconsistent herewith, shall be and the same expressly are repealed.

SECTION 34. This Resolution shall be effective in accordance with the Debt Act.

DULY ADOPTED, by the School Board, in lawful session duly assembled, this 17th day of August, 2020.

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

By: _____
(Vice) President of the Board of
School Directors

ATTEST:

Secretary of the Board of
School Directors

(SEAL)

EXHIBIT A

EAST STROUDSBURG AREA SCHOOL DISTRICT
Monroe and Pike Counties, Pennsylvania
\$17,875,000 Maximum Aggregate Principal Amount
General Obligation Notes
Maximum Annual Principal Payment Schedule

<u>Date</u>	<u>Max Principal</u>
3/1/2021	
9/1/2021	1,700,000
3/1/2022	
9/1/2022	2,565,000
3/1/2023	
9/1/2023	2,520,000
3/1/2024	
9/1/2024	2,640,000
3/1/2025	
9/1/2025	2,625,000
3/1/2026	
9/1/2026	2,920,000
3/1/2027	
9/1/2027	2,905,000
3/1/2028	
TOTALS	17,875,000

EXHIBIT B

(FORM OF NOTE)

[The following Legend is to be printed on any Notes 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 NOTE, SERIES OF 2020

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED DATE OF THE NOTES</u>	<u>CUSIP NUMBER</u>
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REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _____ DOLLARS (\$ _____)

EAST STROUDSBURG AREA SCHOOL DISTRICT, Monroe and Pike Counties, Pennsylvania (the “School District”), 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 Note, Series of 2020 (the “Note”), 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 _____, _____, and thereafter semiannually on _____ and _____ 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

EXHIBIT B (CONT'D)

been made. Interest on this Note shall be payable from the interest payment date next preceding the date of registration and authentication of this Note, unless: (a) this Note is registered and authenticated as of an interest payment date, in which event this Note shall bear interest from such interest payment date; or (b) this Note is registered and authenticated after a Record Date (hereinafter defined) and before the next succeeding interest payment date, in which event this Note shall bear interest from such interest payment date; or (c) this Note is registered and authenticated on or prior to the Record Date next preceding _____, _____, in which event this Note shall bear interest from _____, _____; or (d) as shown by the records of the Paying Agent (hereinafter defined), interest on this Note shall be in default, in which event this Note shall bear interest from the date to which interest was last paid on this Note. The interest on this Note is payable by check drawn on _____ (the "Paying Agent"), or its successor. The principal of and premium, if any, on this Note, 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 Note subsequent to such Record Date and prior to such interest payment date, unless the 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 person in whose name this Note 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 Note not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the person in whose name this Note 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 Note are payable in lawful money of the United States of America.

This note is one of a series of notes of the School District, known generally as the "General Obligation Notes, Series of 2020" (the "Notes"), 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 Seventeen Million Eight Hundred Seventy-Five Thousand Dollars (\$17,875,000).

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

The School District has covenanted, in the Resolution, to and with registered owners, from time to time, of the Notes that shall be outstanding, from time to time, pursuant to the Resolution, that the School District: (i) shall include the amount of the debt service for the Notes, for each fiscal year of the School District in which such sums are payable, in its budget for that year, (ii) shall appropriate such amounts from its general revenues for the payment of such debt service, and (iii) shall 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 Notes at the dates and place and in the manner stated therein, according to the true intent and

EXHIBIT B (CONT'D)

meaning thereof; and, for such budgeting, appropriation and payment, the School District has pledged and does pledge, irrevocably, its full faith, credit and taxing power.

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

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

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

This Note may be transferred by the registered owner hereof upon surrender of this Note 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 Note or his attorney-in-fact or legal representative. The Paying Agent shall enter any transfer of ownership of this Note 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 Note or Notes of authorized denominations of the same series, maturity and interest rate for the aggregate principal amount that the registered owner is entitled to receive.

The School District and the Paying Agent shall not be required to issue or to register the transfer of, or exchange, any Notes 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 Notes 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 Note selected for redemption until after the redemption date.

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

EXHIBIT B (CONT'D)

The Notes stated to mature on _____, _____, and on _____, _____ (the "Term Notes"), are subject to mandatory redemption prior to maturity, in the amounts and on _____ of the years set forth in the following schedules as drawn by lot by the Paying Agent in behalf of the School District:

Notes Maturing on _____, _____ :

<u>Year</u>	<u>Amount</u>
-------------	---------------

\$; and

Notes Maturing on _____, _____ :

<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, on behalf of the School District, may purchase from money in the Sinking Fund established under the Resolution, at a price not to exceed the principal amount plus accrued interest, or the School District may tender to the Paying Agent, all or part of the Term Notes subject to being drawn for redemption on any such date.

In the case of any partial, optional redemption of Term Notes, the School District shall be entitled to designate whether the amount to be redeemed shall be credited against the principal amount of such Term Notes due at maturity or credited against the principal amount of such Term Notes 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 Note is of a denomination larger than \$5,000, a portion of this Note may be redeemed, but only in an integral multiple of \$5,000 principal amount. For the purpose of redemption, this Note shall be treated as representing the number of Notes that is equal to the principal amount hereof divided by \$5,000, each \$5,000 portion of this Note being subject to redemption. In the case of partial redemption of this Note, payment of the redemption price will be made only upon surrender of this Note in exchange for Notes of authorized denominations of the same maturity and interest rate in aggregate principal amount equal to the unredeemed portion of the principal amount hereof; *provided, however*, that if this Note is registered in the name of The Depository Trust Company ("DTC") or Cede & Co., as nominee for DTC, or any other nominee of

EXHIBIT B (CONT'D)

DTC, or any other successor securities depository or its nominee, this Note 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 Note which shall have been redeemed.

Notice of redemption shall be deposited in first class mail not less than thirty (30) days prior to the date fixed for redemption and shall be addressed to the registered owners of the Notes to be redeemed at their addresses shown on the registration books kept by the Paying Agent as of the day such Notes are selected for redemption. Failure to mail any such notice of redemption or any defect therein or in the mailing thereof shall not affect the validity of any proceeding for redemption of other Notes 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, redemption premium, if any, and accrued interest being held by the Paying Agent, interest on the Notes or portions thereof so called for redemption shall cease to accrue and such Notes 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 Notes 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.

If the redemption date for any Notes 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 the principal, redemption premium, if any, and interest upon such redemption 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 of redemption.

The School District, 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 Notes shall be deposited not later than the date fixed for the disbursement thereof. The School District 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 Note.

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 Note or in creation of the debt of which this Note 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 Note, together with any other indebtedness of the School District, is not in excess of any limitation imposed by the Act upon the incurring of debt by the School District.

This Note is 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 the purposes and effect contemplated by Section 265 of the Code (relating to expenses and interest relating to tax-exempt income of certain financial institutions).

EXHIBIT B (CONT'D)

[THIS SPACE LEFT BLANK INTENTIONALLY. SIGNATURE PAGE FOLLOWS]

EXHIBIT B (CONT'D)

IN WITNESS WHEREOF, the School District has caused this Note 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 to be affixed hereto or a facsimile thereof to be printed hereon 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 Notes set forth above.

