

NOTICE OF PUBLIC HEARING
INTENT TO ENACT ORDINANCE NO. 1425

NOTICE IS HEREBY GIVEN that the Borough Council of the Borough of East Stroudsburg, Monroe County Pennsylvania (the “Borough”) will hold a public hearing at the East Stroudsburg Municipal Building at 24 Analomink Street, East Stroudsburg, PA 18301 on **Tuesday, February 17, 2026, at 7:00 p.m., prevailing local time**, during the Borough Council’s regularly scheduled business meeting, **to enact Ordinance No. 1425**, which Ordinance authorizes the issuance and sale of a tax-exempt series of the Borough’s general obligations notes, and the incurrence of nonelectoral debt reflected thereby, in the maximum aggregate amount of \$4,100,000, and will take other action in connection with the incurring of such nonelectoral debt. At the reconvention of the same meeting, the Borough Council will, if in order, consider and vote upon the Ordinance as well as conduct any other business which may come before the Borough Council at that time.

In lieu of setting forth the full text of the proposed Ordinance No. 1425, as summary of the Ordinance is set forth as follows:

Ordinance No. 1425 (i) authorizes and approves the capital projects to be financed with the proceeds of the Borough’s General Obligation Note, Series of 2026 (the “2026 Note”) and sets forth the economic useful life of the capital projects to be funded by the 2026 Note; (ii) authorizes the incurrence of nonelectoral debt by the Borough evidenced by the 2026 Note; (iii) authorizes and approves the estimated maximum aggregate principal amount of \$4,100,000 of the 2026 Note, the form and series designation of the 2026 Note, the maximum annual amounts of principal and interest to be paid by the Borough under the 2026 Note in certain fiscal years; and the repayment and prepayment terms of the 2026 Note; (iv) authorizes and directs the execution and authentication of the 2026 Note; (v) appoints a paying agent and sinking fund depository and establishes a sinking fund with respect to the 2026 Note; (vi) authorizes and approves the sale of the 2026 Note at private sale and directs the execution of one or more term sheets, proposals, note purchase agreements, paying agent agreements and other documents in respect of the 2026 Note and declares the 2026 Note to be a general obligation of the Borough and nonelectoral debt of the Borough; (vii) covenants to budget and pay the amounts payable under the 2026 Note and in respect thereof authorizes the pledge of the Borough’s full faith, credit and taxing power for the repayment of the 2026 Note; (viii) authorizes the preparation and filing of a debt statement of the Borough; (ix) ratifies the publication of this summary of the Ordinance and authorizes and directs the publication of a summary of the final terms of the Ordinance; (x) makes certain covenants to preserve the tax-exempt status of the 2026 Note; (vi) acknowledges certain defaults and remedies available to the purchaser(s) of the 2026 Note in accordance with applicable law; (xii) authorizes the proper officers to take such additional action necessary to consummate the purposes of the 2026 Note and incur nonelectoral debt evidenced by the 2026 Note; (xiii) sets forth the undertaking by the Borough to provide certain continuing disclosures to the holder(s) of the Notes as may be required by applicable law; (xiv) authorizes and directs the establishment of a settlement account from which costs associated with the issuance of the 2026 Note will be paid by the Borough; (xv) repeals inconsistent ordinances; (xvi) affirms that the laws of the Commonwealth of Pennsylvania shall govern the Ordinance; and (xvii) sets forth the form of the 2026 Note. The proceeds of the 2026 Note will be used, *inter alia*, to finance (i) the purchase of, or reimbursement to the Borough for, certain capital assets as set forth on a schedule to the Ordinance; (ii) provide financing for upcoming capital projects; and (iii) pay the costs of issuing the 2026 Note. Such projects may be

substituted as determined by the Borough upon the advice of the Borough's Financial Advisor and Note Counsel.

Any amendments to Ordinance No. 1425 will be supplied at the time of the enactment of the Ordinance if the Borough shall determine to proceed.

