EDUCATION CENTER / BUSINESS SERVICES

POMONA UNIFIED SCHOOL DISTRICT

800 South Garey Avenue, P.O. Box 2900, Pomona, California 91769
Pamela J. Lopez, Assistant Superintendent, CFO, Business Services

Phone: (909) 397-4800
Fax: (909) 622-5895

August 7, 2006

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

SUBJECT: POMONA UNIFIED SCHOOL DISTRICT REQUEST FOR BOARD TO LEVY TAXES AND TO DIRECT THE AUDITOR-CONTROLLER TO PLACE TAXES ON TAX ROLL; 3 VOTES REQUIRED, AND TO TAKE CERTAIN ACTIONS RELATING TO DESIGNATION OF PAYING AGENT

Dear Supervisors:

On March 5, 2002, the electorate of the Pomona Unified School District (the "District") authorized the District to issue bonds in the aggregate principal amount of $68 million. Based on this authorization, the Board of Supervisors of the County of Los Angeles (the "County") has previously sold four series of the Bonds in the name of the District in the aggregate principal amount of $55,000,000. The governing board of the District has recently adopted its resolution authorizing the issuance and sale of an additional series of bonds in the aggregate principal amount of $13,000,000, designated the Pomona Unified School District (County of Los Angeles, California) General Obligation Bonds, 2002 Election, Series E (the "Series E Bonds"), for the purpose of providing financing for school facilities authorized at the election.

The District formally requests in accordance with Education Code § 15250 that the Los Angeles County Board of Supervisors adopt the enclosed resolution to levy the appropriate taxes and to direct the County Auditor-Controller to place these taxes on the tax roll every year according to a debt service schedule which has been supplied by the District to the County Auditor-Controller estimating the debt service for the Series E Bonds. It is anticipated that the Series E Bonds will be sold on October 3, 2006, and issued on October 18, 2006. As provided in the enclosed resolution, the District further requests that the Board of Supervisors authorize the County Treasurer to contract with U.S. Bank National Association to perform the duties of Paying Agent on behalf of the County Treasurer.

IT IS THEREFORE RECOMMENDED THAT YOUR BOARD:

1. Adopt the resolution which is enclosed with this request.

2. After the board has taken action adopting the foregoing resolution, the District requests that the Executive Officer-Clerk of the Board furnish (2) certified copies of the resolution to: Jones Hall, A Professional Law Corporation, at 650 California Street, 18th Floor, San Francisco, California 94108, Attn: Charles F. Adams, Esq., and send one (1) copy of this Resolution to each of the following:

Dale Scott & Company, Inc.:
ATTN: Pat Furlong
400 Montgomery Street, Suite 805
San Francisco, California 94104

Los Angeles County Treasurer and Tax Collector
ATTN: John Patterson
500 W. Temple Street, Room 432
Los Angeles, California 90012

Los Angeles County Auditor Controller
ATTN: Sanford Johnson
500 W. Temple Street, Room 603
Los Angeles, California 90012

Los Angeles County Counsel
ATTN: Cammy C. DuPont
Principal Deputy County Counsel .
500 W. Temple Street, Room 648
Los, Angeles, California 90012

Thank you for your assistance in this matter.

Sincerely,

POMONA UNIFIED SCHOOL DISTRICT

By: _____
Dr. Thelma Melendez de Santa Ana
Superintendent

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, CALIFORNIA, AUTHORIZING THE LEVY OF TAXES FOR GENERAL OBLIGATION BONDS OF THE POMONA UNIFIED SCHOOL DISTRICT, DIRECTING THE COUNTY AUDITOR-CONTROLLER TO MAINTAIN TAXES ON THE TAX ROLL AND DESIGNATING PAYING AGENT

WHEREAS, the issuance of $68,000,000 principal amount of general obligation bonds of the Pomona Unified School District (the "District") County of Los Angeles (the "County"), State of California, was authorized at a duly called election held within the District on March 5, 2002 (the "Election"), the proceeds of which are to be used for the construction of certain capital improvements to the public school facilities of the District; and

WHEREAS, the Board of Supervisors of the County has previously sold three series of the Bonds in the name of the District in the aggregate principal amount of $40,000,000, and the Board of Trustees of the District has previously sold an additional series of the Bonds in the aggregate principal amount of $15,000,000; and

WHEREAS, the Board of Education of the Pomona Unified School District (the "District Board") has determined in its Resolution adopted July 25, 2006 (the "District Resolution") to authorize the issuance and sale of its General Obligation Bonds, Election 2002, Series E in the aggregate principal amount of $13,000,000 (the "Bonds") under the provisions of Article 4.5 of Chapter 3 (commencing with Section 53506) of Part 1 of Division 2 of Title 5 of the California Government Code (the "Bond Law") for the purpose of financing additional projects authorized at the Election; and

WHEREAS, pursuant to the Bond Law the District Board is authorized to provide for the issuance and sale of the Bonds by resolution; and

WHEREAS, by its Resolution adopted on July 25, 2006, the District Board has formally requested the County Board of Supervisors to levy taxes in an amount sufficient to pay the principal and interest on the Bonds when due, and to direct the Auditor-Controller of the County of Los Angeles to place on its 2006-07 tax roll, and all subsequent tax rolls, taxes sufficient to fulfill the requirements of the debt service schedule that has been provided to the Auditor-Controller;

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 Board levy taxes in an amount sufficient to pay the principal of and interest on the Bonds.

SECTION 2. Preparation of Tax Roll. That the Auditor-Controller of the County of Los Angeles is hereby directed to place on its 2006-07 tax roll, and all subsequent tax rolls, taxes in an amount sufficient to pay the principal of and interest on the Bonds, according to the debt service schedule to be provided by the District to the Auditor-Controller.

SECTION 3. Designation of Paying Agent. Under the District Resolution, the District has appointed the Treasurer and Tax Collector of the County (the "County Treasurer") to act as Paying Agent for the Bonds, and has authorized the County Treasurer to contract with any third party to perform the services of Paying Agent under the District Resolution.

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

The foregoing resolution was adopted on the ___ day of August, 2006, 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

Extract of the Minutes of the Board of Education
Of the POMONA UNIFIED SCHOOL DISTRICT – July 25, 2006

Adoption of Resolution No. 3 (2006-07) Authorizing the Issuance of General Obligation Bonds, 2002 Election, Series E, in the Aggregate Principal Amount of $13,000,000

Following discussion by the Board of Education, and upon the recommendation of the Superintendent, it was moved by Mr. Avila, seconded by Mr. Mendoza, and carried, that the Board of Education approve the adoption of Resolution No. 3 (2006-07), Authorizing the Issuance and Sale of General Obligation Bonds, 2002 Election, Series E, in the Principal Amount of $13,000,000. (Mr. Wong abstained and Mr. Rodriguez was absent).

Thelma Meléndez

Dr. Thelma Meléndez, Superintendent
Secretary, Board of Education

BOARD OF EDUCATION
POMONA UNIFIED SCHOOL DISTRICT

RESOLUTION NO. 3 (2006-07)

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS, 2002 ELECTION SERIES E, IN THE PRINCIPAL AMOUNT OF $13,000,000

WHEREAS, a special bond election was duly and regularly held in the Pomona Unified School District (the "District") on March 5, 2002, under the procedures specified in Proposition 39 (Article XIII A Section 1 paragraph (b) of the California Constitution) for the purpose of submitting a ballot measure (the "Bond Measure") to the qualified electors of the District authorizing the issuance of general obligation bonds of the District in the aggregate principal amount of $68,000,000 (the "Bonds"), and more than 55% of the votes cast at said election were in favor of the issuance of the Bonds; and

WHEREAS, the Board of Supervisors of the County has previously sold three series of the Bonds in the name of the District in the aggregate principal amount of $40,000,000, and the Board of Trustees of the District has previously sold an additional series of the Bonds in the aggregate principal amount of $15,000,000; and

WHEREAS, the Board of Education of the District is authorized to provide for the issuance and sale of any series of Bonds on behalf of the District under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Bond Law"), and the Board of Education has previously authorized the issuance of an additional series of the Bonds in the aggregate principal amount of $15,000,000; and

WHEREAS, the District wishes at this time to initiate proceedings for the issuance of a fifth and final series of Bonds under the Bond Law in the aggregate principal amount of $13,000,000;

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

ARTICLE I

DEFINITIONS; AUTHORITY

SECTION 1.01. *Definitions.* The terms defined in this Section 1.01, as used and capitalized herein, shall, for all purposes of this Resolution, have the meanings given them below, unless the context clearly requires some other meaning.