**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)

EXHIBIT B (CONT'D)

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

It is certified that:

(i) This note is one of the notes described in the within-mentioned Resolution;

(ii) Attached to this note is the text of an original Opinion issued by Eckert Seamans Cherin & Mellott, LLC, dated and delivered on the date of the original delivery of, and payment for, such notes, a copy of which Opinion is on file at our 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 note, a copy of which policy is on file at our corporate trust office, where the same may be inspected.

as paying agent

By: _____
Authorized Representative

Date of Registration and Authentication: _____

EXHIBIT B (CONT'D)

STATEMENT OF INSURANCE

[INSERT TEXT AS PROVIDED BY INSURER]

EXHIBIT B (CONT'D)

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

Date: _____

Signature(s) 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 Note 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.

CERTIFICATE

I, the undersigned, (Assistant) Secretary of the Board of School Directors of EAST STROUDSBURG AREA SCHOOL DISTRICT, located 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 this School District at a meeting duly held on August 17, 2020; said Resolution duly has been recorded in the minute book of the Board of School Directors of this 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 this School District met the advance 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 this 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 this School District is nine (9); the vote of members of the Board of School Directors of this 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 this School District voted upon said Resolution in the following manner:

Richard Schlameuss	-
Larry Dymond	-
George Andrews	-
Rebecca Bear	-
Dr. Damary Bonilla	-
Sharone Glasco	-
Debbie Kulick	-
Wayne Rohner	-
Lisa VanWhy	-

IN WITNESS WHEREOF, I set my hand and affix the official seal of this School District, this 17th day of August, 2020.

(Assistant) Secretary of the Board
of School Directors

(SEAL)

**EAST STROUDSBURG AREA SCHOOL DISTRICT,
Monroe and Pike Counties, Pennsylvania
\$17,875,000 Maximum Aggregate Principal Amount
General Obligation Notes (Parameters)**

**APPLICATION FOR APPROVAL TO DELIVER NOTES UNDER
SECTION 8111(a) OF THE LOCAL GOVERNMENT UNIT DEBT ACT**

TO: THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
OF THE COMMONWEALTH OF PENNSYLVANIA

Application is made by East Stroudsburg Area School District, located in Monroe and Pike Counties, Pennsylvania (the "School District"), to the Department of Community and Economic Development (the "Department") of the Commonwealth of Pennsylvania (the "Commonwealth"), pursuant to the Local Government Unit Debt Act (the "Debt Act") of the Commonwealth, for approval to deliver one or more series of notes of the School District, and, in accordance with Section 8111(a) of the Debt Act, the School District, acting through its proper officers, sets forth and certifies as follows:

{L0889430.1}

1. The debt proposed to be issued will be evidenced by one or more series of general obligation notes in the maximum aggregate principal amount of Seventeen Million Eight Hundred Seventy-Five Thousand Dollars (\$17,875,000) (the "Notes"), which will be issued in connection with a refunding project of the School District.

2. Attached hereto and made part hereof is a complete and accurate transcript of the proceedings relating to the proposed bond issue, which transcript of proceedings consists of the following:

a. A certified copy of the resolution prescribing the manner of sale of the Notes, authorizing the Notes and awarding the Notes, together with appropriate proofs of proper publication;

b. A certified copy of the accepted bid or proposal for purchase of the Notes; and

c. A Debt Statement prepared pursuant to Section 8110 of the Debt Act, to which is appended an appropriate Borrowing Base Certificate as required by the Debt Act.

3. The filing of this Application has been authorized by appropriate action of the Board of School Directors of the School District (see the resolution referred to in Paragraph 2.a. above).

IN WITNESS WHEREOF, the School District causes this Application to be executed in its name and in its behalf by the President or Vice President of the Board of School Directors and its official seal to be affixed hereto and attested by the Secretary or Assistant Secretary of the Board of School Directors, all as of the 17th day of August, 2020.

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

By: _____
(Vice) President of the Board
of School Directors

ATTEST:

(Assistant) Secretary of the
Board of School Directors

(SEAL)

**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 NOTES IN THE MAXIMUM COMBINED AGGREGATE PRINCIPAL AMOUNT OF SEVENTEEN MILLION EIGHT HUNDRED SEVENTY-FIVE THOUSAND DOLLARS (\$17,875,000), TO REFUND ALL OR A PORTION OF THIS SCHOOL DISTRICT'S OUTSTANDING GENERAL OBLIGATION BOND, SERIES OF 2013, GENERAL OBLIGATION BONDS, SERIES AA OF 2014 AND GENERAL OBLIGATION BONDS, SERIES OF 2015; ACCEPTING A NOTE PURCHASE PROPOSAL; SETTING FORTH THE PARAMETERS, SUBSTANTIAL FORM OF AND CONDITIONS FOR ISSUING THE NOTES; PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THIS SCHOOL DISTRICT TO SECURE THE NOTES; APPOINTING A PAYING AGENT AND SINKING FUND DEPOSITORY; PROVIDING FOR THE REDEMPTION OF THE REFUNDED OBLIGATIONS; AND AUTHORIZING RELATED DOCUMENTS AND ACTIONS.

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

WHEREAS, the School Board, by its resolution adopted on November 18, 2013 (the "2013 Bond Enabling Resolution"), authorized and secured this School District's General Obligation Bond, Series of 2013, dated December 19, 2013, in the original principal amount of \$7,900,000 (the "2013 Bond"), to advance refund a portion of the School District's General Obligation Bonds, Series A of 2007 (the "2007A Bonds"), and which 2013 Bond is currently subject to optional redemption in whole or in part upon 5 days' notice; and

WHEREAS, the Department of Community and Economic Development of the Commonwealth (the "Department") approved the debt proceedings of this School District related to the 2013 Bond, as evidenced by Certificate of Approval No. GOB-13121305, dated December 13, 2013; and

WHEREAS, the School Board, by its resolution adopted on July 21, 2014 (the "2014AA Bonds Enabling Resolution"), authorized and secured this School District's General Obligation

Bonds, Series AA of 2014, dated October 16, 2014, in the original aggregate principal amount of \$7,640,000 (the "2014AA Bonds"), to advance refund a portion of the 2007A Bonds, and which 2014AA Bonds are currently subject to optional redemption in whole or in part upon 30 days' notice; and

WHEREAS, the Department approved the debt proceedings of this School District related to the 2014AA Bonds, as evidenced by Certificate of Approval No. GON-14100303, dated October 3, 2014; and

WHEREAS, the School Board, by its resolution adopted on July 20, 2015 (the "2015 Bonds Enabling Resolution"), authorized and secured this School District's General Obligation Bonds, Series of 2015, dated August 26, 2015, in the original aggregate principal amount of \$8,640,000 (the "2015 Bonds"), to advance refund a portion of the 2007A Bonds, and which 2015 Bonds are subject to optional redemption in whole or in part on or after September 1, 2020 upon 30 days' notice; and

WHEREAS, the Department approved the debt proceedings of this School District related to the 2015 Bonds, as evidenced by Certificate of Approval No. GOB-15082101, dated August 21, 2015; and

