EL RANCHO UNIFIED SCHOOL DISTRICT
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BOARD OF EDUCATION
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Joseph Rivera, Ed.D.
Lupe Salas
SUPERINTENDENT
Norbert D. Genis

November 4, 2008

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

Attn: Sachi A. Hamai

Subj: El Rancho Unified School District Request for Board to Levy Taxes and to Direct the Auditor-Controller to Place Taxes on the Tax Roll

Dear Supervisors:

On November 13, 2008, the Board of Trustees of the El Rancho Unified School District (the "District") is expected to consider and adopt a resolution (the "District Resolution") authorizing the issuance and sale of the District's General Obligation Bonds, Election of 2003, Series 2008 E (the "Bonds") in the aggregate principal amount not to exceed $6,896,471.00, pursuant to Section 53506 *et. seq.* of the Government Code of the State of California. An executed original of the District Resolution will be provided once approved by the Board of Trustees of the District.

The District formally requests in accordance with applicable law that the Los Angeles County Board of Supervisors (the "Board of Supervisors") adopt the enclosed resolution (the "County 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 to be supplied by the District following the sale of the Bonds.

IT IS THEREFORE RECOMMENDED THAT THE BOARD OF SUPERVISORS:

1. Adopt the enclosed County Resolution.

2. After the Board of Supervisors has taken action on this letter, the District requests that the Executive Officer-Clerk of the Board of Supervisors furnish two (2) certified copies of the adopted resolution to Nixon Peabody LLP, at 555 W. Fifth Street, Floor 46, Los Angeles, California 90013, Attn: Travis Gibbs, and send one (1) copy of the adopted resolution to each of the following:

a. George K. Baum & Company
Attention: Lynn Paquin
660 J Street, Suite 460
Sacramento, California 95814

b. Los Angeles County Treasurer and Tax Collector
Attention: Charles Halgren
500 W. Temple Street, Room 432
Los Angeles, California 90012

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

d. Los Angeles County Counsel
Attention: Cammy C. DuPont, Esq.
500 W. Temple Street, Room 648
Los Angeles, California 90012

Sincerely,

EL RANCHO UNIFIED SCHOOL DISTRICT

By: _____
Norbert D. Genis, 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 EL RANCHO UNIFIED SCHOOL 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 El Rancho Unified School District (hereinafter referred to as the "District"), County of Los Angeles (the "County"), State of California, on November, 4, 2003 (the "2003 Election"), 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 (the "Project List"), in the maximum principal amount of $49,500,000.00, payable from the levy of an *ad valorem* tax against the taxable property in the District;

WHEREAS, the Board of Trustees of the District (the "District Board") has previously approved the issuance of bonds authorized by the 2003 Election in the amount of $25,999,733.10 aggregate principal amount of the District's General Obligation Bonds, Series 2003A;

WHEREAS, the District Board has previously approved the issuance of bonds authorized by the 2003 Election in the amount of $7,407,516.00 aggregate principal amount of the District's General Obligation Bonds, Series 2004;

WHEREAS, the District Board has previously approved the issuance of bonds authorized by the 2003 Election in the amount of $2,998,270.00 aggregate principal amount of the District's General Obligation Bonds, Series 2005;

WHEREAS, the District Board has previously approved the issuance of bonds authorized by the 2003 Election in the amount of $6,198,009.75 aggregate principal amount of the District's General Obligation Bonds, Series 2007;

WHEREAS, the District Board has now determined the need for the issuance of a fifth series of bonds under the 2003 Election (the "Bonds") pursuant to the provisions of Section 53506 *et seq.* of the Government Code of the State of California, as amended (the "Act");

WHEREAS, pursuant to the Act and the Resolution of the District Board (the "District Resolution") adopted on November 13, 2008, the District is authorized to issue or cause to be issued bonds in an amount not to exceed $6,896,471.00 for the purposes specified in the Project List;

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 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 Bonds that will be provided to the Auditor-Controller by the District following the sale of the Bonds; and

WHEREAS, the District intends to have the Los Angeles County Treasurer and Tax Collector (the "Treasurer") act as the authenticating agent, bond registrar, transfer agent and paying agent (collectively, the "Paying Agent") for the Bonds and consents to the Treasurer contracting with a third party to perform the services of Paying Agent (which third party designee shall initially be U.S. Bank National Association) pursuant to the District Resolution.

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

SECTION 1. Issuance of Bonds. That the District shall issue and sell the Bonds on its own behalf.

SECTION 2. Levy of Taxes. That this County Board levy taxes in an amount sufficient to pay the principal of and interest on the Bonds.

SECTION 3. 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 Bonds, which will be provided to the Auditor-Controller by the District following the sale of the Bonds.

SECTION 4. Paying Agent. That the Treasurer and Tax Collector of the County of Los Angeles act as the Paying Agent, subject to the County's ability to contract with a third party designee.

SECTION 5. Effective Date. That this Resolution shall take effect immediately upon its passage.

