COUNTY OF LOS ANGELES
TREASURER AND TAX COLLECTOR

KENNETH HAHN HALL OF ADMINISTRATION
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LOS ANGELES, CA 90012
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MARK J. SALADINO
TREASURER AND TAX COLLECTOR

April 1, 2003

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

ISSUANCE AND SALE OF PASADENA UNIFIED SCHOOL DISTRICT
(COUNTY OF LOS ANGELES, CALIFORNIA)
2003 GENERAL OBLIGATION BONDS, ELECTION OF 1997, SERIES D
(FIFTH DISTRICT) (3-VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Adopt the Resolution authorizing the issuance and sale of general obligation bonds of the Pasadena Unified School District in an aggregate principal amount not to exceed $70,000,000.

2. Approve Official Notice Inviting Proposals for Purchase of Bonds.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Governing Board of the Pasadena Unified School District adopted a resolution on March 13, 2003 and determined that the District needs to borrow funds in an aggregate principal amount not to exceed $70,000,000 to be used for authorized purposes.

On November 4, 1997, an election was held whereby qualified voters of the District approved the proposition authorizing the District to issue $240,000,000 in general obligation bonds to be used for the purpose of raising money to improve safety and the quality of education by repairing and rehabilitating aging schools, and to pay costs in connection with the issuance of bonds. This will be the fourth and final issuance of bonds authorized under this bond measure.

Pursuant to Section 15140 of the Education Code, the Board of Supervisors is responsible for offering the District's bonds for sale. Such bonds shall be issued in the name and on behalf of such school district by the Board of Supervisors of the County following receipt of the district resolution requesting such borrowing.

Implementation of Strategic Plan Goals

This action supports the County's Strategic Plan Goal of Service Excellence by providing one-stop service delivery to the District. It supports the Strategic Plan Goal of Organizational Effectiveness through collaborative actions among County departments and other governmental jurisdictions. And, it supports the Strategic Plan Goal of Fiscal Responsibility by providing investment in and development of public school infrastructure in this County.

FISCAL IMPACT/FINANCING

None to the County. All debt will be paid by the District.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Resolution provides for issuance of bonds not to exceed an interest rate of twelve percent (12.00%) per annum. The final structure will be determined at the time of pricing to achieve the lowest cost of financing within the limits of the proposition's tax levy. The term of the bonds will not exceed twenty-five years. Provisions for optional redemption of these bonds will be described in the Official Statement.

The Resolution provides for a competitive sale of the bonds by the Treasurer with consultation of the District and the Financial Advisor. The District has selected Sidley Austin Brown & Wood as Bond Counsel and U.S. Bank Trust National Association as Paying Agent.

The County will annually levy and collect ad valorem taxes for the repayment of the bonds on behalf of the District.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Not Applicable

CONCLUSION

Upon approval of this Resolution, the Department will need two (2) originally executed copies of the adopted Resolution.

Respectfully submitted,

MARK J. SALADINO
Treasurer and Tax Collector

MJS:DL:JW
pb/boardPasadenatBoard Letter

Attachments(2)

c: Chief Administrative Officer
Auditor-Controller
County Counsel
Pasadena Unified School District
Los Angeles County Office of Education
Sidley Austin Brown & Wood
U. S. Bank Trust, National Association

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AUTHORIZING THE ISSUANCE AND SALE OF 2003 GENERAL OBLIGATION BONDS (ELECTION OF 1997, SERIES D) ON BEHALF OF THE PASADENA UNIFIED SCHOOL DISTRICT IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED SEVENTY MILLION DOLLARS ($70,000,000)

WHEREAS, an election was duly called and regularly held in the Pasadena Unified School District, County of Los Angeles, California (herein called the "District"), on November 4, 1997, and thereafter canvassed pursuant to law; and

WHEREAS, at such election there was submitted to and approved by the requisite two-thirds vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum amount of $240,000,000 (Two Hundred Forty Million Dollars) payable from the levy of an ad valorem tax against the taxable property in the District; and

WHEREAS, $170,000,000 aggregate principal amount of the bonds, designated "Pasadena Unified School District 1998 General Obligation Bonds (Election of 1997, Series A)," "Pasadena Unified School District 1999 General Obligation Bonds (Election of 1997, Series B)" and "Pasadena Unified School District 2001 General Obligation Bonds (Election of 1997, Series C)" respectively, have heretofore been issued and sold;

WHEREAS, the Board of Education of the District has requested this Board of Supervisors (the "Board of Supervisors") of the County of Los Angeles (the "County") to issue a portion of the approved bonds pursuant to Section 15100 *et seq.* of the Education Code of the State of California in a single series designated the "Pasadena Unified School District (County of Los Angeles, California), 2003 General Obligation Bonds (Election of 1997, Series D)" in an aggregate principal amount not to exceed $70,000,000 (the "Series D Bonds); and

WHEREAS, this Board of Supervisors accepts the representation of the District that it is necessary and desirable that the bonds be issued and sold by a competitive sale for the purposes for which the bonds have been authorized pursuant to the Notice Inviting Proposals for Purchase of Bonds (as described herein);

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES AS FOLLOWS:

SECTION 1. Recitals. All of the above recitals are true and correct.

SECTION 2. District Resolution Incorporated. The Resolution of the Board of Education of the District adopted on March 11, 2003 with respect to the Series D Bonds, a certified copy of which has been filed with the Executive Officer-Clerk of this Board of Supervisors (the "District Resolution") is incorporated herein by reference and all of the provisions thereof are made a part hereof and shall be applicable to the bonds herein provided for, except as herein otherwise expressly provided.

SECTION 3. Authorization and Designation of Bonds. This Board of Supervisors hereby authorizes on behalf of the Pasadena Unified School District, the issuance and sale of

not to exceed $70,000,000 aggregate principal amount of bonds of the District and designates the bonds to be issued and sold as the "Pasadena Unified School District (County of Los Angeles, California), 2003 General Obligation Bonds (Election of 1997, Series D)" (herein called the "Series D Bonds" or the "Bonds").

SECTION 4. Form of Bonds; Execution.

(a) Book-Entry. The Depository Trust Company, New York, New York, is hereby appointed depository for the Series D Bonds. The Series D Bonds shall be issued in book-entry form only, and shall be initially registered in the name of "Cede & Co.," as nominee of The Depository Trust Company, and registered ownership of the Series D Bonds may not thereafter be transferred except as provided in Section 9 hereof. One bond certificate shall be issued for each maturity of the Series D Bonds.

(b) Form of Bonds. The Series D Bonds shall be issued in fully registered form without coupons. The Series D Bonds and the paying agent's certificate of authentication and registration and the form of assignment to appear on each of them, shall be in substantially the form attached hereto as Exhibit C, with necessary or appropriate variations, omissions and insertions as permitted or required by this Resolution; provided, that if a portion of the text of any Series D Bond is printed on the reverse of the Series D Bond, the following legend shall be printed on the face of such Series D Bond: "THE PROVISIONS OF THIS BOND ARE CONTINUED ON THE REVERSE HEREOF AND SUCH CONTINUED PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH AT THIS PLACE."

(c) Execution of Bonds. The Series D Bonds shall be signed by the manual or facsimile signatures of the Chair of the County (the "Chair") and the Treasurer and Tax Collector of the County or any authorized deputy thereof (the "Treasurer"), and countersigned by the manual or facsimile signature of the Executive Officer-Clerk of the Board of Supervisors or any authorized deputy. The Bonds shall be authenticated by a manual signature of a duly authorized officer of the Paying Agent (as defined in Section 8(a) hereof).

(d) Valid Authentication. Only such of the Series D Bonds as shall bear thereon a certificate of authentication and registration as described in Section 4(b) hereof, executed by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such certificate of the Paying Agent shall be conclusive evidence that the Series D Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Resolution.

(e) Identifying Number. The Paying Agent shall assign each Series D Bond authenticated and registered by it a distinctive letter, or number, or letter and number, and shall maintain a record thereof at its principal corporate trust office, which record shall be available to the District and the County for inspection.

SECTION 5. Terms of Bonds.

(a) Date of Bonds. The Series D Bonds shall be dated their date of delivery, or such other date as shall be set forth in the Official Statement (as defined herein).

(b) Denominations. The Series D Bonds shall be issued in denominations of $5,000 principal amount or any integral multiple thereof.

(c) Maturity. The Series D Bonds shall mature on the date, in each of the years, in the principal amounts and in the aggregate principal amount as shall be set forth in the Official Statement. No Series D Bond shall mature later than the date which is 25 years from the date of the Bonds, to be determined as provided in Section 5(a) hereof.

(d) Interest. As used in this Resolution and in the Series D Bonds, the terms "interest payment date," and "interest date" shall be interchangeable, and shall mean May 1 and November 1 of each year until the final maturity date of the Series D Bonds, or such other dates specified in the Official Statement.

The Series D Bonds shall bear interest at an interest rate not to exceed 12% per annum, first payable on May 1, 2004, and thereafter on November 1 and May 1 in each year (or on such other initial and semiannual interest payment dates as shall be set forth in the Official Statement), computed on the basis of a 360-day year of twelve (12) 30-day months. Each Series D Bond shall bear interest from the interest payment date next preceding the date of authentication thereof, unless it is authenticated as of a day during the period from the Record Date (as defined in Section 6(b) hereof) immediately preceding any interest payment date to and including such interest payment date, in which event it shall bear interest from such interest payment date, or unless it is authenticated on or before the Record Date preceding the first interest payment date, in which event it shall bear interest from its date; provided, that if, at the time of authentication of any Series D Bond, interest is in default on any outstanding Series D Bonds, such Series D Bond shall bear interest from the interest payment date to which interest has previously been paid or made available for payment on the outstanding Series D Bonds.

SECTION 6. Payment.

(a) Principal. The principal of the Series D Bonds shall be payable in lawful money of the United States of America to the person whose name appears on the bond registration books of the Paying Agent (as described in Section 8(e) hereof) as the registered owner thereof (the "Owner"), upon the surrender thereof at the principal corporate trust office of the Paying Agent.

(b) Interest; Record Date. The interest on the Series D Bonds shall be payable in lawful money of the United States of America to the Owner thereof as of the close of business on the 15th day of the month preceding an interest payment date (the "Record Date"), whether or not such day is a business day, such interest to be paid by check mailed on such interest payment date (if a business day, or on the next business day if the interest payment date does not fall on a business day) to such Owner at such Owner's address as it appears on the bond registration books described in Section 8(e) hereof or at such address as the Owner may have filed with the Paying Agent for that purpose except that the payment shall be made in immediately available funds (*e.g.*, by wire transfer) to any Owner of at least one million dollars ($1,000,000) of outstanding Series D Bonds, to the bank and account number on file with the Paying Agent as of the Record Date, who shall have requested in writing such method of payment of interest prior to the close of business on the Record Date immediately preceding any interest payment date. So long as Cede & Co. or its registered assigns shall be the Owner of the Series D Bonds, payment shall be made in immediately available funds as provided in Section 9(d) hereof.

(c) Debt Service Fund. (a) Principal and interest due on the Series D Bonds shall be paid from the interest and sinking fund of the District within the County treasury (the "Debt Service Fund") as provided in Section 15146 of the Education Code. The Series D Bonds are the general obligations of the District and do not constitute an obligation of the County. *No part of any fund of the County is pledged or obligated to the payment of the Series D Bonds.*

SECTION 7. Redemption Provisions.

(a) Optional Redemption. The Series D Bonds shall be subject to redemption, at the option of the District, on the dates and terms as shall be designated in the Official Statement. The Notice Inviting Proposals may provide that the Series D Bonds shall not be subject to optional redemption.

If the Series D Bonds shall be subject to optional redemption and less than all of the Series D Bonds are called for such redemption, such bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District, and if less than all of the Series D Bonds of any given maturity are called for redemption, the portions of such bonds of a given maturity to be redeemed shall be determined by lot.

(b) Mandatory Sinking Fund Redemption. The Series D Bonds, if any, which are designated in the Official Statement as Series D Term Bonds may also be subject to redemption prior to their stated maturity dates, without a redemption premium, in part by lot, from mandatory sinking fund payments in the amounts and in accordance with the terms to be specified in the Official Statement. The principal amount of each mandatory sinking fund payment of any maturity shall be reduced proportionately by the amount of any Series D Bonds of that maturity optionally redeemed prior to the mandatory sinking fund payment date.

