BILL NO. 24 - 2026

ORDINANCE 2026- __

AN ORDINANCE

OF THE COUNCIL OF THE CITY OF BETHLEHEM, LEHIGH AND NORTHAMPTON COUNTIES, PENNSYLVANIA, AUTHORIZING AND DIRECTING THE ISSUANCE OF GENERAL OBLIGATION NOTES, SERIES OF 2026 (THE "NOTES") IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF $25,000,000; PROVIDING THE PROCEEDS OF THE 2026 NOTES SHALL BE APPLIED TO CARRY OUT THE REFUNDING OF ALL OR A PORTION OF THE CITY'S (A) OUTSTANDING GENERAL OBLIGATION BONDS, SERIES A OF 2017 (TAX-EXEMPT) (THE "2017A BONDS"); (B) GENERAL OBLIGATION BONDS, SERIES B OF 2017 (TAX-EXEMPT) (THE "2017B BONDS"); (C) GENERAL OBLIGATION BONDS, SERIES E OF 2017 (THE "2017E BONDS"); AND (D) GENERAL OBLIGATION BONDS, SERIES OF 2019 (THE "2019 BONDS") PURSUANT TO A REFUNDING PROGRAM; DETERMINING THAT SALE OF THE NOTES SHALL BE A PRIVATE SALE BY NEGOTIATION UNDER THE ACT, AND DETERMINING THAT THE NOTES SHALL BE NONELECTORAL DEBT OF THE CITY; FIXING THE INTEREST PAYMENT DATES, DENOMINATIONS AND REGISTRATION, TRANSFER AND EXCHANGE PRIVILEGES OF THE NOTES AND PROVIDING FOR BOOK ENTRY BONDS; PROVIDING FOR MAXIMUM PRINCIPAL AMORTIZATION, MATURITIES AND INTEREST RATES FOR THE NOTES; ESTABLISHING THE REDEMPTION PROVISIONS OF THE NOTES; ACCEPTING A BID FOR PURCHASE OF THE NOTES AND AUTHORIZING EXECUTION OF THE NOTE PURCHASE CONTRACT; DESIGNATING A PAYING AGENT AND REGISTRAR; DESIGNATING A PLACE AND METHOD OF PAYMENT OF THE NOTES AND INTEREST THEREON AND MAKING CERTAIN COVENANTS WITH RESPECT TO THE TAX EXEMPT STATUS OF THE NOTES; ESTABLISHING THE SUBSTANTIAL FORMS OF THE NOTES; DESIGNATING A SINKING FUND DEPOSITORY; COVENANTING TO PAY THE PRINCIPAL OF AND INTEREST ON THE NOTES AND PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE CITY TO SUCH PURPOSE; ESTABLISHING SINKING FUNDS FOR THE NOTES AND AUTHORIZING AND DIRECTING PAYMENT THEREFROM; SETTING FORTH CERTAIN RIGHTS OF THE PAYING AGENT AND NOTEHOLDERS IN THE EVENT OF DEFAULT AND OTHER RIGHTS OF THE PARTIES WITH RESPECT TO THE NOTES; PROVIDING FOR THE CIRCUMSTANCES UNDER WHICH THE ORDINANCE MAY BE AMENDED OR MODIFIED; PROVIDING FOR THE TERMS, CONDITIONS AND COVENANTS WITH RESPECT TO THE INSURER, IF ANY, FOR THE NOTES; AUTHORIZING AND DIRECTING SPECIFIED OFFICERS OF THE CITY TO DO AND PERFORM CERTAIN SPECIFIED, REQUIRED OR APPROPRIATE ACTS; DECLARING THAT THE DEBT TO BE INCURRED IS WITHIN THE LIMITATION IMPOSED BY THE ACT UPON INCURRING OF SUCH DEBT BY THE CITY; AUTHORIZING AND

DIRECTING PROPER OFFICERS OF THE CITY TO DELIVER THE NOTES UPON EXECUTION AND AUTHENTICATION THEREOF, UPON RECEIPT OF PROPER PAYMENT OF THE BALANCE DUE THEREFOR, AND ONLY AFTER SPECIFIED APPROVAL, AS REQUIRED, OF THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT OF THE COMMONWEALTH OF PENNSYLVANIA; PROVIDING FOR COMPLIANCE WITH SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12; COVENANTING TO PAY OVER AT SETTLEMENT SUFFICIENT MONIES TO PROVIDE FOR THE PAYMENT OF THE 2017A BONDS, 2017B BONDS, 2017E BONDS AND 2019 BONDS (COLLECTIVELY REFERRED TO AS "PRIOR BONDS") IN ACCORDANCE WITH THE REFUNDING PROGRAM; AUTHORIZING AND DIRECTING CERTAIN OTHER ACTIONS AND APPROVING DOCUMENTATION WITH REGARD TO THE REFUNDING PROGRAM, PROVIDING FOR THE ISSUANCE OF IRREVOCABLE INSTRUCTIONS TO THE PAYING AGENTS FOR THE PRIOR BONDS TO CALL SAID PRIOR BONDS FOR REDEMPTION, AND ESTABLISHING THE FORM OF SUCH IRREVOCABLE INSTRUCTIONS AND THE NOTICE OF REDEMPTION; PROVIDING FOR SEVERABILITY OF PROVISIONS OF THE ORDINANCE; PROVIDING FOR REPEAL OF ALL ORDINANCES OR PARTS OF ORDINANCES SO FAR AS THE SAME SHALL BE INCONSISTENT; PROVIDING WHEN THIS ORDINANCE SHALL BECOME EFFECTIVE.

WHEREAS, the City of Bethlehem, Lehigh and Northampton Counties, Pennsylvania (the "City"), is a Local Government Unit, as defined in the Pennsylvania Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82 (the "Act"); and

WHEREAS, the City did previously authorize, issue and sell a certain series of obligations, its General Obligation Bonds, Series A of 2017 (Tax-Exempt), dated as of April 6, 2017, in the original aggregate principal amount of $10,660,000 (the "2017A Bonds"); and

WHEREAS, the City previously issued the 2017A Bonds to (i) advance refund a portion of the City's General Obligation Bonds, Series A of 2011 (the "2011A Bonds"); (ii) advance refund a portion of the City's General Obligation Bonds, Series A of 2013 (the "2013A Bonds"); (iii) prepay a portion of the City's General Obligation Note, Series C of 2010 (the "2010C Note"); and (iv) pay the costs of issuing the 2017A Bonds (collectively, the "2017A Project"); and

WHEREAS, the 2011A Bonds were issued by the City to currently refund the City's General Obligation Notes, Series of 2007 (the "2007 Bonds") and General Obligation Notes, Series of 2008 (the "2008 Notes"); and

WHEREAS, the City issued its 2007 Bonds to fund a capital project (the "2007 Project") and its 2008 Notes to fund a capital project (the "2008 Project");