"Board" means the Board of Education of the District.

"Bond Counsel" means (a) the firm of Jones Hall, A Professional Law Corporation, or (b) any other attorney or firm of attorneys nationally recognized for expertise in rendering opinions as to the legality and tax exempt status of securities issued by public entities.

"Bond Law" means Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, as is in effect on the date of adoption hereof and as amended hereafter.

"Bond Proposition" means the proposition submitted to, and approved by more than 55% of, the voters under which the issuance of the Bonds has been authorized.

"Bond Year" means the one-year period beginning on August 1 in each year and ending on the next succeeding July 31; except that the first Bond Year begins on the Closing Date and ends on July 31, 2007.

"Building Fund" means the fund established and held by the County under Section 3.04.

"Closing Date" means the date upon which there is a physical delivery of the Series E Bonds in exchange for the amount representing the purchase price of the Series E Bonds by the Original Purchaser.

"Costs of Issuance" means all items of expense directly or indirectly payable by or reimbursable to the District and related to the authorization, issuance, sale and delivery of the Series E Bonds, including but not limited to the costs of preparation and reproduction of documents, printing expenses, filing and recording fees, initial fees and charges of the Paying Agent and its counsel, legal fees and charges, fees and disbursements of consultants and professionals, rating agency fees, title insurance premiums, fees and charges for preparation, execution and safekeeping of the Series E Bonds and any other cost, charge or fee in connection with the original issuance of the Series E Bonds.

"County" means the County of Los Angeles, a political subdivision of the State of California, duly organized and existing under the Constitution and laws of the State of California.

"County Treasurer" means the Treasurer and Tax Collector of the County, or any person at any time performing the duties of treasurer of the County.

"Debt Service Fund" means the fund established and held by the County under Section 4.02.

"Depository" means (a) initially, DTC, and (b) any other Securities Depository acting as Depository under Section 2.09.

"Depository System Participant" means any participant in the Depository's book-entry system.

"District" means the Pomona Unified School District, a unified school district organized under the Constitution and laws of the State of California, and any successor thereto.

"District Representative" means the Superintendent, the Assistant Superintendent of Business Services/Chief Financial Officer of the District, or any other person authorized by resolution of the Board of Education of the District to act on behalf of the District with respect to this Resolution and the Bonds.

"DTC" means The Depository Trust Company, New York, New York, and its successors and assigns.

"Federal Securities" means United States Treasury notes, bonds, bills or certificates of indebtedness, or any other obligations the timely payment of which is directly or indirectly guaranteed by the faith and credit of the United States of America.

"Information Services" means Financial Information, Incorporated's "Daily Called Bond Service," 30 Montgomery Street, 10th Floor, Jersey City, New Jersey 07302, Attention: Editor; Mergent/FIS, Inc., 5250 77 Center Drive, Suite 150, Charlotte, North Carolina 28217, Attention: Municipal News Report; and Kenny S&P, 55 Water Street, 45th Floor, New York, New York 10041, Attention: Notification Department; or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other addresses and/or such other services providing information with respect to called bonds as the District may designate in a Written Request of the District delivered to the Paying Agent.

"Interest Payment Date" means February 1, 2007, and the first day of each succeeding February and August.

"Official Notice of Sale" means the Official Notice of Sale for the Series E Bonds which is approved under Section 3.01(a).

"Original Purchaser" means the original purchaser of the Series E Bonds upon the public sale thereof.

"Outstanding," when used as of any particular time with reference to Series E Bonds, means all Series E Bonds except: (a) Series E Bonds theretofore canceled by the Paying Agent or surrendered to the Paying Agent for cancellation; (b) Series E Bonds paid or deemed to have been paid within the meaning of Section 9.02; and (c) Series E Bonds in lieu of or in substitution for which other Series E Bonds have been authorized, executed, issued and delivered by the District under this Resolution.

"Owner", whenever used herein with respect to a Series E Bond, means the person in whose name the ownership of such Series E Bond is registered on the Registration Books.

"Paying Agent" means the Paying Agent appointed by the District and acting as paying agent, registrar and authenticating agent for the Series E Bonds, its successors and assigns, and any other corporation or association which may at any time be substituted in its place, as provided in Section 6.01.

"Principal Office" means the office or offices of the Paying Agent for the payment of the Series E Bonds and the administration of its duties hereunder, as such office or offices shall be identified in a written notice filed with the District by the Paying Agent.

"Record Date" means the 15th calendar day of the month preceding an Interest Payment Date, whether or not such day is a business day.

"Registration Books" means the records maintained by the Paying Agent for the registration of ownership and transfer of the Series E Bonds under Section 2.08.

"Resolution" means this Resolution, as originally adopted by the Board and including all amendments hereto and supplements hereof which are duly adopted by the Board from time to time in accordance herewith.

"Securities Depositories" means DTC; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the District may designate in a Written Request of the District delivered to the Paying Agent.

"Series E Bonds" means the $13,000,000 aggregate principal amount of Pomona Unified School District (County of Los Angeles, California) General Obligation Bonds, 2002 Election, Series E, at any time Outstanding under this Resolution.

"Tax Code" means the Internal Revenue Code of 1986 as in effect on the Closing Date or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the Closing Date, together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance published, under said Code.

"Written Request of the District" means an instrument in writing signed by a District Representative or by any other officer of the District duly authorized to act on behalf of the District under a written certificate of a District Representative.

SECTION 1.02. *Interpretation.*

(a) Unless the context otherwise indicates, words expressed in the singular include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and include the neuter, masculine or feminine gender, as appropriate.

(b) 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 do not affect the meaning, construction or effect hereof.

(c) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Resolution; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Resolution as a whole and not to any particular Article, Section or subdivision hereof.

SECTION 1.03. *Authority for this Resolution; Findings.* This Resolution is entered into under the provisions of the Bond Law. The Board hereby certifies that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of the Series E Bonds do exist, have happened or have been performed in due and regular time and manner as required by the laws of the State of California, and that the amount of the Series E Bonds, together

with all other indebtedness of the District, does not exceed any limit prescribed by any laws of the State of California.

ARTICLE II

THE SERIES E BONDS

SECTION 2.01. *Authorization.* The Board hereby authorizes the issuance of the Bonds in the aggregate principal amount $13,000,000 under and subject to the terms of the Bond Law and this Resolution, for the purpose of raising money to finance school facilities in accordance with the Bond Proposition, and to pay the Costs of Issuance. This Resolution constitutes a continuing agreement between the District and the Owners of all of the Series E Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal of and interest and premium, if any, on all Series E Bonds which may be Outstanding hereunder, subject to the covenants, agreements, provisions and conditions herein contained. The Series E Bonds are designated the "Pomona Unified School District (County of Los Angeles, California) General Obligation Bonds, 2002 Election, Series E".