The full, attested text of the proposed Ordinance can be reviewed at the Monroe County Law Library or the East Stroudsburg Municipal Building during regular business hours from 8:00 a.m. to 5:00 p.m., Monday through Friday, and online at the *Pocono Record* <https://www.poconorecord.com/public-notices>, or the East Stroudsburg Borough Website <https://eaststroudsburgboro.org>. Copies of the full text of the proposed Ordinance can be purchased at the East Stroudsburg Municipal Building for the actual cost of reproduction. The Public Hearing may also be viewed virtually via the East Stroudsburg Borough's Facebook page. If you are a person with a disability and require auxiliary aid, service, or other accommodation to participate in the proceedings, please contact the Borough at (570) 421-8300 to discuss how your needs may be accommodated.

BOROUGH OF EAST STROUDSBURG

By: Kelly Lewis, Borough Manager

BOROUGH OF EAST STROUDSBURG

County of Monroe, Pennsylvania

Ordinance No. 1425

AN ORDINANCE

OF THE BOROUGH OF EAST STROUDSBURG APPROVING CERTAIN CAPITAL PROJECTS; DETERMINING THAT THE CAPITAL PROJECTS SHALL BE FINANCED USING PROCEEDS OF THE BOROUGH'S GENERAL OBLIGATION NOTE, SERIES OF 2026 (THE "2026 NOTE") AND DETERMINING THE ECONOMIC USEFUL LIFE OF SUCH PROJECTS; APPROVING THE ISSUANCE BY THE BOROUGH OF ITS 2026 NOTE AND THE TERMS THEREOF, INCLUDING PRINCIPAL AMOUNTS, MATURITIES, INTEREST RATES AND REDEMPTION PROVISIONS; APPROVING A SINKING FUND DEPOSITORY; ESTABLISHING A SINKING FUND; APPROVING THE NEGOTIATED PRIVATE SALE OF THE NOTE TO THE PURCHASER AND APPROVING THE FORMS AND AUTHORIZING THE EXECUTION OF ONE OR MORE NOTE PURCHASE AND/OR LOAN AGREEMENT(S) FOR THE PURCHASE AND SALE OF SUCH 2026 NOTE AND ONE OR MORE PAYING AGENT AGREEMENT(S); APPROVING THE INCURRENCE OF NONELECTORAL DEBT OF THE BOROUGH; DESIGNATING THE 2026 NOTE AS A QUALIFIED TAX-EXEMPT OBLIGATION UNDER THE INTERNAL REVENUE CODE; PLEDGING THE BOROUGH'S FULL FAITH, CREDIT AND TAXING POWER TO THE BUDGETING, APPROPRIATION AND PAYMENT OF DEBT SERVICE ON THE 2026 NOTE; AUTHORIZING THE PREPARATION OF A DEBT STATEMENT, THE FILING OF SAID DEBT STATEMENT AND A TRANSCRIPT OF PROCEEDINGS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; RATIFYING AND APPROVING THE PUBLICATIONS OF SUMMARIES OF THIS ORDINANCE; MAKING CERTAIN COVENANTS TO PRESERVE THE TAX-EXEMPT STATUS OF THE 2026 NOTE; APPROVING THE TAKING OF SUCH OTHER ACTIONS AS ARE NECESSARY OR PROPER TO ISSUE THE 2026 NOTE AND TO IMPLEMENT THE CAPITAL PROJECTS; COVENANTING TO PROVIDE ANY REQUIRED CONTINUING DISCLOSURE; REPEALING

INCONSISTENT ORDINANCES; PROVIDING THAT THE LAW OF THE COMMONWEALTH OF PENNSYLVANIA SHALL GOVERN THE ORDINANCE; AND SETTING FORTH THE FORMS OF 2026 NOTE AND RESPECTIVE CERTIFICATES OF AUTHENTICATION; AND SETTING FORTH A DEBT SERVICE SCHEDULE.

