FULBRIGHT & JAWORSKI L.L.P.
A REGISTERED LIMITED LIABILITY PARTNERSHIP
555 SOUTH FLOWER STREET
FORTY-FIRST FLOOR
LOS ANGELES, CALIFORNIA 90071
WWW.FULBRIGHT.COM

LISALEE ANNE WELLS
PARTNER
LWELLS@FULBRIGHT.COM

DIRECT DIAL: (213) 892-9323
TELEPHONE: (213) 892-9200
FACSIMILE: (213) 892-9494

June 12, 2006

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

RE: Pasadena Area Community College District- County Resolution regarding the District's 2006 General Obligation Refunding Bonds

Dear Members of the Los Angeles County Board of Supervisors:

On behalf of the Pasadena Area Community College District, we would like to request that the County of Los Angeles (the "County") place the attached *"Resolution of the Board of Supervisors of the County of Los Angeles, California, Authorizing the Levy of Taxes for General Obligation Refunding Bonds of the Pasadena Area Community College District, Designating the Paying Agent Therefor and Directing the County Auditor-Controller to Maintain Taxes on the Tax Roll"* (the "County Resolution") on the County agenda for next possible County Board of Supervisors meeting.

Please find enclosed said County Resolution, together with an executed copy of the District Resolution adopted on June 7, 2006 by the District's Board of Trustees.

Very truly yours,

Lisalee Anne Wells, Esq.

Enclosures

cc: Ms. Janet Logan, Head Agenda Preparation Section, Executive Office of the County



HOUSTON • NEW YORK • WASHINGTON DC • AUSTIN • DALLAS • LOS ANGELES • MINNEAPOLIS • SAN ANTONIO
DUBAI • HONG KONG • LONDON • MUNICH • RIYADH

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, CALIFORNIA, AUTHORIZING THE LEVY OF TAXES FOR GENERAL OBLIGATION REFUNDING BONDS OF THE PASADENA AREA COMMUNITY COLLEGE DISTRICT, DESIGNATING THE PAYING AGENT THEREFOR AND DIRECTING THE COUNTY AUDITOR-CONTROLLER TO MAINTAIN TAXES ON THE TAX ROLL**

---

**WHEREAS**, a duly called election was held in the Pasadena Area Community College District, County of Los Angeles (the "County"), State of California, (hereinafter referred to as the "District"), on March 5, 2002, and thereafter canvassed pursuant to law;

**WHEREAS**, at such election there was submitted to and approved by the requisite fifty-five percent (55%) vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum principal amount of $150,000,000, payable from the levy of an *ad valorem* tax against the taxable property in the District (the "Election");

**WHEREAS**, the Board of Trustees of the District (the "District Board") has previously approved the issuance of one series of the bonds authorized by the Election, being $33,000,000 aggregate principal amount of the District's General Obligation Bonds, 2002 Election, Series A (the "Prior Bonds");

**WHEREAS**, the District Board has now determined that conditions in the financial marketplace are favorable for the refunding of a portion of the outstanding principal amount of the Prior Bonds;

**WHEREAS**, pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Act") and the Resolution of the District Board adopted on June 7, 2006, the District is authorized to issue refunding bonds (the "Refunding Bonds") to refund all or a portion of the Prior Bonds;

**WHEREAS**, the Board of Supervisors of the County (the "County Board") has been formally requested by the District to levy taxes in an amount sufficient to pay the principal of and interest on the Refunding Bonds when due, and to direct the Auditor-Controller of the County to maintain on its tax roll, and all subsequent tax rolls, taxes sufficient to fulfill the requirements of the debt service schedule for the Refunding Bonds, starting in the Fiscal Year commencing on July 1, 2006 that will be provided to the Auditor-Controller by the District following the sale of the Refunding Bonds; and

**WHEREAS**, the Los Angeles County Treasurer and Tax Collector (the "Treasurer") of the County has been designated by the District as the authenticating agent, bond registrar, transfer agent and paying agent (collectively, the "Paying Agent") for the Refunding Bonds on behalf of the District, and requests that the County consent to the District's contracting with a third party to perform the service of Paying Agent.

**NOW THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:**

SECTION 1. Levy of Taxes. That this County Board levy taxes in an amount sufficient to pay the principal of and interest on the Refunding Bonds.

SECTION 2. Preparation of Tax Roll. That the Auditor-Controller of the County of Los Angeles is hereby directed to maintain on its tax roll, and all subsequent tax rolls, taxes in an amount sufficient to fulfill the requirements of the debt service schedule for the Refunding Bonds, commencing on July 1, 2006, which will be provided to the Auditor-Controller by the District following the sale of the Refunding Bonds.

SECTION 3. Paying Agent. That the Treasurer and Tax Collector of the County of Los Angeles act as the Paying Agent for the Refunding Bonds and hereby consents to the District's appointment of U.S. Bank National Association (or any successor thereto), as the agent of the Paying Agent for the Refunding Bonds.

SECTION 4. Effective Date. That this Resolution shall take effect immediately upon its passage.

The foregoing resolution was, on the ___ day of July, 2006, adopted by the Board of Supervisors of the County of Los Angeles and *ex officio* the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.

SACHI A. HAMAI,
Executive Officer-Clerk of the Board of
Supervisors of the County of Los Angeles

By:_____
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.,
County Counsel

By:_____
Principal Deputy County Counsel

# PASADENA AREA COMMUNITY COLLEGE DISTRICT
**Pasadena City College**

**Board Agenda Item G:** Adoption of Resolution No. 404, Authorizing Issuance of 2002 Election General Obligation Bonds, 2006 Refunding Series A

**Board Meeting:** June 7, 2006

---

**Recommendation:** It is recommended that the Board of Trustees, Governing Board of the Pasadena Area Community College District of Los Angeles County, adopt Resolution No. 404, authorizing the issuance of 2002 Election General Obligation Bonds, 2006 Refunding Series A, in an amount not to exceed $25.0 million.