WHEREAS, the City issued its 2013A Bonds to fund a capital project (the "2013A Project"); and the 2010C Note was issued by the City to fund a capital project (the "2010C Project"); and

WHEREAS, the 2017A Bonds presently outstanding are subject to redemption at the option of the City on or after June 1, 2025 upon payment of the principal amount, together with accrued interest to the date fixed for redemption; and

WHEREAS, the City did previously authorize, issue and sell a certain series of obligations, its General Obligation Bonds, Series B of 2017 (Tax-Exempt), dated as of April 6, 2017 in the original aggregate principal amount of $5,555,000 (the "2017B Bonds"); and

WHEREAS, the 2017B Bonds having been issued to fund various capital non-utility projects of the City (the "2017B Project"); and

WHEREAS, the 2017 Bonds presently outstanding are subject to redemption prior to maturity at the option of the City on or after June 1, 2025 upon payment of principal amount together with accrued interest to the date fixed for the redemption; and

WHEREAS, the City did previously authorize, issue and sell a certain series of obligations, its General Obligation Bonds, Series E of 2017 dated as of October 5, 2017 in the original aggregate principal amount of $18,730,000 (the "2017E Bonds"); and

WHEREAS, the City previously issued its 2017E Bonds to advance refund the Bethlehem Authority's Series A of 2011 Bonds (the "2011A Authority Bonds"), which were originally issued to fund a project (the "2011A Project"); and

WHEREAS, the 2017E Bonds presently outstanding are subject to redemption prior to maturity at the option of the City on or after December 1, 2025 upon payment of the principal amount together with accrued interest to the date fixed for redemption; and

WHEREAS, the City did previously authorize, issue and sell a certain series of obligations, its General Obligation Bonds, Series of 2019, dated April 25, 2019 in the original aggregate principal amount of $5,155,000 (the "2019 Bonds"); and

WHEREAS, the City issued the 2019 Bonds to finance certain non-utility capital projects (the "2019 Project"); and

WHEREAS, the 2019 Bonds presently outstanding are subject to redemption prior to maturity, at the option of the City on or after May 1, 2024, upon payment of the principal amount, together with accrued interest to the date fixed for redemption; and

WHEREAS, the 2017A Bonds, 2017B Bonds, 2017E Bonds, and 2019 Bonds are collectively referred to as the "Prior Bonds"; and

WHEREAS, the Council of the City ("Council"), in order to substitute notes for bonds in accordance with the provisions of the Act, has determined to currently refund all or a portion of the remaining outstanding Prior Bonds in accordance with the provisions of Section 8241(b)(2) of the Act, by providing for the payment of the interest to and principal at maturity or redemption on such Prior Bonds pursuant to the Refunding Program (the "Refunding Program"), encompassing the refunding of the Prior Bonds; and

WHEREAS, additionally and as part of the Refunding Program, as submitted to the City by the financial advisory firm of PFM Financial Advisors LLC, as municipal advisor to the City (the "Municipal Advisor"), the necessary funds will be deposited with The Bank of New York Mellon Trust Company, N.A., as the Paying Agent for the 2017A Bonds, the 2017B Bonds, the 2017E Bonds and the 2019 Bonds, and are designed to be adequate as to amount and appropriate as to availability to pay the interest on and principal at maturity or redemption of the Prior Bonds; and

WHEREAS, the Council has determined to implement the foregoing Refunding Program by the authorization, sale, issuance and delivery of the City's General Obligation Notes, Series of 2026 (the "Notes") with the proceeds to be used for the aforesaid purposes; and

WHEREAS, Council has determined that the Notes:

(a) Shall be offered at private sale by invitation pursuant to the Purchase Contract as defined below;

(b) Shall be fixed rate bonds offered at a price of not less than 95% nor more than 125% of the principal amount together with accrued interest, if any, from the date thereof to the date of delivery thereof; and

(c) Shall be made pursuant to an addendum to the Purchase Contract upon the terms and conditions and consistent with the Note Parameters (defined below); and

(d) WHEREAS, a Note Purchase Contract dated [______________], 2026 (the "Purchase Contract") has been received from ________________ as the underwriter "Underwriter"). The Purchase Contract is in substantial form appended hereto as Exhibit C. The Purchase Contract contains certain financial parameters for, and conditions to, the underwriting and issuance of the Notes, which will be supplemented by an addendum to the Purchase Contract containing the final terms and conditions of the Notes, consistent with the Note Parameters, the maximum interest rates and maximum principal sums (whether maturity or sinking fund redemption) per annum set forth in Exhibit A attached hereto and incorporated herein (together with the financial parameters set forth in the Purchase Contract, the "Note Parameters"), and the provisions of the Act; and

WHEREAS, all of the proceeds of the Notes, after payment of costs of issuance, together with any other monies available or to be available for the purpose, will provide the necessary funds for the Refunding Program; and

WHEREAS, the President or Vice President of the Council or the Business Administrator of this City, which shall include their duly qualified successors in office, if applicable, are authorized and directed on such a date and time after this meeting in a manner consistent with the Act to execute the Purchase Contract and any addendums thereto provided that the provisions therein are within the Note Parameters; and

WHEREAS, the Council desires to award the Notes to the Underwriter and their assignees at private sale by invitation and to accept their Purchase Contract in the form submitted; to authorize issuance of non-electoral debt in the aggregate principal amount of the Notes; and to authorize and take appropriate action in connection with the Refunding Program, all in accordance with and pursuant to provisions of the Act.

NOW THEREFORE, BE IT ORDAINED, by the Council of this City, as follows:

Section 1. The Council of the City does authorize and direct the issuance of its General Obligation Notes, Series of 2026 ("Notes") or such series or subseries designation as may be agreed upon by the parties, pursuant to this Ordinance, in one or more series, in the maximum aggregate principal amount not to exceed $25,000,000, for the purposes of carrying out the refunding of the Prior Bonds as per the Refunding Program in accordance with Section 8241(b)(5) of the Act. The Notes will be general obligations of the City payable from the general revenues of the City.

Section 2. A brief description of the Refunding Program for which the debt to be incurred, of which the Notes shall be evidence, is contained in the preamble hereof. The realistic estimated useful lives of the capital projects financed by the prior bonds and notes ("Prior Bonds"), which were "Projects" as defined in Section 8002 of the Act, were previously determined to be (a) from 5 - 30 years in the case of the capital projects financed by the 2007 Bonds, the 2008 Notes, 2010C Note, [2011A Authority Bonds], 2013A Bonds, and the 2019 Bonds, and (b) from 5 – 25 years in the case of the capital projects financed by the 2017B Bonds. The amortization of each series of the Prior Bonds was structured to fully amortize on a level or earlier basis each component of such projects before the expiration of their useful lives. The estimated useful life of projects financed by the 2007 Bonds expires in 2037. The estimated useful life of projects financed by the 2008 Notes expires in 2038. The estimated useful life of projects financed by the 2010C Note expires in 2040. The estimated useful life of the projects financed by the 2011A Authority Bonds expires in [2041]. The estimated useful life of projects financed by the 2013A Bonds expires in 17 years, in 2043. The estimated useful life of projects financed by the 2017B Bonds expires in 2042. The estimated useful life of projects financed by the 2019 Bonds expires in 2049.The useful lives of all such projects is not less than previously determined, and the portion of the Notes, the proceeds of which are designated to the Refunding Program, as structured will fully amortize on a level or earlier basis each component of the Projects before the expiration of their useful lives.