WHEREAS, the School Board has determined to retire all or a portion of the outstanding 2013 Bond, the 2014AA Bonds and the 2015 Bonds (the "Refunded Obligations"), as described in a refunding report (the "Refunding Report") prepared for this School District by its financial advisor PFM Financial Advisors LLC (the "Financial Advisor"), at such time as the debt service savings to this School District resulting from refunding any of the Refunded Obligations, net of any resulting reduction in Commonwealth reimbursement, and after using proceeds of the Notes (hereinafter defined) to pay the costs of issuing such Notes, equals at least 2% of the principal amount of the Refunded Obligations (the "Required Savings"); and

WHEREAS, the School Board may issue one or more series of general obligation notes in the maximum aggregate principal amount of Seventeen Million Eight Hundred Seventy-Five Thousand Dollars (\$17,875,000) (the "Notes"), to undertake the current refunding of the Refunded Obligations, and to pay the costs and expenses of issuance of the Notes (the "Project"), all in accordance with the Debt Act; and

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

WHEREAS, the School Board has determined that the Notes shall be offered in a private sale by negotiation, at a net purchase price of not less than 95.0% nor more than 130.0% of the aggregate principal amount of the Notes issued, plus any accrued interest (the "Purchase Price"); and

WHEREAS, a "Proposal for the Purchase of Notes," dated August 17, 2020 (the "Proposal"), has been received from the Financial Advisor, containing the financial parameters for, and conditions to, the issuance of the Notes (the "Note Parameters"), which will be

supplemented by one or more addendums (each an "Addendum") containing the final terms and identifying the purchaser of the Notes (the "Purchaser"), consistent with the Note Parameters; and

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

WHEREAS, the School Board has determined to appoint Manufacturers and Traders Trust Company (the "Paying Agent"), having a corporate trust office in Harrisburg, Pennsylvania and Buffalo, New York, as paying agent and sinking fund depository for the Notes, or such other paying agent and sinking fund depository as shall be acceptable to the School District.

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

SECTION 1. The School Board hereby authorizes the issuance of the Notes pursuant to this Resolution, in accordance with the Debt Act, to undertake the Project.

SECTION 2. The School Board finds that it is in the best financial interests of this School District to sell the Notes in a 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 by Section 8241(b)(1) of the Debt Act (reduction in total debt service over the life of the issue). The capital projects or facilities originally financed or refinanced by the Refunded Obligations have remaining useful lives varying from three (3) to at least seven (7) years and the aggregate principal amount of the Notes equal to the separate costs of each project financed or refinanced shall be stated to mature prior to the end of each useful life. The first maturity of principal of the Notes is not being deferred beyond two years.

SECTION 4. The Notes shall be awarded to the Purchaser in accordance with terms and conditions of the Proposal, including the Purchase Price. This School District's Chief Financial Officer or its Superintendent is hereby authorized to approve the final terms and conditions of the Notes, and each Addendum to be presented by the Financial Advisor, within the Note Parameters and Required Savings. Each 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 Notes, when issued, will be general obligation notes of this School District.

SECTION 6. The Notes shall be stated to mature not later than September 1, 2027 and shall mature, or be payable upon mandatory redemption prior to stated maturity, in the maximum annual amounts set forth in **Exhibit A**, which is attached hereto and made part hereof.

Each of the Notes shall bear interest at a rate or rates not to exceed 5.50%, per annum.

The Notes shall bear interest and be payable as further described in the substantial form of the Notes attached hereto as **Exhibit B**, with appropriate insertions, omissions and variations.

Notes within a series shall be numbered consecutively, as issued, without regard to denomination or maturity.

The Notes 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 Notes may be subject to mandatory redemption prior to maturity, determined in the manner described in Section 4 hereof, not in excess of any annual principal payment amount set forth in **Exhibit A** hereof.

SECTION 7. This School District and the Paying Agent may deem and treat the persons in whose names the Notes shall be registered as the absolute owners thereof for all purposes, whether such Notes shall be overdue or not, and payment of the principal of, premium, if any, and interest on the Notes 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 Notes, 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 8. Registration of the transfer of ownership of Notes shall be made upon surrender of any of the Notes 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 Notes 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 note or notes of authorized denominations of the same series, maturity and interest rate for the aggregate principal amount that the registered owner is entitled to receive. Notes may be exchanged for a like aggregate principal amount of Notes of other authorized denominations of the same series, maturity and interest rate.

SECTION 9. If Notes shall be subject to optional redemption or mandatory redemption prior to stated maturity, this School District and the Paying Agent shall not be required to register the transfer of or exchange any of the Notes 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 Notes 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 Notes selected for redemption in whole or in part until after the redemption date.

SECTION 10. This School District shall cause to be kept, and the Paying Agent shall keep, books for the registration, exchange and transfer of Notes in the manner provided herein and therein so long as Notes shall remain outstanding. Such registrations, exchanges and transfers shall be made without charge to noteholders, 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. This School District appoints the Paying Agent as the paying agent with respect to the Notes and directs that the principal of, premium, if any, and interest on the Notes shall be payable at a designated corporate trust office of the Paying Agent, in lawful money of the United States of America.

Any corporation or association into which the Paying Agent, or any appointed successor to it, may be merged or converted or with which it, or any appointed successor to it, may be consolidated, or any corporation or association resulting from any merger, conversion or consolidation to which the Paying Agent shall be a party, or any corporation or association to which the Paying Agent, or any appointed successor to it, sells or otherwise transfers all or substantially all of its corporate trust business, including its functions under this Resolution, shall be the successor paying agent hereunder, without the execution or filing of any paper or any further act on the part of this School District, and thereafter references herein to the "Paying Agent" shall refer to such resulting corporation or association, or to such transferee, as the case may be.

If the Paying Agent at any time shall resign or shall be removed by this School District, the School Board shall appoint a successor paying agent that is duly qualified in accordance with the Act to serve as paying agent for the Notes and sinking fund depository with respect to the Sinking Fund created herein, and the principal of, redemption premium, if any, and interest on the Notes shall be payable, when due, at a designated office of the successor paying agent located in the Commonwealth and at such additional payment offices as the successor paying agent shall designate. Upon acceptance of such appointment and the transfer by the Paying Agent to the successor paying agent of the appropriate documents, records, and funds, references herein to the "Paying Agent" shall thereafter refer to such successor paying agent.

SECTION 12. The Notes 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 Notes.

SECTION 13. No note constituting one of the Notes shall be entitled to any benefit under this Resolution nor shall it be valid, obligatory or enforceable for any purpose until such note 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 Notes in accordance with the provisions hereof.

SECTION 14. This School District covenants to and with registered owners, from time to time, of the Notes 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 Notes, 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 Notes 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 15. There is created, pursuant to the requirements of the Debt Act, one or more sinking funds for the Notes (collectively, 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 16. This School District appoints the Paying Agent as the sinking fund depository with respect to the Sinking Fund.

SECTION 17. 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 Notes when due.

SECTION 18. The School Board hereby authorizes the preparation of a Preliminary Official Statement for use in the marketing of the Notes and authorizes the Superintendent of this School District, or the President or Vice President of the School Board, to approve the form of such Preliminary Official Statement and a final Official Statement with respect to the Notes of this School District, with such insertions and amendments as shall be necessary or appropriate to reflect the final terms and provisions of the Notes, 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 19. 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 Notes, 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 authorizes and directs that an appropriate borrowing base certificate be prepared for filing with the Department as required by the Debt Act. 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 preparation and execution of such borrowing base certificate.