SECTION 2.02. *Terms of Series E Bonds.*

(a) Form; Numbering. The Series E Bonds shall be issued as fully registered Bonds, without coupons, in the denomination of $5,000 each or any integral multiple thereof, but in an amount not to exceed the aggregate principal amount of Series E Bonds maturing in the year of maturity of the Series E Bond for which the denomination is specified. Series E Bonds shall be lettered and numbered as the Paying Agent may prescribe.

(b) Date of Series E Bonds. The Series E Bonds shall be dated as of the Closing Date.

(c) CUSIP Identification Numbers. "CUSIP" identification numbers shall be imprinted on the Series E Bonds, but such numbers do not constitute a part of the contract evidenced by the Series E Bonds and any error or omission with respect thereto will not constitute cause for refusal of any purchaser to accept delivery of and pay for the Series E Bonds. In addition, failure on the part of the District to use CUSIP numbers in any notice to Owners of the Series E Bonds will not constitute an event of default or any violation of the District's contract with the Owners and will not impair the effectiveness of any such notice.

(d) Maturities: Interest. The Series E Bonds shall mature (or, alternatively, be subject to mandatory sinking fund redemption as hereinafter provided) on the dates and in the amounts to be determined upon the sale of the Series E Bonds in accordance with the Official Notice of Sale.

Each Series E Bond will bear interest from the Interest Payment Date next preceding the date of registration and authentication thereof unless (i) it is authenticated as of an Interest Payment Date, in which event it will bear interest from such date, or (ii) it is authenticated prior to an Interest Payment Date and after the close of business on the preceding Record Date, in which event it will bear interest from such Interest Payment Date, or (iii) it is authenticated on or before the first Record Date, in which event it will bear interest from the dated date of the Series E Bonds; *provided, however,*

that if at the time of authentication of a Series E Bond, interest is in default thereon, such Series E Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

(e) Payment. Interest on the Series E Bonds (including the final interest payment upon maturity or redemption) is payable by check of the Paying Agent mailed to the Owner thereof at such Owner's address as it appears on the Registration Books at the close of business on the preceding Record Date; provided that at the written request of the Owner of at least $1,000,000 aggregate principal amount of the Series E Bonds, which written request is on file with the Paying Agent as of any Record Date, interest on such Series E Bonds shall be paid on the succeeding Interest Payment Date to such account as shall be specified in such written request. Principal of and premium (if any) on the Series E Bonds are payable in lawful money of the United States of America upon presentation and surrender at the Principal Office of the Paying Agent.

SECTION 2.03. *Redemption.*

(a) Redemption Dates and Prices. The Series E Bonds maturing on or before August 1, 2014, are not subject to redemption prior to their respective stated maturities. The Series E Bonds maturing on or after August 1, 2015, are subject to redemption prior to maturity, at the option of the District, in whole or in part among maturities on such basis as designated by the District and by lot within a maturity, from any available source of funds, on August 1, 2014, and on any Interest Payment Date thereafter, at a redemption price (expressed as a percentage of the principal amount of Series E Bonds to be redeemed) as set forth in the following table, together with accrued interest thereon to the date fixed for redemption.

Redemption Dates	Redemption Price
August 1, 2014 and February 1, 2015	102.0%
August 1, 2015 and February 1, 2016	101.0
August 1, 2016 and thereafter	100.0

(b) Mandatory Sinking Fund Redemption. If and as specified in the bid of the winning bidder for the Series E Bonds, any maturity of Series E Bonds will be designated as "Term Bonds" which are subject to mandatory sinking fund redemption on August 1 in each of the years set forth in such bid and in the respective principal amounts as set forth in Section 2.02(d), at a redemption price equal to 100% of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption. If some but not all of such Term Bonds have been redeemed under the preceding subsection (a) of this Section, the aggregate principal amount of such Term Bonds to be redeemed in each year under this subsection (b) will be reduced on a pro rata basis in integral multiples of $5,000, as designated in written notice filed by the District with the Paying Agent.

(c) Selection of Series E Bonds for Redemption. Whenever less than all of the Outstanding Series E Bonds of any one maturity are designated for redemption, the Paying Agent shall select the Outstanding Series E Bonds of such maturity to be redeemed by lot in any manner deemed fair by the Paying Agent. For purposes of such selection, each Series E Bond will be deemed to consist of individual Series E Bonds of $5,000 denominations each, which may be separately redeemed.

(d) Redemption Procedure. The Paying Agent will cause notice of any redemption to be mailed, by first class mail, postage prepaid, at least 30 days but not more than 60 days prior to the date fixed for redemption, to (i) one or more of the Information Services, and (ii) to the respective Owners of any Series E Bonds designated for redemption, at their addresses appearing on the Registration Books. Such mailing is not a condition precedent to such redemption and the failure to mail or to receive any such notice will not affect the validity of the proceedings for the redemption of such Series E Bonds. In addition, the Paying Agent will give notice of redemption by telecopy or certified, registered or overnight mail to each of the Securities Depositories at least 2 days prior to such mailing to the Series E Bond Owners.

Such notice must state the redemption date and the redemption price and, if less than all of the then Outstanding Series E Bonds are to be called for redemption, shall designate the serial numbers of the Series E Bonds to be redeemed by giving the individual number of each Series E Bond or by stating that all Series E Bonds between two stated numbers, both inclusive, or by stating that all of the Series E Bonds of one or more maturities have been called for redemption, and shall require that such Series E Bonds be then surrendered at the Principal Office of the Paying Agent for redemption at the said redemption price, giving notice also that further interest on such Series E Bonds will not accrue from and after the redemption date.

Upon surrender of Series E Bonds redeemed in part only, the District will execute and the Paying Agent shall authenticate and deliver to the Owner, at the expense of the District, a new Series E Bond or Bonds, of the same maturity, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Series E Bond or Bonds.

From and after the date fixed for redemption, if notice of such redemption has been duly given and funds available for the payment of the principal of and interest (and premium, if any) on the Series E Bonds so called for redemption have been duly provided, the Series E Bonds called for redemption will cease to be entitled to any benefit under this Resolution other than the right to receive payment of the redemption price, and no interest will accrue thereon on or after the redemption date specified in the notice. The Paying Agent will cancel all Series E Bonds redeemed under this Section 2.03 and will furnish a certificate of cancellation to the District.

SECTION 2.04. *Form of Series E Bonds.* The Series E Bonds, the form of the Paying Agent's certificate of authentication and registration and the form of assignment to appear thereon shall be substantially in the forms, respectively, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Resolution, as are set forth in Appendix A attached hereto.

SECTION 2.05. *Execution of Series E Bonds.* The Series E Bonds shall be signed by the facsimile signature of the President of the Board and shall be attested by the facsimile signature of the Secretary of the Board, and the seal of the Board shall be reproduced thereon. No Series E Bond is valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until the certificate of authentication printed on the Series E Bond is signed by the Paying Agent as authenticating agent.

The Series E Bonds shall be in substantially the form attached hereto as Appendix A and incorporated herein by this reference, allowing those officials executing

the Series E Bonds to make the insertions and deletions necessary to conform the Series E Bonds to this Resolution and the winning bid for the Series E Bonds.

Only those Series E Bonds bearing a certificate of authentication and registration in the form set forth in Appendix A attached hereto, executed and dated by the Paying Agent, are valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such certificate of the Paying Agent is conclusive evidence that the Series E Bonds so registered have been duly authenticated, registered and delivered hereunder and are entitled to the benefits of this Resolution.

SECTION 2.06. *Transfer of Series E Bonds.* Any Series E Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Series E Bond for cancellation at the Principal Office at the Paying Agent, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed. The District may charge a reasonable sum for each new Series E Bond issued upon any transfer.