Section 3. The Notes shall be sold at private sale by invitation, which the Council of the City has determined to be in the best interests of the City and may be issued in one or more series. The Council of the City has determined that the debt, of which the Notes shall be evidence, shall be non-electoral debt of the City.

Section 4. (a) The Notes shall be dated as of the date of delivery ("Date of Delivery"), and shall bear interest payable semi-annually on [April 1 and October 1] of each year, beginning [April 1, 2027], or such other dates mutually agreed upon, to the registered owners thereof, at the rate per annum stated thereon, from the interest payment date next preceding the date of registration and authentication of a Note, unless the Note is registered and authenticated as of an interest payment date, in which event the Note shall bear interest from such interest payment date, or unless the Note is registered and authenticated prior to the Record Date next preceding April 1, 2027, in which event the Note shall bear interest from the Date of Delivery, or unless, as shown by the records of the Paying Agent (hereinafter identified), interest on the Notes shall be in default, in which event the Note shall bear interest from the date on which interest was last paid on the Note, until said principal sum is paid. Payment of interest on a Note shall be made to the registered owner thereof whose name and address shall appear, at the close of business on the 15th day or last day of the month preceding each interest payment date (the "Record Date"), on the registration books maintained by the Paying Agent, irrespective of any transfer or exchange of the Note subsequent to such Record Date and prior to such interest payment date, unless the City shall be in default in payment of interest due on such interest payment date. In the event of such default, such defaulted interest shall be payable to the person in whose name the 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 the Note not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the person in whose name the Note is registered at the close of business on the fifth (5^{th}) day preceding the date of mailing.

(b) If any interest payment date for the Notes shall be a Saturday, Sunday or legal holiday or a day on which banking institutions in Pittsburgh, where the Pennsylvania corporate trust office of the Paying Agent is located, are authorized by law or executive order to close, then the date for payment of such principal of or interest on the Notes shall be the next succeeding day which is not a Saturday, Sunday or legal holiday or day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date established for such payment.

(c) Depository Trust Company ("DTC'") will act as securities depository for the Notes. The ownership of one fully registered Note for each maturity of each series, each in the aggregate principal amount of such maturity, will be registered in the name of Cede & Co., as nominee for DTC. So long as Cede & Co. is the registered owner of the Notes, as nominee of DTC, references herein to the Noteholders, Note owners or registered owners of the Notes shall mean Cede & Co. and shall not mean the beneficial owners of the Notes.

(d) DTC is a limited purpose trust company organized under the laws of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC was created to hold securities of its participants (the "DTC Participants") and to facilitate the clearance and settlement of securities transactions among DTC Participants in such securities through electronic book-entry changes in accounts of the DTC Participants, thereby eliminating the need for physical movement of securities certificates. DTC Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations, some of whom (and/or their representatives) own DTC. Access to the DTC system is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly (the "Indirect Participants").

(e) Beneficial ownership interests in the Notes may be purchased by or through DTC Participants. Such DTC Participants and the persons for whom they acquire interests in the Notes as nominees will not receive a Note certificate, but each DTC Participant will receive a credit balance in the records of DTC in the amount of such DTC Participants interest in the Notes, which will be confirmed in accordance with DTCs standard procedures. Beneficial owners of Notes will not receive certificates representing their beneficial ownership interests in the Notes, unless use of the book-entry only system is discontinued as described below.

(f) Transfers of beneficial ownership interests in the Notes which are registered in the name of Cede & Co., as nominee of DTC, will be accomplished by book entries made by DTC and in turn by the DTC Participants and Indirect Participants who act on behalf of the beneficial owners of Notes. For every transfer and exchange of beneficial ownership in the Notes, the beneficial owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto.

(g) For so long as the Notes are registered in the name of DTC or its nominees, Cede & Co., the City and the Paying Agent will recognize only DTC or its nominee, Cede & Co., as the owner of the Notes for all purposes, including notices and voting.

Conveyance of notices and other communications by DTC-to-DTC Participants, by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to beneficial owners of the Notes, will be governed by arrangements among DTC, DTC Participants, Indirect Participants and beneficial owners, subject to any statutory and regulatory requirements as may be in effect from time to time.

(h) Payments made by the Paying Agent to DTC or its nominee shall satisfy the City's obligations with respect to the Notes to the extent of the payments so made.

(i) Principal, redemption price and interest payments on the Notes shall be made by the Paying Agent to DTC or to its nominee, Cede & Co., as registered owner of the Notes. Disbursement of such payments to the beneficial owners shall be solely the responsibility of DTC, the DTC Participants and, where appropriate, Indirect Participants. Upon receipt of monies, DTC's current practice is to credit immediately the accounts of the DTC Participants in accordance with their respective holdings shown on the records of DTC. Payments by DTC Participants and Indirect Participants to beneficial owners shall be governed by standing instructions of the beneficial owners and customary practices, as is now the case with municipal securities held for the accounts of customers in bearer from or registered in "street name". Such payments shall be the sole responsibility of such DTC Participant or Indirect Participant and not of DTC, the City or the Paying Agent, subject to any statutory and regulatory requirements as may be in effect from time to time.

(j) The City and the Paying Agent cannot and do not give any assurances that DTC, the DTC Participants or the Indirect Participants will distribute to the beneficial owners the Notes (i) payments of principal or redemption price of or interest on the Notes, (ii) certificates representing an ownership interest or other confirmation of beneficial ownership interests in Notes, or (iii) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Notes, or that they will do so on a timely basis or that DTC, DTC Participants or Indirect Participants will serve and act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission, and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

(k) Neither the City nor the Paying Agent will have any responsibility or obligation to any DTC Participant, Indirect Participant or beneficial owner or any other person with respect to: (1) the Notes; (2) the accuracy of any records maintained by DTC or any DTC Participant or Indirect Participant; (3) the payment by DTC or any DTC Participant or Indirect Participant of any amount due to any beneficial owner in respect of the principal or redemption price of or interest on the Notes; (4) the delivery by DTC or any DTC Participant or Indirect Participant of any notice to any beneficial owner which is required or permitted under the terms of this Resolution to be given to Noteholders; (5) the selection of the beneficial owners to receive payment in the event of any partial redemption of the Notes; or (6) any other action taken by DTC as Noteholder.