WHEREAS, the Borough of East Stroudsburg, County of Monroe, Pennsylvania (the “Borough”) is a “Local Government Unit”, as defined in the Pennsylvania Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82 (the “Debt Act”); and

WHEREAS, the Borough has determined to issue and sell its \$[4,100,000.00] General Obligation Note, Series of 2026 (the “2026 Note”) by enactment of this Ordinance; and

WHEREAS, the Borough has determined to use a portion of the proceeds of the 2026 Note to finance (i) the reimbursement to the Borough for certain qualified capital purchases; (ii) provide financing for certain qualified capital projects set forth on Exhibit A hereto (together, the “2026 Project”); and (iii) pay for the costs of issuing the 2026 Note;

WHEREAS, the Borough has received and reviewed a proposal (the “2026 Note Proposal”) from [Name of Bank Lender] (the “Bank”) to purchase the 2026 Note pursuant to one or more term sheets and/or purchase and loan agreements (together, the “Note Purchase Agreement”) between the Borough and the Bank; and

WHEREAS, the Borough desires to award the 2026 Note to the Bank at private sale by invitation and accept the 2026 Note Proposal in the form submitted, to authorize the issuance of nonelectoral debt in the aggregate principal amount of the 2026 Note, and to take appropriate action and authorize such action in connection with the 2026 Project, all in accordance with and pursuant to the provisions of the Debt Act.

NOW, THEREFORE, IT IS HEREBY ORDAINED AND ENACTED by the Borough Council of the Borough of East Stroudsburg, as follows:

1. Approval of the 2026 Project. The Borough hereby approves the 2026 Project and affirms its intent to reimburse itself as described in the recitals to this Ordinance for which the Borough hereby determines to issue non-electoral debt.

The Borough hereby reserves the right to undertake all or only some of the components of the 2026 Project in such order and at such time or times as it shall determine and to allocate the proceeds of the 2026 Note and other available money to the final costs of the 2026 Note in such amounts and order of priority as it shall determine; but the proceeds of the 2026 Note shall be used solely to pay the “costs,” as defined in the Debt Act, of the 2026 Project or, upon appropriate amendments to this Ordinance, to pay the costs of other capital projects for which the Borough is authorized to incur indebtedness.

The proper officers of the Borough, including the President of Borough Council, the Mayor of the Borough, the Secretary of the Borough, and/or the Borough Manager, are hereby authorized to take all actions necessary and appropriate to effect the 2026 Project, including the issuance of any required notices.

The Borough hereby determines and states that the estimated useful life of the 2026 Project range from [ten to fifty] years. It is hereby certified that an aggregate principal amount of the 2026 Note at least equal to the realistic estimated cost of each such capital project shall mature prior to the end of the useful life of such project.

Stated installments or maturities of principal of the 2026 Note will not be deferred beyond the later of one year after the estimated date for the completion of the construction portion of the 2026 Note or two years from the date of issue of the 2026 Note.

Realistic cost estimates for the 2026 Project have been obtained by Borough officials through bid prices or professional cost estimates from persons qualified by experience.

2. Approval of Issuance of the 2026 Note.

(a) *Designations, Principal Amounts, Maturities and Interest Rates.*

The Borough hereby approves the issuance of its \$[4,100,000.00] aggregate principal amount of General Obligation Note, Series of 2026, to bear interest and mature as shown in the Note Amortization Schedule attached hereto as Exhibit B and made part hereof.

The 2026 Note shall be designated as the Borough's "General Obligation Note, Series of 2026", shall be issued in the denomination of \$1,000 and integral multiples thereof, shall be in fully registered form, shall be dated as of the date of delivery, and shall bear interest from such date, payable at the principal corporate trust office of the Paying Agent (as determined by Section 3 hereof) on June 1 and December 1, in each year, commencing December 1, 2026 at the rates of interest specified below. Interest shall be calculated on the basis of a three hundred sixty (360) day year comprised of twelve (12) thirty (30) day months.

(b) *Execution and Authentication of 2026 Note.* The 2026 Note shall be executed on behalf of the Borough by the President or Vice President of Borough Council, and shall have a facsimile of the corporate seal for the Borough affixed thereto, duly attested by the Secretary of the Borough, and said officers are hereby authorized and directed to execute the 2026 Note. The 2026 Note shall be authenticated by the manual execution of the Certificate of Authentication by a duly authorized signatory of the Paying Agent. No 2026 Note shall be valid until such Certificate of Authentication shall have been duly executed by the Paying Agent and such authentication shall be conclusive and the only proof that the 2026 Note has been issued pursuant to this Ordinance and is entitled to any benefits conferred thereon under the provisions of this Ordinance and the Debt Act. To the extent that any one signature on the 2026 Note (including the signature of the signatory of the Paying Agent) is manual, all other signatures may be by facsimile. The President, Vice President, or Secretary of the Borough Council or any of such officers is hereby authorized and directed to deliver the 2026 Note to the purchaser of the 2026 Note, hereinafter named, upon the terms and conditions hereinafter provided for such

delivery, and all officers of the Borough are hereby authorized to execute and deliver such other documents and to take such other action as may be necessary or appropriate in order to effectuate the issuance and sale of the 2026 Note, all in accordance with this Ordinance and the Debt Act.

