# COUNTY OF LOS ANGELES
## TREASURER AND TAX COLLECTOR

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**MARK J. SALADINO**
TREASURER AND TAX COLLECTOR


March 3, 2009

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 CERTAIN LOS ANGELES COUNTY SCHOOL AND COMMUNITY COLLEGE DISTRICTS 2008-2009 TAX AND REVENUE ANTICIPATION NOTES, SERIES B (ALL DISTRICTS) (3 VOTES)**

## SUBJECT

The governing boards of certain school and community college districts have requested that the County issue and sell tax revenue and anticipation notes on their behalf in an aggregate principal amount not to exceed $13,000,000.

## IT IS RECOMMENDED THAT YOUR BOARD:

Adopt the Resolution authorizing the issuance of 2008-09 Tax and Revenue Anticipation Notes, Series B (the "Series B Notes"), on behalf of certain Los Angeles County School and Community College Districts and providing for the sale of participation certificates in an aggregate principal amount not to exceed $13,000,000.

## PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The governing boards of certain school and community college districts (the "Districts") located within Los Angeles County have adopted individual resolutions as required by Section 53850 et. seq. of the Government Code requesting that your Board issue Tax and Revenue Anticipation Notes (TRANs) on their behalf. Adoption of the attached

Resolution will authorize the execution and delivery of the Series B Notes for the Districts.

The Series B Notes will be issued through the Los Angeles County Schools Pooled Financing Program (Pooled Program), which was established in 1985 to allow participating districts to combine their respective debt issuances into a single financing. The Pooled Program is administered by the Los Angeles County Office of Education (LACOE) and has served as an effective mechanism for reducing borrowing costs to school and community college districts. Exhibit C to the Resolution provides a list of the Districts that will be participating in the 2008-2009 Series B Notes.

Implementation of Strategic Plan Goals

This action supports the County's Strategic Plan Goal 3: Organizational Effectiveness by facilitating collaborative actions between the County and other local jurisdictions, including LACOE and the Districts. It supports the Strategic Plan Goal 4: Fiscal Responsibility by providing funding necessary to meet the Fiscal Year 2008-09 cash flow requirements of the Districts.

**FISCAL IMPACT/FINANCING**

There will be no fiscal impact to the County budget.

**FACTS AND PROVISIONS/ LEGAL REQUIREMENTS**

TRANs are a short-term debt instrument that provides borrowers with the ability to finance their operating cash flow deficits during a given fiscal year. The Series B Notes will be issued for the benefit of the Districts as twelve-month fixed rate notes at an interest rate to be determined at the time of pricing. Consistent with prior Pooled Program financings, the Series B Notes will be deposited into a trust for the purpose of issuing a corresponding series of Participation Certificates (Certificates). Proceeds generated from the sale of the Certificates will be used by the County to purchase the Series B Notes from the Districts.

The Resolution provides for the negotiated sale of the Certificates to the underwriters, with participation by the Treasurer and Tax Collector in the pricing of the securities. LACOE, in connection with the Districts, has selected RBC Capital Markets and E. J. De La Rosa & Co., Inc. as the underwriters; Annette Yee & Company as the financial advisor; Hawkins Delafield & Wood LLC as bond counsel; and Bank of New York Western Trust Company as the certificate agent.

**CONCLUSION**

Upon approval of this Resolution, it is requested that the Executive Officer-Clerk of the Board of Supervisors return two originally executed copies of the adopted Resolution to the Treasurer and Tax Collector (Office of Public Finance).

Respectfully submitted,

MARK J. SALADINO
Treasurer and Tax Collector

MJS:GB:DB:CH
ad:doc/LACOE 2008-09 TRANS_030309

Attachments (4)

c: Treasurer and Tax Collector
County Counsel
Auditor-Controller
Los Angeles County Office of Education
Hawkins Delafield & Wood
BNY Western Trust Company

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES PROVIDING FOR THE ISSUANCE OF 2008-2009 TAX AND REVENUE ANTICIPATION NOTES, SERIES B, ON BEHALF OF CERTAIN LOS ANGELES COUNTY SCHOOL AND COMMUNITY COLLEGE DISTRICTS**

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WHEREAS, pursuant to Section 53850 *et seq.*, of the Government Code of the State of California (the "Code"), contained in Title 5, Division 2, Part 1, Chapter 4, certain school and community college districts located within the County of Los Angeles (individually, a "District" and collectively, the "Districts") have requested the Board of Supervisors of the County of Los Angeles (the "Board of Supervisors") to issue a separate 2008-2009 Tax and Revenue Anticipation Note (individually, a "Note" and collectively, the "Notes") on behalf of each District, respectively, in a principal amount not in excess of 85% of their respective total revenues for fiscal year 2008-2009; and

WHEREAS, pursuant to Section 53853(a) of the Code, each such Note shall be issued in the name and on behalf of each District by the Board of Supervisors as soon as possible following receipt of a resolution of the governing board of a District (individually, a "District Board" and collectively, the "District Boards") respectively, requesting such borrowing; and

WHEREAS, the District Boards have previously adopted resolutions finding and determining that they need to borrow funds in an amount not to exceed the respective amount set forth in the schedule attached hereto as Exhibit C in fiscal year 2008-2009 for their authorized purposes and requesting that the Board of Supervisors authorize for that purpose the issuance of, and offer for sale, a Note in the name and on behalf of each respective District in a principal amount of not to exceed the respective foregoing amount, to be used for any legal purposes for which the District is authorized to expend moneys (said District resolutions referred to collectively as the "District Note Resolutions"); and

WHEREAS, a Note may not bear interest exceeding twelve percent (12%) per annum, as permitted by Section 53531 of the Code, notwithstanding Section 53854 of the Code; and

WHEREAS, a Note will not be outstanding after the period ending twelve (12) months from the date on which such Note is issued and will not be issued in an amount greater than the maximum anticipated cumulative cash flow deficit of the respective District to be financed by the anticipated tax or other revenue source for the period for which such applicable taxes or other revenues are anticipated and during which such Note is outstanding, all as provided under the Internal Revenue Code of 1986, as amended, and applicable Treasury Regulations promulgated thereunder; and

WHEREAS, the Districts have requested the Treasurer and Tax Collector of the County of Los Angeles (the "Treasurer") to serve as agent in matters relating to the moneys paid by them to the Treasurer as and for payments of the principal of and interest on the Notes, which moneys shall include the Pledged Revenues (as defined below) , and have requested the Treasurer to perform certain other services in connection with the payment of the Notes, and for the Treasurer to provide for the designation and establishment of a Repayment Fund for the deposit of Pledged Revenues; and

WHEREAS, the District Boards have found and determined that it is in their respective best interests for the Treasurer to provide for the sale to the general public on a pooled basis with the tax and revenue anticipation notes of other local agencies located within the County in order to achieve savings in costs of issuance and to improve the marketability of the Notes; and

WHEREAS, the County wishes to provide the terms under which the Los Angeles County Schools Pooled Financing Program 2008-2009 Pooled Tax and Revenue Anticipation Notes, Series B (the "Series B Pooled Program") will operate and wishes to provide for the appointment of the Certificate Agent (as defined below) and the approval of the terms of the Trust Agreement (as defined below);

NOW, THEREFORE, the Board of Supervisors of the County of Los Angeles hereby resolves as follows:

SECTION 1. Board Determination. All of the recitals set forth herein are true and correct, and the Board of Supervisors so finds and determines.

SECTION 2. Authorization of Issuance of Notes and Terms Thereof. The County hereby determines to and shall issue in the name and on behalf of each District a separate 2008-2009 Tax and Revenue Anticipation Note (individually, a "Note" and collectively, the "Notes") in the principal amount of not to exceed the amount set forth in the schedule attached hereto as Exhibit C, each to be in the denomination of the full principal amount thereof, to be dated the date of delivery thereof, to mature (without option of prior redemption) no more than twelve (12) months from the date of delivery thereof, and to bear interest, payable as provided in the Notes and computed on a 360-day year of twelve 30-day month basis, at the rate determined at the time of sale thereof by the Treasurer or his designee, but not in excess of twelve percent (12%) per annum. Both the principal of and the interest on a Note shall be payable in lawful money of the United States of America upon presentation thereof at the principal office of the Certificate Agent (as defined below).

SECTION 3. Form of Notes. Each Note shall be issued in fully registered form and shall be substantially in the form provided in the respective District Note Resolution.

SECTION 4. Deposit of Note Proceeds. The moneys representing the proceeds of sale of each Note shall be deposited into the general fund of a District. Following such deposit, said proceeds shall be withdrawn and expended by the respective District for any lawful purpose for which it is authorized to expend moneys, including, but not limited to, current

expenses, capital expenditures and the discharge of any obligation or indebtedness of the respective District.

SECTION 5. Payment of Notes.

(A) Sources of Payment. The principal amount of a Note, together with the interest thereon, shall be payable from taxes, income, revenue, cash receipts and other moneys that are received by the respective Districts during, or are attributable to, fiscal year 2008-2009 and which are available therefor. Each Note shall be the general obligation of the respective District, and to the extent such Note is not paid from the Pledged Revenues identified below, the Note shall be paid with interest thereon from any other moneys of the respective District lawfully available therefor, as provided in each District Note Resolution and otherwise by law.

(B) Pledged Revenues. As security for the payment of principal of and interest on its respective Note, by its District Note Resolution, each respective District has pledged an aggregate amount equal to one hundred percent (100%) of the principal amount of its Note, plus an amount sufficient to pay interest on its Note, from its respective first unrestricted revenues received in one or more months and in the percentages set forth (the "Pledged Revenues") in Exhibit C to the Trust Agreement. The term "unrestricted revenues" shall mean, as applicable, taxes, income, revenue, cash receipts and other moneys of the District, as provided in Section 53856 of the Code, which are intended as receipts for the general fund of a District and which are generally available for the payment of current expenses and other obligations of the respective District.

The principal of each Note and the interest thereon shall be a first lien and charge against and shall be payable from the first moneys received by each District from such Pledged Revenues, as provided by law.

In the event there are insufficient unrestricted revenues received by a District to permit the deposit into its respective Repayment Fund (as hereinafter defined) of the full amount of Pledged Revenues to be deposited from its respective unrestricted revenues in a given month, then the amount of any deficiency shall be satisfied and made up from its respective first additional moneys lawfully available for the repayment of its Note and the interest thereon.

None of the Pledged Revenues of one District shall be available for the payment of principal and interest with respect to any tax and revenue anticipation notes attributable to another District and each District has in its District Note Resolution acknowledged and agreed that notwithstanding its participation in the Series B Pooled Program it shall not be entitled to any payment of principal of and interest on its Note from the revenues of any other District participating in the Series B Pooled Program.

(C) Deposit of Pledged Revenues into Repayment Fund. The Pledged Revenues for each District shall be held by the Treasurer in a special fund authorized and designated in each District Note Resolution (individually, a "Repayment Fund" and collectively, the "Repayment Funds") to be held by the Treasurer or, at the discretion of the Treasurer, by a fiscal agent or Certificate Agent to be determined by the Treasurer, and applied as directed in this resolution. Moneys placed in a Repayment Fund shall be for the sole benefit of the holders

of a Note, and until such Note and all interest thereon are paid in full or until provision has been made for the payment of such Note at maturity with interest to such date, the moneys in the related Repayment Fund shall be applied only for the purposes for which such Repayment Fund was created. From the dates of receipt by the Treasurer of any of the Pledged Revenues, the respective Districts shall have no right, title or interest therein, except as to any excess moneys as described in subsection 5(D) hereof.

(D) Disbursement and Investment of Moneys in Repayment Fund. From the date the Notes are issued, all Pledged Revenues shall be deposited into the related Repayment Fund. After such date as the amount of Pledged Revenues deposited in a Repayment Fund shall be sufficient to pay in full the principal of and interest on the respective Note, when due, any moneys in excess of such amount remaining in or accruing to such Repayment Fund shall be transferred to the general fund of the respective District, as applicable. On the maturity date of a Note and any earlier interest payment date, all moneys on deposit in the related Repayment Fund shall be used, to the extent necessary, to pay the principal of and interest due on such Note on such date.

Moneys in the Repayment Funds shall be invested in investment securities by the Treasurer or his designee, as permitted by applicable California law, as now in effect and as it may be amended, modified or supplemented from time to time.

SECTION 6. Execution of Notes. The Treasurer, or his designated representative, is directed to cause to be prepared a separate Note for each District. The Treasurer, or his designated representative, is hereby authorized to sign each Note manually, or by use of his facsimile signature, the Chair of the Board of Supervisors is hereby authorized to sign a Note manually or by facsimile signature, the Executive Officer-Clerk of the Board of Supervisors (the "Executive Officer-Clerk"), or any designated representative, is hereby authorized to countersign a Note manually or by use of a facsimile signature (provided that one of such signatures must be manually affixed), the Executive Officer-Clerk is hereby authorized to affix the seal of the County thereto by facsimile of the impression thereof, and said officers are hereby authorized to cause the blank spaces on the form of Note to be filled in prior to delivery as may be appropriate.

SECTION 7. Approval of Purchase. The Treasurer, within the limitations set forth below, is hereby authorized and directed, on behalf of each District, to purchase the Notes of each District at private sale, but only from the proceeds of sale of the Certificates (as defined in the Trust Agreement) for deposit into a trust to be established under the Trust Agreement. Each District has agreed and the Board of Supervisors hereby agrees to recognize each registered owner of the Certificates as the beneficial owner of each Note to the extent of such registered owner's proportional, undivided interest in a Note. For purposes of obtaining the highest possible rating and the lowest possible interest rate for a Note and to comply with applicable federal tax law, the Series B Pooled Program may be divided into two or more series, as approved by the Treasurer. The Authorized Officer (as defined in each District Note Resolution) has been authorized by each District Board to execute and deliver any documents and to take such other action as maybe necessary or proper to carry out the intent and the provisions hereof.

The sale of each Note in connection with the Series B Pooled Program has been approved by each respective District Board, and is hereby approved by the Board of Supervisors on such terms as the Authorized Officer may approve, such approval to be conclusively evidenced by the Treasurer's purchase of a Note and its subsequent delivery to the Certificate Agent; provided, however, that the maximum interest rate on a Note shall not exceed twelve percent (12%) per annum and the discount shall not exceed one percent (1%) of the par amount of the Note.

SECTION 8. Delivery of Notes. The proper officers of the County are hereby authorized and directed to deliver the Notes to the Treasurer upon payment therefor in accordance with the Contract of Purchase. All actions heretofore taken by the officers and agents of the County with respect to the sale and issuance of the Notes are hereby approved, confirmed and ratified, and the officers of the County are hereby authorized and directed, for and in the name and on behalf of the County , to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents including but not limited to those described in the Contract of Purchase, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Notes in accordance with this resolution and the District Note Resolutions.

SECTION 9. Non-Negotiability of Note. Each Note shall immediately upon assignment by the Treasurer to the Certificate Agent be lodged in trust with the Certificate Agent and maintained in such trust until scheduled maturity and payment or purchase in full. Each Note shall not be transferable or assignable by the Certificate Agent except as specifically provided in the Trust Agreement, for example, as with Defaulted Notes and assignment to a successor Certificate Agent. Notwithstanding the foregoing, in the event that a Note should be lost, stolen, destroyed or mutilated prior to its stated maturity, the Treasurer shall cause to be issued a new Note of the same tenor, term and maturity as the original and upon such reasonable terms and conditions, including the payment of costs and the posting of a surety bond, as may from time to time be determined and prescribed by the Treasurer.

SECTION 10. Appointment of Certificate Agent; Form of Trust Agreement. The Bank of New York Trust Company, N.A., a national banking association organized and existing under the laws of the United States of America, is hereby appointed to serve as Certificate Agent and Registrar for the Series B Pooled Program. The terms and provisions of the Trust Agreement, in substantially the form attached hereto as Exhibit A, are hereby approved, provided that the aggregate principal amount of Certificates to be executed and delivered shall not exceed the aggregate principal amount of the Notes authorized in the District Note Resolutions and approved by the Treasurer. The Treasurer (and any designee of the Treasurer), is hereby authorized and directed on behalf of the County and in its name to execute and deliver the Trust Agreement in substantially the form presented to and considered at this meeting of the Board of Supervisors, which such changes therein, however, as may be approved by the Treasurer or his designee in consultation with County Counsel, such approval to be conclusively evidenced by the Treasurer's execution thereof.

SECTION 11. Form of Credit Enhancement Agreement. In accordance with the provisions of the District Note Resolutions and the terms of the Series B Pooled Program, there may be executed a form of credit enhancement agreement, pursuant to which the principal of and

interest accrued to maturity on a Note will be secured, in the event that amounts on deposit in the related Repayment Fund are not sufficient to pay the principal of and interest on such Note in full. The Treasurer (and any designee of the Treasurer), is hereby authorized and directed on behalf of the County and in its name to execute and deliver a credit enhancement agreement as may be approved by the Treasurer or his designee in consultation with County Counsel, such approval to be conclusively evidenced by the Treasurer's execution thereof.

SECTION 12. Distribution of Official Statement. The Underwriters are hereby authorized to prepare and distribute a preliminary and final official statement for use in the marketing and sale of the Certificates as directed by the Treasurer on behalf of the Districts.

SECTION 13. Form of Purchase Contract. The Treasurer (or any designee of the Treasurer), is hereby authorized to enter into a purchase contract (the "Purchase Contract") for the Certificates with RBC Capital Markets Corporation, as representative of itself and other underwriters (collectively, the "Underwriters") in substantially the form attached hereto as Exhibit B in implementation of the Series B Pooled Program and in accordance with the terms of the District Note Resolutions, with such changes therein, however, as may be approved by the Treasurer or his designee in consultation with County Counsel, such approval to be conclusively evidenced by the Treasurer's execution thereof.

SECTION 14. Treasurer to Act as Fiscal Agent. The Treasurer shall act as fiscal agent for the payment of the principal of and interest on the Notes and the related Series of Certificates. The Treasurer may, however, appoint a bank or trust company to act as a substitute fiscal agent in accordance with the provisions of the Trust Agreement. The Treasurer may, at his discretion, appoint a fiscal agent or Certificate Agent for the management of the separate Repayment Funds to be held in the name of each District for the sole benefit of the owners of the Notes, and until the Notes and all interest thereon are paid or until provision has been made for the payment of the Notes at maturity with interest to maturity, the moneys in the Repayment Fund shall be applied only for the purpose for which the Repayment Funds are created.

SECTION 15. Costs and Expenses. The costs and expenses of the Series B Pooled Program, including, without limitation, the costs and expenses associated with any credit enhancement, shall be borne entirely by the Districts in accordance with such standards as may be established by the Treasurer from time to time.

SECTION 16. Effective Date. This resolution shall take effect immediately.

[Remainder of page intentionally left blank]

The foregoing resolution was on the ___ day of _____2009, 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 said Board so acts.

SACHI A. HAMAI, EXECUTIVE OFFICER-
CLERK OF THE BOARD OF
SUPERVISORS OF THE COUNTY OF
LOS ANGELES

By:_____
Deputy

APPROVED AS TO FORM:
RAYMOND G. FORTNER, JR.
COUNTY COUNSEL

By:_____
Principal Deputy County Counsel

**EXHIBIT A**

FORM OF TRUST AGREEMENT

**EXHIBIT B**

FORM OF PURCHASE CONTRACT

## EXHIBIT C

## DISTRICT NOTE RESOLUTIONS NOT-TO-EXCEED AMOUNTS

| | Not-to-Exceed Amount |
|---|---|
| Lowell Joint School District | $3,000,000 |
| Temple City Unified School District | 5,000,000 |
| Wiseburn School District | 5,000,000 |

# TRUST AGREEMENT

by and between

**THE COUNTY OF LOS ANGELES**

and

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

Dated as of [March 1, 2009]

Relating to

**$[Principal Amount]**
**Los Angeles County Schools Pooled Financing Program 2008-09 Pooled TRAN Participation Certificates, Series B**

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# TRUST AGREEMENT

THIS TRUST AGREEMENT, made and entered into as of [March 1, 2009], by and between the County of Los Angeles (the "County") and The Bank of New York Mellon Trust Company, N.A., a national banking association organized and existing under the laws of the United States of America, as Certificate Agent (the "Certificate Agent").

W I T N E S S E T H:

WHEREAS, Section 53850 *et seq.* of the Government Code of the State of California (the "Act") provides that tax and revenue anticipation notes ("TRAN") may be issued by school and community college districts pursuant to the terms of Section 53853(a) of the Act, and the County acting pursuant to its powers under the constitution and laws of the State of California (the "State"), desires to provide assistance to certain school and community college districts (the "Districts") located within the County (collectively, the "Participants"), in connection with their cash-flow borrowing needs; and

WHEREAS, the Participants, or any of them, may from time to time during the 2008-09 fiscal year (the "Fiscal Year") need to borrow moneys at a tax-exempt rate of interest in order to meet their cash-flow needs, all pursuant to Section 53850 *et seq.* of the Act; and

WHEREAS, the Act provides that the Board of Supervisors of the County (the "Board of Supervisors") shall issue tax and revenue anticipation notes on behalf of any requesting Participant upon the satisfaction of certain conditions and subject to Section 53853 of the Act; and

WHEREAS, the County has established a program (the "Pooled Program") under which it will purchase tax and revenue anticipation notes to be issued by the Participants (the "Notes") and deposit them in trust with the Certificate Agent for the purpose of having the Certificate Agent execute and deliver Participation Certificates, Los Angeles County Schools Pooled Financing Program 2008-09 Pooled TRAN, Series B (the "Certificates"), each evidencing and representing an undivided proportionate interest in the principal of and interest on the Notes of the Participants attributable to the Certificates; and

WHEREAS, the Los Angeles County Office of Education, with the concurrence of the Treasurer and Tax Collector of the County of Los Angeles (the "Treasurer") and the Participants, has appointed RBC Capital Markets Corporation, as representative of itself and such other underwriters as may be appointed (the "Underwriters") to purchase all of the Certificates from the Certificate Agent, the proceeds of which shall be used by the Certificate Agent to purchase the Notes attributable to the Certificates; and

WHEREAS, the County and the Certificate Agent wish to provide the terms under which the Certificate Agent will act as Certificate Agent for the Certificates; and

WHEREAS, the Certificate Agent has agreed to serve as and has full power and authority to perform and serve as Certificate Agent for the Certificates; and

WHEREAS, the County has duly authorized the execution and delivery of this Agreement and all things necessary to make this Agreement a valid agreement have been done;

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties hereto hereby agree as follows:

## ARTICLE I

## DEFINITIONS

SECTION 1.1 Definitions and Rules of Construction. For the purposes of this Agreement, unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Agreement have the meanings specified herein. Unless the context otherwise indicates, words importing the singular number shall include the plural number and vice versa.

"Agreement" means this Trust Agreement dated as of [March 1, 2009] by and between the County and the Certificate Agent, together with any authorized amendments hereof or supplements hereto permitted to be made hereunder.

"Bond Counsel" means an attorney or firm of attorneys of nationally recognized standing in matters pertaining to the validity of, and tax-exempt nature of interest on, obligations issued by states and their political subdivisions.

"Business Day" means any day (other than a Saturday or Sunday) on which banks in Los Angeles, California, or New York, New York, are not authorized or obligated by law or executive order to remain closed;

"Certificate Agent" means The Bank of New York Mellon Trust Company, N.A., and its successors or assigns hereunder, if any, or a substitute Certificate Agent appointed in accordance with Section 2.1 hereof.

"Closing Date" means [March 26, 2009], the day upon which the Certificates are executed and delivered.

