COUNTY OF LOS ANGELES
TREASURER AND TAX COLLECTOR

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 432
LOS ANGELES, CA 90012
TELEPHONE: (213) 974-2101 FAX: (213) 626-1812

MARK J. SALADINO
TREASURER AND TAX COLLECTOR

May 4, 2005

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:

SALE OF 2005-06 TAX AND REVENUE ANTICIPATION NOTES (ALL DISTRICTS) (3 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve the Fiscal Year 2005-06 tax-exempt Tax and Revenue Anticipation Notes short-term borrowing program.

2. Adopt the Resolution of the Board of Supervisors of the County of Los Angeles, California authorizing the issuance and sale of the 2005-06 Tax and Revenue Anticipation Notes in an aggregate principal amount not to exceed $1,100,000,000.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Adoption of the attached Resolution will authorize the execution and delivery of the 2005-06 Tax and Revenue Anticipation Notes (TRANs) and will permit this office to proceed with the program's implementation.

Since 1977, the County has issued tax-exempt TRANS as a cash flow management device for the upcoming fiscal year. This short-term borrowing program has reduced the need for interfund borrowing by the General Fund and has enhanced the interest earnings of the Treasury Pool of which the County is the largest single participant.

Based on cash flow assumptions for Fiscal Year 2005-06, we are recommending a maximum issue size of $1.1 billion. As in prior years, the final issue size will be adjusted to conform with the budget recommendations and will comply with federal regulations for tax-exempt offerings. At this point, we expect the initial series to be approximately $600 million. In no event, however, will the outstanding issue size exceed $1.1 billion.

Implementation of Strategic Plan Goals

This action supports the County's Strategic Goal of Fiscal Responsibility by providing monies to help meet fiscal year 2005-06 General Fund cash flow requirements.

FISCAL IMPACT/FINANCING

The cost of the program is dependent on market conditions at the time of the sale. The Resolution provides that the interest rate on these Notes cannot exceed four and one-half percent (4.50%).

Expenses related to this program, such as the costs of issuance and interest payments, are included in the Proposed 2005-06 Budget.

FACTS AND PROVISIONS/ LEGAL REQUIREMENTS

Based on current assessments of the interest rate market, we expect the TRANs to be sold as twelve-month fixed rate notes. The Resolution provides the flexibility to issue fixed and/or variable rate notes. These marketing decisions will be based on market conditions at the time of sale, which is scheduled for mid-June. Funds from the sale will be available July 1, 2005.

Consistent with recent years, the Treasurer is recommending a negotiated sale. Based on the results of a bid process, it is recommended that Banc of America Securities LLC be appointed as Lead Underwriter. We expect to select four (4) additional firms from our Board-approved underwriter pool when the financing structure is finalized.

As in prior years, the Resolution also provides for the issuance of a second series of notes should unforeseen cash deficits beyond the County's control occur past the statutory deadline for interfund borrowing. The financing could be structured as a bank line of credit, or a public or private note issuance. While additional financing could be immediately available, this office would not utilize such option without prior notification to your Board. In no event would the total outstanding notes, including the initial TRANs offering, exceed $1.1 billion without further action by your Board.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The TRANs is a cash management program, which has no direct impact on current services. However, if issuance were delayed, the County would need to identify other sources of cash, such as interfund borrowing, to meet its early expenditures in Fiscal Year 2005-06.

CONCLUSION

Upon adoption, please return two (2) original executed copies of this letter and the Resolution to the Treasurer and Tax Collector's Office.

Respectfully submitted,

MARK J. SALADINO
Treasurer and Tax Collector

MJS:GB:DB:JW
Z:Board:2005-06 TransBoard Letter

Attachments (4)

c: Chief Administrative Officer
County Counsel
Auditor-Controller

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, CALIFORNIA PROVIDING FOR THE ISSUANCE AND SALE OF 2005-06 TAX AND REVENUE ANTICIPATION NOTES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $1,100,000,000

WHEREAS, the County of Los Angeles (the **"County"**), a political subdivision of the State of California, requires funds for the purposes authorized by Section 53852 of the California Government Code; and

WHEREAS, the County may borrow money pursuant to Article 7.6 of Chapter 4, Part 1, Division 2, Title 5 of the California Government Code, being Sections 53850 through 53858, inclusive, as amended (the **"Act"**), for the purposes authorized by said Section 53852, such indebtedness to be represented by a note or notes of the County; and

WHEREAS, pursuant to the Act, such note or notes are to be issued pursuant to a resolution of the Board of Supervisors of the County and may be issued from time to time as provided in such resolution; and

WHEREAS, the County has determined that it is necessary and in the best interests of the County to authorize the borrowing of an amount not to exceed **$**1,100,000,000 with respect to the County's Fiscal Year 2005-06, such indebtedness to be evidenced by the 2005-06 Tax and Revenue Anticipation Notes authorized hereby (the **"2005-06 TRANs"**) in an aggregate principal amount not to exceed the sum described above; and

WHEREAS, the uncollected taxes, income, revenue, cash receipts and other moneys to be received by the County during the Fiscal Year 2005-06 which will be available for the payment of the 2005-06 TRANs and all other notes issued by the County under the Act in such Fiscal Year, and the interest thereon, are reasonably estimated to be in excess of $5,075,000,000.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Los Angeles as follows:

SECTION 1. This Resolution is adopted pursuant to the provisions of the Act and other applicable laws.

SECTION 2. The 2005-06 TRANs are hereby authorized to be issued in one or more series in an aggregate principal amount not to exceed $1,100,000,000. The 2005-06 TRANs may be issued as fixed rate notes, variable rate notes, index rate notes or other instruments, or as Senior 2005-06 TRANs or Subordinated 2005-06 TRANs (as those terms are defined in the Financing Certificate defined below), or any combination thereof, in each case as shall be established by the Treasurer and Tax Collector of the County (the **"Treasurer"**) and set forth in the Financing Certificate. The form of Financing Certificate on file with the Board and by this reference incorporated herein is hereby approved. The Treasurer is hereby authorized for

and in the name of, and on behalf of, the County, to execute and deliver said Financing Certificate, substantially in the form on file with the Board, with such changes therein as may be necessary or as he may approve, in his sole discretion, as being in the best interests of the County, such approval to be evidenced conclusively by the execution and delivery thereof (said Financing Certificate, as so executed and delivered, is referred to hereinafter as the **"Financing Certificate"**). The Treasurer is empowered to implement the fundamental policies established by this Resolution in a manner determined by the Treasurer to be in the best interests of the County, after giving consideration to each of the following with regard to the issuance of the 2005-06 TRANs: (i) market access; (ii) the costs to the County; and (iii) the generation of sufficient proceeds, as contemplated by this Resolution. The terms and conditions as set forth (or incorporated by reference) in the Financing Certificate, together with the terms and conditions of the 2005-06 TRANs set forth in this Resolution, shall, upon the execution and delivery of the Financing Certificate, be the terms and conditions of such 2005-06 TRANs, as if all such terms and conditions were fully set forth in this Resolution.

SECTION 3. In consideration of the purchase and acceptance of any and all of the 2005-06 TRANs authorized to be issued hereunder by those who shall hold the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between the County and the holders from time to time of the 2005-06 TRANs (the **"Holders"**). The pledge made in, and the covenants and agreements to be performed by and on behalf of the County set forth in, this Resolution or in any resolution supplemental hereto with respect to any series of the 2005-06 TRANs shall be for the equal benefit, protection and security of the Holders of any and all of such series and all of which series, regardless of the time or times of the issuance of the 2005-06 TRANs of such series, shall be of equal rank without preference, priority or distinction of any of the 2005-06 TRANs of such series over any other thereof except as expressly provided in or permitted by the Financing Certificate.

SECTION 4. The 2005-06 TRANs may be subject to redemption as determined by the Treasurer and provided for in the Financing Certificate.

SECTION 5. The Treasurer is authorized to negotiate the sale of the 2005-06 TRANs issued under this Resolution from time to time and at such prices (not to exceed the maximum interest rate permitted by law) as may be established by the Treasurer and set forth in an agreement or agreements between the County and the initial purchasers of all or a portion of the 2005-06 TRANs (each, a **"Purchase Contract"**); *provided, however*, that the price and the interest rates for the first series of 2005-06 TRANs (the "**Specified 2005-06 TRANs**") shall not result in a true interest cost (taking into consideration all applicable contracts entered into pursuant to Section 9 of this Resolution) to the County with respect to the Specified 2005-06 TRANs that exceeds 4.5%. The Treasurer is further authorized to execute each Purchase Contract and any other documents required to be executed pursuant to such Purchase Contract, and to deliver such documents in accordance with such Purchase Contract.

SECTION 6. The Treasurer is hereby authorized to prepare and distribute one or more preliminary official statements in such form as the Treasurer or any of his respective designees may approve, to persons who may be interested in the purchase of 2005-06 TRANs. Upon approval of the preliminary official statement or preliminary official statements by the Treasurer or his respective designees as evidenced by execution of a certificate substantially in

the form of Exhibit A attached hereto and by this reference incorporated herein, such preliminary official statement or preliminary official statements shall be deemed final as of its respective date except for the omission of certain information as provided in and pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended. The Treasurer and the other authorized officers are, and each of them acting alone is, hereby authorized, for and in the name and on behalf of the County, to approve one or more final official statements for the 2005-06 TRANs authorized hereby, each in substantially the form of the respective preliminary official statement, with such insertions and changes therein as the Treasurer or any of his respective designees may require or approve, in their discretion, as being in the best interests of the County, such approval to be conclusively evidenced by the delivery of such official statement or official statements.

SECTION 7. All or any portion of the 2005-06 TRANs may be sold with credit enhancement (such as a letter of credit or policy of municipal bond insurance), if the Treasurer determines that the savings to the County resulting from the purchase of such credit enhancement exceeds the cost thereof. In the event that 2005-06 TRANs bearing variable interest rates are executed and delivered, such 2005-06 TRANs may additionally be sold with liquidity support (such as a letter of credit and related reimbursement agreement, line of credit, standby note purchase agreement or similar agreement). The form, terms and conditions of each such credit enhancement or liquidity support shall be as approved by the Treasurer.

SECTION 8. The Auditor-Controller of the County (the **"Auditor-Controller"**) is hereby directed to establish a "2005-06 TRANs, Series __ Repayment Fund" (inserting in the blank the appropriate series designation) for each series of 2005-06 TRANs and any subaccounts therein that the Auditor-Controller deems necessary to effectuate the purposes of this Resolution. As provided in the Act, the 2005-06 TRANs shall be payable from the taxes, income, revenue, cash receipts and other moneys of the County attributable solely to the County's Fiscal Year 2005-06 and lawfully available for the payment of the 2005-06 TRANs and interest thereon. The Auditor-Controller is directed to deposit in the 2005-06 TRANs Repayment Fund for the Specified 2005-06 TRANs (the **"2005-06 TRANs, Series A Repayment Fund"**) the following amounts (the **"Pledged Moneys"**):

(a) the first $383,000,000 of unrestricted taxes, income, revenue, cash receipts and other moneys to be received by the County on and after December 20, 2005;

(b) the first $201,000,000 of unrestricted taxes, income, revenue, cash receipts and other moneys to be received by the County on and after January 1, 2006;

(c) the first $124,000,000 of unrestricted taxes, income, revenue, cash receipts and other moneys to be received by the County on and after February 1, 2006;

(d) the first $134,000,000 of unrestricted taxes, income, revenue, cash receipts and other moneys to be received by the County on and after March 1, 2006; and

(e) the first $258,000,000 (*plus* an amount equal to (i) the interest that has accrued, *less* any amount of such accrued interest on the Specified 2005-06 TRANs that has been paid by the County from funds other than from amounts on

deposit in the 2005-06 TRANs, Series A Repayment Fund, and (ii) the interest that will accrue on the Specified 2005-06 TRANs, assuming that all 2005-06 TRANs in such series that have variable interest rate periods commencing after April 20, 2006 will bear interest at the maximum rate permitted by law or by the Financing Certificate from the day following the last day of each such then-effective variable interest rate period to the maturity of such variable rate 2005-06 TRANs; *provided* that at such time as any actual variable interest rate shall be determined with respect to any such variable interest rate period, then the excess of any payment made by the County due to an assumed interest rate shall be promptly remitted to the County) of unrestricted taxes, income, revenues, cash receipts and other moneys to be received by the County on and after April 20, 2006;

provided, however, that if less than $1,100,000,000 in principal amount of the Specified 2005-06 TRANs are issued, then on the date of issuance of the Specified 2005-06 TRANs the set-aside amounts referred to in clauses (a) through (e) above shall be reduced pro rata (assuming for purposes of accrual of interest in clause (e) that all Specified 2005-06 TRANs that bear interest at a variable rate bear interest at the maximum rate permitted by law or by the Financing Certificate) by an aggregate amount equal to the difference between $1,100,000,000 and the principal amount of the Specified 2005-06 TRANs actually issued (rounded to the nearest one million dollars). To the extent that any amounts actually received pursuant to clauses (a) through (e) above are less than the amount designated for each such deposit, the Auditor-Controller shall deposit into the 2005-06 TRANs, Series A Repayment Fund additional amounts from any other moneys of the County available therefor. To the extent any Specified 2005-06 TRAN is not paid from the Pledged Moneys, such Specified 2005-06 TRAN shall be paid with the interest thereon from any other moneys of the County available therefor. As provided in the Act, the Specified 2005-06 TRANs and the interest thereon are a valid lien and charge against, and are payable from the first moneys received by the County from, such Pledged Moneys. The Pledged Moneys, which may be invested in Permitted Investments (as defined in the Financing Certificate), shall be used to pay the Specified 2005-06 TRANs and the interest thereon when the same shall become due and payable and may not be used for any other purpose, although earnings on amounts in the 2005-06 TRANs, Series A Repayment Fund shall be deposited as and when received into the General Fund of the County. Any amounts remaining in the 2005-06 TRANs, Series A Repayment Fund after repayment of all Specified 2005-06 TRANs and the interest thereon shall be transferred to any other account in the General Fund of the County as the Treasurer or his designee may direct.

The Treasurer is authorized to establish the order of payments from the 2005-06 TRANs, Series A Repayment Fund as among the Specified 2005-06 TRANs.

Before the Treasurer issues any additional series of Senior 2005-06 TRANs (as defined in the Financing Certificate) pursuant to this Resolution and the Financing Certificate, the Board shall covenant to set aside sufficient moneys to repay such series of Senior 2005-06 TRANs. In establishing any such additional set-aside schedule, the Board shall provide that each monthly set-aside requirement set forth above with respect to the Specified 2005-06 TRANs shall be met before the County sets aside moneys in each such month to repay any such additional series of Senior 2005-06 TRANs.