(c) Notice of Redemption. Notice of redemption of any Series D Bonds shall be given by the Paying Agent upon the written request of the District given at least 60 days prior to the date designated for such redemption. Notice of any redemption of Series D Bonds shall be mailed postage prepaid, not less than thirty (30) nor more than sixty (60) days prior to the redemption date (i) by first class mail to the respective Owners thereof at the addresses appearing on the bond registration books described in Section 8(e) hereof, (ii) by secured mail to all organizations registered with the Securities and Exchange Commission as securities depositories, (iii) to at least two information services of national recognition which disseminate redemption information with respect to municipal securities, and (iv) as may be further required in accordance with the Continuing Disclosure Certificate of the District described in Section 17 hereof.

Each notice of redemption shall contain all of the following information:

(i) the date of such notice;

(ii) the name of the Bonds and the date of issue of the Bonds;

(iii) the redemption date;

(iv) the redemption price;

(v) the dates of maturity of the Bonds to be redeemed;

(vi) (if less than all of the Bonds of any maturity are to be redeemed) the distinctive numbers of the Bonds of each maturity to be redeemed;

(vii) (in the case of Bonds redeemed in part only) the respective portions of the principal amount of the Bonds of each maturity to be redeemed;

(viii) the CUSIP number, if any, of each maturity of Bonds to be redeemed;

(ix) a statement that such Bonds must be surrendered by the Owners at the principal corporate trust office of the Paying Agent, or at such other place or places designated by the Paying Agent; and

(x) notice that further interest on such Bonds will not accrue after the designated redemption date.

(d) Effect of Notice. A certificate of the Paying Agent or the District that notice of call and redemption has been given to Owners and to the appropriate securities depositories and information services as herein provided shall be conclusive as against all parties. The actual receipt by the Owner of any Series D Bond or by any securities depository or information service of notice of redemption shall not be a condition precedent to redemption, and failure to receive such notice, or any defect in the notice given, shall not affect the validity of the proceedings for the redemption of such Bonds or the cessation of interest on the date fixed for redemption.

When notice of redemption has been given substantially as provided for herein, and when the redemption price of the Bonds called for redemption is set aside for the purpose as described in Section 7(e) hereof, the Bonds designated for redemption shall become due and payable on the specified redemption date and interest shall cease to accrue thereon as of the redemption date, and upon presentation and surrender of such Bonds at the place specified in the notice of redemption, such Bonds shall be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of such Bonds so called for redemption after such redemption date shall look for the payment of such Bonds and the redemption premium thereon, if any, only to the interest and sinking fund or the escrow fund established for such purpose. All Bonds redeemed shall be cancelled forthwith by the Paying Agent and shall not be reissued.

(e) Redemption Fund. Prior to or on the redemption date of any Bonds there shall be available in the interest and sinking fund of the District, or held in trust for such purpose as provided by law, monies for the purpose and sufficient to redeem, at the premiums payable as in this resolution provided, the Bonds designated in any notice of redemption. Such monies so set aside in any such escrow fund shall be applied on or after the redemption date solely for payment of principal of and premium, if any, on the Bonds to be redeemed upon presentation and surrender of such Bonds, provided that all monies in the interest and sinking fund of the District shall be used for the purposes established and permitted by law. Any interest due on or prior to the redemption date shall be paid from the interest and sinking fund of the District, unless otherwise provided for to be paid from such escrow. If, after all of the Bonds have been redeemed and cancelled or paid and cancelled, there are monies remaining in the interest and sinking fund of the District or otherwise held in trust for the payment of redemption price of the Bonds, those monies shall be held in or returned or transferred to the interest and sinking fund of the District for payment of any outstanding bonds of the District payable from that fund;

provided, however, that if those monies are part of the proceeds of bonds of the District, the monies shall be transferred to the Debt Service Fund. If no such bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

(f) Defeasance of Bonds. If at any time the District shall pay or cause to be paid or there shall otherwise be paid to the Owners of any or all outstanding Bonds all of the principal, interest and premium, if any, represented by such Bonds at the times and in the manner provided herein and in the Bonds, or as provided in the following paragraph, or as otherwise provided by law consistent herewith, then such Owners shall cease to be entitled to the obligation of the District as provided in Section 11 hereof, and such obligation and all agreements and covenants of the District and of the County to such Owners hereunder and under the Bonds shall thereupon be satisfied and discharged and shall terminate, except only that the District shall remain liable for payment of all principal, interest and premium, if any, represented by the Bonds, but only out of monies on deposit in the interest and sinking fund or otherwise held in trust for such payment; and provided further, however, that the provisions of Section 7(g) hereof shall apply in all events.

All or any portion of the outstanding maturities of the Bonds may be defeased prior to maturity in the following ways:

(i) by irrevocably depositing with the Paying Agent an amount of cash which together with amounts then on deposit in the Debt Service Fund, is sufficient to pay all Bonds outstanding and designated for defeasance, including all principal and interest and redemption premium, if any; or

(ii) by irrevocably depositing with the Paying Agent, noncallable United States Obligations (as defined below) together with cash, if required, in such amount as will, in the opinion of an independent certified public accountant, together with interest to accrue thereon and monies then on deposit in the Debt Service Fund together with the interest to accrue thereon, be fully sufficient to pay and discharge all Bonds outstanding and designated for defeasance (including all principal thereof and interest and prepayment premiums, if any, thereon) at or before their maturity date.

For purposes of this Section 7(f), United States Obligations shall mean:

Direct and general obligations of the United States of America (including state and local government series), or obligations that are unconditionally guaranteed as to principal and interest by the United States of America, including (in the case of direct and general obligations of the United States of America) evidences of direct ownership of proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interests must be limited to circumstances wherein (a) a bank or trust company acts as custodian and holds the underlying United States obligations; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States obligations; and (c) the underlying United States obligations are held in a special account, segregated from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to

whom the custodian may be obligated; provided that such obligations are rated or assessed "AAA" by Standard & Poor's or "Aaa" by Moody's Investors Service.

In the event that Bonds are being defeased pursuant to paragraph (ii) of this Section 7(f), the independent certified public accountant referred to therein and any escrow agent selected in connection with said defeasance shall both be subject to County approval.

(g) Unclaimed Monies. Any money held in any fund created pursuant to this Resolution, or by the Paying Agent in trust, for the payment of the principal of, redemption premium, if any, or interest on the Bonds and remaining unclaimed for one year after the principal of all of the Bonds has become due and payable (whether by maturity or upon prior redemption) shall be transferred to the interest and sinking fund of the District for payment of any outstanding bonds of the District payable from that fund; or, if no such bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

SECTION 8. Paying Agent and Disbursement Agent.

(a) Defined. As used in this Resolution and in the Bonds, "Paying Agent" shall mean the Treasurer and his designated agents or his successors or assigns, acting in the capacity of paying agent, registrar, authenticating agent and transfer agent. The Treasurer is authorized to contract with any third party to perform the services of Paying Agent under this Resolution.

(b) Appointment; Payment of Fees and Expenses. This Board of Supervisors does hereby appoint the Treasurer to act as initial authenticating agent, bond registrar, transfer agent and paying agent for the Series D Bonds, and does confirm said appointment for purposes of this Resolution. All fees and expenses of the Paying Agent shall be the sole responsibility of the District, and to the extent not paid from the proceeds of sale of the Bonds, or from the Debt Service Fund, insofar as permitted by law, including specifically by Section 15232 of the Education Code of the State, such fees and expenses shall be paid by the District.

(c) Resignation, Removal and Replacement of Paying Agent. The Paying Agent initially appointed or any successor paying agent may resign from service as Paying Agent and may be removed as provided in the Paying Agent's service agreement with the District and the County; provided that any successor shall be appointed with the consent of the County. Without further action by the District, if at any time the Paying Agent shall resign or be removed and no successor appointed by the District, the Treasurer shall appoint a successor Paying Agent, which shall be a bank or trust company doing business in and having a corporate trust office in Los Angeles, California, with at least $50,000,000 in net assets.

(d) Principal Corporate Trust Office. Unless otherwise specifically noted, and for so long as the Treasurer shall serve as Paying Agent hereunder, any reference herein to the "principal corporate trust office" of the Paying Agent shall mean in care of the office of the Treasurer in Los Angeles, California; provided, however, that in any case "principal corporate trust office" shall mean any other office of the Paying Agent designated for a particular purpose, and shall include the principal corporate trust office or other designated office of any successor paying agent.

(e) Registration Books. The Paying Agent will keep or cause to be kept at its principal corporate trust office sufficient books for the registration and transfer of the Series D

Bonds, which shall at all times be open to inspection by the District, and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred on the books, Series D Bonds as provided in Section 9 hereof. The Paying Agent shall keep accurate records of all funds administered by it and of all Series D Bonds paid and discharged by it. Such records shall be provided, upon reasonable request, to the County in a format mutually agreeable to the Paying Agent and the County.

(f) Disbursement Agent. For any period of time in which the Treasurer is not acting in the capacity of Paying Agent, the Treasurer shall serve as disbursement agent hereunder and shall transfer monies from the Debt Service Fund to the Paying Agent in order to make payments of principal of and interest on the Series D Bonds.

SECTION 9. Transfer Under Book-Entry System; Discontinuation of Book-Entry System.

(a) The Series D Bonds shall be initially issued and registered as provided in Section 4 hereof. Registered ownership of such Series D Bonds, or any portion thereof, may not thereafter be transferred except:

(i) to any successor of Cede & Co., as nominee of The Depository Trust Company, or its nominee, or to any substitute depository designated pursuant to clause (ii) of this Section 9(a) (a "substitute depository"); provided, that any successor of Cede & Co., as nominee of The Depository Trust Company or substitute depository, shall be qualified under any applicable laws to provide the services proposed to be provided by it;

(ii) to any substitute depository not objected to by the District or the County, upon (1) the resignation of The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the County (upon consultation with the District) to substitute another depository for The Depository Trust Company (or its successor) because The Depository Trust Company or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; provided, that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(iii) to any person as provided below, upon (1) the resignation of The Depository Trust Company or its successor (or substitute depository or its successor) from its functions as depository, or (2) a determination by the County (upon consultation with the District) to remove The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository.

(b) In the case of any transfer pursuant to clause (i) or clause (ii) of Section 9(a) hereof, upon receipt of the outstanding Series D Bonds by the Paying Agent, together with a written request of the District or County to the Paying Agent, a new Series D Bond for each maturity shall be executed and delivered in the aggregate principal amount of the Series D Bonds then outstanding, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the District or County. In the case of any transfer pursuant to clause (iii) of Section 9(a) hereof,

upon receipt of the outstanding Series D Bonds by the Paying Agent together with a written request of the District or County to the Paying Agent, new Series D Bonds shall be executed and delivered in such denominations, numbered in the manner determined by the Paying Agent, and registered in the names of such persons, as are requested in such written request of the District or County, subject to the limitations of Section 5 hereof and the receipt of such a written request of the District or County, and thereafter, the Series D Bonds shall be transferred pursuant to the provisions set forth in Section 10 hereof; provided, that the Paying Agent shall not be required to deliver such new Series D Bonds within a period of less than sixty (60) days after the receipt of any such written request of the District or County.

(c) The County, the District and the Paying Agent shall be entitled to treat the person in whose name any Series D Bond is registered as the owner thereof, notwithstanding any notice to the contrary received by the County, the District or the Paying Agent; and the County, the District and the Paying Agent shall have no responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Series D Bonds, and neither the County, the District or the Paying Agent shall have any responsibility or obligation, legal or otherwise, to the beneficial owners or to any other party, including The Depository Trust Company or its successor (or substitute depository or its successor), except for the Owner of any Series D Bonds.

(d) So long as the outstanding Series D Bonds are registered in the name of Cede & Co. or its registered assigns, the District, the County and the Paying Agent shall cooperate with Cede & Co., as sole Owner, or its registered assigns in effecting payment of the principal of and interest on the Series D Bonds by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available (*e.g.*, by wire transfer) on the date they are due.

SECTION 10. Transfer and Exchange.

(a) Transfer. Following the termination or removal of the depository pursuant to Section 9 hereof, any Series D Bond may, in accordance with its terms, be transferred, upon the books required to be kept pursuant to the provisions of Section 8(e) hereof, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such Series D Bond to the Paying Agent for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Paying Agent.

Whenever any Series D Bond or Bonds shall be surrendered for transfer, the designated County officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 4 hereof, a new Series D Bond or Bonds of the same series, maturity, interest payment mode and interest rate for a like aggregate principal amount. The Paying Agent may require the payment by any Owner of Series D Bonds requesting any such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

No transfer of any Series D Bond shall be required to be made by the Paying Agent during the period from (1) the close of business on the applicable Record Date to and including the succeeding interest date, or (2) the close of business on the date on which notice is given that such Series D Bond has been selected for redemption in whole or in part, to and including the designated redemption date.