Whenever any Series E Bond or Bonds is surrendered for transfer, the District will execute and the Paying Agent will authenticate and deliver a new Series E Bond or Bonds, for like aggregate principal amount. No transfer of Series E Bonds is required to be made (a) 15 days prior to the date established by the Paying Agent for selection of Series E Bonds for redemption or (b) with respect to a Series E Bond which has been selected for redemption.

SECTION 2.07. *Exchange of Series E Bonds.* Series E Bonds may be exchanged at the Principal Office of the Paying Agent for a like aggregate principal amount of Series E Bonds of authorized denominations and of the same maturity. The District may charge a reasonable sum for each new Series E Bond issued upon any exchange (except in the case of any exchange of temporary Series E Bonds for definitive Series E Bonds). No exchange of Series E Bonds is required to be made (a) 15 days prior to the date established by the Paying Agent for selection of Series E Bonds for redemption or (b) with respect to a Series E Bond after it has been selected for redemption.

SECTION 2.08. *Registration Books.* The Paying Agent will keep or cause to be kept sufficient books for the registration and transfer of the Series E Bonds, which will at all times be open to inspection by the District upon reasonable notice; and, upon presentation for such purpose, the Paying Agent will, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Series E Bonds as herein before provided.

SECTION 2.09. *Book-Entry System.* Except as provided below, DTC shall be the Owner of all of the Series E Bonds, and the Series E Bonds shall be registered in the name of Cede & Co. as nominee for DTC. The Series E Bonds shall be initially executed and delivered in the form of a single fully registered Series E Bond for each maturity date of the Series E Bonds in the full aggregate principal amount of the Series E Bonds maturing on such date. The Paying Agent and the District may treat DTC (or its nominee) as the sole and exclusive owner of the Series E Bonds registered in its name for all purposes of this Resolution, and neither the Paying Agent nor the District shall be affected by any notice to the contrary. The Paying Agent and the District have no responsibility or obligation to any Depository System Participant, any person claiming

a beneficial ownership interest in the Series E Bonds under or through DTC or a Depository System Participant, or any other person which is not shown on the register of the District as being an owner, with respect to the accuracy of any records maintained by DTC or any Depository System Participant or the payment by DTC or any Depository System Participant by DTC or any Depository System Participant of any amount in respect of the principal or interest with respect to the Series E Bonds. The District shall cause to be paid all principal and interest with respect to the Series E Bonds only to DTC, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to the principal and interest with respect to the Series E Bonds to the extent of the sum or sums so paid. Except under the conditions noted below, no person other than DTC shall receive a Series E Bond. Upon delivery by DTC to the District of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the term "Cede & Co." in this Resolution shall refer to such new nominee of DTC.

If the District determines that it is in the best interest of the beneficial owners that they be able to obtain Series E Bonds and delivers a written certificate to DTC and the District to that effect, DTC shall notify the Depository System Participants of the availability through DTC of Series E Bonds. In such event, the District shall issue, transfer and exchange Series E Bonds as requested by DTC and any other owners in appropriate amounts. DTC may determine to discontinue providing its services with respect to the Series E Bonds at any time by giving notice to the District and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the District shall be obligated to deliver Series E Bonds as described in this Resolution. Whenever DTC requests the District to do so, the District will cooperate with DTC in taking appropriate action after reasonable notice to (a) make available one or more separate Series E Bonds evidencing the Series E Bonds to any Depository System Participant having Series E Bonds credited to its DTC account or (b) arrange for another securities depository to maintain custody of certificates evidencing the Series E Bonds.

Notwithstanding any other provision of this Resolution to the contrary, so long as any Series E Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal and interest with respect to such Series E Bond and all notices with respect to such Series E Bond shall be made and given, respectively, to DTC as provided as in the representation letter delivered on the date of issuance of the Series E Bonds.

SECTION 2.10. *Series E Bonds Mutilated, Lost, Destroyed or Stolen.* If any Series E Bond is mutilated the District, at the expense of the Owner thereof, shall execute, and the Paying Agent shall authenticate and deliver, a new Series E Bond of like maturity and principal amount in exchange and substitution for the Series E Bond so mutilated, but only upon surrender to the Paying Agent of the Series E Bond so mutilated. The Paying Agent shall cancel every mutilated Series E Bond so surrendered to it. If any Series E Bond is lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the District and, if such evidence is satisfactory to the District and indemnity satisfactory to it is given, the District, at the expense of the Owner, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Series E Bond of like maturity and principal amount in lieu of and in substitution for the Series E Bond so lost, destroyed or stolen. The District may require payment of a sum not exceeding the actual cost of preparing each new Series E Bond issued under this Section and of the expenses which may be incurred by the District and the Paying

Agent in the premises. Any Series E Bond issued under the provisions of this Section 2.10 in lieu of any Series E Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the District whether or not the Series E Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Resolution with all other Series E Bonds issued under this Resolution.

Notwithstanding any other provision of this Section 2.10, in lieu of delivering a new Series E Bond for which principal has or is about to become due for a Series E Bond which has been mutilated, lost, destroyed or stolen, the Paying Agent may make payment of such Series E Bond in accordance with its terms.

ARTICLE III

SALE OF SERIES E BONDS; APPLICATION OF PROCEEDS

SECTION 3.01. *Sale of Series E Bonds; Approval of Sale Documents.*

(a) Official Notice of Sale. The Board hereby authorizes the sale of the Series E Bonds by competitive public bidding in accordance with the provisions of the Official Notice of Sale in substantially the form on file with the Clerk of the Board, together with such additions thereto and changes therein as may be approved by a District Representative.

(b) Publication of Notice of Intention to Sell Series E Bonds. Under Government Code Section 53692, the Board hereby approves and authorizes the publication by Jones Hall, A Professional Law Corporation, as Bond Counsel to the District, of a Notice of Intention to Sell Bonds in form and substance acceptable to Bond Counsel, in *The Bond Buyer* once at least 5 days prior to the date fixed for receipt of bids.

(c) Official Statement. The Board hereby approves and deems nearly final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, the preliminary Official Statement describing the Series E Bonds in the form on file with the Clerk of the Board. A District Representative is hereby individually authorized, at the request of the Original Purchaser, to execute an appropriate certificate affirming the Board's determination that the preliminary Official Statement has been deemed nearly final within the meaning of such Rule. Distribution of the preliminary Official Statement by Dale Scott & Company, Inc., as financial adviser to the District, to prospective bidders on the Series E Bonds is hereby approved. A District Representative is hereby individually authorized and directed to approve any changes in or additions to a final form of the Official Statement, and the execution thereof by such District Representative shall be conclusive evidence of approval of any such changes and additions. The Board hereby authorizes the distribution of the final Official Statement by the Original Purchaser. A District Representative shall execute the final Official Statement in the name and on behalf of the District.

(d) Furnishing of Official Notice of Sale and Official Statement. The financial adviser to the District, Dale Scott & Company, Inc. is hereby authorized and directed by the District to cause to be furnished to prospective bidders a reasonable number of

copies of the Official Notice of Sale and a reasonable number of copies of the Preliminary Official Statement relating to the Series E Bonds.

(e) Terms and Conditions of Sale. The terms and conditions of the offering and the sale of the Series E Bonds shall be as specified in the Official Notice of Sale. A District Representative, on behalf of the District, is hereby delegated the authority to accept the best responsible bid for the purchase of the Series E Bonds, determined in accordance with the Official Notice of Sale. Sale of the Series E Bonds shall be awarded, or all bids shall be rejected, not later than 24 hours after the expiration of the time prescribed for the receipt of proposals unless such time of award is waived by the successful bidder.

SECTION 3.02. *Application of Proceeds of Sale of Series E Bonds.* The proceeds of the Series B Bonds shall be paid to the County Treasurer on the Closing Date, and shall be applied by the County Treasurer as follows:

(a) The County Treasurer shall deposit in the Debt Service Fund an amount equal to the premium (if any) received on the sale of the Series B Bonds.