"Closing Instructions" means the written instructions of the Treasurer delivered to the Certificate Agent in connection with the Certificates executed and delivered hereunder specifying certain matters with respect to the Notes and the Certificates.

"Code" means the Internal Revenue Code of 1986, as amended.

"Costs of Delivery Fund" means the fund by that name created pursuant to Section 4.2 herein.

"County Resolution" means that certain resolution adopted by the Board of Supervisors of the County of Los Angeles on March [3], 2009, pertaining to the issuance of the Note of each Participant and establishing the second Pooled Program for Fiscal Year 2008-09.

"Debt Service Payments" means the moneys paid by each Participant as and for payments of principal of and interest on its respective Note, which moneys shall include the Pledged Revenues and amounts deposited in the related Repayment Fund and any other moneys lawfully available therefor pursuant to the related Participant Note Resolution.

"Defaulted Note" means a Note (i) the principal of and interest on which has been paid in whole or in part with the proceeds of a claim on the Policy and the unpaid portion thereof shall be deemed outstanding and shall not be deemed paid until all amounts due to the Insurer upon payment of such draw on the Policy thereon have been paid in full, including interest accrued thereon, as provided in Section 5.8(B) herein or (ii) any of the principal of or interest on which is not paid on the Maturity Date.

"Defaulting Participant" means a Participant which fails to make the payments into its Repayment Fund required by its Participant Note Resolution on or before June 23, 2009.

"Depository Trust Company" or "DTC" means The Depository Trust Company, New York, New York, as initial securities depository for the Certificates.

"Electronic Means" means telecopy, telegraph, telex, facsimile transmission or other similar electronic means of communication.

"Fiscal Agent" means the Treasurer, or a substitute or successor Fiscal Agent appointed by the Treasurer in accordance with this Agreement.

"Fiscal Year" means the period from July 1, 2008 through and including June 30, 2009.

"Insurer" means [Insurer], or any successor thereto or assignee thereof, as provider of the Policy

"Investment Agreement" means the Investment Agreement, dated March __, 2009 among the Treasurer, as Fiscal Agent, and [Investment Agreement Provider].

"Los Angeles County Treasury Pool" means the County Treasury, in which the Treasurer has the delegated authority to invest funds.

"Maturity Date" means with respect to the Certificates, June 30, 2009.

"Note" means a tax and revenue anticipation note issued under the Act by or on behalf of a Participant.

"Office of Education" means the Los Angeles County Office of Education.

"Participant Note Resolutions" means the separate resolutions adopted by the Participants in the Pooled Program requesting the Board of Supervisors to issue Notes on behalf of such Participants and authorizing the issuance of Notes by the Participants under Section 53853 of the Act.

"Permitted Investments" means any of the following, with an appropriate market value and of an appropriate maturity which are in accordance with County's investment policy:

1. Obligations of, or guaranteed as to principal and interest by, the United States of America, or by any agency or instrumentality thereof when such obligations are backed by the full faith and credit of the United States of America;

2. Obligations of instrumentalities or agencies of the United States of America limited to the following: (a) the Federal Home Loan Bank Board (FHLB); (b) the Federal Home Loan Mortgage Corporation (FHLMC), participation certificates (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts), senior debt obligations; (c) the Federal National Mortgage Association (FNMA), senior debt obligations, mortgage-backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts); and (d) Federal Farm Credit Bank (FFCB) (system-wide);

3. Commercial Paper having original maturities of not more than 30 days, payable in the United States of America rated "A-1+" by S&P and "Prime-1" by Moody's and issued by corporations that are organized and operating in the United States with total assets in excess of $500 million and having "A" or better rating for issuer's debt, other than commercial paper, as provided by Moody's or S&P. The maximum total par value may be up to 15% of the total amount held by the Certificate Agent in accordance with this Agreement;

4. The Los Angeles County Treasury Pool;

5. Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as bankers acceptances, having original maturities of not more than 30 days, with a maximum par value of 30% of the total amount held by the Certificate Agent in accordance with this Agreement. The institution must have a minimum short-term rating of "A-1+" and "P-1" by S&P and Moody's, respectively, and a long-term rating of no less than "A";

6. Shares of beneficial interest issued by diversified management companies that are money market funds (including funds of the Certificate Agent and/or its affiliates) registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-1, *et seq.*), limited to investments in obligations of the United States Government and its agencies and instrumentalities, whose fund has received the highest possible rating from at least two nationally recognized statistical rating organizations, with one such rating being at least "AAm-G" from S&P. The maximum par value may be up to 15% of the total amount held by the Certificate Agent in accordance with this Agreement;

7. Negotiable certificates of deposits issued by a nationally or state-chartered bank or a state or federal association (as defined by Section 5102 of the California Financial Code) or by a state-licensed branch of a foreign bank, in each case which has obligations outstanding having a rating of "A-1+" and "P-1" or better from Moody's and S&P, respectively;

8. Repurchase agreements may have a maximum maturity of 30 days and must be fully secured at or greater than 102% of the market value plus accrued interest by obligations of the United States Government, its agencies and instrumentalities, in accordance with paragraph 2 above, the provider of which must have a minimum short-term rating of at least "A-1+" from S&P and which shall be approved by the Insurer; and

9. Investment agreements and guaranteed investment contracts from providers rated at least "AA-" by S&P and "Aa3" by Moody's and approved by the Insurer.

"Person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government or any entity whatsoever.

"Pledge Date" means the first Business Day of each Repayment Month.

"Pledged Revenues" means the revenues pledged for the payment of each Note in the respective Participant Note Resolution and respective Note and in Section 5.4 hereof.

"Policy" means the municipal bond insurance policy issued by the Insurer guaranteeing a portion of the scheduled payment of up to $7,000,000 in aggregate amount of principal and interest with respect to the Certificates.

"Principal Corporate Trust Office" means the principal corporate trust office of the Certificate Agent in Los Angeles, California, or the principal corporate trust office of any successor Certificate Agent, provided that for the purposes of registration of the Certificates, the term "Principal Corporate Trust Office" means the corporate trust office of the Registrar in St. Paul, Minnesota, or such other offices designated by the Certificate Agent from time to time.

"Purchase Contract" means the Purchase Contract dated March [12], 2009, by and between the County and the Representative.

"Register" means the book or books of registration kept by the Registrar in which are maintained the names and addresses and principal amounts registered to each Registered Owner.

"Registered Owner" means the Person in whose name a Certificate is registered on the Register.

"Registrar" means the Certificate Agent or a substitute or successor Registrar appointed in accordance with this Agreement.

"Related Documents" means, collectively, the Investment Agreement, the Certificates and the Notes.

"Repayment Date" means _____, 2009.

"Repayment Fund" means with respect to each Participant Note Resolution, the Repayment Fund created pursuant to such Participant Note Resolution and caused to be kept by the Treasurer for collection and deposit of Pledged Revenues for the repayment of the respective Note, including amounts held in the Repayment Fund and invested in Permitted Investments.

"Repayment Month" means a month in which it is required that there be on deposit in the respective Participant's Repayment Fund the respective amount set forth in Section 5.4 hereof and identified on Exhibit C – "Repayment Schedule" hereto.

"Representative" means RBC Capital Markets Corporation, as representative of itself and the other Underwriters.

"S&P" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., a corporation organized and existing under the laws of the State of New York, its successors and assigns.

"SEC" means the United States Securities and Exchange Commission.

"Securities Depository" means The Depository Trust Company, 55 Water Street, 50th Floor, New York, N.Y. 10041-0099 Attn: Call Notification Department, Fax (212) 855-7232, or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depository as the Treasurer may designate to the Certificate Agent in writing.

"Shortfall Amount" means the aggregate amount determined by the Treasurer on the next Business Day following a Repayment Date, in accordance with Section 5.8 herein, required to make up for an insufficiency within the Repayment Funds with respect to the Certificates to pay in full the principal of and/or interest with respect to the Certificates on the Maturity Date.

"State" means the State of California.

"Stated Amount" means the amount of the Policy, which shall be $7,000,000.

"Tax Certificate" means that certain Tax Certificate delivered by each Participant on the Closing Date.

"Treasurer" means the Treasurer and Tax Collector of the County of Los Angeles acting as the *ex officio* treasurer of each Participant or a designated representative thereof.

SECTION 1.2 Due Authorization. Each of the parties hereby represents and warrants that it has full legal authority and is duly empowered to enter into this Agreement, and

has taken all actions necessary to authorize the execution of this Agreement by the officers and persons signing it.

## ARTICLE II

## APPOINTMENT OF CERTIFICATE AGENT; TREASURER TO ACT AS FISCAL AGENT

SECTION 2.1 Appointment and Acceptance. (a) The County hereby appoints The Bank of New York Mellon Trust Company, N.A., a national banking association organized and existing under the laws of the United States of America, to act as Certificate Agent and Registrar with respect to the Certificates, and to hold the Notes in trust for the benefit of the Registered Owners of the Certificates as set forth herein. The Certificate Agent hereby accepts its appointment and agrees to act as Certificate Agent and Registrar.

(b) The Certificate Agent may resign at any time by giving written notice thereof to the County, *provided, however*, that no such resignation shall be effective until a successor has been appointed and has accepted the duties of the Certificate Agent hereunder.

(c) The County may appoint a substitute Certificate Agent, which Certificate Agent shall be a commercial bank, national banking association, or trust company in good standing and duly authorized to exercise trust powers, having an office in Los Angeles, California, which, together with the corporate parent of such Certificate Agent, has a combined capital (exclusive of borrowed capital) and surplus of at least seventy-five million dollars ($75,000,000), and subject to supervision or examination by Federal or state authority, so long as any Certificates are outstanding. If such bank, national banking association or trust company publishes a report of condition at least annually pursuant to law or to the requirements of any supervising or examining authority referred to above, then for the purpose of this Section, the combined capital and surplus of such bank, national banking association or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. The Certificate Agent may be removed at any time at the request of the Insurer for any breach of the trust set forth herein.

(d) If the Certificate Agent shall resign, be removed or become incapable of acting, the County shall promptly appoint a successor Certificate Agent. If an instrument of acceptance by a successor Certificate Agent shall not have been delivered to the Certificate Agent within thirty (30) days after the Certificate Agent gives notice of resignation, the Certificate Agent may petition any court of competent jurisdiction at the expense of the County, on behalf of the Participants, for the appointment of a successor Certificate Agent. In the event of resignation or removal of the Certificate Agent, upon the request of the County and upon payment of the amounts owing to the Certificate Agent hereunder, the Certificate Agent shall deliver to the County, or its respective designee, all Notes (duly assigned to a successor) and Certificates it may then hold, and all books and records pertaining to the Certificate Agent's role as Certificate Agent, with respect to the Certificates.

(e) Any company or national banking association into which the Certificate Agent may be merged or converted or with which it may be consolidated or any company or

national banking association resulting from any merger, conversion or consolidation to which it shall be a party or any company or national banking association to which the Certificate Agent may sell or transfer all or substantially all of its corporate trust business shall be the successor to the Certificate Agent without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding. Notice of such merger or consolidation shall be given to the Treasurer.

SECTION 2.2 Compensation and Indemnification. As compensation for the Certificate Agent's services as Certificate Agent, the County hereby agrees to cause the Participants to pay the Certificate Agent their respective *pro rata* portion of the fees and expenses set forth in a separate agreement between the County and the Certificate Agent. The County hereby agrees to cause the Participants to indemnify the Certificate Agent on a *pro rata* basis for losses and liabilities incurred by the Certificate Agent hereunder not resulting from its own negligence or willful misconduct.

SECTION 2.3 Treasurer to Act as Fiscal Agent. The Treasurer shall be the Fiscal Agent with respect to the Certificates. The Fiscal Agent shall pay the Certificates when duly presented for payment on the Maturity Date and shall then direct to the Certificate Agent to cancel all Certificates upon payment thereof. The Treasurer shall keep accurate records of all funds administered by it and of all Certificates paid and discharged. The Treasurer may appoint an agent to perform its duties as Fiscal Agent.

## ARTICLE III

## THE NOTES; THE PARTICIPATION CERTIFICATES

SECTION 3.1 Purchase of Notes by County. On the date of issuance of the Notes, as set forth in the Purchase Contract, the County, acting through the Treasurer, shall purchase the Notes, and simultaneously with such purchase, the Treasurer shall assign and deposit such Notes in trust with the Certificate Agent for the benefit of the Registered Owners of the Certificates. The purchase price for the Notes attributable to the Certificates shall be derived solely from the proceeds (including any premiums) received from the sale of the Certificates.

The Notes shall, immediately upon delivery and assignment by the Treasurer to the Certificate Agent, be registered to and lodged in trust with the Certificate Agent and maintained in such trust until submitted for payment on the Maturity Date and payment or purchase in full. The Notes shall not be transferable or assignable by the Certificate Agent, except for Defaulted Notes in accordance with Section 5.7(B) and except for Notes transferred to a successor Certificate Agent. The assignment and transfer of the Notes to the Certificate Agent shall constitute a first and exclusive lien on the principal and interest payments made thereunder and all of the rights under the Notes in accordance with this Agreement. Upon payment of the Notes, the Certificate Agent shall mark such Notes "cancelled" and return such cancelled Notes to the Treasurer. The Treasurer shall return any cancelled Note to the respective Participant upon request received by the Treasurer within 60 days after the date of cancellation. After 60 days, any cancelled Notes not delivered to a Participant may be destroyed by the Treasurer.

SECTION 3.2 Authorization and Execution of Certificates. The Certificate Agent is hereby authorized and directed to execute participation certificates representing undivided proportionate interests in the Notes, as described below, to be designated as "Participation Certificates, Los Angeles County Schools Pooled Financing Program 2008-09 Pooled TRAN, Series B" to mature on _____, 2009. The Certificates may be executed and delivered hereunder in an aggregate principal amount not to exceed the aggregate principal amount of the Notes authorized by the Participants in the Participant Note Resolutions. The Certificates shall be executed and delivered substantially in the form attached hereto as Exhibit A and incorporated herein by this reference.

The Certificates shall be representative of proportionate interests of the Registered Owners thereof in the Notes, which shall be the general obligations of the related Participants; the Certificates shall be payable solely from the Debt Service Payments attributable to the Notes and any investment earnings thereon and, in turn, shall be a charge upon the Pledged Revenues described in the related Participant Note Resolutions attributable to the Notes and, as applicable, any other amounts deposited in the respective Repayment Funds for the payment of principal of and interest on such Notes attributable to the Certificates, as provided in the Participant Note Resolutions.

SECTION 3.3 Terms of Certificates. The Certificates shall be in denominations of $5,000 each or any integral multiple thereof, numbered serially and bearing the Date of Delivery and the Maturity Date, it being the intention that the Certificates be executed and delivered in such principal amount, denominations, dated date, maturity date and interest rate as may be necessary in order for the Certificates to conform with the corresponding terms of the Notes. Both the principal and the interest with respect to the Certificates shall be payable by check or wire transfer in lawful money of the United States of America, but only upon presentation and surrender thereof at the office of the Fiscal Agent.

SECTION 3.4 Registration of Certificates. The Certificates shall be delivered in the form of fully registered Certificates without coupons. The Certificates shall be individually numbered as determined by the Certificate Agent. The Certificates shall be registered initially in the name of "Cede & Co.," as nominee of Depository Trust Company and shall be evidenced by one certificate. Registered ownership of the Certificates, or any portion thereof, may not thereafter be transferred except as set forth in Section 3.6 hereof.

SECTION 3.5 Execution. The Certificates shall be executed by and in the name of the Certificate Agent by the manual signature of any authorized signatory of the Certificate Agent. The Certificate Agent shall insert the date of execution of each Certificate in the place provided thereon.

SECTION 3.6 Transfer and Exchange of Certificates.

(a) Transfer of Certificates. Any Certificate may, in accordance with its terms, and subject to Section 3.8, be transferred upon the registration books required to be kept by the Registrar by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Certificate for cancellation at the Principal Corporate Trust

Office of the Certificate Agent, as Registrar, accompanied by delivery of a written instrument of transfer in a form acceptable to the Certificate Agent, duly executed. Whenever any Certificate or Certificates shall be surrendered for transfer, the Certificate Agent shall execute and deliver a new Certificate or Certificates for a like aggregate principal amount of authorized denominations.

(b) Exchange of Certificates. Certificates may be exchanged at the Principal Corporate Trust Office of the Certificate Agent for a like aggregate principal amount of Certificates of other authorized denominations. The Certificate Agent shall require the payment by the Registered Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. All Certificates surrendered pursuant to the provisions of this Section shall be canceled by the Certificate Agent and shall not be redelivered.

SECTION 3.7 Mutilated, Lost, Destroyed or Stolen Certificates. If any Certificate shall become mutilated, the Certificate Agent shall execute and deliver a new Certificate of like tenor and maturity in exchange and substitution for the Certificate so mutilated, but only upon surrender to the Certificate Agent of the Certificate so mutilated. Every mutilated Certificate so surrendered to the Certificate Agent shall be canceled by it. If any Certificate shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Certificate Agent, and, if such evidence is satisfactory to the Certificate Agent and, if an indemnity satisfactory to the Certificate Agent shall be given, the Certificate Agent shall execute and deliver a new Certificate of like tenor and maturity and numbered as the Certificate Agent shall determine in lieu of and in substitution for the Certificate so lost, destroyed or stolen. The Certificate Agent may require payment of an appropriate fee from the Registered Owner of such lost, stolen or destroyed Certificates for each new Certificate delivered under this Section. Any Certificate executed and delivered under the provisions of this Section in lieu of any Certificate alleged to be lost, destroyed or stolen shall be equally and proportionately entitled to the benefits of this Agreement with all other Certificates secured by this Agreement.

SECTION 3.8 Use of Depository Trust Company. Notwithstanding any provision of this Agreement to the contrary:

(a) The Certificates shall be initially delivered and registered as provided in Section 3.4. Registered ownership of the Certificates, or any portion thereof, may not thereafter be transferred except:

(i) To any successor of the DTC or its nominee, or to any substitute Securities Depository designated pursuant to clause (ii) of this subsection (a) ("Substitute Depository"); *provided* that any successor of DTC or a Substitute Depository shall be qualified under any applicable laws to provide the services proposed to be provided by it;

(ii) To any Substitute Depository designated by the Treasurer and not objected to by the Certificate Agent, upon (1) the resignation of DTC or its successor (or any Substitute Depository or its successor) or (2) a determination by

the Treasurer that DTC or its successor (or any Substitute Depository or its successor) is no longer able to carry out its functions as the Securities 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 DTC or its successor (or Substitute Depository or its successor) from its functions as depository; *provided* that no Substitute Depository which is not objected to by the Certificate Agent can be obtained or (2) a determination by the Treasurer that it is in the best interests of the beneficial owners of the Certificates to remove DTC or its successor (or any Substitute Depository or its successor) from its functions as Securities Depository hereunder.

(b) In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) hereof, upon receipt of the Outstanding Certificates by the Certificate Agent, together with a request from the Treasurer to the Certificate Agent, a single new Certificate shall be executed and delivered in the aggregate principal amount of the Certificates 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 request from the Treasurer. In the case of any transfer pursuant to clause (iii) of subsection (a) hereof, upon receipt of the Outstanding Certificates by the Certificate Agent, new Certificates shall be executed and delivered in such denominations and registered in the names of such persons as are requested by DTC or its successors, subject to the limitations of Section 3.4 hereof.

(c) The Treasurer and the Certificate Agent shall be entitled to treat the person in whose name any Certificate is registered as the Registered Owner thereof for all purposes of this Agreement and any applicable laws, notwithstanding any notice to the contrary received by the Certificate Agent; and the Treasurer and the Certificate Agent shall have no responsibility for transmitting payments to, communication with, notifying or otherwise dealing with any beneficial owners of the Certificates. The Treasurer and the Certificate Agent will have no responsibility or obligations, legal or otherwise, to the beneficial owners or to any other party including DTC or its successors, except for the Registered Owner of any Certificate.

(d) So long as the Outstanding Certificates are registered in the name of Depository Trust Company or a Substitute Depository, the Treasurer and the Certificate Agent shall cooperate with Depository Trust Company or such successor depository, as sole Registered Owner, in effecting payment of the principal of and prepayment premium, if any, and interest with respect to the Certificates by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available on the date they are due.

(e) Notwithstanding the foregoing, at any time during the Fiscal Year, the Treasurer may determine that participation in the book-entry only system of DTC is no longer in the best interests of the Pooled Program and may thereupon provide for certificated securities representing the Certificates. In the event the Treasurer determines that the continuation of the system of book-entry-only transfers through DTC (or a successor securities depository) is not in the best interests of the Pooled Program, the Treasurer will notify DTC of the availability

through DTC of certificated securities representing the Certificates. In such event, the County shall direct the Certificate Agent to execute and deliver and shall register Certificates in authorized denominations as requested by DTC.

SECTION 3.9 Certificate Register. The Certificate Agent will keep or cause to be kept, at its Principal Corporate Trust Office, sufficient books for the registration and transfer of the Certificates which shall at all times be open to inspection by the Treasurer during regular business hours with reasonable prior notice; and, upon presentation for such purpose, the Certificate Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred on said books, Certificates as hereinbefore provided. The Treasurer and the Certificate Agent shall be entitled to treat the Registered Owner of a Certificate as the absolute owner thereof for all purposes, whether or not a Certificate shall be overdue, and the Treasurer and the Certificate Agent shall not be affected by any notice to the contrary.

SECTION 3.10 Place and Manner of Payment. The Certificates shall be payable upon surrender thereof by check or wire transfer in lawful money of the United States of America (but only from amounts received in payment of the Notes) at the office of the Fiscal Agent. The Certificates shall be payable from payments made on the Notes in accordance with Section 5.1 and any payments of any Defaulted Notes in accordance with Section 5.8 of this Agreement and the Policy.

## ARTICLE IV

## APPLICATION OF PROCEEDS

SECTION 4.1 Deposit of Sale Proceeds. The moneys representing the net proceeds of sale of the Certificates shall be used to pay the purchase price of the Notes. $_____ of the net proceeds of the sale of the Notes shall be deposited in the Costs of Delivery Fund maintained by the Certificate Agent and $_____ of the net proceeds of the sale of the Notes shall be applied directly by the Representative to pay the costs of the premium for the municipal bond insurance policy. The balance of the net proceeds of sale of the Notes shall be deposited with the Treasurer for credit to each of the general funds of the Participants, in amounts which represent the proportion which the Note of each Participant shall bear to the aggregate principal amount of Certificates authorized and delivered hereunder.

Such net proceeds of sale of the Notes shall be invested in accordance with the definition of Permitted Investments as approved by the County or in the Investment Agreement. Proceeds may be withdrawn from such investments and remitted to the respective Participants in accordance with their *pro rata* shares. In the event that any portion of such proceeds with respect to any Participant is not withdrawn from the respective county school service fund or general fund prior to such Participant's first scheduled deposit of Pledged Revenues into its Repayment Fund, an amount equal to such Participant's scheduled deposit on such date shall be transferred from such county school service fund or general fund to the credit of its Repayment Fund. In the event that any portion of the proceeds of sale of the Notes with respect to any Participant is likewise not withdrawn prior to such Participant's second, third or fourth, as

applicable, scheduled deposit of Pledged Revenues into its Repayment Fund, an amount equal to such Participant's second, third or fourth, respectively, scheduled deposit on such dates shall be transferred to the credit of its Repayment Fund. In the event that the municipal bond insurance policy is drawn upon as a result of a failure by a provider of Permitted Investments to repay to a Participant the amounts deposited to the Participant's Repayment Fund or to apply such funds to the payment of the Participant's Note obligation as provided in this Agreement, the Insurer shall have the same rights as such Participant to pursue whatever remedies exist under law to enforce the repayment by such provider of the Participant's investments.