(b) Exchange. The Series D Bonds may be exchanged for Series D Bonds of other authorized denominations of the same maturity and interest payment mode, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such Series D Bond to the Paying Agent for cancellation, accompanied by delivery of a duly executed request for exchange in a form approved by the Paying Agent.

Whenever any Series D Bond or Bonds shall be surrendered for exchange, the designated County officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 4 hereof, a new Series D Bond or Bonds of the same maturity and interest payment mode and interest rate for a like aggregate principal amount. The Paying Agent may require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

No exchange of any Series D Bonds shall be required to be made by the Paying Agent during the period from (1) the close of business on the applicable Record Date to and including the succeeding interest date, or (2) the close of business on the date on which notice is given that such Series D Bond has been selected for redemption in whole or in part, to and including the designated redemption date. Any Bond surrendered to the Paying Agent for exchange shall be cancelled by the Paying Agent.

SECTION 11. Obligation of District. The Series D Bonds represent the statutory obligation of the District. The money for the payment of principal, redemption premium, if any, and interest with respect to the Series D Bonds shall be raised by taxation upon all taxable property in the District and provision shall be made for the levy and collection of such taxes in the manner provided by law and for such payment out of the interest and sinking fund of the District, and the Board of Supervisors of the County hereby covenants to levy ad valorem taxes for the payment of the Series D Bonds on all property in the District subject to taxation by the District without limitation as to rate or amount (except certain personal property which is taxable at limited rates).

SECTION 12. Terms and Conditions of Sale. The Treasurer is hereby authorized to offer the Series D Bonds at a competitive sale, in consultation with the District and RBC Dain Rauscher, Inc., the financial advisor to the District, upon the terms and conditions set forth in the Notice Inviting Proposals (the "Notice Inviting Proposals").

SECTION 13. Notice of Intention to Sell Bonds. The form of Notice of Intention to Sell Bonds, substantially in the form attached hereto as Exhibit B, is hereby approved for publication in conformance with California law.

SECTION 14. Deposit and Investment of Proceeds.

(a) The proceeds of sale of the Series D Bonds, exclusive of any premium and accrued interest received, shall be deposited in the County treasury and credited to the building fund of the District (the "Building Fund"). The County makes no assurances regarding the use of the proceeds of the Bonds. The District shall have sole responsibility for assuring that such proceeds be used for the purpose for which the Bonds are being issued and that such proceeds be applied to authorized purposes which relate to the acquisition or improvement of real property. Any premium and accrued interest shall be deposited upon receipt by the District in the Debt Service Fund within the County treasury.

(b) All funds held hereunder shall be invested by the Treasurer pursuant to Section 53601 of the Government Code of the State of California ("Section 53601"). The District may, to the extent permitted by law, request in writing to the Treasurer such that, all or any portion of the Building Fund of the District may be invested in:

(i) the County Investment Pool;

(ii) the Local Agency Investment Fund in the treasury of the State of California;

(iii) investment agreements, including guaranteed investment contracts, which comply with the requirements of each rating agency then rating the Series D Bonds necessary in order to maintain the then-current rating on the Series D Bonds; or

(iv) any other investment authorized pursuant to Section 53601.

Any excess proceeds of the Bonds not needed for the authorized purposes set forth herein for which the Bonds are being issued shall be transferred to the Debt Service Fund and applied to the payment of principal of and interest on the Bonds.

SECTION 15. Tax Covenant. The County acknowledges and relies upon the fact that the District has represented and covenanted that it shall not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest payable on the Series D Bonds under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and that it will comply with the requirements of the Tax Certificate of the District with respect to the Series D Bonds, to be entered into by the District as of the date of issuance of the Series D Bonds, and further that such representation and covenant shall survive payment in full or defeasance of the Series D Bonds.

SECTION 16. Rebate Fund.

(a) General. There is hereby established a special fund designated the "Pasadena Unified School District 2003 General Obligation Bonds Series D Rebate Fund" (the "Rebate Fund"). All amounts at any time on deposit in the Rebate Fund shall be held in trust, to the extent required to satisfy the requirement to make rebate payments to the United States (the "Rebate Requirement") pursuant to Section 148 of the Internal Revenue Code of 1986, and the regulations issued thereunder, as the same may be amended from time to time, and any successor provisions of law (the "Code"), and the Treasury Regulations promulgated thereunder (the "Treasury Regulations"). Such amounts shall be free and clear of any lien under this Resolution and shall be governed by this Section and by the Tax Certificate concerning certain matters pertaining to the use and investment of proceeds of the Series D Bonds, executed by and delivered to the District on the date of issuance of the Series D Bonds, including any and all exhibits attached thereto (the "Tax Certificate").

(b) Deposits.

(i) Within 45 days of the end of every fifth Bond Year (as such term is defined in the Tax Certificate), (1) the District shall calculate or cause to be calculated with respect to the Series D Bonds the amount that would be considered the "rebate amount" within the meaning of Section 1.148-3 of the Treasury Regulations, using as the

"computation date" for this purpose the end of such Bond Year, and (2) the District shall deposit to the Rebate Fund from amounts on deposit in the Debt Service Fund, and/or other amounts available therefor, if and to the extent required, amounts sufficient to cause the balance in the Rebate Fund to be equal to the "rebate amount" so calculated.

(ii) The District shall not be required to deposit any amount to the Rebate Fund in accordance with the preceding sentence if the amount on deposit in the Rebate Fund prior to the deposit required to be made under this subsection (b) equals or exceeds the "rebate amount" calculated in accordance with the preceding sentence. Such excess may be withdrawn from the Rebate Fund to the extent permitted under subsection (g) of this Section.

(iii) The District shall not be required to calculate the "rebate amount" and shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b), with respect to all or a portion of the proceeds of the Bonds (including amounts treated as proceeds of the Bonds) (1) to the extent that such proceeds satisfy the expenditure requirements of Section 148(f)(4)(B) or Section 148(f)(4)(C) of the Code or Section 1.148-7(d) of the Treasury Regulations, whichever is applicable, and otherwise qualify for the exception to the Rebate Requirement pursuant to whichever of said sections is applicable, (2) to the extent such proceeds are subject to an election by the District under Section 148(f)(4)(C)(vii) of the Code to pay a 1½% penalty in lieu of arbitrage rebate in the event any of the percentage expenditure requirements of Section 148(f)(4)(C) are not satisfied, or (3) to the extent such proceeds qualify for the exception to arbitrage rebate under Section 148(f)(4)(A)(ii) of the Code for amounts in a "bona fide debt service fund." In such event, and with respect to such amounts, the District shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b).

(c) Withdrawal Following Payment of Series D Bonds. Any funds remaining in the Rebate Fund after redemption of all the Series D Bonds and any amounts described in paragraph (2) of subsection (d) of this Section, including accrued interest, shall be transferred to the Debt Service Fund, or, if the Debt Service Fund is not then in existence, to the general fund of the District.

(d) Withdrawal for Payment of Rebate. Subject to the exceptions contained in subsection (b) of this Section to the requirement to calculate the "rebate amount" and make deposits to the Rebate Fund, the District shall pay to the United States, from amounts on deposit in the Rebate Fund,

(1) not later than 60 days after the end of (i) the fifth Bond Year, and (ii) each fifth Bond Year thereafter, an amount that, together with all previous rebate payments, is equal to at least 90% of the "rebate amount" calculated as of the end of such Bond Year in accordance with Section 1.148-3 of the Treasury Regulations; and

(2) not later than 60 days after the payment of all Series D Bonds, an amount equal to 100% of the "rebate amount" calculated as of the date of such payment (and any income attributable to the "rebate amount" determined to be due and payable) in accordance with Section 1.148-3 of the Treasury Regulations.

(e) Rebate Payments. Each payment required to be made pursuant to subsection (d) of this Section shall be made to the Internal Revenue Service Center, Ogden, Utah 84201 on or before the date on which such payment is due, and shall be accompanied by Internal Revenue Service Form 8038-T, which shall be completed by or on behalf of the District.

(f) Deficiencies in the Rebate Fund. In the event that, prior to the time any payment is required to be made from the Rebate Fund, the amount in the Rebate Fund is not sufficient to make such payment when such payment is due, the District shall calculate the amount of such deficiency and shall deposit an amount equal to such deficiency into the Rebate Fund prior to the time such payment is due.

(g) Withdrawals of Excess Amounts. In the event that immediately following the calculation required by subsection (b) of this Section, but prior to any deposit made under said subsection, the amount on deposit in the Rebate Fund exceeds the "rebate amount" calculated in accordance with said subsection, the District shall withdraw the excess from the Rebate Fund and credit such excess to the Debt Service Fund.

(h) Record Keeping. The District shall retain records of all determinations made hereunder until six years after the complete retirement of the Bonds.

(i) Survival of Defeasance. Notwithstanding anything in this Resolution to the contrary, the Rebate Requirement shall survive the payment in full or defeasance of the Series D Bonds.

SECTION 17. Continuing Disclosure Certificate. The County acknowledges and relies upon the fact that the District has represented that it shall execute a Continuing Disclosure Certificate containing such covenants of the District as shall be necessary to comply with the requirements of Securities and Exchange Commission Rule 15c2-12, and that the District has covenanted that it will comply with and carry out all of the provisions of such Continuing Disclosure Certificate. The District shall function as or cause the appointment of a dissemination agent, who shall perform all duties and obligations of the Dissemination Agent as set forth in the Continuing Disclosure Certificate, and the County shall have no responsibilities either for compliance with the Continuing Disclosure Certificate or for the duties of the Dissemination Agent.

SECTION 18. Limited Responsibility for Official Statement. Neither the Board of Supervisors nor any officer of the County has prepared or reviewed the official statement of the District describing the Series D Bonds (the "Official Statement"), and this Board of Supervisors and the various officers of the County take no responsibility for the contents or distribution thereof; provided, however, that solely with respect to a section contained or to be contained therein describing the County's pooled investment fund, the Treasurer is hereby authorized and directed to prepare and review such information for inclusion in the District's Official Statement and in a Official Statement in preliminary form, and to certify to the District prior to or upon the issuance of the Series D Bonds that the information contained in such section does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they are made, not misleading.

SECTION 19. Approval of Actions. The Chair, the Executive Officer-Clerk of the Board of Supervisors, the County Auditor-Controller, the County Counsel, and the Treasurer and the

deputies and designees of any of them, are hereby authorized and directed to execute and deliver any and all certificates and representations, as may be acceptable to County Counsel, including signature certificates, no-litigation certificates, and other certificates proposed to be distributed in connection with the sale of the Series D Bonds, necessary and desirable to accomplish the transactions authorized herein.

SECTION 20. Effective Date. This resolution shall take effect from and after its adoption.

The foregoing resolution was on the ____ day of _____, 2003, adopted by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which the Board so acts.

VIOLET VARONA-LUKENS, Executive Officer-
Clerk of the Board of Supervisors of the County of
Los Angeles.

By: _____
Deputy

APPROVED AS TO FORM:

LLOYD W. PELLMAN
County Counsel

By: Sheilah Curtis
Deputy County Counsel

EXHIBIT A

FORM OF NOTICE INVITING PROPOSALS FOR PURCHASE OF BONDS

$_____*
PASADENA UNIFIED SCHOOL DISTRICT
(COUNTY OF LOS ANGELES, CALIFORNIA)
2003 GENERAL OBLIGATION BONDS
(ELECTION OF 1997, SERIES D)

NOTICE IS HEREBY GIVEN that sealed and telecommunicated unconditioned proposals will be received to and including the hour of _____ a.m., local time, on May 7, 2003, at the office of the County of Los Angeles Treasurer and Tax Collector, 500 West Temple Street, Room 437, Los Angeles, California 90012, for the purchase of all, but not less than all, of $_____ principal amount of Pasadena Unified School District (the "District"), County of Los Angeles, California (the "County"), 2003 General Obligation Bonds (Election of 1997, Series D) (the "Bonds"). Proposals may also be submitted by telefax at the offices of the Financial Advisor, or electronically via the Parity Electronic Bid Submission System ("PARITY") in the manner described below. Within 30 hours of bid opening, the Los Angeles County Treasurer and Tax Collector of the County, or his designee, in conjunction with the Superintendent or the Assistant Superintendent of Business Services of the District, or the designee thereof, will consider the bids received and, if an acceptable bid is received, award the sale of the Bonds on the basis of the true interest cost. In the event that no bid is awarded by the designated time, the District will reschedule the sale to another date or time by providing notification through Thomson Municipal News. The District reserves the right to change the time or postpone the date of the sale to any other time or date by providing notification through Thomson Municipal News.