The foregoing resolution was, on the 18TH day of NOVEMBER, 2008, 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

61 NOV 18, 2008

RESOLUTION OF THE BOARD OF TRUSTEES OF EL RANCHO UNIFIED SCHOOL DISTRICT AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS (ELECTION OF 2003), SERIES 2008 E OF THE DISTRICT IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $6,896,471.00 AND APPROVING CERTAIN OTHER MATTERS RELATING TO THE BONDS

TABLE OF CONTENTS

		Page
SECTION 1.	Definitions	2
SECTION 2.	Rules of Construction	7
SECTION 3.	Authority for this Resolution	7
SECTION 4.	Resolution to Constitute Contract	7
SECTION 5.	Approval of Documents	7
SECTION 6.	Authorization of Officers	9
SECTION 7.	Use of Bond Proceeds	9
SECTION 8.	Designation and Form; Payment.	9
SECTION 9.	Description of Current Interest Bonds.	9
SECTION 10.	Description of Capital Appreciation Bonds	10
SECTION 11.	Tax Covenant	10
SECTION 12.	Book-Entry System	11
SECTION 13.	Execution of the Bonds.	13
SECTION 14.	Transfer and Exchange	13
SECTION 15.	Bonds Mutilated, Destroyed, Stolen or Lost	14
SECTION 16.	Bond Register	14
SECTION 17.	Unclaimed Money	14
SECTION 18.	Application of Proceeds	15
SECTION 19.	Payment and Security for the Bonds	15
SECTION 20.	Debt Service Fund	15
SECTION 21.	Establishment and Application of Excess Earnings Fund	16
SECTION 22.	Payments of Costs of Issuance	16
SECTION 23.	Negotiated Sale.	16
SECTION 24.	Establishment of Additional Funds and Accounts	17
SECTION 25.	Redemption	17
SECTION 26.	Selection of Bonds for Redemption	17
SECTION 27.	Notice of Redemption	17
SECTION 28.	Partial Redemption of Bonds	18
SECTION 29.	Effect of Notice of Redemption	18
SECTION 30.	Paying Agent; Appointment and Acceptance of Duties.	19
SECTION 31.	Liability of Paying Agent	19
SECTION 32.	Evidence on Which Paying Agent May Act	19
SECTION 33.	Compensation	19
SECTION 34.	Ownership of Bonds Permitted	19
SECTION 35.	Resignation or Removal of Paying Agent and Appointment of Successor	19
SECTION 36.	Investment of Certain Funds	20
SECTION 37.	Valuation and Sale of Investments	20
SECTION 38.	Supplemental Resolutions With Consent of Owners	20
SECTION 39.	Supplemental Resolutions Effective Without Consent of Owners	21

TABLE OF CONTENTS
(continued)

		Page
SECTION 40.	Effect of Supplemental Resolution	21
SECTION 41.	Defeasance	22
SECTION 42.	Bond Insurance	22
SECTION 43.	Bank Qualified	22
SECTION 44.	Approval of Actions; Miscellaneous.	23
SECTION 45.	Effective Date	1
EXHIBIT A-1	FORM OF CURRENT INTEREST BOND	A-1
EXHIBIT A-2	FORM OF CAPITAL APPRECIATION BOND	A-2
EXHIBIT B	FORM OF 15c2-12 CERTIFICATE	B-1

Resolution No. 19-2008/2009

RESOLUTION OF THE BOARD OF TRUSTEES OF EL RANCHO UNIFIED SCHOOL DISTRICT AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS (ELECTION OF 2003), SERIES 2008 E OF THE DISTRICT IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $6,896,471 AND APPROVING CERTAIN OTHER MATTERS RELATING TO THE BONDS

WHEREAS, a duly called election was held in the El Rancho Unified School District (the "**District**"), County of Los Angeles, (the "**County**"), California, on November 4, 2003, and thereafter canvassed pursuant to law; and

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 amount of $49,500,000.00, payable from the levy of an ad valorem tax against the taxable property in the District (the "**Authorization**"); and

WHEREAS, the District has previously caused to be issued and sold $42,603,528.85 of the Authorization, leaving $6,896,471.15 unissued and now determines that it is in the best interests of the District to issue and sell a fifth series of bonds, not to exceed $6,896,471.00; and

WHEREAS, the Bonds will be issued pursuant to Section 53506 *et. seq.* of the Government Code of the State of California (the "**Government Code**"), applicable provisions of the Education Code of the State of California (the "**Education Code**"), and other applicable law; and

WHEREAS, the District has not received a qualified or negative certification in its most recent interim report; and

WHEREAS, this Board of Trustees deems it proper and necessary to specify its intended use of the proceeds from the sale of the Bonds; and

WHEREAS, a form of the preliminary official statement (the "**Preliminary Official Statement**") relating to the Bonds has been prepared and is on file with the District; and

WHEREAS, a form of contract of purchase (the "**Contract of Purchase**") between the District and George K. Baum & Company LLC (the "**Underwriter**") has been prepared and is on file with the District; and

WHEREAS, a form of continuing disclosure certificate (the "**Continuing Disclosure Certificate**") has been prepared by Nixon Peabody LLP and is on file with the District.