SECTION 20. If applicable, as determined from the Proposal, the School Board authorizes and directs the purchase of municipal bond insurance with respect to the Notes. 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 of such insurance.

SECTION 21. 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 Notes and as sinking fund depository in connection with the Sinking Fund established for the Notes.

SECTION 22. 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 23. The officers and agents of this School District are authorized to deliver the Notes and to authorize payment of all costs and expenses associated with the issuance of the Notes 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 24. This School District covenants to and with purchasers of the Notes that it will make no use of the proceeds of such Notes, or of any other obligations deemed to be part of the same "issue" as the Notes under applicable Federal tax regulations, that will cause such Notes 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 Treasury Regulations implementing said Sections of the Code.

This School District further covenants to and with purchasers of the Notes that it will make no use of the proceeds of the Notes, of the proceeds of any other obligations deemed to be part of the same "issue" as the Notes under applicable federal tax regulations, or of any property or facilities financed with the proceeds of the Notes or of any such other obligations deemed to be part of the same "issue" as the Notes, that will cause the Notes to be or become "private activity bonds" within the meaning of Section 141 of the Code and the Treasury Regulations implementing said Sections of the Code. This School District shall 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 Notes.

The President or Vice President of the School Board is authorized to represent in a certificate delivered when the Notes are issued, 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 notes or 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 Notes (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 25. This School District does hereby authorize the optional redemption of the Refunded Obligations on the earliest respective dates authorized by the 2013 Bond Enabling Resolution, the 2014AA Bonds Enabling Resolution or the 2015 Bonds Enabling Resolution (each a "Redemption Date"), in accordance with the rights and privileges reserved to this School District in the Refunded Obligations, *following the acceptance of the final terms and conditions of the applicable series of the Notes as described in section 4 hereof.*

Officers and agents of the School Board are hereby authorized and directed to give irrevocable instructions to the paying agent and bond registrar for the Refunded Obligations to redeem the Refunded Obligations 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 Notes, shall enter into one or more bond retirement agreements or escrow agreements (collectively, the "Bond Retirement Agreement") with the appropriate paying agent of the Refunded Obligations (each an "Escrow Agent"), acting as escrow agent for the appropriate Refunded Obligation. The Bond Retirement Agreement shall provide for a deposit of Note proceeds into one or more escrow accounts with the Escrow Agent sufficient to pay the debt service due on the Refunded Obligations 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 Notes. This 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 Chief Financial Officer, 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, Bonds, State and Local Government Series ("SLGS") or 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 updates to the Refunding Report, from proceeds of the Notes 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 Obligations, 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 and provide all such documentation as may be necessary and appropriate to accomplish the redemption and retirement of the Refunded Obligations.

SECTION 26. The Secretary or Assistant Secretary of the School Board is hereby authorized and directed to execute and to submit to the Pennsylvania Department of Education, promptly following settlement for the Notes, the appropriate application and other documents and information necessary to obtain state reimbursement with respect to the debt service on the Notes (including the filing of the appropriate PLANCON Parts, as applicable).

SECTION 27. 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 Notes. Such Certificate shall be executed and delivered to satisfy the terms and conditions of the accepted Proposal for sale of the Notes and Securities and Exchange Commission Rule 15c2-12, and shall be substantially in the form previously utilized by this School District, 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 Notes; however, any registered owner of the Notes 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 28. The Notes 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 Notes, 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 Notes, 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 29. Notwithstanding the foregoing provisions of this Resolution, the Notes shall initially be issued in the form of one fully-registered note for the aggregate principal

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

(a) Except as provided in subparagraph (g) below, all of the Notes shall be registered in the name of Cede & Co., as nominee of DTC; provided that if DTC shall request that the Notes be registered in the name of a different nominee, the Paying Agent shall exchange all or any portion of the Notes for an equal aggregate principal amount of Notes 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 Note or any other evidence of ownership of the Notes, 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 Notes 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 Notes are registered in the name of DTC or any nominee thereof, all payments of the principal or redemption price of or interest on such Notes 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 Notes to the extent of the sum or sums so paid. In the event of the redemption of less than all of the Notes outstanding of any maturity, the Paying Agent shall not require surrender by DTC or its nominee of the Notes so redeemed, but DTC (or its nominee) may retain such Notes and make an appropriate notation on the Note 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 Notes 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 Notes registered in its name for the purposes of payment of the principal or redemption price of or interest on the Notes, selecting the Notes or portions thereof to be redeemed, giving any notice permitted or required to be given to holders of Notes under this Resolution, registering the transfer of Notes, obtaining any consent or other action to be taken by holders of Notes 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 Notes 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 Notes, with respect to (1) the Notes, (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 Notes, (4) any notice which is permitted or required to be given to holders of the Notes 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 Notes, and (6) any consent given or other action taken by DTC as holder of the Notes.

(e) So long as the Notes 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 Notes 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 Notes 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 Notes, 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 Notes 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 Notes, 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 Notes 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 Notes.

SECTION 30. The President and Vice President and the Secretary or Assistant Secretary, respectively, of the School Board are authorized and directed to perform such acts as may be necessary to facilitate the marketing and settlement of the Notes and the retirement of the Refunded Obligations.

SECTION 31. 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 32. 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 33. All resolutions or parts of resolutions, insofar as the same shall be inconsistent herewith, shall be and the same expressly are repealed.

SECTION 34. This Resolution shall be effective in accordance with the Debt Act.

DULY ADOPTED, by the School Board, in lawful session duly assembled, this 17th day of August, 2020.

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

By: _____
(Vice) President of the Board of
School Directors

ATTEST:

Secretary of the Board of
School Directors

(SEAL)

EXHIBIT A

**EAST STROUDSBURG AREA SCHOOL DISTRICT
Monroe and Pike Counties, Pennsylvania
\$17,875,000 Maximum Aggregate Principal Amount
General Obligation Notes
Maximum Annual Principal Payment Schedule**

<u>Date</u>	<u>Max Principal</u>
3/1/2021	
9/1/2021	1,700,000
3/1/2022	
9/1/2022	2,565,000
3/1/2023	
9/1/2023	2,520,000
3/1/2024	
9/1/2024	2,640,000
3/1/2025	
9/1/2025	2,625,000
3/1/2026	
9/1/2026	2,920,000
3/1/2027	
9/1/2027	2,905,000
3/1/2028	
TOTALS	17,875,000

EXHIBIT B

(FORM OF NOTE)

[The following Legend is to be printed on any Notes 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 NOTE, SERIES OF 2020

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED DATE OF THE NOTES</u>	<u>CUSIP NUMBER</u>
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REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _____ DOLLARS (\$ _____)

EAST STROUDSBURG AREA SCHOOL DISTRICT, Monroe and Pike Counties, Pennsylvania (the "School District"), 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 Note, Series of 2020 (the "Note"), 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 _____, _____, and thereafter semiannually on _____ and _____ 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

EXHIBIT B (CONT'D)

been made. Interest on this Note shall be payable from the interest payment date next preceding the date of registration and authentication of this Note, unless: (a) this Note is registered and authenticated as of an interest payment date, in which event this Note shall bear interest from such interest payment date; or (b) this Note is registered and authenticated after a Record Date (hereinafter defined) and before the next succeeding interest payment date, in which event this Note shall bear interest from such interest payment date; or (c) this Note is registered and authenticated on or prior to the Record Date next preceding _____, _____, in which event this Note shall bear interest from _____, _____; or (d) as shown by the records of the Paying Agent (hereinafter defined), interest on this Note shall be in default, in which event this Note shall bear interest from the date to which interest was last paid on this Note. The interest on this Note is payable by check drawn on _____ (the "Paying Agent"), or its successor. The principal of and premium, if any, on this Note, 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 Note subsequent to such Record Date and prior to such interest payment date, unless the 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 person in whose name this Note 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 Note not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the person in whose name this Note 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 Note are payable in lawful money of the United States of America.