SECTION 9. Pursuant to Section 5922 of Chapter 12, Division 6, Title 1 of the California Government Code, as amended, the Board hereby authorizes the Treasurer, in connection with, or incidental to, the issuance or carrying of the 2005-06 TRANs, or the acquisition or carrying of any investment or program of investment by any officer of the County, to enter into any contracts, including without limitation contracts commonly known as interest rate swap agreements, forward payment conversion agreements, futures or contracts providing for payments based on levels of, or changes in, interest rates or stock or other indices, or contracts to exchange cash flows or a series of payments, or contracts, including without limitation interest rate floors or caps, options, puts or calls to hedge payment, rate, spread or similar exposure, which the Treasurer or such officer, as applicable, determines to be necessary or appropriate (with such terms and provisions as the Treasurer or such officer, as applicable, deems necessary or appropriate) to place the obligation or investment represented by such 2005-06 TRANs, such investment or program of investment, or such contract or contracts, in whole or in part, on the interest rate or other basis determined by the Treasurer. The principal or notional amount with respect to any such contract entered into shall not exceed the larger of the principal amount of the 2005-06 TRANs or the amount of Pledged Moneys.

These contracts and arrangements shall be entered into with the parties, including without limitation the initial purchasers of any 2005-06 TRANs, selected by the means determined by the Treasurer, and shall contain the payment, security, default, remedy and other terms and conditions determined by the Treasurer, after giving due consideration for the creditworthiness of the counterparties, where applicable, including any rating by a nationally recognized rating agency or any other criteria as may be appropriate. The form, terms and conditions of any such contract entered into shall be as approved by the Treasurer and consistent with the purposes of this Resolution and the Financing Certificate.

SECTION 10. The Board hereby finds and determines that the contracts authorized by Section 9 of this Resolution are designed to reduce the amount or duration of payment, currency, rate, spread or similar risk or result in a lower cost of borrowing when used in combination with the issuance of the 2005-06 TRANs and to enhance the relationship between risk and return with respect to the investment or program of investment in connection with, or incident to, the contract or arrangement which is entered into.

SECTION 11. Whenever any document or instrument, including without limitation any 2005-06 TRANs, any Purchase Contract or the Financing Certificate, or any term, provision or condition thereof, is to be approved or established by an officer of the County pursuant to this Resolution, such approval or establishment shall be conclusively evidenced by such officer's execution of such document or instrument or the document or instrument containing such term, provision or condition.

SECTION 12. The officers of the County and their authorized representatives are, and each of them acting alone is, hereby authorized to execute any and all documents and do and perform any and all acts and things, from time to time, consistent with this Resolution and the Financing Certificate and necessary or appropriate to carry the same into effect and to carry out its purposes.

SECTION 13. This Resolution shall take effect immediately.

The foregoing resolution was on the _____ day of May, 2005, 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.

VIOLET VARONA-LUKENS
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
CERTIFICATE OF THE COUNTY OF LOS ANGELES AS TO FINALITY OF PRELIMINARY OFFICIAL STATEMENT FOR THE COUNTY OF LOS ANGELES 2005-06 TAX AND REVENUE ANTICIPATION NOTES, SERIES A

The undersigned hereby certifies that he is authorized to execute this Certificate on behalf of the County of Los Angeles (the **"County"**).

The undersigned hereby further certifies that with respect to approximately **[$600,000,000]** aggregate principal amount of the above-captioned Notes, a preliminary official statement dated _____, 2005 (including the cover page, the Introduction and all appendices thereto, the **"Preliminary Official Statement"**), which the County deems to be final as of its date for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (**"Rule 15c2-12"**), except for information permitted to be omitted therefrom by Rule 15c2-12; *provided, however*, that the foregoing certification as to the finality of the Preliminary Official Statement does not include a certification as to the finality of the statements and information contained in the Preliminary Official Statement concerning The Depository Trust Company, New York, New York and its Book-Entry System.

The County hereby approves of the use and distribution of the Preliminary Official Statement.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand as of the _____ day of _____, 2005.

COUNTY OF LOS ANGELES

By: _____
Mark J. Saladino
Treasurer and Tax Collector

$[600,000,000]
COUNTY OF LOS ANGELES, CALIFORNIA
2005-06 TAX AND REVENUE ANTICIPATION NOTES, SERIES A

DISCLOSURE CERTIFICATE OF THE COUNTY

This Disclosure Certificate (this "**Disclosure Certificate**") is executed and delivered by the County of Los Angeles (the "**County**") in connection with the issuance of **[$600,000,000]** aggregate principal amount of the County's 2005-06 Tax and Revenue Anticipation Notes, Series A (the "**Notes**"). The Notes are being issued pursuant to a Resolution adopted by the County on May 17, 2005 (the "**Resolution**") and a Financing Certificate executed by the Treasurer on July 1, 2005 (the "**Certificate**"). The County covenants and agrees as follows:

SECTION 1. Purpose of this Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the County for the benefit of the Holders and Beneficial Owners of the Notes and in order to assist the Participating Underwriters in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Certificate, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"**Beneficial Owner**"sha ll mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Notes (including persons holding Notes through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Notes for federal income tax purposes.

"**Dissemination Agent**" shall mean the County, or any successor Dissemination Agent designated in writing by the County and which has filed with the County a written acceptance of such designation.

"**Holders**" or "**Noteholders**" shall mean the registered owners of the Notes.

"**Listed Events**" shall mean any of the events listed in Section 3(a) of this Disclosure Certificate.

"**National Repository**" shall mean any Nationally Recognized Municipal Securities Information Repository for purposes of the Rule. The National Repositories currently approved by the Securities and Exchange Commission are set forth in Exhibit A.

"**Participating Underwriters**" shall mean any of the original underwriters of the Notes required to comply with the Rule in connection with offering of the Notes.

"**Repository**" shall mean each National Repository and each State Repository, if any.

"**Rule**" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"**State**" shall mean the State of California.

"**State Repository**" shall mean any public or private repository or entity designated by the State as a state repository for the purpose of the Rule and recognized as such by the Securities and Exchange Commission. As of the date of this Disclosure Certificate, there is no State Repository.

SECTION 3. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 3, the County shall give, or cause to be given, notice of the occurrence 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 debt service reserves reflecting financial difficulties of the County;

4. unscheduled draws on any credit enhancement reflecting financial difficulties of the County;

5. substitution of credit or liquidity providers or failure of a credit or liquidity provider to perform its obligations with respect to the Notes;

6. adverse tax opinions or events affecting the tax-exempt status of the Notes;

7. modifications to rights of Noteholders;

8. redemption or call of the Notes;

9. defeasances;

10. release, substitution or sale of property securing repayment of the Notes; and

11. rating changes.

Certain of the foregoing events may not be applicable to the Notes.

(b) Whenever the County obtains knowledge of the occurrence of a Listed Event, the County shall as soon as possible determine if such event would be material under applicable federal securities laws.

(c) If the County determines that knowledge of the occurrence of a Listed Event would be material under applicable federal securities laws, the County shall promptly file a notice of such occurrence with the Municipal Securities Rulemaking Board and the State Repository, if any. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Notes pursuant to the Resolution.

SECTION 4. Termination of Reporting Obligation. The County's obligations under this Disclosure Certificate shall terminate upon the payment in full of all the Notes. If such termination occurs prior to the final maturity of the Notes, the County shall give notice of such termination in the same manner as for a Listed Event under Section 3(c).

SECTION 5. Dissemination Agent. The County may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent, if other than the County, shall not be responsible in any manner for the content of any notice or report prepared by the County pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be the County.

SECTION 6. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the County may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Section 3(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Notes, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Notes, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Notes in the same manner as provided in the Resolution and the Certificate for amendments to the Resolution and the Certificate with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Notes.

SECTION 7. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that

which is required by this Disclosure Certificate. If the County chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the County shall have no obligation under this Disclosure Certificate to update such information or include it in any future notice of occurrence of a Listed Event.

SECTION 8. Default. In the event of a failure of the County to comply with any provision of this Disclosure Certificate any Holder or Beneficial Owner of the Notes may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the County to comply with its obligations under this Disclosure Certificate; provided that any such action may be instituted only in the Superior Court of the State of California in and for the County of Los Angeles or in a U.S. District Court in or nearest to Los Angeles County. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Resolution or the Certificate, and the sole remedy under this Disclosure Certificate in the event of any failure of the County to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 9. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the County agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the County under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Notes.

SECTION 10. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the County, the Dissemination Agent, the Participating Underwriters and Holders and Beneficial Owners from time to time of the Notes, and shall create no rights in any other person or entity.

DATED: July 1, 2005

COUNTY OF LOS ANGELES, CALIFORNIA

By: _____
MARK J. SALADINO
Treasurer and Tax Collector

EXHIBIT A

Nationally Recognized Municipal Securities Information Repositories approved by the Securities and Exchange Commission as of July 1, 2005:

Bloomberg Municipal Repository
100 Business Park Drive
Skillman, New Jersey 08558
Phone: (609) 279-3225
Fax: (609) 279-5962
http://www.bloomberg.com/markets/muni_contactinfo.html
Email: Munis@Bloomberg.com

DPC Data Inc.
One Executive Drive
Fort Lee, New Jersey 07024
Phone: (201) 346-0701
Fax: (201) 947-0107
http://www.dpcdata.com
Email: nrmsir@dpcdata.com

FT Interactive Data
Attention: NRMSIR
100 William Street
New York, New York 10038
Phone: (212) 771-6999
Fax: (212) 771-7390 (Secondary Market Information)
(212) 771-7391 (Primary Market Information)
http://www.interactivedata.com
Email: NRMSIR@FTID.com

Standard & Poor's Securities Evaluations, Inc.
55 Water Street, 45th Floor
New York, New York 10041
Phone: (212) 438-4595
Fax: (212) 438-3975
www.jjkenny.com/jjkenny/pser_descrip_data_rep.html
Email: nrmsir_repository@sandp.com

FINANCING CERTIFICATE
PROVIDING FOR THE TERMS AND CONDITIONS
OF ISSUANCE AND SALE OF
2005-06 TAX AND REVENUE ANTICIPATION NOTES, SERIES A

Dated July 1, 2005

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FINANCING CERTIFICATE
PROVIDING FOR THE TERMS AND CONDITIONS OF ISSUANCE AND SALE OF 2005-06 TAX AND REVENUE ANTICIPATION NOTES, SERIES A

In connection with the issuance and sale of the 2005-06 Tax and Revenue Anticipation Notes, Series A issued by the County of Los Angeles, California, the Treasurer and Tax Collector of the County hereby certifies that such 2005-06 Tax and Revenue Anticipation Notes, Series A are issued on the following terms and conditions:

ARTICLE I
DEFINITIONS AND STATUTORY AUTHORITY

SECTION 101. Definitions. The following terms shall for all purposes of the Certificate have the following meanings:

"**Act**" shall mean Article 7.6 of Chapter 4, Part 1, Division 2, Title 5 of the California Government Code, being Sections 53850 through 53858, inclusive, as amended.

"**Additional 2005-06 TRANs**" shall mean any additional Series of 2005-06 TRANs authorized pursuant to the Resolution and in accordance with the terms of this Certificate, following delivery of the 2005-06 TRANs, Series A.

"**Auditor-Controller**" shall mean the Auditor-Controller of the County, and any other person designated by the Auditor-Controller to act on his behalf.

"**Authorized Denominations**" shall mean $5,000, or any integral multiple thereof.

"**Authorized Newspapers**" shall mean *The Bond Buyer* and two other newspapers, customarily published at least once a day for at least five days (other than legal holidays) in each calendar week, printed in the English language and of general circulation, in Los Angeles, California and in the Borough of Manhattan, City and State of New York.

"**Board**" shall mean the Board of Supervisors of the County.

"**Business Day**" shall mean any calendar day other than (i) a Saturday or Sunday; (ii) a day on which banking institutions are authorized or required by law to be closed for commercial banking purposes in either the State of New York or the State of California; or (iii) a day on which the New York Stock Exchange is closed.

"**Certificate**" shall mean this "Financing Certificate Providing for the Terms and Conditions of Issuance and Sale of 2005-06 Tax and Revenue Anticipation Notes, Series A," as from time to time amended or supplemented in accordance with the terms hereof.

"**Code**" shall mean the Internal Revenue Code of 1986, as amended from time to time, and all rules and temporary, proposed or final regulations from time to time promulgated thereunder.

"**County**" shall mean the County of Los Angeles, California, its successors and assigns.

"**DTC**" shall mean The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns.

"**Event of Default**" shall have the meaning assigned to such term in Section 503.

"**Fitch**"sha ll mean Fitch Ratings, One State Street Plaza, New York, New York 10004, a corporation organized and existing under the laws of the State of New York, its successors and their assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency (other than Moody's or S&P) designated by the County.

"**Fixed Rate Notes**" shall mean 2005-06 TRANs which bear interest at a single rate from the date of delivery thereof to maturity, which rate and maturity date shall be set forth in such 2005-06 TRANs.

"**General Fund**" shall mean the General Fund of the County.

"**Holder**" shall mean the Person in whose name any 2005-06 TRANs, Series A is registered on the Note Register.

"**Maturity Date**" shall mean June 30, 2006.

"**Maximum Interest Rate**" shall mean the maximum interest rate allowed by law.

"**Moody's**" shall mean Moody's Investors Service, 99 Church St., New York, New York 10007, a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency (other than S&P or Fitch) designated by the County.

"**2005-06 TRANs**" shall mean all of the County's 2005-06 Tax and Revenue Anticipation Notes, of all series, whether issued as Fixed Rate Notes, Variable Rate Notes, index rate notes or other instruments, or as Senior 2005-06 TRANs or Subordinated 2005-06 TRANs, authorized pursuant to the Resolution.

"**2005-06 TRANs, Series A**" shall mean the County's 2005-06 Tax and Revenue Anticipation Notes, Series A authorized pursuant to the Resolution and this Certificate.

"**2005-06 TRANs, Series A Proceeds Fund**" shall mean the 2005-06 TRANs, Series A Proceeds Fund as described in Section 401.

"**2005-06 TRANs, Series A Repayment Fund**" shall mean the 2005-06 TRANs, Series A Repayment Fund established in accordance with the Resolution and described in Section 402.

"**Note Register**" shall mean the registration books for the 2005-06 TRANs, Series A maintained by the Note Registrar pursuant to Section 302.

"**Note Registrar**" shall mean the Treasurer.