(l) DTC may determine to discontinue providing its service with respect to the Notes at any time by giving notice to the City and the Paying Agent and discharging its responsibilities with respect thereto under applicable law. In addition, the City may discontinue the book-entry only system for the Notes at any time if it provides thirty (30) days' notice of such discontinuation to the Paying Agent and DTC that continuation of the book-entry only system is not in the best interests of the City. Upon the giving of such notice, the book-entry-only system for the Notes will be discontinued unless a successor securities depository is appointed by the City.

Section 5. The Notes shall be issued in the aggregate principal amounts, shall be numbered consecutively within maturities, and shall mature on the dates, and in the amounts, and shall bear interest at the rates and require the amortization payments to the respective sinking funds hereinafter established, all as set forth in the Addendum provided that such principal amounts and rates of interest shall not exceed the Note Parameters set forth herein.

Section 6. The Notes may be subject to mandatory redemption, if at all, prior to maturity from monies to be deposited in the respective sinking funds, upon payment of the principal amount together with interest to the date of such redemption, on the dates (each, a "Mandatory Redemption Date") and in the amounts as provided in the Note Purchase Contract, which mandatory redemption provisions are incorporated herein by reference as if set out here at length. The City covenants and directs the Paying Agent to redeem the specified aggregate principal amount of Notes at maturity and on the Mandatory Redemption Dates, if any, as set forth the Purchase Contract.

Section 7. The Notes shall be subject to redemption at the option of the City prior to their stated maturity dates as a whole or in part from time to time, in any order of maturity (and in any authorized principal amount within a maturity) and by lot within a maturity, on the dates and at the redemption prices provided in the Purchase Contract.

Section 8. (a) Notes subject to redemption and issued in denominations larger than $5,000 may be redeemed in part. For the purposes of any such partial redemption, such Notes shall be treated as representing that number of Notes which is obtained by dividing the denomination thereof by $5,000, each $5,000 portion of such Notes being subject to redemption.

In the case of partial redemption of such Notes, payment of the redemption price shall be made only upon surrender of the Note in exchange for Notes of like form, series and maturity, of authorized denominations in aggregate amount equal to the unredeemed portion thereof.

(b) Any redemption of Notes pursuant to Section 6 and 7 above shall be made after notice by mailing by first class mail a notice thereof to the registered owners of all Notes to be redeemed and to any Note insurer then insuring the Notes, not less than twenty-five (25) days but not more than forty-five (45) days prior to the date fixed for redemption, provided, however, that failure to mail any notice or any defect therein or in the mailing thereof, with respect to any particular Note, shall not affect the validity of the proceedings for redemption of any other Note. Any notice of redemption mailed in accordance with these requirements shall be conclusively presumed to have been duly given, whether or not such registered holder actually receives the notice. Notice having been so given or waived, and provision having been made for redemption from funds on deposit with the Paying Agent, all interest on the Notes called for redemption accruing after the date fixed for redemption shall cease, and the registered owners of the Notes called for redemption shall have no security, benefit or lien under this Ordinance or any right except to receive payment of the principal of and accrued interest on such Notes to the date fixed for redemption.

(c) Any such notice shall be dated, shall be given in the name of the City, and shall state the following information:

(i) the identification numbers and the CUSIP numbers, if any, of the Notes being redeemed, provided that any such notice shall state that no representation is made as to the correctness of CUSIP numbers either as printed on such Notes or as contained in the notice of redemption and that reliance may be placed only on the identification numbers contained in the notice or printed on such Notes;

(ii) any other descriptive information needed to identify accurately the Notes being redeemed, including, but not limited to, the original issuance date and maturity date of, and interest rate on, such Notes;

(iii) in the case of partial redemption of any Notes, the respective principal amounts thereof to be redeemed;

(iv) the redemption date;

(v) the redemption price;

(vi) that on the redemption date the redemption price will be come due and payable upon each such Note or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and

(vii) the place where such Notes are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Paying Agent for the Notes;

(d) If the redemption date for any Notes shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in Pittsburgh, Pennsylvania (or otherwise in the city where the applicable corporate trust office of the Paying Agent is located) are authorized by law or executive order to close, then the date for payment of the principal and interest upon such redemption shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of redemption.

(e) If at the time of mailing a notice of optional redemption the City shall not have deposited with the Paying Agent for the Notes monies sufficient to redeem all the Notes called for redemption, such notice may state that it is conditional, that is, subject to the deposit of the redemption monies with the Paying Agent not later than the opening of business on the redemption date, and such notice shall be of no effect unless such monies are so deposited.

Section 9. The Council shall and does authorize the acceptance of the Purchase Contract of the Underwriter for purchase of the Notes, which Notes shall be and are awarded to the Purchasers, in accordance with the terms of the Purchase Contract and an addendum thereto, at a price of not less than 95% nor more than 125% of the principal amount, together with accrued interest from the date thereof to the date of delivery thereof, the Purchasers covenanting to submit their Purchase Contract in accordance with provisions of the Act. The President or Vice President or Business Administrator of the Council are authorized and directed to execute the awarded Purchase Contract and any addendum thereto provided that the terms of the Purchase Contract are within the parameters set forth herein. In a manner consistent with this authorization the President or Vice President or Business Administrator may accept the recommendation of the Financial Advisor with regards to the selection of the Note Insurer, if any, and any optional or mandatory redemption or other redemption provisions or terms. The Preliminary Official Statement in the form presented is hereby approved and distributed thereof and a final Official Statement when completed are hereby authorized.

Section 10. The Council of the City does hereby designate, subject to its acceptance, The Bank of New York Mellon Trust Company, N.A., a banking institution having corporate trust offices in Pittsburgh, Pennsylvania, as the “Paying Agent” for purposes of the Notes.

Section 11. The principal of and premium, if any, on the Notes shall be payable at the corporate trust offices of The Bank of New York Mellon Trust Company, N.A., located in Pittsburgh, Pennsylvania, in its capacity as Paying Agent, and interest thereon is payable by check mailed to the registered owner at the address shown on the registration books as of the close of business on the Record Date set forth elsewhere herein and in the face of the Notes, in lawful monies of the United States of America, without deduction of any tax or taxes now or hereafter levied or assessed thereon upon any present or future law of the Commonwealth of Pennsylvania (the "Commonwealth"), which tax or taxes this City assumes and agrees to pay; provided, however, that the foregoing shall not be applicable to gift, estate or inheritance taxes or to other taxes not levied or assessed directly on the Notes or the interest paid thereon.

Section 12. The forms of the Notes, and of the Paying Agent's Certificates of Authentication to be endorsed thereon, with appropriate insertions, omissions and variations, shall be substantially as set forth in Exhibit B attached to this Ordinance.