This note is one of a series of notes of the School District, known generally as the "General Obligation Notes, Series of 2020" (the "Notes"), 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 Seventeen Million Eight Hundred Seventy-Five Thousand Dollars (\$17,875,000).

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

The School District has covenanted, in the Resolution, to and with registered owners, from time to time, of the Notes that shall be outstanding, from time to time, pursuant to the Resolution, that the School District: (i) shall include the amount of the debt service for the Notes, for each fiscal year of the School District in which such sums are payable, in its budget for that year, (ii) shall appropriate such amounts from its general revenues for the payment of such debt service, and (iii) shall 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 Notes at the dates and place and in the manner stated therein, according to the true intent and

EXHIBIT B (CONT'D)

meaning thereof; and, for such budgeting, appropriation and payment, the School District has pledged and does pledge, irrevocably, its full faith, credit and taxing power.

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

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

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

This Note may be transferred by the registered owner hereof upon surrender of this Note 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 Note or his attorney-in-fact or legal representative. The Paying Agent shall enter any transfer of ownership of this Note 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 Note or Notes of authorized denominations of the same series, maturity and interest rate for the aggregate principal amount that the registered owner is entitled to receive.

The School District and the Paying Agent shall not be required to issue or to register the transfer of, or exchange, any Notes 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 Notes 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 Note selected for redemption until after the redemption date.

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

EXHIBIT B (CONT'D)

The Notes stated to mature on _____, _____, and on _____, _____ (the "Term Notes"), are subject to mandatory redemption prior to maturity, in the amounts and on _____ of the years set forth in the following schedules as drawn by lot by the Paying Agent in behalf of the School District:

Notes Maturing on _____, _____:

<u>Year</u>	<u>Amount</u>
-------------	---------------

\$; and

Notes Maturing on _____, _____:

<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, on behalf of the School District, may purchase from money in the Sinking Fund established under the Resolution, at a price not to exceed the principal amount plus accrued interest, or the School District may tender to the Paying Agent, all or part of the Term Notes subject to being drawn for redemption on any such date.

In the case of any partial, optional redemption of Term Notes, the School District shall be entitled to designate whether the amount to be redeemed shall be credited against the principal amount of such Term Notes due at maturity or credited against the principal amount of such Term Notes 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 Note is of a denomination larger than \$5,000, a portion of this Note may be redeemed, but only in an integral multiple of \$5,000 principal amount. For the purpose of redemption, this Note shall be treated as representing the number of Notes that is equal to the principal amount hereof divided by \$5,000, each \$5,000 portion of this Note being subject to redemption. In the case of partial redemption of this Note, payment of the redemption price will be made only upon surrender of this Note in exchange for Notes of authorized denominations of the same maturity and interest rate in aggregate principal amount equal to the unredeemed portion of the principal amount hereof; *provided, however*, that if this Note is registered in the name of The Depository Trust Company ("DTC") or Cede & Co., as nominee for DTC, or any other nominee of

EXHIBIT B (CONT'D)

DTC, or any other successor securities depository or its nominee, this Note 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 Note which shall have been redeemed.

Notice of redemption shall be deposited in first class mail not less than thirty (30) days prior to the date fixed for redemption and shall be addressed to the registered owners of the Notes to be redeemed at their addresses shown on the registration books kept by the Paying Agent as of the day such Notes are selected for redemption. Failure to mail any such notice of redemption or any defect therein or in the mailing thereof shall not affect the validity of any proceeding for redemption of other Notes 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, redemption premium, if any, and accrued interest being held by the Paying Agent, interest on the Notes or portions thereof so called for redemption shall cease to accrue and such Notes 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 Notes 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.

If the redemption date for any Notes 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 the principal, redemption premium, if any, and interest upon such redemption 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 of redemption.

The School District, 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 Notes shall be deposited not later than the date fixed for the disbursement thereof. The School District 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 Note.

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 Note or in creation of the debt of which this Note 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 Note, together with any other indebtedness of the School District, is not in excess of any limitation imposed by the Act upon the incurring of debt by the School District.

This Note is 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 the purposes and effect contemplated by Section 265 of the Code (relating to expenses and interest relating to tax-exempt income of certain financial institutions).

EXHIBIT B (CONT'D)

[THIS SPACE LEFT BLANK INTENTIONALLY. SIGNATURE PAGE FOLLOWS]

EXHIBIT B (CONT'D)

IN WITNESS WHEREOF, the School District has caused this Note 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 to be affixed hereto or a facsimile thereof to be printed hereon 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 Notes set forth above.

**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)

EXHIBIT B (CONT'D)

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

It is certified that:

(i) This note is one of the notes described in the within-mentioned Resolution;

(ii) Attached to this note is the text of an original Opinion issued by Eckert Seamans Cherin & Mellott, LLC, dated and delivered on the date of the original delivery of, and payment for, such notes, a copy of which Opinion is on file at our 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 note, a copy of which policy is on file at our corporate trust office, where the same may be inspected.

as paying agent

By: _____
Authorized Representative

Date of Registration and Authentication: _____

EXHIBIT B (CONT'D)

STATEMENT OF INSURANCE

[INSERT TEXT AS PROVIDED BY INSURER]

EXHIBIT B (CONT'D)
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 Note and all rights thereunder and hereby irrevocably constitutes and appoints _____, as attorney, to transfer the within Note on the books kept for registration thereof with full power of substitution in the premises.

Date: _____

Signature(s) 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 Note 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.

CERTIFICATE

I, the undersigned, (Assistant) Secretary of the Board of School Directors of EAST STROUDSBURG AREA SCHOOL DISTRICT, located 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 this School District at a meeting duly held on August 17, 2020; said Resolution duly has been recorded in the minute book of the Board of School Directors of this 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 this School District met the advance 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 this 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 this School District is nine (9); the vote of members of the Board of School Directors of this 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 this School District voted upon said Resolution in the following manner:

Richard Schlameuss	-
Larry Dymond	-
George Andrews	-
Rebecca Bear	-
Dr. Damary Bonilla	-
Sharone Glasco	-
Debbie Kulick	-
Wayne Rohner	-
Lisa VanWhy	-

IN WITNESS WHEREOF, I set my hand and affix the official seal of this School District, this 17th day of August, 2020.