"**Official Statement**" shall mean that certain Official Statement relating to the 2005-06 TRANs, Series A dated June **XX**, 2005.

"**Opinion of Bond Counsel**" shall mean a written opinion of any attorney at law or firm of attorneys of nationally recognized standing in matters pertaining to the exclusion from gross income for federal income tax purposes of interest on bonds issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

"**Original Purchaser**" shall mean the Person or Persons who are the initial purchasers from the County of the 2005-06 TRANs, Series A upon the original issuance thereof.

"**Outstanding,**" when used with reference to the 2005-06 TRANs, Series A, shall mean, as of any date, all of the 2005-06 TRANs, Series A theretofore or thereupon being issued under this Certificate except:

(i) 2005-06 TRANs, Series A cancelled on or prior to such date;

(ii) 2005-06 TRANs, Series A for which other 2005-06 TRANs shall have been delivered in lieu of or in substitution therefor pursuant to Article III; and

(iii) 2005-06 TRANs, Series A referred to in Section 305.

"**Participant**" shall mean an entity which is recognized as a participant by the Securities Depository in the book-entry system of maintaining records with respect to the 2005-06 TRANs, Series A.

"**Paying Agent**" shall mean the Treasurer or any other Paying Agent appointed pursuant to this Certificate.

"**Payment Date**" shall mean any date on which the Paying Agent transfers an amount equal to the principal of and interest then due on the 2005-06 TRANs, Series A to the Holders thereof.

"**Permitted Investments**" shall mean, to the extent permitted by law:

(i) 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.

(ii) 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"); (c) the Federal National Mortgage Association (FNMA); (d) Federal Farm Credit Bank ("FFCB"); (e) Government National Mortgage Association ("GNMA"); (f) Student Loan Marketing Association ("SLMA"); and (g) guaranteed portions of Small Business Administration ("SBA") notes.

(iii) Commercial Paper having original maturities of not more than 270 days, payable in the United States of America and issued by corporations that are organized and operating in the United States with total assets of $500 million and having "A" or better rating for issuer's debt, other than commercial paper, as provided by Moody's and S&P. The maximum total par value may be up to 15% of the total amount held by the Treasurer in accordance with this Certificate.

(iv) The Los Angeles County Treasury Pool.

(v) 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 270 days, with a maximum par value of 40% of the total amount held by the Treasurer in accordance with this Certificate. 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" by S&P and Moody's.

(vi) Shares of beneficial interest issued by diversified management companies, known as money market funds, registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et sq.) and whose fund has received the highest possible rating from S&P and at least one other Rating Agency. The maximum par value may be up to 15% of the total amount held by the Treasurer in accordance with this Certificate.

(vii) 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, or which is a subsidiary of a parent company which has, obligations outstanding having a rating of "AA" or "Aa" or better from S&P and Moody's, respectively.

(viii) Repurchase agreements which have a maximum maturity of 30 days and are 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 number (ii) above. The maximum par value

per issuer may not exceed $250,000,000 and the maximum total par value for all such agreements with funds held by the Treasurer hereunder may not exceed $500,000,000.

(ix) Investment agreements and guaranteed investment contracts with issuers rated at least "AA-" by S&P.

"**Person**" shall mean an individual, corporation, firm, association, partnership, trust or other legal entity, including a governmental entity or any agency or political subdivision thereof.

"**Pledged Moneys**" shall mean the unrestricted taxes, income, revenue, cash receipts and other moneys pledged by the County under the Act and pursuant to the Resolution, and described in Section 402, for the security and payment of the 2005-06 TRANs, Series A and the interest thereon, whether or not such taxes, income, revenue, cash receipts or moneys are deposited in the 2005-06 TRANs, Series A Repayment Fund.

"**Principal Office**" shall mean (i) with respect to the Treasurer, the principal office of the Treasurer in Los Angeles, California, and (ii) with respect to any other Paying Agent, the principal corporate trust office of such Paying Agent.

"**Purchase Contract**" shall mean an agreement between the County and the Original Purchaser of all or a portion of the 2005-06 TRANs, Series A, together with any amendments thereto.

"**Rating Agency**" shall mean Moody's, S&P, Fitch or any other nationally recognized securities rating agency designated by the County.

"**Representation Letter**" shall mean one or more letters of representation from the County to, or other instruments or agreements of the County with, a Securities Depository in which the County, among other things, makes certain representations to such Securities Depository with respect to the 2005-06 TRANs, Series A, the payment thereof and delivery of notices with respect thereto.

"**Resolution**" shall mean the "Resolution of the Board of Supervisors of the County of Los Angeles, California Providing for the Issuance and Sale of 2005-06 Tax and Revenue Anticipation Notes in an Aggregate Principal Amount Not to Exceed **$[1,100,000,000],**" adopted on **[May 17, 2005]**, as from time to time amended by any Supplemental Resolution in accordance with the terms hereof.

"**S&P**" shall mean Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., 55 Water Street, New York, New York 10041, a corporation organized and existing under the laws of the State of New York, its successors and their assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency (other than Fitch or Moody's) designated by the County.

"**Securities Depository**" shall mean DTC or any successor as Securities Depository for the 2005-06 TRANs, Series A appointed pursuant to Section 202.

"**Senior 2005-06 TRANs**"sha ll mean 2005-06 TRANs which rank senior to the Subordinated 2005-06 TRANs as provided in Section 205.

"**Series**" shall mean each of the 2005-06 TRANs identified pursuant to this Certificate or a Supplemental Certificate as a separate Series of 2005-06 TRANs.

"**State**" shall mean the State of California.

"**Subordinated 2005-06 TRANs**" shall mean 2005-06 TRANs which rank junior to the Senior 2005-06 TRANs as provided in Section 205.

"**Supplemental Certificate**" shall mean any supplemental financing certificate amending or supplementing this Certificate in accordance with Article VII.

"**Supplemental Resolution**" shall mean any resolution amending the Resolution, adopted by the County in accordance with Article VII.

"**Tax Certificate**"sha ll mean the Tax and Nonarbitrage Certificate, executed by the County on the date of issuance and delivery of the 2005-06 TRANs, Series A, as amended from time to time.

"**Treasurer**" shall mean the Treasurer and Tax Collector of the County and any other person designated by the Treasurer to act on his behalf.

"**Variable Rate Notes**" shall mean 2005-06 TRANs which bear interest at a variable interest rate, as shall be determined from time to time as provided in a Supplemental Certificate.

SECTION 102. Other Definitional Provisions. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders and words of the feminine gender shall be deemed and construed to include correlative words of the masculine and neuter genders. Except where the context otherwise requires, words importing the singular number shall include the plural number and vice versa. Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof. Unless otherwise indicated, all references herein to "Articles," "Sections" or other subdivisions are to the corresponding Articles, Sections or subdivisions of this Certificate; the words "herein,"" hereof,"" hereby," "hereunder" and other words of similar import refer to the Certificate as a whole and not to any particular Article, Section or subdivision hereof.

SECTION 103. Authority for Certificate. This Certificate is executed and delivered pursuant to and in connection with the Resolution.

SECTION 104. Timing of Actions. Whenever in this Certificate there is designated a time of day at or by which a certain action must be taken, such time shall be local time in New York City, New York except as otherwise specifically provided herein.

SECTION 105. Financing Certificate to Constitute Contract. In consideration of the purchase and acceptance of any and all of the 2005-06 TRANs, Series A to be issued hereunder by those who shall hold the same from time to time, this Certificate shall be deemed to be and shall constitute a contract between the County and the Holders from time to time of the 2005-06 TRANs, Series A. The pledge made in this Certificate and the covenants and agreements herein set forth to be performed by and on behalf of the County shall be for the equal benefit, protection and security of the Holders of any and all of the 2005-06 TRANs, Series A, all of which, regardless of the time or times of their issuance, shall be of equal rank without preference, priority or distinction of any of the 2005-06 TRANs, Series A over any other thereof except as expressly provided in or permitted by this Certificate.

ARTICLE II
AUTHORIZATION AND ISSUANCE OF 2005-06 TRANs

SECTION 201. Authorization, Form and Date of 2005-06 TRANs.

1. The 2005-06 TRANs of the County in an aggregate principal amount not to exceed **[$1,100,000,000]** have been authorized to be issued in one or more series pursuant to the Resolution and are entitled to the benefit, protection and security thereof. The 2005-06 TRANs may be issued as Fixed Rate Notes, Variable Rate Notes, index rate notes or other instruments, or as Senior 2005-06 TRANs or Subordinated 2005-06 TRANs, or any combination thereof, in each case as shall be established by the Treasurer and set forth in a financing certificate, of which this Certificate is one. The 2005-06 TRANs shall be issued in anticipation of the receipt by the County of certain taxes, income, revenue, cash receipts and other moneys attributable to the County's Fiscal Year commencing July 1, 2005. Such notes shall be designated as, and shall be distinguished from the notes and securities of all other issues of the County by, the title "2005-06 Tax and Revenue Anticipation Notes"; *provided, however*, that any additional designations may be added to such title to distinguish 2005-06 TRANs of one series with terms applicable to only such series of 2005-06 TRANs from other series of 2005-06 TRANs as shall be approved by the Treasurer.

2. As of the date hereof, the County has authorized and issued **[$600,000,000]** aggregate principal amount of 2005-06 TRANs, hereby designated the "2005-06 Tax and Revenue Anticipation Notes, Series A," all of which are Fixed Rate Notes.

3. The 2005-06 TRANs, Series A shall be issued in fully registered form, without coupons and in Authorized Denominations; *provided* that the 2005-06 TRANs, Series A shall initially be issued in book-entry only form pursuant to Section 202. The County hereby certifies and recites that all acts, conditions and things required by law, the Resolution and this Certificate to exist, to have happened, and to have been performed precedent to and during the issuance of the 2005-06 TRANs, Series A do exist, have happened and have been performed in due time, form and manner, as required by law and the Resolution and this Certificate. The

2005-06 TRANs, Series A shall be in substantially the form attached hereto as *Exhibit I*, which form is hereby approved and adopted as the form of the 2005-06 TRANs, Series A.

4. Except as otherwise provided in a Representation Letter, at and after the maturity date of the 2005-06 TRANs, Series A, the principal of and interest then due on the 2005-06 TRANs, Series A shall be payable in lawful money of the United States of America upon surrender of the 2005-06 TRANs, Series A at the Principal Office of the Paying Agent. The 2005-06 TRANs, Series A so surrendered to the Paying Agent on any Business Day at or prior to 12:00 noon, shall be paid in funds immediately available on such Business Day. The 2005-06 TRANs, Series A so surrendered to the Paying Agent on any Business Day after 12:00 noon shall be paid on the next succeeding Business Day in funds immediately available on such succeeding Business Day.

5. The 2005-06 TRANs, Series A shall not be subject to redemption at the option of the County prior to maturity.

SECTION 202. Book-Entry Notes.

1. The 2005-06 TRANs, Series A shall be initially issued in the form of a single, separate fully registered note (which may be typewritten) in the full aggregate principal amount for each maturity of each issuance of such 2005-06 TRANs, Series A, and upon initial issuance, the ownership of such 2005-06 TRANs, Series A shall be registered in the Note Register in the name of Cede & Co., as nominee of DTC, the initial Securities Depository. Except as provided in subsection 5 of this Section, all of the 2005-06 TRANs, Series A shall be registered in the Note Register in the name of Cede & Co., or such other nominee of DTC or any successor Securities Depository or the nominee thereof, as shall be specified pursuant to a Representation Letter.

2. With respect to 2005-06 TRANs, Series A registered in the Note Register in the name of the Securities Depository, or its nominee, the County and the Paying Agent shall have no responsibility or obligation to any Participant or to any Person on behalf of which such a Participant holds an interest in any such 2005-06 TRANs, Series A. Without limiting the immediately preceding sentence, the County and the Paying Agent shall have no responsibility or obligation with respect to (a) the accuracy of the records of the Securities Depository, the nominee of the Securities Depository or any Participant with respect to any ownership interest in the 2005-06 TRANs, Series A, (b) the delivery to any Participant or any other Person, other than a Holder as shown in the Note Register, of any notice with respect to the 2005-06 TRANs, Series A, or (c) the payment to any Participant or any other Person, other than a Holder as shown in the Note Register, of any amount with respect to principal of or interest on the 2005-06 TRANs, Series A. The County may treat and consider the Person in whose name any 2005-06 TRANs, Series A is registered in the Note Register as the Holder and absolute owner of such 2005-06 TRANs, Series A for the purpose of payment of principal and interest on such 2005-06 TRANs, Series A and for all other purposes whatsoever.

3. The Paying Agent shall pay all principal of and interest on the 2005-06 TRANs, Series A only to or upon the order of the respective Holders, as shown in the Note Register on the Maturity Date, or their respective attorneys duly authorized in writing, and all

such payments shall be valid and effective to satisfy and discharge fully the obligations with respect to the payment of principal of and interest on the 2005-06 TRANs, Series A under this Certificate and the 2005-06 TRANs, Series A to the extent of the sums so paid. Upon delivery by the Securities Depository to the Treasurer of written notice to the effect that the Securities Depository has determined to substitute a new nominee, the word "nominee"in this Certificate shall refer to such new nominee of the Securities Depository.

4. In order to qualify the 2005-06 TRANs, Series A for the Securities Depository's book-entry system, the officers of the County have been authorized to execute and deliver on behalf of the County to the Securities Depository a Representation Letter or Representation Letters representing such matters as shall be necessary to so qualify such 2005-06 TRANs, Series A. The execution and delivery of the Representation Letter or Representation Letters shall not in any way limit the provisions of subsection 2 of this Section or in any other way impose upon the County any obligation whatsoever with respect to Persons having interests in the 2005-06 TRANs, Series A other than the Holders as shown in the Note Register. In addition to the execution and delivery of the Representation Letter or Representation Letters, the officers of the County, and their authorized representatives, each is hereby authorized to take any other actions, not inconsistent with this Certificate, to qualify such 2005-06 TRANs, Series A for the Securities Depository's book-entry program.