Issue:

The Bonds will be dated _____ 1, 2003, will be in denominations of $5,000 each, or integral multiples thereof, and will bear interest from the date of the Bonds to the maturity of each of the Bonds at the rate or rates such that the interest rate shall not exceed _____% per annum, with interest payable on _____ 1, 2003, and semiannually thereafter on _____ 1 and _____ 1 of each year during the term of each of the Bonds. The Bonds mature on _____ 1 in each of the years 20___ to 20__, inclusive, as follows:

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* Preliminary, subject to change.

Year	Principal Amount	Year	Principal Amount

Special Bidder's Option:

The purchaser may elect to combine any number of consecutive maturities of Bonds for which an identical yield to maturity has been specified to comprise term bonds by indicating such an election on the bid form. The election to create term bonds in such manner will require the creation of a mandatory sinking fund so that the sinking fund redemption payments shall equal the principal amount of the corresponding serial bond maturities.

Optional Redemption:

The redemption provisions shall be as follows or as otherwise stated in the Official Statement:

The Bonds maturing on or before _____ 1, _____ are not subject to redemption prior to their fixed maturity dates. The Bonds maturing on or after _____ 1, _____, may be redeemed before maturity at the option of the District, from any source of funds, on _____ 1, _____, or on any Bond Payment Date thereafter as a whole, or in part in inverse order of maturity and by lot within a maturity. The Bonds called prior to maturity will be redeemed at the following redemption prices, expressed as a percentage of par value, together with accrued interest to the date of redemption:

Redemption Date	Redemption Price
_____ 1, _____ and _____ 1, _____	%
_____ 1, _____ and _____ 1, _____	
_____ 1, _____ and thereafter	

Notice of Redemption

Notice of redemption of any Bond will be mailed to the registered owner of each Bond to be redeemed in whole or in part, at the address shown on the registration records maintained by the Bond Registrar designated for this issue of Bonds; such mailing to be not more than 45 nor

less than 30 days prior to the date set for redemption. Failure to mail notice to any owner will not affect the validity of the proceedings for the redemption of Bonds.

Registration of Bonds as to Principal and

Interest and Place of Payment:

The Bonds, when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository of the Bonds. Individual purchases will be made in book-entry form only, in the denominations of $5,000 and integral multiples thereof. Purchasers will not receive certificates representing their interest in the Bonds purchased. Principal, premium, if any, and interest are payable in lawful money of the United States of America at the corporate trust office of the Bond Registrar, to DTC, which in turn will remit such amounts to the beneficial owners of the Bonds through DTC's Participants, as described in the Preliminary Official Statement. The successful bidder will be required to pay any fees to DTC.

Authority:

The Bonds will be issued pursuant to the Constitution and laws of the State of California. The issuance of the Bonds was authorized by a two-thirds vote of the qualified electors of the District voting at a special election held on November 4, 1997.

Security:

Both principal of and interest on the Bonds are payable from an unlimited ad valorem tax levied against all of the taxable property (except certain personal property which is taxable at limited rates) in the District.

Form of Bid:

[A prescribed form of bid for the Bonds will be prepared and all bids must be submitted on such form. Copies of the prescribed bid form will be included with the Preliminary Official Statement for the Bonds. Each bid must be either telecommunicated to the Treasurer and Tax Collector at (213) 625-2249 (TTC Fax #), or delivered, enclosed in a sealed envelope, to the offices of the County of Los Angeles Treasurer and Tax Collector, 500 West Temple Street, Room 437, Los Angeles, California 90012, in either case not later than _____ a.m., local time, on the date of sale. Neither the District nor the County shall be responsible for the inability of any bidder to promptly deliver its bid by telecommunication.]

A prescribed form of bid for the Bonds has been prepared and is attached hereto. Bids may be submitted by sealed envelope, by telefax, or electronically via PARITY, providing that the good faith deposit (described below) has been received, before ___ A.M., Pacific Daylight Time on the date of sale (see below for additional deadlines if a financial surety bond is used), to the District c/o RBC Dain Rauscher Inc., 777 South Figueroa Street, Suite 850, Los Angeles, California 90017, at fax number 213-624-5263.

All bids which are submitted electronically via PARITY pursuant to the procedures described below shall be deemed to constitute a Bid for Purchase of the Bonds and shall be deemed to

incorporate by reference all of the terms and conditions of this Notice Inviting Proposals. The submission of a bid electronically via PARITY shall constitute and be deemed the bidder's signature on the Bid for Purchase of the Bonds.

WARNINGS REGARDING FACSIMILE BIDS: A BID SUBMITTED BY FACSIMILE TRANSMISSION WILL NOT BE CONSIDERED TIMELY UNLESS, AT THE DEADLINE FOR SUBMISSION OF BIDS, THE ENTIRE BID FORM HAS BEEN RECEIVED BY THE RECEIVING FAX MACHINE. NEITHER THE DISTRICT, THE FINANCIAL ADVISOR, NOR BOND COUNSEL SHALL BE RESPONSIBLE FOR, AND THE BIDDER EXPRESSLY ASSUMES THE RISK FOR ANY INCOMPLETE, ILLEGIBLE OR UNTIMELY BID SUBMITTED BY FACSIMILE TRANSMISSION BY SUCH BIDDER, INCLUDING, WITHOUT LIMITATION, BY REASON OF GARBLED TRANSMISSION, MECHANICAL FAILURE, ENGAGED TELEPHONE OR TELECOMMUNICATIONS LINES, OR ANY OTHER CAUSE ARISING FROM DELIVERY FACSIMILE TRANSMISSION RATHER THAN BY HAND.

Procedures Regarding Electronic Bidding:

Bids may be submitted electronically via PARITY in accordance with this Notice Inviting Proposals, until ____ A.M., Pacific Daylight Time, _____, _____ __, 2003, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY conflict with this Notice Inviting Proposals, the terms of this Notice Inviting Proposals shall control. For further information about PARITY, potential bidders may contact the District's Financial Advisor or PARITY at Dalcomp at (212) 806-8304. In the event that a bid for the Bonds is submitted via PARITY, the bidder further agrees that:

1. The District may regard the electronic transmission of the bid through PARITY (including information about the purchase price of the Bonds, the interest rate or rates to be borne by the various maturities of the Bonds, the initial public offering price of each maturity and any other information included in such transmission) as though the same information were submitted on the Bid for Purchase of the Bonds form, provided by the District and executed by a duly authorized signatory of the bidder. If a bid submitted electronically by PARITY is accepted by the District, the terms of the Bid for Purchase of the Bonds and the Notice Inviting Proposals and the information that is electronically transmitted through PARITY shall form a contract and the successful bidder shall be bound by the terms of such contract.

2. PARITY is not an agent of the District, and the District shall have no liability whatsoever based on any bidder's use of PARITY, including but not limited to any failure by PARITY to correctly or timely transmit information provided by the District or information provided by the bidder.

3. The District may choose to discontinue use of electronic bidding via PARITY by issuing a notification to such effect via PARITY's internet site (wwv.tm3.com) no later than 5:00 P.M. (Pacific Daylight Time) on the last business day prior to the date of sale.

4. Once the bids are communicated electronically via PARITY to the District as described above, each bid will constitute a Bid for Purchase of the Bonds and shall be deemed to be an irrevocable offer to purchase the Bonds on the terms provided in this Notice Inviting Proposals. For purposes of submitting all Bids for Purchase of the Bonds,

whether by hand delivery, facsimile or electronically via PARITY, the time as maintained on PARITY shall constitute the official time.

5. Each bidder choosing to bid electronically shall be solely responsible to make necessary arrangements to access PARITY for purposes of submitting its bid in a timely manner and in compliance with this Notice Inviting Proposals. Neither the District nor Dalcomp shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and neither the District nor Dalcomp shall be responsible for a bidder's failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, PARITY. The District is using PARITY as a communication mechanism, and not as the District's agent, to conduct the electronic bidding for the Bonds. By using PARITY, each bidder agrees to hold the District harmless for any harm or damages caused to such bidder in connection with its use of PARITY for bidding on the Bonds.

In the event that both an electronic bid and a facsimile bid from a single bidder are received at or prior to the bid receipt deadline, and to the extent that there is an inconsistency in the interest rates or price bid, the facsimile shall be deemed to be the bid submitted. No bid received after the deadline shall be considered. In any case, each bid must be in accordance with the terms and conditions set forth in this official Notice Inviting Proposals.

Interest Rates:

All bids for the purchase of the Bonds must state the rate or rates of interest to be paid and no bid at a price less than the par value of the Bonds, together with all accrued interest thereon to the date of the delivery of the Bonds, will be considered. All Bonds of the same maturity must bear the same rate of interest and no Bond may bear more than one rate. Bidders may specify any number of different rates to be borne on the Bonds; all interest rates must be in multiples of 1/8 or 1/20 of one percent; and the rate of interest on any maturity shall not be more than three percent higher than the interest rate on any other maturity.

Good Faith Deposit:

A good faith deposit (a "Deposit") in the form of a certified check or cashier's check or a financial surety bond (a "Financial Surety Bond") in the amount of one percent (1%) of the par amount of the Bonds, payable to the order of the Treasurer and Tax Collector of the County, to secure the District from any loss resulting from the failure of the bidder to comply with the terms of its bid, is required for any bid to be considered. If a check is used, it must accompany each bid. If a Financial Surety Bond is used, it must be from an insurance company licensed to issue such a bond in the State of California, and such Financial Surety Bond must be submitted to the District or RBC Dain Rauscher Inc. prior to the opening of the bids. Each Financial Surety Bond must identify the bidder whose Deposit is guaranteed by such Financial Surety Bond.

If the Bonds are awarded to a bidder using a certified or cashier's check, such check will be held by the County following the award to the successful bidder. If, after the award of the Bonds, the successful bidder fails to complete its purchase on the terms stated in its proposal, the check will be cashed by the County and the proceeds thereof will be retained by the County for the benefit of the District.

If the Bonds are awarded to a bidder using a Financial Surety Bond, then the successful bidder is required to submit its Deposit to the County in the form of a cashier's check (or wire transfer as instructed by the County, the District or RBC Dain Rauscher Inc.) not later than _____ P.M., Pacific Daylight Time on the next business day following the award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn upon by the County to satisfy the Deposit requirement. In the event the successful bidder fails to honor its accepted bid, the Deposit will be retained by the County for the benefit of the District.

If the successful bidder completes its purchase of the Bonds on the terms stated in its proposal, its Deposit will be applied to the purchase of the Bonds on the date of delivery of the Bonds. Checks of the unsuccessful bidders will be returned in person at the time of sale or by mail promptly after the date of sale. No interest will be paid upon the Deposit made by any bidder.

CUSIP Numbers:

CUSIP numbers will be applied for by the purchaser and will be printed on the Bonds and the cost of CUSIP Service Bureau assignment will be the purchaser's responsibility. Any delay, error or omission with respect thereto will not constitute cause for the purchaser to refuse to accept delivery of and pay for the Bonds.

California Debt and Investment Advisory Commission:

The successful bidder will be required, pursuant to State law, to pay the related fees of the California Debt and Investment Advisory Commission ("CDIAC"). CDIAC will invoice the successful bidder.

Right of Rejection:

The County reserves the right in its discretion to reject any and all bids received and to waive any irregularity or informality in the bids, except that the time for receiving bids shall be of the essence.

Award and Delivery:

Unless all bids are rejected, the Bonds will be awarded to the bidder whose proposal results in the lowest true interest cost to the District. The true interest cost will be determined on the basis of the aggregate present value of each semiannual payment, will be calculated from the dated date of the Bonds and will be based on the bid amount (par value plus premium, if any), excluding accrued interest. Delivery of the Bonds will be made to the purchaser upon payment in immediately available funds at the offices of the County of Los Angeles Treasurer and Tax Collector, 500 West Temple Street, Room 432, Los Angeles, California 90012, or at the purchaser's request and expense, at any other place mutually agreeable to both the County and the purchaser.

Prompt Award:

The County, acting through its Treasurer and Tax Collector, or his designee, in conjunction with the Superintendent or Assistant Superintendent of Business Services of the District, or the designee of either such officer, will take action awarding the Bonds or rejecting all bids not later than 30 hours after the expiration of the time herein prescribed for the receipt of proposals,

unless such time of award is waived by the successful bidder. Notice of the award will be given promptly to the successful bidder.