Section 13. The Notes shall be executed in the name of and on behalf of the City by the manual or facsimile signatures of the Mayor and the City Controller, respectively, and a manual or facsimile of the official seal of this City shall be affixed thereunto. Notes executed and bearing facsimile signatures as above provided may be issued and shall, upon request of the City, be authenticated by the Paying Agent, notwithstanding that one or more of the officers signing such Notes shall have ceased to hold office at the time of issuance or authentication or shall not have held office at the date of the Notes. The Bank of New York Mellon Trust Company, N.A., in its capacity as Paying Agent, hereby is authorized, requested and directed to authenticate the Notes by execution of the Certificate of Authentication endorsed on the Notes by a duly authorized officer. No Notes shall be valid until the Certificate of Authentication shall have been duly executed by the Paying Agent, and such authentication shall be proof that the registered owner is entitled to the benefit of the Ordinance.

Section 14. Section 14. The Notes shall be issued only in registered form, without coupons, as provided, may be exchanged for a like aggregate principal amount of the same series and maturity of other authorized denominations, and the following conditions in addition to those set forth in the Note forms themselves shall apply with respect thereto:

(a) The City shall keep, at a corporate trust office of the Paying Agent, books for the registration and transfer of the Notes, and hereby appoints the Paying Agent its registrar and transfer agent to keep such books and make such registrations and transfers under such reasonable regulations of the City or the registrar and transfer agent may prescribe, and as set forth in the forms of Notes herein. Registrations and transfers shall be at the expense of the City, but the Noteholder shall pay any taxes or other governmental charges on all registrations and transfers and shall pay any costs of insuring Notes during shipment.

(b) Notes may be transferred upon the registration books upon delivery to the Paying Agent of such Note, accompanied by a written instrument or instruments of transfer, in form and with guaranty of signature satisfactory to the Paying Agent, duly executed by the owner of the Notes to be transferred or his attorney-in-fact or legal representative, containing written instructions as to the details of the transfer of such Notes, and other information requested by the City pursuant to the Ordinance or by the Paying Agent in its regulations. No transfer of any Note will be effective until entered on the registration books and until payment from the registered owner of all taxes and governmental charges incidental to such transfer is received.

(c) In all cases of the transfer of a Note, the Paying Agent will enter the transfer of ownership in the registration books and, if requested, will authenticate and deliver 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 which the registered owner is entitled to receive at the earliest practicable time in accordance with the other provisions of this Ordinance.

(d) The City and the Paying Agent will not be required to issue or transfer or exchange any Notes during a period beginning at the close of business on the fifteenth (15th) day next preceding any date of selection of Bonds to be redeemed and ending at the close of business day on which the applicable notice of redemption is given, or to transfer any Notes which have been selected or called for redemption in whole or in part until after the redemption date.

(e) If any Note shall become mutilated, the City shall execute and the Paying Agent shall thereupon authenticate and deliver a new Note of like tenor and denomination in exchange and substitution for the Note so mutilated but only surrender to the Bond Registrar of such mutilated Note for cancellation, and the City, the Bond Registrar, and the Paying Agent may require reasonable indemnity therefor. If any Note shall be reported lost, stolen or destroyed, evidence as to the ownership and the loss, theft or destruction thereof shall be submitted to the City and the Bond Registrar/Paying Agent; and if such evidence shall be satisfactory to both and indemnity satisfactory to both shall be given, the City shall execute, and thereupon the Paying Agent, in its capacity as authentication agent, shall authenticate and deliver, a new Note of like tenor and denomination. The cost of providing any substitute Note under the provisions of this Section shall be borne by the Noteholder for whose benefit such Note is provided. If any such mutilated, lost, stolen or destroyed Note shall have matured or be about to mature, the City may, with the consent of the Paying Agent, pay to the owner the principal amount of and accrued interest on such Note upon the maturity thereof and the compliance with the aforesaid conditions by such owner, without the issuance of a substitute Note therefor.

Every substituted Note issued pursuant to this subsection shall constitute an additional contractual obligation of the City, whether or not the Note to have been destroyed, lost or stolen shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Notes duly issued thereunder.

All Notes shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Notes and shall preclude any and all other 1ights or remedies, notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments, investments or other securities without their surrender.

(f) pending preparation of definitive Notes, or by agreement with the purchasers of all Notes, the City may issue and, upon its request, the Paying Agent shall authenticate in lieu of definitive Notes one or more temporary printed or typewritten Notes in denominations of $5,000 and multiples thereof, of substantially the tenor recited above, in fully registered form. Upon request of the City, the Paying Agent shall authenticate definitive Notes in exchange for and upon surrender of an equal principal amount of temporary Notes. Until so exchanged, temporary Notes shall have the same right, remedies and security hereunder as definitive Notes.

Section 15. The City covenants to and with holders or registered owners of the Notes which shall be outstanding, from time to time, pursuant to the Ordinance, that the City shall include the amount of the debt service, subject to the maximum amounts set forth in Exhibit A attached hereto and incorporated herein by reference as if set forth at length, for each fiscal year of this City in which such sums are payable, in its budget for such fiscal year, shall appropriate such amounts to the payment of such debt service and duly and punctually shall pay or shall cause to be paid not later than the due date thereof to the sinking funds hereinafter established the principal of each of the Notes 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, this City shall and does pledge, irrevocably, its full faith, credit and taxing power. As provided in the Act, the foregoing covenant of this City shall be enforceable specifically.

Furthermore:

(a) There is created pursuant to Section 8221 of the Act, a sinking fund for each series of the Notes, to be known as the "Sinking Fund - General Obligation Notes, Series [__] of 2026" or the "2026[__] General Obligation Notes Sinking Fund".

(b) From the funds deposited in the sinking funds, the Paying Agent, without further action of the City, is hereby authorized and directed to pay the principal of and interest on the Notes of each respective issue, and the City hereby covenants that such monies, to the extent required, will be applied to such purpose, as follows: The Paying Agent shall pay all interest on the Notes as and when the same shall become due and payable and the principal on all Notes, as and when such Notes shall mature by their express terms, or by reason of selection by lot under any mandatory redemption provisions applicable thereto.

The Paying Agent from time to time, may invest and/or deposit money which shall be in its possession hereunder and which shall not be required for application to payment of principal and/or interest with respect to the Notes, in such manner as may be permitted by applicable laws of the Commonwealth of Pennsylvania, for such period of time as will not affect adversely the availability of such money as and when required for application to payment of principal and/or interest with respect to the Notes for the account and benefit of the City; provided, however, that no such investment and/or deposit shall be made which, in any manner: (1) may impair the principal amount thereof; or (2) may cause the Notes issued by the City under this Ordinance to be "arbitrage bonds" within the meaning of the Internal Revenue Code of 1986, as amended, including applicable regulations promulgated, from time to time, in connection therewith and pursuant thereto.

(c) If at any time the Paying Agent shall hold in the Sinking Funds for the Notes monies which are in excess of those required to provide for the payment of interest previously due, and principal on Notes, of each respective, already matured though not yet presented, and such excess monies shall not be required within thirty (30) days to meet the payment of interest on, and principal of Notes, next maturing or to be called for mandatory redemption; and the City shall not otherwise be in default hereunder; then in that event the Paying Agent shall, upon direction from the City, utilize such excess funds for the purchase of any of the Notes, as shall be available for purchase, at the lowest available price, but in no case at more than the applicable redemption price, with accrued interest to the date of the purchase.