SECTION 4.2 Costs of Delivery. There is hereby established with the Certificate Agent the Costs of Delivery Fund. Amounts in the Costs of Delivery Fund shall be invested in Permitted Investments until expended. The Certificate Agent will make payment by check or wire transfer from amounts on deposit in the Costs of Delivery Fund for costs of delivery as may be requested by the Office of Education upon receipt by the Certificate Agent of a requisition signed by an authorized officer of the Office of Education. In the event the total of any requisition exceeds the amount then on deposit in the Costs of Delivery Fund, the Certificate Agent shall promptly notify the Office of Education of the shortfall, and await further instructions from the Office of Education.

On the earliest of the date on which all amounts in the Costs of Delivery Fund are expended or _____, 2009 or as designated by the Office of Education, the Certificate Agent shall close the Costs of Delivery Fund and any remainder from the costs of Delivery Fund shall be refunded to the Treasurer for subsequent *pro rata* credit to the Participants.

## ARTICLE V

## COUNTY COVENANTS; PLEDGED REVENUES; MUNICIPAL BOND INSURANCE POLICY

SECTION 5.1 Punctual Payment. The County covenants that it will duly and punctually cause to be paid from the payments of principal of and interest on the Notes payable on the Maturity Date thereof the principal and interest with respect to each Certificate at the place and in the manner stated in the Certificates and in accordance with the provisions of this Agreement. The County further covenants that it will faithfully observe and perform all of the conditions, covenants and requirements of this Agreement which are expressly applicable to the County, and that it shall not, except as provided hereunder, pledge, assign, subject to any lien or otherwise encumber the Notes, or any interest therein other than as contemplated by the terms of this Agreement. The County acknowledges and agrees, in furtherance of the terms, intent and purposes of each Participant Note Resolution, to recognize each Registered Owner as the beneficial owner of the Note of each such Participant, in each case to the extent of such Registered Owner's direct, proportional and undivided interest in such Note, and following a default with respect to a related Certificate such Registered Owner individually shall have and may exercise any and all rights and remedies directly against each such Participant to the full extent as if such Registered Owner were the owner of record of Notes of each such Participant in principal amount equal to such Registered Owner's direct, proportional and undivided interest in such Notes.

SECTION 5.2 Intercept Procedure. The County covenants that it will intercept the amounts received in each Participant's general fund as set forth in Section 5.3 and 5.4 herein and in Exhibit C – "Repayment Schedule" as established in the Purchase Contract and Notes, and place such amounts on deposit directly in the Repayment Fund held by the County with a designation of the amounts to be credited for each Participant. Upon each such deposit, such funds will be invested in the Los Angeles County Treasury Pool, under the Investment Agreement or in such other Permitted Investments and will not be available to the Participants. In the event that there have been insufficient Pledged Revenues received by a Participant by the third Business Day prior to any Pledge Date to permit the deposit into its Repayment Fund of the full amount of the Pledged Revenues required to be deposited with respect to such Pledge Date, the Treasurer shall direct the Los Angeles County Auditor-Controller (the "Auditor-Controller") to collect the amount of any deficiency and deposit such amount in the Repayment Fund in such amount as may be directed by the Treasurer from any other unrestricted moneys of the affected Participant lawfully available for the payment of the principal of the Notes and the interest thereon on such Pledge Date or thereafter on a daily basis, when and as such Pledged Revenues and unrestricted moneys are received by the affected Participant and will deposit said moneys with the Treasurer for deposit directly in the respective Repayment Fund.

SECTION 5.3 Pledged Revenues. In order to facilitate the collection of the Pledged Revenues, the County shall hold Pledged Revenues which have been deposited from specific amounts from the respective Participant's funds on deposit with the Treasurer for such purpose and received from each of the respective Participants for the account of such respective Participants established under the respective Participants' Note Resolution. The Treasurer shall transmit or cause to be transmitted a monthly statement on a per-Participant basis of all transactions and investments made by or through the County and of all amounts on deposit with the County hereunder, including, in the event that sufficient Pledged Revenues have not been timely deposited in a Participant's Repayment Fund in accordance with its Participant Note Resolution, written confirmation of such event, to the Insurer and the Office of Education, and shall invest such Pledged Revenues in the Los Angeles County Treasury Pool or in such other Permitted Investments.

All principal and interest payments on the Notes shall be paid directly by each Participant to the Treasurer or by the Auditor-Controller to the County pursuant to the intercept procedure set forth in Section 5.2 above. All principal and interest payments on the Notes received by the Treasurer shall be held in trust by the Treasurer under the terms of this Agreement and shall be deposited by it, as and when received, in the Repayment Funds of the respective Participants established under this Agreement. All money in the Repayment Funds shall be held in trust by the Treasurer for the benefit and security of the Registered Owners of the Certificates to the extent provided in this Agreement and shall be invested in the Los Angeles County Treasury Pool or in such other Permitted Investments. Moneys received by the Treasurer attributable to a Participant shall not be used in any manner (directly or indirectly) to make up any deficiency in any other Participant's Note payments. Notwithstanding any deposit to a Repayment Fund, each Participant shall remain obligated to pay the principal of and interest on its respective Note in accordance with its terms.

To the extent the Treasurer receives Note repayments from a Participant that are less than the amounts required to pay the interest due on such Participant's Note on the Maturity Date thereof, and the principal on such Note payable on the Maturity Date thereof, the Treasurer shall apply the moneys received first, to pay interest on such Note, and second, to pay the principal of such Note. The Treasurer shall notify the Insurer promptly of any such shortfall. Any moneys deposited in the Repayment Funds for the Notes shall be for the sole benefit of the Registered Owners of the Certificates, and until the Notes and all interest thereon are paid or until provision has been made for the payment of the principal of and interest on the Notes payable on the Maturity Date thereof, the moneys in the Repayment Funds shall be applied only for the purpose for which such Repayment Funds are created.

If the amount on deposit in a Participant's Repayment Fund is in excess of the amounts required to pay the interest and the principal on the respective Note payable on the Maturity Date thereof, and after the payment of interest and principal with respect to the Certificates corresponding to such Participant's Note, the Treasurer shall pay over for the account of the Participant all moneys or deposits or investments held by it pursuant hereto and attributable to such Participant which are not required for the payment of principal of and interest on such Note.

SECTION 5.4 Pledge of Notes and Unrestricted Revenues. The Notes and all right, title and interest therein and all payments thereon are irrevocably assigned, pledged and transferred to the Certificate Agent for the benefit of the Registered Owners of the Certificates. The Debt Service Payments on the Notes, together with investment earnings thereon, shall be used for the payment of interest and principal with respect to the Certificates and the Notes will not be used for any other purpose while any of the Certificates remain outstanding. The assignment, transfer and pledge of the Notes to the Certificate Agent pursuant to this Agreement shall constitute a first and exclusive lien on the principal and interest payments and all other rights under the Notes in accordance with this Agreement.

Pursuant to Section 53856 of the Act, each Participant has pledged in its respective Participant Note Resolution and Note as security for the payment of the principal of and interest on its respective Note the first unrestricted revenues received by the Participant in the Repayment Month until the amount in the respective Repayment Fund is equal to the percentage stated in the respective Participant Note Resolution and in this Section of principal due on its respective Note at maturity plus interest due at maturity; provided that, the amounts due in the Repayment Month shall take into consideration anticipated earnings to be received from Permitted Investments through the end of the Participant's Repayment Month or [_____, 2009], whichever is earlier. The principal of each Note and the interest thereon shall be payable from the Pledged Revenues and, to the extent not so paid, shall be paid from any other moneys of the Participant lawfully available therefor.

The County covenants that all Pledged Revenues transferred pursuant to the schedule set forth in this Section will be held in trust in the respective Repayment Funds and will be applied only for the purposes for which such Repayment Funds were created and as directed in the Participant Note Resolutions for the benefit of Registered Owners of the Certificates. The County represents that this Agreement creates a valid, binding lien on and first priority perfected

security interest in Pledged Revenues in favor of the Registered Owners as security for payment of the principal of and interest on the Notes.

**Pledge Dates and Percentages of each Participant's Note**

| Participant | Pledge Date |
|---|---|
| Lowell Joint School District | 100% |
| Temple City Unified School District | 100 |
| Wiseburn School District | 100 |

The amounts determined by applying the foregoing percentages to the principal amount of each Participant's Note represent the "Pledged Revenues" for the Notes, as defined and pledged in the related Participant Note Resolutions, and the principal and interest due under the Certificates shall be payable from such Pledged Revenues, and to the extent not so paid shall be paid from any other moneys of the related Participants lawfully available therefor.

SECTION 5.5 Participants Not Liable for other Participant's Default. No Participant has covenanted to pay or provide for the payment of any other Participant's Pledged Revenues, and the Repayment Funds for the several Participants are not pooled. No Participant's Repayment Fund is available to make up a deficiency in the Repayment Fund of another Participant or payment of principal of and interest on another Participant's Note. One Participant's default in the payment of principal of and interest on its Note will cause a partial default in the payment of the Certificates, even though the non-defaulting Participants make timely payments of principal of and interest due on their Notes; *provided, however*, that the Registered Owner of any Certificate individually shall have and may exercise any and all rights and remedies directly against any such defaulting Participant to the full extent as if such Registered Owner were the owner of record of the Note of each such Participant in Principal Amount equal to such Registered Owner's direct, proportional and undivided interest in such Notes as provided in this Agreement.

SECTION 5.6 Registered Owner's Interests. The Treasurer (or any substitute Fiscal Agent), as agent for each Participant with respect to the execution and delivery of the Notes and in connection with execution and delivery of the Certificates by the Certificate Agent, regarding moneys paid by such Participant to the County as and for Debt Service Payments pursuant to the terms of the Note of such Participant, hereby acknowledges and agrees, in furtherance of the terms, intent and purposes of each such Participant Note Resolution, to recognize each Registered Owner as the beneficial owner of the Note of each such Participant, in each case to the extent of such Registered Owner's direct, proportional and undivided interest in such Note (as noted on the face of the Certificates), and such Registered Owner individually shall have and may exercise any and all rights and remedies directly against each such Participant to the full extent as if such Registered Owner were the owner of record of Notes of each such Participant in principal amount equal to such Registered Owner's direct, proportional and undivided interest in such Notes.

SECTION 5.7 Municipal Bond Insurance Policy. [SUBJECT TO REVIEW] As long as the Policy shall be in full force and effect, the following provisions shall govern, notwithstanding anything in this Agreement to the contrary.

(A) If, on the Repayment Date, there is not on deposit within the Repayment Funds held by the County, after making all transfers and deposits required hereunder and after crediting the Repayment Funds, for the purpose of such determination, with the amount of interest earnings on the Permitted Investments through _____, 2009] to be deposited into the Repayment Funds, an aggregate amount of moneys sufficient to pay the principal and interest with respect to the Certificates due on the Maturity Date, the Treasurer shall notify the Insurer of such deficiency not later than 12:00 noon, New York City time, on such Business Day, via telephonic notice to the Insurer Attention: _____, Reference: Policy Number _____, confirmed by telecopy at _____. If, on the next Business Day following the Repayment Date, there continues to be a deficiency in the amount available to pay the principal and interest due with respect to the Certificates on the Maturity Date not in excess of the Stated Amount of the Policy, the Treasurer shall make a claim under the Policy with respect to the Certificates, in accordance with the Policy, by telephone, confirmed in writing to the Insurer and the Insurer's fiscal agent by 12:00 noon, New York City time, on such Business Day by filling in the form of Notice of Claim and Certificates delivered with the Policy. Pursuant to the Policy, on the later of the Maturity Date for the Certificates or the Business Day next following the Business Day on which the Insurer shall have received notice of nonpayment, the Insurer shall disburse to the Treasurer such an amount due to be paid under the Policy with respect to the Certificates.

(B) The Registrar shall designate any portion of payment of principal with respect to the Certificates paid by the Insurer on its books as a reduction in the principal amount with respect to the Certificates registered to the then-current Registered Owner, whether DTC or its nominee or otherwise, and shall issue a replacement Certificate to the Insurer, registered in the name of the Insurer, in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); *provided* that the County's failure to so designate any payment or issue any replacement Certificate shall have no effect on the amount of principal or

interest payable by the Participants with respect to any Certificate or the subrogation rights of the Insurer.

(C) The Treasurer shall establish, upon payment of a claim under the Policy, a special purpose fund for the Certificates for the benefit of the related Registered Owners referred to herein as the "Policy Payments Fund" and over which the Treasurer shall have exclusive control and sole right of withdrawal. The Treasurer shall receive any amount paid under the Policy in trust on behalf of Registered Owners and shall deposit any such amount in the Policy Payments Fund and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Treasurer to Registered Owners in the same manner as principal and interest payments are to be made with respect to the Certificates under the sections hereof regarding payment of the Certificates. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments.

(D) The Treasurer shall keep a complete and accurate record of all funds deposited by the Insurer into the Policy Payments Fund and the allocation of such funds to payment of interest and principal paid in respect of any Certificate, the Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Treasurer. Funds held in the Policy Payments Funds shall not be invested by the Treasurer and may not be applied to satisfy any costs, expenses or liabilities of the County. Any funds remaining in a Policy Payments Fund following the Maturity Date for the Certificates shall promptly be remitted to the Insurer.

(E) The Insurer shall, to the extent it makes any payment of principal or interest with respect to the Certificates, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Policy.

(F) The Treasurer agrees to cause the Participants each to pay or reimburse the Insurer its *pro rata* share of any and all charges, fees, costs and expenses which the Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in respect of this Agreement or any other Related Document, (ii) the pursuit of any remedies under this Agreement or any other Related Document or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, this Agreement or any other Related Document whether or not executed or completed, (iv) the violation by the Participants or the Investment Provider of any law, rule or regulation, or any other Related Document or the transactions contemplated thereby, other than amounts resulting from the failure of the Insurer to honor its obligations under the Policy. The Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Agreement or any other Related Document.

(G) The Insurer shall be entitled to pay principal or interest with respect to the Certificates that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Participants (as such terms are defined in the Policy) whether or not the Insurer has received a Notice (as defined in the Policy) of Nonpayment or a claim upon the Policy.

SECTION 5.8 Subrogation Rights of the Insurer and Registered Owners. The following provisions shall govern notwithstanding anything in this Agreement to the contrary.

(A) The Insurer, if it causes its Disbursing Agent (as defined in the Policy) to make payment of all or a portion of principal and interest with respect to the Certificates pursuant to the Policy, shall become subrogated to the rights of the recipients of such payments in accordance with the terms of the Policy, and to evidence such subrogation, the Registrar shall note the Insurer's rights as subrogee and the amount of such interest and principal so paid by the Insurer on the registration books for the Certificates maintained by the Registrar. Moneys drawn under or paid pursuant to the Policy shall be used to pay each Defaulted Note *pro rata* in accordance with the unpaid principal thereof and interest thereon. In the event that the principal or interest with respect to the Certificates shall be paid by the Insurer pursuant to the Policy, the assignment and pledge of the Defaulted Note(s), if any, and all covenants, agreements and other obligations of the affected Participants to the Registered Owners shall continue to exist and the Insurer shall be subrogated to the rights of such Registered Owners.

(B) If the Shortfall Amount is less than the Stated Amount, the Insurer, upon payment of such draw on the Policy will be deemed to have purchased the Defaulted Note or Notes of the Defaulting Participant or Participants and shall succeed and be subrogated to the rights of the Registered Owners relating to such Note or Notes and the unpaid portion thereof shall be deemed outstanding and shall not be deemed paid until all amounts due to the Insurer upon payment of such draw on the Policy thereon have been paid in full, including interest accrued thereon. If the Stated Amount is less than the Shortfall Amount, the Insurer shall be deemed to have purchased the portion of such Note or Notes in the principal amount equal to the aggregate amount of the draw to be applied to the payment of principal and interest with respect thereto and the Insurer shall succeed and be subrogated to the rights of the Registered Owners with respect to the portion of such Defaulted Note or Notes and the unpaid portion thereof shall not be deemed paid until all amounts due the Insurer thereon have been paid in full, including interest accrued thereon, as provided in such Defaulted Note or Notes. If the Stated Amount is less than the Shortfall Amount, the Treasurer shall notify the respective Registered Owners and the Defaulting Participant(s) of such fact in writing, promptly after payment of the Certificates from all funds available hereunder for such purpose. In order to facilitate the calculation of the *pro rata* liability of a drawing under the Policy in the amount equal to or less than the Shortfall Amount among Defaulting Participants, the Treasurer shall, as soon as practicable following its providing of the notice described in the third sentence of this paragraph, provide the Insurer with written notice prorating the total Shortfall Amount among the Defaulting Participants by name and by the amount by which each Defaulting Participant's Repayment Fund was insufficient.

(C) The Insurer shall be deemed a Registered Owner of the Certificates for all purposes. If the Insurer shall have paid a drawing under the Policy for the benefit of the Registered Owners, whether or not such drawing is sufficient to purchase a majority in aggregate principal amount of the Certificates, the Insurer shall thereupon be entitled to exercise each and every remedy available to it at law or in equity against the Defaulting Participants or any other responsible party on behalf of itself and all of the Registered Owners whose Certificates were not paid in full from amounts in the Repayment Funds of the Defaulting Participants. To the extent that the Insurer shall recover amounts from any or all of the Defaulting Participants as a

reimbursement of the obligations owed to the Insurer by such Defaulting Participants or as a late payment of principal of or interest on the Notes of the Defaulting Participants on behalf of affected Registered Owners, the Insurer shall apply such moneys, first, to the payment of its actual costs and expenses incurred in connection with its pursuit of remedies, and then *pro rata* among all the affected Registered Owners, treating the Insurer as the owner of an aggregate principal amount of Certificates equal to the principal component of the drawing made under the Policy.

(D) The rights of the Insurer to direct or consent to Participant or Registered Owner actions under this Agreement shall be suspended during any period in which the Insurer is in default in its payment obligations under the Policy (except to the extent of amounts previously paid by the Insurer thereunder and due and owing to the Insurer) and shall be of no force or effect in the event the Policy is no longer in effect or the Insurer asserts that the Policy is not in effect or that the Insurer shall have provided written notice that it waives such rights.

(E) The rights granted the Insurer under this Agreement to request, consent to or direct any action are rights granted to the Insurer in consideration of its issuance of the Policy. Any exercise by the Insurer of such rights is merely an exercise of the Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit or on behalf of the Registered Owners nor does such action evidence any position of the Insurer as to whether Registered Owner consent is required in addition to consent of the Insurer.

## ARTICLE VI

## THE CERTIFICATE AGENT AND THE COUNTY

SECTION 6.1 Duties of the Certificate Agent. The Certificate Agent covenants that it will faithfully observe and perform all of the conditions, covenants and requirements of this Agreement which are expressly applicable to the Certificate Agent, *provided, however* that in no event shall the Certificate Agent be required to expend any of its own funds or incur any personal liability. The Certificate Agent further covenants that it shall not pledge, assign, subject to any lien or otherwise encumber the Notes, or any interest therein other than as contemplated by the terms of this Agreement. In addition, the Certificate Agent covenants that it will hold the Notes for the sole benefit of the Registered Owners until the Maturity Date. The Certificate Agent shall only be required to perform the duties expressly set forth herein. No implied duties or obligations shall be read into this Agreement against the Certificate Agent.

SECTION 6.2 Reliance on Documents, Etc.

(A) The Certificate Agent may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Certificate Agent by the County and the Participants.

(B) Neither the Certificate Agent nor the County shall be liable in connection with the performance of their duties hereunder except for their own negligence or willful

misconduct. The County may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents or attorneys, and the County shall not be responsible for any misconduct or negligence on the part of any agent (other than an employee) or attorney appointed with due care.

(C) No provision of this Agreement shall require the County to expend or risk their own funds or otherwise incur any financial liability for performance of any of their duties hereunder, or in the exercise of any of their rights or powers.

(D) The Certificate Agent and the County may rely, or be protected in acting or refraining from acting, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document (including facsimile copies) believed by them to be genuine and to have been signed or presented by the proper party or parties. The Certificate Agent and the County need not examine the ownership of any Certificates, but are protected in acting upon receipt of Certificates containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Registered Owner or agent of the Registered Owner.

(E) The Certificate Agent and the County may consult with counsel, and the written advice of such counsel or any opinion of counsel shall be full authorization and protection with respect to any action taken, suffered or omitted by them hereunder in good faith and reliance thereon. The County agrees to cause the Participants to pay the fees and expenses of such counsel in connection herewith.

(F) Neither the Certificate Agent nor the County shall be charged with notice or knowledge of any default hereunder unless and until a responsible officer of the Certificate Agent or the County charged with the administration of this Agreement shall have actual knowledge thereof.

SECTION 6.3 No Liability of the Certificate Agent or the County to the Registered Owners. Neither the Certificate Agent nor the County shall have any obligation or liability to the Registered Owners with respect to the payment when due of the principal and interest with respect to the Certificates, except from the Debt Service Payments received with respect to the Notes, or with respect to the observance or performance by the Participants of the other agreements, conditions, covenants and terms required to be observed or performed by them contained in the related Participant Note Resolutions, as applicable, or with respect to the performance by the Treasurer, of any right or obligation required to be observed or performed by her/him contained herein or in the Participant Note Resolutions.

SECTION 6.4 Certificate Agent May Own Certificates. The Certificate Agent, in its individual or any other capacity, may become the owner or pledgee of Certificates with the same rights it would have if it were not the Certificate Agent and Registrar for the Certificates.

SECTION 6.5 Other Transactions. The Certificate Agent may engage in or be interested in any financial or other transaction with the County, *provided* that if the Certificate Agent determines that any such relationship is in conflict with its duties under this Agreement, it shall eliminate the conflict or resign as Certificate Agent.

## ARTICLE VII

## MISCELLANEOUS PROVISIONS

SECTION 7.1 Amendments Permitted. This Agreement and the rights and obligations of the Registered Owners may be modified or amended only by an agreement in writing signed by the County and the Certificate Agent, and with the prior written consent of the Insurer.

SECTION 7.2 Assignment. This Agreement may be assigned by either the County or the Certificate Agent only with the prior written consent of the other parties hereto, provided that the Certificate Agent may, with the written consent of the Insurer, or shall, at the written direction of the Insurer, provide such consent.

SECTION 7.3 Notices. Any request, demand, authorization, direction, notice, waiver or other document provided or permitted hereby to be given or furnished to the Office of Education, the Treasurer, the Insurer or the Certificate Agent shall be given by mail or personal delivery to the party entitled thereto at its address set forth below, or at such address as the party may provide to the other party in writing from time to time by fifteen (15) days written notice:

| | |
|---|---|
| If to the Treasurer: | Treasurer and Tax Collector of the County of Los Angeles<br>437 Kenneth Hahn Hall of Administration<br>500 West Temple Street<br>Los Angeles, California 90012<br>Attention: Public Finance |
| If to the Certificate Agent: | The Bank of New York Mellon Trust Company, N.A.<br>700 S. Flower Street, 5th Floor<br>Los Angeles, California 90017<br>Attention: Deborah Young<br>(213) 630-6260<br>(213) 630-6215 (fax) |

If to the Insurer: [Insurer]

Attn: _____, Re: Policy No. _____

In each case in which notice or other communication refers to an event of default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel of the Insurer and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

If to the Office of Education: Los Angeles County Office of Education
9300 Imperial Highway
Downey, California 90242-2890
Attention: Daniel Villanueva, Assistant Director - Division of Business Advisory Services

At the time that the County or the Certificate Agent is required to give any notice to any party in the within transaction, like notice shall be given to the Insurer. In addition, the County shall immediately notify the Insurer (i) not less than 10 Business Days in advance of the execution of any supplement, amendment or change to this Agreement, with a copy of such notice to Bond Insurance Department, Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. at 55 Water Street, New York, NY 10041 and Moody's Investors Service, 7 World Trade Center at 250 Greenwich Street, New York, NY 10007, (ii) upon any deficiency in the Repayment Fund, (iii) upon the resignation or petition for removal of the Certificate Agent or the appointment of a successor Certificate Agent, and (iv) upon any event of default, or upon any event that with notice and/or with the lapse of time could become an event of default under this Agreement, that the County has actual knowledge of in accordance with Section 6.2 (F) hereof.