The form of 2026 Note shall be substantially in the forms as set forth in Exhibit C, attached hereto and made a part hereof, with such appropriate changes, additions or deletions to the forms of the 2026 Note as may be approved by the officers who are authorized to execute the 2026 Note; and such execution shall constitute approval of all such changes, additions and deletions by such officers on behalf of the Borough.

(b) *Redemptions.* The principal amount of the 2026 Note shall be subject to prepayment prior to maturity, at the option of the Borough, as a whole or, from time to time, in part, on any date, upon payment of the principal amount to be redeemed together with accrued interest thereon to the date fixed for prepayment and without any premium or penalty. Any partial prepayment of principal may be credited against such stated installments of principal on the 2026 Note as the Borough may designate in writing to the Bank at the time of prepayment; provided, however, that absent such designation by the Borough, a partial prepayment shall be applied against the principal installments in inverse order of such scheduled installments. The Borough shall provide written notice to the Bank of its exercise of any prepayment right.

(c) *Effect of Redemptions.* The 2026 Note or any of them hereunder shall be deemed to be no longer outstanding if (i) proper provision for payment at maturity or earlier redemption shall be made by the Borough, (ii) such redemption has been undertaken irrevocably, and (iii) such redemption shall have been made in a manner authorized under Section 8250(b) of the Debt Act.

3. Appointment of Sinking Fund Depository. The President and Vice President of Borough Council and other appropriate officials of the Borough are each hereby authorized and directed to contract with [Name of Bank Lender], [Location], Pennsylvania, for its services as sinking fund depository (the “Sinking Fund Depository”), paying agent (the “Paying Agent”) and to enter into a paying agent agreement, in form and content satisfactory to the Borough solicitor and Note Counsel, with the Bank in its capacity as Paying Agent with respect to the 2026 Note.

4. Establishment of Sinking Fund(s). There is hereby established a sinking fund for the Borough for the 2026 Note to be known collectively as “The Borough of East Stroudsburg, 2026 General Obligation Note Sinking Fund” (the “2026 Sinking Fund”), which funds shall be administered in accordance with applicable provisions of the Debt Act. From the funds deposited in the appropriate sinking fund, the Paying Agent, without further action by the Borough, is hereby authorized and directed to pay the principal of and interest on the 2026 Note as and when the same shall become due.

5. Approval of Sale of Note and Execution and Delivery of Note Purchase Agreement and Paying Agent Agreement.

(a) *Approval of Sale of 2026 Note at Private Sale.* The sale of the 2026 Note to the Bank at a private sale by invitation for a purchase price which is equal to the par amount of the 2026 Note, and in accordance with the other terms and conditions set forth in the 2026 Note Proposal is hereby deemed to be in the best financial interest of the Borough and is hereby approved. The President, Vice President and Secretary of Borough Council or any other authorized officer of the Borough are hereby authorized to deliver fully executed and authenticated 2026 Note to the purchaser upon receipt of the accepted purchase price and upon compliance with all conditions precedent to such delivery.

(b) *Approval of Note Purchase Agreement; Execution of Paying Agent Agreement, Loan Agreements and Other Documents.* The Borough hereby approves the form of the Note Purchase Agreement presented at this meeting. The President, Vice President, or any other authorized officer of the Borough is hereby authorized to execute and deliver the Note Purchase Agreement, the Paying Agent Agreement, and any required loan agreements in form and content satisfactory to Note Counsel and the Borough Solicitor, the execution thereof by the executing officer of the Borough constituting conclusive evidence of Borough's approval thereof.