5. In the event (a) the incumbent Securities Depository determines not to continue to act as Securities Depository for the 2005-06 TRANs, Series A, or (b) the County determines that the incumbent Securities Depository shall no longer so act, and delivers a written certificate to the incumbent Securities Depository to that effect, then the County will discontinue the book-entry system for the 2005-06 TRANs, Series A with the incumbent Securities Depository. If the County determines to replace the incumbent Securities Depository with another qualified Securities Depository, the County shall prepare or direct the preparation of and execute, and the Paying Agent shall authenticate and deliver, a new single, separate fully-registered note (which may be typewritten) for the aggregate outstanding principal amount of the 2005-06 TRANs, Series A held by the incumbent Securities Depository, registered in the name of such successor or substitute qualified Securities Depository or its nominee, or make such other arrangement acceptable to the County and the successor Securities Depository as are not inconsistent with the terms of this Certificate. If the County fails to identify another qualified successor Securities Depository to replace the incumbent Securities Depository, then the 2005-06 TRANs, Series A shall no longer be restricted to being registered in the Note Register in the name of the Securities Depository or its nominee, but shall be registered in whatever name or names the Securities Depository or its nominee shall designate. In such event the County shall prepare or direct the preparation of and execute, and the Paying Agent shall authenticate and deliver to the Holders thereof, such 2005-06 TRANs, Series A as are necessary to carry out the transfers and exchanges provided in this Section and Section 302. All such 2005-06 TRANs, Series A shall be in fully registered form in the denominations authorized upon original issuance pursuant to Section 201.

6. Notwithstanding any other provision of this Certificate to the contrary, so long as any 2005-06 TRANs, Series A is registered in the name of the Securities Depository or its nominee, all notices and payments with respect to principal of and interest on such 2005-06

TRANs, Series A shall be given and made, respectively, as provided in a Representation Letter or as otherwise instructed by the Securities Depository.

SECTION 203. Interest on the 2005-06 TRANs, Series A. The 2005-06 TRANs, Series A shall be dated July 1, 2005, mature on June 30, 2006 and bear interest from their date of original issuance payable at maturity and calculated at **X.XX**% per annum, on the basis of a 360-day year comprised of 12 months of 30 days each.

SECTION 204. Priority of 2005-06 TRANs, Series A; Additional Series on Parity. The 2005-06 TRANs, Series A shall constitute Senior 2005-06 TRANs. The County may issue Additional 2005-06 TRANs on parity with or subordinate to the 2005-06 TRANs, Series A.

SECTION 205. Subordinated 2005-06 TRANs. Any Subordinated 2005-06 TRANs issued pursuant to the Resolution shall have a lien on all amounts legally available for payment thereof on a basis junior and subordinate in all respects to the lien of the 2005-06 TRANs, Series A and any other Senior 2005-06 TRANs, and shall further be subject to such subordination provisions as are set forth in the form of such Subordinated 2005-06 TRANs. Subordinated 2005-06 TRANs shall be subject to redemption by the County at any time; *provided*, that no payment or redemption on any Subordinated 2005-06 TRANs shall be made in any month until all amounts required to be deposited in the 2005-06 TRANs Repayment Fund in such month pursuant to Section 402 have been so deposited; *provided, further* that if in any month the County fails to make a deposit required pursuant to Section 402 hereof the Paying Agent shall transfer from any repayment fund established for the Subordinated 2005-06 TRANs to the 2005-06 TRANs, Series A Repayment Fund such moneys as are necessary to effect the required deposit. Subordinated 2005-06 TRANs may be either Fixed Rate Notes, Variable Rate Notes or other instruments, or any combination thereof. Subordinated 2005-06 TRANs may be issued, paid or redeemed and reissued under the terms of this Certificate.

ARTICLE III
GENERAL TERMS AND PROVISIONS OF 2005-06 TRANs, SERIES A

SECTION 301. Execution of 2005-06 TRANs, Series A; Authentication.

1. The 2005-06 TRANs, Series A shall be executed in the name of the County by the manual or facsimile signature of the Chair of the Board and the Executive Officer-Clerk of the Board, and the County's seal (or a facsimile thereof) shall be impressed, imprinted, engraved or otherwise reproduced thereon. No 2005-06 TRANs, Series A shall be entitled to any benefit under the Resolution or this Certificate or be valid or obligatory for any purpose, unless there appears on such 2005-06 TRANs, Series A a certificate of authentication substantially in the form provided for herein executed by the manual signature of the Paying Agent. Such certificate upon any 2005-06 TRANs, Series A shall be conclusive evidence, and the only evidence, that such 2005-06 TRANs, Series A has been duly issued, authenticated and delivered hereunder.

2. In case any one or more of the officers who shall have signed or sealed any of the 2005-06 TRANs, Series A shall cease to be such officer before the 2005-06 TRANs, Series A so signed and sealed shall have been issued, such 2005-06 TRANs, Series A so signed and sealed

may nevertheless be issued, as herein provided, as if such persons who signed or sealed such 2005-06 TRANs, Series A had not ceased to hold such offices. Any of the 2005-06 TRANs, Series A may be signed and sealed on behalf of the County by such persons as at the time of the execution of such 2005-06 TRANs, Series A shall be duly authorized to hold or shall hold the proper office in the County, although on the date borne by the 2005-06 TRANs, Series A such persons may not have been so authorized or have held such office.

SECTION 302. Negotiability, Transfer and Exchange.

1. The Note Registrar will keep at its Principal Office sufficient books for the registration and transfer of the 2005-06 TRANs, Series A as to which it serves as Note Registrar which shall at all times be open to inspection by the County, and upon presentation for such purpose the Note Registrar shall, under such reasonable regulations as it may prescribe, register or transfer 2005-06 TRANs, Series A on such books as hereinafter provided.

2. Any 2005-06 TRANs, Series A, may, in accordance with its terms, be transferred upon the Note Register by the Person in whose name it is registered, in person or by such Person's duly authorized attorney, upon surrender of such 2005-06 TRANs, Series A for cancellation at the office of the Note Registrar accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Note Registrar. Whenever any 2005-06 TRANs, Series A shall be surrendered for transfer, the County shall execute, and the Paying Agent shall authenticate and deliver new 2005-06 TRANs, Series A for a like aggregate principal amount of the same type, with the same provisions, including maturity and interest rate, and in Authorized Denominations. The Note Registrar shall require the payment by the Holder requesting such transfer of all expenses incurred by the Note Registrar and the County in connection with such transfer and any tax or other governmental charge required to be paid with respect to such transfer.

3. The County and the Paying Agent may deem and treat the Holder of any 2005-06 TRANs, Series A as the absolute owner of such 2005-06 TRANs, Series A, whether such 2005-06 TRANs, Series A shall be overdue or not, for the purpose of receiving payment thereof and for all other purposes, and all such payments so made to any such Holder or upon such Holder's order shall be valid and effective to satisfy and discharge the liability upon such 2005-06 TRANs, Series A to the extent of the sum or sums so paid, and neither the County nor any Paying Agent shall be affected by any notice to the contrary. The County agrees, to the extent permitted by law, to indemnify and save each Paying Agent harmless from and against any and all loss, cost, charge, expense, judgment or liability incurred by it, acting in good faith and without negligence under this Certificate, in so treating such Holder.

4. The 2005-06 TRANs, Series A shall not be exchangeable for other 2005-06 TRANs, Series A except as provided in Section 202, this Section 302 and Section 303.

SECTION 303. 2005-06 TRANs, Series A Mutilated, Destroyed, Stolen or Lost. In case any 2005-06 TRANs, Series A shall become mutilated or be destroyed, stolen or lost, the County shall issue new 2005-06 TRANs, Series A of like principal amount, denomination and tenor as the 2005-06 TRANs, Series A so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated 2005-06 TRANs, Series A, or in lieu of and

substitution for the 2005-06 TRANs, Series A destroyed, stolen or lost, upon the filing with the Paying Agent and the County of evidence satisfactory to the Paying Agent and the County that such 2005-06 TRANs, Series A have been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Paying Agent and the County with indemnity satisfactory to the Paying Agent and the County and complying with such other reasonable regulations as the Paying Agent and the County may prescribe and paying such expenses as the Paying Agent and the County may incur. All 2005-06 TRANs, Series A so surrendered shall be cancelled. Any such substitution for 2005-06 TRANs, Series A alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the County, whether or not the 2005-06 TRANs, Series A so alleged to be destroyed, stolen or lost be at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportionate benefits with all other 2005-06 TRANs, Series A issued under the Resolution and on the terms and conditions set forth in this Certificate, in any moneys or securities held by the County or the Paying Agent for the benefit of the Holders of the 2005-06 TRANs, Series A.

SECTION 304. Cancellation. All 2005-06 TRANs, Series A which at or after maturity are surrendered to the Paying Agent for the collection of the principal and interest thereof shall be cancelled by the Paying Agent and forthwith destroyed by the Paying Agent. The Paying Agent shall deliver to the County a certificate specifying the cancellation of such 2005-06 TRANs, Series A. In all matters provided for in this Section, the County shall act through the Treasurer.

SECTION 305. 2005-06 TRANs, Series A Held by County. If the County shall become the Holder of any 2005-06 TRANs, Series A, such 2005-06 TRANs, Series A shall no longer be deemed Outstanding and shall be surrendered to the Paying Agent for cancellation; *provided, however*, that the County shall not be deemed to be the Holder of any 2005-06 TRANs, Series A held by it in a fiduciary capacity.

ARTICLE IV
ESTABLISHMENT OF 2005-06 TRANs, SERIES A PROCEEDS FUND AND REPAYMENT FUND AND APPLICATION THEREOF

SECTION 401. Use of Proceeds of 2005-06 TRANs, Series A.

1. The Auditor-Controller is hereby directed to establish the "2005-06 TRANs, Series A Proceeds Fund." The proceeds of the sale of the 2005-06 TRANs, Series A upon original issuance shall be deposited in said 2005-06 TRANs, Series A Proceeds Fund. The County shall make disbursements from the 2005-06 TRANs, Series A Proceeds Fund to pay current Fiscal Year 2005-06 expenditures and to discharge other obligations or indebtedness of the County in accordance with Section 53852 of the Act and the instructions and agreements set forth in the Tax Certificate. Amounts on hand in the 2005-06 TRANs, Series A Proceeds Fund shall be accounted for separately from the other funds of the County and shall be invested so as to be available for the aforementioned disbursements. The Auditor-Controller shall keep a written record of all investments and investment earnings (including any investment of earnings) of amounts in the 2005-06 TRANs, Series A Proceeds Fund, as well as a written record of disbursements from the 2005-06 TRANs, Series A Proceeds Fund.

2. Without limiting the generality of Subsection 1 of this Section, the officers of the County and their authorized representatives are authorized to pay the fees and reasonable expenses incurred in connection with the authorization, sale and issuance of the 2005-06 TRANs, Series A out of moneys in the 2005-06 TRANs, Series A Proceeds Fund or any account in the General Fund of the County.

SECTION 402. Payment and Security for the 2005-06 TRANs, Series A. Pursuant to the Resolution, the Auditor-Controller has been directed to establish the "2005-06 TRANs, Series A Repayment Fund" and such subaccounts therein that the Auditor-Controller deems necessary to effectuate the purposes of the Resolution. As provided in the Act, the 2005-06 TRANs, Series A shall be payable from the taxes, income, revenue, cash receipts and other moneys of the County attributable solely to the County's Fiscal Year 2005-06 and lawfully available for the payment of the 2005-06 TRANs, Series A and interest thereon, and the Auditor-Controller is directed to deposit in the 2005-06 TRANs, Series A Repayment Fund the following amounts:

(a) the first $209,000,000 of unrestricted taxes, income, revenue, cash receipts and other moneys to be received by the County on and after [December 20, 2005];

(b) the first $ 109,000,000 of unrestricted taxes, income, revenue, cash receipts and other moneys to be received by the County on and after [January 1, 2006];

(c) the first $ 68,000,000 of unrestricted taxes, income, revenue, cash receipts and other moneys to be received by the County on and after [February 1, 2006];

(d) the first $ 73,000,000 of unrestricted taxes, income, revenue, cash receipts and other moneys to be received by the County on and after [March 1, 2006]; and

(e) the first $ 141,000,000 (plus an amount equal to (i) the interest that has accrued, less any amount of such accrued interest on the 2005-06 TRANs, Series A that has been paid by the County from funds other than from amounts on deposit in the 2005-06 TRANs, Series A Repayment Fund, and (ii) the interest that will accrue on the 2005-06 TRANs, Series A) of unrestricted taxes, income, revenue, cash receipts and other moneys to be received by the County on and after [April 20, 2006].

To the extent that any amounts received pursuant to clauses (a) through (e) above are less than the total amount designated for such deposit, the Auditor-Controller shall deposit into the 2005-06 TRANs, Series A Repayment Fund additional amounts from any other moneys of the County lawfully available therefor. To the extent any 2005-06 TRANs, Series A is not paid from the Pledged Moneys, such 2005-06 TRANs, Series A shall be paid with the interest thereon from any other moneys of the County lawfully available therefor. As provided in the Act, the 2005-06 TRANs, Series A and the interest thereon are a valid lien and charge against, and are payable from the first moneys received by the County comprising, such Pledged Moneys. The Pledged Moneys, which may be invested in Permitted Investments, shall be used to pay the 2005-06 TRANs, Series A and the interest thereon when the same shall become due and payable and may not be used for any other purpose, although earnings on amounts in the 2005-06 TRANs, Series

A Repayment Fund shall be deposited as and when received into the General Fund of the County. Any amounts remaining in the 2005-06 TRANs, Series A Repayment Fund after repayment of all the 2005-06 TRANs, Series A and the interest thereon shall be transferred to any account in the General Fund of the County as the Treasurer or his designee may direct.

The Treasurer is authorized to establish the order of payments from the 2005-06 TRANs, Series A Repayment Fund as among the 2005-06 TRANs; *provided,* that no deposit of unrestricted taxes, income, revenue, cash receipts and other moneys shall be made with respect to any Additional 2005-06 TRANs prior to the making of each of the deposits referred to in applicable paragraphs (a) through (e) above.

ARTICLE V
CERTAIN COVENANTS; EVENTS OF DEFAULT AND REMEDIES

SECTION 501. General Covenants.

1. The County shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the County under the provisions of the Act, the Resolution and this Certificate.

2. Upon the date of issuance of the 2005-06 TRANs, Series A, all conditions, acts and things required of the County by law, the Resolution and this Certificate to exist, to have happened and to have been performed precedent to and during the issuance of the 2005-06 TRANs, Series A, shall exist, shall have happened and shall have been performed, in due time, form and manner, and the issue of the 2005-06 TRANs, Series A, together with all other indebtedness of the County, shall be within every debt and other limit prescribed by the laws of the State.

3. The County shall not issue any notes, or otherwise incur any indebtedness, pursuant to the Act with respect to Fiscal Year 2005-06 in an amount which, when added to the interest payable thereon, shall exceed 85% of the estimated amount of the then-uncollected taxes, income, revenue, cash receipts and other moneys of the County which will be available for the payment of said notes or other indebtedness and the interest thereon; *provided, however,* that to the extent that any principal of or interest on such notes or other indebtedness is secured by a pledge of the amount in any inactive or term deposit of the County, the term of which will terminate during said Fiscal Year, such principal and interest may be disregarded in computing said limit.