SECTION 7.4 Headings. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Agreement. All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or other subdivisions of this Agreement; and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision hereof.

SECTION 7.5 Successors and Assigns. All covenants and agreements herein by the County and the Certificate Agent shall bind their successors and assigns, whether so expressed or not.

SECTION 7.6 Severability. If any provision of this Agreement shall be determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby, and this

Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

SECTION 7.7 Benefits of Agreement. Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or legal or equitable right, remedy or claim hereunder. Notwithstanding the foregoing, the Insurer is deemed a third party beneficiary hereunder.

SECTION 7.8 Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto relevant to the Certificate Agent's acting as Certificate Agent and Registrar.

SECTION 7.9 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

SECTION 7.10 Governing Law. This Agreement shall be construed and governed in accordance with the laws of the State applicable to contracts made and performed therein.

[Remainder of page intentionally left blank]

SECTION 7.11 Limited Liability of the County. Any provision of this Agreement which requires the County to pay money (including, without limitation, Sections 2.2, 3.1 and 5.7) shall be satisfied only from funds received by the County from the Participants pursuant to the Participant Note Resolutions, and in no event shall the County be obligated to make any expenditure required by this Agreement from its own funds.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first above written.

**COUNTY OF LOS ANGELES**

By: _____
Treasurer and Tax Collector

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**
**as Certificate Agent and Registrar**

By: _____
Authorized Signatory

**EXHIBIT A**

**PARTICIPATION CERTIFICATE**
**LOS ANGELES COUNTY SCHOOLS POOLED FINANCING PROGRAM**
**2008-2009 POOLED TRAN, SERIES B**
Evidencing and Representing Proportionate and Undivided
Interests of the Owners Thereof in
Tax and Revenue Anticipation Notes of Certain
Los Angeles County School and Community College Districts

**No. R-1** **Principal Amount: $[Principal Amount]**

| ORIGINAL EXECUTION DATE | MATURITY DATE | INTEREST RATE | CUSIP |
|---|---|---|---|
| _____ 1, 2009 | _____, 2009 | ___% | 54515E ___ |

**REGISTERED OWNER: Cede & Co.**

**THIS IS TO CERTIFY THAT CEDE & CO.**, as Registered Owner of this Participation Certificate (the "Certificate"), is the owner of a direct, proportionate and undivided interest in the payments of principal of and interest on 2008-2009 Tax and Revenue Anticipation Notes (individually, a "Note" and, collectively, the "Notes"), and the debt service payments (the "Debt Service Payments") to be made thereon, issued by the local agencies, each being a school district or a community college district, located within the County of Los Angeles, organized and existing under the Constitution and laws of the State of California, identified in the Trust Agreement hereinafter referred to (collectively, the "Participants"), each maturing on _____, 2009, and issued in the principal amounts established in the Trust Agreement herein referred to.

Except as to principal amount, the Notes are all of like date, tenor and effect, made, executed and given pursuant to and by authority of a resolution duly passed and adopted by the governing board of each Participant pertaining to the respective Note of such Participant (collectively, the "Participant Note Resolutions") and of a resolution duly passed and adopted by the Board of Supervisors of the County on March [3], 2009 (the "County Resolution") under and by authority of Section 53853(a) and of Article 7.6 (commencing with Section 53850) of Chapter 4, Part 1, Division 2, Title 5, California Government Code. The Participant Note Resolutions and the County Resolution shall be referred to herein collectively as the "Resolutions." The owner of this Certificate is entitled to receive, subject to the terms of the Resolutions, on the Maturity Date stated above, the Principal Amount specified above, representing a direct, undivided interest in the principal payments to be made by each Participant on its respective Note, together with interest thereon accrued at the Interest Rate stated above. Payments of principal and interest with respect to the Certificates properly presented for payment upon maturity shall be made by wire transfer by the County in immediately available funds to the Depository Trust Company, New York, New York, as initial securities depository for the Certificates (or a successor securities depository).

Unless this Certificate is presented by an authorized representative of The Depository Trust Company to the Certificate Agent or the Treasurer and Tax Collector of Los Angeles County or any Certificate executed and delivered is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., any transfer, pledge or other use hereof for value or otherwise by or to any person is wrongful so long as the Registered Owner hereof, Cede & Co., has an interest herein.

Pursuant to the terms of the Trust Agreement by and between the County and The Bank of New York Mellon Trust Company, N.A., as Certificate Agent (the "Certificate Agent"), dated as of [March 1, 2009] (the "Trust Agreement"), the Certificate Agent shall hold in trust each Note represented by this Certificate in the principal amount shown above and maturing on the date this Certificate matures. The Notes will be held by the Certificate Agent and the Debt Service Payments will be held by the County in the Repayment Funds (as defined in the Trust Agreement).

The principal amount represented by this Certificate, together with the interest evidenced and represented hereby, shall be payable from the principal of and interest coming due on the Notes. Each Note constitutes the general obligation of the Participant issuing the same and shall be payable from taxes, income, revenue, cash receipts and other moneys which are received by the respective Participant during, or are attributable to, fiscal year 2008-09, and which are lawfully available therefor, all as set forth in the respective Participant Note Resolution. As security for the Notes, each Participant has individually pledged certain of its unrestricted revenues received in the amounts and as of the dates provided in the respective Participant Note Resolution, plus in the month during which the final payment of Pledged Revenues is to occur, an amount sufficient to pay interest on such Note.

No Participant has covenanted to pay or provide for the payment of any other Participant's Pledged Revenues, and the Repayment Funds established by the County for the several Participants are not pooled. No Participant's Repayment Fund held by the County is available to make up a deficiency in the Repayment Fund of another Participant or payment of principal of and interest on another Participant's Note. One Participant's default in the payment of principal of and interest on its Note will cause a partial default in payment of the Certificates, even though the non-defaulting Participants make timely payments of principal of and interest due on their Notes; *provided, however*, that the Registered Owner hereof individually shall have and may exercise any and all rights and remedies directly against any such defaulting Participant to the full extent as if such Registered Owner were the owner of record of Notes of each such Participant in Principal Amount equal to such Registered Owner's direct, proportional and undivided interest in such Notes as provided above.

The County does not warrant the accuracy of the statements and recitals herein. The County has no obligation or liability to make payments with respect to the Certificates except from Debt Service Payments of the Notes by the Participants and from the funds and accounts established for such purpose by the Trust Agreement.

The Participants have certified, recited and declared that all acts, conditions and things required by the Constitution and laws of the State of California and the provisions of the Participant Note Resolutions to exist, to have happened and to have been performed precedent to and in the execution and delivery of the Notes do exist, have happened and have been performed in due time, form and manner as required by law and that the Notes, together with all other indebtedness and obligations of the respective Participants, do not exceed any limit prescribed by the Constitution or laws of the State of California.

**IN WITNESS WHEREOF**, The Bank of New York Mellon Trust Company, N.A., as Certificate Agent, has caused this Certificate to be executed by its authorized signatory this ___ day of _____ 2009.

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

By: _____
Authorized Signatory

## STATEMENT OF INSURANCE

**EXHIBIT B**

**FORM OF REQUISITION FROM COSTS OF DELIVERY FUND**

The Bank of New York Mellon Trust Company, N.A.
700 S. Flower Street, 5th Floor
Los Angeles, California 90017
Attn: Deborah Young

Re: Los Angeles County Schools Pooled Financing Program 2008-09
Pooled TRAN Participation Certificates, Series B

Requisition No. 1

1. The undersigned authorized officer of the Los Angeles County Office of Education hereby presents this Requisition for payment of costs of delivery in connection with the captioned financing.

2. Attached as Schedule I is a list of payees from whom invoices for costs of delivery have been received (copies of which are attached to said Schedule I). You are hereby directed to make payment by check or wire transfer (in accordance with the request of the respective payees) to said persons in the amounts invoiced but not in excess of the amounts identified in Schedule I. None of the items listed in Schedule I have been heretofore paid and each represents a proper charge against the Costs of Delivery Fund.

Date: _____, 2009

By: _____
Authorized Officer
Los Angeles County Office of Education

cc: County of Los Angeles, Treasurer and Tax Collector

## SCHEDULE I

## INITIAL PAYEES FROM COSTS OF DELIVERY FUND

The following costs are to be paid by the Treasurer for the costs of delivery relating to the Notes and Certificates from amounts deposited in the Costs of Delivery Fund.

| Name and Address of Payees | Purpose | Maximum Authorized Amount |
|---|---|---|
| Hawkins Delafield & Wood LLP<br>333 South Grand Avenue, Suite 3650<br>Los Angeles, California 90071 | Bond Counsel | $ |
| Treasurer and Tax Collector of the County of Los Angeles<br>437 Hall of Administration<br>500 West Temple Street<br>Los Angeles, California 90012 | Administration | |
| Los Angeles County Office of Education<br>9300 Imperial Highway<br>Downey, California 90242-2890 | Administration | |
| The Bank of New York Mellon Trust Company, N.A.<br>700 South Flower Street, Suite 500<br>Los Angeles, California 90017 | Certificating Agent Services | |
| Fulbright & Jaworski L.L.P.<br>555 South Flower Street, 41st Floor<br>Los Angeles, California 90071 | Underwriters' Counsel | |
| [Merrill Corporation] | Printing Fee | |
| Standard & Poor's Ratings Services Rating Agency<br>55 Water Street, 38th Floor<br>New York, New York 10041 | Rating Agency | |
| Miscellaneous | | _____ |

# EXHIBIT C
# REPAYMENT SCHEDULE

| District Participant | Note | | % | Interest [1] | Full Payment[1] |
|---|---|---|---|---|---|
| Lowell Joint School District | | | 100% | | |
| Temple City Unified School District | | | 100 | | |
| Wiseburn School District | | | | | |
| TOTALS | $ | | | $ | $ |

[1] Investment earnings from the Investment Agreement to be credited against final payment of principal and interest on the Note to be determined.

$_____

LOS ANGELES COUNTY SCHOOLS POOLED FINANCING PROGRAM
2008-09 POOLED TRAN PARTICIPATION CERTIFICATES
Series B

Evidencing and Representing Proportionate and Undivided
Interests of the Owners Thereof in 2008-09 Tax and
Revenue Anticipation Notes of Certain
Los Angeles County School and Community College Districts

# CONTRACT OF PURCHASE

_____, 2009

To: Each Los Angeles County School and Community College District set forth in Exhibit A hereto.

The undersigned, RBC Capital Markets Corporation (the "Representative"), acting on behalf of itself and as representative of E. J. De La Rosa & Co., Inc. (collectively, the "Underwriters"), offers to enter into this Contract of Purchase (the "Contract of Purchase") with the Treasurer and Tax Collector of the County of Los Angeles (the "Treasurer"), acting on behalf of the Participants (as described below) listed on Exhibit A hereto, which will be binding upon the Treasurer, each Participant beneficially and upon the Underwriters. This offer is made subject to the written acceptance of this Contract of Purchase by the Treasurer and the delivery of such acceptance to the Representative at or prior to 11:59 p.m., Pacific time, on the date following the date hereof.

1. Upon the terms and conditions and upon the basis of the representations and warranties hereinafter set forth, the following transactions shall occur simultaneously at the Closing (as defined in paragraph 6 hereof): (a) the Treasurer shall purchase all (but not less than all) of $_____ of 2008-09 Tax and Revenue Anticipation Notes (collectively, the "Notes"), issued by certain school and community college districts (collectively, the "Participants") listed on Exhibit A attached hereto and by this reference incorporated herein, and in the respective amounts for each Participant as set forth on said Exhibit A; (b) the Treasurer shall deposit the Notes in trust with The Bank of New York Trust Company, N.A., as Certificate Agent (the "Certificate Agent"), and the Certificate Agent shall hold such Notes, pursuant to the terms and conditions of a trust agreement dated as of _____ 1, 2009 (the "Trust Agreement"), between the County and the Certificate Agent, until the respective maturity dates thereof; (c) the Underwriters hereby agree to purchase for reoffering to the public $_____ aggregate principal amount of Los Angeles County Schools Pooled Financing Program 2008-09 Pooled TRANs Participation Certificates, Series B, coming due _____, 2010 (the "Certificates"), evidencing and representing proportionate and undivided interests of the owners thereof in the Notes, with such Notes and Certificates being dated the date of delivery thereof, with interest components calculated for the Certificates at the rate of _____ percent (___%) per annum,

priced to yield at the rate of _____ percent (___%);(d) pursuant to the Trust Agreement, the Certificate Agent shall execute and deliver the Certificates to, and register such Certificates in the name of, The Depository Trust Company ("DTC") or its nominee, and (e) pursuant to a municipal bond insurance policy (the "Policy") issued by _____ (the "Insurer") which will provide for the payment of the principal and interest with respect to the Certificates at maturity in accordance with the Trust Agreement up to an amount of $_____ in the event any Participant or Participants shall fail to make payments with respect to its or their Notes. The principal amount of the Notes and the corresponding principal amount of the Certificates shall be adjusted as necessary prior to the Closing upon the advice of and notice given to the Underwriters by Hawkins, Delafield & Wood LLP, Los Angeles, California, Bond Counsel ("Bond Counsel"), in order to comply with the Internal Revenue Code of 1986, as amended, and the applicable Treasury regulations promulgated thereunder.

The purchase price for the Notes attributable to the Certificates paid by the Treasurer shall be derived solely from the proceeds received from the sale of the Certificates to the Underwriters, which aggregate purchase price shall be as follows: $_____ (which represents the principal amount of the Notes evidenced and represented by the Certificates in the amount of $_____, less an Underwriters' discount of $_____, plus a premium in the amount of $_____, less the bond insurance premium of $_____ and less costs of delivery in the amount of $_____).

2. The Certificates shall evidence and represent proportionate and undivided interests in the principal and interest payable on the Notes, and shall be otherwise substantially as described in the resolutions adopted by each of the Participants authorizing the execution and delivery of the Certificates and the issuance of the Notes (the "Participant Resolutions"), and shall be executed and delivered in a manner consistent with the provisions of the Constitution and laws of the State of California (the "State") and a resolution adopted by the Board of Supervisors of the County of Los Angeles on _____, 2009 (the "County Resolution," and collectively with the Participant Resolutions, the "Resolutions"). The Notes shall be substantially as described in the Resolutions, and shall be issued in a manner consistent with the provisions of the Constitution and laws of the State.

3. By the time of or before the Treasurer's acceptance hereof, the Participants shall cause to be delivered to the Representative a Preliminary Official Statement, dated _____, 2009, relating to the Certificates (the "Preliminary Official Statement"), in a form satisfactory to the Representative. The Participants, pursuant to the respective Participant Resolutions, have authorized the preparation of and use by the Underwriters, of the Preliminary Official Statement in connection with the offering of the Certificates by the Underwriter prior to the date of the final Official Statement (the "Official Statement") in connection with the offering and sale of the Certificates. The Participants also have authorized the preparation and use of the final Official Statement.

The Underwriters hereby represent that they have received and reviewed the Preliminary Official Statement. The Participants have represented that they each deem the Preliminary Official Statement to be final, except for addition of the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery date, rating(s), and other terms of the Certificates which depend on the foregoing.

4. The Underwriters agree that prior to the time the final Official Statement is available, the Underwriters will send, and will contractually obligate each member of any underwriting syndicate to send, to any potential purchaser of the Certificates, upon the request of such potential purchaser, a copy of the most recent Preliminary Official Statement relating to the Certificates. Such Preliminary Official Statement shall be sent by first class mail (or other equally prompt means) not later than the first business day following the date such request is received.

(A) The Participants shall deliver (or to cause to be delivered) to the Representative, not later than the seventh business day following the date this Contract of Purchase is fully executed, copies of the final Official Statement relating to the Certificates in such quantities as may be requested by the Representative not later than five business days following the date this Contract of Purchase is fully executed, in order to permit the Underwriters to comply with paragraph (b)(4) of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), and the rules of the Municipal Securities Rulemaking Board. Such final Official Statement shall be substantially in the form of the Preliminary Official Statement, with only such changes therein as shall have been accepted by the Representative and the Participants.

(B) After the closing of the purchase and sale of the Notes and the Certificates hereunder: (a) the Participants shall not adopt any amendment of or supplement to the Official Statement to which, after having been furnished with a copy, the Representative shall object in writing; and (b) if any event relating to or affecting any Participant shall occur as a result of which it is necessary, in the opinion of the Representative, to amend or supplement the Official Statement to make the Official Statement not misleading in light of the circumstances existing at the time such is delivered to a purchaser, the Participants shall forthwith prepare and furnish to the Representative (at the expense of the Participants for ninety (90) days from the Closing and otherwise at the expense of the Underwriters) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Representative) that will amend or supplement the Official Statement so that it will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances existing at the time it is delivered to a purchaser, not misleading.

(C) References herein to the Preliminary Official Statement and the final Official Statement include the cover page and all appendices, exhibits, maps, reports and statements included therein or attached thereto and such changes therein and supplements thereto which are consented to in writing by the Underwriters.

5. The Underwriters hereby agree to make a bona fide public offering of all the Certificates at the initial public offering prices as set forth on the cover page of the Official Statement. Subsequent to such initial public offering, the Underwriters reserve the right to change the public offering prices as they may deem necessary in connection with the marketing of the Certificates.

6. At 8:00 a.m., Pacific time, on _____, 2009, or at such other time or on such later business day as shall have been mutually agreed upon by the Treasurer and the Underwriters (the "Closing"), the Treasurer will (i) purchase the Notes and simultaneously with such purchase deposit such Notes in trust with the Certificate Agent; (ii) the Certificate Agent will execute and deliver to the Underwriters at the offices of DTC in New York, New York, one or more fully registered Certificates in the aggregate principal amount of the Notes, duly executed; and (iii) deliver or cause to be delivered at the offices of Bond Counsel, the other documents hereinafter mentioned. Concurrently, the Underwriters will accept such delivery of, and pay the purchase price for, the Certificates as set forth in paragraph 1 hereof in immediately available funds by check or wire transfer to the order of the Treasurer.

The Certificates shall be executed and delivered under and in accordance with the provisions of this Contract of Purchase, the Trust Agreement and the Resolutions. The Certificates are to be delivered as fully registered certificates, without coupons, and when delivered will be registered in the name of DTC or its nominee. DTC will act as securities depository for the Certificates. Individual purchases will be made in book-entry form only and in the principal amount of $5,000 or integral multiples thereof. Purchasers of the Certificates will not receive certificated securities representing their interests in the Certificates purchased.

7. The Underwriters have entered into this Contract of Purchase in reliance upon the representations and warranties of the Participants required hereby, the Trust Agreement, the Resolutions, and the performance by the Treasurer and the Participants of their obligations hereunder, as of the date hereof and as of the date of the Closing. The Underwriters' obligations under this Contract of Purchase are and shall be subject to the following further conditions as of the Closing:

(A) The representations and warranties of the Participants heretofore provided to the Underwriters shall not be materially inaccurate at the date hereof and at and as of the Closing, as if made at and as of the Closing, and the statements made in all certificates and other documents executed by the Participants and delivered to the Underwriters at the Closing pursuant hereto shall not be materially inaccurate at and as of the Closing; and the Participants shall be in compliance with each of the agreements made by each of them in the related Participant Resolution (unless such agreements are waived by the Underwriters).

(B) At the time of the Closing, this Contract of Purchase and the Trust Agreement shall be in full force and effect; the Resolutions, the Trust Agreement and this Contract of Purchase shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Representative; all actions which, in the opinion of Bond Counsel and Fulbright & Jaworski L.L.P., Counsel to the Underwriters ("Underwriters' Counsel"), shall be necessary in connection with the transactions contemplated hereby shall have been duly taken and shall be in full force and effect; and the Participant shall perform or have performed all of their obligations required under or specified in the respective Resolutions, the Trust Agreement or this Contract of Purchase to be performed at or prior to the Closing.

(C) The provisions of law governing the payment of the revenues pledged to pay the Notes shall be in full force and effect and shall not have been amended in any respect that would materially adversely affect the prospects that such revenues will be received in the amounts and by the respective dates indicated in the Resolutions, the Official Statement and the signature pages to this Contract of Purchase.

(D) Except as disclosed in the Official Statement, no decision, ruling or finding shall have been entered by any court or governmental authority since the date of this Contract of Purchase (and not reversed on appeal or otherwise set aside) which (i) has any of the effects described in sub-paragraph (F)(9)(vi) of this Section 7, or (ii) declares this Contract of Purchase to be invalid or unenforceable in whole or in material part.

(E) In recognition of the desire of the Treasurer and the Underwriters to effect a successful public offering of the Certificates, and in view of the potential adverse impact of any of the following events on a public offering, the Underwriters shall have the right to cancel their obligations to acquire the Certificates, by delivery of written notice from the Representative to the Participants, if between the date hereof and the Closing: (i) the Official Statement shall have been amended, modified or supplemented without the consent in writing of the Representative, unless such consent was unreasonably withheld; or (ii) any event shall occur which, in the reasonable professional judgment of the Representative, makes untrue any statement of a material fact set forth in the Official Statement or results in an omission to state a material fact necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading; or (iii) the market for the Certificates or the ability of the Underwriters to enforce contracts for the sale of the Certificates shall have been materially and adversely affected, in the reasonable professional judgment of the Representative, by (a) legislation enacted by the Congress of the United States, or passed by either House of the Congress, or recommended to the Congress for passage by the President of the United States, or favorably reported for passage to either House of the Congress by a committee of such House to which such legislation has been referred for consideration, or a decision rendered by a court of the United States or by the United States Tax Court, or a ruling, order, official statement, or regulation (final, temporary or proposed) made by the Treasury Department of the United States or the Internal Revenue Service, with respect to federal taxation upon interest received on obligations of the general character of the Notes or the Certificates or which would have the effect of changing, directly or indirectly, the federal income tax consequences of interest on obligations of the general character of the Certificates in the hands of the holders thereof, or (b) any outbreak or escalation of hostilities or other national or international calamity, or crisis or an event of fiscal default by a city, municipality, district or authority located in the State, the effect of such outbreak, escalation, calamity, crisis or default being such as would cause a major disruption in the municipal bond market, or (c) a general suspension of trading on the New York Stock Exchange, or fixing of minimum or maximum prices for trading or maximum ranges for prices for securities on the New York Stock Exchange, whether by virtue of a determination by that Exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction, or (d) a general banking moratorium declared by either federal or State authorities having jurisdiction, or

(e) any action, suit, proceeding or investigation described in sub-paragraph (F)(9)(vi) of this Section 7, or (f) a withdrawal or downgrading of any rating of the Bonds by a national rating agency, or (g) there shall have occurred or any notice shall have been given of any intended downgrading, suspension, withdrawal, or negative change in credit watch status by any national rating service to any of the obligations of any of the Participants' outstanding indebtedness, or any rating of the Insurer;

(F) At or prior to the Closing, the Representative shall have received the following documents, each dated the date of the Closing and in each case satisfactory in form and substance to the Representative:

(1) This Contract of Purchase and the Trust Agreement duly executed and delivered by the respective parties thereto, with such amendments, qualifications or supplements as may have been agreed to in writing by the Representative, along with certified copies of each Participant Resolution and the County Resolution.