**Fiscal Implications:** The Series A Refunding Bonds and the Series B issuance will provide approximately $70,000,000 for Measure P bond projects. The remaining Measure P unissued bonds, in the authorized amount of $52,000,000, will not be issued until the start of construction of the Arts Building project.

**Background:** The attached resolution contains all the terms and directions necessary to refund portions of the District's General Obligation Bonds, 2002 Election, Series A, and to issue refunding bonds which both pay those 2002 Bonds off and generate savings for the taxpayers and additional Project monies for the District. These refunding bonds are issued under the Government Code and the District acts in this case without the assistance of the County of Los Angeles.

The refunding of approximately $25 million of Series A bonds will recognize a savings of interest rate and tax levy to the taxpayers of the district an amount of no less than $1,000,000 and provide the Measure P building fund an additional amount of no less than $5,000,000.

An ad hoc committee of the Board of Trustees was appointed to meet with the district's underwriters and bond counsel to evaluate a financing package that would include refunding (refinancing) of remaining Series A bonds and the issuance of Series B bonds. The ad hoc committee consisted of Mr. John Martin, Dr. Jeanette Mann and Mr. Geoffrey Baum.

Measure P, a $150,000,000 General Obligation Bond Measure, was approved by the Pasadena Area Community College District voters on March 2, 2002. Measure P funds are for the exclusive use to fund the Projects List approved at that election, which is part of the PCC Facilities Master Plan 2010.

Series A Bonds in the amount of $33,000,000 were issued on June 17, 2003. Those proceeds were used to build the new parking structure facility and pay for the architectural and planning costs associated with the new Industrial Technologies Building and the new Bookstore and Campus Center Renovation.

This is to certify that this recommendation was approved by a favorable vote of the Governing Board of the Pasadena Area Community College District at its meeting held on

JUN 07 2006

Secretary, Board of Trustees

---

Submitted and Recommended by:

Vice President, Administrative Services

Approved for Submission to the Board of Trustees by:

Superintendent/President

RESOLUTION OF THE BOARD OF TRUSTEES OF PASADENA AREA COMMUNITY COLLEGE DISTRICT, AUTHORIZING THE ISSUANCE OF ITS 2002 ELECTION GENERAL OBLIGATION BONDS, 2006 REFUNDING SERIES A, IN AN AMOUNT NOT TO EXCEED TWENTY-FIVE MILLION DOLLARS

**Pasadena Area Community College District**
**County of Los Angeles, State of California**

**RESOLUTION NO. 404**

# RESOLUTION OF THE BOARD OF TRUSTEES OF PASADENA AREA COMMUNITY COLLEGE DISTRICT, AUTHORIZING THE ISSUANCE OF ITS 2002 ELECTION GENERAL OBLIGATION REFUNDING BONDS, 2006 SERIES A, IN AN AMOUNT NOT TO EXCEED TWENTY-FIVE MILLION DOLLARS

***WHEREAS,*** a duly called election was held in the Pasadena Area Community College District (the "District"), County of Los Angeles (the "County"), on March 5, 2002, and thereafter canvassed pursuant to law;

***WHEREAS***, at such election, there was submitted to and approved by the requisite 55% of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum amount of $150,000,000 payable from the levy of an *ad valorem* tax against the taxable property in the District (the "Election");

***WHEREAS***, the Board of Trustees (the "Board") of the District, has previously authorized, and the County has previously issued, $33,000,000 aggregate principal amount of the District's General Obligation Bonds, 2002 Election, Series A (the "Prior Bonds"), of which $21,820,000 are presently outstanding and subject to redemption;

***WHEREAS,*** the Board has now determined that conditions in the financial marketplace are favorable for the refunding of a portion of the outstanding principal amount of the Prior Bonds, which Prior Bonds subject to refunding shall be referred to herein as the "Refunded Bonds";

***WHEREAS,*** pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Act"), the District is authorized to issue refunding bonds in order to refund the Refunded Bonds; and

***WHEREAS,*** all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general obligation refunding bonds of the District, and the indebtedness of the District, including this proposed issue of Refunding Bonds (as hereinafter defined), is within all limits prescribed by law;

***NOW, THEREFORE, BE IT RESOLVED*** BY THE BOARD OF TRUSTEES OF THE PASADENA AREA COMMUNITY COLLEGE DISTRICT, LOS ANGELES COUNTY, CALIFORNIA, AS FOLLOWS:

SECTION 1. Purpose. That to refund the outstanding Refunded Bonds and to pay all necessary legal, financial, and contingent costs in connection therewith, the District authorizes the issuance of its 2002 Election General Obligation Bonds, 2006 Refunding Series A (the "Refunding Bonds"), in an aggregate principal or issue amount not to exceed $25,000,000.

Costs authorized to be paid from the proceeds of the Refunding Bonds are all of the designated costs of issuance set forth in Section 53550(e) and (f) and Section 53587 of the Act.

SECTION 2. Paying Agent. The Board hereby designates the Treasurer and Tax Collector of the County of Los Angeles, as the authenticating agent, bond registrar, transfer agent and paying agent (collectively, the "Paying Agent") for the Refunding Bonds on behalf of the District. The District hereby further appoints, subject to the consent of the Board of Supervisors of the County, U.S. Bank National Association to act as agent of the Treasurer and Tax Collector in performing the service of Paying Agent.

SECTION 3. Terms and Conditions of Sale. The Refunding Bonds shall be sold at a negotiated sale upon the direction of the President of the District (the "President"). The Refunding Bonds shall be sold pursuant to the terms and conditions set forth in the Purchase Contract, as described below. As a special condition to the sale of the Refunding Bonds, the President is instructed to sell the Refunding Bonds as provided in Section 4 below only upon receipt of evidence satisfactory to the President to the effect that (a) all of the conditions to effecting a refunding under the Act have been satisfied; and (b) the terms of the Refunding Bonds are such that, taking into account recognition by the taxpayers of the District of interest rate and tax levy savings in an amount not less than $1,000,000, an additional deposit to the District's Building Fund maintained with the Treasurer and Tax Collector of the County of Los Angeles in an amount no less than $5,000,000 shall be made possible at closing.