4. The County shall provide, in a timely manner, notice to each Rating Agency that is then providing a rating for the 2005-06 TRANs, Series A of the following events:

(i) the substitution or appointment of a successor Paying Agent;

(ii) the payment in full of the principal of and interest on the 2005-06 TRANs, Series A; and

(iii) any material amendments to the Resolution, this Financing Certificate, the 2005-06 TRANs, Series A or the Official Statement.

SECTION 502. Covenants Relating to the Code. The County shall do the following with respect to the 2005-06 TRANs, Series A:

1. The County shall comply with each applicable requirement of the Code necessary to maintain the exclusion of interest on the 2005-06 TRANs, Series A from gross income for federal income tax purposes in that the County agrees to comply with the provisions of the Tax Certificate. The County shall make all calculations as provided in the Tax Certificate relating to any rebate of excess investment earnings on the 2005-06 TRANs, Series A proceeds due to the United States Department of Treasury in a reasonable and prudent fashion and shall segregate and set aside the amounts such calculations indicate may be required to be paid to the United States Department of Treasury.

2. Notwithstanding any other provisions of this Certificate to the contrary, so long as necessary to maintain the exclusion from gross income of interest on the 2005-06 TRANs, Series A for federal income tax purposes, the covenants contained in this Section shall survive the payment of the 2005-06 TRANs, Series A and the interest thereon.

3. Notwithstanding any other provision of this Certificate to the contrary, upon the County's failure to observe or refusal to comply with the covenants contained in this Section, the Holders, and any adversely affected former Holders, shall be entitled to the rights and remedies provided to Holders under this Certificate.

SECTION 503. Events of Default and Remedies.

1. The following shall be Events of Default under the Resolution and this Certificate and the term "**Event of Default**" whenever used in this Certificate shall mean any one or more of the following:

(a) default shall be made in the due and punctual payment of the principal of, or interest on, any 2005-06 TRANs, Series A when and as the same shall become due and payable;

(b) default shall be made in the performance or observance by the County of any other of the covenants, agreements or conditions required to be performed or observed by the County pursuant to the Resolution, this Certificate or any of the 2005-06 TRANs, Series A and such default shall continue for a period of 60 days after written notice thereof to the County by the Holders of not less than 10% in principal amount of the 2005-06 TRANs, Series A Outstanding; or

(c) the County shall file a petition for relief under the federal bankruptcy laws.

2. Whenever any Event of Default shall have happened and shall be continuing, the Holders, and any adversely affected former Holders, of the 2005-06 TRANs, Series A and their legal representatives, shall be entitled to take any and all actions available at law or in equity to enforce the performance of the covenants herein and in the Act. Nothing herein shall preclude an individual Holder from enforcing his or her rights to payment of principal of, or interest on, 2005-06 TRANs, Series A.

ARTICLE VI
PAYING AGENT

SECTION 601. Liability of Paying Agent. No Paying Agent makes any representations as to the validity or sufficiency of this Certificate or of any 2005-06 TRANs, Series A or as to the security afforded by the Resolution or this Certificate, and no Paying Agent shall incur any liability in respect thereof.

SECTION 602. Evidence on Which Paying Agent May Act.

1. In case at any time it shall be necessary or desirable for the Paying Agent to make any investigation respecting any fact preparatory to taking or not taking any action, or doing or not doing anything, as such Paying Agent, and in any case in which this Certificate provides for permitting or taking any action, it may rely upon any notice, resolution, request, consent, order, waiver, statement, certificate, report, opinion, bond or other paper or document to be furnished to it under the provisions of this Certificate, and any such instrument shall be evidence of such fact to protect it in any action that it may or may not take, or in respect of anything it may or may not do, acting reasonably and in good faith, by reason of the supposed existence of such fact.

2. The Paying Agent shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Certificate, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, bond or other paper or document which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or person, or to have been prepared and furnished pursuant to any of the provisions of this Certificate or at the sole cost and expense of the County with the prior written consent of the County, and when determined necessary in the reasonable discretion of the Paying Agent, as the case may be, upon the written opinion of any attorney (who may be an attorney for the County or an employee of the County) believed by the Paying Agent, to be qualified in relation to the subject matter.

SECTION 603. Compensation.

1. The County shall pay to each Paying Agent from time to time such compensation as may be agreed upon in writing by the County and such Paying Agent for all services rendered under this Certificate.

2. To the extent permitted by law and approved by the Treasurer, the County may indemnify the Paying Agent and hold it harmless, against any loss, liability or reasonable expense (including the costs and expenses of its counsel and of investigating and defending against any claim of liability) arising out of or in connection with its acting as Paying Agent under this Agreement; *provided, however,* that the Paying Agent shall not be indemnified for or held harmless against any such loss, liability or expense resulting from its negligence, willful misconduct or bad faith. The provision of this subsection (2) of Section 603 shall remain in full force and effect notwithstanding the resignation or removal of any Paying Agent or the termination of this Certificate.

3. Nothing in this Certificate shall require or obligate the Paying Agent to advance, expend or risk its own funds or otherwise to incur any personal financial liability in the performance or exercise of any of its duties or rights hereunder and the Paying Agent shall be fully justified and protected in taking or refusing to take any action under this Certificate or the 2005-06 TRANs, Series A unless it shall first be indemnified against any and all liability and expense which may be incurred by it by reason of such taking or refusing to take any such action (other than any liability or expense resulting from its negligence, willful misconduct or bad faith). Notwithstanding the foregoing, the Paying Agent shall not require indemnification prior to the making, when due, of any payment required at the maturity of the 2005-06 TRANs.

SECTION 604. Ownership of the 2005-06 TRANs, Series A Permitted. Subject to Section 305, any Paying Agent may become the Holder of any 2005-06 TRANs, Series A.

SECTION 605. Registration or Removal of Paying Agent and Appointment of Successor.

1. Any Paying Agent may at any time resign and be discharged of the duties and obligations created by this Certificate by giving at least 60 days' written notice to the County. Any Paying Agent may be removed at any time by an instrument filed with such Paying Agent and signed by the County. A successor Paying Agent may be appointed by the County and shall be a commercial bank with trust powers or a trust company organized under the laws of any state of the United States or a national banking association, having capital stock and surplus aggregating at least $100,000,000, and willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Certificate. For purposes of this Section, a commercial bank with trust powers or a trust company shall be deemed to have capital stock and surplus aggregating at least $100,000,000 if it is a wholly-owned subsidiary of a corporation having capital stock and surplus aggregating at least $100,000,000 and such corporation provides a written guaranty, in form and substance satisfactory to the County, of the performance by the bank or trust company of its obligations as Paying Agent hereunder. Such Paying Agent shall signify the acceptance of its duties and obligations hereunder by executing and delivering to the County a written acceptance thereof. Resignation or removal of a Paying Agent shall be effective upon appointment and acceptance of a successor Paying Agent.

2. In the event of the resignation or removal of a Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it to its successor. In no event shall the resignation or removal of the Paying Agent become effective prior to the assumption of such resigning or removed Paying Agent's duties and obligations by a successor Paying Agent.

SECTION 606. References to Paying Agent. References in this Article VI to a Paying Agent shall be deemed to refer to each Paying Agent other than the Treasurer.

ARTICLE VII
SUPPLEMENTAL RESOLUTIONS AND CERTIFICATES

SECTION 701. Supplemental Resolutions and Certificates Effective Without Consent of Holders. A Supplemental Resolution of the County may be adopted, or a Supplemental Certificate may be executed, for any one or more of the following purposes, which, without the requirement of consent of Holders, shall be fully effective in accordance with its terms:

(a) to add to the covenants and agreements of the County in the Resolution or this Certificate, as the case may be, other covenants and agreements to be observed by the County which are not contrary to or inconsistent with the Resolution or this Certificate as theretofore in effect;

(b) to add to the limitations and restrictions in the Resolution or this Certificate as the case may be, other limitations and restrictions to be observed by the County which are not contrary to or inconsistent with the Resolution or this Certificate as theretofore in effect;

(c) to confirm as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by, the Resolution or this Certificate, of any moneys, securities or funds, or to establish any additional funds or accounts to be held under the Resolution or this Certificate;

(d) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Resolution or this Certificate, as the case may be, as theretofore in effect;

(e) to supplement or amend the Resolution or this Certificate, as the case may be, in any other respect as required to obtain a rating for the 2005-06 TRANs, Series A, or any portion thereof, from any Rating Agency; *provided,* that the County obtains an Opinion of Bond Counsel to the effect that such Supplemental Resolution or Supplemental Certificate does not adversely affect the interests of the Holders;

(f) to supplement or amend the Resolution or this Certificate, as the case may be, in order to provide security for the repayment of any Additional 2005-06 TRANs; or

(g) to supplement or amend the Resolution or this Certificate, as the case may be, in any other respect, provided that the County obtains an Opinion of Bond Counsel to the effect that such Supplemental Resolution or Supplemental Certificate does not adversely affect the interests of the Holders.

SECTION 702. Supplemental Certificate. Except as provided in Section 701, any amendment of or supplement to this Certificate and of the rights and obligations of the County and of the Holders of the 2005-06 TRANs, Series A under this Certificate, in any particular, may be made by a Supplemental Certificate and with the written consent of the

Holders of at least a majority in principal amount of the 2005-06 TRANs, Series A Outstanding at the time such consent is given; *provided, however,* that if such supplement or amendment will, by its terms, not take effect so long as any 2005-06 TRANs, Series A remain Outstanding, the consent of the Holders of such 2005-06 TRANs, Series A shall not be required. No such supplement or amendment shall permit a change in the terms of maturity of the principal of any 2005-06 TRANs, Series A or of the then applicable interest rate thereon or a reduction in the principal amount thereof, or shall change the dates or amounts of the pledges set forth in Section 402, or shall reduce the percentage of Holders required to approve any such Supplemental Certificate, without the consent of all of the Holders of affected 2005-06 TRANs, Series A, nor shall any such amendment change or modify any of the rights or obligations of any Paying Agent, if applicable, without its written consent thereto. The County shall provide the Rating Agencies notice of any Supplemental Certificate or Supplemental Resolution.

SECTION 703. Additional 2005-06 TRANs. The County may from time to time, by a supplement or amendment to this Certificate, provide for the issuance of Additional 2005-06 TRANs authorized pursuant to the Resolution and in accordance with the terms of this Certificate.

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ARTICLE VIII
MISCELLANEOUS

SECTION 801. Moneys Held in Trust for One Year. Anything in this Certificate to the contrary notwithstanding, any moneys held in trust for the payment and discharge of any of the 2005-06 TRANs, Series A which remain unclaimed for a period of one year after the date when the 2005-06 TRANs, Series A have become due and payable, if such moneys were so held at such date, or for one year after the date of deposit of such moneys if deposited after the date when the 2005-06 TRANs, Series A became due and payable, shall be repaid to the County, as its absolute property and free from trust, and the Holders shall thereafter look only to the County for the payment of the 2005-06 TRANs, Series A from lawfully available funds; *provided, however,* that before any such payment is made to the County, the County shall create (and shall thereafter maintain until payment of all of the 2005-06 TRANs) a record of the amount so repaid, and the County shall cause to be published at least twice, at any interval of not less than seven days between publications, in the Authorized Newspapers, a notice that said moneys remain unclaimed and that, after a date named in said notice, which date shall be not less than 30 days after the date of the first publication of such notice, the balance of such moneys then unclaimed will be returned to the County.

IN WITNESS WHEREOF, I have hereunto set my hand this 1st day of July, 2005.

COUNTY OF LOS ANGELES, CALIFORNIA

_____

MARK J. SALADINO
Treasurer and Tax Collector

EXHIBIT I TO FINANCING CERTIFICATE

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (**"DTC"**), TO ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

[FORM OF 2005-06 TRANs, SERIES A]

United States of America
State of California
COUNTY OF LOS ANGELES
2005-06 TAX AND REVENUE ANTICIPATION NOTE, SERIES A

Number	Interest Rate	Dated Date	Maturity	CUSIP Number
_____	**X.XX**%	July 1, 2005	June 30, 2006	

Registered Owner: Cede & Co.

Principal Amount:

The County of Los Angeles, a political subdivision of the State of California (herein called the "**County**"), acknowledges itself indebted to, and for value received hereby promises to pay to, the Registered Owner hereof, or registered assigns, on the Maturity Date specified above, upon presentation and surrender of this note at the Principal Office of the Treasurer and Tax Collector of the County, as Paying Agent (the **"Paying Agent"**), or at the Principal Office of any successor Paying Agent, in lawful money of the United States of America, the Principal Amount specified above together with interest thereon from the Dated Date specified above at the Interest Rate per annum specified above. If so surrendered to the Paying Agent at or prior to 12:00 noon, New York City time, on any Business Day on or after the Maturity Date specified above, such Principal Amount and interest shall be paid in funds immediately available on such Business Day. If so surrendered to the Paying Agent after 12:00 noon, New York City time, on any Business Day on or after the Maturity Date specified above, such Principal Amount and Interest shall be paid on the next succeeding Business Day in funds immediately available on such succeeding Business Day. Interest on this Note shall accrue from the Dated Date set forth above and shall be computed on the basis of a 360-day year comprised of 12 months of 30 days each payable at maturity.

This Note is one of a duly authorized issue of notes of the County designated as its "2005-06 Tax and Revenue Anticipation Notes, Series A"(her ein called the "**Notes**"), in an aggregate principal amount not to exceed **[$600,000,000]** issued under and in full compliance with the Constitution and statutes of the State of California, particularly Article 7.6 of Chapter 4, Part 1, Division 2, Title 5 of the California Government Code being Sections 53850 to 53858, inclusive, as amended (the "**Act**") and under and pursuant to the resolution of the Board of Supervisors of the County, adopted **[May 17, 2005]**, entitled "Resolution of the Board of Supervisors of the County of Los Angeles, California Providing for the Issuance and Sale of 2005-06 Tax and Revenue Anticipation Notes in an Aggregate Principal Amount Not to Exceed **[$1,100,000,000]**" (such resolution, as the same may be amended or supplemented from time to time, is herein called the "**Resolution**"), and are issued on the terms and conditions set forth in the Financing Certificate, dated July 1, 2005, entitled "Financing Certificate Providing for the Terms and Conditions of Issuance and Sale of 2005-06 Tax and Revenue Anticipation Notes, Series A" (such Certificate, as the same may be amended or supplemented from time to time, is herein called the "**Certificate**"). Capitalized terms used and not otherwise defined shall have the meanings given such terms in the Certificate. Copies of the Resolution and the Certificate are on file at the office of the Executive Officer-Clerk of the Board of Supervisors, and reference to the Resolution and any and all supplements thereto and modifications and amendments thereof, to the Certificate and any and all supplements thereto and modifications and amendments thereof, and to the Act is made for a complete statement of such terms and conditions.