(Assistant) Secretary of the Board
of School Directors

(SEAL)

CERTIFICATE

I, the undersigned, (Assistant) Secretary of the Board of School Directors of EAST STROUDSBURG AREA SCHOOL DISTRICT, Monroe and Pike Counties, Pennsylvania (the "School District"), certify that attached hereto and made part hereof is a true and correct copy of the proposal for the purchase of notes that was submitted to and accepted by the Board of School Directors of the School District, at a meeting duly called and held on August 17, 2020, with respect to the sale by the School District of a proposed issue of general obligation notes of the School District, at private sale by negotiation.

IN WITNESS WHEREOF, I set my hand and affix the official seal of the School District, as the (Assistant) Secretary of the Board of School Directors of the School District, this 17th day of August, 2020.

(Assistant) Secretary of the Board
of School Directors

(SEAL)

PROPOSAL FOR THE PURCHASE OF NOTES

In respect of
\$17,875,000
Maximum Aggregate Principal Amount
General Obligation Notes

August 17, 2020

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

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

PFM Financial Advisors LLC, 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 or notes 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 Notes, 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 Notes, Series of 2020 (or other appropriate series designation) -- in an aggregate principal amount not to exceed \$17,875,000, 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 "Notes") -- 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 Notes 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 Notes (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 Notes (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 Notes.

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 Eckert Seamans Cherin & Mellott, LLC, 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 Notes, including the date therefor.

This Proposal for the Purchase of Notes 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 Notes 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 Notes (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.

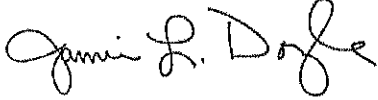
If any provision of this Proposal shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case, or in any particular jurisdiction, such provision shall be deemed severed and removed from the text of this Proposal, in order that the remainder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

PFM FINANCIAL ADVISORS LLC
As Financial Advisor

By: 

Title: Managing Director

ACCEPTED AND AGREED TO, this 17th day of August, 2020.

EAST STROUDSBURG AREA SCHOOL DISTRICT

By: _____

Title: _____

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

In respect of
\$17,875,000
Maximum Aggregate Principal Amount
General Obligation Notes

Fiscal Year (Ending June 30)	Maximum Interest Rate and Yield to Maturity (%)	Principal Maturity or Mandatory Sinking Fund Payment Amount (\$)
2022	5.00%	\$1,700,000
2023	5.00%	\$2,565,000
2024	5.00%	\$2,520,000
2025	5.00%	\$2,640,000
2026	5.00%	\$2,625,000
2027	5.00%	\$2,920,000
2028	5.00%	\$2,905,000

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

DEBT STATEMENT

TO: THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
OF THE COMMONWEALTH OF PENNSYLVANIA

We, the undersigned, (Vice) President and (Assistant) Secretary, respectively, of the Board of School Directors of East Stroudsburg Area School District, Monroe and Pike Counties, Pennsylvania (the "School District"), being duly authorized to prepare and to verify, under oath or affirmation, this Debt Statement of the School District, pursuant to and in accordance with Section 8110 of the Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82 (the "Act") of the Commonwealth of Pennsylvania, do set forth and certify, as follows:

1. This Debt Statement is made as of the 17th day of August, 2020, such date being less than 60 days before the filing hereof.

2. The gross indebtedness of the School District is as follows:

a. Electoral debt	\$	0.00
b. Nonelectoral debt:		
(1) Proposed General Obligation Notes, Series of 2020	\$	0.00 ¹
(2) General Obligation Bonds, Series of 2020 (GOB-19091104)	\$	8,170,000.00
(3) General Obligation Bonds, Series AAA of 2017 (GOB-17111701)	\$	16,080,000.00
(4) General Obligation Bonds, Series AA of 2017 (GOB-17060803)	\$	65,360,000.00
(5) General Obligation Bonds, Series A of 2017 (GOB-17060802)	\$	1,765,000.00
(6) General Obligation Bonds, Series of 2017 (GOB-17010301)	\$	7,070,000.00
(7) General Obligation Bonds, Series A of 2016 (GOB-16081106)	\$	3,315,000.00
(8) General Obligation Bonds, Series of 2016 (GOB-16060802)	\$	9,040,000.00
(9) General Obligation Bonds, Series of 2015 (GOB-15082101)	\$	4,410,000.00 ²
(10) General Obligation Bonds,		

¹ The General Obligation Note(s), Series of 2020 (the "Notes") of which approval of the Department is applied for by the Application to which this Debt Statement is attached will be issued in the maximum principal amount of \$17,875,000.

² The Notes will be used to currently refund the School District's General Obligation Bonds, Series of 2015 (GON-15082101) (the "2015 Bonds") outstanding in the principal amount of \$4,410,000, after which said 2015 Bonds will no longer be outstanding.

Series AA of 2014 (GOB-14100303)	\$ 6,560,000.00 ³
(11) General Obligation Bonds, Series of 2014 (GOB-14082203)	\$ 2,651,000.00
(12) General Obligation Bond, Series of 2013 (GOB-13121305)	\$ 6,795,000.00 ⁴
(13) General Obligation Note, Series A of 2011 (GON-13522)	\$ 320,833.00
(14) General Obligation Note, Series of 2010 (GON-13184)	\$ 683,437.50
Total Nonelectoral Debt	\$ 141,395,270.50
c. Lease rental debt	\$ 0.00
Total Gross Indebtedness	\$ 141,395,270.50

3. The School District claims, in this Debt Statement, credits and exclusions from or against the total gross indebtedness, as such is set forth in Paragraph 2, in determining the net debt of the School District:

a. Electoral debt	\$ 0.00
b. Nonelectoral debt	\$ 0.00
c. Lease rental debt	\$ 0.00
Total exclusion claims	\$ 0.00

4. The remaining debt of the School District is as follows:

a. Electoral debt	\$ 0.00
b. Net nonelectoral debt	\$ 141,395,270.50
c. Net lease rental debt	\$ 0.00
Total remaining debt	\$ 141,395,270.50

5. The maximum aggregate principal amount of the general obligation notes to be issued by the School District, for which approval under the Act is sought by the Application to which this Debt Statement is attached, is \$17,875,000.00.

6. The maximum aggregate net nonelectoral debt of the School District to be outstanding after settlement for the issue in the amount set forth in Paragraph 5 will be \$141,505,270.50.

7. The aggregate net lease rental debt of the School District to be outstanding after settlement for the issue in the amount set forth in Paragraph 5 will be \$0.00.

8. The maximum aggregate net nonelectoral debt and net lease rental debt, combined, of the School District to be outstanding after settlement for the issue in the amount set forth in Paragraph 5 will be \$141,505,270.50.

³ The Notes will be used to currently refund the School District's General Obligation Bonds, Series AA of 2014 (GON-14100303) (the "2014AA Bonds") outstanding in the principal amount of \$6,560,000, after which said 2014AA Bonds will no longer be outstanding.

⁴ The Notes will be used to currently refund the School District's General Obligation Bond, Series of 2013 (GON-13121305) (the "2013 Bond") outstanding in the principal amount of \$6,795,000, after which said 2013 Bond will no longer be outstanding.

9. The borrowing base of the School District, as evidenced by a Borrowing Base Certificate attached hereto and made part hereof, is \$154,309,469.00.