Legal Opinion:

The Bonds are sold with the understanding that the purchaser will be furnished with the approving opinion of Sidley Austin Brown & Wood LLP. A copy of the opinion, but without its date, will be attached to the Bonds. Said attorneys have been retained by the District as Bond Counsel and in such capacity are to render their opinion only upon the legality of the Bonds under California law and on the exemption of the interest income on such Bonds from federal and State of California income taxes. Fees of Bond Counsel will be paid from Bond proceeds.

Tax Status:

In the opinion of Bond Counsel, under existing laws, interest on the Bonds is exempt from all present State of California personal income taxes, and assuming compliance with certain covenants made by the District and County, interest on the Bonds is not includable in the gross income of the owners of the Bonds for federal income tax purpose, provided that such interest may be included in the calculation for certain taxes, including the corporate alternative minimum tax and the corporate environmental tax. Should changes in the law cause Bond Counsel's opinion to change prior to delivery of the Bonds to the purchaser, the purchaser will be relieved of its responsibility to pick up and pay for the Bonds, and in that event its bid check will be returned.

Certificate Regarding Reoffering Prices:

As soon as practicable, but not later than seven days prior to delivery of the Bonds, the successful bidder must submit to the District a certificate specifying for each maturity the reoffering price at which at least 10% of the Bonds of such maturity were sold (or were offered in a bona fide public offering and as of the date of award of the Bonds to the successful bidder reasonably expected to be sold) to the public. Such certificate shall be in form and substance satisfactory to Bond Counsel and shall include such additional information as may be requested by Bond Counsel.

Qualification for Insurance:

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the bidder, any purchase of such insurance or commitment therefor shall be at the sole option and expense of the bidder and any increased costs shall be paid by such bidder, including but not limited to the rating fees charged by Moody's Investors Service and Standard & Poor's. The District will be responsible for obtaining a municipal bond rating from Moody's Investors Service and Standard & Poor's and for payment of any rating fees incurred in connection therewith. Any failure of the Bonds to be so insured or of any such policy of insurance to be issued shall not in any way relieve the purchaser of their contractual obligations arising from the acceptance of their proposal to purchase the Bonds.

No Litigation and Non-Arbitrage:

The District will deliver a certificate stating that no litigation is pending affecting the issuance and sale of the Bonds. The District will also deliver a non-arbitrage certificate covering its reasonable expectations concerning the Bonds and the use of proceeds thereof.

Right to Modify or Amend

The District reserves the right to modify or amend this Notice Inviting Proposals in any respect; provided, however, that any such modification or amendment shall be communicated to potential bidders through Thomson Municipal News.

Official Statement:

The District will make available a Preliminary Official Statement relating to the Bonds, a copy of which, along with related documents, will be furnished upon request made either by mail to RBC Dain Rauscher Inc., 777 South Figueroa Street, Suite 850, Los Angeles, California 90017, the District's financial consultant for the Bonds, or telephoned to said consultant at (213) 362-4133. Such Preliminary Official Statement, together with any supplements thereto, shall be in form "deemed final" by the District for purposes of SEC Rule 15c2-12(b)(1), but is subject to revision, amendment and completion in a final Official Statement. The District agrees to provide a reasonable number, not exceeding 200, of the final Official Statement to the winning bidder at the District's expense within seven business days of the date of sale. The District shall deliver, at closing, a certificate, executed by appropriate officers of the District acting in their official capacities, to the effect that the facts contained in the Official Statement relating to the Bonds are true and correct in all material respects, and that the Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of circumstances under which they were made not misleading.

Dated: _____, 2003

PASADENA UNIFIED SCHOOL DISTRICT

By: _____
President, Board of Education

BIDS

FOR THE PURCHASE OF
PASADENA UNIFIED SCHOOL DISTRICT
(COUNTY OF LOS ANGELES, CALIFORNIA)
2003 GENERAL OBLIGATION BONDS
(ELECTION OF 1997, SERIES D)

$_____

_____, 2003

Pasadena Unified School District
County of Los Angeles, California

On behalf of a group which we have formed consisting of:

_____

_____

_____

_____

_____

and pursuant to the Notice Inviting Proposals for Purchase of Bonds hereinafter mentioned, we offer to purchase all of the _____ dollars ($_____) principal amount of the Bonds designated as "Pasadena Unified School District, (County of Los Angeles, California), 2003 General Obligation Bonds (Election of 1997, Series D)" maturing on _____ 1 in the years and amounts and bearing interest at the rate or rates set forth in the following schedule:

YEAR (_____ 1)	PRINCIPAL AMOUNT	INTEREST RATE	INSURANCE	YEAR (____ 1)	PRINCIPAL AMOUNT	INTEREST RATE	INSURANCE

and to pay therefor the aggregate sum of $_____ (consisting of $_____ in par value and $_____ in purchase premium) plus interest accrued on such Bonds to the date of delivery thereof.

We hereby elect to combine the maturities of Bonds maturing on the following dates to comprise term bonds:

Serial Maturity Dates	Term Bond Maturity Dates	Principal Amount

This bid is made subject to all the terms and conditions of the Notice Inviting Proposals for Purchase of Bonds heretofore published, all of which terms and conditions are made a part hereof as fully as though set forth in full in this bid.

As specified in the Notice Inviting Proposals for Purchase of Bonds, this bid is subject to acceptance not later than 30 hours after the expiration of the time for the receipt of bids, and the opinion of Sidley Austin Brown & Wood LLP approving the validity of the Bonds will be furnished us (if we are the successful bidder) at the time of the delivery of the Bonds at the expense of the District.

There is submitted herewith a memorandum (which shall not constitute a part of this bid) stating the total interest cost in dollars on the Bonds, the proposed premium, if any, and the true interest rate determined thereby.

Respectfully submitted,

Name: _____
(Account Manager)

By: _____

Address: _____

_____

City: _____

State: _____

Phone: _____

BID CHECK (check one):

_____ There is enclosed herewith a certified check or cashier's check in the amount of $_____ payable to the order of the Treasurer and Tax Collector of Los Angeles County.

_____ We have provided Los Angeles County with a pre-approved financial surety bond as provided in the Notice Inviting Proposals for Purchase of Bonds.

TRUE INTEREST RATE:

Our calculation of the true interest rate, which is supplied for informational purposes only and is not a part of the proposal, is as follows:

Total Interest	$_____
Proposed Premium	$_____
True Interest Rate	_____%

EXHIBIT B

FORM OF NOTICE OF INTENTION TO SELL BONDS

$_____*

PASADENA UNIFIED SCHOOL DISTRICT

(County of Los Angeles, California)

2003 General Obligation Bonds

(Election of 1997, Series D)

NOTICE IS HEREBY GIVEN that the Pasadena Unified School District (the "District"), in the County of Los Angeles, California, intends to offer for public sale on May 7, 2003, at the hour of _____ a.m., California time (or at such other time and date as may be communicated by the District through Thomson Municipal News at least 24 hours prior to the time that bids are to be received), at the offices of the County of Los Angeles Treasurer and Tax Collector, 500 West Temple Street, Room 437, Los Angeles, California 90012, $_____* aggregate principal amount of general obligation bonds of the District designated "Pasadena Unified School District, (County of Los Angeles, California), 2003 General Obligation Bonds (Election of 1997, Series D)" (the "Bonds").

Within 30 hours of such time, representatives of the County and the District will consider the bids for the Bonds and, if an acceptable bid or bids are received, award the sale of the Bonds. In the event that no bid is awarded by the designated time, proposals for the Bonds will be received at such other time and date as may be communicated through Thomson Municipal News at least 24 hours prior to the time that bids are to be received until such time as a bid is awarded or the District determines to withdraw sale of the Bonds.

NOTICE IS HEREBY FURTHER GIVEN that the Bonds, dated _____ 1, 2003, will be offered for public sale subject to the terms and conditions of an Official Notice of Sale. An Official Statement pertaining to the Bonds and an Official Notice of Sale will be furnished, upon request, by RBC Dain Rauscher Inc., 777 South Figueroa Street, Suite 850, Los Angeles, California 90017, (213) 362-4133, the financial advisor to the District for the Bonds.

Dated: _____, 2003

By:_____

*Preliminary, subject to change.

EXHIBIT C

[Form of Series D Bond]

Number	UNITED STATES OF AMERICA	Amount
R-___	STATE OF CALIFORNIA	$_____
	COUNTY OF LOS ANGELES	

PASADENA UNIFIED SCHOOL DISTRICT 2003 GENERAL OBLIGATION BONDS
(ELECTION OF 1997, SERIES D)

Maturity Date	Interest Rate	Dated	CUSIP NO.
_____ 1, _____	_____%	_____ 1, 2003	_____

Registered Owner: CEDE & CO.

Principal Sum: _____ DOLLARS

Pasadena Unified School District, County of Los Angeles, State of California (herein called the "District"), acknowledges itself indebted to and promises to pay to the registered owner identified above or registered assigns, on the maturity date set forth above or upon prior redemption hereof, the principal sum specified above in lawful money of the United States of America, and to pay interest thereon in like lawful money from the interest payment date next preceding the date of authentication of this bond (unless this bond is authenticated as of a date during the period from the Record Date (as defined herein) immediately preceding any interest payment date to such interest payment date, inclusive, in which event it shall bear interest from such interest payment date, or unless this bond is authenticated on or before _____ 15, 2003, in which event it shall bear interest from the date hereof) at the interest rate per annum stated above, payable commencing on _____ 1, _____, and thereafter on _____ 1 and _____ 1 in each year, until payment of the principal sum hereof.

The principal hereof is payable to the registered owner hereof upon the surrender hereof at the principal corporate trust office (as defined in the Resolution) of _____ (herein called the "Paying Agent"), the paying agent/registrar and transfer agent of the District. The interest hereon is payable to the person whose name appears on the bond registration books of the Paying Agent as the registered owner hereof as of the close of business on the 15th day of the month preceding an interest payment date (the "Record Date"), whether or not such day is a business day, such interest to be paid by check mailed to such registered owner at the owner's address as it appears on such registration books, or at such other address filed with the Paying Agent for that purpose. Upon written request, given no later than the Record Date immediately preceding an interest payment date, of the owner of Bonds (hereinafter defined) aggregating at least $1,000,000 in principal amount, interest will be paid in immediately available funds (e.g., by wire transfer) to an account maintained in the United States as specified by the owner in such request. So long as Cede & Co. or its registered assigns shall be the registered owner of this bond, payment shall be made in immediately available funds as provided in the Resolution hereinafter described.

This bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying series, numbers, denominations,

interest rates, interest payment modes, maturities and redemption provisions), amounting in the aggregate to $_____, and designated as "Pasadena Unified School District (County of Los Angeles, California), 2003 General Obligation Bonds (Election of 1997, Series D)" (the "Bonds"). The Bonds were authorized by a vote of at least two-thirds of the voters voting at an election duly and legally called, held and conducted in the District on November 4, 1997. The Bonds are issued and sold by the Board of Supervisors of the County of Los Angeles, State of California, pursuant to and in strict conformity with the provisions of the Constitution and laws of the State, and the resolution of the Board of Education of the District adopted on _____, 2003 (the "District Resolution"), and of a resolution (herein called the "Resolution") adopted by the Board of Supervisors on _____, 2003, and subject to the more particular terms specified in the Official Statement.

The Bonds are issuable as fully registered bonds without coupons in the denomination of $5,000 principal amount or any integral multiple thereof, provided that no Bond shall have principal maturing on more than one principal maturity date. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Resolution, Bonds may be exchanged for a like aggregate principal amount of Bonds of the same series, interest payment mode, and maturity of other authorized denominations.

This bond is transferable by the registered owner hereof, in person or by attorney duly authorized in writing, at the principal corporate trust office of the Paying Agent, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution, and upon surrender and cancellation of this bond. Upon such transfer, a new Bond or Bonds of authorized denomination or denominations of the same series, interest payment mode, and same aggregate principal amount will be issued to the transferee in exchange herefor.

The County, the District and the Paying Agent may treat the registered owner hereof as the absolute owner hereof for all purposes, and the County, the District and the Paying Agent shall not be affected by any notice to the contrary.

Bonds maturing on or before _____ 1, ____, shall not be subject to redemption prior to their respective stated maturity dates. Bonds maturing in each year beginning _____ 1, ____, shall be subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after _____ 1, ____. If less than all of the Bonds are called for redemption, such bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District, and if less than all of the Bonds of any given maturity are called for redemption, the portions of such bonds of a given maturity to be redeemed shall be determined by lot.