SECTION 4. Approval of Purchase Contract. The form of Purchase Contract (the "Purchase Contract") by and between the District and RBC Dain Rauscher, Inc., doing business as RBC Capital Markets (the "Underwriter"), for the purchase and sale of the Refunding Bonds, substantially in the form on file with the Clerk of the Board, is hereby approved and the President, its Vice President, Administrative Services, or a designated deputy thereof (each, an "Authorized Officer"), each acting alone, is hereby authorized to execute and deliver such Purchase Contract, with such changes therein, deletions therefrom and modifications thereto as such Authorized Officer may approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the interest rate and maximum yield on the Refunding Bonds shall not exceed 8% per annum, and that the Underwriter's discount, excluding original issue discount and any expenses incurred by the Underwriter on behalf of the District, thereon shall not exceed 0.75% of the aggregate principal or issue amount of Refunding Bonds issued. The Authorized Officer is further authorized to determine the principal or issue amount of the Refunding Bonds to be specified in the Purchase Contract for sale by the District up to $25,000,000.

SECTION 5. Certain Definitions. As used in this Resolution, capitalized terms defined above and the terms set forth below shall have the meanings ascribed to them (unless otherwise set forth in the Purchase Contract):

(a) "Act" means Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code.

(b) "Accreted Interest" means, with respect to the Capital Appreciation Bonds, the Accreted Value thereof, minus the Denominational Amount thereof as of the date of calculation.

(c) "Accreted Value" means with respect to the Capital Appreciation Bonds, as of the date of calculation, the Denominational Amount thereof, plus Accreted Interest thereon to such date of calculation, compounded semiannually on each June 1 and December 1, commencing on December 1, 2006 (unless otherwise provided in the Purchase Contract) with respect to the Capital Appreciation Bonds at the stated Accretion Rate to maturity thereof, assuming in any such semiannual period that such Accreted Value increases in equal daily amounts on the basis of a 360-day year of twelve 30-day months.

(d) "Accretion Rate" means, unless otherwise provided by the Purchase Contract, that rate which, when applied to the Denominational Amount of any Capital Appreciation Bond and compounded semiannually on each June 1 and December 1, unless otherwise provided in the Purchase Contract, produces the Maturity Value on the maturity date.

(e) "Authorization" means the authorization received by the District to issue the Prior Bonds and additional bonds at the election held on March 5, 2002.

(f) "Bond Insurer" means any insurance company which issues a municipal bond insurance policy insuring the payment of Denominational Amount and Accreted Interest of and interest on the Refunding Bonds.

(g) "Bond Payment Date" means (unless otherwise provided by the Purchase Contract), with respect to the Current Interest Bonds, June 1 and December 1 of each year commencing December 1, 2006 (unless otherwise provided in the Purchase Contract) with respect to the interest on the Current Interest Bonds and December 1 of each year, commencing December 1, 2006 (unless otherwise provided in the Purchase Contract) with respect to the principal payments on the Current Interest Bonds, and, with respect to the Capital Appreciation Bonds, the stated maturity dates thereof, as applicable.

(h) "Business Day" means a day which is not a Saturday, Sunday or a day on which banking institutions in the State or the State of New York and the New York Stock Exchange are authorized or required to be closed.

(i) "Capital Appreciation Bonds" means the Refunding Bonds the interest component of which is compounded semiannually on each Bond Payment Date to maturity as shown in the table of Accreted Value for such Refunding Bonds in the Purchase Contract.

(j) "Closing" means the date upon which the Refunding Bonds are delivered to the Underwriter in exchange for good funds.

(k) "Continuing Disclosure Agreement" means that certain Continuing Disclosure Agreement, substantially in the form appended to the Official Statement, under which the District covenants to comply with the provisions of Rule 15c2-12 respecting the Refunding Bonds.

(l) "Current Interest Bonds" means the Refunding Bonds the interest on which is payable semiannually on each Bond Payment Date specified for each such Bond as designated and maturing in the years and in the amounts set forth in the Purchase Contract.

(m) "Denominational Amount" means, with respect to the Capital Appreciation Bonds, the initial principal amount thereof and, with respect to the Current Interest Bonds, the Principal Amount thereof.

(n) "Depository" means the securities depository acting as Depository pursuant to Section 6(c) hereof.

(o) "DTC" means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, in its capacity as securities depository for the Refunding Bonds.

(p) "Escrow Agent" means U.S. Bank National Association, in its capacity as Escrow Agent under the Escrow Agreement.

(q) "Escrow Agreement" means that certain Escrow Agreement relating to the Refunded Bonds, dated July 1, 2006, by and between the District and U.S. Bank National Association, as escrow agent.

(r) "Escrow Fund" means the fund by that name established in the Escrow Agreement, into which certain net proceeds of the Refunded Bonds will be deposited at Closing.

(s) "Federal Securities" means direct or indirect noncallable obligations of, or noncallable, nonprepayable obligations unconditionally guaranteed as to full and timely payment of principal and interest by, the United States of America, but excluding investments in mutual funds or unit investment trusts, or as otherwise permitted under Section 53635 of the Government Code of the State of California.

(t) "Information Services" means Financial Information, Inc.'s Financial Daily Called Bond Service; Moody's Municipal and Government; or Standard & Poor's J.J. Kenny Information Service "Called Bond Record."

(u) "Maturity Value" means the Accreted Value of any Capital Appreciation Bond on its maturity date.

(v) "Nominee" means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 6(c) hereof.

(w) "Outstanding," when used with reference to the Bonds shall mean, as of any date, Refunding Bonds theretofore issued or thereupon being issued under this Resolution, except:

(i) Refunding Bonds canceled at or prior to such date;

(ii) Refunding Bonds in lieu of or in substitution for which other Refunding Bonds shall have been delivered pursuant to Section 8 hereof;

(iii) Refunding Bonds for the payment or redemption of which funds or eligible securities in the necessary amount shall have been set aside (whether on or prior to the maturity or redemption date of such Refunding Bonds), in accordance with Section 20 of this Resolution.