(b) The County Treasurer shall deposit the remainder of such proceeds in the Building Fund.

SECTION 3.03. *Building Fund.* The District hereby directs the Los Angeles County Office of Education to establish, hold and maintain a fund to be known as the "Election 2002, Series E Building Fund", which shall be maintained by the County as a separate account, distinct from all other funds of the County and the District. The proceeds from the sale of the Series E Bonds, to the extent required under Section 3.01(b), shall be deposited in and credited to the Building Fund, and shall be expended by the District solely for the acquisition or improvement of school facilities for which the Series E Bond proceeds are authorized to be expended under the Bond Proposition, and for payment of Costs of Issuance to the extent not paid by the Original Purchaser. All interest and other gain arising from the investment of amounts deposited to the Building Fund shall be retained in the Building Fund and used for the purposes thereof. At the Written Request of the District filed with the County, any amounts remaining on deposit in the Building Fund and not needed for the purposes thereof shall be withdrawn from the Building Fund and transferred to the Debt Service Fund, to be applied to pay the principal of and interest on the Series E Bonds.

SECTION 3.04. *Costs of Issuance Custodian Agreement.* As provided in the Official Notice of Sale, the Original Purchaser is required to pay all or a portion of the Costs of Issuance from its own funds as a condition to the purchase of the Series E Bonds. The Board hereby authorizes a District Representative to enter into a Costs of Issuance Custodian Agreement with U.S. Bank National Association in the form on file with the Clerk of the Board. As provided in said agreement, amounts provided by the Original Purchaser for payment of Costs of Issuance shall be deposited thereunder and the payment of Costs of Issuance shall be requisitioned by a District Representative in accordance with said agreement.

ARTICLE IV

SECURITY FOR THE BONDS; PAYMENT OF DEBT SERVICE

SECTION 4.01. *Security for the Series E Bonds.* The Series E Bonds are general obligations of the District payable from the levy of ad valorem taxes upon all property within the District which are subject to taxation by the District, without limitation as to rate or amount, for the payment of the Series E Bonds and the interest thereon. The District hereby directs the County to levy on all the taxable property in the District, in addition to all other taxes, a continuing direct and ad valorem tax annually during the period the Series E Bonds are Outstanding in an amount sufficient to pay the principal of and interest on the Series E Bonds when due, including the principal of any Series E Bonds upon the mandatory sinking fund redemption thereof under Section 2.03(b), which moneys when collected will be paid to the County Treasurer and placed in the Debt Service Fund.

The principal of and interest and redemption premium (if any) on Series E Bonds do not constitute a debt of the County, the State of California, or any of its political subdivisions other than the District, or any of the officers, agents or employees thereof, and neither the County, the State of California, any of its political subdivisions nor any of the officers, agents or employees thereof are liable thereon.

SECTION 4.02. *Establishment of Debt Service Fund.* The District hereby directs the County Treasurer to establish, hold and maintain a fund to be known as the "Election 2002, Series E Debt Service Fund," to be maintained by the County as a separate account, distinct from all other funds of the District. All taxes levied by the County, as directed by the District, for the payment of the principal of and interest and premium (if any) on the Series E Bonds in accordance with Section 4.01 shall be deposited in the Debt Service Fund by the County promptly upon apportionment of said levy. The Debt Service Fund is hereby irrevocably pledged by the District for the payment of the principal of and interest on the Series E Bonds when and as the same become due.

SECTION 4.03. *Disbursements From Debt Service Fund.* The County shall administer the Debt Service Fund and make disbursements therefrom in the manner set forth in this Section 4.03. The County shall transfer amounts on deposit in the Debt Service Fund, to the extent necessary to pay the principal of and interest on the Bonds when due and payable, to the Paying Agent which, in turn, shall pay such moneys to DTC to pay the principal of and interest on the Bonds. DTC will thereupon make payments of principal and interest on the Bonds to the DTC Participants who will thereupon make payments of principal and interest to the beneficial owners of the Bonds. Any moneys remaining in the Debt Service Fund after the 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, as provided in Section 15234 of the Education Code. As provided in Section 15323 of the Education Code, amounts in the Debt Service Fund shall also be applied to pay the expense of paying the Bonds elsewhere than at the office of the County Treasurer.

SECTION 4.04. *Investments.* All moneys held in any of the funds or accounts established with the County hereunder shall be invested in accordance with the

investment policies of the County, as such policies shall exist at the time of investment. Obligations purchased as an investment of moneys in any fund or account shall be deemed to be part of such fund or account.

All interest or gain derived from the investment of amounts in any of the funds or accounts established hereunder shall be deposited in the fund or account from which such investment was made, and shall be expended for the purposes thereof. The District covenants that all investments of amounts deposited in any fund or account created by or under this Resolution, or otherwise containing proceeds of the Series E Bonds, shall be acquired and disposed of at the Fair Market Value thereof. For purposes of this Section 4.04, the term "Fair Market Value" shall mean, with respect to any investment, the price at which a willing buyer would purchase such investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Tax Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as described above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Tax Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Tax Code, or (iii) the investment is a United States Treasury Security - State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt.

ARTICLE V

OTHER COVENANTS OF THE DISTRICT

SECTION 5.01. *Punctual Payment.* The District will punctually pay, or cause to be paid, the principal of and interest on the Series E Bonds, in strict conformity with the terms of the Series E Bonds and of this Resolution, and it will faithfully observe and perform all of the conditions, covenants and requirements of this Resolution and of the Series E Bonds. Nothing herein contained prevents the District from making advances of its own moneys howsoever derived to any of the uses or purposes permitted by law.

SECTION 5.02. *Books and Accounts; Financial Statement.* The District will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the District in which complete and correct entries are made of all transactions relating to the expenditure of the proceeds of the Series E Bonds. Such books of record and accounts shall at all times during business hours be subject to the inspection of the Paying Agent and the Owners of not less than 10% in aggregate principal amount of the Series E Bonds then Outstanding, or their representatives authorized in writing.

SECTION 5.03. *Protection of Security and Rights of Series E Bond Owners.* The District will preserve and protect the security of the Series E Bonds and the rights of the Series E Bond Owners, and will warrant and defend their rights against all claims and demands of all persons. Following the issuance of the Series E Bonds by the District, the Series E Bonds shall be incontestable by the District.

SECTION 5.04. *Tax Covenants.*

(a) Private Activity Bond Limitation. The District shall assure that the proceeds of the Series E Bonds are not so used as to cause the Series E Bonds to satisfy the private business tests of Section 141(b) of the Tax Code or the private loan financing test of Section 141(c) of the Tax Code.

(b) Federal Guarantee Prohibition. The District shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Series E Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Tax Code.

(c) No Arbitrage. The District shall not take, or permit or suffer to be taken by the Paying Agent or the County or otherwise, any action with respect to the proceeds of the Series E Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date would have caused the Series E Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Tax Code.

(d) Maintenance of Tax-Exemption. The District shall take all actions necessary to assure the exclusion of interest on the Series E Bonds from the gross income of the Owners of the Series E Bonds to the same extent as such interest is permitted to be excluded from gross income under the Tax Code as in effect on the Closing Date.

(e) Rebate of Excess Investment Earnings to United States. The District shall calculate or cause to be calculated excess investment earnings with respect to the Series E Bonds which are required to be rebated to the United States of America under Section 148(f) of the Tax Code, and shall pay the full amount of such excess investment earnings to the United States of America in such amounts, at such times and in such manner as may be required under the Tax Code, if and to the extent such Section 148(f) is applicable to the Series E Bonds. Such payments shall be made by the District from any source of legally available funds of the District. The District shall keep or cause to be kept, and retain or cause to be retained for a period of 6 years following the retirement of the Series E Bonds, records of the determinations made under this subsection (e). In order to provide for the administration of this subsection (e), the District may provide for the employment of independent attorneys, accountants and consultants compensated on such reasonable basis as the District may deem appropriate.