6. Authorization of General Obligation Note; Nonelectoral Debt. The 2026 Note in the principal amount of \$[4,100,000.00] is hereby declared to be a general obligation note of the Borough. The Borough shall incur general obligation debt as defined in the Act, which shall be evidenced by the 2026 Note. Incurrence of such general obligation debt is hereby authorized and approved. The debt to be incurred, as evidenced by the 2026 Note, is nonelectoral debt.

7. Covenant with Holder(s) of 2026 Note. The Borough covenants with the registered owner(s) of the 2026 Note that it will include amounts which, together with other funds which are available for such purpose, will equal the amount payable under the 2026 Note becoming due in each fiscal year in its budget for such fiscal year, will appropriate such amounts from its general revenues for such payment, and will duly and punctually pay or cause to be paid from its sinking fund or any other of its revenues or funds to the holders thereof the amount necessary to pay such principal of and interest on at the dates and places and in the manner stated in the 2026 Note, and for such budgeting, appropriation and payment the Borough hereby pledges its full faith, credit and taxing power.

8. Preparation and Filing of Debt Statement. The appropriate officials of the Borough are hereby authorized and directed to prepare, certify, verify and file with the Pennsylvania Department of Community and Economic Development, in accordance with the Debt Act, a complete and accurate copy of the debt proceedings taken in connection with the increase of debt authorized hereunder, including, with respect to the debt evidenced by the 2026 Note, the Debt Statement and Borrowing Base Certificate required under Section 8110 of the Debt Act, and take all necessary actions and file all other documents with the Department of Community and Economic Development, and to pay the filing fees necessary in connection therewith.

9. Legal Advertisements. The advertisement of a pre-enactment summary of this Ordinance pursuant to the requirements of the Debt Act by or on behalf of the Borough Manager is hereby directed, ratified and approved in all respects. The advertisement of a post-enactment summary of any changes to this Ordinance during enactment, pursuant to the requirements of the Debt Act, by or on behalf of the Borough Manager is hereby authorized and

approved, and the Borough Manager and/or the Secretary is hereby directed to publish a notice of the enactment of this Ordinance in accordance with the requirements of the Debt Act.

10. Federal Tax Covenants. The Borough hereby covenants with the holders, from time to time, of the 2026 Note that (a) the Borough shall make no use of the proceeds of the 2026 Note, directly or indirectly, at any time during the term thereof which, if such use had been reasonably expected at the date of issuance of the 2026 Note, would have caused such 2026 Note to be deemed to be an “arbitrage bond” within the meaning of Section 148 of the United States Internal Revenue Code of 1986, as amended (as so amended, the “Code”), and the regulations thereunder proposed or in effect (collectively, the “Regulations”) at the time of such use and application to such 2026 Note and (b) the Borough will comply with the requirements of the Code and all applicable provisions of the Code and Regulations throughout the term of the 2026 Note. The Borough covenants that, to the extent required by law, it will comply at all times with the rebate requirements applicable to the 2026 Note in accordance with Section 148(f) of the Code.

The Borough hereby covenants, if it is not eligible for any rebate exception under the Code, that it will rebate to the U.S. Treasury, at the times and in the manner required by the Code, all investment income derived from investing the proceeds of the 2026 Note in an amount which exceeds the amount which would have been derived from the investment of the proceeds of the 2026 Note at a yield not in excess of the respective yields thereon.

The 2026 Note is hereby designated as a “qualified tax-exempt obligation” as such term is described in and pursuant to Section 265(b)(3) of the Code.

11. Default. Should the Borough fail to provide the Paying Agent with sufficient funds, payable to the Sinking Funds, at appropriate intervals, so as to enable the Paying Agent to pay the principal and interest on the 2026 Note as and when due, or should the Borough, through the Paying Agent, fail to make such payments as and when due, or should the Borough fail to perform any other covenant or condition contained in this Ordinance and running to the benefit of the registered holder(s) or beneficial owner(s) of the 2026 Note, or contained in the Debt Act as applicable to the 2026 Note, such failure shall constitute a default by the Borough, and the registered owner of the 2026 Note shall be entitled to all the rights and remedies provided by the Debt Act in the event of default. If any such default occurs, the Paying Agent may, and upon written request of the registered owner of the 2026 Note accompanied by indemnity in such form and in such amount as the Paying Agent shall designate or a court of competent jurisdiction shall set and establish, shall bring suit upon the 2026 Note, or by other appropriate legal or equitable action restrain or enjoin any acts by the Borough which may be unlawful or in violation of the rights of the registered holder(s) or beneficial owner(s) of the 2026 Note.