10. The nonelectoral debt plus lease rental debt limit combined of the School District, computed as provided in the Act, *i.e.*, 225% of the borrowing base of the School District as set forth in Paragraph 9, is \$347,196,306.00.

IN WITNESS WHEREOF, we, the undersigned, the (Vice) President and (Assistant) Secretary, respectively, of the Board of School Directors of the School District, affix our signatures to this Debt Statement of the School District, this 17th day of August, 2020.

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

By: _____
(Vice) President of the Board of
School Directors

By: _____
(Assistant) Secretary of the Board of
School Directors

(SEAL)

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF MONROE)

Before me, the undersigned Notary Public, personally appeared _____ and _____, who being duly sworn according to law depose and say that they are the (Vice) President and (Assistant) Secretary, respectively, of the Board of School Directors of East Stroudsburg Area School District, Monroe and Pike Counties, Pennsylvania (the "School District"); and the facts set forth in the foregoing Debt Statement of the School District are true and correct.

SWORN TO AND SUBSCRIBED
before me, a Notary Public,
this ___ day of August, 2020.

Notary Public

My Commission Expires:

(SEAL)

**BORROWING BASE CERTIFICATE
OF THE
EAST STROUDSBURG AREA SCHOOL DISTRICT,
Monroe and Pike Counties, Pennsylvania**

1. This Borrowing Base Certificate of East Stroudsburg Area School District, Monroe and Pike Counties, Pennsylvania (the "School District"), has been prepared in accordance with the Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82 of the Commonwealth of Pennsylvania (the "Act").

2. "Total Revenues", as such phrase is defined in the Act, of the School District for the three (3) full fiscal years ended next preceding the date hereof, computed according to the definition in Section 102(c)(16) of the Act, are as follows:

a. All money received by the School District, from whatever source derived, for each of the three (3) full fiscal years ended next preceding the date of this Borrowing Base Certificate, were as follows:

<u>Fiscal Year</u> <u>Ended 6/30/2018</u>	<u>Fiscal Year</u> <u>Ended 6/30/2019</u>	<u>Fiscal Year</u> <u>Ended 6/30/2020*</u>
<u>\$156,006,463</u>	<u>\$161,717,119</u>	<u>\$156,000,000</u>

b. The deductions or exceptions of the School District from the amounts set forth in Paragraph 2 a, for each of the three (3) full fiscal years ended next preceding the date of this Borrowing Base Certificate, were as follows:

<u>Deduction or</u> <u>Exception</u>	<u>Fiscal Year</u> <u>Ended 6/30/2018</u>	<u>Fiscal Year</u> <u>Ended 6/30/2019</u>	<u>Fiscal Year</u> <u>Ended 6/30/2020*</u>
(1) Subsidies or reimbursements from the Federal Government or from the Commonwealth measured by the cost of or given or paid on account of a particular project financed by debt.	<u>\$1,564,504</u>	<u>\$ 807,890</u>	<u>\$2,267,223</u>
(2) Project revenues, rates, receipts, user charges, special assessments and special levies which are or will be pledged or budgeted for specific self-liquidating debt or for payments under leases, guaranties, subsidy contracts or other forms of agreements which could constitute lease rental debt except that the payments are payable solely from these sources, but that portion thereof that has been returned to or retained by the local government unit shall not be excluded.	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>
(3) Interest on moneys in sinking funds, reserves and other funds, which interest is pledged or budgeted for the payment or security of outstanding debt, and interest on bond or note proceeds is similarly pledged.	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>
(4) Grants and gift in aid of or measured by the construction or acquisition of specified projects.	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>
(5) Proceeds from the disposition of capital assets, and other nonrecurring items, including bond or note proceeds not considered income under generally accepted municipal accounting principles.	<u>\$ 639,121</u>	<u>\$4,247,622</u>	<u>\$1,268,814</u>
Total	<u>\$2,203,624</u>	<u>\$5,055,512</u>	<u>\$3,536,037;</u>

*Estimated
{L0889460.1}

65

c. The "Total Revenues" of the School District, for each of the three (3) full fiscal years ended next preceding the date of this Borrowing Base Certificate (being, for each such fiscal year, the total amount set forth in Paragraph 2.b., deducted from the amount set forth in Paragraph 2.a.), were as follows:

<u>Fiscal Year</u> <u>Ended 6/30/2018</u>	<u>Fiscal Year</u> <u>Ended 6/30/2019</u>	<u>Fiscal Year</u> <u>Ended 6/30/2020*</u>
<u>\$153,802,838</u>	<u>\$156,661,607</u>	<u>\$152,463,963</u>

the total of which is \$462,928,408; and

d. The annual arithmetic average of such Total Revenues for the three (3) full fiscal years ended next preceding the date of this Borrowing Base Certificate, as such Total Revenues are set forth in Paragraph 2 c, is \$154,309,469.

3. We, the undersigned, further certify that we have made due and proper investigation of and with respect to matters and things involved in this Borrowing Base Certificate.

* Estimated.

IN WITNESS WHEREOF, we set our hands, this 17th day of August, 2020.

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

By: _____
(Vice) President of the Board
of School Directors

ATTEST:

(Assistant) Secretary
of the Board of School Directors

(SEAL)

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

Re: LETTER OF REDEMPTION INSTRUCTIONS

August __, 2020

Manufacturers and Traders Trust Company
One M&T Place
Buffalo, New York 14203

Ladies and Gentlemen:

As you know, Manufacturers and Traders Trust Company (the "Paying Agent"), serves as paying agent and bond registrar for the General Obligation Bonds, Series AA of 2014 (the "2014AA Bonds"), of East Stroudsburg Area School District, Monroe and Pike Counties, Pennsylvania (the "Issuer"), which were issued under a resolution of the Board of School Directors of the Issuer (the "Board") adopted on July 21, 2014 (the "2014AA Bonds Enabling Resolution").

The Board, by a resolution adopted August 17, 2020 (the "Resolution"), has authorized the issuance of bonds designated as the Issuer's General Obligation Notes, Series of 2020 (the "2020 Notes"), and has determined to exercise its option to refund and retire all of the outstanding 2014AA Bonds maturing on and after September 1, 2021 (the "Refunded Bonds"). The date fixed for redemption of the Refunded Bonds shall be September __, 2020 (the "Redemption Date").

In accordance with the Resolution and the requirements of the Pennsylvania Local Government Unit Debt Act (the "Act"), you are given instructions to mail in the name of the Issuer the Notice of Redemption, in your customary form, with respect to the Refunded Bonds that the Issuer, in the exercise of its option, heretofore has elected to call for redemption, in the manner and at the times provided in the 2014AA Bonds Enabling Resolution and herein. As provided in the 2014AA Bonds Enabling Resolution, the 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 Refunded Bonds to be redeemed at their addresses shown on the registration books kept by you, the paying agent, as of the day such Refunded Bonds are selected for redemption. ***The Notice of Redemption should state that it is conditional in that it is subject to the deposit with you, the Paying Agent, of money sufficient to effect the redemption of the Refunded Bonds to be redeemed, and shall be of no effect unless sufficient money is deposited with you, the Paying Agent, by the Redemption Date.***

You are also hereby authorized and directed to take the following action: (a) to post electronically a copy of the redemption notice on behalf of the Issuer with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access (EMMA) system; and (b) to send, by registered or certified mail, postage prepaid, return receipt requested, a copy of the Notice of Redemption with respect to the redemption of the Refunded Bonds, concurrently with the mailing of the Notice of Redemption to the Bondholders and to Moody's Investor Service, New York, New

{L0889463.1}

York. You are further authorized to provide, at the time of mailing of the Notice of Redemption to Bondholders, a copy of such Notice of Redemption to such other information services as you may deem appropriate.