SECTION 5.05. *Continuing Disclosure.* The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate, which shall be executed by a District Representative and delivered on the Closing Date. Notwithstanding any other provision of this Resolution, failure of the District to comply with the Continuing Disclosure Certificate does not constitute a default by the District hereunder or under the Series E Bonds; however, any Participating Underwriter (as that term is defined in the Continuing Disclosure Certificate) or any holder or beneficial owner of the Series E Bonds may, take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

SECTION 5.06. *Further Assurances.* The District will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Resolution, and for the better assuring and confirming unto the Owners of the Series E Bonds of the rights and benefits provided in this Resolution.

ARTICLE VI

THE PAYING AGENT

SECTION 6.01. *Appointment of Paying Agent.* The County Treasurer is hereby appointed to act as Paying Agent for the Series E Bonds and, in such capacity, shall also act as registration agent and authentication agent for the Series E Bonds. The Paying Agent undertakes to perform such duties, and only such duties, as are specifically set forth in this Resolution, and even during the continuance of an event of default with respect to the Series E Bonds, no implied covenants or obligations shall be read into this Resolution against the Paying Agent. The Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by executing and delivering to the District a certificate to that effect. The County Treasurer may, in his or her sole discretion, contract with any third party to perform the services of Paying Agent under this Resolution.

The District may remove the Paying Agent initially appointed, and any successor thereto, and may appoint a successor or successors thereto, but any such successor shall be a bank or trust company doing business and having an office in the State of California, having a combined capital (exclusive of borrowed capital) and surplus of at least Fifty Million Dollars ($50,000,000), and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, under law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section 6.01 the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Paying Agent may at any time resign by giving written notice to the District and the Series E Bond Owners of such resignation. Upon receiving notice of such resignation, the District shall promptly appoint a successor Paying Agent by an instrument in writing. Any resignation or removal of the Paying Agent and appointment of a successor Paying Agent will become effective upon acceptance of appointment by the successor Paying Agent.

SECTION 6.02. *Paying Agent May Hold Series E Bonds.* The Paying Agent may become the owner of any of the Series E Bonds in its own or any other capacity with the same rights it would have if it were not Paying Agent.

SECTION 6.03. *Liability of Agents.* The recitals of facts, covenants and agreements in this Resolution and in the Series E Bonds constitute statements, covenants and agreements of the District, and the Paying Agent assumes no responsibility for the correctness of the same, nor makes any representations as to the validity or sufficiency of this Resolution or of the Series E Bonds, nor shall incur any responsibility in respect thereof, other than as set forth in this Resolution. The Paying

Agent is not liable in connection with the performance of its duties hereunder, except for its own negligence or willful default.

In the absence of bad faith, the Paying Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Paying Agent and conforming to the requirements of this Resolution.

The Paying Agent is not liable for any error of judgment made in good faith by a responsible officer in the absence of the negligence of the Paying Agent.

No provision of this Resolution requires the Paying Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it has reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

The Paying Agent may execute any of the powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Paying Agent is not responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

SECTION 6.04. *Notice to Paying Agent.* The Paying Agent may rely and is protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The Paying Agent may consult with counsel, who may be counsel to the District, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of its duties under this Resolution the Paying Agent deems it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof is specifically prescribed in this Resolution) may, in the absence of bad faith on the part of the Paying Agent, be deemed to be conclusively proved and established by a certificate of the District, and such certificate shall be full warrant to the Paying Agent for any action taken or suffered under the provisions of this Resolution upon the faith thereof, but in its discretion the Paying Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

SECTION 6.05. *Compensation; Indemnification.* The District shall pay to the Paying Agent from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees, incurred in and about the performance of their powers and duties under Resolution. The District further agrees to indemnify the Paying Agent against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence or bad faith.

ARTICLE VII

REMEDIES OF SERIES E BOND OWNERS

SECTION 7.01. *Remedies of Series E Bond Owners.* Any Series E Bond Owner has the right, for the equal benefit and protection of all Series E Bond Owners similarly situated:

(a) by mandamus, suit, action or proceeding, to compel the District and its members, officers, agents or employees to perform each and every term, provision and covenant contained in this Resolution and in the Series E Bonds, and to require the carrying out of any or all such covenants and agreements of the District and the fulfillment of all duties imposed upon it;

(b) by suit, action or proceeding in equity, to enjoin any acts or things which are unlawful, or the violation of any of the Series E Bond Owners' rights; or

(c) upon the happening and continuation of any default by the District hereunder or under the Series E Bonds, by suit, action or proceeding in any court of competent jurisdiction, to require the District and its members and employees to account as if it and they were the trustees of an express trust.

SECTION 7.02. *Remedies Not Exclusive.* No remedy herein conferred upon the Owners of Series E Bonds is exclusive of any other remedy. Each and every remedy is cumulative and may be exercised in addition to every other remedy given hereunder or thereafter conferred on the Series E Bond Owners.

ARTICLE VIII

AMENDMENT OF THIS RESOLUTION

SECTION 8.01. *Amendments Effective Without Consent of the Owners.* The Board may amend this Resolution from time to time, without the consent of the Owners of the Series E Bonds, for any one or more of the following purposes:

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

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

(c) To cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in this Resolution, in a manner

which does not materially adversely affect the interests of the Series E Bond Owners in the opinion of Bond Counsel filed with the District; or

(d) To make such additions, deletions or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on the Series E Bonds.

SECTION 8.02. *Amendments Effective With Consent of the Owners.* The Board may amend this Resolution from time to time for any purpose not set forth in Section 8.01, with the written consent of the Owners of a majority in aggregate principal amount of the Series E Bonds Outstanding at the time such consent is given.

Any of the following amendments of this Resolution may be made only with the prior written consent of the Owners or all Outstanding Bonds: (a) a change in the terms of maturity of the principal of any Outstanding Series E Bonds or of any interest payable thereon or a reduction in the principal amount thereof or in the rate of interest thereon, (b) a reduction of the percentage of Series E Bonds the consent of the Owners of which is required to effect any such modification or amendment, (c) a change in the provisions of Section 7.01 relating to Events of Default, or (d) a reduction in the amount of moneys pledged for the repayment of the Series E Bonds. No amendment may be made to the rights or obligations of any Paying Agent without its written consent.

ARTICLE IX

MISCELLANEOUS

SECTION 9.01. *Benefits of Resolution Limited to Parties.* Nothing in this Resolution, expressed or implied, gives any person other than the District, the County, the Paying Agent and the Owners of the Series E Bonds, any right, remedy, claim under or by reason of this Resolution. The covenants, stipulations, promises or agreements in this Resolution are for the sole and exclusive benefit of the Owners of the Series E Bonds.

SECTION 9.02. *Defeasance of Series E Bonds.*

(a) Discharge of Resolution. Series E Bonds may be paid by the District in any of the following ways, provided that the District also pays or causes to be paid any other sums payable hereunder by the District:

(i) by paying or causing to be paid the principal or redemption price of and interest on such Series E Bonds, as and when the same become due and payable;

(ii) by irrevocably depositing, in trust, at or before maturity, money or securities in the necessary amount (as provided in Section 9.02(c) hereof) to pay or redeem such Series E Bonds; or

(iii) by delivering such Series E Bonds to the Paying Agent for cancellation by it.