12. Further Action. The President, Vice President, and the Secretary of Borough Council and their successors are hereby authorized to execute and delivery such other documents and certificates and to take such other actions as may be necessary or proper to effect the purpose of the financing, the execution of the 2026 Note, the Paying Agent Agreement, the Note Purchase Agreement or any loan agreements, and/or the intent and purposes of this Ordinance. The Borough may, from time to time and at any time, enact a supplemental ordinance in order to: (a) cure any ambiguity or formal defect or omission in this Ordinance or in any

supplemental ordinance, or (b) grant to or confer upon the registered holder(s) or beneficial owner(s) of the 2026 Note any additional rights, remedies, powers, authority, or security that may be lawfully granted to or conferred upon it.

13. Continuing Disclosure. To the extent required by applicable federal securities laws, the Borough does hereby covenant and agree, for the benefit of the holders of the 2026 Note from time to time, that it will comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission (“SEC”) with respect to municipal securities disclosure and may execute and comply with an appropriate written continuing disclosure undertaking or agreement as approved by Note Counsel as long as the 2026 Note is outstanding, but only to the extent so required by Rule 15c2-12.

14. Settlement Account. The proceeds of the 2026 Note shall be deposited into one or more settlement account(s) with the Paying Agent. From the settlement account(s) the Paying Agent shall pay, or establish reserves for, all costs associated with the issuance of the 2026 Note, upon receipt of proper invoices therefor, to the persons and in the amounts as set forth in written instructions from the Borough to the Paying Agent.

15. Repeal of Inconsistent Ordinances. All other ordinances and parts of ordinances inconsistent herewith are hereby expressly repealed.

16. Governing Law. This Ordinance shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

17. Form of Note. The Note Amortization Schedule and the form of the 2026 Note, with such amendments and additions as may be required by the Bank, including the form of the Paying Agent’s Certificate of Authentication upon the 2026 Note and the amortization schedule appended to the 2026 Note, shall be as set forth in Exhibits B and C, respectively, the terms and conditions set forth in such schedule and form being hereby incorporated by reference and adopted as if fully recited at length herein, and said form and schedules are hereby approved.

DULY ENACTED this 17th day of February 2026, by Borough Council of the Borough of East Stroudsburg, County of Monroe, Pennsylvania, in lawful session duly assembled.

ATTEST:

BOROUGH OF EAST STROUDSBURG

Secretary

BY: _____
(Vice) President of Borough Council

(SEAL)

BOROUGH OF EAST STROUDSBURG
COUNTY OF MONROE, PENNSYLVANIA

IN RE: 2026 FINANCING PROJECT

BORROWING ORDINANCE

CERTIFICATE OF ENACTMENT

I, the undersigned, Secretary of Borough Council of the Borough of East Stroudsburg, County of Monroe, Pennsylvania (the "Borough"), certify that:

The foregoing is a true and correct copy of Ordinance No. 1425 which duly was enacted finally by affirmative vote of a majority of all members of the Borough Council of the Borough at a meeting duly held on the 17th day of February, 2026; said Ordinance duly has been recorded in the Minute Book of the Borough Council; notices with respect to enactment (both before and after enactment) of said Ordinance have been published as required by law; and said Ordinance has not been amended, altered, modified, or repealed as of the date of this certificate.

I further certify that:

The total number of members of Borough Council of the Borough is six (6); the vote of the members of the Borough Council upon said Ordinance was called and duly was recorded upon the Minutes of said meeting; and members of the Borough Council voted upon said Ordinance in the following manner:

Sonia C. Wolbert	_____
Carrie Panepinto	_____
Charlie Garris	_____
Lauren Peterson	_____
Jane Gagliardo	_____
Paul Shemansky	_____

IN WITNESS WHEREOF, I set my hand and affix the official seal of the Borough, this 17th day of February 2026.