(x) "Owner" means the registered owner, as indicated on the Bond registrar maintained by the Paying Agent, of any Bond.

(y) "Participants" means those broker-dealers, banks and other financial institutions from time to time for which the Depository holds book-entry certificates as securities depository.

(z) "Principal" or "Principal Amount" means, with respect to any Current Interest Bond, the principal or principal amount thereof and, with respect to any Capital Appreciation Bond, the Denominational Amount.

(aa) "Projects" means those capital projects of the District approved by the voters at the Authorization, the list of which is included herein by this reference.

(bb) "Record Date" means the fifteenth (15th) day of the month preceding each Bond Payment Date.

(cc) "Tax Certificate" means the Tax Exemption Certificate of the District delivered in connection with the issuance of the Refunding Bonds.

(dd) "Term Bonds" means those Refunding Bonds for which mandatory redemption dates have been established in the Purchase Contract.

(ee) "Transfer Amount" means, with respect to any Outstanding Current Interest Bond, the Principal Amount and, with respect to any Capital Appreciation Bond, the Maturity Value.

SECTION 6. Terms of the Refunding Bonds.

(a) Denomination, Interest, Dated Dates. The Refunding Bonds shall be issued as bonds registered as to both principal and interest, in the denominations of, with respect to the Current Interest Bonds, $5,000 Denominational Amount or any integral multiple thereof (except for one odd denomination), and with respect to the Capital Appreciation Bonds, $5,000 Maturity Value or any integral multiple thereof (except that one Capital Appreciation Bond may be issued in an odd Maturity Value). The Refunding Bonds will be initially registered to "Cede & Co.," the Nominee of the DTC.

Each Capital Appreciation Bond shall be dated, and shall accrete interest from, its date of initial issuance. Capital Appreciation Bonds shall not bear interest on a current basis.

Each Current Interest Bond shall be dated the date of its initial issuance or such other date as shall appear in the Purchase Contract or the Official Statement (the "Dated Date"), and shall bear interest at the rates as set forth in the Purchase Contract from the Bond Payment Date next preceding the date of authentication thereof unless it is authenticated as of a day during the period from the 15th day of the month preceding any Bond Payment Date to that Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before November 15, 2006, or such other date as may be set forth in the Official Statement, in which event it shall bear interest from the Dated Date. Such interest shall be calculated on the basis of a 360-day year of twelve 30-day months.

The Capital Appreciation Bonds shall mature in the years and shall be issued in the aggregate Denominational Amount set forth in the Purchase Contract and shall compound interest at the Accretion Rates and shall have Denominational Amounts per each five thousand dollars ($5,000) in Maturity Value as shown in the Accreted Value Table attached to the Purchase Contract; provided, that in the event that the amount shown in such Accreted Value Table and the Accreted Value calculated by the District and approved by the Bond Insurer by application of the definition of Accreted Value set forth in Section 5 differ, the latter amount shall be the Accreted Value of such Capital Appreciation Bond.

The Refunding Bonds shall bear or accrete interest at a rate or rates such that the maximum interest rate on the Refunding Bonds shall not exceed the maximum rates per annum permitted by law. Interest shall be payable on the respective Bond Payment Dates.

No Refunding Bond shall mature later than June 1, 2028.

(b) Redemption.

(i) Terms of Redemption. The Bonds shall be subject to redemption prior to maturity as provided in the Purchase Contract.

(ii) Selection of Refunding Bonds for Redemption. Whenever provision is made in this Resolution for the redemption of Refunding Bonds and less than all Outstanding Refunding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District, shall select Refunding Bonds for redemption as so directed, and if not directed, in inverse order of maturity. Within a maturity, the Paying Agent shall select Refunding Bonds for redemption by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, that the portion of any Current Interest Bond to be redeemed in part shall be in the Principal Amount of $5,000 or any integral multiple thereof and the portion of any Capital Appreciation Bond to be redeemed in part shall be in integral multiples of the Accreted Value per $5,000 Maturity Value thereof.

(iii) Notice of Redemption. When redemption is authorized or required pursuant to this Resolution, the Paying Agent, upon written instruction from the District, shall give notice (a "Redemption Notice") of the redemption of the Refunding Bonds. Such Redemption Notice shall specify: (a) the Refunding Bonds or designated portions thereof (in the case of redemption of the Refunding Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including

the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the Refunding Bonds to be redeemed, (f) the Bond numbers of the Refunding Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the Principal Amount of such Bond to be redeemed, and (g) the original issue date, interest rate or Accretion Rate and stated maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice shall further state that on the specified date there shall become due and payable upon each Refunding Bond or portion thereof being redeemed at the redemption price thereof, together with the interest accrued or accreted to the redemption date thereon, and that from and after such date, interest with respect thereto shall cease to accrue or accrete.

The Paying Agent shall take the following actions with respect to such Redemption Notice:

(1) At least 30 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given to the respective Owners of Refunding Bonds designated for redemption by registered or certified mail, postage prepaid, at their addresses appearing on the Bond Register.

(2) At least 30 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service to each of the Securities Depositories.

(3) At least 30 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, or (ii) overnight delivery service to one of the Information Services.

Neither failure to receive or failure to publish any Redemption Notice nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Refunding Bonds. Each check issued or other transfer of funds made by the Paying Agent for the purpose of redeeming Refunding Bonds shall bear or include the CUSIP number identifying, by issue and maturity, the Refunding Bonds being redeemed with the proceeds of such check or other transfer.

(iv) Partial Redemption of Refunding Bonds. Upon the surrender of any Refunding Bond redeemed in part only, the Paying Agent shall execute and deliver to the Owner thereof a new Refunding Bond or Refunding Bonds of like tenor and maturity and of authorized denominations equal in Transfer Amounts to the unredeemed portion of the Refunding Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the District shall be released and discharged thereupon from all liability to the extent of such payment.