(2) A copy of the executed Policy.

(3) The final approving opinion of Bond Counsel as to the validity and the exclusion from gross income of the interest paid with respect to the Certificates and the Notes.

(4) A supplemental opinion of Bond Counsel to the effect that the statements contained in the Official Statement in the sections entitled "DESCRIPTION OF THE CERTIFICATES," "SOURCES OF PAYMENT FOR THE CERTIFICATES," "THE TRUST AGREEMENT" and "TAX MATTERS" insofar as such statements purport to summarize certain provisions of the Certificates, the Notes, the Resolutions and the Trust Agreement and the exclusion from gross income for Federal income tax purposes and exemption from present State of California personal income taxes, present a fair summary of such provisions.

(5) An opinion of counsel to the Insurer as to enforceability of the Policy.

(6) A certificate of the Certificate Agent dated the date of the Closing, signed by a duly authorized officer of the Certificate Agent, and in form and substance satisfactory to the Representative, to the effect that:

(i) to the best of such officer's knowledge, the representations and agreements of the Certificate Agent in the Trust Agreement are true and correct in all material respects as of the date of the Closing; and

(ii) to the best of such officer's knowledge, no litigation is pending or threatened (either in state or federal courts) (A) seeking to restrain or enjoin the execution or delivery by the Certificate Agent of any of the Certificates, or (B) in any way contesting or affecting any authority of the Certificate Agent for the execution or delivery of the Certificates or the validity or enforceability of the Certificates or the Trust Agreement.

(7) An opinion of counsel to the Certificate Agent, dated the Closing Date and addressed to the Underwriters, to the effect that: (1) the Certificate Agent is duly authorized under articles of incorporation or association to act in such capacity; (2) the Certificate Agent has taken all action necessary to assume the duties and obligations of the Certificate Agent under the Trust Agreement and to authorize in such capacity the execution and delivery of the Certificates and the purchase of the Notes; (3) the Trust Agreement has been duly authorized, executed and delivered by the Certificate Agent and assuming due authorization, execution and delivery by the other parties thereto is a legal, valid and binding agreement of the Certificate Agent enforceable in accordance with its respective terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights in general and by general equity principles (regardless of whether such enforcement is considered in a proceeding in equity or at law); and (4) no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Certificate Agent that has not been obtained is or will be required for the execution and delivery by the Certificate Agent of the Trust Agreement.

(8) A certificate from an authorized representative of each Participant, respectively, respecting disclosure provided in the Official Statement as to such Participant and compliance with Rule 10b-5 of the Securities and Exchange Commission.

(9) A certificate from an authorized representative of each Participant to the effect that:

(i) Such Participant is validly existing under the Constitution and laws of the State, with the right and power to execute, deliver and perform its obligations under the appropriate Participant Resolutions.

(ii) At or prior to the Closing, such Participant will have taken all action required to be taken by it to request the issuance of its Participant Notes and to authorize the purchase of the Notes and the performance of its obligations under its Participant Resolution; (ii) such Participant has, and at the date of the Closing will continue to have, full legal right, power and authority to perform its obligations as provided in its Participant Resolution; and (iii) such Participant has duly authorized the consummation by it of all transactions relating to such Participant and contemplated by this Contract of Purchase and the Trust Agreement.

(iii) Such Participant will not issue additional notes secured by a pledge of the same revenues as are pledged to pay its Notes nor shall it request the Board of Supervisors to authorize the issuance of such notes. Its Notes shall be secured as to the payment of principal and interest from the revenues and in the manner as described in its Participant Resolution and the Official Statement, shall be general obligations of the related Participants, and, to the extent not paid from the revenues pledged thereto, shall be paid from any other moneys of such Participant lawfully available therefor.

(iv) There are no present or reasonably anticipated events, conditions or determinations of which such Participant is aware which will prevent the receipt of and application by Participant of the revenues pledged to pay its Notes.

(v) The performance of such Participant's obligations under the Participant Resolution and compliance with the provisions thereof by the Participant do not and will not conflict with or constitute on the part of the Participant a breach of, or a default under, the Constitution of the State, any existing law, charter, ordinance, regulation, decree, order or resolution, or any agreement, indenture, mortgage, lease or other instrument, to which the Participant is subject or by which it is bound.

(vi) To the best knowledge of such Participant as of the Closing Date, no action, suit, proceeding or investigation is pending or threatened against such Participant in any court or before any governmental authority seeking to restrain or enjoin the execution or delivery of or in any way contesting or affecting the validity of its Participant Resolution, the Notes, this Contract of Purchase, the Trust Agreement, the Policy, or the receipt or application of the revenues pledged to pay the Notes or contesting the powers of such Participant to participate in the financing represented by the Certificates.

(vii) Such Participant has reviewed the Preliminary Official Statement, which such Participant, deems to be final as of its date for purposes of Rule 15c2-12, except for information permitted to be omitted therefrom by Rule 15c2-12.

(viii) Such Participant will provide, or cause to be provided, to each nationally recognized municipal securities information repository and any public or private repository or entity designated by the State as a state repository for purposes of clause (b)(5) of Rule 15c2-12, in a timely manner, notice of certain material events respecting the Notes and the Certificates. Those covenants will be made in order to assist the Underwriters in complying with SEC Rule 15c2-12(b)(5). Such Participant shall also represent that it has not failed to comply in all material respects with any previous undertakings with regard to said Rule to provide annual reports or notices of material events.

(10) An opinion of County Counsel to the County of Los Angeles in form and substance satisfactory to the Underwriter.

(11) An arbitrage certificate from each Participant satisfactory in form and substance to Bond Counsel.

(12) Reserved.

(13) Evidence satisfactory to the Representative that the Certificates have been rated "____" by Standard & Poor's and that such rating has not been withdrawn.

(14) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Representative, Underwriters' Counsel or Bond Counsel may reasonably request to evidence compliance by the Certificate Agent and the Participants with legal requirements, the accuracy, as of the date of Closing, of the representations herein contained and the due performance or satisfaction by the Certificate Agent and the Participants at or prior to such date of all agreements then to be performed and all conditions then to be satisfied by the Participants.

(G) The performance by the Participants of their obligations hereunder is conditioned upon (i) the performance by the Underwriters of their obligations hereunder; and (ii) receipt by the Participants and the Underwriters of opinions and certificates required hereunder to be delivered at the Closing.

8. The Participants shall be required to pay (i) the cost of preparation and reproduction of the Preliminary Official Statement, the final Official Statement, and the cost of printing the Certificates; (ii) reimbursement to the Underwriter for California Debt and Investment Advisory Commission fees; (iii) any rating agencies rating the Certificates; (iv) the fees and disbursements of Bond Counsel; (v) any administrative fees of the County Office of Education; (vi) the fees of the Insurer with respect to the Policy; and (vii) other expenses incurred by them in connection with offering and distribution of the Certificates, including the fees and disbursements of counsel retained by them.

9. Any notice or other communication to be given to the Treasurer under this Contract of Purchase may be given by delivering the same in writing to the Treasurer and Tax Collector, County of Los Angeles, Kenneth Hahn Hall of Administration, 500 West Temple Street, Room 432, Los Angeles, California 90012, Attention: Director of Public Finance and Investments, or to such other person as the Treasurer may designate in writing, and to Hawkins, Delafield & Wood LLP, 633 West Fifth Street, Suite 3550, Los Angeles, California 90071, and any notice or other communication to be given to the Underwriters under this Contract of Purchase (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing to RBC Capital Markets Corporation, 777 South Figueroa Street, Suite 850, Los Angeles, California 90017, Attention: Public Finance Department.

10. This Contract of Purchase when accepted by the Treasurer in writing as heretofore specified shall constitute the entire agreement between the Treasurer and the Underwriters and is made solely for the benefit of the Treasurer, the Participants and the Underwriters (including the successors or assigns of the Underwriters). No other person shall acquire or have any rights hereunder or by virtue hereof.

11. This Contract of Purchase may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

12. This Contract of Purchase shall be governed by, and construed in accordance with, the laws of the State of California.

13. In the event any provision of this Contract of Purchase shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Very truly yours,

RBC CAPITAL MARKETS CORPORATION,
as Representative

By: _____
Roderick A. Carter
Managing Director

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.,
COUNTY COUNSEL

By: _____
Principal Deputy County Counsel

ACCEPTED AND AGREED:

COUNTY OF LOS ANGELES

By: _____
Mark J. Saladino
Treasurer and Tax Collector

EXHIBIT A
to the
Contract of Purchase

THE NOTES

| **Participant** | **Principal Amount*** |
|---|---|
| TOTAL | $ |

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**RESOLUTION 2008/09 NO. 483**

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE LOWELL JOINT SCHOOL DISTRICT OF LOS ANGELES AND ORANGE COUNTIES, CALIFORNIA, REQUESTING THE ISSUANCE OF 2008/09 TAX AND REVENUE ANTICIPATION NOTES FOR THE DISTRICT BY THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES**

**WHEREAS**, pursuant to Sections 53850 *et seq.*, of the Government Code of the State of California (the "Code") contained in Title 5, Division 2, Part 1, Chapter 4, Article 7.6 thereof, on or after the first day of any fiscal year, the Lowell Joint School District (the "District") may borrow money by issuing notes to be designated "Lowell Joint School District 2008-2009 Tax and Revenue Anticipation Notes" (the "Notes") in anticipation of the receipt of taxes, income, revenue, cash receipts and other moneys to be received by the District attributable to its fiscal year ending June 30, 2009 (the "Repayment Fiscal Year"), for any purpose for which the District is authorized to expend moneys, including but not limited to current expenses, capital expenditures and the discharge of any obligation or indebtedness of the District; and

**WHEREAS**, Section 53853 of the Code provides that such notes may be issued by the appropriate County Board of Supervisors on behalf of the District upon the authority of a resolution of the governing board of the District; and

**WHEREAS**, this Board of Trustees (the "Governing Board"), being the governing board of the District, desires the assistance of the Board of Supervisors of the County of Los Angeles (the "County Board") in the borrowing of not to exceed Three Million Dollars ($3,000,000), at an interest rate not exceeding twelve percent (12%) per annum, and an underwriters' discount not exceeding one percent (1%) of the principal amount of the notes described below; and

**WHEREAS**, pursuant to the Code, the Notes shall be payable no more than 12 months after the date of issue, and the Notes shall be payable only from revenue received or accrued during the fiscal year in which the Notes were issued; and

**WHEREAS**, pursuant to Section 53856 of the Code, the District may pledge any taxes, income, revenue, cash receipts or other moneys deposited in inactive or term deposits, excepting funds of the District otherwise restricted, to the repayment of the Notes, which shall be issued as a general obligation of the District, and to the extent not paid from the taxes, income, revenue, cash receipts and other moneys of the District pledged for the payment thereof, shall be paid with interest thereon from any other moneys of the District lawfully available therefor, as required by Section 53857 of the Code; and

**WHEREAS**, the Notes to be issued hereunder in Fiscal Year 2008-2009 when added to the interest payable thereon, may not exceed eighty-five percent (85%) of the estimated amount of the uncollected taxes, income, revenue (including but not limited to revenue from state and federal governments), cash receipts and other moneys of the District which will be available for the payment of principal of the Notes and the interest thereon, as required by Section 53858 of the Code; and

**WHEREAS**, upon satisfaction of certain conditions, it may be in the best interests of the District to participate in the Los Angeles County Schools Pooled Financing 2008-2009 Tax and Revenue Anticipation Notes Program (the "Pooled Program"), in order to achieve the highest possible rating, the lowest possible interest rate for the Notes and savings in costs of issuance and to improve the marketability of the Notes; and

**WHEREAS**, upon satisfaction of certain conditions, it may be in the best interests of the District for the Treasurer and Tax Collector of the County of Los Angeles (the "Treasurer and Tax Collector") to provide for the execution and delivery of participation certificates, evidencing proportionate interests in the Notes for sale to the general public on a pooled basis with the tax and revenue anticipation notes of other school districts and/or community college districts located within the County of Los Angeles (the "County"), in order to achieve savings in costs of issuance and to improve the marketability of the Notes; and

**WHEREAS**, the Los Angeles County Office of Education has approved the selection of underwriters who will purchase any Notes issued under the Pooled Program (the "Pooled Program Notes") and the selection of Bond Counsel who will provide the approving opinion on the Notes, and the Governing Board desires to have any Pooled Program Notes or, in the alternative, to have its individual Notes purchased by such underwriters upon such terms as may be approved by an authorized representative of the District;

**NOW, THEREFORE**, this Board of Trustees of the Lowell Joint School District hereby determines and resolves as follows:

Section 1. Governing Board Determination. All of the recitals set forth herein are true and correct, and this Governing Board so finds and determines.

Section 2. Authorization of Issuance of Notes; Terms Thereof. This Governing Board hereby authorizes the issuance of its Notes in a principal amount not to exceed Three Million Dollars ($3,000,000), under Section 53850, *et seq.*, of the Code to be designated "Lowell Joint School District, 2008-2009 Tax and Revenue Anticipation Notes," the final principal amount to be set forth in the Purchase Contract and Notes. The Notes are to be numbered from one consecutively upward in order of issuance, to be in denominations of $5,000, or integral multiples thereof, as determined by the Treasurer and Tax Collector; to be dated the date of delivery thereof; to mature (without option of prior redemption) 12 months after their date of issue; and to bear interest, payable at maturity and computed on a 30-day month/360-day year basis, at the rate or rates determined at the time of sale thereof, but not in excess of twelve percent (12%) per annum. The Notes may be issued for purchase by the Pooled Program, whereby the District and certain school districts and community college districts (collectively, with respect to any one series of participation certificates, the "Participants") located within the

County of Los Angeles, will simultaneously issue (or will have issued by the County on their behalf) tax and revenue anticipation notes to secure participation certificates, evidencing proportionate and undivided interests in the Notes of all Participants (the "Participation Certificates"), which may be divided into two or more series of Participation Certificates, as provided in Section 7 below.

Both the principal of and interest on the Notes shall be payable in lawful money of the United States of America at the principal office of The Bank of New York Trust Company, N.A. (the "Certificate Agent"), as provided under the Trust Agreement to be entered into by and between the County and the Certificate Agent (the "Trust Agreement"). The Treasurer and Tax Collector is hereby requested to act as a trustee, fiscal agent, dissemination agent and/or presentation agent (the "Fiscal Agent") in connection with the Notes and the Participation Certificates, and the County may appoint an agent or other third party to perform any or all of such duties.

Section 3. Form of Notes. The Notes shall be issued in fully registered form (except as otherwise provided herein), and shall be substantially in the form and substance set forth in Exhibit A, as attached hereto and by this reference incorporated herein, the blanks in said form to be filled in with appropriate words and figures, or with appropriate modifications to such form as may be appropriate for an issue of the District's Notes outside the Pooled Program as the Treasurer and Tax Collector may determine and approve. There shall be delivered with the Notes a legal opinion of Bond Counsel (as defined in Section 8 below) respecting the validity of said Notes and the exclusion from gross income of the interest thereon for federal income tax purposes and the exemption of interest thereon from present State of California personal income taxes.

Section 4. Deposit of Note Proceeds; No Arbitrage. The proceeds of sale of the Notes (net of costs of issuance) shall be deposited in or to the credit of the general fund of the District or otherwise as directed by the Authorized Officer (as defined in Section 7 below), to be withdrawn and expended for any lawful purpose for which the District is authorized to expend moneys, including, but not limited to, current expenses, capital expenditures and the discharge of any obligations or indebtedness of the District. The District hereby covenants that it will comply with the requirements of the Tax Certificate to be executed by the District with respect to the Notes and any other instructions requested by or otherwise provided by Bond Counsel.

Section 5. Payment of Notes.

(A) Source of Payment. The principal amount of the Notes, together with the interest thereon, shall be payable from taxes, income, revenue, cash receipts and other moneys which are received by the District during, or are attributable to, the Repayment Fiscal Year and which are available therefor. The Notes shall be a general obligation of the District, and to the extent the Notes are not paid from the Pledged Revenues defined below, the Notes shall be paid with interest thereon from any other moneys of the District lawfully available therefor, as provided herein and by law.

(B) Pledged Revenues. As security for the payment of the principal of and interest on the Notes, the District hereby pledges from the first unrestricted revenues received by the District (such pledged amounts being hereinafter called the "Pledged Revenues") as more fully described in the Purchase Contract and Notes. The term "unrestricted revenues" shall mean taxes, income, revenue, cash receipts, and other money of the District as provided in Section 53856 of the Code, which are intended as receipts for the general fund of the District and which are generally available for the payment of current expenses and other obligations of the District. The principal of the Notes and the interest thereon shall be a first lien and charge against and shall be payable from the moneys received by the District from such Pledged Revenues, as provided by law.

In order to effect the pledge referred to in the preceding paragraph, the District agrees to the establishment of the Repayment Fund, as defined below, and the District agrees to cause to be deposited, and shall request specific amounts from the District's funds on deposit with the Treasurer and Tax Collector for such purpose, directly therein the first unrestricted revenues received by the District in the months and dates set forth in the Purchase Contract and the Notes (each individual month a "Repayment Month" and collectively, the "Repayment Months") and any amount thereafter attributable to the Repayment Fiscal Year, until the amount on deposit in such fund, taking into consideration anticipated investment earnings thereon to be received by the Maturity Date (as specified in the Purchase Contract and Notes) is equal to the percentages of the principal of and interest due on the Notes at maturity as specified in the Purchase Contract and the Notes. Such Repayment Months and Pledged Revenues may be changed (as approved by the Underwriters) as directed in a certificate of the District that may be delivered on or before the date of delivery of the Notes.

In the event that on the last Business Day (as defined in the Trust Agreement) of any Repayment Month, the District has not received sufficient unrestricted revenues to permit the deposit into the Repayment Fund of the full amount of Pledged Revenues to be deposited in the Repayment Fund from said unrestricted revenues in said month, then the amount of any deficiency shall be satisfied and made up from any other moneys of the District lawfully available for the payment of the principal of the Notes and the interest thereon, as and when such other moneys are received or are otherwise legally available.

None of the Pledged Revenues shall be available for the payment of principal of and interest due on any tax and revenue anticipation notes attributable to any Participant other than the District, and the District acknowledges and agrees that by participation in the Pooled Program, it shall not be entitled to any payment of principal of and interest on the Notes from the revenues of any Participant other than the District.

In accordance with this Section 5(B) and to effect the pledge contained herein the District shall and does hereby authorize and instruct the Los Angeles County Auditor-Controller (the "Auditor-Controller") to intercept Pledged Revenue as set forth in the Purchase Contract and Notes (or as modified as provided in the Certificate which may be delivered by the District on or before the issuance of the Notes), and place such amounts on deposit each Repayment Month with the Treasurer and Tax Collector directly in the Repayment Fund held by the Fiscal Agent with a designation to the Certificate Agent of the amounts to be credited for the District. Upon such deposit, such funds will not be available to the District. The District shall and does hereby

authorize and instruct that, in the event that there have been insufficient Pledged Revenues received by the District by the third Business Day prior to the day on which Pledged Revenues are to be deposited into the Repayment Fund (the "Pledge Date") to permit the deposit into its Repayment Fund of the full amount of the Pledged Revenues required to be deposited with respect to such Pledge Date, the Auditor-Controller shall collect the amount of any deficiency for deposit in the Repayment Fund in such amount as may be directed by the Treasurer and Tax Collector from any other unrestricted moneys of the District lawfully available for the payment of the principal of the Notes and the interest thereon on such Pledge Date or thereafter on a daily basis, when and as such Pledged Revenues and unrestricted moneys are received by the Participant and will deposit said moneys with the Treasurer and Tax Collector for credit directly to the Repayment Fund.

(C) Deposit of Pledged Revenues in Repayment Fund. The Pledged Revenues shall be held by the County in a separate and special fund designated as the "Lowell Joint School District, 2008-2009 Tax and Revenue Anticipation Notes Repayment Fund" (herein called the "Repayment Fund") and the County will administer the Pledged Revenues through and including the maturity date of the Notes and apply such funds as directed in this resolution. Any moneys deposited in the Repayment Fund shall be for the sole benefit of the owners of the Notes and until the Notes and all interest thereon are paid, or until provision has been made for the payment of the Notes and all interest thereon in accordance with their terms, the moneys in the Repayment Fund shall be applied only for the purposes for which the Repayment Fund is created. The Treasurer and Tax Collector is directed to deposit all Pledged Revenues subject to deposit as provided in this Section 5(C) when and as received directly into the Repayment Fund, without further instruction by the District. From the dates of receipt by the Treasurer and Tax Collector of any of the Pledged Revenues subject to such deposit, the District shall have no right, title or interest therein.

(D) Disbursement and Investment of Moneys in Repayment Fund. All Pledged Revenues shall be deposited into the Repayment Fund upon receipt. After such date as the amount of Pledged Revenues on deposit in the Repayment Fund shall be sufficient to pay in full the principal of and interest on the Notes, when due, any moneys in excess of such amount remaining in or accruing to the Repayment Fund shall be transferred to the general fund of the District or otherwise as directed by the Authorized Officer. On the maturity date of the Notes, the moneys in the Repayment Fund shall be used, to the extent necessary, to pay the principal of and interest on the Notes.

Moneys in the Repayment Fund, to the greatest extent possible, shall be invested in Permitted Investments (as defined in the Trust Agreement) as directed by the Treasurer and Tax Collector or by the Authorized Officer in consultation with the Los Angeles County Office of Education, which may include, but not be limited to, a guaranteed investment contract and the Los Angeles County Pooled Investment Fund or any other investment which the Authorized Officer in consultation with the County Office of Education deems prudent. The Treasurer and Tax Collector (who is hereby designated as agent of the District for these purposes) is hereby requested to invest and/or to direct the investment of the proceeds of the Notes and the Participation Certificates and any other funds held under the Trust Agreement in accordance with the Trust Agreement and Los Angeles County policy governing the investment of such funds.

(E) Defaults in the Repayment of the Notes. If the Notes as evidenced and represented by a series of Participation Certificates are not paid at maturity, or are paid in whole or in part by a draw under or claim upon a form of credit support for the Notes or such series of Participation Certificates ("Credit Enhancement") which draw or claim is not fully reimbursed on such date, they shall become Defaulted Notes (as defined in the Trust Agreement), and the unpaid portion thereof (or the portion thereof with respect to which Credit Enhancement applies for which reimbursement on a draw or claim has not been fully made) shall be deemed outstanding and shall continue to bear interest at the default rate specified in the Trust Agreement (the "Default Rate"). If the Notes as evidenced and represented by a series of Participation Certificates are not secured by Credit Enhancement in whole or in part and are not fully paid at maturity, the unpaid portion thereof (or the portion thereof to which no Credit Enhancement applies which is unpaid) shall be deemed outstanding and shall continue to bear interest thereafter until paid at the Default Rate. In each case set forth in the preceding two sentences, the obligation of the District with respect to such Defaulted Notes or unpaid Notes shall not be a debt or liability of the District prohibited by Article XVI, Section 18 of the California Constitution and the District shall not be liable thereon except to the extent of any available revenues attributable to the Repayment Fiscal Year as provided in paragraph (B) above.

Section 6. Execution of Notes. The District hereby requests the Treasurer and Tax Collector, or his designated deputy, and the appropriate officers of the County Board to execute the Notes by their manual or facsimile signatures and to affix a facsimile of the seal of the County thereon; and said officers shall be authorized to cause the blank spaces thereof to be filled in prior to initial delivery as may be appropriate.