NOW THEREFORE, IT IS RESOLVED, DETERMINED AND ORDERED by the Board of Trustees of the District as follows:

SECTION 1. Definitions. The following terms shall for all purposes of this Resolution have the following meanings:

"Accreted Value" shall mean with respect to any Capital Appreciation Bond, as of any date of calculation, the sum of the initial principal amount thereof and the interest accrued thereon to such date of calculation, compounded from the date of initial issuance at the stated yield to maturity thereof on each February 1 and August 1, 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.

"Authorized Investments" shall mean, if and to the extent permitted by law and by the investment policy adopted annually by the District or the County:

(1) Investments in the pool established by the County, in which other funds of the District are invested;

(2) Federal Securities;

(3) bonds, notes or other evidences of indebtedness rated "AAA" by S&P or "Aaa" by Moody's issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with remaining maturities not exceeding three years;

(4) U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks which have a rating on their short-term certificates of deposit on the date of purchase of "A-1" or "A-1+" by S&P or "P-1" by Moody's and maturing no more than 270 days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank);

(5) commercial paper which is rated at the time of purchase in the single highest classification, "A-1+" by S&P or "P-1" by Moody's, and which matures not more than 270 days after the date of purchase;

(6) investments in a money market fund rated at the time of purchase in the single highest rating category by S&P or Moody's;

(7) pre-refunded municipal obligations defined as follows:

Any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which

irrevocable instructions have been given by the obligor to call on the date specified in the notice; and (A) which are rated, based on the escrow, in the highest rating category of S&P or Moody's or any successors thereto; or (B)(i) which are fully secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or obligations described in paragraph (2) above, which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (ii) which fund is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to above, as appropriate; and

(8) other forms of investments which are legal investments pursuant to Section 53601 of the Government Code, as it may be amended from time to time.

"Authorizing Law" shall mean, collectively, (i) Chapter 3 of Part 1 of Division 2 of Title 5, Article 4.5 of the Government Code, as amended, (ii) applicable provisions of the Education Code and (iii) Article XIIIA of the California Constitution.

"Board" or "Board of Trustees" shall mean the Board of Trustees of the District.

"Bond Insurance Policy" shall mean any insurance policy issued by the Bond Insurer guaranteeing the scheduled payment of Principal and interest in respect of the Bonds when due.

"Bond Insurer" shall mean any insurer chosen to insure repayment of the Bonds.

"Bond Obligation" shall mean from time to time as of the date of calculation, with respect to any Current Interest Bond, the Principal Amount thereof and, with respect to any Capital Appreciation Bond, the Accreted Value thereof.

"Bond Register" shall mean the books referred to in Section 16 of this Resolution.

"Bonds" shall mean the El Rancho Unified School District General Obligation Bonds (Election of 2003), Series 2008 E, issued and delivered pursuant to this Resolution.

"Building Fund" shall mean the Building Fund established pursuant to Section 18 hereof.

"Business Day" shall mean a day that 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.

"Capital Appreciation Bonds" shall mean the Bonds designated as such as provided in Section 10 of this Resolution.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Continuing Disclosure Certificate" shall mean the Continuing Disclosure Certificate of the District for the benefit of the Owners of the Bonds.

"Contract of Purchase" shall mean the Contract of Purchase by and between the District and the Underwriter relating to the Bonds.

"Costs of Issuance" shall mean all of the costs of issuing the Bonds, including but not limited to, all printing and document preparation expenses in connection with this Resolution, the Bonds and the Preliminary Official Statement and the Official Statement (as hereinafter defined) pertaining to the Bonds and any and all other agreements, instruments, certificates or other documents prepared in connection therewith; financial advisory fees; underwriter's fees; rating agency fees; auditor's fees; CUSIP service bureau charges; legal fees and expenses of counsel with respect to the financing; the initial fees and expenses of the Paying Agent; fees for credit enhancement relating to the Bonds; and other fees and expenses incurred in connection with the issuance of the Bonds or the implementation of the financing for the Projects, to the extent such fees and expenses are approved by the District.

"County" shall mean the County of Los Angeles, California.

"County Office of Education" shall mean the Office of Education of the County and such other persons as may be designated by the County Office of Education to perform the operational and disbursement functions hereunder.

"Current Interest Bonds" shall mean the Bonds designated as such in Section 9 of this Resolution.

"Debt Service" shall have the meaning given to that term in Section 20(c) of this Resolution.

"Debt Service Fund" shall mean the Debt Service Fund established pursuant to Section 20(a) of this Resolution.

"Depository" shall mean DTC and its successors and assigns or if (a) the then Depository resigns from its functions as securities depository of the Bonds, or (b) the District discontinues use of the Depository pursuant to this Resolution, any other securities depository which agrees to follow procedures required to be followed by a securities depository in connection with the Bonds.

"District" shall mean El Rancho Unified School District.

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

"Excess Earnings Fund" shall mean the Excess Earnings Fund established pursuant to Section 21 of this Resolution.

"Federal Securities" shall mean direct obligations of the United States Treasury or obligations which are unconditionally guaranteed by the United States or which are issued or guaranteed by the Export-Import Bank of the United States, the Farmers Home Administration, the General Services Administration, the Small Business Administration, the Government National Mortgage Association, the United States Department of Housing and Urban Affairs and the Federal Housing Administration (including obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States), provided the principal of and interest on such obligations are backed by the full faith and credit of the United States of America.