On the Redemption Date, the Issuer will deposit with you funds in an amount sufficient to redeem the Refunded Bonds on the Redemption Date, out of the proceeds of the 2020 Notes or, if applicable, other available funds of the Issuer.

The Issuer acknowledges its obligation to pay or, if appropriate, to reimburse the Paying Agent for payment of all costs, fees (including, but not limited to, any accrued, unpaid annual, and any termination or redemption fees), and expenses incurred or to be incurred by the Paying Agent in connection with performance of the duties described in this letter and the 2014AA Bonds Enabling Resolution, it being the intent that all such costs, fees, and expenses relating to the Notice of Redemption and the payment of the Refunded Bonds shall be borne by the Issuer.

The execution and delivery to you of this letter and the giving of directions contained herein are authorized and directed by the Resolution.

Very truly yours,

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

By: _____
(Assistant) Secretary of the Board of School Directors

RECEIPT AND ACKNOWLEDGMENT

Receipt of the foregoing letter, duly executed by a proper officer of the Issuer, and a copy of the Resolution referred to therein, duly certified on behalf of the Issuer, is acknowledged; and it is acknowledged that the directions contained in such letter are satisfactory to the Paying Agent.

Signed and dated this ___ day of _____, 2020.

MANUFACTURERS AND TRADERS TRUST
COMPANY

By: _____
Title:

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

Re: LETTER OF REDEMPTION INSTRUCTIONS

August __, 2020

Manufacturers and Traders Trust Company
One M&T Place
Buffalo, New York 14203

Ladies and Gentlemen:

As you know, Manufacturers and Traders Trust Company (the "Paying Agent"), serves as paying agent and bond registrar for the General Obligation Bonds, Series of 2015 (the "2015 Bonds"), of East Stroudsburg Area School District, Monroe and Pike Counties, Pennsylvania (the "Issuer"), which were issued under a resolution of the Board of School Directors of the Issuer (the "Board") adopted on July 20, 2015 (the "2015 Bonds Enabling Resolution").

The Board, by a resolution adopted August 17, 2020 (the "Resolution"), has authorized the issuance of bonds designated as the Issuer's General Obligation Notes, Series of 2020 (the "2020 Notes"), and has determined to exercise its option to refund and retire all of the outstanding 2015 Bonds maturing on and after September 1, 2021 (the "Refunded Bonds"). The date fixed for redemption of the Refunded Bonds shall be September __, 2020 (the "Redemption Date").

In accordance with the Resolution and the requirements of the Pennsylvania Local Government Unit Debt Act (the "Act"), you are given instructions to mail in the name of the Issuer the Notice of Redemption, in your customary form, with respect to the Refunded Bonds that the Issuer, in the exercise of its option, heretofore has elected to call for redemption, in the manner and at the times provided in the 2015 Bonds Enabling Resolution and herein. As provided in the 2015 Bonds Enabling Resolution, the 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 Refunded Bonds to be redeemed at their addresses shown on the registration books kept by you, the paying agent, as of the day such Refunded Bonds are selected for redemption. ***The Notice of Redemption should state that it is conditional in that it is subject to the deposit with you, the Paying Agent, of money sufficient to effect the redemption of the Refunded Bonds to be redeemed, and shall be of no effect unless sufficient money is deposited with you, the Paying Agent, by the Redemption Date.***

You are also hereby authorized and directed to take the following action: (a) to post electronically a copy of the redemption notice on behalf of the Issuer with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access (EMMA) system; and (b) to send, by registered or certified mail, postage prepaid, return receipt requested, a copy of the Notice of Redemption with respect to the redemption of the Refunded Bonds, concurrently with the mailing of the Notice of Redemption to the Bondholders and to Moody's Investor Service, New York, New

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York. You are further authorized to provide, at the time of mailing of the Notice of Redemption to Bondholders, a copy of such Notice of Redemption to such other information services as you may deem appropriate.

On the Redemption Date, the Issuer will deposit with you funds in an amount sufficient to redeem the Refunded Bonds on the Redemption Date, out of the proceeds of the 2020 Notes or, if applicable, other available funds of the Issuer.

The Issuer acknowledges its obligation to pay or, if appropriate, to reimburse the Paying Agent for payment of all costs, fees (including, but not limited to, any accrued, unpaid annual, and any termination or redemption fees), and expenses incurred or to be incurred by the Paying Agent in connection with performance of the duties described in this letter and the 2015 Bonds Enabling Resolution, it being the intent that all such costs, fees, and expenses relating to the Notice of Redemption and the payment of the Refunded Bonds shall be borne by the Issuer.

The execution and delivery to you of this letter and the giving of directions contained herein are authorized and directed by the Resolution.

Very truly yours,

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

By: _____
(Assistant) Secretary of the Board of School Directors

RECEIPT AND ACKNOWLEDGMENT

Receipt of the foregoing letter, duly executed by a proper officer of the Issuer, and a copy of the Resolution referred to therein, duly certified on behalf of the Issuer, is acknowledged; and it is acknowledged that the directions contained in such letter are satisfactory to the Paying Agent.

Signed and dated this ___ day of _____, 2020.

MANUFACTURERS AND TRADERS TRUST
COMPANY

By: _____
Title:

NOTICE OF PARTIAL NONCOMPLETION OF SALE

(Pursuant to Section 8202 of the Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82)

**TO: THE DEPARTMENT OF COMMUNITY AND ECONOMIC
DEVELOPMENT OF THE COMMONWEALTH OF PENNSYLVANIA**

The East Stroudsburg Area School District, in Monroe and Pike Counties, Pennsylvania (the "School District"), having filed with the Pennsylvania Department of Community and Economic Development (the "Department") proceedings (the "Proceedings"), for the issuance of nonelectoral debt in the maximum aggregate principal amount of \$17,875,000, to be evidenced by one or more series of general obligation notes of the School District, under the Pennsylvania Local Government Unit Debt Act (the "Act"), hereby notifies the Department, in accordance with 53 Pa.C.S. §8202 that:

1. Settlement for the issue authorized by the Proceedings has been completed in part. The School District has determined to issue pursuant to the Proceedings its "General Obligation Note, Series of 2020" (the "2020 Note"), in the principal amount of \$ _____, which will have a final interest rate, yield to maturity, and annual principal payments equal to or less than the those authorized in the Proceedings. No notes, other than the 2020 Note, will be issued pursuant to the Proceedings.

2. Attached hereto is a copy of the addendum to the proposal for the purchase of the 2020 Note, filed as part of the Proceedings, the final debt service schedule for the 2020 Note and a schedule showing the total debt of the School District.

IN WITNESS WHEREOF, we set our hands as duly authorized officers of the School District this ____ day of _____, 2020.

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

By: _____
(Vice) President of the Board of School Directors

Attachments