Bonds redeemed at the option of the District shall be redeemed at the following prices (expressed as a percentage of the principal amount of the Bonds called for redemption), together with interest accrued thereon to the date of redemption:

Redemption Date	Optional Redemption Price
____ 1, ____ through ____ 30, ____	%
____ 1, ____ through ____ 30, ____	%
____ 1, ____ and thereafter	%

Bonds maturing on ____ 1, ____, are subject to redemption prior to maturity in part, by lot, at the principal amount thereof plus accrued interest to the date of redemption, without premium, from mandatory sinking fund payments on ____ 1 of each year in the amounts indicated below, and subject to the terms and conditions set forth in the Resolution.

$_____ TERM BOND MATURING ON _____ 1, _____

Mandatory Sinking Fund Payment Date (____1)	Mandatory Sinking Fund Payment
*	

*Maturity

Notice of redemption shall be given by mail not less than thirty (30) nor more than sixty (60) days prior to the redemption date to the registered owner hereof, but neither failure to receive such notice or any defect in the notice mailed shall affect the sufficiency of the proceedings for redemption or the cessation of interest on the date fixed for redemption. If this bond is called for redemption and payment is duly provided therefor, interest shall cease to accrue hereon from and after the date fixed for redemption.

In reliance upon the representations, certifications and declarations of the District, the Board of Supervisors hereby certifies and declares that the total amount of indebtedness of the District, including the amount of this bond, is within the limit provided by law; that all acts, conditions and things required by law to be done or performed precedent to and in the issuance of this bond have been done and performed in strict conformity with the laws authorizing the issuance of this bond; and that this bond is in substantially the form prescribed by order of the Board of Supervisors duly made and entered on its minutes. The Bonds represent an obligation of the District payable out of the interest and sinking fund of the District, and the money for the payment of principal of, premium, if any, and interest hereon, shall be raised by taxation upon the taxable property of the District.

This bond shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon endorsed shall have been signed by the Paying Agent.

IN WITNESS WHEREOF the County of Los Angeles has caused this bond to be executed on behalf of the District and in their official capacities by manual or facsimile signatures of the Chair of the Board of Supervisors of the County and the Treasurer and Tax Collector of the County, and to be countersigned by the manual or facsimile signature of the

Executive Officer-Clerk of the Board of Supervisors of the County, all as of the date set forth above.

COUNTY OF LOS ANGELES, CALIFORNIA

By: _____
Chair of the Board of Supervisors

[SEAL]

By: _____
Treasurer and Tax Collector

Countersigned:

By: _____
Executive Officer-Clerk of the
Board of Supervisors

PAYING AGENT'S CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

This is one of the Bonds described in the within-mentioned Resolution and authenticated and registered on _____, 2003.

TREASURER AND TAX COLLECTOR OF THE COUNTY OF LOS ANGELES, as Paying Agent

U.S. BANK NATIONAL ASSOCIATION,
as Agent

By _____
Authorized Signatory

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ the within-mentioned Registered Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney, to transfer the same on the books of the Paying Agent/Registrar and Transfer Agent with full power of substitution in the premises.

_____
I.D. Number

_____
NOTE: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Registered Bond in every particular, without alteration or enlargement or any change whatsoever.

Dated: _____

Signature Guarantee:_____
Notice: Signature must be guaranteed by an eligible guarantor institution.

DTC LEGEND

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to County 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.

RESOLUTION OF THE BOARD OF EDUCATION OF THE PASADENA UNIFIED SCHOOL DISTRICT PRESCRIBING THE TERMS OF SALE OF BONDS OF THE DISTRICT, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES ISSUE AND SELL SAID BONDS IN AN AMOUNT NOT TO EXCEED $70,000,000 BY COMPETITIVE SALE, AUTHORIZING THE PREPARATION AND DISTRIBUTION OF AN OFFICIAL STATEMENT FOR SAID BONDS, AND AUTHORIZING THE EXECUTION OF NECESSARY CERTIFICATES RELATING TO SAID BONDS

WHEREAS, an election was duly called and regularly held in the Pasadena Unified School District, County of Los Angeles, California (the "District"), on November 4, 1997, and thereafter canvassed pursuant to law; and

WHEREAS, at such election there was submitted to and approved by the requisite two-thirds vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum amount of $240,000,000 (Two Hundred Forty Million Dollars) payable from the levy of an ad valorem tax against the taxable property in the District; and

WHEREAS, at least two-thirds of the votes cast on said proposition were in favor of issuing said bonds (the "Authorization"); and

WHEREAS, $170,000,000 aggregate principal amount of the bonds, designated "Pasadena Unified School District 1998 General Obligation Bonds (Election of 1997, Series A)," "Pasadena Unified School District 1999 General Obligation Bonds (Election of 1997, Series B)" and "Pasadena Unified School District 2001 General Obligation Bonds (Election of 1997, Series C)" respectively, have heretofore been issued and sold; and

WHEREAS, this Board of Education deems it necessary and desirable that the Board of Supervisors of the County of Los Angeles (the "County") shall authorize and consummate the sale of additional bonds pursuant to the Authorization in a single series designated the "Pasadena Unified School District (County of Los Angeles, California), 2003 General Obligation Bonds (Election of 1997, Series D)" in an aggregate principal amount not exceeding $70,000,000 (the "Series D Bonds" or the "Bonds"), according to the terms and in the manner hereinafter set forth; and

WHEREAS, this Board of Education further deems it necessary and desirable to authorize the sale of the Bonds by a competitive sale; and

WHEREAS, all acts, conditions and things required by law to have been done or performed to date in the issuance of the Bonds have been done and performed in strict conformity with the laws authorizing the issuance thereof, and the indebtedness of the District herein proposed is within all limits prescribed by law;

NOW, THEREFORE, THE BOARD OF EDUCATION OF PASADENA UNIFIED SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER, AS FOLLOWS:

Section 1. Recitals. All of the above recitals are true and correct.

Section 2. Request for Sale of Bonds. That for the purpose of raising money to improve safety and the quality of education in schools in Pasadena, Altadena, and Sierra Madre, by repairing and rehabilitating aging schools, upgrading electrical, plumbing, sewer, heating and ventilation systems, renovating restrooms, replacing roofs, removing hazards from asbestos and earthquakes, modernizing science labs and libraries, and to pay all necessary legal, financial, engineering and contingent costs in connection therewith, this Board is authorized to petition the Board of Supervisors of the County to issue the Bonds on its behalf. The Board of Supervisors of the County is hereby requested to sell by competitive sale not to exceed $70,000,000 aggregate principal amount of general obligation bonds of the Pasadena Unified School District and to designate said bonds to be sold as the "Pasadena Unified School District 2003 General Obligation Bonds (Election of 1997, Series D)."

Section 3. Terms and Conditions of Sale. The District hereby requests the Board of Supervisors of the County to order that the Series D Bonds be sold at public sale with bids to be received on the terms and in accordance with the Notice Inviting Proposals attached hereto as Exhibit A and the Notice of Intention to Sell Bonds attached hereto as Exhibit B to be approved by the County Board of Supervisors. The Bonds shall bear interest at a rate or rates not to exceed the maximum rate permitted by law payable on the dates set forth in the Official Statement and shall mature not more than 25 years from the date of issuance. The Bond proceeds will be deposited in the Series D Account of the 2003 Pasadena Unified School District General Obligation Bond Fund.

Section 4. Official Statement. Each of the Superintendent or the Assistant Superintendent of Business Services is hereby authorized and directed on behalf of the District to prepare or cause to be prepared an Official Statement relating to the Series D Bonds, and RBC Dain Rauscher Inc., the financial advisor to the District, is hereby authorized to distribute copies of such Official Statement in preliminary form to persons who may be interested in purchasing the Series D Bonds. Each of the Superintendent or the Assistant Superintendent of Business Services is hereby authorized to certify to the underwriter purchasing the Series D Bonds (the "Underwriter"), on behalf of the District, that the preliminary form of the Official Statement was deemed final as of its date, within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (the "Rule") (except for the omission of certain final pricing, rating and related information as permitted by said Rule). Each of the Superintendent or the Assistant Superintendent of Business Services is hereby authorized and directed to sign said Official Statement in its final form, including the final pricing information, and the Underwriter is hereby authorized and directed to deliver copies of such Official Statement in final form to the purchasers of the Series D Bonds.

Section 5. Paying Agent.

(a) Defined. As used in this Resolution and in the Bonds, "Paying Agent" shall mean the Treasurer and his designated agents or his successors or assigns, acting in the capacity of paying agent, registrar, authenticating agent and transfer agent. The Treasurer is authorized to contract with any third party to perform the services of Paying Agent under this Resolution.

(b) Appointment; Payment of Fees and Expenses. This Board of Supervisors does hereby appoint the Treasurer to act as initial authenticating agent, bond registrar, transfer agent and paying agent for the Series D Bonds, and does confirm said appointment for purposes of this Resolution. All fees and expenses of the Paying Agent shall be the sole responsibility of the District, and to the extent not paid from the proceeds of sale of the Bonds, or from the Debt Service Fund, insofar as permitted by law, including specifically by Section 15232 of the Education Code of the State, such fees and expenses shall be paid by the District.

(c) Resignation, Removal and Replacement of Paying Agent. The Paying Agent initially appointed or any successor paying agent may resign from service as Paying Agent and may be removed as provided in the Paying Agent's service agreement with the District and the County; provided that any successor shall be appointed with the consent of the County. Without further action by the District, if at any time the Paying Agent shall resign or be removed and no successor appointed by the District, the Treasurer shall appoint a successor Paying Agent, which shall be a bank or trust company doing business in and having a corporate trust office in Los Angeles, California, with at least $50,000,000 in net assets.

Section 6. Investment of Proceeds. Proceeds of the Series D Bonds held by the Treasurer shall be invested at the Treasurer's discretion pursuant to law and the investment policy of the County, unless otherwise directed in writing by the District.

(i) At the written direction of the District, given by the Superintendent or the Assistant Superintendent of Business Services, each of whom is hereby expressly authorized to give such direction, all or any portion of the proceeds of the Series D Bonds deposited in the building fund of the District (the "Building Fund") may be invested on behalf of the District in the Local Agency Investment Fund in the treasury of the State of California.

(ii) At the written direction of the District, given by the Superintendent or the Assistant Superintendent of Business Services, who is hereby expressly authorized to give such direction, all or any portion of the Building Fund of the District may be invested on behalf of the District, in investment agreements, including guaranteed investment contracts, which comply with the requirements of each rating agency then rating the Series D Bonds necessary in order to maintain the then-current rating on the Series D Bonds.

Section 7. Tax Covenants.

(a) General. The District hereby covenants with the holders of the Bonds that, notwithstanding any other provisions of this Resolution, it shall not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion

from gross income of interest on the Bonds under Section 103 of the Code. The District shall not, directly or indirectly, use or permit the use of proceeds of the Bonds or any of the property financed or refinanced with proceeds of the Bonds, or any portion thereof, by any person other than a governmental unit (as such term is used in Section 141 of the Code), in such manner or to such extent as would result in the loss of exclusion from gross income for federal income tax purposes of interest on the Bonds.

(b) Use of Proceeds. The District shall not take any action, or fail to take any action, if any such action or failure to take action would cause the Bonds to be "private activity bonds" within the meaning of Section 141 of the Code, and in furtherance thereof, shall not make any use of the proceeds of the Bonds or any of the property financed or refinanced with proceeds of the Bonds, or any portion thereof, or any other funds of the District, that would cause the Bonds to be "private activity bonds" within the meaning of Section 141 of the Code. To that end, so long as any Bonds are outstanding, the District, with respect to such proceeds and property and such other funds, will comply with applicable requirements of the Code and all regulations of the United States Department of the Treasury issued thereunder and under Section 103 of the Internal Revenue Code of 1954, as amended (the "1954 Code"), to the extent such requirements are, at the time, applicable and in effect. The District shall establish reasonable procedures necessary to ensure continued compliance with Section 141 of the Code (or, if applicable, the 1954 Code) and the continued qualification of the Bonds as "governmental bonds."

(c) Arbitrage. The District shall not, directly or indirectly, use or permit the use of any proceeds of any Bonds, or of any property financed or refinanced thereby, or other funds of the District, or take or omit to take any action, that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code. To that end, the District shall comply with all requirements of Section 148 of the Code and all regulations of the United States Department of the Treasury issued thereunder to the extent such requirements are, at the time, in effect and applicable to the Bonds.

(d) Federal Guarantee. The District shall not make any use of the proceeds of the Bonds or any other funds of the District, or take or omit to take any other action, that would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

(e) Compliance with Tax Certificate. In furtherance of the foregoing tax covenants of this Section 8, the District covenants that it will comply with the provisions of the Tax Certificate, which is incorporated herein as if fully set forth herein. These covenants shall survive payment in full or defeasance of the Bonds.