"Fiscal Year" shall mean the twelve-month period commencing on July 1 of each year and ending on the following June 30 or any other fiscal year selected by the District.

"Information Services" shall mean Bloomberg Municipal Repository; DPC Data Inc.; Interactive Data Pricing and Reference Data, Inc.; or Standard & Poor's Securities Evaluations, Inc.

"Interest Payment Date" shall mean with respect to (i) any Current Interest Bond, February 1 and August 1 in each year, or as otherwise specified in the Contract of Purchase, commencing on the date specified in the Contract of Purchase, and (ii) any Capital Appreciation Bond, the maturity or mandatory redemption date thereof, or in each case, such other interest payment dates as shall be specified in the Contract of Purchase.

"Maturity Amount" shall mean the Accreted Value of any Capital Appreciation Bond on its maturity date.

"Moody's" shall mean Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, except that if such corporation shall no longer perform the functions of a securities rating agency for any reason, the term "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency selected by the District.

"Nominee" shall mean the nominee of the Depository which may be the Depository, as determined from time to time by the Depository.

"Nonarbitrage Certificate" shall mean the Tax and Nonarbitrage Certificate of the District delivered in connection with the issuance of the Bonds.

"Official Statement" shall mean the official statement of the District describing the Bonds.

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

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

(ii) Bonds in lieu of or in substitution for which other Bonds shall have been delivered pursuant to Section 15 hereof;

(iii) 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 Bonds), in accordance with Section 41 of this Resolution.

"Owner" shall mean the registered owner, as indicated in the Bond Register, of any Bond.

"Participant" shall mean a member of or participant in the Depository.

"Paying Agent" shall mean the paying agent designated pursuant to Section 30 hereof.

"Pledged Moneys" shall have the meaning given to that term in Section 19 of this Resolution.

"Preliminary Official Statement" shall mean the preliminary official statement of the District describing the Bonds.

"Principal" or "Principal Amount" shall mean, as of any date of calculation, with respect to (i) any Current Interest Bond, the principal amount thereof, and (ii) any Capital Appreciation Bond, the Accreted Value thereof.

"Projects" shall have the meaning given to that term in Section 7 of this Resolution.

"Project Costs" shall mean all of the expenses of and incidental to the construction and/or acquisition of the Projects, including Costs of Issuance.

"Record Date" shall mean the close of business on the fifteenth calendar day of the month next preceding an Interest Payment Date.

"Regulations" shall mean the regulations of the United States Department of the Treasury proposed or promulgated under Sections 103 and 141 through 150 of the Code which by their terms are effective with respect to the Bonds and similar Treasury Regulations to the extent not inconsistent with Sections 103 and 141 through 150 of the Code, including regulations promulgated under Section 103 of the Internal Revenue Code of 1954, as amended.

"Resolution" shall mean this "Resolution of the Board of Trustees of El Rancho Unified School District Authorizing the Issuance and Sale of General Obligation Bonds (Election of 2003), Series 2008 E of the District in an Aggregate Principal Amount Not To Exceed $6,896,471 and Approving Certain Other Matters Relating to the Bonds" as amended or supplemented from time to time by Supplemental Resolutions in accordance with the terms hereof.

"S&P" shall mean Standard & Poor's Ratings Services, a corporation organized and existing under the laws of the State of New York, its successors and assigns, except that if such corporation shall no longer perform the functions of a securities rating agency for any

reason, the term "S&P" shall be deemed to refer to any other nationally recognized securities rating agency selected by the District.

"Securities Depositories" shall mean The Depository Trust Company, 55 Water Street, New York, New York 10041, Facsimile transmission: (212) 785-9681, (212) 855-3215, and, in accordance with then-current guideline of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the District may designate in a Certificate delivered to the Paying Agent.

"State" shall mean the State of California.

"Superintendent" shall mean the Superintendent of the District.

"Supplemental Resolution" shall mean any resolution supplemental to or amendatory of this Resolution, adopted by the District in accordance with Section 38 or Section 39 hereof.

"Transfer Amount" shall mean, with respect to (i) any Outstanding Current Interest Bond, the aggregate Principal Amount thereof, and (ii) any Outstanding Capital Appreciation Bond, the Maturity Amount thereof.

"Treasurer-Tax Collector" shall mean the Treasurer-Tax Collector of the County or any authorized deputy thereof.

"Underwriter" shall mean George K. Baum & Company.

SECTION 2. Rules of Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders, and vice versa. Except where the context otherwise requires, words importing the singular shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

SECTION 3. Authority for this Resolution. This Resolution is adopted pursuant to the provisions of the Authorizing Law.

SECTION 4. Resolution to Constitute Contract. In consideration of the purchase and acceptance of any and all of the Bonds authorized to be issued hereunder by those who shall own the same from time to time, this Resolution shall be deemed to be and shall constitute a contract among the District and the Owners from time to time of the Bonds; and the pledge made in this Resolution shall be for the equal benefit, protection and security of the Owners of any and all of the Bonds, all of which, regardless of the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof.