(d) All monies deposited in the sinking funds, for the payment of the Notes and interest thereon, which have not been claimed by the owners thereof after two (2) years from the date when payment is due, except where such monies are held for the payment of outstanding checks, drafts or other instruments of the Paying Agent, shall be returned to the City. Nothing contained herein shall relieve the City of its liability to the holders of unpresented Notes.

Section 16. The City appoints The Bank of New York Mellon Trust Company, N.A. as the Sinking Fund Depository with respect to the 2026 Notes Sinking Fund created pursuant to Section 15 of this Ordinance.

Section 17. The following additional terms and conditions shall apply, as appropriate, to the Notes:

(a) Should the City fail to provide the Paying Agent with sufficient funds, payable to the appropriate sinking fund, at appropriate intervals, so as to enable the Paying Agent to pay the principal and interest on the Notes as and when due, or should the City, through the Paying Agent, fail to make such payments as and when due, or should the City fail to perform any other covenant or condition contained in this Ordinance and running to the benefit of the holders or registered owners of the Notes, or contained in the Act as applicable to the Notes, such failure shall constitute a default by the City, and the registered owners of the Notes shall be entitled to all the rights and remedies provided by the Act in the event of default. If any such default occurs, the Paying Agent may, and upon written request of the owner of twenty-five percent (25%) of the aggregate principal amount of the Notes then outstanding 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 Notes, or by other appropriate legal or equitable action restrain or enjoin any acts by the City which may be unlawful or in violation of the rights of the owners of the Notes.

(b) With respect to the Notes hereunder, all such Notes which shall be paid purchased or redeemed by the City or the Paying Agent pursuant to the terms and provisions of this Ordinance shall be canceled and cremated or otherwise destroyed by the Paying Agent, which shall then furnish the City with a Certificate of Cremation or Destruction.

(c) The Notes hereunder shall be deemed to be no longer outstanding if provision for payment at maturity or at redemption, such redemption having been irrevocably undertaken, shall have been made in a manner authorized under Section 8250(b) of the Act.

(d) With respect to the Notes hereunder, the City may from time to time and at any time, adopt a supplemental ordinance in order to: (1) cure any ambiguity or formal defect or omission in this Ordinance or in any supplemental ordinance or (2) grant to or confer upon the owners of the Notes any additional tights, remedies, powers, authority, or security that may be lawfully granted to or conferred upon them. This Ordinance may also be amended or modified from time to time, except with respect to the principal or interest payable upon the Notes, or with respect to the dates of maturity or redemption provisions of the Notes, and in the case of any such permitted amendment or modification, a certified copy of the same shall be filed with the Paying Agent, following approval in writing by the owners of not less than fifty-one percent (51%) in principal amount of the Notes then outstanding, other than Notes provision for payment or redemption of which has been made prior to the effective date thereof as provided in subsection (c) above, and the written consent of any municipal Note insurance company then insuring the Notes.

(e) So long as the Notes shall be insured as to payment to any extent by a bond insurer (the "Note Insurer"), any terms, conditions and covenants set forth in the Purchase Contract addendum in connection with such note insurance shall apply.

Section 18. The Mayor, the City Controller, the City Clerk, and the City Treasurer, respectively, of this City, which shall include their duly qualified successors in office, if applicable, are authorized and directed as appropriate; (a) to prepare, to certify and to file the debt statement required by Section 8110 of the Act; (b) to prepare and file, as required with the Department of Community and Economic Development (the "Department") of the Commonwealth, statements required by Section 8024, 8025 or 8026 of the Act, which are necessary to qualify certain non-electoral and lease rental debt of this City and, if necessary, the debt which will be evidenced by the Notes to be issued hereunder; (c) to prepare, execute and to file the application with the Department, together with a complete and accurate transcript of the proceedings relating to the incurring of debt, of which debt the Notes, upon issue, will be evidence, as required by Section 8111 of the Act; (d) to pay or to cause to be paid to the Department all proper filing fees required by the Act in connection with the foregoing; and (e) to take other required necessary and/or appropriate action.

Section 19. The officers and officials of this City including the Mayor, the City Controller, the City Treasurer, the President of the Council and the City Clerk, are hereby authorized and directed to execute and deliver such other documents and to take such other action as may be necessary or appropriate in order to effect the execution, issuance, sale and delivery of the Notes, all in accordance with this Ordinance.

Section 20. The Mayor of this City and/or the Business Administrator is authorized and directed to contract with The Bank of New York Mellon Trust Company, N.A., for its services as Sinking Fund Depository and as Paying Agent in connection with the Notes, and to sign a commitment letter with the Note Insurer, if any, and are authorized and directed to execute on behalf of the City at the appropriate time, a Paying Agent Agreement with The Bank of New York Mellon Trust Company, N.A., as Paying Agent for the Notes, a Continuing Disclosure Certificate, and a commitment to purchase Note insurance from the Note Insurer. The Mayor and the Business Administrator are authorized to approve payment by the Paying Agent at settlement on the sale of the Notes of all costs and expenses incidental to such issuance and sale including the Note insurance premium due any Note Insurer.

Section 21. It is declared that the debt to be incurred by the issuance of the Notes hereby, together with any other indebtedness of the City, is not in excess of any limitation imposed by the Act upon the incurring of non-electoral debt by the City.

Section 22. Proper officers of the City are authorized and directed to deliver the Notes upon execution and authentication thereof as provided for herein, to the Underwriter, but only upon receipt of proper payment of the balance due therefore, and only after the Department has certified its approval pursuant to Section 8204 of the Act.

Section 23. (a) The City hereby covenants with the registered owners, from time to time, of the Notes that no part of the proceeds of the Notes or of any monies on deposit with the Paying Agent and Sinking Fund Depository hereunder will be used, at any time, directly or indirectly, in a manner which, if such use had been reasonably expected on the date of issuance of the Notes, would have caused the Notes to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986 (the "Code") and the Regulations thereunder (the "Regulations") proposed or in effect at the time of such use and applicable to the Notes, and that it will comply with the requirements of that section of the Code and the Regulations throughout the terms of the Notes .

(b) The City covenants, if it is not eligible for any rebate exception under the Code and the Regulations, that it will rebate to the U.S. Treasury, at the times and in the manner required by the Code and the Regulations, all investment income derived from investing the proceeds of the Notes in an amount which exceeds the amount which would have been derived from the investment of the proceeds of the Notes at a yield not in excess of the yield on the Notes.

(c) The City will file IRS Form 8038-G and any other forms or information required by the Code and the Regulations to be filed in order to permit the interest on the Notes to be excluded from gross income for federal income tax purposes.

Section 24. The City does hereby covenant and agree, for the benefit of the holders of the Notes from time to time, that it will comply with the requirements of Rule 15c2- l 2 of the Securities and Exchange Commission ("SEC") with respect to municipal securities disclosure, and will execute and comply with an appropriate Continuing Disclosure Certificate as approved by counsel as long as the Notes are outstanding.