(v) Effect of Notice of Redemption. Notice having been given as aforesaid, and the moneys for the redemption (including the interest accrued or accreted to the applicable date of redemption) having been set aside in the Debt Service Fund, the Refunding Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Refunding Bonds to be redeemed as provided in Section 6(b)(i) hereof, together with interest accrued or accreted to such redemption date, shall be held by the Paying Agent so as to be available therefor on such redemption date, and if notice of redemption thereof shall have been given as aforesaid, then from and after such redemption date, interest with respect to the Refunding Bonds to be redeemed shall cease to accrue or accrete and become payable. All money held by or on behalf of the Paying Agent for the redemption of Refunding Bonds shall be held in trust for the account of the Owners of the Refunding Bonds so to be redeemed.

All Refunding Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Section 6 shall be cancelled upon surrender thereof and be delivered to or upon the order of the District. All or any portion of a Refunding Bond purchased by the District shall be cancelled by the Paying Agent.

(vi) Refunding Bonds No Longer Outstanding. When any Refunding Bonds (or portions thereof), which have been duly called for redemption prior to maturity under the provisions of this Resolution, or with respect to which irrevocable instructions to call for redemption prior to maturity at the earliest redemption date have been given to the Paying Agent, in form satisfactory to it, and sufficient moneys shall be held by the Paying Agent irrevocably in trust for the payment of the redemption price of such Refunding Bonds or portions thereof, and, in the case of Current Interest Bonds, accrued interest with respect thereto to the date fixed for redemption, all as provided in this Resolution, then such Refunding Bonds shall no longer be deemed Outstanding and shall be surrendered to the Paying Agent for cancellation.

SECTION 7. Book-Entry System.

(a) The Refunding Bonds shall be initially issued in the form of a separate single fully registered Refunding Bond (which may be typewritten) for each of the maturities of the Refunding Bonds within each series. Upon initial issuance, the ownership of each such Refunding Bond certificate shall be registered in the Bond Register in the name of the Nominee as nominee of the Depository. Except as provided in subsection (c) hereof, all of the Outstanding Refunding Bonds shall be registered in the Bond Register in the name of the Nominee and the Refunding Bonds may be transferred, in whole but not in part, only to the Depository, to a successor Depository or to another nominee of the Depository or of a successor Depository. Each Refunding Bond certificate shall bear the restrictive legend required by DTC.

With respect to Refunding Bonds registered in the Bond Register in the name of the Nominee, the District shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds a beneficial interest in the Refunding Bonds. Without limiting the immediately preceding sentence, the District shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any Participant with respect to any beneficial ownership interest in the Refunding Bonds, (ii) the delivery to any Participant, beneficial owner or any other person, other than the Depository, of any notice with respect to the Refunding Bonds, including any redemption notice, (iii) the selection by the Depository and the Participants of the beneficial interests in the Refunding Bonds to be redeemed in part, or (iv) the payment to any Participant, beneficial owner or any other person, other than the Depository, of any amount with respect to Principal or Maturity

Value of, premium, if any, and interest on the Refunding Bonds. The District may treat and consider the person in whose name each Refunding Bond is registered in the Bond Register as the holder and absolute Owner of such Refunding Bond for the purpose of payment of Principal of, premium, if any, and interest on such Refunding Bond, for the purpose of giving Redemption Notices and other notices with respect to such Refunding Bond, and for all other purposes whatsoever, including, without limitation, registering transfers with respect to the Refunding Bonds.

The Paying Agent shall pay all Principal or Maturity Value of, premium, if any, and interest on the Refunding Bonds only to the respective Owners, as shown in the Bond Register, and all such payments shall be valid hereunder with respect to payment of Principal and Maturity Value of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Bond Register, shall receive a Refunding Bond. Upon delivery by the Depository to the Paying Agent and the District of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions hereof with respect to Record Dates, the word "Nominee" in this Resolution shall refer to such new nominee of the Depository.

(b) If at any time the Depository notifies the District that it is unwilling or unable to continue as Depository with respect to the Refunding Bonds or if at any time the Depository shall no longer be registered or in good standing under the Securities Exchange Act or other applicable statute or regulation and a successor Depository is not appointed by the Treasurer within 90 days after the District receives notice or become aware of such condition, as the case may be, subsection (a) hereof shall no longer be applicable and the District shall issue bonds representing the Refunding Bonds as provided below. In addition, the District may determine at any time that the Refunding Bonds shall no longer be represented by book-entry securities and that the provisions of subsection (a) hereof shall no longer apply to the Refunding Bonds. In any such event the District shall execute and deliver certificates representing the Refunding Bonds as provided below. Refunding Bonds issued in exchange for book-entry securities pursuant to this subsection (c) shall be registered in such names and delivered in such denominations as the Depository shall instruct the Paying Agent. The Paying Agent shall deliver such certificates representing the Refunding Bonds to the persons in whose names such Refunding Bonds are so registered.

If the District determines to replace the Depository with another qualified securities depository, the District shall prepare or cause to be prepared a new fully registered book-entry security for each of the maturities of Refunding Bonds, registered in the name of such successor or substitute securities depository or its nominee, or make such other arrangements as are acceptable to the District and such securities depository and not inconsistent with the terms of this Resolution.

(c) Notwithstanding any other provision of this Resolution to the contrary, so long as any Refunding Bond is registered in the name of the Nominee, all payments with respect to Principal or Maturity Value of, premium, if any, and interest on such Refunding Bond and all notices with respect to such Refunding Bond shall be made and given, respectively, as provided in the Representation Letter or as otherwise instructed by the Depository.

(d) The initial Depository under this Resolution shall be DTC. The initial Nominee shall be Cede & Co., as nominee of DTC.