Section 7. Approval of Sale of Notes. In order to retain maximum flexibility and secure interest cost savings for the District, this Governing Board hereby delegates to the President of the Governing Board, to the Superintendent of the District, or such other authorized person (each, an "Authorized Officer"), the right, on behalf of the District, to elect to have the District participate in the Pooled Program upon satisfaction of the following conditions: the District will participate in the Pooled Program unless its participation would result in (a) an issuance of Notes after the date of the primary cash flow deficit of the District, or (b) a delay in the issuance of the Notes which delay would likely, in the judgment of the Authorized Officer in consultation with the County Office of Education, increase the interest rate applicable to the Notes. The Treasurer and Tax Collector shall, within the limitations set forth below, be authorized and directed, on behalf of the District, to enter into a contract of purchase with the Underwriters for the purchase of the Notes.

If the Authorized Officer shall elect to have the District participate in the Pooled Program, the Notes shall be deposited into a trust to be established under and pursuant to the Trust Agreement, creating a trust estate, which shall contain the Notes and the tax and revenue anticipation notes of the other Participants in such series. It is hereby recognized, acknowledged and agreed that the Certificate Agent appointed pursuant to the Trust Agreement, may execute and deliver Participation Certificates on behalf of the District and the other Participants, each representing the proportional, undivided ownership interest of the registered owner thereof in the Notes. The District agrees to recognize each registered owner of the Participation Certificates as the beneficial owner of its Notes to the extent of such registered owner's proportional, undivided interest in the Notes. If, for purposes of obtaining the highest possible rating and the lowest

possible interest rate for the Notes, it shall be advisable for the District to participate in a Pooled Program to be divided into two or more series of Participation Certificates, the Authorized Officer shall approve the participation by the District in one such series. The Authorized Officer is hereby authorized to execute and deliver any documents and to take such other action as may be necessary or proper to carry out the interest of the provisions hereof. The participation by the District in the Pooled Program and the execution and delivery of Participation Certificates under the Trust Agreement, defined herein, shall not cause the District to be liable for payments of principal of or interest on the notes attributable to any other Participant.

The Authorized Officer is further authorized to determine the maximum principal amount of Notes to be lodged with the Certificate Agent in exchange for the execution and delivery of the Participation Certificates, not to exceed Three Million Dollars ($3,000,000), and to deliver the Notes to the County, if the conditions set forth in this resolution are satisfied.

Section 8. Authorization and Approval of Preliminary Official Statement and Official Statement. In connection with the Pooled Program, the County Office of Education, with the concurrence of this District, has appointed RBC Capital Markets Corporation, as representative of itself and any co-underwriter the County Office of Education may appoint as Underwriters (the "Underwriters"), and Hawkins Delafield & Wood LLP, or such other counsel as the Office of Education may appoint, as bond counsel ("Bond Counsel"). The officers of the District are authorized to provide information regarding the District in connection with the preparation of such document or documents. The proposed form of Preliminary Official Statement with respect to Participation Certificates in the form on file with this Governing Board is hereby approved. The Underwriters are hereby authorized to prepare and distribute a Preliminary Official Statement and an Official Statement relating to the Pooled Program. The Authorized Officer is hereby authorized and directed to provide the Underwriters with such information relating to the District as the Underwriters shall reasonably request for inclusion in the Preliminary Official Statement. Upon inclusion of the information relating to the District therein, the Preliminary Official Statement is, except for certain omissions permitted by Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934, as amended (the "Rule"), hereby deemed final within the meaning of the Rule; provided that no representation is made as to the information contained in the Preliminary Official Statement relating to the other Participants or any municipal bond insurer. If, at any time prior to the execution of the Purchase Contract by the County, any event occurs as a result of which the information contained in the Preliminary Official Statement relating to the District might include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the District shall promptly notify the Underwriters.

Section 9. Continuing Disclosure.

(A) As required by the Rule, the District covenants with the beneficial owners of the Participation Certificates that it will, and hereby authorizes its appropriate officers and employees to provide, in a timely manner, to the Municipal Securities Rulemaking Board (the "MSRB") or each nationally recognized municipal securities information repository and to any California information depository for the benefit of the beneficial owners of the Participation Certificates, notice of any of the following events with respect to the Notes, if material:

(1) principal and interest payment delinquencies;
(2) non-payment related defaults;
(3) unscheduled draws on the debt service reserves reflecting financial difficulties;
(4) unscheduled draws on credit enhancements reflecting financial difficulties;
(5) substitution of credit or liquidity providers, or their failure to perform;
(6) adverse tax opinions or events affecting the tax-exempt status of the securities;
(7) modifications to rights of security holders;
(8) bond calls;
(9) defeasances;
(10) release, substitution, or sale of property securing repayment of the securities; and
(11) rating changes.

Notwithstanding any other provision herein, failure of the District to perform in accordance with this Section 9(A) shall not constitute a default under this resolution and may be enforced only as provided in this Section 9.

(B) Each Material Event Notice shall be so captioned and shall prominently state the title, date and CUSIP numbers of the affected Participation Certificates.

(C) The District represents that since July 3, 1995, it has not failed to comply in any material respect with any previous undertaking in a written contract or agreement specified in paragraph (b)(5)(i) of the Rule.

(D) (1) This Section may be amended, by written agreement of the parties, without the consent of the holders of the Participation Certificates (except to the extent required under clause (4) below), if all of the following conditions are satisfied: (1) such amendment is made in connection with a change in circumstances that arises from a change in legal (including regulatory) requirements, a change in law (including rules or regulations) or in interpretations thereof, or a change in the identity, nature or status of the District or the type of business conducted thereby, (2) this Section as so amended would have complied with the requirements of the Rule as of the date of this resolution, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, (3) the District shall have delivered to the County an opinion of Bond Counsel, addressed to the District and the County, to the same effect as set forth in clause (2) above, (4) either (i) the District shall have delivered to the County an opinion of Bond Counsel or a determination by a person, in each case unaffiliated with the District (such as Bond Counsel or the County) and acceptable to the District, addressed to the District and the County, to the effect that the amendment does not materially impair the interests of the holders of the Participation Certificates or (ii) the holders of the Participation Certificates consent to the amendment to this Section pursuant to the same procedures as are otherwise required for amendments, and (5) the District shall have delivered copies of such opinion(s) and amendment to each NRMSIR and the SID.

(2) In addition to subsection (D)(1) above, this Section may be amended and any provision of this Section may be waived, by written agreement of the parties, without the consent of the holders of the Participation Certificates, if all of the following conditions are satisfied: (1) an amendment to the Rule is adopted, or a new or modified official interpretation of the Rule is issued, after the effective date of this Section which is applicable to this Section, (2) the District shall have delivered to the County an opinion of Bond Counsel, addressed to the District and the County, to the effect that performance by the District and the County under this Section as so amended or giving effect to such waiver, as the case may be, will not result in a violation of the Rule and (3) the District shall have delivered copies of such opinion and amendment to each NRMSIR and the SID.

(E) (1) The provisions of this Section shall inure solely to the benefit of the holders from time to time of the Participation Certificates, except that beneficial owners of Participation Certificates shall be third-party beneficiaries of this Section.

(2) Except as provided in this subsection (E)(2), the provisions of this Section shall create no rights in any person or entity. The obligations of the District to comply with the provisions of this Section shall be enforceable in the case of enforcement of obligations to provide notices, by any Registered Owner of outstanding Certificates, or by the Fiscal Agent and Certificate Agent on behalf of the Registered Owners of outstanding Certificates; *provided, however*, that the Fiscal Agent and Certificate Agent shall not be required to take any enforcement action except at the direction of the Registered Owners of not less than a majority in aggregate principal amount of the Certificates at the time outstanding who shall have provided the Certificate Agent with adequate security and indemnity. The Registered Owners', Fiscal Agent's and Certificate Agent's rights to enforce the provisions of this Section shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the District's obligations under this Section. In consideration of the third-party beneficiary status of beneficial owners of Certificates pursuant to subsection (1) of this Section, beneficial owners shall be deemed to be Registered Owners of Certificates for purposes of this subsection (B).

(F) For the purposes of this resolution, unless the context otherwise requires, the terms defined in this Subsection shall, for all purposes of this resolution, have the meanings specified herein:

*"Bond Counsel"* means an attorney or firm of attorneys of nationally recognized standing in matters pertaining to the validity of, and tax-exempt nature of interest on, obligations issued by states and their political subdivisions.

*"Material Event"* means any of the events with respect to the Notes, set forth in Section (9)(A) above.

*"Material Event Notice"* means notice of a Material Event.

*"MSRB"* means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

*"NRMSIR"* means, at any time, a then-existing nationally recognized municipal securities information repository, as recognized from time to time by the SEC for the purposes referred to in the Rule. The NRMSIRs are identified on the SEC website at "http://www.sec.gov/info/municipal/nrmsir.htm". Effective July 1, 2009, NRMSIR shall mean the MSRB and information to be submitted pursuant to this resolution shall be submitted to the MSRB instead of to one or multiple nationally recognized municipal securities information repositories and state information depositories.

*"Register"* means the book or book of registration kept by the Registrar in which are maintained the names and addresses and principal amounts registered to each Registered Owner.

*"Registered Owner"* means the Person in whose name a Certificate is registered on the Register.

*"Registrar"* means the Certificate Agent, or a substitute Registrar.

*"SID"* means, at any time, a then-existing state information depository, if any, as operated or designated as such by or on behalf of the State of California for the purposes referred to in the Rule. As of the date of this resolution, there is no SID. Effective July 1, 2009, information to be submitted pursuant to this resolution shall be submitted, without duplication, to the MSRB instead of to a SID, if any.

Section 10. Delivery of Notes. The proper officers of the County Board are hereby requested to deliver the Notes to the Treasurer and Tax Collector upon payment therefor in accordance herewith and in accordance with the terms of the Purchase Contract executed in connection with the Notes or the Participation Certificates, as appropriate, and the Trust Agreement. All actions heretofore taken by the officers and agents of the District and the County Board with respect to the Notes are hereby approved, confirmed and ratified, and the officers of the District and the County Board are hereby authorized and directed to do any and all things and take any and all actions including but not limited to those described herein, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Notes in accordance with this resolution and any resolutions hereafter adopted by this Governing Board.

Section 11. Non-Negotiability of Notes. In the event that the Authorized Officer shall elect to issue the District's Notes within the Pooled Program, such Notes shall be lodged in trust with the Certificate Agent and maintained in such trust until their scheduled maturity and payment in full. The Notes shall not be transferable or assignable by the Certificate Agent. Notwithstanding the foregoing, in the event that the Notes should be lost, stolen, destroyed or mutilated prior to their stated maturity, the District shall cause to be issued a new Note or Notes of the same tenor, term and maturity as the original to replace the same upon such reasonable terms and conditions, including the payment of costs and the posting of a surety bond, as may from time to time be determined and prescribed by the Authorized Officer in consultation with the County Office of Education.

Section 12. Authorization for Credit Enhancement for Pooled Program. In the event the District participates in the Pooled Program in accordance with the provisions of Section 7 above, this Governing Board acknowledges and agrees that it shall be obligated to pay its *pro rata* share of the cost of any Credit Enhancement required for the Pooled Program, and this Governing Board specifically finds and determines that the acquisition of such Credit Enhancement will benefit the District by reducing the interest cost associated with the Notes. The Authorized Officer is hereby authorized and directed to execute such reimbursement or other financing agreement as may be necessary in order to obtain said Credit Enhancement for the District's participation in the Pooled Program, and the District agrees to perform its obligations pursuant to such reimbursement or other financing agreement.

Section 13. Authorization to Attest. Any Authorized Officer or the Secretary of the Governing Board is hereby authorized and directed to attest to the signature of any other Authorized Officer, whenever required or advisable for the transactions contemplated by this resolution. Each Authorized Officer is authorized and directed to execute and attest such further documents, instruments and certificates as may be deemed necessary or advisable by Bond Counsel, in order to accomplish the purposes of this resolution.

Section 14. Further Actions Authorized. It is hereby covenanted that the District, and its appropriate officials, have duly taken all proceedings necessary to be taken by them, and will take any additional proceedings necessary to be taken by them, for the levy, collection and enforcement of the taxes and other revenues pledged under this resolution in accordance with the law and for carrying out the provisions of this resolution. The Authorized Officers, and other officers and staff of the District are hereby directed to take such further action as may be necessary to carry out the intent and purpose of this resolution and to execute and deliver any and all agreements, certificates and other documents that they or Bond Counsel may deem necessary or advisable to effectuate the purposes of this resolution without further approval of this Governing Board.

Section 15. Costs and Expenses. The District covenants and agrees to pay its *pro rata* share of the costs and expenses incurred in connection with the execution and delivery of the Notes, the Participation Certificates and the administration of the Pooled Program, in the event that its Authorized Officer should elect to participate in the Pooled Program.

Section 16. Limited Liability. Notwithstanding anything to the contrary contained herein or in the Notes or in any other document mentioned herein, the District shall not have any liability hereunder or by reason hereof or in connection with the transactions contemplated hereby except to the extent payable from moneys available therefor as set forth in Section 5 hereof and the County is not liable for payment on the Notes or any other obligation of the District hereunder.

Section 17. Effective Date. This resolution shall take effect immediately.

**PASSED AND ADOPTED** by the Board of Trustees of the Lowell Joint School District this 10th day of February, 2009, by the following vote:

AYES: Mrs. Janet B. Averill, Mr. Darin W. Barber, Mr. James A. Najera, Mrs. Gayle K. Rogers, and Mr. Fred W. Schambeck

NOES: None.

ABSTAIN: None.

ABSENT: None.

Gayle K Rogers

President, Governing Board of Trustees
Lowell Joint School District
Los Angeles and Orange Counties, California

I, Patricia A. Howell, Secretary to the Board of Trustees of the Lowell Joint school District of Los Angeles and Orange Counties, California, hereby certify that the above and foregoing resolution was duly and regularly adopted by the said Board of Trustees at a regular meeting thereof held on the 10th day of February, 2009, passed by a unanisous vote of those present.

**IN WITNESS, WHEREOF,** I have hereunto set my hand and seal this 10th day of February, 2009.

Patricia Howell

Patricia A. Howell, Secretary to the Board of Trustees

**RESOLUTION NO. 089-27**

RESOLUTION OF THE BOARD OF EDUCATION OF THE TEMPLE CITY UNIFIED SCHOOL DISTRICT REQUESTING THE ISSUANCE OF 2008-2009 TAX AND REVENUE ANTICIPATION NOTES FOR THE DISTRICT BY THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES

WHEREAS, pursuant to Sections 53850 *et seq.*, of the Government Code of the State of California (the "Code") contained in Title 5, Division 2, Part 1, Chapter 4, Article 7.6 thereof, on or after the first day of any fiscal year, the Temple City Unified School District (the "District") may borrow money by issuing notes to be designated "Temple City Unified School District 2008-2009 Tax and Revenue Anticipation Notes" (the "Notes") in anticipation of the receipt of taxes, income, revenue, cash receipts and other moneys to be received by the District attributable to its fiscal year ending June 30, 2009 (the "Repayment Fiscal Year"), for any purpose for which the District is authorized to expend moneys, including but not limited to current expenses, capital expenditures and the discharge of any obligation or indebtedness of the District; and

WHEREAS, Section 53853 of the Code provides that such notes may be issued by the appropriate County Board of Supervisors on behalf of the District upon the authority of a resolution of the governing board of the District; and

WHEREAS, this Board of Education (the "Governing Board"), being the governing board of the District, desires the assistance of the Board of Supervisors of the County of Los Angeles (the "County Board") in the borrowing of not to exceed $5.0 Million Dollars ($5,000,000), at an interest rate not exceeding eight percent (8%) per annum, and an underwriters' discount not exceeding one percent (1%) of the principal amount of the notes described below; and

WHEREAS, pursuant to the Code, the Notes shall be payable no more than 12 months after the date of issue, and the Notes shall be payable only from revenue received or accrued during the fiscal year in which the Notes were issued; and

WHEREAS, pursuant to Section 53856 of the Code, the District may pledge any taxes, income, revenue, cash receipts or other moneys deposited in inactive or term deposits, excepting funds of the District otherwise restricted, to the repayment of the Notes, which shall be issued as a general obligation of the District, and to the extent not paid from the taxes, income, revenue, cash receipts and other moneys of the District pledged for the payment thereof, shall be paid with interest thereon from any other moneys of the District lawfully available therefor, as required by Section 53857 of the Code; and

WHEREAS, the Notes to be issued hereunder in Fiscal Year 2008-2009 when added to the interest payable thereon, may not exceed eighty-five percent (85%) of the estimated amount of the uncollected taxes, income, revenue (including but not limited to revenue from state and federal governments), cash receipts and other moneys of the District which will be

available for the payment of principal of the Notes and the interest thereon, as required by Section 53858 of the Code; and

WHEREAS, upon satisfaction of certain conditions, it may be in the best interests of the District to participate in the Los Angeles County Schools Pooled Financing 2008-2009 Tax and Revenue Anticipation Notes Program (the "Pooled Program"), in order to achieve the highest possible rating, the lowest possible interest rate for the Notes and savings in costs of issuance and to improve the marketability of the Notes; and

WHEREAS, upon satisfaction of certain conditions, it may be in the best interests of the District for the Treasurer and Tax Collector of the County of Los Angeles (the "Treasurer and Tax Collector") to provide for the execution and delivery of participation certificates, evidencing proportionate interests in the Notes for sale to the general public on a pooled basis with the tax and revenue anticipation notes of other school districts and/or community college districts located within the County of Los Angeles (the "County"), in order to achieve savings in costs of issuance and to improve the marketability of the Notes; and

WHEREAS, the Los Angeles County Office of Education has approved the selection of underwriters who will purchase any Notes issued under the Pooled Program (the "Pooled Program Notes") and the selection of Bond Counsel who will provide the approving opinion on the Notes, and the Governing Board desires to have any Pooled Program Notes or, in the alternative, to have its individual Notes purchased by such underwriters upon such terms as may be approved by an authorized representative of the District;

NOW, THEREFORE, this Board of Education of the Temple City Unified School District hereby determines and resolves as follows:

Section 1. Governing Board Determination. All of the recitals set forth herein are true and correct, and this Governing Board so finds and determines.

Section 2. Authorization of Issuance of Notes; Terms Thereof. This Governing Board hereby authorizes the issuance of its Notes in a principal amount not to exceed $5.0 Million Dollars ($5,000,000), under Section 53850, *et seq.*, of the Code to be designated "Temple City Unified School District, 2008-2009 Tax and Revenue Anticipation Notes," the final principal amount to be set forth in the Purchase Contract and Notes. The Notes are to be numbered from one consecutively upward in order of issuance, to be in denominations of $5,000, or integral multiples thereof, as determined by the Treasurer and Tax Collector; to be dated the date of delivery thereof; to mature (without option of prior redemption) 12 months after their date of issue; and to bear interest, payable at maturity and computed on a 30-day month/360-day year basis, at the rate or rates determined at the time of sale thereof, but not in excess of eight percent (8%) per annum. The Notes may be issued for purchase by the Pooled Program, whereby the District and certain school districts and community college districts (collectively, with respect to any one series of participation certificates, the "Participants") located within the County of Los Angeles, will simultaneously issue (or will have issued by the County on their behalf) tax and revenue anticipation notes to secure participation certificates, evidencing proportionate and undivided interests in the Notes of all Participants (the "Participation

Certificates"), which may be divided into two or more series of Participation Certificates, as provided in Section 7 below.

Both the principal of and interest on the Notes shall be payable in lawful money of the United States of America at the principal office of The Bank of New York Trust Company, N.A. (the "Certificate Agent"), as provided under the Trust Agreement to be entered into by and between the County and the Certificate Agent (the "Trust Agreement"). The Treasurer and Tax Collector is hereby requested to act as a trustee, fiscal agent, dissemination agent and/or presentation agent (the "Fiscal Agent") in connection with the Notes and the Participation Certificates, and the County may appoint an agent or other third party to perform any or all of such duties.

Section 3. Form of Notes. The Notes shall be issued in fully registered form (except as otherwise provided herein), and shall be substantially in the form and substance set forth in Exhibit A, as attached hereto and by this reference incorporated herein, the blanks in said form to be filled in with appropriate words and figures, or with appropriate modifications to such form as may be appropriate for an issue of the District's Notes outside the Pooled Program as the Treasurer and Tax Collector may determine and approve. There shall be delivered with the Notes a legal opinion of Bond Counsel (as defined in Section 8 below) respecting the validity of said Notes and the exclusion from gross income of the interest thereon for federal income tax purposes and the exemption of interest thereon from present State of California personal income taxes.

Section 4. Deposit of Note Proceeds; No Arbitrage. The proceeds of sale of the Notes (net of costs of issuance) shall be deposited in or to the credit of the general fund of the District or otherwise as directed by the Authorized Officer (as defined in Section 7 below), to be withdrawn and expended for any lawful purpose for which the District is authorized to expend moneys, including, but not limited to, current expenses, capital expenditures and the discharge of any obligations or indebtedness of the District. The District hereby covenants that it will comply with the requirements of the Tax Certificate to be executed by the District with respect to the Notes and any other instructions requested by or otherwise provided by Bond Counsel.

Section 5. Payment of Notes.

(A) Source of Payment. The principal amount of the Notes, together with the interest thereon, shall be payable from taxes, income, revenue, cash receipts and other moneys which are received by the District during, or are attributable to, the Repayment Fiscal Year and which are available therefor. The Notes shall be a general obligation of the District, and to the extent the Notes are not paid from the Pledged Revenues defined below, the Notes shall be paid with interest thereon from any other moneys of the District lawfully available therefor, as provided herein and by law.

(B) Pledged Revenues. As security for the payment of the principal of and interest on the Notes, the District hereby pledges from the first unrestricted revenues received by the District (such pledged amounts being hereinafter called the "Pledged Revenues") as more fully described in the Purchase Contract and Notes. The term "unrestricted revenues" shall mean taxes, income, revenue, cash receipts, and other money of the District as provided in Section

53856 of the Code, which are intended as receipts for the general fund of the District and which are generally available for the payment of current expenses and other obligations of the District. The principal of the Notes and the interest thereon shall be a first lien and charge against and shall be payable from the moneys received by the District from such Pledged Revenues, as provided by law.

In order to effect the pledge referred to in the preceding paragraph, the District agrees to the establishment of the Repayment Fund, as defined below, and the District agrees to cause to be deposited, and shall request specific amounts from the District's funds on deposit with the Treasurer and Tax Collector for such purpose, directly therein the first unrestricted revenues received by the District in the months and dates set forth in the Purchase Contract and the Notes (each individual month a "Repayment Month" and collectively, the "Repayment Months") and any amount thereafter attributable to the Repayment Fiscal Year, until the amount on deposit in such fund, taking into consideration anticipated investment earnings thereon to be received by the Maturity Date (as specified in the Purchase Contract and Notes) is equal to the percentages of the principal of and interest due on the Notes at maturity as specified in the Purchase Contract and the Notes. Such Repayment Months and Pledged Revenues may be changed (as approved by the Underwriters) as directed in a certificate of the District that may be delivered on or before the date of delivery of the Notes.

In the event that on the last Business Day (as defined in the Trust Agreement) of any Repayment Month, the District has not received sufficient unrestricted revenues to permit the deposit into the Repayment Fund of the full amount of Pledged Revenues to be deposited in the Repayment Fund from said unrestricted revenues in said month, then the amount of any deficiency shall be satisfied and made up from any other moneys of the District lawfully available for the payment of the principal of the Notes and the interest thereon, as and when such other moneys are received or are otherwise legally available.