The Notes and the interest thereon are ratably secured by a pledge by the County of certain taxes, income, revenue, cash receipts and other moneys attributable solely to the County's Fiscal Year 2005-06. In accordance with California law, the Notes are general obligations of the County but payable solely from taxes, income, revenues, cash receipts and other money attributable to Fiscal Year 2005-06, and, to the extent not paid from taxes, income, revenue, cash receipts and other moneys of the County pledged for the repayment thereof, shall be paid with the interest thereon from other moneys of the County lawfully available therefor.

This Note is transferable, as provided in the Certificate, only upon a register to be kept for that purpose at the office of the Registrar by the Registered Owner hereof in person or by such owner's duly authorized attorney, upon surrender of this Note together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Owner or such owner's duly authorized attorney, and thereupon a new fully registered note or notes of the same series and maturity and in the same aggregate Principal Amount will be issued to the transferee in exchange therefor as provided in the Certificate upon payment of the charges therein prescribed. The County and the Registrar shall treat the person in whose name this Note is registered as the absolute owner hereof for all purposes whether or not this note shall be overdue, and the County and the Registrar shall not be affected by any notice to the contrary.

The Notes may not be exchanged for other Notes except as provided in the Certificate.

To the extent and in the manner permitted by the terms of the Resolution, the provisions of the Resolution and the Certificate, or any supplemental resolution amending the Resolution and the Certificate, may be amended by the County; *provided, however,* that no such amendment shall permit a change in the terms of maturity of the principal of any Note or of the then prevailing interest thereon or a reduction in the principal amount thereof without the consent of the owners of such Notes or shall reduce the percentage of Notes the consent of the owners of which is required to effect any such amendment or change the dates or amounts of the pledges set forth in the Resolution.

It is hereby certified and recited that all conditions, acts and things required by law and the Resolution and the Certificate to exist, to have happened and to have been performed precedent to and during the issuance of the Notes, do exist, have happened and have been performed, in due time, form and manner, as required by law and the Resolution and the Certificate, and that the Notes, together with all other indebtedness of the County, is within every debt and other limit prescribed by the laws of the State of California.

IN WITNESS WHEREOF, THE COUNTY OF LOS ANGELES has caused this note to be signed in its name and on its behalf by the manual or facsimile signature of the Chair of the Board of Supervisors of the County and the Executive Officer - Clerk of the Board of Supervisors and its seal (or a facsimile thereof) to be hereunto affixed, imprinted, engraved or otherwise reproduced, as of the Dated Date set forth above.

COUNTY OF LOS ANGELES

(SEAL)

By _____
GLORIA MOLINA
Chair of the Board of Supervisors

By _____
VIOLET VARONA-LUKENS
Executive Officer-Clerk of
the Board of Supervisors

CERTIFICATE OF AUTHENTICATION

This note is one of the 2005-06 TRANs, Series A delivered pursuant to the within-mentioned Resolution.

DATED: July 1, 2005

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

By _____
MARK J. SALADINO
Treasurer and Tax Collector

[FORM OF ASSIGNMENT]

For value received _____ hereby sell(s), assign(s) and transfer(s) unto _____ the within Note and hereby irrevocably constitute(s) and appoint(s)_____ attorney, to transfer the same on the Note Register of the Paying Agent, with full power of substitution in the premises.

Dated: _____

Signature of Registered Owners: _____

Signature Guaranteed by: _____

Note: The signature on this Assignment must correspond with the name as written on the face of the within note in every particular, without alteration or enlargement or any change whatsoever and must be guaranteed by a commercial bank, trust company, or a member firm of the New York Stock Exchange.

HD&W - 5/4/05 Draft

$[600,000,000]
COUNTY OF LOS ANGELES
2005-06 TAX AND REVENUE ANTICIPATION NOTES, SERIES A

CONTRACT OF PURCHASE

June __, 2005

Board of Supervisors
County of Los Angeles
Los Angeles, California

Honorable Members of the Board of Supervisors:

The undersigned (the "Representative"), acting on behalf of itself and the other underwriters appointed by the County of Los Angeles (the "County") and listed on Appendix I hereto (the Representative and such other underwriters being collectively called the "Underwriters"), offers to enter into the following agreement with the County which, upon the County's written acceptance of this offer, will be binding upon the County and upon the Underwriters. This offer is made subject to the County's written acceptance hereof on or before 5:00 p.m., Los Angeles time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriters upon notice delivered to the County at any time prior to the acceptance hereof by the County.

1. **Purchase and Sale of the Notes**. Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriters agree to purchase from the County, and the County agrees to sell and deliver to the Underwriters, all, but not less than all, of the County's $[600,000,000] 2005-06 Tax and Revenue Anticipation Notes, Series A (the "Notes"), issued pursuant to a resolution adopted by the Board of Supervisors of the County on May 17, 2005, and entitled "Resolution of the Board of Supervisors of the County of Los Angeles, California Providing for the Issuance and Sale of 2005-06 Tax and Revenue Anticipation Notes in an Aggregate Principal Amount Not to Exceed $1,100,000,000" (the "Resolution") and subject to the terms and conditions set forth in the Financing Certificate of the Treasurer and Tax Collector of the County entitled "Financing Certificate Providing for the Terms and Conditions of Issuance and Sale of 2005-06 Tax and Revenue Anticipation Notes, Series A" (the "Certificate"). The Notes shall be dated July 1, 2005, and shall mature on June 30, 2006. The Notes shall be issued in the aggregate principal amount of $[600,000,000] and shall bear interest at the rate of __% percent per annum.

The purchase price for the Notes shall be $_____ (representing the principal amount of the Notes of $[600,000,000], plus original issue premium of $_____, less Underwriters' discount of $_____).

The Preliminary Official Statement of the County, dated June 1, 2005, including the cover page and Appendices thereto, relating to the Notes (together with any documents incorporated therein by reference and any supplements or amendments thereto, and as disseminated in its printed physical form or in electronic form materially consistent with such physical form, the "Preliminary Official Statement"), as amended to conform to the terms of this

Contract of Purchase and with such changes and amendments to the date hereof as have been mutually agreed to in accordance with Section 4(b)(iii) hereof is hereinafter called the "Official Statement."

2. **The Notes and the Official Statement.**

(a) The Notes shall be as described in the Certificate, and shall be issued and secured under and pursuant to the provisions of Article 7.6, Chapter 4, Part 1, Division 2, Title 5 (commencing with Section 53850) of the Government Code of the State of California (the "Act") and the Resolution.

(b) On or prior to the date of mailing or electronic distribution of the Preliminary Official Statement by the Underwriters, the County shall have delivered to the Representative a certificate pursuant to which the Treasurer and Tax Collector or his authorized representative certifies on behalf of the County that such Preliminary Official Statement is deemed final by the County as of the date thereof, except for the omission of such information which is permitted to be excluded by Rule 15c2-12 under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12").

(c) Unless otherwise notified in writing by the Representative, the County can assume that the "end of the underwriting period" for purposes of Rule 15c2-12 shall be the Closing Date.

3. **Sale to Underwriters; Certain Agreements of the Underwriters.**

(a) It shall be a condition to the County's obligations to sell and deliver the Notes to the Underwriters and to the Underwriters' obligations to purchase, to accept delivery of and to pay for the Notes that the entire principal amount of the Notes shall be issued, sold and delivered by the County and purchased, accepted and paid for by the Underwriters at the Closing. The Underwriters agree to make a bona fide public offering of all the Notes at a price not in excess of the initial offering price or yield set forth on the cover page of the Official Statement, plus interest accrued thereon (if any) from the date of the Notes. Subsequent to such initial public offering, the Underwriters reserve the right to change such initial public offering price or yield as they deem necessary in connection with the marketing of the Notes.

(b) The Underwriters agree as follows:

(i) To file, on or before the Closing Date (as hereinafter defined), a copy of the Official Statement, including any supplements thereto, with a Nationally Recognized Municipal Securities Information Repository (as defined in Rule 15c2-12 under the Securities Exchange Act of 1934, as amended); and

(ii) to take any and all other actions necessary to comply with rules of the Securities and Exchange Commission and Municipal Securities Rulemaking Board which are applicable to the Underwriters governing the offering, sale and delivery of the Notes to the ultimate purchasers.

4. **Use of Documents; Certain Covenants and Agreements of the County.**

(a) The County authorizes the use by the Underwriters of the Resolution, the Certificate and the Official Statement, including any supplements or amendments thereto, and the information therein contained in connection with the public offering and sale of the Notes. The County ratifies and confirms the use by the Underwriters prior to the date hereof of the Preliminary Official Statement in connection with the public offering of the Notes;

(b) The County covenants and agrees:

(i) To cause to be made available to the Underwriters such reasonable quantities of the Official Statement (not to exceed 700 copies) as the Underwriters may request for use in connection with the offering and sale of the Notes, without charge, within seven (7) business days of the date hereof and, in the event the Closing Date is less than seven (7) business days after the date hereof, upon request of the Representative, in sufficient time to accompany any confirmation requesting payment from any customers of any Underwriter; provided, however, that the failure of the County to comply with this clause (i) due to any circumstance outside of the control of the County shall not constitute cause for a failure of or refusal by the Underwriters to accept delivery of, or pay for, the Notes;

(ii) To apply the proceeds from the sale of the Notes as provided in the Resolution and the Certificate subject to all of the terms and provisions of the Resolution and the Certificate and not knowingly to take or omit to take any action which action or omission will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Notes, in that the County agrees to comply with the provisions of the Nonarbitrage Certificate executed by the County at the time of delivery of the Notes;

(iii) If, after the date of this Contract of Purchase and until the earlier of (A) twenty-five (25) days after the "end of the underwriting period" (as defined in Rule 15c2-12) or (B) ninety (90) days after the Closing, any event shall occur as a result of which it is necessary to amend or supplement the Official Statement in the opinion of the County or the Representative in order to make the statements therein, in the light of the circumstances when the Official Statement is delivered to a purchaser, not misleading, or if it is necessary to amend or supplement the Official Statement to comply with law, to notify the Representative (and for the purposes of this clause (iii) to provide the Underwriters with such information as they may from time to time request), and to forthwith prepare and furnish, at its own expense (in a form and manner approved by the Representative), a reasonable number of copies of either amendments or supplements to the Official Statement so that the statements in the Official Statement as so amended and supplemented will not, in the light of the circumstances when the Official Statement is delivered to a purchaser, be misleading or so that the Official Statement will comply with all applicable laws;

(iv) To furnish such information and execute such instruments and take such action in cooperation with the Representative as the Representative may reasonably request (A) to (a) qualify the Notes for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions in the United States as the Representative may designate and (b) determine the eligibility of the Notes for investment under the laws of such

states and other jurisdictions and (B) to continue such qualifications in effect so long as required for the distribution of the Notes; provided, however, that the County will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any state;

(v) To advise the Representative immediately of receipt by the County of any notification with respect to the suspension of the qualification of the Notes for sale in any jurisdiction or the initiation or threat of any proceeding for that purpose;

(vi) To furnish to the Representative, (A) in a timely manner, 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) adverse tax opinions or events affecting the tax-exempt status of the Notes; (4) modifications to rights of Note holders; and (5) rating changes, and (B) from time to time, any additional information as the Representative may reasonably request.

5. **Representations and Warranties of the County**. The County represents and warrants to each of the Underwriters, as of the date hereof, as follows:

(a) The County is a political subdivision duly created and validly existing under the Constitution and the laws of the State of California (the "State"), and has full legal right, power and authority under the Resolution, and at the date of the Closing will have full legal right, power and authority under the Act and the Resolution (i) to enter into this Contract of Purchase, to execute the Certificate and to adopt the Resolution, (ii) to sell, issue and deliver the Notes to the Underwriters as provided herein, and (iii) to carry out and consummate the transactions contemplated by this Contract of Purchase, the Resolution, the Certificate and the Official Statement; and the County has complied, and will at the Closing be in compliance in all respects, with the terms of the Act and the Resolution as they pertain to such transactions;

(b) By all necessary official action of the County prior to or concurrently with the acceptance hereof, the County has duly adopted the Resolution, has duly authorized and approved the execution and delivery of, and the performance by the County of the obligations on its part contained in, the Notes, the Resolution, the Certificate and this Contract of Purchase, and the consummation by it of all other transactions contemplated by the Official Statement, the Resolution, the Certificate and this Contract of Purchase; the Resolution, the Certificate and this Contract of Purchase, assuming due authorization, execution and delivery by the Representative, constitute legal, valid and binding obligations of the County, enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws relating to or affecting the enforcement of creditors' rights and the application of general principles of equity if equitable remedies are sought; the Notes, when issued, authenticated and delivered to the Underwriters in accordance with the Resolution, the Certificate, and this Contract of Purchase will constitute legal, valid and binding general obligations of the County entitled to the benefits of, and payable from sources specified in, the Resolution and enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws relating to or affecting the enforcement of creditors' rights and the application of the general principles of equity if equitable remedies are sought; upon the issuance, authentication and delivery of the Notes, the Resolution will provide,

for the benefit of the registered owners from time to time of the Notes, the legal, valid and binding pledge of and lien on the Pledged Moneys (as defined in the Certificate) it purports to create, subject only to the provisions of the Resolution and the Certificate permitting the application thereof on the terms and conditions set forth in the Resolution and the Certificate;

(c) To the best knowledge of the County, the County is not in material breach of or default under any loan agreement, indenture, bond or note, or other instrument evidencing any indebtedness or other material financial obligation of the County to which the County is a party, and no event has occurred and is continuing which constitutes or with the passage of time or the giving of notice, or both, would constitute a material default or event of default by the County under any such instrument; and the execution and delivery of the Notes, the Certificate and this Contract of Purchase and the adoption of the Resolution and compliance with the provisions on the County's part contained therein, will not in any material respect conflict with or constitute a breach or default under any State constitutional provision, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, ordinance, resolution, agreement or other instrument to which the County is a party, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the County or under the terms of any such law, regulation or instrument, except as provided by the Notes and the Resolution;

(d) All authorizations, approvals, licenses, permits, consents and orders of any State governmental authority, legislative body, board, agency or commission having jurisdiction of the matters which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect the due performance by the County of its obligations under, this Contract of Purchase, the Resolution, the Certificate and the Notes have been duly obtained, except for such approvals, consents and orders as are stated in the Official Statement as yet to be obtained or as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Notes;

(e) The Notes conform to the description thereof contained in the Official Statement under the caption "THE NOTES," the Resolution conforms to the description thereof contained in the Official Statement under the caption "SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION AND THE FINANCING CERTIFICATE" and the proceeds of the sale of the Notes will be applied generally as described in the Official Statement under the caption "THE NOTES - Purpose of Issue";

(f) To the best knowledge of the County, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or threatened against the County, affecting the corporate existence of the County or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Notes or the pledge of and lien on the Pledged Moneys (as defined in the Certificate) of the County pursuant to the Resolution or in any way contesting or affecting the validity or enforceability of the Notes, the Resolution, the Certificate or this Contract of Purchase, or contesting the exclusion from gross income of interest on the Notes for federal income tax purposes, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment

thereof, or contesting the powers of the County or any authority for the issuance of the Notes, the adoption of the Resolution or the execution and delivery of this Contract of Purchase and the Certificate, nor is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Notes, the Resolution, the Certificate or this Contract of Purchase;

(g) As of the date thereof, the Preliminary Official Statement did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(h) At the time of the County's acceptance hereof and (unless an event occurs of the nature described in clause (iii) of Section 4(b)) at all times subsequent thereto during the period up to and including the earlier of (A) twenty-five (25) days subsequent to the "end of the underwriting period" (as defined in Rule 15c2-12) or (B) ninety (90) days after the Closing, the Official Statement does not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(i) If the Official Statement is supplemented or amended pursuant to clause (iii) of Section 4(b), at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the period up to and including the earlier of (A) twenty-five (25) days subsequent to the "end of the underwriting period" (as defined in Rule 15c2-12) or (B) ninety (90) days after the Closing, the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and

(j) The financial statements of, and other financial information regarding, the County in the Official Statement fairly present the financial position and results of the operations of the County as of the dates and for the periods therein set forth and (i) except as noted under the heading "Notes to Financial Statements" in Appendix B to the Official Statement, the audited financial statements have been prepared in accordance with generally accepted accounting principles consistently applied, and (ii) the other financial information with respect to the County has been determined on the basis substantially consistent with that of the County's audited financial statements included in the Official Statement.