SECTION 8. Execution of Refunding Bonds. The Refunding Bonds shall be signed by the President of the Board, by his or her manual or facsimile signature and countersigned by the manual or facsimile signature of by the Clerk of the Board, all in their official capacities. No Refunding Bond shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under this Resolution unless and until the certificate of authentication printed on the Refunding Bond is signed by the Paying Agent, as authenticating agent. Authentication by the Paying Agent shall be conclusive evidence that the Refunding Bond so authenticated has been duly issued, signed and delivered under this Resolution and is entitled to the security and benefit of this Resolution.

SECTION 9. Bond Registrar; Transfer and Exchange. The Board does hereby appoint U.S. Bank, National Association, to act as the authenticating agent, bond registrar, transfer agent and Paying Agent for the Refunding Bonds.

So long as any of the Refunding Bonds remain outstanding, the District will cause the Paying Agent to maintain and keep at its principal office all books and records necessary for the registration, exchange and transfer of the Refunding Bonds as provided in this Section. Subject to the provisions of Section 10 below, the person in whose name a Refunding Bond is registered on the Bond Register shall be regarded as the absolute Owner of that Refunding Bond for all purposes of this Resolution. Payment of or on account of the Principal or Maturity Value of and premium, if any, and interest on any Refunding Bond shall be made only to or upon the order of that person; neither the District nor the Paying Agent shall be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge the District's liability upon the Refunding Bonds, including interest, to the extent of the amount or amounts so paid.

Any Refunding Bond may be exchanged for Refunding Bonds of like tenor, maturity and Transfer Amount upon presentation and surrender at the principal office of the Paying Agent, together with a request for exchange signed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. A Refunding Bond may be transferred on the Bond Register only upon presentation and surrender of the Refunding Bond at the principal office of the Paying Agent together with an assignment executed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. Upon exchange or transfer, the Paying Agent shall complete, authenticate and deliver a new Refunding Bond or Refunding Bonds of like tenor and of any authorized denomination or denominations requested by the Owner equal to the Transfer Amount of the Refunding Bond surrendered and bearing or accreting interest at the same rate and maturing on the same date. Capital Appreciation Bonds and Current Interest Bonds may not be exchanged for one another.

If any Refunding Bond shall become mutilated, the District, at the expense of the Owner of said Refunding Bond, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Refunding Bond of like series, tenor and Transfer Amount in exchange and substitution for the Refunding Bond so mutilated, but only upon surrender to the Paying Agent of the Refunding Bond so mutilated. If any Refunding Bond issued hereunder shall be lost,

destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Paying Agent and, if such evidence be satisfactory to the Paying Agent and indemnity for the Paying Agent and the District satisfactory to the Paying Agent shall be given by the Owner, the District, at the expense of the Owner, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Refunding Bond of like tenor in lieu of and in substitution for the Refunding Bond so lost, destroyed or stolen (or if any such Refunding Bond shall have matured or shall have been called for redemption, instead of issuing a substitute Refunding Bond the Paying Agent may pay the same without surrender thereof upon receipt of indemnity satisfactory to the Paying Agent and the District). The Paying Agent may require payment of a reasonable fee for each new Refunding Bond issued under this paragraph and of the expenses which may be incurred by the District and the Paying Agent.

If manual signatures on behalf of the District are required in connection with an exchange or transfer, the Paying Agent shall undertake the exchange or transfer of Refunding Bonds only after the new Refunding Bonds are signed by the authorized officers of the District. In all cases of exchanged or transferred Refunding Bonds, the District shall execute and the Paying Agent shall authenticate and deliver Refunding Bonds in accordance with the provisions of this Resolution. All fees and costs of transfer shall be paid by the requesting party. Those charges may be required to be paid before the procedure is begun for the exchange or transfer. All Refunding Bonds issued upon any exchange or transfer shall be valid obligations of the District, evidencing the same debt, and entitled to the same security and benefit under this Resolution as the Refunding Bonds surrendered upon that exchange or transfer.

Any Refunding Bond surrendered to the Paying Agent for payment, retirement, exchange, replacement or transfer shall be cancelled by the Paying Agent. The District may at any time deliver to the Paying Agent for cancellation any previously authenticated and delivered Refunding Bonds that the District may have acquired in any manner whatsoever, and those Refunding Bonds shall be promptly cancelled by the Paying Agent. Written reports of the surrender and cancellation of Refunding Bonds shall be made to the District by the Paying Agent on or before May 15 and November 15 of each year. The cancelled Refunding Bonds shall be retained for six years, then returned to the District or destroyed by the Paying Agent as directed by the District.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any Refunding Bonds during a period beginning with the opening of business on the 15th business day next preceding either any Bond Payment Date or any date of selection of Refunding Bonds to be redeemed and ending with the close of business on the Bond Payment Date or any day on which the applicable notice of redemption is given or (b) to transfer any Refunding Bonds which have been selected or called for redemption in whole or in part.

SECTION 10. Payment. Payment of interest on any Current Interest Bond on any Bond Payment Date shall be made to the person appearing on the registration books of the Paying Agent as the Owner thereof as of the Record Date immediately preceding such Bond Payment Date, such interest to be paid by check mailed to such Owner on the Bond Payment Date at his address as it appears on such registration books or at such other address as he may have filed with the Paying Agent for that purpose on or before the Record Date. The Owner in an aggregate Principal Amount or Maturity Value of $1,000,000 or more may request in writing to

the Paying Agent that such Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date. The principal, and redemption price, if any, payable on the Current Interest Bonds and the Accreted Value and redemption price, if any, on the Capital Appreciation Bonds shall be payable upon maturity or redemption upon surrender at the principal office of the Paying Agent. The interest, Accreted Value, Principal and premiums, if any, on the Refunding Bonds shall be payable in lawful money of the United States of America. The Paying Agent is hereby authorized to pay the Refunding Bonds when duly presented for payment at maturity, and to cancel all Refunding Bonds upon payment thereof. The Refunding Bonds are general obligations of the District, payable without limit as to rate or amount from the levy of *ad valorem* property taxes upon all property subject to taxation within the District.