Secretary

(SEAL)

EXHIBIT A

**BOROUGH OF EAST STROUDSBURG
County of Monroe, Pennsylvania**

General Obligation Note, Series of 2026

GENERAL OBLIGATION NOTE, SERIES OF 2026 PROJECTS

[ATTACH PROJECT LIST]

EXHIBIT B

**BOROUGH OF EAST STROUDSBURG
County of Monroe, Pennsylvania**

General Obligation Note, Series of 2026

GENERAL OBLIGATION NOTE, SERIES OF 2026 AMORTIZATION SCHEDULE

The 2026 Note shall bear interest at an annual rate of []% from the date of issuance to and including [April 1, 2031], after which the interest rate shall be a variable rate reset on the first day of each month for the remainder of the term at a rate equal to []% of Wall Street Journal Prime Rate, provided that the interest rate on this 2026 Note shall never exceed a maximum rate of []%. Interest shall be payable semi-annually on June 1 and December 1, commencing December 1, 2026, as shown below. The 2026 Note shall be subject to mandatory sinking fund redemptions on December 1 of the years, and in the amounts, as follows:

[INSERT LENDER'S TABLE SETTING FORTH ANNUAL DEBT SERVICE PAYMENTS]

Note: Calculated based on the maximum interest rate of []% after [April 1, 2031]. Actual interest may be less depending on rate and timing of the draws.

EXHIBIT C

[FORM OF SERIES OF 2026 NOTE]

No. GO-2026

\$[]

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA

BOROUGH OF EAST STROUDSBURG
(County of Monroe, Pennsylvania)

GENERAL OBLIGATION NOTE,
SERIES OF 2026

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated Date</u>
As set forth herein	December 1, 2032	March [], 2026

REGISTERED OWNER: [NAME OF BANK LENDER]
PRINCIPAL SUM: [PAR AMOUNT] DOLLARS

THE BOROUGH OF EAST STROUDSBURG (the “Borough”), a local government unit under and pursuant to the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, as hereinafter defined, for value received, hereby promises to pay to the Registered Owner, a banking institution registered to do business within the Commonwealth of Pennsylvania, with a corporate office in [Lender Location], Pennsylvania (the “Bank”), or its successors or assigns, on or before the 1st day of December, 2032 upon surrender hereof, the principal sum of [Par Amount] Dollars (\$[]), or such lesser sum as may have been advanced by the Bank to the Borough pursuant to the terms of the Ordinance as enacted on February 17, 2026. The Borough may draw down funds (“Draws”) under the terms and conditions of this 2026 Note for a period of [three (3)] years, which shall expire [three (3)] years after the issuance of this 2026 Note. The Borough further promises to pay the Bank interest on all outstanding amounts hereunder at the following rates: (i) from the date of issuance to [April 1, 2031], at the rate of ([]%), and (ii) after [April 1, 2031], a variable rate reset on the first day of each month for the remainder of the term at []% of Wall Street Journal Prime Rate, subject to a maximum rate of []%.

Interest on this 2026 Note shall be payable initially on December 1, 2026 and semi-annually on the 1st day of June and the 1st day of December until December 1, 2032 or prepayment of this 2026 Note. Installments of principal on this 2026 Note shall be payable as set

forth on the attached debt service schedule. Interest shall be calculated based on a year of three hundred and sixty (360) days, comprised of twelve (12) thirty (30) day months.

The principal of and interest on this 2026 Note shall be payable at the principal office of the Bank, or any successor or assignee, in any coin or currency of the United States of America which, at time of payment, is legal tender for payment of public and private debts, to the registered owner on the fifth (5th) day prior to each payment date.

This 2026 Note has been authorized for issuance in accordance with provisions of the Local Government Unit Debt Act (the "Act") of the Commonwealth and by virtue of Ordinance No. 1411 of the Borough duly enacted on February [REDACTED], 2026 (the "Ordinance"). The Act, as such shall have been in effect when this 2026 Note was authorized, and the Ordinance shall constitute a contract between the Borough and registered owner, from time to time, of this 2026 Note. This 2026 Note has been designated by the Borough as a "qualified tax-exempt obligation" as such term is described in and pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended and the regulations promulgated thereunder.

This 2026 Note is a draw down note and constitutes a general obligation of the Borough payable from its general revenues. The 2026 Note is issued for the purpose of providing monies, in addition to those available, to fund the costs of the 2006 Project as defined in the Ordinance, and the costs of issuing this 2026 Note, in each case as such costs are defined in Section 8007 of the Act.