Section 8. Continuing Disclosure. The Superintendent or the Assistant Superintendent of Business Services is hereby authorized on behalf of the District to execute a Continuing Disclosure Certificate in substantially the form attached hereto as Exhibit A, with such changes thereto as deemed necessary in order to permit the Underwriter to comply with the requirements of the Rule. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of such Continuing Disclosure Certificate.

Section 9. Approval of Actions. Officers of the Board, the Superintendent and the Assistant Superintendent of Business Services are hereby authorized and directed to execute and

deliver any and all certificates and representations, including (i) signature certificates, no-litigation certificates, certificates concerning the contents of the Official Statement, (ii) representation letters to The Depository Trust Company, (iii) the Tax Certificate, (iv) any other certificates proposed to be distributed in connection with the sale of the Series D Bonds, including in connection with any policy of municipal bond insurance, and (v) any investment agreements entered into pursuant to the authority granted hereunder, which any of them deem necessary and desirable to accomplish the transactions authorized herein. All actions heretofore taken by the officers and agents of the Board with respect to the Series D Bonds are hereby approved, confirmed and ratified.

Section 10. Notice to California Debt and Investment Advisory Commission. The Superintendent or the Assistant Superintendent of this Board of Education is hereby authorized and directed to cause notices of the proposed sale and final sale of the Series D Bonds to be filed in a timely manner with the California Debt and Investment Advisory Commission pursuant to California Government Code Section 8855.

Section 11. Filing with Board of Supervisors. The Superintendent or the Assistant Superintendent of Business Services is hereby authorized and directed to file a certified copy of this Resolution to both the County and the County Office of Education.

Section 12. Effective Date. This resolution shall take effect from and after its adoption.

Adopted and signed this 11th day of March, 2003, by the Board of Education of the Pasadena Unified School District, by the following vote:

AYES: 5

NOES: -

ABSENT: 2

ABSTENTIONS: -

Superintendent and Secretary, Board of Education
Pasadena Unified School District

EXHIBIT A

FORM OF NOTICE INVITING PROPOSALS FOR PURCHASE OF BONDS

$_____*
PASADENA UNIFIED SCHOOL DISTRICT
(COUNTY OF LOS ANGELES, CALIFORNIA)
2003 GENERAL OBLIGATION BONDS
(ELECTION OF 1997, SERIES D)

NOTICE IS HEREBY GIVEN that sealed and telecommunicated unconditioned proposals will be received to and including the hour of _____ a.m., local time, on _____, 2003, at the office of the County of Los Angeles Treasurer and Tax Collector, 500 West Temple Street, Room 437, Los Angeles, California 90012, for the purchase of all, but not less than all, of $_____* principal amount of Pasadena Unified School District (the "District"), County of Los Angeles, California (the "County"), 2003 General Obligation Bonds (Election of 1997, Series D) (the "Bonds"). Proposals may also be submitted by telefax at the offices of the Financial Advisor, or electronically via the Parity Electronic Bid Submission System ("PARITY") in the manner described below. Within 30 hours of bid opening, the Los Angeles County Treasurer and Tax Collector of the County, or his designee, in conjunction with the Superintendent or the Assistant Superintendent of Business Services of the District, or the designee thereof, will consider the bids received and, if an acceptable bid is received, award the sale of the Bonds on the basis of the true interest cost. In the event that no bid is awarded by the designated time, the District will reschedule the sale to another date or time by providing notification through Thomson Municipal News. The District reserves the right to change the time or postpone the date of the sale to any other time or date by providing notification through Thomson Municipal News.

Issue:

The Bonds will be dated _____ 1, 2003, will be in denominations of $5,000 each, or integral multiples thereof, and will bear interest from the date of the Bonds to the maturity of each of the Bonds at the rate or rates such that the interest rate shall not exceed _____% per annum, with interest payable on _____ 1, 2003, and semiannually thereafter on _____ 1 and _____ 1 of each year during the term of each of the Bonds. The Bonds mature on _____ 1 in each of the years 20___ to 20__, inclusive, as follows:

* Preliminary, subject to change.

Year	Principal Amount	Year	Principal Amount

Special Bidder's Option:

The purchaser may elect to combine any number of consecutive maturities of Bonds for which an identical yield to maturity has been specified to comprise term bonds by indicating such an election on the bid form. The election to create term bonds in such manner will require the creation of a mandatory sinking fund so that the sinking fund redemption payments shall equal the principal amount of the corresponding serial bond maturities.

Optional Redemption:

The redemption provisions shall be as follows or as otherwise stated in the Official Statement:

The Bonds maturing on or before _____ 1, _____ are not subject to redemption prior to their fixed maturity dates. The Bonds maturing on or after _____ 1, _____, may be redeemed before maturity at the option of the District, from any source of funds, on _____ 1, _____, or on any Bond Payment Date thereafter as a whole, or in part in inverse order of maturity and by lot within a maturity. The Bonds called prior to maturity will be redeemed at the following redemption prices, expressed as a percentage of par value, together with accrued interest to the date of redemption:

Redemption Date	Redemption Price
_____ 1, _____ and _____ 1, _____	%
_____ 1, _____ and _____ 1, _____	
_____ 1, _____ and thereafter	

Notice of Redemption

Notice of redemption of any Bond will be mailed to the registered owner of each Bond to be redeemed in whole or in part, at the address shown on the registration records maintained by the Bond Registrar designated for this issue of Bonds; such mailing to be not more than 45 nor less than 30 days prior to the date set for redemption. Failure to mail notice to any owner will not affect the validity of the proceedings for the redemption of Bonds.

Registration of Bonds as to Principal and Interest and Place of Payment:

The Bonds, when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository of the Bonds. Individual purchases will be made in book-entry form only, in the denominations of $5,000 and integral multiples thereof. Purchasers will not receive certificates representing their interest in the Bonds purchased. Principal, premium, if any, and interest are payable in lawful money of the United States of America at the corporate trust office of the Bond Registrar, to DTC, which in turn will remit such amounts to the beneficial owners of the Bonds through DTC's Participants, as described in the Preliminary Official Statement. The successful bidder will be required to pay any fees to DTC.

Authority:

The Bonds will be issued pursuant to the Constitution and laws of the State of California. The issuance of the Bonds was authorized by a two-thirds vote of the qualified electors of the District voting at a special election held on November 4, 1997.

Security:

Both principal of and interest on the Bonds are payable from an unlimited ad valorem tax levied against all of the taxable property (except certain personal property which is taxable at limited rates) in the District.

Form of Bid:

[A prescribed form of bid for the Bonds will be prepared and all bids must be submitted on such form. Copies of the prescribed bid form will be included with the Preliminary Official Statement for the Bonds. Each bid must be either telecommunicated to the Treasurer and Tax Collector at (213) 625-2249 (TTC Fax #), or delivered, enclosed in a sealed envelope, to the offices of the County of Los Angeles Treasurer and Tax Collector, 500 West Temple Street, Room 437, Los Angeles, California 90012, in either case not later than _____ a.m., local time, on the date of sale. Neither the District nor the County shall be responsible for the inability of any bidder to promptly deliver its bid by telecommunication.]

A prescribed form of bid for the Bonds has been prepared and is attached hereto. Bids may be submitted by sealed envelope, by telefax, or electronically via PARITY, providing that the good faith deposit (described below) has been received, before ___ A.M., Pacific Daylight Time on the date of sale (see below for additional deadlines if a financial surety bond is used), to the District c/o RBC Dain Rauscher Inc., 777 South Figueroa Street, Suite 850, Los Angeles, California 90017, at fax number 213-624-5263.

All bids which are submitted electronically via PARITY pursuant to the procedures described below shall be deemed to constitute a Bid for Purchase of the Bonds and shall be deemed to incorporate by reference all of the terms and conditions of this Notice Inviting Proposals. The submission of a bid electronically via PARITY shall constitute and be deemed the bidder's signature on the Bid for Purchase of the Bonds.

WARNINGS REGARDING FACSIMILE BIDS: A BID SUBMITTED BY FACSIMILE TRANSMISSION WILL NOT BE CONSIDERED TIMELY UNLESS, AT THE DEADLINE FOR SUBMISSION OF BIDS, THE ENTIRE BID FORM HAS BEEN RECEIVED BY THE RECEIVING FAX MACHINE. NEITHER THE DISTRICT, THE FINANCIAL ADVISOR, NOR BOND COUNSEL SHALL BE RESPONSIBLE FOR, AND THE BIDDER EXPRESSLY ASSUMES THE RISK FOR ANY INCOMPLETE, ILLEGIBLE OR UNTIMELY BID SUBMITTED BY FACSIMILE TRANSMISSION BY SUCH BIDDER, INCLUDING, WITHOUT LIMITATION, BY REASON OF GARBLED TRANSMISSION, MECHANICAL FAILURE, ENGAGED TELEPHONE OR TELECOMMUNICATIONS LINES, OR ANY OTHER CAUSE ARISING FROM DELIVERY FACSIMILE TRANSMISSION RATHER THAN BY HAND.

Procedures Regarding Electronic Bidding:

Bids may be submitted electronically via PARITY in accordance with this Notice Inviting Proposals, until ____ A.M., Pacific Daylight Time, _____, _____ __, 2003, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY conflict with this Notice Inviting Proposals, the terms of this Notice Inviting Proposals shall control. For further information about PARITY, potential bidders may contact the District's Financial Advisor or PARITY at Dalcomp at (212) 806-8304. In the event that a bid for the Bonds is submitted via PARITY, the bidder further agrees that:

1. The District may regard the electronic transmission of the bid through PARITY (including information about the purchase price of the Bonds, the interest rate or rates to be borne by the various maturities of the Bonds, the initial public offering price of each maturity and any other information included in such transmission) as though the same information were submitted on the Bid for Purchase of the Bonds form, provided by the District and executed by a duly authorized signatory of the bidder. If a bid submitted electronically by PARITY is accepted by the District, the terms of the Bid for Purchase of the Bonds and the Notice Inviting Proposals and the information that is electronically transmitted through PARITY shall form a contract and the successful bidder shall be bound by the terms of such contract.

2. PARITY is not an agent of the District, and the District shall have no liability whatsoever based on any bidder's use of PARITY, including but not limited to any failure by PARITY to correctly or timely transmit information provided by the District or information provided by the bidder.

3. The District may choose to discontinue use of electronic bidding via PARITY by issuing a notification to such effect via PARITY's internet site (wwv.tm3.com) no later than 5:00 P.M. (Pacific Daylight Time) on the last business day prior to the date of sale.

4. Once the bids are communicated electronically via PARITY to the District as described above, each bid will constitute a Bid for Purchase of the Bonds and shall be deemed to be an irrevocable offer to purchase the Bonds on the terms provided in this Notice Inviting Proposals. For purposes of submitting all Bids for Purchase of the Bonds,

whether by hand delivery, facsimile or electronically via PARITY, the time as maintained on PARITY shall constitute the official time.

5. Each bidder choosing to bid electronically shall be solely responsible to make necessary arrangements to access PARITY for purposes of submitting its bid in a timely manner and in compliance with this Notice Inviting Proposals. Neither the District nor Dalcomp shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and neither the District nor Dalcomp shall be responsible for a bidder's failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, PARITY. The District is using PARITY as a communication mechanism, and not as the District's agent, to conduct the electronic bidding for the Bonds. By using PARITY, each bidder agrees to hold the District harmless for any harm or damages caused to such bidder in connection with its use of PARITY for bidding on the Bonds.

In the event that both an electronic bid and a facsimile bid from a single bidder are received at or prior to the bid receipt deadline, and to the extent that there is an inconsistency in the interest rates or price bid, the facsimile shall be deemed to be the bid submitted. No bid received after the deadline shall be considered. In any case, each bid must be in accordance with the terms and conditions set forth in this official Notice Inviting Proposals.

Interest Rates:

All bids for the purchase of the Bonds must state the rate or rates of interest to be paid and no bid at a price less than the par value of the Bonds, together with all accrued interest thereon to the date of the delivery of the Bonds, will be considered. All Bonds of the same maturity must bear the same rate of interest and no Bond may bear more than one rate. Bidders may specify any number of different rates to be borne on the Bonds; all interest rates must be in multiples of 1/8 or 1/20 of one percent; and the rate of interest on any maturity shall not be more than three percent higher than the interest rate on any other maturity.