Section 25. (a) The City covenants that, currently with the delivery of the Notes to the Underwriters, there will be paid over to and for the account of the respective Paying Agents for the Prior Bonds ("Prior Note Paying Agents") by the City an amount of money which, together with other available monies, will be sufficient to provide necessary funds to enable the Prior Bonds Paying Agents to provide necessary funds to pay the interest and principal at redemption on the Redemption Date for those Prior Bonds being refunded and for the costs of retirement on such date of the Prior Bonds then outstanding and being refunded in accordance with the Refunding Program.

(b) The City further covenants that the Notes will not be delivered to the Underwriter unless and until the City prior to or concurrently with such delivery, shall have taken or shall take all action as shall be necessary and/or appropriate to implement and effectuate provisions for the aforesaid defeasance the Prior Bonds being refunded pursuant to the Refunding Program. The intent and purpose of the foregoing is to ensure that the City will take such action and will cause such action to be taken and will do such things and will cause the Prior Bonds Paying Agents to do such things, prior to or concurrently with delivery of the refunding of the Prior Bonds, as shall be necessary and/or appropriate to implement and effectuate provision of the aforesaid defeasance of the Prior Bonds so that simultaneously with delivery of the refunding of the Notes to the Underwriters, for purposes of the Act, such Prior Bonds no longer shall be considered to be outstanding, and the City shall be deemed to have made appropriate provisions for the retirement of the outstanding non-electoral debt which was evidenced thereby.

(c) The City shall enter into any appropriate escrow agreements with the Prior Bonds Paying Agents (in such capacity, the "Escrow Agents"), to cause and require the Escrow Agents to take actions necessary in order to carry out the Refunding Program.

(d) There may be created pursuant to Section 8221 of the Act, sinking funds for the any series of Prior Bonds (collectively referred to as the "Escrowed Bonds"') to be refunded under an escrow agreement or Agreement (the "Escrow Agreements") to be known as the "Escrow Funds"', which sinking funds shall be administered in accordance with the Act. The City may enter into any further escrow agreement to be known as "Escrow Funds" as necessary and appropriate.

(e) The Paying Agent for the Escrowed Bonds or its successors is hereby designated as Escrow Agents under each respective Escrow Agreements and as Sinking Fund Depository for the Escrow Funds under the Escrow Agreements.

(f) The President or Vice President of the Council and/or the Business Administrator, which shall include their duly qualified succession office, or any representative of the Underwriter are authorized and directed to execute any required subscriptions or other orders for the purchase of the Investments to be purchased pursuant to the Refunding Program under the

Escrow Agreements, or otherwise and to cause such orders, or subscriptions to be delivered promptly to the Federal Reserve Bank or other issuer or supplier.

Section 26. The City hereby covenants that the proceeds of the Notes allocated to the Refunding Program shall, after the payment of costs and expenses with respect to the issuance of the Notes, be deposited with the Escrow Agents for the Escrowed Bonds under the Escrow Agreements between the City and the Escrow Agents, respectively, to provide the appropriate and required funds, to refund the Escrowed Bonds being refunded pursuant to the Refunding Program. The City further covenants that the principal amount of such funds so deposited, and the interest to be earned thereby, together with any other available funds deposited thereunder, shall be adequate with respect to the Escrowed Bonds to make all payments of interest as due, and principal at maturity or redemption, according to the Refunding Program. The City further covenants that the amounts so deposited with said Escrowed Bonds Paying Agent/Escrow Agents as aforesaid or as otherwise paid to the Paying Agent/Escrow Agent shall also be adequate to pay all fees for the services to be performed by the Escrowed Bonds Paying Agent/Escrow Agent, including the retirement of the Escrowed Bonds when called for redemption or the City will pay such costs and any other incidental costs and expenses.

Section 27. The City covenants that any Escrow Agreement to be entered into between the City and the Escrow Agent shall require the Escrow Agent to utilize the proceeds and any other funds available, and any other funds to be deposited thereunder for the purpose, and that such total funds will be adequate, to purchase the Investments as set forth in the schedules attached to the Escrow Agreements. The Escrow Agreements shall provide that the Escrow Agents will, without further direction from the City, pay from the Refunding Investment Revenues delivered by way of interest to and principal at maturity on the Investments and other available monies, as above required, the interest due and principal at maturity or at redemption on the Escrowed Bonds, to the extent of the funds available.

Section 28. The City does herby authorize and direct the issuance of irrevocable instructions (the "Irrevocable Instructions") to the Paying Agents for the Prior Bonds, calling for the redemption of the Prior Bonds being called pursuant to the Refunding Program, notification to the Noteholders in question, and the redemption of such bonds with such Irrevocable Instructions and the notice of redemption to be given thereby.

Section 29. In the event that any provision, section, sentence, clause or part of this Ordinance shall be held invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Ordinance, it being the intent of the City that such remainder shall be and shall remain in full force and effect.

Section 30. All ordinances or parts of ordinances, insofar as the same shall be inconsistent herewith, shall be and the same expressly are repealed.

This Ordinance shall be effective in accordance with Section 8003 of the Act.

Sponsored by ________________________________

____

PASSED finally in Council on the [___] day of [_____], 2026.

____
President of Council

ATTEST:

____
City Clerk

(SEAL)

This Ordinance approved this [___] day of [______], 2026.

____
Mayor

Examined and approved by me this [__] day of [____], 2026.

Mayor of the City of Bethlehem
Lehigh and Northampton Counties,
Pennsylvania

I hereby certify that the foregoing Ordinance was passed by the City Council and signed by his Honor the Mayor on [_________], 2026.

President of Council

EXHIBIT A

$25,000,000

CITY OF BETHLEHEM

GENERAL OBLIGATION NOTES, SERIES OF 2026

MAXIMUM DEBT SERVICE SCHEDULE

EXHIBIT B

FORM OF NOTE

[*With appropriate additions, deletions, and revisions to reflect series, subseries, and final terms in accordance with the terms of the Ordinance]*

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the City 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 inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
CITY OF BETHLEHEM
GENERAL OBLIGATION NOTES, [SERIES OF 2026]

Interest Rate	Maturity Date	Date of Issue	CUSIP
%	______, 20__	______, 2026	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _________MILLION __________ HUNDRED __________THOUSAND

AND 00/100 DOLLARS ($_____,000.00)

CITY OF BETHLEHEM, Counties of Lehigh and Northampton, Commonwealth of Pennsylvania (the "City"), a municipality existing under the laws of the Commonwealth of Pennsylvania and a local government unit, as defined in the Local Government Unit Debt Act, 53 Pa.C.S. § 8001 *et seq*., as amended and supplemented (the "Debt Act"), for value received, hereby promises to pay to the registered owner of this General Obligation Note, Series of 2026, on the above stated maturity date, the above stated principal sum unless this Note shall be redeemable and duly shall have been called for previous redemption and payment of the redemption price shall have been made or provided for, and to pay semiannually on [April 1 and

October 1] of each year (each, an "Interest Payment Date"), beginning [April 1, 2027], to the registered owner hereof, interest thereon at the above stated annual rate of interest, 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 succeeding Interest Payment Date, in which event this Bond shall bear interest from such succeeding Interest Payment Date; or (c) this Note is registered and authenticated prior to the Record Date preceding [April 1, 2027], in which event this Note shall bear interest from the Date of Issue; 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 on which interest was last paid on this Note until the principal sum hereof is paid.