SECTION 5. Approval of Documents.

(a) The Superintendent and such other officers of the District as may be designated by the Superintendent (the "Authorized Officers") are, and each of them acting alone

is, hereby authorized and directed to issue and deliver the Bonds and to establish the initial Principal Amount thereof in consultation with the Underwriter, the District's financial advisor and bond counsel; provided, however, that such initial Principal Amount shall not exceed the maximum aggregate of $6,896,471.00.

(b) The form of the Contract of Purchase is hereby approved. The Authorized Officers are, and each of them acting alone is, hereby authorized and directed to execute and deliver the Contract of Purchase for and in the name and on behalf of the District, with such additions, changes or corrections therein as the Authorized Officer executing the same on behalf of the District may approve, in his discretion, as being in the best interests of the District, such approval to be conclusively evidenced by such Authorized Officer's execution thereof, and any other documents required to be executed thereunder, and to deliver the same to the Underwriter. The Authorized Officers are, and each of them acting alone hereby is, authorized and directed to negotiate with the Underwriter the interest rates on the Bonds and the purchase price of the Bonds to be paid by the Underwriter, which purchase price shall reflect an underwriter's discount of not more than two percent (2%) (not including original issue discount and any costs of issuance paid by the Underwriter) of the Principal Amount thereof. The interest rate on the Bonds shall not exceed a true interest cost of twelve percent (12%) per annum.

(c) The form of the Preliminary Official Statement relating to the Bonds is hereby approved. This Board also hereby authorizes the use and distribution of: (a) the Preliminary Official Statement with such changes as the Authorized Officer executing the certificate described below may approve, such approval to be conclusively evidenced by the execution of such certificate by such Authorized Officer; and (b) an Official Statement in substantially the form of the Preliminary Official Statement with such changes as may be necessary or desirable in connection with the sale of the Bonds as determined by the Authorized Officer executing the same, such determination to be conclusively evidenced by the execution and delivery of the Official Statement by such Authorized Officer. The Authorized Officers are, and each of them acting alone is, hereby authorized to approve such additions, deletions or changes to the Preliminary Official Statement and Official Statement, as are necessary or desirable to effect the purposes of this Resolution and to comply with applicable laws and to deliver copies of the Preliminary Official Statement and the Official Statement, and to execute the Official Statement. Upon approval of the Preliminary Official Statement by an Authorized Officer (such approval as evidenced by execution of a certificate substantially in the form of Exhibit B attached hereto and by this reference incorporated herein, with such changes as may be necessary), 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.

(d) The form of the Continuing Disclosure Certificate is hereby approved. The Authorized Officers are, and each of them acting alone hereby is, authorized to execute and deliver the Continuing Disclosure Certificate on behalf of the District, with such changes therein as the Authorized Officer executing the same on behalf of the District may approve, in his or her discretion, as being in the best interests of the District, such approval to be conclusively evidenced by such Authorized Officer's execution thereof, and any other documents required to be executed thereunder, and to deliver the same to the Underwriter. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the

Continuing Disclosure Certificate. Notwithstanding any other provision of this Resolution, failure of the District to comply with the Continuing Disclosure Certificate shall not be considered an event of default and shall not be deemed to create any monetary liability on the part of the District to any other persons, including owners of the Bonds.

SECTION 6. Authorization of Officers. The officers of the District and their authorized representatives are, and each of them acting alone is, hereby authorized to execute any and all documents and do and perform any and all acts and things, from time to time, consistent with this Resolution and necessary or appropriate to carry the same into effect and to carry out its purpose.

SECTION 7. Use of Bond Proceeds. Bonds of the District shall be issued in the name and on behalf of the District in an aggregate Principal Amount not to exceed $6,896,471.00. The proceeds of the Bonds, together with other available funds, shall be applied to the acquisition and construction of school facilities for some or all of the purposes authorized at the November 4, 2003 election (collectively, the "Projects").

SECTION 8. Designation and Form; Payment.

(e) An issue of Bonds of one or more series entitled to the benefit, protection and security of this Resolution is hereby authorized in an aggregate initial Principal Amount not to exceed $6,896,471.00. Such Bonds shall be general obligations of the District, payable as to Principal, premium, if any, and interest from ad valorem taxes to be levied upon all of the taxable property in the District. The Bonds shall be designated "El Rancho Unified School District General Obligation Bonds (Election of 2003), Series 2008 E" with such additional series designations as may be necessary or advisable to market the Bonds, as set forth in the Contract of Purchase. The Bonds may be issued as serial bonds and/or term bonds and as Current Interest Bonds and/or Capital Appreciation Bonds as set forth in the Contract of Purchase, subject to the provisions of this Resolution.

(f) The forms of the Bonds shall be substantially in conformity with the standard forms of registered school district bonds, copies of which are attached hereto as Exhibit A-1 and Exhibit A-2 and incorporated herein by this reference.

(g) Principal, premium, if any, and interest with respect to any Bond are payable in lawful money of the United States of America. Principal and premium, if any, is payable upon surrender thereof at maturity or earlier redemption at the office designated by the Paying Agent.

SECTION 9. Description of Current Interest Bonds.