SECTION 11. Forms of Refunding Bonds. The Refunding Bonds shall be substantially in conformity with the standard forms of registered District bonds, copies of which are attached hereto as Exhibit A-1 and Exhibit A-2 and incorporated herein by this reference.

SECTION 12. Delivery of Refunding Bonds. The proper officials of the District shall cause the Refunding Bonds to be prepared and, following their sale, shall have the Refunding Bonds signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Refunding Bonds, to the original purchaser upon payment of the purchase price therefor.

SECTION 13. Approval of Escrow Agreement and Refunding. The form of Escrow Agreement submitted to and considered at this meeting of the Board is hereby approved, and the Authorized Officers are each, acting alone, authorized and directed to execute an deliver such Escrow Agreement for and in the name of the District, in substantially the form presented, with such changes and modifications thereto as the officer executing the same on behalf of the District may approve, such approval to be conclusively evidenced by such officers' execution thereof. Investments under the Escrow Agreement shall be as directed by the Authorized Officer and the principal amount and maturities of the Prior Bonds to be refunded thereby shall be determined by the Authorized Officer, upon the advice of Bond Counsel.

SECTION 14. Deposit of Proceeds of Refunding Bonds. Certain net proceeds from the sale of the Refunding Bonds shall be transferred to the Escrow Agent for deposit in the Escrow Fund established under the Escrow Agreement, which amount shall be sufficient to purchase the Federal Securities and to hold uninvested an amount or amounts of cash needed to pay the Refunded Bonds in accordance with their terms, if any, all as set forth in the Escrow Agreement. Proceeds of the sale of the Refunding Bonds required to pay all or a portion of the costs of issuing the Refunding Bonds may be deposited in the fund of the District known as the "Pasadena Area Community College District 2006 General Obligation Refunding Bonds Cost of Issuance Fund" (the "Cost of Issuance Fund") and shall be kept separate and distinct from all other District funds, and those proceeds shall be used solely for the purpose of paying costs of issuance of the Refunding Bonds.

Any accrued interest received by the District from the sale of the Refunding Bonds shall be kept separate and apart in the fund hereby created and established as a subaccount in the Debt Service Fund of the District previously established with the Treasurer and Tax

Collector of the County (the "Treasurer") and to be designated as the "Pasadena Area Community College District 2006 General Obligation Refunding Bonds Debt Service Fund" (the "2006 Debt Service Fund") and used only for payments of Principal or Maturity Value of and interest on the Refunding Bonds. Any excess original issue premium received by the District from the sale of the Refunding Bonds shall be deposited in the District's Building Fund and expended solely for the Projects.

Any excess proceeds of the Refunding Bonds not needed for the authorized purposes set forth above for which the Refunding Bonds are being issued shall be transferred to the 2006 Debt Service Account and applied to the payment of the Principal and Maturity Value of and interest on the Refunding Bonds. If, after payment in full of the Refunding Bonds, there remain excess proceeds, any such excess amounts shall be transferred to the general fund of the District. Notwithstanding any of the foregoing, the provisions of this Section as they relate to the dispersal and allocation of moneys on deposit in the 2006 Debt Service Account may be amended by the Purchase Contract and Official Statement so long as the transactions contemplated by such amendment are in compliance with the provisions of the Act.

Except as required below to satisfy the requirements of Section 148(t) of the Internal Revenue Code of 1986, as amended (the "Code"), interest earned on the investment of monies held in the 2006 Debt Service Account shall be retained therein and used to pay principal of and interest on the Refunding Bonds when due.

SECTION 15. Security for the Refunding Bonds. There shall be levied on all the taxable property in the District, in addition to all other taxes, a continuing direct *ad valorem* tax annually during the period the Refunding Bonds are Outstanding in an amount sufficient to pay the Principal and Maturity Value of and interest on the Refunding Bonds when due, which moneys when collected will be placed in the 2006 Debt Service Account, which account is irrevocably pledged for the payment of the Principal and Maturity Value of and interest on the Refunding Bonds when and as the same fall due. The District covenants to cause the County to take all actions necessary to levy such *ad valorem* tax in accordance with this Section 15 and Section 53559 of the Act.

The moneys in the 2006 Debt Service Account, to the extent necessary to pay the Principal and Maturity Value of and interest on the Refunding Bonds as the same become due and payable, shall be transferred by the Treasurer to the Paying Agent which, in turn, shall pay such moneys to DTC to pay the Principal and Accreted Value of and interest on the Refunding Bonds. DTC will thereupon make payments of Principal, Accreted Value and interest on the Refunding Bonds to the DTC Participants who will thereupon make payments of Principal, Accreted Value and interest to the beneficial owners of the Refunding Bonds. Any moneys remaining in the 2006 Debt Service Account after the Refunding Bonds and the interest thereon have been paid, or provision for such payment has been made, shall be transferred to the general fund of the District.

SECTION 16. Arbitrage Covenants. The District hereby covenants that it shall not, directly or indirectly, use or permit the use of any proceeds of any of the Refunding Bonds, or of any of the property financed or refinanced with the proceeds of the Refunding Bonds, or other funds of the District, or take or omit to take any action that would cause the Refunding Bonds to

be deemed "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"). To that end, the District shall comply with all requirements of Section 148 of the Code and all regulations of the United States Department of the Treasury promulgated thereunder to the extent that such requirements are in effect and applicable to the Refunding Bonds.

SECTION 17. Tax Exemption Certificate. The District covenants to comply with all the procedures and provisions set forth in the Tax Exemption Certificate, and will do and perform all acts and things necessary in order to assure that interest paid on the Refunding Bonds shall be excluded from gross income of the Owners thereof for purposes of federal income taxation.

SECTION 18. Legislative Determinations. The Board determines that all acts and conditions necessary to be performed by the Board or to have been met precedent to and in the issuing of the Refunding Bonds in order to make them legal, valid and binding general obligations of the District have been performed and have been met, or will at the time of delivery of the Refunding Bonds have been performed and have been met, in regular and due form as required by law; that the full faith and credit of the District are pledged for the timely payment of the Principal of and interest on the Refunding Bonds; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Refunding Bonds. Furthermore, the Board finds and determines pursuant to Section 53552 of the Act that the prudent management of the fiscal affairs of the District requires that it issue the Refunding Bonds without submitting the question of the issuance of the Refunding Bonds to a vote of the qualified electors of the District.