If the District pays all Outstanding Series E Bonds and also pays or causes to be paid all other sums payable hereunder by the District, then and in that case, at the election of the District (evidenced by a certificate of a District Representative filed with the Paying Agent, signifying the intention of the District to discharge all such indebtedness and this Resolution), and notwithstanding that any Series E Bonds have not been surrendered for payment, this Resolution and other assets made under this Resolution and all covenants, agreements and other obligations of the District under this Resolution shall cease, terminate, become void and be completely discharged and satisfied, except only as provided in Section 9.02(b). In that event, upon request of the District, the Paying Agent shall cause an accounting for such period or periods as may be requested by the District to be prepared and filed with the District and shall execute and deliver to the District all such instruments as may be necessary to evidence such discharge and satisfaction, and the Paying Agent shall pay over, transfer, assign or deliver to the District all moneys or securities or other property held by it under this Resolution which are not required for the payment or redemption of Series E Bonds not theretofore surrendered for such payment or redemption.

(b) Discharge of Liability on Series E Bonds. Upon the deposit, in trust, at or before maturity, of money or securities in the necessary amount (as provided in Section 9.02(c) hereof) to pay or redeem any Outstanding Series E Bond (whether upon or prior to its maturity or the redemption date of such Series E Bond), provided that, if such Series E Bond is to be redeemed prior to maturity, notice of such redemption has been given as provided in Section 2.03 or provision satisfactory to the Paying Agent has been made for the giving of such notice, then all liability of the District in respect of such Series E Bond shall cease and be completely discharged, except only that thereafter the Owner thereof shall be entitled only to payment of the principal of and interest on such Series E Bond by the District, and the District shall remain liable for such payment, but only out of such money or securities deposited with the Paying Agent as aforesaid for such payment, provided further, however, that the provisions of Section 9.02(d) shall apply in all events.

The District may at any time surrender to the Paying Agent for cancellation by it any Series E Bonds previously issued and delivered, which the District may have acquired in any manner whatsoever, and such Series E Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

(c) Deposit of Money or Securities with Paying Agent. Whenever in this Resolution it is provided or permitted that there be deposited with or held in trust by the Paying Agent money or securities in the necessary amount to pay or redeem any Series E Bonds, the money or securities so to be deposited or held may include money or securities held by the Paying Agent in the funds and accounts established under this Resolution and shall be:

(i) lawful money of the United States of America in an amount equal to the principal amount of such Series E Bonds and all unpaid interest thereon to maturity, except that, in the case of Series E Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption has been given as provided in Section 2.03 or provision satisfactory to the Paying Agent has been made for the giving of such notice, the amount to be deposited or held shall be the principal amount or redemption price of such Series E Bonds and all unpaid interest thereon to the redemption date; or

(ii) Federal Securities (not callable by the issuer thereof prior to maturity) the principal of and interest on which when due, in the opinion of a certified public accountant delivered to the District, will provide money sufficient to pay the principal or redemption price of and all unpaid interest to maturity, or to the redemption date, as the case may be, on the Series E Bonds to be paid or redeemed, as such principal or redemption price and interest become due, provided that, in the case of Series E Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption has been given as provided in Section 2.03 or provision satisfactory to the Paying Agent has been made for the giving of such notice.

(d) Payment of Series E Bonds After Discharge of Resolution. Notwithstanding any provisions of this Resolution, any moneys held by the Paying Agent in trust for the payment of the principal or redemption price of, or interest on, any Series E Bonds and remaining unclaimed for 2 years after the principal of all of the Series E Bonds has become due and payable (whether at maturity or upon call for redemption or by acceleration as provided in this Resolution), if such moneys were so held at such date, or 2 years after the date of deposit of such moneys if deposited after said date when all of the Series E Bonds became due and payable, shall, upon request of the District, be repaid to the District free from the trusts created by this Resolution, and all liability of the Paying Agent with respect to such moneys shall thereupon cease; *provided, however,* that before the repayment of such moneys to the District as aforesaid, the Paying Agent may (at the cost of the District) first mail to the Owners of all Series E Bonds which have not been paid at the addresses shown on the Registration Books a notice in such form as may be deemed appropriate by the Paying Agent, with respect to the Series E Bonds so payable and not presented and with respect to the provisions relating to the repayment to the District of the moneys held for the payment thereof.

SECTION 9.03. *Execution of Documents and Proof of Ownership by Series E Bond Owners.* Any request, declaration or other instrument which this Resolution may require or permit to be executed by Series E Bond Owners may be in one or more instruments of similar tenor, and shall be executed by Series E Bond Owners in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Series E Bond Owner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

Except as otherwise herein expressly provided, the ownership of registered Series E Bonds and the amount, maturity, number and date of holding the same shall be proved by the Registration Books.

Any request, declaration or other instrument or writing of the Owner of any Series E Bond shall bind all future Owners of such Series E Bond in respect of anything

done or suffered to be done by the District or the Paying Agent in good faith and in accordance therewith.

SECTION 9.04. *Waiver of Personal Liability.* No Board member, officer, agent or employee of the District shall be individually or personally liable for the payment of the principal of or interest on the Series E Bonds; but nothing herein contained shall relieve any such Board member, officer, agent or employee from the performance of any official duly provided by law.

SECTION 9.05. *Limited Duties of County; Indemnification.* The County (including its officers, agents and employees) shall undertake only those duties of the County under this Resolution which are specifically set forth in this Resolution, and even during the continuance of an event of default with respect to the Series E Bonds, no implied covenants or obligations shall be read into this Resolution against the County (including its officers, agents and employees).

The District further agrees to indemnify, defend and save the County (including its officers, agents and employees) harmless against any and all liabilities, costs, expenses, damages and claims which it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence or bad faith.

SECTION 9.06. *Destruction of Canceled Series E Bonds.* Whenever in this Resolution provision is made for the surrender to the District of any Series E Bonds which have been paid or canceled under the provisions of this Resolution, a certificate of destruction duly executed by the Paying Agent shall be deemed to be the equivalent of the surrender of such canceled Series E Bonds and the District shall be entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such Series E Bonds therein referred to.

SECTION 9.07. *Partial Invalidity.* If any section, paragraph, sentence, clause or phrase of this Resolution shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Resolution. The District hereby declares that it would have adopted this Resolution and each and every other section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Series E Bonds pursuant thereto irrespective of the fact that any one or more sections, paragraphs, sentences, clauses, or phrases of this Resolution may be held illegal, invalid or unenforceable. If, by reason of the judgment of any court, the District is rendered unable to perform its duties hereunder, all such duties and all of the rights and powers of the District hereunder shall be assumed by and vest in the chief financial officer of the District in trust for the benefit of the Series E Bond Owners.

SECTION 9.08. *Execution of Documents.* Each District Representative and any and all other officers of the District are each authorized and directed in the name and on behalf of the District to execute and deliver any and all certificates, requisitions, agreements, notices, consents, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate the lawful issuance, sale and delivery of the Series E Bonds. Whenever in this Resolution any officer of the District is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf if such officer is absent or unavailable.

SECTION 9.09. *Effective Date of Resolution.* This Resolution shall take effect from and after the date of its passage and adoption.

******

I hereby certify that the foregoing Resolution was passed and adopted by the Board of Education of the Pomona Unified School District at a regular meeting thereof duly held on June 28, 2006, by a majority vote of all of its members.