6. **Closing.**

(a) At 8:00 a.m., Los Angeles time, on July 1, 2005, or at such other time and date as shall have been mutually agreed upon by the County and the Representative (the "Closing Date"), the County will, subject to the terms and conditions hereof, deliver the Notes to the Representative duly executed and authenticated, together with the other documents hereinafter mentioned, and the Representative will, subject to the terms and conditions hereof, accept such delivery and pay the purchase price of the Notes as set forth in Section 1 hereof by Federal Reserve wire of immediately available funds payable to the order of the County.

(b) Delivery of the Notes shall be made at, or, in accordance with the operating procedures thereof, through, The Depository Trust Company, New York, New York. The Notes shall be delivered in fully registered form, without coupons, bearing CUSIP number(s) and registered in the name of Cede & Co. and shall be made available to the Representative at least one (1) business day before the Closing for purposes of inspection. Notwithstanding the foregoing, neither the failure to print CUSIP numbers on any Note nor any error with respect thereto shall constitute cause for failure or refusal by the Underwriters to accept delivery of and pay for the Notes on the Closing Date in accordance with the terms of this Contract of Purchase.

7. **Closing Conditions**. The Representative has entered into this Contract of Purchase on behalf of itself and the other Underwriters in reliance upon the representations, warranties and agreements of the County contained herein, and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the County of its obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriters' obligations under this Contract of Purchase to purchase, to accept delivery of and to pay for the Notes shall be conditioned upon the performance by the County of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions:

(a) The representations and warranties of the County contained herein shall be true, complete and correct on the date hereof and on and as of the date of the Closing, as if made on the date of the Closing;

(b) At the time of the Closing, the Resolution and the Certificate shall be in full force and effect and shall not have been amended, modified or supplemented and the Official Statement shall not have been supplemented or amended, except in any such case as may have been agreed to by the Representative;

(c) At the time of the Closing, all official action of the County relating to this Contract of Purchase, the Notes, the Certificate and the Resolution shall be in full force and effect and shall not have been amended, modified or supplemented; and the Representative shall have received, in appropriate form, evidence thereof;

(d) At the time of the Closing, there shall not have occurred any change to the condition, financial or otherwise, or in the earnings or operations of the County, nor shall the Board of Supervisors or the Legislature of the State of California have taken official action that would prospectively result in a change in the condition, financial or otherwise, or in the earnings or operations of the County; from that set forth in the Official Statement that shall have a material and adverse effect and that makes it, in the judgment of the Representative, impracticable to market the Notes on the terms and in the manner contemplated in the Official Statement; and

(e) At or prior to the Closing, the Representative shall have received copies of each of the following documents:

(i) The Official Statement, and each supplement or amendment, if any, thereto;

(ii) Certified copies of the Resolution and the Certificate, having been duly adopted or executed by the County and as being in full force and effect, with such supplements or amendments as may have been agreed to by the Representative acting in good faith;

(iii) An approving opinion, dated the Closing Date, of Nixon Peabody LLP, Bond Counsel, addressed to the County and on which the Underwriters may rely, substantially in the form attached to the Official Statement as Appendix C;

(iv) A supplemental opinion of Bond Counsel, addressed to the County and the Representative, dated the Closing Date, in substantially the form of Exhibit B hereto;

(v) An opinion, dated the Closing Date, of Counsel to the County and addressed to the Representative, in substantially the form of Exhibit C hereto;

(vi) An opinion, dated the Closing Date, of Hawkins Delafield & Wood LLP, counsel for the Underwriters and addressed to the Representative, in substantially the form of Exhibit D hereto;

(vii) Evidence satisfactory to the Underwriters that the Notes shall have been rated not less than "___" by Moody's Investors Service, "___" by Standard & Poor's, and "___" by Fitch Ratings, and that none of such ratings has been revoked, suspended or downgraded;

(viii) A Nonarbitrage Certificate of the County, in form satisfactory to Bond Counsel, signed by an authorized officer or designee of the County;

(ix) A certificate of the County in substantially the form of Exhibit A hereto;

(x) Evidence that the federal tax information return Form 8038-G has been prepared;

(xi) Evidence of required filings with the California Debt and Investment Advisory Commission; and

(xii) Such additional legal opinions, certificates, instruments and other documents as the Representative or counsel to the Underwriters may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the date of the Closing, of the County's representations and warranties contained herein and of the statements and information contained in the Official Statement and the due performance or satisfaction by the County on or prior to the date of the Closing of all the respective agreements then to be performed and conditions then to be satisfied by the County.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Contract of Purchase shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Representative.

If the County shall be unable to satisfy the conditions to the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Notes contained in this Contract of Purchase, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Notes shall be terminated for any reason permitted by this Contract of Purchase, this Contract of Purchase shall terminate and neither the Underwriters nor the County shall be under any further obligation hereunder, except that the respective obligations of the County and the Underwriters set forth in Section 9 hereof shall continue in full force and effect.

8. **Termination**. The Representative shall have the right to terminate in its absolute discretion the Underwriters' obligations under this Contract of Purchase to purchase, to accept delivery of and to pay for the Notes by notifying the County of its election to do so if, after the execution hereof and prior to the Closing:

(a) Legislation shall be enacted by the Congress of the United States or favorably reported out for passage to either House of Congress by any committee of such House, or passed by either House of Congress, or a decision shall have been rendered by a court of the United States or the United States Tax Court, or a ruling shall have been made or a regulation shall have been proposed or made by the Treasury Department of the United States or the Internal Revenue Service, with respect to the federal taxation of interest received on or evidenced by obligations of the general character of the Notes, which, in the opinion of Bond Counsel has, or will have, the effect of making such interest subject to inclusion in gross income for purposes of federal income taxation, except to the extent such interest shall be includable in such gross income as of the date hereof;

(b) any action shall have been taken by the Securities and Exchange Commission or by a court which would require registration of any security under the Securities Act of 1933, as amended, or qualification of any indenture under the Trust Indenture Act of 1939, as amended, in connection with the public offering of the Notes, or any action shall have been taken by any court or by any government authority suspending the use of the Official Statement or any amendment or supplement thereto, or any proceeding for that purpose shall have been initiated or threatened in any such court or by any such authority;

(c) (i) the Constitution of the State shall be amended or an amendment shall qualify for the ballot, or (ii) legislation shall be enacted, or (iii) a decision shall have been rendered as to matters of State law, or (iv) any order, ruling or regulation shall have been issued or proposed by or on behalf of the State by an official, agency or department thereof, affecting the tax status of the County, its property or income, its notes or bonds (including the Notes) or the interest thereon, which in the reasonable judgment of the Representative would make it impracticable to market the Notes on the terms and in the manner contemplated in the Official Statement;

(d) (i) trading of any securities of the County shall have been suspended on any exchange or in any over-the-counter market, (ii) a general banking moratorium by Federal, New York or California authorities or a general suspension of trading on any national securities exchange shall have been declared, or (iii) war shall have been declared or there shall have occurred an engagement in major military hostilities by the United States or any calamity relating to the effective operation of the government or the financial community in the United States which, in the case of any of the events specified in clauses (i) through (iii), either singly or

together with any other such event, makes it, in the reasonable judgment of the Representative, impracticable to market the Notes on the terms and in the manner contemplated in the Official Statement;

(e) there shall have occurred any downgrading, or any notice shall have been given of (i) any intended or potential downgrading or (ii) any review or possible change that does not indicate the direction of a possible change, in the rating accorded the Notes by any "nationally recognized statistical rating organization," as such term is defined for purposes of Rule 436(g)(2) under the Securities Act of 1933, as amended; or

(f) the purchase of and payment for the Notes by the Underwriters, or the resale of the Notes by the Underwriters, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission.

9. **Expenses**.

(a) The Underwriters shall be under no obligation to pay, and the County shall pay, any expenses incident to the performance of the County's obligations hereunder, including, but not limited to (i) the cost of preparation, printing and delivery of the Preliminary Official Statement and the Official Statement; (ii) the cost of preparation and printing of the Notes; (iii) the fees and disbursements of Bond Counsel; (iv) the fees and disbursements of any other experts, consultants or advisers retained by the County; and (v) the fees, if any, for ratings.

(b) The Underwriters shall pay (i) the fees and disbursements of counsel retained by the Representative, including such costs related to the preparation and printing of this Contract of Purchase and the Agreement Among Underwriters, if any, related to the Notes, and the reasonable cost of preparation and printing or duplication of any Blue Sky Survey and Legal Investment Memorandum relating to the Notes; (ii) fees of the California Debt and Investment Advisory Commission; (iii) costs related to Munifacts wire services, CUSIP subscription and Depository Trust Company fees; and (iv) out-of-pocket and miscellaneous costs of the Representative. The Underwriters shall pay (1) all advertising expenses in connection with the public offering of the Notes; (2) all expenses incurred in qualifying the Notes for sale under state securities laws; and (3) all other expenses incurred by them in connection with the public offering of the Notes.

(c) Even if this Contract of Purchase shall be terminated by the Underwriters because of any failure or refusal on the part of the County to comply with the terms or to fulfill any of the conditions of this Contract of Purchase, or if for any reason the County shall be unable to perform its obligations under this Contract of Purchase, the County will not reimburse the Underwriters for expenses incurred in connection with the authorization and marketing of the Notes.

10. **Notices**. Any notice or other communication to be given to the County under this Contract of Purchase may be given by delivering the same in writing to County of Los Angeles, Office of the Treasurer and Tax Collector, 437 Kenneth Hahn Hall of Administration, 500 West Temple Street, Los Angeles, California 90012, Attention: Treasurer and Tax Collector, and any notice or other communication to be given to the Underwriters under this Contract of Purchase

may be given by delivering the same in writing to Banc of America Securities LLC, 300 South Grand Avenue, 19th Floor, Department 7829, Los Angeles, California 90071, Attention: David L. Johnson.

11. **Parties in Interest**. This Contract of Purchase shall constitute the entire agreement between the County and the Underwriters and is made solely for the benefit of the County and the Underwriters (including successors or assigns of any Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof. This Contract of Purchase may be assigned by the County. Any remedy which the Underwriters may have at law or in equity by reason of the breach of any representation or warranty of the County made herein shall not expire upon, nor be limited by, (i) delivery of and payment for the Notes pursuant to this Contract of Purchase, (ii) any investigations made by or on behalf of any of the Underwriters or (iii) termination of this Contract of Purchase; provided, however, that such representations and warranties are made only as of the date of the Contract of Purchase and as of the date of the Closing and are not continuing.

12. **Effectiveness**. This Contract of Purchase shall become effective upon the acceptance hereof by the County and shall be valid and enforceable at the time of such acceptance.

13. **Choice of Law**. This Contract of Purchase shall be governed by and construed in accordance with the law of the State of California applicable to contracts made and performed in such State.

14. **Representative Capacity**. Any authority, right, discretion or other power conferred upon the Underwriters or the Representative under any provision of this Contract of Purchase may be exercised by the Representative on behalf of the Underwriters, and the County shall be entitled to rely upon any request, notice or statement if the same shall have been given or made by the Representative. The Representative represents that it has been duly authorized by the Underwriters to execute this Contract of Purchase and to act hereunder on their behalf and to take such action as it may deem advisable in respect of all matters pertaining to this Contract of Purchase.

15. **Severability**. If any provision of this Contract of Purchase shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provisions of any Constitution, statute, rule of public policy or for any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Contract of Purchase invalid, inoperative or unenforceable to any extent whatever.

16. **Business Day**. For purposes of this Contract of Purchase, "business day" means a day other than (i) a Saturday or Sunday or (ii) a day on which commercial banks in Los Angeles, California or New York, New York are authorized or required by law or executive order to close or (iii) a day on which the New York Stock Exchange is closed.

17. **Section Headings**. Section headings have been inserted in this Contract of Purchase as a matter of convenience of reference only, and it is agreed that such section headings are not a part of this Contract of Purchase and will not be used in the interpretation of any provisions of this Contract of Purchase.

18. **Counterparts**. This Contract of Purchase may be executed in several counterparts each of which shall be regarded as an original (with the same effect as if the signatures thereto and hereto were upon the same document) and all of which shall constitute one and the same document.

Very truly yours,

By: BANC OF AMERICA SECURITIES LLC,
acting on behalf of itself and the
Underwriters named on Appendix I

By: _____
David L. Johnson
Managing Director

Accepted and agreed to this
__th day of June, 2005

COUNTY OF LOS ANGELES

By: _____
Mark J. Saladino
Treasurer and Tax Collector

Approved as to Form
RAYMOND G. FORTNER, JR.
County Counsel

By: _____
Principal Deputy County Counsel

APPENDIX I

Banc of America Securities LLC

Lehman Brothers Inc.