(h) The Current Interest Bonds shall be issued in fully registered form, without coupons, in denominations of $5,000 or any integral multiple thereof, except as provided in the Contract of Purchase. The Current Interest Bonds shall be dated and shall mature on the dates, in the years and in the Principal Amounts, and interest shall be computed at the rates, set forth in the Contract of Purchase.

(i) Interest on each Current Interest Bond shall accrue from its dated date as set forth in the Contract of Purchase. Interest on Current Interest Bonds shall be computed using a year of 360 days comprised of twelve 30-day months and shall be payable on each Interest Payment Date to the Owner thereof as of the close of business on the Record Date. Interest with respect to each Current Interest Bond will be payable from the Interest Payment Date next preceding the date of registration thereof, unless (i) it is registered after the close of business on any Record Date and before the close of business on the immediately following Interest Payment Date, in which event interest with respect thereto shall be payable from such following Interest Payment Date; or (ii) it is registered prior to the close of business on the first Record Date, in which event interest shall be payable from its dated date; provided, however, that if at the time of registration of any Current Interest Bond interest with respect thereto is in default, interest with respect thereto shall be payable from the Interest Payment Date to which interest has previously been paid or made available for payment. Payments of interest on the Current Interest Bonds will be made on each Interest Payment Date by check or draft of the Paying Agent sent by first-class mail, postage prepaid, to the Owner thereof on the Record Date, or by wire transfer to any Owner of $1,000,000 Principal Amount or more of such Current Interest Bonds, to the account specified by such Owner in a written request delivered to the Paying Agent on or prior to the Record Date for such Interest Payment Date; provided, however, that payments of defaulted interest shall be payable to the person in whose name such Current Interest Bond is registered at the close of business on a special record date fixed therefor by the Paying Agent which shall not be more than fifteen days and not less than ten days prior to the date of the proposed payment of defaulted interest.

SECTION 10. Description of Capital Appreciation Bonds.

(j) The Capital Appreciation Bonds shall be issued in fully registered form in any denominations of their respective initial principal amounts per $5,000 Maturity Amount or any integral multiple thereof, except as otherwise provided in the Contract of Purchase. The Capital Appreciation Bonds shall be dated the date of their issuance, shall be issued in the aggregate Principal Amounts as of the date of issuance, shall mature on the dates, in the years and in the Maturity Amounts, and shall accrete interest with the yields to maturity all as set forth in the Contract of Purchase.

(k) Interest on each Capital Appreciation Bond shall be compounded semiannually on February 1 and August 1 of each year until maturity computed using a year of 360 days comprised of twelve 30-day months and shall be payable only at maturity as part of the Maturity Amount or upon prior redemption, if any, unless otherwise provided in the Contract of Purchase.

SECTION 11. Tax Covenant. In order to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds, this Board of Trustees hereby covenants to comply with each applicable requirement of Section 103 and Sections 141 through 150 of the Internal Revenue Code of 1986, as amended. In furtherance of this covenant, the District agrees to comply with the covenants contained in the Nonarbitrage Certificate. The District hereby agrees to deliver instructions to the Paying Agent in order to comply with the Nonarbitrage Certificate.

SECTION 12. Book-Entry System.

(l) The Bonds shall be initially issued in the form of a separate single fully registered Bond (which may be typewritten) for each of the maturities of the Bonds within each series. Upon initial issuance, the ownership of each such global Bond 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 Bonds shall be registered in the Bond Register in the name of the Nominee and the 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 global Bond shall bear a legend substantially to the following effect: "UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AS DEFINED IN THE RESOLUTION) TO THE BOND REGISTRAR 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 THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

With respect to 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 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 Bonds, (ii) the delivery to any Participant, beneficial owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any Redemption Notice (as defined in Section 27 below), (iii) the selection by the Depository and the Participants of the beneficial interests in the 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 of, premium, if any, and interest on the Bonds. The District and the Paying Agent may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute Owner of such Bond for the purpose of payment of Principal of, premium, if any, and interest on such Bond, for the purpose of giving Redemption Notices and other notices with respect to such Bond, and for all other purposes whatsoever, including, without limitation, registering transfers with respect to the Bonds.

The Paying Agent shall pay all Principal of, premium, if any, and interest on the 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 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 Bond evidencing the obligation to make payments of Principal of, premium, if any, and interest, pursuant to this Resolution. 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.

(m) In order to qualify the Bonds for the Depository's book-entry system, the District is hereby authorized to execute and deliver to such Depository a letter from the District representing such matters as shall be necessary to so qualify the Bonds (the "Representation Letter"). The execution and delivery of the Representation Letter shall not in any way limit the provisions of subsection (a) hereof or in any other way impose upon the District any obligation whatsoever with respect to persons having beneficial interests in the Bonds other than the Owners, as shown in the Bond Register. In addition to the execution and delivery of the Representation Letter, the District, and its deputies and designees, are hereby authorized to take any other actions, not inconsistent with this Resolution, to qualify the Bonds for the Depository's book-entry program.