Good Faith Deposit:

A good faith deposit (a "Deposit") in the form of a certified check or cashier's check or a financial surety bond (a "Financial Surety Bond") in the amount of one percent (1%) of the par amount of the Bonds, payable to the order of the Treasurer and Tax Collector of the County, to secure the District from any loss resulting from the failure of the bidder to comply with the terms of its bid, is required for any bid to be considered. If a check is used, it must accompany each bid. If a Financial Surety Bond is used, it must be from an insurance company licensed to issue such a bond in the State of California, and such Financial Surety Bond must be submitted to the District or RBC Dain Rauscher Inc. prior to the opening of the bids. Each Financial Surety Bond must identify the bidder whose Deposit is guaranteed by such Financial Surety Bond.

If the Bonds are awarded to a bidder using a certified or cashier's check, such check will be held by the County following the award to the successful bidder. If, after the award of the Bonds, the successful bidder fails to complete its purchase on the terms stated in its proposal, the check will

be cashed by the County and the proceeds thereof will be retained by the County for the benefit of the District.

If the Bonds are awarded to a bidder using a Financial Surety Bond, then the successful bidder is required to submit its Deposit to the County in the form of a cashier's check (or wire transfer as instructed by the County, the District or RBC Dain Rauscher Inc.) not later than _____ P.M., Pacific Daylight Time on the next business day following the award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn upon by the County to satisfy the Deposit requirement. In the event the successful bidder fails to honor its accepted bid, the Deposit will be retained by the County for the benefit of the District.

If the successful bidder completes its purchase of the Bonds on the terms stated in its proposal, its Deposit will be applied to the purchase of the Bonds on the date of delivery of the Bonds. Checks of the unsuccessful bidders will be returned in person at the time of sale or by mail promptly after the date of sale. No interest will be paid upon the Deposit made by any bidder.

CUSIP Numbers:

CUSIP numbers will be applied for by the purchaser and will be printed on the Bonds and the cost of CUSIP Service Bureau assignment will be the purchaser's responsibility. Any delay, error or omission with respect thereto will not constitute cause for the purchaser to refuse to accept delivery of and pay for the Bonds.

California Debt and Investment Advisory Commission:

The successful bidder will be required, pursuant to State law, to pay the related fees of the California Debt and Investment Advisory Commission ("CDIAC"). CDIAC will invoice the successful bidder.

Right of Rejection:

The County reserves the right in its discretion to reject any and all bids received and to waive any irregularity or informality in the bids, except that the time for receiving bids shall be of the essence.

Award and Delivery:

Unless all bids are rejected, the Bonds will be awarded to the bidder whose proposal results in the lowest true interest cost to the District. The true interest cost will be determined on the basis of the aggregate present value of each semiannual payment, will be calculated from the dated date of the Bonds and will be based on the bid amount (par value plus premium, if any), excluding accrued interest. Delivery of the Bonds will be made to the purchaser upon payment in immediately available funds at the offices of the County of Los Angeles Treasurer and Tax Collector, 500 West Temple Street, Room 432, Los Angeles, California 90012, or at the purchaser's request and expense, at any other place mutually agreeable to both the County and the purchaser.

Prompt Award:

The County, acting through its Treasurer and Tax Collector, or his designee, in conjunction with the Superintendent or Assistant Superintendent of Business Services of the District, or the designee of either such officer, will take action awarding the Bonds or rejecting all bids not later than 30 hours after the expiration of the time herein prescribed for the receipt of proposals, unless such time of award is waived by the successful bidder. Notice of the award will be given promptly to the successful bidder.

Legal Opinion:

The Bonds are sold with the understanding that the purchaser will be furnished with the approving opinion of Sidley Austin Brown & Wood LLP. A copy of the opinion, but without its date, will be attached to the Bonds. Said attorneys have been retained by the District as Bond Counsel and in such capacity are to render their opinion only upon the legality of the Bonds under California law and on the exemption of the interest income on such Bonds from federal and State of California income taxes. Fees of Bond Counsel will be paid from Bond proceeds.

Tax Status:

In the opinion of Bond Counsel, under existing laws, interest on the Bonds is exempt from all present State of California personal income taxes, and assuming compliance with certain covenants made by the District and County, interest on the Bonds is not includable in the gross income of the owners of the Bonds for federal income tax purpose, provided that such interest may be included in the calculation for certain taxes, including the corporate alternative minimum tax and the corporate environmental tax. Should changes in the law cause Bond Counsel's opinion to change prior to delivery of the Bonds to the purchaser, the purchaser will be relieved of its responsibility to pick up and pay for the Bonds, and in that event its bid check will be returned.

Certificate Regarding Reoffering Prices:

As soon as practicable, but not later than seven days prior to delivery of the Bonds, the successful bidder must submit to the District a certificate specifying for each maturity the reoffering price at which at least 10% of the Bonds of such maturity were sold (or were offered in a bona fide public offering and as of the date of award of the Bonds to the successful bidder reasonably expected to be sold) to the public. Such certificate shall be in form and substance satisfactory to Bond Counsel and shall include such additional information as may be requested by Bond Counsel.

Qualification for Insurance:

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the bidder, any purchase of such insurance or commitment therefor shall be at the sole option and expense of the bidder and any increased costs shall be paid by such bidder, including but not limited to the rating fees charged by Moody's Investors Service and Standard & Poor's. The District will be responsible for obtaining a municipal bond rating from Moody's Investors Service and Standard & Poor's and for payment of any rating fees incurred in

connection therewith. Any failure of the Bonds to be so insured or of any such policy of insurance to be issued shall not in any way relieve the purchaser of their contractual obligations arising from the acceptance of their proposal to purchase the Bonds.

No Litigation and Non-Arbitrage:

The District will deliver a certificate stating that no litigation is pending affecting the issuance and sale of the Bonds. The District will also deliver a non-arbitrage certificate covering its reasonable expectations concerning the Bonds and the use of proceeds thereof.

Right to Modify or Amend

The District reserves the right to modify or amend this Notice Inviting Proposals in any respect; provided, however, that any such modification or amendment shall be communicated to potential bidders through Thomson Municipal News.

Official Statement:

The District will make available a Preliminary Official Statement relating to the Bonds, a copy of which, along with related documents, will be furnished upon request made either by mail to RBC Dain Rauscher Inc., 777 South Figueroa Street, Suite 850, Los Angeles, California 90017, the District's financial consultant for the Bonds, or telephoned to said consultant at (213) 362-4133. Such Preliminary Official Statement, together with any supplements thereto, shall be in form "deemed final" by the District for purposes of SEC Rule 15c2-12(b)(1), but is subject to revision, amendment and completion in a final Official Statement. The District agrees to provide a reasonable number, not exceeding 200, of the final Official Statement to the winning bidder at the District's expense within seven business days of the date of sale. The District shall deliver, at closing, a certificate, executed by appropriate officers of the District acting in their official capacities, to the effect that the facts contained in the Official Statement relating to the Bonds are true and correct in all material respects, and that the Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of circumstances under which they were made not misleading.

Dated: March 11, 2003

PASADENA UNIFIED SCHOOL DISTRICT

By: _____

President, Board of Education

BIDS

FOR THE PURCHASE OF
PASADENA UNIFIED SCHOOL DISTRICT
(COUNTY OF LOS ANGELES, CALIFORNIA)
2003 GENERAL OBLIGATION BONDS
(ELECTION OF 1997, SERIES D)

$_____

_____, 2003

Pasadena Unified School District
County of Los Angeles, California

On behalf of a group which we have formed consisting of:

_____

_____

_____

_____

_____

and pursuant to the Notice Inviting Proposals for Purchase of Bonds hereinafter mentioned, we offer to purchase all of the _____ dollars ($_____) principal amount of the Bonds designated as "Pasadena Unified School District, (County of Los Angeles, California), 2003 General Obligation Bonds (Election of 1997, Series D)" maturing on _____ 1 in the years and amounts and bearing interest at the rate or rates set forth in the following schedule:

YEAR (____ 1)	PRINCIPAL AMOUNT	INTEREST RATE	INSURANCE	YEAR (____ 1)	PRINCIPAL AMOUNT	INTEREST RATE	INSURANCE

and to pay therefor the aggregate sum of $_____ (consisting of $_____ in par value and $_____ in purchase premium) plus interest accrued on such Bonds to the date of delivery thereof.

We hereby elect to combine the maturities of Bonds maturing on the following dates to comprise term bonds:

Serial Maturity Dates	Term Bond Maturity Dates	Principal Amount

This bid is made subject to all the terms and conditions of the Notice Inviting Proposals for Purchase of Bonds heretofore published, all of which terms and conditions are made a part hereof as fully as though set forth in full in this bid.

As specified in the Notice Inviting Proposals for Purchase of Bonds, this bid is subject to acceptance not later than 30 hours after the expiration of the time for the receipt of bids, and the opinion of Sidley Austin Brown & Wood LLP approving the validity of the Bonds will be furnished us (if we are the successful bidder) at the time of the delivery of the Bonds at the expense of the District.

There is submitted herewith a memorandum (which shall not constitute a part of this bid) stating the total interest cost in dollars on the Bonds, the proposed premium, if any, and the true interest rate determined thereby.

Respectfully submitted,

Name: _____
(Account Manager)

By: _____

Address: _____

_____

City: _____

State: _____

Phone: _____

BID CHECK (check one):

_____ There is enclosed herewith a certified check or cashier's check in the amount of $_____ payable to the order of the Treasurer and Tax Collector of Los Angeles County.

_____ We have provided Los Angeles County with a pre-approved financial surety bond as provided in the Notice Inviting Proposals for Purchase of Bonds.

TRUE INTEREST RATE:

Our calculation of the true interest rate, which is supplied for informational purposes only and is not a part of the proposal, is as follows:

Total Interest	$_____
Proposed Premium	$_____
True Interest Rate	_____%

EXHIBIT B

FORM OF NOTICE OF INTENTION TO SELL BONDS

$_____*

PASADENA UNIFIED SCHOOL DISTRICT
(County of Los Angeles, California)
2003 General Obligation Bonds
(Election of 1997, Series D)

NOTICE IS HEREBY GIVEN that the Pasadena Unified School District (the "District"), in the County of Los Angeles, California, intends to offer for public sale on _____, 2003, at the hour of _____ a.m., California time (or at such other time and date as may be communicated by the District through Thomson Municipal News at least 24 hours prior to the time that bids are to be received), at the offices of the County of Los Angeles Treasurer and Tax Collector, 500 West Temple Street, Room 437, Los Angeles, California 90012, $_____* aggregate principal amount of general obligation bonds of the District designated "Pasadena Unified School District, (County of Los Angeles, California), 2003 General Obligation Bonds (Election of 1997, Series D)" (the "Bonds").

Within 30 hours of such time, representatives of the County and the District will consider the bids for the Bonds and, if an acceptable bid or bids are received, award the sale of the Bonds. In the event that no bid is awarded by the designated time, proposals for the Bonds will be received at such other time and date as may be communicated through Thomson Municipal News at least 24 hours prior to the time that bids are to be received until such time as a bid is awarded or the District determines to withdraw sale of the Bonds.

NOTICE IS HEREBY FURTHER GIVEN that the Bonds, dated _____ 1, 2003, will be offered for public sale subject to the terms and conditions of an Official Notice of Sale. An Official Statement pertaining to the Bonds and an Official Notice of Sale will be furnished, upon request, by RBC Dain Rauscher Inc., 777 South Figueroa Street, Suite 850, Los Angeles, California 90017, (213) 362-4133, the financial advisor to the District for the Bonds.

Dated: _____, 2003

By:_____

*Preliminary, subject to change.

EXHIBIT C

FORM OF CONTINUING DISCLOSURE CERTIFICATE

[TO BE PROVIDED BY DISCLOSURE COUNSEL]

SECRETARY'S CERTIFICATE

I, Percy Clark, Jr., Secretary of the Board of Education of the Pasadena Unified School District, County of Los Angeles, California, hereby certify as follows:

The attached is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Education of said District duly and regularly held at the regular meeting place thereof on March 11, 2003, and entered in the minutes thereof, of which meeting all of the members of said Board of Education had due notice and at which a quorum thereof was present; and at said meeting said resolution was adopted by the following vote:

AYES: 5

NOES: -

ABSTAIN: -

ABSENT: 2

An agenda of said meeting was posted at least 72 hours before said meeting at _____, Pasadena, California, a location freely accessible to members of the public, and a brief description of said resolution appeared on said agenda. A copy of said agenda is attached hereto.

I have carefully compared the same with the original minutes of said meeting on file and of record in my office. Said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

WITNESS my hand this 11th day of March, 2003.

Percy Clark Jr.

Secretary of the Board of Education of
Pasadena Unified School District