Adopted by the following votes:

AYES:

NOES:

ABSENT:

President of the Board

Clerk of the Board

APPENDIX A

FORM OF SERIES E BOND

REGISTERED BOND NO. _____ $_____

POMONA UNIFIED SCHOOL DISTRICT

(County of Los Angeles, California)

GENERAL OBLIGATION BOND
2002 ELECTION, SERIES E

INTEREST RATE:	MATURITY DATE:	DATED DATE:	CUSIP
_____% per annum		October __, 2006	

REGISTERED OWNER:

PRINCIPAL AMOUNT:

The POMONA UNIFIED SCHOOL DISTRICT (the "District"), located in Los Angeles County, California (the "County"), for value received, hereby promises to pay to the Registered Owner named above, or registered assigns, the Principal Amount on the Maturity Date, each as stated above, and interest thereon, calculated on a 30/360 day basis, until the Principal Amount is paid or provided for, at the Interest Rate stated above, such interest to be paid on February 1 and August 1 of each year, commencing February 1, 2007 (the "Interest Payment Dates"). This Bond will bear interest from the Interest Payment Date next preceding the date of authentication hereof, unless (a) it is authenticated as of a business day following the 15th day of the month immediately preceding any Interest Payment Date and on or before such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (b) it is authenticated on or before January 15, 2007, in which event it will bear interest from the Dated Date set forth above.

Principal, interest and redemption premium (if any) are payable in lawful money of the United States of America to the person in whose name this Bond is registered (the "Registered Owner") on the Bond registration books maintained by the Paying Agent, initially the Treasurer and Tax Collector of the County of Los Angeles. Principal hereof and any redemption premium hereon are payable upon presentation and surrender of this Bond at the office of the Paying Agent. Interest hereon is payable by check mailed by the Paying Agent on each Interest Payment Date to the Registered Owner of this Bond by first-class mail at the address appearing on the Bond registration books at the close of business on the 15th day of the calendar month next preceding such Interest Payment Date (the "Record Date"); *provided, however*, that at the written

request of the registered owner of Bonds in an aggregate principal amount of at least $1,000,000, which written request is on file with the Paying Agent prior to any Record Date, interest on such Bonds shall be paid on each succeeding Interest Payment Date by wire transfer in immediately available funds to such account of a financial institution within the United States of America as specified in such written request.

This Bond is one of a series of $13,000,000 of Bonds issued for the purpose of raising money for the acquisition, construction and rehabilitation of school facilities, and to pay all necessary legal, financial, engineering and contingent costs in connection therewith under authority of and under the laws of the State of California, and the requisite two-thirds vote of the electors of the District cast at a special bond election held on March 5, 2002, upon the question of issuing Bonds in the amount of $68,000,000, and under the resolution of the Board of Education of the District adopted on June 28, 2006 (the "Bond Resolution"). This Bond and the issue of which this Bond is a part are payable as to both principal and interest from the proceeds of the levy of ad valorem taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount.

The principal of and interest and redemption premium, if any, on this Bond does not constitute a debt of the County, the State of California, or any of its political subdivisions other than the District, or any of the officers, agents and employees thereof, and neither the County, the State of California, any of its political subdivisions, nor any of the officers, agents and employees thereof shall be liable hereon. In no event shall the principal of and interest and redemption premium, if any, on this Bond be payable out of any funds or properties of the District other than ad valorem taxes levied upon all taxable property in the District.

The Bonds of this issue are issuable only as fully registered Bonds in the denominations of $5,000 or any integral multiple thereof. This Bond is exchangeable and transferable for Bonds of other authorized denominations at the office of the Paying Agent, by the Registered Owner or by a person legally empowered to do so, upon presentation and surrender hereof to the Paying Agent, together with a request for exchange or an assignment signed by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the Bond Resolution. Any tax or governmental charges shall be paid by the transferor. The District and the Paying Agent may deem and treat the Registered Owner as the absolute owner of this Bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the District nor the Paying Agent shall be affected by any notice to the contrary.

The Bonds maturing on or before August 1, 2014 are not subject to redemption prior to their respective stated maturities. The Bonds maturing on or after August 1, 2015 are subject to redemption prior to maturity as a whole, or in part among maturities on such basis as designated by the District and by lot within a maturity, at the option of the District, from any available source of funds, on August 1, 2014, and on any Interest Payment Date thereafter, at a redemption price (expressed as a percentage of the principal amount of Series E Bonds to be redeemed) as set forth in the following table, together with accrued interest thereon to the date fixed for redemption.

Redemption Dates	Redemption Price
August 1, 2014, and February 1, 2015	102.0%
August 1, 2015, and February 1, 2016	101.0
August 1, 2016 and thereafter	100.0

[*if applicable*: The Bonds maturing on August 1 in each of the years ____ and _____ are Term Bonds which are subject to mandatory sinking fund redemption on August 1 in each of the years and in the respective principal amounts as set forth in the following tables, at a redemption price equal to 100% of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption. If some but not all of the Term Bonds have been redeemed under the preceding paragraph, the aggregate principal amount of Term Bonds to be redeemed under this paragraph will be reduced on a pro rata basis in integral multiples of $5,000, as designated under written notice filed by the District with the Paying Agent.

Mandatory Sinking Fund Redemption of Bonds Maturing August 1, ____

Mandatory Sinking Fund Redemption Date (August 1)	Principal Amount To be Redeemed

Mandatory Sinking Fund Redemption of Bonds Maturing August 1, ____

Mandatory Sinking Fund Redemption Date (August 1)	Principal Amount To be Redeemed

The Paying Agent shall give notice of the redemption of the Bonds at the expense of the District. Such notice shall specify: (a) that the Bonds or a designated portion thereof are to be redeemed, (b) the numbers and CUSIP numbers of the Bonds to be redeemed, (c) the date of notice and the date of redemption, (d) the place or places where the redemption will be made, and (e) descriptive information regarding the Bonds including the dated date, interest rate and stated maturity date. Such notice shall further state that on the specified date there becomes due and payable upon each Bond to be redeemed, the portion of the principal amount of such Bond to be redeemed, together with interest accrued to said date, the redemption premium, if any, and that from and after such date interest with respect thereto shall cease to accrue and be payable.

Notice of redemption shall be by registered or otherwise secured mail or delivery service, postage prepaid, to the registered owner of the Series E Bonds, to a municipal

registered securities depository and to a national information service that disseminates securities redemption notices and, by first class mail, postage prepaid, to the District and the respective Owners of any Bonds designated for redemption at their addresses appearing on the Bond registration books, in every case at least 30 days, but not more than 60 days, prior to the redemption date; provided that neither failure to receive such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of such Bonds.

Neither the District nor the Paying Agent will be required to transfer any Bond (a) during the period established by the Paying Agent for selection of Bonds for redemption or (b) with respect to a Bond which has been selected for redemption.

Reference is made to the Bond Resolution for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the Bonds of this series, the rights, duties and obligations of the District, the Paying Agent and the Registered Owners, and the terms and conditions upon which the Bonds are issued and secured. The owner of this Bond assents, by acceptance hereof, to all of the provisions of the Bond Resolution.

It is certified, recited and declared that all acts and conditions required by the Constitution and laws of the State of California to exist, to be performed or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the District, have been performed and have been met in regular and due form as required by law; that payment in full for the Bonds has been received; that no statutory or constitutional limitation on indebtedness or taxation has been exceeded in issuing the Bonds; and that due provision has been made for levying and collecting ad valorem property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest when due, and for levying and collecting such taxes the full faith and credit of the District are hereby pledged.

This Bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication below has been manually signed by the Paying Agent.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Fiscal Agent for registration of transfer, exchange, or payment, and any Bond 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 in this Bond.

IN WITNESS WHEREOF, the Pomona Unified School District has caused this Bond to be executed by the facsimile signature of the President of its Board of Education, and attested by the facsimile signature of the Secretary of its Board of Education, all as of the date stated above.

POMONA UNIFIED SCHOOL DISTRICT

By _____
President
Board of Education

Attest:

_____
Secretary
Board of Education

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the Bond Resolution referred to in this Bond.

Date of Authentication:

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

By: U.S. Bank National Association, as agent

By _____
Authorized Signatory