SECTION 19. Official Statement. The Board hereby approves the use by the Underwriter of a Preliminary Official Statement relating to the Refunding Bonds (which may also simultaneously offer a new issue of general obligation bonds of the District), substantially in the form prepared by disclosure counsel and submitted to and considered by an Authorized Officer (the "Preliminary Official Statement") and as provided to the Clerk of the Board for review, and following pricing, an Official Statement in connection with the sale of the Bonds (the "Official Statement"), in each case with such changes as may be approved by an Authorized Officer, and such Authorized Officer and such other officers of the District as may be authorized by the Board are, and each of them acting alone hereby is, authorized to deliver copies of the Preliminary Official Statement and the Official Statement with such changes therein as such officer shall approve, in his or her discretion, as being in the best interests of the District. Upon the approval of such changes by such officer, the Preliminary Official Statement shall be "deemed final" as of its 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 (the "Rule"). The Authorized Officer is hereby authorized and directed to execute the Official Statement with such changes therein, deletions therefrom and modifications thereto as such Authorized Officer may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 20. Insurance. In the event the District purchases bond insurance for the Refunding Bonds, and to the extent that the Bond Insurer makes payment of the Principal, interest or Maturity Value of the Refunding Bonds, it shall become the Owner of such Refunding Bonds with the right to payment of Principal or Maturity Value of or, interest on the Refunding Bonds, and shall be fully subrogated to all of the Owners' rights, including the Owners' rights to

payment thereof. To evidence such subrogation (i) in the case of subrogation as to claims that were past due interest components, the Paying Agent shall note the Bond Insurer's rights as subrogee on the registration books for the Refunding Bonds maintained by the Paying Agent upon receipt of a copy of the cancelled check issued by the Bond Insurer for the payment of such interest to the Owners of the Refunding Bonds, and (ii) in the case of subrogation as to claims for past due Principal or Maturity Value, the Paying Agent shall note the Bond Insurer as subrogee on the registration books for the Refunding Bonds maintained by the Paying Agent upon surrender of the Refunding Bonds by the Owners thereof to the Bond Insurer or the insurance trustee for the Bond Insurer.

SECTION 21. Defeasance. All or any portion of the outstanding maturities of the Refunding Bonds may be defeased prior to maturity in the following ways:

(a) Cash: by irrevocably depositing with an independent escrow agent selected by the District an amount of cash which together with amounts then on deposit in the Debt Service Fund is sufficient to pay all Refunding Bonds outstanding and designated for defeasance, including all Principal and interest and premium, if any; or

(b) United States Obligations: by irrevocably depositing with an independent escrow agent selected by the District noncallable United States Obligations, together with cash, if required, in such amount as will, in the opinion of an independent certified public accountant, together with interest to accrue thereon and moneys then on deposit in the Debt Service Fund together with the interest to accrue thereon, be fully sufficient to pay and discharge all Refunding Bonds Outstanding and designated for defeasance (including all Principal, Maturity Value and interest represented thereby and prepayment premiums, if any) at or before their maturity date;

then, notwithstanding that any of such Refunding Bonds shall not have been surrendered for payment, all obligations of the District with respect to all such designated Outstanding Refunding Bonds shall cease and terminate, except only the obligation of the Paying Agent or an independent escrow agent selected by the District to pay or cause to be paid from funds deposited pursuant to paragraphs (a) or (b) of this Section, to the Owners of such designated Refunding Bonds not so surrendered and paid all sums due with respect thereto.

For purposes of this Section, "United States Obligations" shall mean:

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

provided that such obligations are rated or assessed "AAA" by Standard & Poor's or "Aaa" by Moody's Investors Service.

SECTION 22. Other Actions, Determinations and Approvals.

(a) Members of the Board, officials and staff of the District are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance of the Refunding Bonds and otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

(b) The Board hereby finds and determines that the total net interest cost to maturity on the Refunding Bonds plus the principal amount of the Refunding Bonds will be less than the total net interest cost to maturity on the Refunded Bonds plus the principal amount of the Refunded Bonds.

(c) The Board anticipates that the Refunded Bonds will be refunded in accordance with their terms on their respective first available optional call dates or defeased to their maturity dates, as market conditions permit.

(d) The Board hereby appoints RBC Dain Rauscher Inc., doing business as RBC Capital Markets, as its Underwriter for the Refunding Bonds, and Fulbright & Jaworski L.L.P., Los Angeles, California, as bond and disclosure counsel, with respect to the issuance of the Refunding Bonds.

(e) The provisions of this Resolution as they relate to the terms of the Refunding Bonds may be amended by the Purchase Contract and the Official Statement.

SECTION 23. Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of that certain Continuing Disclosure Agreement to be executed by the District and dated the date of issuance and delivery of the Refunding Bonds, as originally executed or as it may be amended from time to time in accordance with the terms thereof. Any Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Section. Noncompliance with this Section shall not result in acceleration of the Refunding Bonds.

SECTION 24. Recitals. All the recitals in this Resolution above are true and correct and this Board so finds, determines and represents.

SECTION 25. Effective Date. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 7th day of June 2006, by the Board of Trustees of the Pasadena Area Community College District at a regularly scheduled meeting held at Pasadena, California, at which a quorum was present and acting throughout, by the following vote:

AYES: Geoffrey L. Baum, Hilary Bradbury-Huang, Consuelo Rey Castro, Jeanette Mann, John H. Martin, Susanna H. Miele, Beth Wells-Miller

NOES: None

ABSENT: None

Secretary

This is to certify that this recommendation was approved by a favorable vote of the Governing Board of the Pasadena Area Community College District at its meeting held on

JUN 07 2006

Secretary, Board of Trustees