The Borough has covenanted, in the Ordinance, to and with registered owners, from time to time, of this 2026 Note that shall be outstanding, that the Borough: (i) shall include the amount of the debt service for this 2026 Note, for each fiscal year of the Borough in which such sums are payable, in its budget for that fiscal 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 Ordinance or any other of its revenues or funds, the principal of this 2026 Note and the interest thereon on the dates and place and in the manner stated therein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, the Borough has pledged and does pledge, irrevocably, its full faith, credit and taxing power. This 2026 Note will follow the guidelines of the Local Government Unit Debt Act so annual debt service will remain level or declining.

The principal amount of this 2026 Note shall be subject to prepayment prior to maturity, at the option of the Borough, as a whole or, from time to time, in part, on any date, upon payment of the principal amount to be redeemed together with accrued interest thereon to the date fixed for prepayment and without any premium or penalty. Any partial prepayment of principal may be credited against such stated installments of principal on this 2026 Note as the Borough may designate in writing to the Bank at the time of prepayment; provided, however, that absent such designation by the Borough, a partial prepayment shall be applied against the principal installments in inverse order of such scheduled installments. The Borough shall provide written notice to the Bank of its exercise of any prepayment right.

If the Bank shall merge or change its identity or assign this 2026 Note, the Bank shall give written notice of such action to the Borough, which notice shall direct the Borough to make

payments hereunder henceforth to the appropriate successor or assignee. Such notice shall be effective if given not less than fifteen (15) days prior to any date for the payment of principal and interest thereunder, or for the prepayment of principal, if notice of prepayment shall have been given to the Bank.

Reference is hereby made to the Ordinance and to the 2026 Note Proposal between the Borough and the Bank for a statement of the nature, extent, and manner of enforcement of the security, the terms, and conditions under which the Ordinance may be amended or modified, the rights of the holder of this 2026 Note in respect to such security, and the terms and conditions under which this 2026 Note is issued. The Borough has established with the Bank a sinking fund for this 2026 Note and has made provision for the deposit therein from its general revenues, of amounts sufficient to pay, and from which the Bank, as paying agent and sinking fund depository, is required to pay, the principal of and interest on this 2026 Note as the same shall become due and payable.

It is hereby 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 2026 Note or in creation of the debt of which this 2026 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 2026 Note, together with any other indebtedness of the Borough, is not in excess of any limitation imposed by the Act upon the incurring of debt by the Borough.

IN WITNESS WHEREOF, the Borough has caused this 2026 Note to be executed in its name by the signature of the President or Vice President of the Council of the Borough, and its seal to be affixed hereto, attested by the Secretary, all as of March [] , 2026.

BOROUGH OF EAST STROUDSBURG

By: _____

Name:

Title: (Vice) President
Borough Council

ATTEST:

Borough Secretary

(SEAL)

AUTHENTICATION CERTIFICATE

This 2026 Note is the 2026 Note designated herein, described in the within mentioned Ordinance. Attached hereto is the complete text of the opinion of Barnes & Thornburg LLP, Philadelphia, Pennsylvania, Note Counsel, an executed counterpart of which, dated the date of delivery of the 2026 Note to which this is attached, is on file with the undersigned.

[NAME OF PAYING AGENT], Paying
Agent

By: _____
Authorized Officer

Date of Authentication: _____

ASSIGNMENT AND TRANSFER

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

PLEASE INSERT SOCIAL SECURITY OR
OTHER IDENTIFYING NUMBER OF
ASSIGNEE

/ _____ /

the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints

_____ attorney to transfer said
Note on the books of the within named Paying Agent, with full power of substitution in the
premises.

Dated:

Signature Guaranteed by:

(Bank, Trust Company or Firm)

NOTICE: The signature to this Assignment
must correspond with the name as it appears
upon the face of the within Note in every
particular, without alteration or enlargement
or any change whatever.

(Authorized Signature)

Exhibit A to 2026 Note

Amortization Schedule

[TO BE ADDED FROM AMORTIZATION SCHEDULE PROVIDED BY LENDER]