(n) If at any time the Depository notifies the District that it is unwilling or unable to continue as Depository with respect to the 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 District within 90 days after the District receive notice or become aware of such condition, as the case may be, subsection (a) hereof shall no longer be applicable and the District shall cause the issuance of bonds representing the Bonds as provided below. In addition, the District may determine at any time that the Bonds shall no longer be represented by global bonds and that the provisions of subsection (a) hereof shall no longer apply to the Bonds. In any such event the District shall cause the execution and delivery of bonds representing the Bonds as provided below. Bonds issued in exchange for global bonds pursuant to this subsection (c) shall be registered in such names and delivered in such denominations as the Depository shall instruct the District. The District shall cause delivery of such bonds representing the Bonds to the persons in whose names such 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 global bond for each of the maturities of Bonds of each series, 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.

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

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

SECTION 13. Execution of the Bonds.

(q) The Bonds shall be executed in the name of the District by the manual or facsimile signature of the Superintendent or the President of the Board and the manual or facsimile signature of the Clerk of the Board or by a deputy of any of such officers. In case any one or more of the officers who shall have signed any of the Bonds shall cease to be such officer before the Bonds so signed shall have been issued by the District, such Bonds may, nevertheless, be issued, as herein provided, as if the persons who signed such Bonds had not ceased to hold such offices.

(r) The Bonds shall bear thereon a certificate of authentication executed manually by the Paying Agent. Only such Bonds as shall bear thereon such certificate of authentication duly executed by the Paying Agent shall be entitled to any right or benefit under this Resolution and no Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Paying Agent. Such certificate of the Paying Agent upon any Bond shall be conclusive evidence that the Bond so authorized has been duly authenticated and delivered under this Resolution and that the Owner thereof is entitled to the benefit of this Resolution.

SECTION 14. Transfer and Exchange. The registration of any Bond may be transferred upon the Bond Register upon surrender of such Bond to the Paying Agent. Such Bond shall be endorsed or accompanied by delivery of the written instrument of transfer shown in Exhibit A-1 or A-2 hereto, duly executed by the Owner or his duly authorized attorney, and payment of such reasonable transfer fees as the Paying Agent may establish. Upon such registration of transfer, a new Bond or Bonds, of like tenor and maturity in the same Transfer Amount and in authorized denominations, will be executed and delivered to the transferee in exchange therefor.

The Paying Agent shall deem and treat the person in whose name any Outstanding Bond shall be registered upon the Bond Register as the absolute owner of such Bond, whether the Principal, premium, if any, or interest with respect to such Bond shall be overdue or not, for the purpose of receiving payment of Principal, premium, if any, and interest with respect to such Bond and for all other purposes, and any such payments so made to any such Owner or upon his order shall be valid and effective to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and the District or the Paying Agent shall not be affected by any notice to the contrary.

Bonds may be exchanged at the office of the Paying Agent for Bonds of like tenor, maturity and Transfer Amount of other authorized denominations. All Bonds surrendered in any such exchange shall thereupon be cancelled by the Paying Agent. The Paying Agent may charge the Owner a reasonable sum for each new Bond executed and delivered upon any exchange (except in the case of the first exchange of any Bond in the form in which it is originally delivered, for which no charge shall be imposed) and the Paying Agent may require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

The Paying Agent shall not be required to register the transfer or exchange of any Bond (i) during the period beginning at the close of business on any Record Date through the close of business on the immediately following Interest Payment Date, or (ii) that has been called or is subject to being called for redemption, during a period beginning at the opening of business 15 days before any selection of Bonds to be redeemed through the close of business on the applicable redemption date, except for the unredeemed portion of any Bond to be redeemed only in part.

SECTION 15. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated, the Paying Agent, at the expense of the Owner, shall deliver a new Bond of like date, interest rate, maturity, Transfer Amount, series and tenor as the Bond so mutilated in exchange and substitution for such mutilated Bond, upon surrender and cancellation thereof. All Bonds so surrendered shall be cancelled. If any Bond shall be destroyed, stolen or lost, evidence of such destruction, theft or loss may be submitted to the Paying Agent and if such evidence is satisfactory to the Paying Agent that such Bond has been destroyed, stolen or lost, and upon furnishing the Paying Agent with indemnity satisfactory to the Paying Agent and complying with such other reasonable regulations as the Paying Agent may prescribe and paying such expenses as the Paying Agent may incur the Paying Agent shall, at the expense of the Owner, execute and deliver a new Bond of like date, interest rate, maturity, Transfer Amount and tenor in lieu of and in substitution for the Bond so destroyed, stolen or lost. Any new Bonds issued pursuant to this Section 15 in substitution for Bonds alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the District, whether or not the Bonds so alleged to be destroyed, stolen or lost are at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportionate benefits with all other Bonds issued under this Resolution in any moneys or securities held by the Paying Agent for the benefit of the Owners of the Bonds.

SECTION 16. Bond Register. The Paying Agent shall keep or cause to be kept at its office sufficient books for the registration and registration of transfer of the Bonds. Upon presentation for registration of transfer, the Paying Agent shall, as above provided and under such reasonable regulations as it may prescribe subject to the provisions hereof, register or register the transfer of the Bonds, or cause the same to be registered or cause the registration of the same to be transferred, on such books.