This Note is one of a series of Notes of the City, known generally as "General Obligation Notes, Series of 2026" (the "Notes"), stated to mature in 20___ through 20___ inclusive, in the aggregate principal amount of ______________ Dollars ($____) authorized pursuant to an ordinance (the "Ordinance") of the City enacted [_______], 2026.

The proceeds of sale of the Notes will be utilized to fund the Refunding Program as defined in the Ordinance.

The Notes constitute general obligations of the City payable from its general revenues. The City has covenanted, in the Ordinance, to and with registered owners, from time to time, of the Notes that shall be outstanding, that the City: (i) shall include the amount of the debt service from such Notes, for each fiscal year of the City 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 with the Paying Agent under the Ordinance (the "Sinking Fund") or any other of its revenues or funds, the principal of each of such Notes and the interest thereon on the dates and at the place and in the maimer stated therein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, the City has pledged and does pledge, irrevocable, its full faith, credit and taxing power. The Paying Agent is required to pay from the Sinking Fund the principal of and interest on the Notes as the same shall become due and payable.

Notes maturing on or after _______________ are subject to redemption prior to maturity, at the option of the City, as a whole series on ____________________, or on any date thereafter, or, in part on ___________________, or on any date thereafter, as directed by the City, and by lot within a maturity, allowing sufficient time for notice as required hereafter, unless waived, in each case upon payment of the principal amount, together with accrued interest to the date fixed for redemption.

The Notes have been authorized for issuance in accordance with provisions of the Local Government Unit Debt Act (the "Act") of the Commonwealth and by virtue of the Ordinance. The Act, as such shall have been in effect when the Notes were authorized, and the Ordinance shall constitute a contract between the City and registered owners, from time to time, of the Notes.

The interest on this Note, which is payable by check drawn on The Bank of New York Mellon Trust Company, N.A., as paying agent, or its successors (the "Paying Agent"), and the principal of and premium, if any, on this Note, which are payable upon surrender, are payable in lawful money of the United States of America, at the corporate trust office of the Paying Agent in Pittsburgh, Pennsylvania. 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 15th day of the month 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 City shall be in default in payment of interest due on such interest payment date. In the event of 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.

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 like aggregate principal amount of Notes of other authorized denominations, of the same series and Note maturity. This Note may be transferred or exchanged by the registered owner hereof upon surrender of this Note to the Paying Agent, at its corporate trust office in Pittsburgh, Pennsylvania, accompanied by a written instrument or instruments of transfer 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 in the name of the transferee or transferees a new fully registered Note or Notes of authorized denominations of the same series and maturity and from for the aggregate amount which the registered owner is entitled to receive at the earliest practicable time. The City 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, premium, if any, and interest due hereon and for all other purposes, and the City and the Paying Agent shall not be affected by any notice to the contrary.

If this Note is of a denomination larger than $5,000, a portion of this Note may be redeemed. For the purposes of redemption, this Note shall be treated as representing that number of Notes which is obtained by dividing the denomination hereof 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 shall be made only upon surrender of this Note in exchange for Notes of like form, same series and maturity, of authorized denominations in aggregate amount equal to the unredeemed portion hereof.

Any redemption shall be made only after notice by mailing by first class mail a notice thereof to the registered owners of all Notes to be redeemed and to any Note insurer then insuring the Notes, not more than forty-five (45) days nor less than twenty-five (25) days prior to the date fixed for redemption, at the address shown on the registration books, or after waivers of such notice executed by the registered owners of all Notes to be redeemed shall have been filed with the Paying Agent, all as provided for in the Ordinance. Failure to mail any notice or any defect therein or in the mailing thereof, with respect to any particular Note, shall not affect validity of the proceedings for redemption of any other Note.

Any notice of redemption mailed in accordance with these requirements shall be conclusively, presumed to have been duly given, whether or not such registered holder actually receives the notice. Notice having been so given or waived, and provision having been made for redemption from funds on deposit with the Paying Agent, all interest on the Notes called for redemption accruing after the date fixed for redemption shall cease, and the registered owners of the Notes called for redemption shall have no security, benefit or lien under the Ordinance or any right except to receive payment of the principal of and accrued interest on such Notes to the date fixed for redemption.

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 from and manner, as required by law; and (ii) the debt represented by this Note, together with any other indebtedness of the City, is not in excess of any limitation imposed by the Act upon the incurring of debt by the City.

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

IN WITNESS WHEREOF, the City has caused this Note to be executed in its name by the signature of the President of the Council of the City, and its seal to be affixed hereto, attested by the facsimile signature of the City Clerk, all as of [_________], 2026.

ATTEST:	CITY OF BETHLEHEM
______________________________	By:______________________________
City Clerk	President of Council

(SEAL)

CERTIFICATE OF AUTHENTICATION AND
CERTIFICATE AS TO OPINION [AND
CERTIFICATE AS TO STATEMENT OF INSURANCE]

It is certified that:

(i) This Note is one of the Notes described in the within mentioned Ordinance;

(ii) The text of the Opinion attached to this Note is a true and correct copy of the text of an original Opinion issued by Barnes & Thornburg LLP dated and delivered on the date of the original delivery of, and payment for, such Notes that is on file at our corporate trust office in Pittsburgh, Pennsylvania where the same may be inspected; and

(iii) [The original or a copy of the municipal Note insurance policy referred to in the statement of insurance attached to this Note is on file at our corporate trust office in Pittsburgh, Pennsylvania where the same may be inspected.]

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Paying Agent

BY: ______________________________
Authorized Representative

Authentication Date

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common	UNIF GIFT MIN ACT- under Uniform Gifts to Minors Act
TEN ENT - as tenants by the entireties	______________________________(Cust)
JT TEN - as joint tenants with right of survivorship and not as tenants in common	______________________________(Minor)
	______________________________(State)

Additional abbreviations may also be used though not in the list above.

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

____

(Please print or typewrite name and address including postal zip code of transferee) as Agent to transfer the within Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated:______________________________

Signature Guaranteed

______________________________ ______________________________

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

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the Bond, in every particular, without alteration or enlargement, or any change whatever.

STATEMENT OF INSURANCE

Insurance provisions, if any, shall be mutually agreed upon by the parties.

EXHIBIT C

NOTE PURCHASE CONTRACT