None of the Pledged Revenues shall be available for the payment of principal of and interest due on any tax and revenue anticipation notes attributable to any Participant other than the District, and the District acknowledges and agrees that by participation in the Pooled Program, it shall not be entitled to any payment of principal of and interest on the Notes from the revenues of any Participant other than the District.

In accordance with this Section 5(B) and to effect the pledge contained herein the District shall and does hereby authorize and instruct the Los Angeles County Auditor-Controller (the "Auditor-Controller") to intercept Pledged Revenue as set forth in the Purchase Contract and Notes (or as modified as provided in the Certificate which may be delivered by the District on or before the issuance of the Notes), and place such amounts on deposit each Repayment Month with the Treasurer and Tax Collector directly in the Repayment Fund held by the Fiscal Agent with a designation to the Certificate Agent of the amounts to be credited for the District. Upon such deposit, such funds will not be available to the District. The District shall and does hereby authorize and instruct that, in the event that there have been insufficient Pledged Revenues received by the District by the third Business Day prior to the day on which Pledged Revenues are to be deposited into the Repayment Fund (the "Pledge Date") to permit the deposit into its Repayment Fund of the full amount of the Pledged Revenues required to be deposited with respect to such Pledge Date, the Auditor-Controller shall collect the amount of any deficiency for

deposit in the Repayment Fund in such amount as may be directed by the Treasurer and Tax Collector from any other unrestricted moneys of the District lawfully available for the payment of the principal of the Notes and the interest thereon on such Pledge Date or thereafter on a daily basis, when and as such Pledged Revenues and unrestricted moneys are received by the Participant and will deposit said moneys with the Treasurer and Tax Collector for credit directly to the Repayment Fund.

(C) Deposit of Pledged Revenues in Repayment Fund. The Pledged Revenues shall be held by the County in a separate and special fund designated as the "Temple City Unified School District, 2008-2009 Tax and Revenue Anticipation Notes Repayment Fund" (herein called the "Repayment Fund") and the County will administer the Pledged Revenues through and including the maturity date of the Notes and apply such funds as directed in this resolution. Any moneys deposited in the Repayment Fund shall be for the sole benefit of the owners of the Notes and until the Notes and all interest thereon are paid, or until provision has been made for the payment of the Notes and all interest thereon in accordance with their terms, the moneys in the Repayment Fund shall be applied only for the purposes for which the Repayment Fund is created. The Treasurer and Tax Collector is directed to deposit all Pledged Revenues subject to deposit as provided in this Section 5(C) when and as received directly into the Repayment Fund, without further instruction by the District. From the dates of receipt by the Treasurer and Tax Collector of any of the Pledged Revenues subject to such deposit, the District shall have no right, title or interest therein.

(D) Disbursement and Investment of Moneys in Repayment Fund. All Pledged Revenues shall be deposited into the Repayment Fund upon receipt. After such date as the amount of Pledged Revenues on deposit in the Repayment Fund shall be sufficient to pay in full the principal of and interest on the Notes, when due, any moneys in excess of such amount remaining in or accruing to the Repayment Fund shall be transferred to the general fund of the District or otherwise as directed by the Authorized Officer. On the maturity date of the Notes, the moneys in the Repayment Fund shall be used, to the extent necessary, to pay the principal of and interest on the Notes.

Moneys in the Repayment Fund, to the greatest extent possible, shall be invested in Permitted Investments (as defined in the Trust Agreement) as directed by the Treasurer and Tax Collector or by the Authorized Officer in consultation with the Los Angeles County Office of Education, which may include, but not be limited to, a guaranteed investment contract and the Los Angeles County Pooled Investment Fund or any other investment which the Authorized Officer in consultation with the County Office of Education deems prudent. The Treasurer and Tax Collector (who is hereby designated as agent of the District for these purposes) is hereby requested to invest and/or to direct the investment of the proceeds of the Notes and the Participation Certificates and any other funds held under the Trust Agreement in accordance with the Trust Agreement and Los Angeles County policy governing the investment of such funds.

(E) Defaults in the Repayment of the Notes. If the Notes as evidenced and represented by a series of Participation Certificates are not paid at maturity, or are paid in whole or in part by a draw under or claim upon a form of credit support for the Notes or such series of Participation Certificates ("Credit Enhancement") which draw or claim is not fully reimbursed on such date, they shall become Defaulted Notes (as defined in the Trust Agreement), and the

unpaid portion thereof (or the portion thereof with respect to which Credit Enhancement applies for which reimbursement on a draw or claim has not been fully made) shall be deemed outstanding and shall continue to bear interest at the default rate specified in the Trust Agreement (the "Default Rate"). If the Notes as evidenced and represented by a series of Participation Certificates are not secured by Credit Enhancement in whole or in part and are not fully paid at maturity, the unpaid portion thereof (or the portion thereof to which no Credit Enhancement applies which is unpaid) shall be deemed outstanding and shall continue to bear interest thereafter until paid at the Default Rate. In each case set forth in the preceding two sentences, the obligation of the District with respect to such Defaulted Notes or unpaid Notes shall not be a debt or liability of the District prohibited by Article XVI, Section 18 of the California Constitution and the District shall not be liable thereon except to the extent of any available revenues attributable to the Repayment Fiscal Year as provided in paragraph (B) above.

Section 6. Execution of Notes. The District hereby requests the Treasurer and Tax Collector, or his designated deputy, and the appropriate officers of the County Board to execute the Notes by their manual or facsimile signatures and to affix a facsimile of the seal of the County thereon; and said officers shall be authorized to cause the blank spaces thereof to be filled in prior to initial delivery as may be appropriate.

Section 7. Approval of Sale of Notes. In order to retain maximum flexibility and secure interest cost savings for the District, this Governing Board hereby delegates to the President of the Governing Board, to the Superintendent of the District, or such other authorized person (each, an "Authorized Officer"), the right, on behalf of the District, to elect to have the District participate in the Pooled Program upon satisfaction of the following conditions: the District will participate in the Pooled Program unless its participation would result in (a) an issuance of Notes after the date of the primary cash flow deficit of the District, or (b) a delay in the issuance of the Notes which delay would likely, in the judgment of the Authorized Officer in consultation with the County Office of Education, increase the interest rate applicable to the Notes. The Treasurer and Tax Collector shall, within the limitations set forth below, be authorized and directed, on behalf of the District, to enter into a contract of purchase with the Underwriters for the purchase of the Notes.

If the Authorized Officer shall elect to have the District participate in the Pooled Program, the Notes shall be deposited into a trust to be established under and pursuant to the Trust Agreement, creating a trust estate, which shall contain the Notes and the tax and revenue anticipation notes of the other Participants in such series. It is hereby recognized, acknowledged and agreed that the Certificate Agent appointed pursuant to the Trust Agreement, may execute and deliver Participation Certificates on behalf of the District and the other Participants, each representing the proportional, undivided ownership interest of the registered owner thereof in the Notes. The District agrees to recognize each registered owner of the Participation Certificates as the beneficial owner of its Notes to the extent of such registered owner's proportional, undivided interest in the Notes. If, for purposes of obtaining the highest possible rating and the lowest possible interest rate for the Notes, it shall be advisable for the District to participate in a Pooled Program to be divided into two or more series of Participation Certificates, the Authorized Officer shall approve the participation by the District in one such series. The Authorized Officer is hereby authorized to execute and deliver any documents and to take such other action as may be necessary or proper to carry out the interest of the provisions hereof. The participation by the

District in the Pooled Program and the execution and delivery of Participation Certificates under the Trust Agreement, defined herein, shall not cause the District to be liable for payments of principal of or interest on the notes attributable to any other Participant.

The Authorized Officer is further authorized to determine the maximum principal amount of Notes to be lodged with the Certificate Agent in exchange for the execution and delivery of the Participation Certificates, not to exceed $5.0 Million Dollars ($5,000,000), and to deliver the Notes to the County, if the conditions set forth in this resolution are satisfied.

Section 8. Authorization and Approval of Preliminary Official Statement and Official Statement. In connection with the Pooled Program, the County Office of Education, with the concurrence of this District, has appointed RBC Capital Markets Corporation, as representative of itself and any co-underwriter the County Office of Education may appoint as Underwriters (the "Underwriters"), and Hawkins Delafield & Wood LLP, or such other counsel as the Office of Education may appoint, as bond counsel ("Bond Counsel"). The officers of the District are authorized to provide information regarding the District in connection with the preparation of such document or documents. The proposed form of Preliminary Official Statement with respect to Participation Certificates in the form on file with this Governing Board is hereby approved. The Underwriters are hereby authorized to prepare and distribute a Preliminary Official Statement and an Official Statement relating to the Pooled Program. The Authorized Officer is hereby authorized and directed to provide the Underwriters with such information relating to the District as the Underwriters shall reasonably request for inclusion in the Preliminary Official Statement. Upon inclusion of the information relating to the District therein, the Preliminary Official Statement is, except for certain omissions permitted by Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934, as amended (the "Rule"), hereby deemed final within the meaning of the Rule; provided that no representation is made as to the information contained in the Preliminary Official Statement relating to the other Participants or any municipal bond insurer. If, at any time prior to the execution of the Purchase Contract by the County, any event occurs as a result of which the information contained in the Preliminary Official Statement relating to the District might include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the District shall promptly notify the Underwriters.

Section 9. Continuing Disclosure.

(A) As required by the Rule, the District covenants with the beneficial owners of the Participation Certificates that it will, and hereby authorizes its appropriate officers and employees to provide, in a timely manner, to the Municipal Securities Rulemaking Board (the "MSRB") or each nationally recognized municipal securities information repository and to any California information depository for the benefit of the beneficial owners of the Participation Certificates, notice of any of the following events with respect to the Notes, if material:

(1) principal and interest payment delinquencies;
(2) non-payment related defaults;
(3) unscheduled draws on the debt service reserves reflecting financial difficulties;

(4) unscheduled draws on credit enhancements reflecting financial difficulties;
(5) substitution of credit or liquidity providers, or their failure to perform;
(6) adverse tax opinions or events affecting the tax-exempt status of the securities;
(7) modifications to rights of security holders;
(8) bond calls;
(9) defeasances;
(10) release, substitution, or sale of property securing repayment of the securities; and
(11) rating changes.

Notwithstanding any other provision herein, failure of the District to perform in accordance with this Section 9(A) shall not constitute a default under this resolution and may be enforced only as provided in this Section 9.

(B) Each Material Event Notice shall be so captioned and shall prominently state the title, date and CUSIP numbers of the affected Participation Certificates.

(C) The District represents that since July 3, 1995, it has not failed to comply in any material respect with any previous undertaking in a written contract or agreement specified in paragraph (b)(5)(i) of the Rule.

(D) (1) This Section may be amended, by written agreement of the parties, without the consent of the holders of the Participation Certificates (except to the extent required under clause (4) below), if all of the following conditions are satisfied: (1) such amendment is made in connection with a change in circumstances that arises from a change in legal (including regulatory) requirements, a change in law (including rules or regulations) or in interpretations thereof, or a change in the identity, nature or status of the District or the type of business conducted thereby, (2) this Section as so amended would have complied with the requirements of the Rule as of the date of this resolution, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, (3) the District shall have delivered to the County an opinion of Bond Counsel, addressed to the District and the County, to the same effect as set forth in clause (2) above, (4) either (i) the District shall have delivered to the County an opinion of Bond Counsel or a determination by a person, in each case unaffiliated with the District (such as Bond Counsel or the County) and acceptable to the District, addressed to the District and the County, to the effect that the amendment does not materially impair the interests of the holders of the Participation Certificates or (ii) the holders of the Participation Certificates consent to the amendment to this Section pursuant to the same procedures as are otherwise required for amendments, and (5) the District shall have delivered copies of such opinion(s) and amendment to each NRMSIR and the SID.

(2) In addition to subsection (D)(1) above, this Section may be amended and any provision of this Section may be waived, by written agreement of the parties, without the consent of the holders of the Participation Certificates, if all of the following conditions are satisfied: (1) an amendment to the Rule is adopted, or a new or modified official interpretation of the Rule is issued, after the effective date of this Section which is applicable to

this Section, (2) the District shall have delivered to the County an opinion of Bond Counsel, addressed to the District and the County, to the effect that performance by the District and the County under this Section as so amended or giving effect to such waiver, as the case may be, will not result in a violation of the Rule and (3) the District shall have delivered copies of such opinion and amendment to each NRMSIR and the SID.

(E) (1) The provisions of this Section shall inure solely to the benefit of the holders from time to time of the Participation Certificates, except that beneficial owners of Participation Certificates shall be third-party beneficiaries of this Section.

(2) Except as provided in this subsection (E)(2), the provisions of this Section shall create no rights in any person or entity. The obligations of the District to comply with the provisions of this Section shall be enforceable in the case of enforcement of obligations to provide notices, by any Registered Owner of outstanding Certificates, or by the Fiscal Agent and Certificate Agent on behalf of the Registered Owners of outstanding Certificates; *provided, however*, that the Fiscal Agent and Certificate Agent shall not be required to take any enforcement action except at the direction of the Registered Owners of not less than a majority in aggregate principal amount of the Certificates at the time outstanding who shall have provided the Certificate Agent with adequate security and indemnity. The Registered Owners', Fiscal Agent's and Certificate Agent's rights to enforce the provisions of this Section shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the District's obligations under this Section. In consideration of the third-party beneficiary status of beneficial owners of Certificates pursuant to subsection (1) of this Section, beneficial owners shall be deemed to be Registered Owners of Certificates for purposes of this subsection (B).

(F) For the purposes of this resolution, unless the context otherwise requires, the terms defined in this Subsection shall, for all purposes of this resolution, have the meanings specified herein:

*"Bond Counsel"* means an attorney or firm of attorneys of nationally recognized standing in matters pertaining to the validity of, and tax-exempt nature of interest on, obligations issued by states and their political subdivisions.

*"Material Event"* means any of the events with respect to the Notes, set forth in Section (9)(A) above.

*"Material Event Notice"* means notice of a Material Event.

*"MSRB"* means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

*"NRMSIR"* means, at any time, a then-existing nationally recognized municipal securities information repository, as recognized from time to time by the SEC for the purposes referred to in the Rule. The NRMSIRs are identified on the SEC website at "http://www.sec.gov/info/municipal/nrmsir.htm". Effective July 1, 2009, NRMSIR shall mean the MSRB and information to be submitted pursuant to this resolution shall be submitted to the

MSRB instead of to one or multiple nationally recognized municipal securities information repositories and state information depositories.

*"Register"* means the book or book of registration kept by the Registrar in which are maintained the names and addresses and principal amounts registered to each Registered Owner.

*"Registered Owner"* means the Person in whose name a Certificate is registered on the Register.

*"Registrar"* means the Certificate Agent, or a substitute Registrar.

*"SID"* means, at any time, a then-existing state information depository, if any, as operated or designated as such by or on behalf of the State of California for the purposes referred to in the Rule. As of the date of this resolution, there is no SID. Effective July 1, 2009, information to be submitted pursuant to this resolution shall be submitted, without duplication, to the MSRB instead of to a SID, if any.

Section 10. Delivery of Notes. The proper officers of the County Board are hereby requested to deliver the Notes to the Treasurer and Tax Collector upon payment therefor in accordance herewith and in accordance with the terms of the Purchase Contract executed in connection with the Notes or the Participation Certificates, as appropriate, and the Trust Agreement. All actions heretofore taken by the officers and agents of the District and the County Board with respect to the Notes are hereby approved, confirmed and ratified, and the officers of the District and the County Board are hereby authorized and directed to do any and all things and take any and all actions including but not limited to those described herein, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Notes in accordance with this resolution and any resolutions hereafter adopted by this Governing Board.

Section 11. Non-Negotiability of Notes. In the event that the Authorized Officer shall elect to issue the District's Notes within the Pooled Program, such Notes shall be lodged in trust with the Certificate Agent and maintained in such trust until their scheduled maturity and payment in full. The Notes shall not be transferable or assignable by the Certificate Agent. Notwithstanding the foregoing, in the event that the Notes should be lost, stolen, destroyed or mutilated prior to their stated maturity, the District shall cause to be issued a new Note or Notes of the same tenor, term and maturity as the original to replace the same upon such reasonable terms and conditions, including the payment of costs and the posting of a surety bond, as may from time to time be determined and prescribed by the Authorized Officer in consultation with the County Office of Education.

Section 12. Authorization for Credit Enhancement for Pooled Program. In the event the District participates in the Pooled Program in accordance with the provisions of Section 7 above, this Governing Board acknowledges and agrees that it shall be obligated to pay its *pro rata* share of the cost of any Credit Enhancement required for the Pooled Program, and this Governing Board specifically finds and determines that the acquisition of such Credit Enhancement will benefit the District by reducing the interest cost associated with the Notes.

The Authorized Officer is hereby authorized and directed to execute such reimbursement or other financing agreement as may be necessary in order to obtain said Credit Enhancement for the District's participation in the Pooled Program, and the District agrees to perform its obligations pursuant to such reimbursement or other financing agreement.

Section 13. Authorization to Attest. Any Authorized Officer or the Secretary of the Governing Board is hereby authorized and directed to attest to the signature of any other Authorized Officer, whenever required or advisable for the transactions contemplated by this resolution. Each Authorized Officer is authorized and directed to execute and attest such further documents, instruments and certificates as may be deemed necessary or advisable by Bond Counsel, in order to accomplish the purposes of this resolution.

Section 14. Further Actions Authorized. It is hereby covenanted that the District, and its appropriate officials, have duly taken all proceedings necessary to be taken by them, and will take any additional proceedings necessary to be taken by them, for the levy, collection and enforcement of the taxes and other revenues pledged under this resolution in accordance with the law and for carrying out the provisions of this resolution. The Authorized Officers, and other officers and staff of the District are hereby directed to take such further action as may be necessary to carry out the intent and purpose of this resolution and to execute and deliver any and all agreements, certificates and other documents that they or Bond Counsel may deem necessary or advisable to effectuate the purposes of this resolution without further approval of this Governing Board.

Section 15. Costs and Expenses. The District covenants and agrees to pay its *pro rata* share of the costs and expenses incurred in connection with the execution and delivery of the Notes, the Participation Certificates and the administration of the Pooled Program, in the event that its Authorized Officer should elect to participate in the Pooled Program.

Section 16. Limited Liability. Notwithstanding anything to the contrary contained herein or in the Notes or in any other document mentioned herein, the District shall not have any liability hereunder or by reason hereof or in connection with the transactions contemplated hereby except to the extent payable from moneys available therefor as set forth in Section 5 hereof and the County is not liable for payment on the Notes or any other obligation of the District hereunder.

Section 17. Effective Date. This resolution shall take effect immediately.

PASSED AND ADOPTED by the Temple City Unified School District this January 28, 2009, by the following vote:

AYES: LaSota, Rhee, Ridley, Smith, Walker

NOES: None

ABSENT: None

Robert S. Ridley

President of the Board of Education of the Temple City Unified School District

Robert S. Ridley

ATTEST:

Matt W. Smith

Clerk of the Board of Education of the Temple City Unified School District

Matt W. Smith

**RESOLUTION NO. 08/09.12**

# RESOLUTION OF THE BOARD OF EDUCATION OF THE WISEBURN SCHOOL DISTRICT REQUESTING THE ISSUANCE OF 2008-2009 TAX AND REVENUE ANTICIPATION NOTES FOR THE DISTRICT BY THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES

WHEREAS, pursuant to Sections 53850 *et seq.*, of the Government Code of the State of California (the "Code") contained in Title 5, Division 2, Part 1, Chapter 4, Article 7.6 thereof, on or after the first day of any fiscal year, the Wiseburn School District (the "District") may borrow money by issuing notes to be designated "Wiseburn School District 2008-2009 Tax and Revenue Anticipation Notes" (the "Notes") in anticipation of the receipt of taxes, income, revenue, cash receipts and other moneys to be received by the District attributable to its fiscal year ending June 30, 2009 (the "Repayment Fiscal Year"), for any purpose for which the District is authorized to expend moneys, including but not limited to current expenses, capital expenditures and the discharge of any obligation or indebtedness of the District; and

WHEREAS, Section 53853 of the Code provides that such notes may be issued by the appropriate County Board of Supervisors on behalf of the District upon the authority of a resolution of the governing board of the District; and

WHEREAS, this Board of Education (the "Governing Board"), being the governing board of the District, desires the assistance of the Board of Supervisors of the County of Los Angeles (the "County Board") in the borrowing of not to exceed Five Million Dollars ($5,000,000), at an interest rate not exceeding twelve percent (12%) per annum, and an underwriters' discount not exceeding one percent (1%) of the principal amount of the notes described below; and

WHEREAS, pursuant to the Code, the Notes shall be payable no more than 12 months after the date of issue, and the Notes shall be payable only from revenue received or accrued during the fiscal year in which the Notes were issued; and

WHEREAS, pursuant to Section 53856 of the Code, the District may pledge any taxes, income, revenue, cash receipts or other moneys deposited in inactive or term deposits, excepting funds of the District otherwise restricted, to the repayment of the Notes, which shall be issued as a general obligation of the District, and to the extent not paid from the taxes, income, revenue, cash receipts and other moneys of the District pledged for the payment thereof, shall be paid with interest thereon from any other moneys of the District lawfully available therefor, as required by Section 53857 of the Code; and

WHEREAS, the Notes to be issued hereunder in Fiscal Year 2008-2009 when added to the interest payable thereon, may not exceed eighty-five percent (85%) of the estimated amount of the uncollected taxes, income, revenue (including but not limited to revenue from state and federal governments), cash receipts and other moneys of the District which will be

available for the payment of principal of the Notes and the interest thereon, as required by Section 53858 of the Code; and

WHEREAS, upon satisfaction of certain conditions, it may be in the best interests of the District to participate in the Los Angeles County Schools Pooled Financing 2008-2009 Tax and Revenue Anticipation Notes Program (the "Pooled Program"), in order to achieve the highest possible rating, the lowest possible interest rate for the Notes and savings in costs of issuance and to improve the marketability of the Notes; and

WHEREAS, upon satisfaction of certain conditions, it may be in the best interests of the District for the Treasurer and Tax Collector of the County of Los Angeles (the "Treasurer and Tax Collector") to provide for the execution and delivery of participation certificates, evidencing proportionate interests in the Notes for sale to the general public on a pooled basis with the tax and revenue anticipation notes of other school districts and/or community college districts located within the County of Los Angeles (the "County"), in order to achieve savings in costs of issuance and to improve the marketability of the Notes; and

WHEREAS, the Los Angeles County Office of Education has approved the selection of underwriters who will purchase any Notes issued under the Pooled Program (the "Pooled Program Notes") and the selection of Bond Counsel who will provide the approving opinion on the Notes, and the Governing Board desires to have any Pooled Program Notes or, in the alternative, to have its individual Notes purchased by such underwriters upon such terms as may be approved by an authorized representative of the District;

NOW, THEREFORE, this Board of Education of the Wiseburn School District hereby determines and resolves as follows:

Section 1. Governing Board Determination. All of the recitals set forth herein are true and correct, and this Governing Board so finds and determines.

Section 2. Authorization of Issuance of Notes; Terms Thereof. This Governing Board hereby authorizes the issuance of its Notes in a principal amount not to exceed Five Million Dollars ($5,000,000), under Section 53850, *et seq.*, of the Code to be designated "Wiseburn School District, 2008-2009 Tax and Revenue Anticipation Notes," the final principal amount to be set forth in the Purchase Contract and Notes. The Notes are to be numbered from one consecutively upward in order of issuance, to be in denominations of $5,000, or integral multiples thereof, as determined by the Treasurer and Tax Collector; to be dated the date of delivery thereof; to mature (without option of prior redemption) 12 months after their date of issue; and to bear interest, payable at maturity and computed on a 30-day month/360-day year basis, at the rate or rates determined at the time of sale thereof, but not in excess of twelve percent (12%) per annum. The Notes may be issued for purchase by the Pooled Program, whereby the District and certain school districts and community college districts (collectively, with respect to any one series of participation certificates, the "Participants") located within the County of Los Angeles, will simultaneously issue (or will have issued by the County on their behalf) tax and revenue anticipation notes to secure participation certificates, evidencing proportionate and undivided interests in the Notes of all Participants (the "Participation

Certificates"), which may be divided into two or more series of Participation Certificates, as provided in Section 7 below.