Citigroup Global Markets Inc.

[Managers to come]

EXHIBIT A

FORM OF CERTIFICATE OF THE COUNTY

I, Mark J. Saladino, Treasurer and Tax Collector of the County of Los Angeles, California (the "County"), do hereby certify as follows:

(i) I am a duly qualified and acting representative of the County and as such am familiar with the facts herein certified and am authorized and qualified to certify the same;

(ii) I am acting on behalf of the County solely in my official capacity, and not in any personal capacity whatsoever;

(iii) All capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Contract of Purchase relating to the Notes, dated June __, 2005 (the "Contract of Purchase"), by and between the County and Banc of America Securities LLC, as Representative of the Underwriters named therein;

(iv) To the best of my knowledge, the County's Official Statement dated June __, 2005 (together with all appendices thereto, any documents incorporated therein by reference and any supplements or amendments thereto, and as disseminated in its printed physical form or in electronic form materially consistent with such physical form, the "Official Statement"), delivered pursuant to the Contract of Purchase, as of the date hereof does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(v) The Notes, together with interest thereon, will be payable from taxes, income, revenue, cash receipts and other moneys of the County attributable solely to fiscal year 2005-06 and legally available for payment thereof. Pursuant to the Resolution adopted by the Board of Supervisors of the County on May 17, 2005 (the "Resolution") authorizing the issuance of the Notes, the County has pledged as security for the Notes unrestricted taxes, income, revenue, cash receipts and other moneys totaling the aggregate principal amount of the Notes, together with an amount sufficient to pay the interest thereon, subject only to the provisions of the Resolution and the "Financing Certificate Providing for the Terms and Conditions of Issuance and Sale of 2005-06 Tax and Revenue Anticipation Notes, Series A" (the "Certificate"). The amount of taxes, income, revenue, cash receipts and other moneys so pledged to secure the payment of the Notes is specified in the Resolution. Pursuant to the Act, the Resolution creates a valid pledge of and lien on the taxes, income, revenue, cash receipts and other moneys specified therein to pay the Notes and the interest thereon. The Notes are by statute general obligations of the County and, to the extent not paid from the Pledged Moneys (as defined in the Certificate), shall be paid from any other moneys of the County attributable to fiscal year 2005-06 and lawfully available therefor;

(vi) The County has complied in all respects with the Act and has complied with and satisfied all the agreements and conditions on its part to be complied with or satisfied at

or prior to the Closing Date pursuant to the Contract of Purchase, the Certificate and the Resolution;

(vii) The County has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the County is a bond issuer whose arbitrage certificates may not be relied upon; and

(viii) To the best of my knowledge, since the date of the Official Statement, there has been no material adverse change in the condition, financial or otherwise, of the County.

IN WITNESS WHEREOF, I have hereunto set my hand this 1st day of July 2005.

COUNTY OF LOS ANGELES

By:_____
Mark J. Saladino
Treasurer and Tax Collector

EXHIBIT B

FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

July 1, 2005

Board of Supervisors
County of Los Angeles
500 West Temple Street
Los Angeles, California 90012

Banc of America Securities LLC
as representative of the
Underwriters named in
the Purchase Contract
referred to herein

Re: $[600,000,000] County of Los Angeles
2005-06 Tax and Revenue Anticipation Notes, Series A

Ladies and Gentlemen:

This opinion is rendered pursuant to Section 7(e)(iv) of the Contract of Purchase, dated June __, 2005 (the "Contract of Purchase"), between Banc of America Securities LLC, as representative of the several Underwriters listed therein (the "Underwriters"), and the County of Los Angeles, California (the "County") relating to the purchase by the Underwriters of $[600,000,000] in aggregate principal amount of the County's 2005-06 Tax and Revenue Anticipation Notes, Series A (the "Notes"). Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Contract of Purchase or in the Official Statement (as hereinafter defined).

In our capacity as bond counsel we have examined among other things, the Official Statement dated June __, 2005 (the "Official Statement") relating to the Notes. We have also examined originals, or copies certified or otherwise identified to our satisfaction as being true copies of the originals, of such other documents and records of the County and others as we have deemed necessary for the purpose of this opinion.

On the basis of such examination, and in reliance thereon, and of our consideration of such questions of law as we have deemed relevant in the circumstances, we are of the opinion that:

(i) The Contract of Purchase has been duly and validly authorized, executed and delivered by the County and, assuming it constitutes the valid and binding obligation of the Underwriters, it constitutes the legally valid and binding obligation of the County, enforceable against the County in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally (including without limitation, fraudulent conveyance laws) and by general principles of

equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law.

(ii) We have reviewed the statements of law and legal conclusions contained in the Official Statement under the captions "THE NOTES" (excluding information under the subheadings "State of California Finances" and "Interfund Borrowing, Intrafund Borrowing and Cash Flow") and "LEGALITY FOR INVESTMENT IN CALIFORNIA" and, assuming the correctness of the facts contained in the aforementioned sections (which we have not independently verified), the statements of law and legal conclusions contained therein are correct. In addition, the statements and information on the cover page of the Official Statement relating to the tax exemption, description of the Notes and security for the Notes, and the statements and information contained in the Official Statement under the captions "THE NOTES," "SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION AND THE FINANCING CERTIFICATE" and "TAX EXEMPTION," taken together, to the extent they purport to summarize the Notes, the Resolution, the Certificate and our opinion included as Appendix C to the Official Statement, present a fair and accurate summary of such documents and of such legal opinion for purposes of use in the Official Statement.

This opinion is furnished by us as bond counsel and is solely for your benefit. It may not be relied upon, nor delivered to, any other person without our prior written consent.

Respectfully submitted,

EXHIBIT C

FORM OF OPINION OF COUNSEL TO THE COUNTY

July 1, 2005

Banc of America Securities LLC
Los Angeles, California
as representative of the
Underwriters named in
the Purchase Contract
referred to herein

Re: $[600,000,000] County of Los Angeles
2005-2006 Tax and Revenue Anticipation Notes, Series A

Ladies and Gentlemen:

This opinion is rendered as counsel to the County of Los Angeles (the "County") in accordance with the requirements of Section 7(e)(v) of the Contract of Purchase dated June __, 2005 (the "Contract of Purchase"), by and between the County and Banc of America Securities LLC, as representative of the Underwriters named therein, with respect to $[600,000,000] aggregate principal amount of County of Los Angeles 2005-06 Tax and Revenue Anticipation Notes, Series A (the "Notes").

The Notes are issued pursuant to a resolution of the Board of Supervisors of the County adopted on May 17, 2005, entitled "Resolution of the Board of Supervisors of the County of Los Angeles, California Providing for the Issuance and Sale of 2004-2005 Tax and Revenue Anticipation Notes in an Aggregate Principal Amount Not to Exceed $1,100,000,000" (the "Resolution") and the document entitled "Financing Certificate Providing for the Terms and Conditions of Issuance and Sale of 2005-06 Tax and Revenue Anticipation Notes, Series A," (as referred to in the Resolution, the "Certificate").

In rendering this opinion, we have examined the Resolution, the Certificate, the Contract of Purchase and such other documents, records and instruments and made such investigations of law and fact as we have deemed necessary to render the opinions expressed herein.

Based upon the foregoing, and solely with regard to the laws of the State of California (the "State"), we are of the opinion that:

1. The County is a political subdivision duly organized and validly existing under the Constitution and the laws of the State, and has taken all action required to be taken by it to authorize the issuance and delivery of the Notes. The County has full legal right, power and authority to conduct its business, to execute and deliver the Contract of Purchase and the Certificate, to adopt the Resolution, to issue and deliver the Notes to the Underwriters (as named and defined in the Contract of Purchase), and to perform all of its obligations under, and to carry out and effectuate the transactions contemplated by, the Resolution, the Certificate, the Notes

and the Contract of Purchase. No authorization, consent, approval, order, filing, registration, qualification, election or referendum, of or by any State person, organization, court or governmental agency or public body whatsoever, which has not been obtained or made, is required for such issuance, execution, delivery or performance or the consummation of the other transactions effected or contemplated in or by the Contract of Purchase or the Certificate by the County, except for such actions may be necessary to be taken to qualify the Notes for offer and sale under the Blue Sky or other securities laws and regulations of any state or jurisdiction of the United States, as to which no opinion is expressed.

2. The issuance of the Notes and the execution, delivery and performance of the Contract of Purchase, the Certificate, the Resolution and the Notes, and the delivery of the Official Statement of the County dated June __, 2005 relating to the Notes, by the County have been duly authorized, and the issuance of the Notes, the execution, delivery and performance of the Contract of Purchase, the Certificate, the Resolution and the Notes, and compliance with the provisions thereof (a) do not in any material respect conflict with or constitute on the part of the County a violation of or default under the Constitution of the State or any existing State law, charter, ordinance, regulation, decree, order or resolution and do not in any material respect conflict with or result in a violation or breach of, or constitute a default under, any agreement, indenture, mortgage, lease or other instrument to which the County is a party or by which it is bound or to which it is subject, and (b) do not result in the creation or imposition of any lien or encumbrance, other than as created by the Resolution and the Certificate.

3. The County has duly authorized the consummation by it of all transactions contemplated by the Contract of Purchase and the Certificate.

4. The Resolution was duly adopted and has not been modified, amended, rescinded or revoked and is in full force and effect.

5. Each of the Contract of Purchase and the Certificate was duly executed and delivered by the County and the Contract of Purchase, assuming due authorization, execution and delivery by the Representative, the Certificate, the Resolution and the Notes constitute legal, valid and binding obligations of the County, enforceable against the County in accordance with their respective terms.

6. To the best of our knowledge, no action, suit, proceeding, inquiry or investigation is pending or threatened against the County: (a) seeking to restrain or enjoin the sale, issuance or delivery of any of the Notes, the application of the proceeds of the sale of the Notes, or the collection of revenues or assets of the County pledged or available to pay the principal of and interest on the Notes, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Notes, the Contract of Purchase, the Certificate or the Resolution, or contesting the powers of the County or its authority with respect to the Notes, the Resolution, the Certificate or the Contract of Purchase; or (b) in which a final adverse decision could (i) materially adversely affect the consummation of the transactions contemplated by the Contract of Purchase, the Certificate or the Resolution, or (ii) declare the Contract of Purchase or the Certificate to be invalid or unenforceable in whole or material part.

With respect to the opinions we have expressed, the enforceability of the rights and obligations under the Contract of Purchase, the Resolution, the Certificate and the Notes may be limited by bankruptcy, insolvency and other laws affecting the enforcement of creditors' rights and remedies in general, by the application of equitable principles, if equitable remedies are sought, and by limitations on legal remedies imposed in actions against counties in the State. We express no opinion as to the availability of equitable remedies in connection with enforcement of the Contract of Purchase, the Resolution, the Certificate or the Notes.

Very truly yours,

RAYMOND G. FORTNER, JR.
County Counsel

By: _____
Principal Deputy County Counsel

EXHIBIT D

FORM OF OPINION OF COUNSEL TO THE UNDERWRITERS

July 1, 2005

Banc of America Securities LLC
Los Angeles, California
as representative of the
Underwriters named in
the Purchase Contract
referred to herein

Ladies and Gentlemen:

In connection with the execution and delivery of the County of Los Angeles 2005-06 Tax and Revenue Anticipation Notes, Series A (the "Notes") which are being delivered to you (the "Underwriters") today pursuant to the Contract of Purchase dated June __, 2005 (the "Purchase Contract") with the County of Los Angeles (the "County"), we, in our representation of the Underwriters, have examined and relied upon the following:

(a) a resolution adopted by the Board of Supervisors of the County on May 17, 2005, and entitled "Resolution of the Board of Supervisors of the County of Los Angeles, California Providing for the Issuance and Sale of 2005-06 Tax and Revenue Anticipation Notes in an Aggregate Principal Amount Not to Exceed $1,100,000,000" (the "Resolution");

(b) the Financing Certificate of the Treasurer and Tax Collector of the County entitled "Financing Certificate Providing for the Terms and Conditions of Issuance and Sale of 2005-06 Tax and Revenue Anticipation Notes, Series A" (the "Certificate");

(c) Executed copies of the opinions of Nixon Peabody LLP ("Bond Counsel") delivered to you pursuant to the Purchase Contract;

(d) An executed copy of the opinion of the County Counsel, delivered to you pursuant to the Purchase Contract;

(e) Executed copies of the certificates and other opinions of counsel delivered pursuant to the Purchase Contract.

In addition, we have examined and relied on originals or copies, certified or otherwise identified to our satisfaction, of such other documents, instruments or corporate records, and have made such investigation of law, as we have considered necessary or appropriate for the purpose of this opinion.

In accordance with our understanding with you, we rendered legal advice and assistance to you in the course of your investigation pertaining to, and your participation in the preparation of, the Official Statement and the issuance and sale of the Notes, and such assistance involved, among other things, discussions and inquiries concerning various legal and related subjects, and reviews of and reports on certain documents and proceedings. We also participated in personal and telephone conferences with your representatives, representatives of the County and Bond Counsel during which the contents of the Official Statement and related matters were discussed and reviewed.

The limitations inherent in the independent verification of factual matters and the character of determinations involved in the preparation of the Official Statement are such, however, that we have necessarily assumed the accuracy, completeness and fairness of and take no responsibility for any of the statements made in the Official Statement. We have also assumed but have not independently verified that the signatures on all documents and certificates that we examined were genuine.

On the basis of the information developed in the course of the performance of the services referred to above, considered in the light of our understanding of the applicable law and the experience we have gained through our practice thereunder, we are of the opinion, subject to the limitations expressed herein, that as of the date hereof, we have no reason to believe that the Official Statement as of its date contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (other than the information under the captions "TAX EXEMPTION" and "BOOK-ENTRY ONLY SYSTEM," information contained in "APPENDIX A - COUNTY OF LOS ANGELES INFORMATION STATEMENT," and any financial and statistical information contained in the Official Statement as to all of which we express no opinion) or that the Official Statement as of the date hereof (except as aforesaid) contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

In addition, we are of the opinion that the Notes are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Resolution is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

This letter is solely for your benefit as Underwriters and it is not to be used, circulated, quoted or otherwise referred to for any purpose other than the offering of the securities covered by the Official Statement and may not be relied upon without our express

written permission, except that references may be made to it in the Purchase Contract or in any list of closing documents pertaining to the delivery of the Notes.

Very truly yours,