Both the principal of and interest on the Notes shall be payable in lawful money of the United States of America at the principal office of The Bank of New York Trust Company, N.A. (the "Certificate Agent"), as provided under the Trust Agreement to be entered into by and between the County and the Certificate Agent (the "Trust Agreement"). The Treasurer and Tax Collector is hereby requested to act as a trustee, fiscal agent, dissemination agent and/or presentation agent (the "Fiscal Agent") in connection with the Notes and the Participation Certificates, and the County may appoint an agent or other third party to perform any or all of such duties.

Section 3. Form of Notes. The Notes shall be issued in fully registered form (except as otherwise provided herein), and shall be substantially in the form and substance set forth in Exhibit A, as attached hereto and by this reference incorporated herein, the blanks in said form to be filled in with appropriate words and figures, or with appropriate modifications to such form as may be appropriate for an issue of the District's Notes outside the Pooled Program as the Treasurer and Tax Collector may determine and approve. There shall be delivered with the Notes a legal opinion of Bond Counsel (as defined in Section 8 below) respecting the validity of said Notes and the exclusion from gross income of the interest thereon for federal income tax purposes and the exemption of interest thereon from present State of California personal income taxes.

Section 4. Deposit of Note Proceeds; No Arbitrage. The proceeds of sale of the Notes (net of costs of issuance) shall be deposited in or to the credit of the general fund of the District or otherwise as directed by the Authorized Officer (as defined in Section 7 below), to be withdrawn and expended for any lawful purpose for which the District is authorized to expend moneys, including, but not limited to, current expenses, capital expenditures and the discharge of any obligations or indebtedness of the District. The District hereby covenants that it will comply with the requirements of the Tax Certificate to be executed by the District with respect to the Notes and any other instructions requested by or otherwise provided by Bond Counsel.

Section 5. Payment of Notes.

(A) Source of Payment. The principal amount of the Notes, together with the interest thereon, shall be payable from taxes, income, revenue, cash receipts and other moneys which are received by the District during, or are attributable to, the Repayment Fiscal Year and which are available therefor. The Notes shall be a general obligation of the District, and to the extent the Notes are not paid from the Pledged Revenues defined below, the Notes shall be paid with interest thereon from any other moneys of the District lawfully available therefor, as provided herein and by law.

(B) Pledged Revenues. As security for the payment of the principal of and interest on the Notes, the District hereby pledges from the first unrestricted revenues received by the District (such pledged amounts being hereinafter called the "Pledged Revenues") as more fully described in the Purchase Contract and Notes. The term "unrestricted revenues" shall mean taxes, income, revenue, cash receipts, and other money of the District as provided in Section

53856 of the Code, which are intended as receipts for the general fund of the District and which are generally available for the payment of current expenses and other obligations of the District. The principal of the Notes and the interest thereon shall be a first lien and charge against and shall be payable from the moneys received by the District from such Pledged Revenues, as provided by law.

In order to effect the pledge referred to in the preceding paragraph, the District agrees to the establishment of the Repayment Fund, as defined below, and the District agrees to cause to be deposited, and shall request specific amounts from the District's funds on deposit with the Treasurer and Tax Collector for such purpose, directly therein the first unrestricted revenues received by the District in the months and dates set forth in the Purchase Contract and the Notes (each individual month a "Repayment Month" and collectively, the "Repayment Months") and any amount thereafter attributable to the Repayment Fiscal Year, until the amount on deposit in such fund, taking into consideration anticipated investment earnings thereon to be received by the Maturity Date (as specified in the Purchase Contract and Notes) is equal to the percentages of the principal of and interest due on the Notes at maturity as specified in the Purchase Contract and the Notes. Such Repayment Months and Pledged Revenues may be changed (as approved by the Underwriters) as directed in a certificate of the District that may be delivered on or before the date of delivery of the Notes.

In the event that on the last Business Day (as defined in the Trust Agreement) of any Repayment Month, the District has not received sufficient unrestricted revenues to permit the deposit into the Repayment Fund of the full amount of Pledged Revenues to be deposited in the Repayment Fund from said unrestricted revenues in said month, then the amount of any deficiency shall be satisfied and made up from any other moneys of the District lawfully available for the payment of the principal of the Notes and the interest thereon, as and when such other moneys are received or are otherwise legally available.

None of the Pledged Revenues shall be available for the payment of principal of and interest due on any tax and revenue anticipation notes attributable to any Participant other than the District, and the District acknowledges and agrees that by participation in the Pooled Program, it shall not be entitled to any payment of principal of and interest on the Notes from the revenues of any Participant other than the District.

In accordance with this Section 5(B) and to effect the pledge contained herein the District shall and does hereby authorize and instruct the Los Angeles County Auditor-Controller (the "Auditor-Controller") to intercept Pledged Revenue as set forth in the Purchase Contract and Notes (or as modified as provided in the Certificate which may be delivered by the District on or before the issuance of the Notes), and place such amounts on deposit each Repayment Month with the Treasurer and Tax Collector directly in the Repayment Fund held by the Fiscal Agent with a designation to the Certificate Agent of the amounts to be credited for the District. Upon such deposit, such funds will not be available to the District. The District shall and does hereby authorize and instruct that, in the event that there have been insufficient Pledged Revenues received by the District by the third Business Day prior to the day on which Pledged Revenues are to be deposited into the Repayment Fund (the "Pledge Date") to permit the deposit into its Repayment Fund of the full amount of the Pledged Revenues required to be deposited with respect to such Pledge Date, the Auditor-Controller shall collect the amount of any deficiency for

deposit in the Repayment Fund in such amount as may be directed by the Treasurer and Tax Collector from any other unrestricted moneys of the District lawfully available for the payment of the principal of the Notes and the interest thereon on such Pledge Date or thereafter on a daily basis, when and as such Pledged Revenues and unrestricted moneys are received by the Participant and will deposit said moneys with the Treasurer and Tax Collector for credit directly to the Repayment Fund.

(C) Deposit of Pledged Revenues in Repayment Fund. The Pledged Revenues shall be held by the County in a separate and special fund designated as the "Wiseburn School District, 2008-2009 Tax and Revenue Anticipation Notes Repayment Fund" (herein called the "Repayment Fund") and the County will administer the Pledged Revenues through and including the maturity date of the Notes and apply such funds as directed in this resolution. Any moneys deposited in the Repayment Fund shall be for the sole benefit of the owners of the Notes and until the Notes and all interest thereon are paid, or until provision has been made for the payment of the Notes and all interest thereon in accordance with their terms, the moneys in the Repayment Fund shall be applied only for the purposes for which the Repayment Fund is created. The Treasurer and Tax Collector is directed to deposit all Pledged Revenues subject to deposit as provided in this Section 5(C) when and as received directly into the Repayment Fund, without further instruction by the District. From the dates of receipt by the Treasurer and Tax Collector of any of the Pledged Revenues subject to such deposit, the District shall have no right, title or interest therein.

(D) Disbursement and Investment of Moneys in Repayment Fund. All Pledged Revenues shall be deposited into the Repayment Fund upon receipt. After such date as the amount of Pledged Revenues on deposit in the Repayment Fund shall be sufficient to pay in full the principal of and interest on the Notes, when due, any moneys in excess of such amount remaining in or accruing to the Repayment Fund shall be transferred to the general fund of the District or otherwise as directed by the Authorized Officer. On the maturity date of the Notes, the moneys in the Repayment Fund shall be used, to the extent necessary, to pay the principal of and interest on the Notes.

Moneys in the Repayment Fund, to the greatest extent possible, shall be invested in Permitted Investments (as defined in the Trust Agreement) as directed by the Treasurer and Tax Collector or by the Authorized Officer in consultation with the Los Angeles County Office of Education, which may include, but not be limited to, a guaranteed investment contract and the Los Angeles County Pooled Investment Fund or any other investment which the Authorized Officer in consultation with the County Office of Education deems prudent. The Treasurer and Tax Collector (who is hereby designated as agent of the District for these purposes) is hereby requested to invest and/or to direct the investment of the proceeds of the Notes and the Participation Certificates and any other funds held under the Trust Agreement in accordance with the Trust Agreement and Los Angeles County policy governing the investment of such funds.

(E) Defaults in the Repayment of the Notes. If the Notes as evidenced and represented by a series of Participation Certificates are not paid at maturity, or are paid in whole or in part by a draw under or claim upon a form of credit support for the Notes or such series of Participation Certificates ("Credit Enhancement") which draw or claim is not fully reimbursed on such date, they shall become Defaulted Notes (as defined in the Trust Agreement), and the

unpaid portion thereof (or the portion thereof with respect to which Credit Enhancement applies for which reimbursement on a draw or claim has not been fully made) shall be deemed outstanding and shall continue to bear interest at the default rate specified in the Trust Agreement (the "Default Rate"). If the Notes as evidenced and represented by a series of Participation Certificates are not secured by Credit Enhancement in whole or in part and are not fully paid at maturity, the unpaid portion thereof (or the portion thereof to which no Credit Enhancement applies which is unpaid) shall be deemed outstanding and shall continue to bear interest thereafter until paid at the Default Rate. In each case set forth in the preceding two sentences, the obligation of the District with respect to such Defaulted Notes or unpaid Notes shall not be a debt or liability of the District prohibited by Article XVI, Section 18 of the California Constitution and the District shall not be liable thereon except to the extent of any available revenues attributable to the Repayment Fiscal Year as provided in paragraph (B) above.

Section 6. Execution of Notes. The District hereby requests the Treasurer and Tax Collector, or his designated deputy, and the appropriate officers of the County Board to execute the Notes by their manual or facsimile signatures and to affix a facsimile of the seal of the County thereon; and said officers shall be authorized to cause the blank spaces thereof to be filled in prior to initial delivery as may be appropriate.

Section 7. Approval of Sale of Notes. In order to retain maximum flexibility and secure interest cost savings for the District, this Governing Board hereby delegates to the President of the Governing Board, to the Superintendent of the District, or such other authorized person (each, an "Authorized Officer"), the right, on behalf of the District, to elect to have the District participate in the Pooled Program upon satisfaction of the following conditions: the District will participate in the Pooled Program unless its participation would result in (a) an issuance of Notes after the date of the primary cash flow deficit of the District, or (b) a delay in the issuance of the Notes which delay would likely, in the judgment of the Authorized Officer in consultation with the County Office of Education, increase the interest rate applicable to the Notes. The Treasurer and Tax Collector shall, within the limitations set forth below, be authorized and directed, on behalf of the District, to enter into a contract of purchase with the Underwriters for the purchase of the Notes.

If the Authorized Officer shall elect to have the District participate in the Pooled Program, the Notes shall be deposited into a trust to be established under and pursuant to the Trust Agreement, creating a trust estate, which shall contain the Notes and the tax and revenue anticipation notes of the other Participants in such series. It is hereby recognized, acknowledged and agreed that the Certificate Agent appointed pursuant to the Trust Agreement, may execute and deliver Participation Certificates on behalf of the District and the other Participants, each representing the proportional, undivided ownership interest of the registered owner thereof in the Notes. The District agrees to recognize each registered owner of the Participation Certificates as the beneficial owner of its Notes to the extent of such registered owner's proportional, undivided interest in the Notes. If, for purposes of obtaining the highest possible rating and the lowest possible interest rate for the Notes, it shall be advisable for the District to participate in a Pooled Program to be divided into two or more series of Participation Certificates, the Authorized Officer shall approve the participation by the District in one such series. The Authorized Officer is hereby authorized to execute and deliver any documents and to take such other action as may be necessary or proper to carry out the interest of the provisions hereof. The participation by the

District in the Pooled Program and the execution and delivery of Participation Certificates under the Trust Agreement, defined herein, shall not cause the District to be liable for payments of principal of or interest on the notes attributable to any other Participant.

The Authorized Officer is further authorized to determine the maximum principal amount of Notes to be lodged with the Certificate Agent in exchange for the execution and delivery of the Participation Certificates, not to exceed Five Million Dollars ($5,000,000), and to deliver the Notes to the County, if the conditions set forth in this resolution are satisfied.

Section 8. Authorization and Approval of Preliminary Official Statement and Official Statement. In connection with the Pooled Program, the County Office of Education, with the concurrence of this District, has appointed RBC Capital Markets Corporation, as representative of itself and any co-underwriter the County Office of Education may appoint as Underwriters (the "Underwriters"), and Hawkins Delafield & Wood LLP, or such other counsel as the Office of Education may appoint, as bond counsel ("Bond Counsel"). The officers of the District are authorized to provide information regarding the District in connection with the preparation of such document or documents. The proposed form of Preliminary Official Statement with respect to Participation Certificates in the form on file with this Governing Board is hereby approved. The Underwriters are hereby authorized to prepare and distribute a Preliminary Official Statement and an Official Statement relating to the Pooled Program. The Authorized Officer is hereby authorized and directed to provide the Underwriters with such information relating to the District as the Underwriters shall reasonably request for inclusion in the Preliminary Official Statement. Upon inclusion of the information relating to the District therein, the Preliminary Official Statement is, except for certain omissions permitted by Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934, as amended (the "Rule"), hereby deemed final within the meaning of the Rule; provided that no representation is made as to the information contained in the Preliminary Official Statement relating to the other Participants or any municipal bond insurer. If, at any time prior to the execution of the Purchase Contract by the County, any event occurs as a result of which the information contained in the Preliminary Official Statement relating to the District might include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the District shall promptly notify the Underwriters.

Section 9. Continuing Disclosure.

(A) As required by the Rule, the District covenants with the beneficial owners of the Participation Certificates that it will, and hereby authorizes its appropriate officers and employees to provide, in a timely manner, to the Municipal Securities Rulemaking Board (the "MSRB") or each nationally recognized municipal securities information repository and to any California information depository for the benefit of the beneficial owners of the Participation Certificates, notice of any of the following events with respect to the Notes, if material:

(1) principal and interest payment delinquencies;
(2) non-payment related defaults;
(3) unscheduled draws on the debt service reserves reflecting financial difficulties;

(4) unscheduled draws on credit enhancements reflecting financial difficulties;
(5) substitution of credit or liquidity providers, or their failure to perform;
(6) adverse tax opinions or events affecting the tax-exempt status of the securities;
(7) modifications to rights of security holders;
(8) bond calls;
(9) defeasances;
(10) release, substitution, or sale of property securing repayment of the securities; and
(11) rating changes.

Notwithstanding any other provision herein, failure of the District to perform in accordance with this Section 9(A) shall not constitute a default under this resolution and may be enforced only as provided in this Section 9.

(B) Each Material Event Notice shall be so captioned and shall prominently state the title, date and CUSIP numbers of the affected Participation Certificates.

(C) The District represents that since July 3, 1995, it has not failed to comply in any material respect with any previous undertaking in a written contract or agreement specified in paragraph (b)(5)(i) of the Rule.

(D) (1) This Section may be amended, by written agreement of the parties, without the consent of the holders of the Participation Certificates (except to the extent required under clause (4) below), if all of the following conditions are satisfied: (1) such amendment is made in connection with a change in circumstances that arises from a change in legal (including regulatory) requirements, a change in law (including rules or regulations) or in interpretations thereof, or a change in the identity, nature or status of the District or the type of business conducted thereby, (2) this Section as so amended would have complied with the requirements of the Rule as of the date of this resolution, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, (3) the District shall have delivered to the County an opinion of Bond Counsel, addressed to the District and the County, to the same effect as set forth in clause (2) above, (4) either (i) the District shall have delivered to the County an opinion of Bond Counsel or a determination by a person, in each case unaffiliated with the District (such as Bond Counsel or the County) and acceptable to the District, addressed to the District and the County, to the effect that the amendment does not materially impair the interests of the holders of the Participation Certificates or (ii) the holders of the Participation Certificates consent to the amendment to this Section pursuant to the same procedures as are otherwise required for amendments, and (5) the District shall have delivered copies of such opinion(s) and amendment to each NRMSIR and the SID.

(2) In addition to subsection (D)(1) above, this Section may be amended and any provision of this Section may be waived, by written agreement of the parties, without the consent of the holders of the Participation Certificates, if all of the following conditions are satisfied: (1) an amendment to the Rule is adopted, or a new or modified official interpretation of the Rule is issued, after the effective date of this Section which is applicable to

this Section, (2) the District shall have delivered to the County an opinion of Bond Counsel, addressed to the District and the County, to the effect that performance by the District and the County under this Section as so amended or giving effect to such waiver, as the case may be, will not result in a violation of the Rule and (3) the District shall have delivered copies of such opinion and amendment to each NRMSIR and the SID.

(E) (1) The provisions of this Section shall inure solely to the benefit of the holders from time to time of the Participation Certificates, except that beneficial owners of Participation Certificates shall be third-party beneficiaries of this Section.

(2) Except as provided in this subsection (E)(2), the provisions of this Section shall create no rights in any person or entity. The obligations of the District to comply with the provisions of this Section shall be enforceable in the case of enforcement of obligations to provide notices, by any Registered Owner of outstanding Certificates, or by the Fiscal Agent and Certificate Agent on behalf of the Registered Owners of outstanding Certificates; *provided, however*, that the Fiscal Agent and Certificate Agent shall not be required to take any enforcement action except at the direction of the Registered Owners of not less than a majority in aggregate principal amount of the Certificates at the time outstanding who shall have provided the Certificate Agent with adequate security and indemnity. The Registered Owners', Fiscal Agent's and Certificate Agent's rights to enforce the provisions of this Section shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the District's obligations under this Section. In consideration of the third-party beneficiary status of beneficial owners of Certificates pursuant to subsection (1) of this Section, beneficial owners shall be deemed to be Registered Owners of Certificates for purposes of this subsection (B).

(F) For the purposes of this resolution, unless the context otherwise requires, the terms defined in this Subsection shall, for all purposes of this resolution, have the meanings specified herein:

*"Bond Counsel"* means an attorney or firm of attorneys of nationally recognized standing in matters pertaining to the validity of, and tax-exempt nature of interest on, obligations issued by states and their political subdivisions.

*"Material Event"* means any of the events with respect to the Notes, set forth in Section (9)(A) above.

*"Material Event Notice"* means notice of a Material Event.

*"MSRB"* means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

*"NRMSIR"* means, at any time, a then-existing nationally recognized municipal securities information repository, as recognized from time to time by the SEC for the purposes referred to in the Rule. The NRMSIRs are identified on the SEC website at "http://www.sec.gov/info/municipal/nrmsir.htm". Effective July 1, 2009, NRMSIR shall mean the MSRB and information to be submitted pursuant to this resolution shall be submitted to the

MSRB instead of to one or multiple nationally recognized municipal securities information repositories and state information depositories.

*"Register"* means the book or book of registration kept by the Registrar in which are maintained the names and addresses and principal amounts registered to each Registered Owner.

*"Registered Owner"* means the Person in whose name a Certificate is registered on the Register.

*"Registrar"* means the Certificate Agent, or a substitute Registrar.

*"SID"* means, at any time, a then-existing state information depository, if any, as operated or designated as such by or on behalf of the State of California for the purposes referred to in the Rule. As of the date of this resolution, there is no SID. Effective July 1, 2009, information to be submitted pursuant to this resolution shall be submitted, without duplication, to the MSRB instead of to a SID, if any.

Section 10. Delivery of Notes. The proper officers of the County Board are hereby requested to deliver the Notes to the Treasurer and Tax Collector upon payment therefor in accordance herewith and in accordance with the terms of the Purchase Contract executed in connection with the Notes or the Participation Certificates, as appropriate, and the Trust Agreement. All actions heretofore taken by the officers and agents of the District and the County Board with respect to the Notes are hereby approved, confirmed and ratified, and the officers of the District and the County Board are hereby authorized and directed to do any and all things and take any and all actions including but not limited to those described herein, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Notes in accordance with this resolution and any resolutions hereafter adopted by this Governing Board.

Section 11. Non-Negotiability of Notes. In the event that the Authorized Officer shall elect to issue the District's Notes within the Pooled Program, such Notes shall be lodged in trust with the Certificate Agent and maintained in such trust until their scheduled maturity and payment in full. The Notes shall not be transferable or assignable by the Certificate Agent. Notwithstanding the foregoing, in the event that the Notes should be lost, stolen, destroyed or mutilated prior to their stated maturity, the District shall cause to be issued a new Note or Notes of the same tenor, term and maturity as the original to replace the same upon such reasonable terms and conditions, including the payment of costs and the posting of a surety bond, as may from time to time be determined and prescribed by the Authorized Officer in consultation with the County Office of Education.

Section 12. Authorization for Credit Enhancement for Pooled Program. In the event the District participates in the Pooled Program in accordance with the provisions of Section 7 above, this Governing Board acknowledges and agrees that it shall be obligated to pay its *pro rata* share of the cost of any Credit Enhancement required for the Pooled Program, and this Governing Board specifically finds and determines that the acquisition of such Credit Enhancement will benefit the District by reducing the interest cost associated with the Notes.

The Authorized Officer is hereby authorized and directed to execute such reimbursement or other financing agreement as may be necessary in order to obtain said Credit Enhancement for the District's participation in the Pooled Program, and the District agrees to perform its obligations pursuant to such reimbursement or other financing agreement.

Section 13. Authorization to Attest. Any Authorized Officer or the Secretary of the Governing Board is hereby authorized and directed to attest to the signature of any other Authorized Officer, whenever required or advisable for the transactions contemplated by this resolution. Each Authorized Officer is authorized and directed to execute and attest such further documents, instruments and certificates as may be deemed necessary or advisable by Bond Counsel, in order to accomplish the purposes of this resolution.

Section 14. Further Actions Authorized. It is hereby covenanted that the District, and its appropriate officials, have duly taken all proceedings necessary to be taken by them, and will take any additional proceedings necessary to be taken by them, for the levy, collection and enforcement of the taxes and other revenues pledged under this resolution in accordance with the law and for carrying out the provisions of this resolution. The Authorized Officers, and other officers and staff of the District are hereby directed to take such further action as may be necessary to carry out the intent and purpose of this resolution and to execute and deliver any and all agreements, certificates and other documents that they or Bond Counsel may deem necessary or advisable to effectuate the purposes of this resolution without further approval of this Governing Board.

Section 15. Costs and Expenses. The District covenants and agrees to pay its *pro rata* share of the costs and expenses incurred in connection with the execution and delivery of the Notes, the Participation Certificates and the administration of the Pooled Program, in the event that its Authorized Officer should elect to participate in the Pooled Program.

Section 16. Limited Liability. Notwithstanding anything to the contrary contained herein or in the Notes or in any other document mentioned herein, the District shall not have any liability hereunder or by reason hereof or in connection with the transactions contemplated hereby except to the extent payable from moneys available therefor as set forth in Section 5 hereof and the County is not liable for payment on the Notes or any other obligation of the District hereunder.

Section 17. Effective Date. This resolution shall take effect immediately.

PASSED AND ADOPTED by the Wiseburn School District this 12th day of February, 2009, by the following vote:

AYES: 4

NOES: 0

ABSENT: 1

President of the Board of Education of the Wiseburn School District

ATTEST:

Clerk of the Board of Education of the Wiseburn School District