SECTION 17. Unclaimed Money. All money which the Paying Agent shall have received from any source and set aside for the purpose of paying or redeeming any of the Bonds shall be held in trust for the respective Owners of such Bonds, but any money which shall be so set aside or deposited by the Paying Agent and which shall remain unclaimed by the Owners of such Bonds for a period of one year after the date on which any payment or redemption with respect to such Bonds shall have become due and payable shall be transferred to the General Fund of the District; provided, however, that the Paying Agent, before making such payment, shall cause notice to be mailed to the Owners of such Bonds, by first-class mail, postage prepaid, not less than 90 days prior to the date of such payment to the effect that said money has not been claimed and that after a date named therein any unclaimed balance of said money then remaining will be transferred to the General Fund of the District. Thereafter, the Owners of such Bonds shall look only to the General Fund of the District for payment of such Bonds.

SECTION 18. Application of Proceeds. Upon the sale of the Bonds and except as otherwise directed by the District in accordance with applicable law, the Treasurer-Tax Collector is hereby directed to deposit or cause to be deposited the proceeds thereof, exclusive of accrued interest and any original issue premium, into the fund administered by the County Office of Education for the account of the District and designated as the "El Rancho Unified School District General Obligation Bonds (Election of 2003), Series 2008 E General Obligation Building Fund (the **"Building Fund"**). The District shall, from time to time, provide written instructions to the County Office of Education requesting disbursement from the Building Fund to pay the Project Costs. Amounts in the Building Fund shall be invested so as to be available for the aforementioned disbursements. The District shall keep a written record of disbursements from the Building Fund. The County shall not be responsible for the use of these funds.

Any amounts that remain in the Building Fund at the completion of the Projects shall be transferred to the Debt Service Fund (defined below) to be used to pay the Principal of, premium, if any, and interest on the Bonds, subject to any conditions set forth in the Nonarbitrage Certificate.

SECTION 19. Payment and Security for the Bonds. The Board of Supervisors of the County shall annually at the time of making the levy of taxes for County purposes, levy a continuing direct ad valorem tax upon the taxable property in the District in an amount at least sufficient, together with moneys on deposit in the Debt Service Fund and available for such purpose, to pay the Principal of, premium, if any, and interest on each Bond as each becomes due and payable. The tax levy may include an allowance for an annual reserve, established for the purpose of avoiding fluctuating tax levies. The District hereby pledges as security for the Bonds and the interest thereon, and the County is directed to deposit or cause to be deposited in the District's Debt Service Fund, the proceeds from the levy of the aforementioned tax which the County receives (the "Pledged Moneys"). The Pledged Moneys shall be used to pay the Principal of, premium, if any, and interest on the Bonds when and as the same shall become due and payable. The Bonds are the general obligations of the District and do not constitute an obligation of the County except as provided in this Resolution. No part of any fund or account of the County is pledged or obligated to the payment of the Bonds.

SECTION 20. Debt Service Fund.

(s) Except as shall otherwise be directed by the District in accordance with applicable law, the Treasurer-Tax Collector is hereby further directed to deposit or cause to be deposited any accrued interest and any original issue premium received from the sale of the Bonds in the fund established for the account of the District and designated as the "El Rancho Unified School District General Obligation Bonds (Election of 2003), Series 2008 E Debt Service Fund" (the **"Debt Service Fund"**) to be used only for the payment of the Principal of, premium, if any, and interest on the Bonds.

(t) All Pledged Moneys shall be deposited upon collection by the County into the Debt Service Fund and used for the payment of the Principal of, premium, if any, and interest on the Bonds.

(u) On the Business Day immediately preceding each Interest Payment Date if the Paying Agent is not the Treasurer-Tax Collector, and on the Interest Payment Date if the Paying Agent is the Treasurer-Tax Collector, the District shall transfer or cause to be transferred from the Debt Service Fund to the Paying Agent, an amount, in immediately available funds, sufficient to pay all the Principal of, premium, if any, and interest on the Bonds (collectively, the **"Debt Service"**) on such Payment Date. Debt Service on the Bonds shall be paid by the Paying Agent in the manner provided by law for the payment of Debt Service.

(v) The District shall cause moneys to be transferred to the extent needed to comply with the Nonarbitrage Certificate. Any amounts on deposit in the Debt Service Fund when there are no longer any Bonds Outstanding shall be transferred to the general fund of the District subject to any conditions set forth in the Nonarbitrage Certificate.

SECTION 21. Establishment and Application of Excess Earnings Fund. There is hereby established in trust a special fund designated "El Rancho Unified School District General Obligation Bonds (Election of 2003), Series 2008 E Excess Earnings Fund" (the **"Excess Earnings Fund"**) which shall be held by the County Office of Education for the account of the District and which shall be kept separate and apart from all other funds and accounts held hereunder. The District shall transfer, or cause to be transferred, moneys from the Building Fund to the Excess Earnings Fund in accordance with the provisions of the Nonarbitrage Certificate. Amounts on deposit in the Excess Earnings Fund shall only be applied to payments made to the United States or otherwise transferred to other accounts or funds established hereunder in accordance with the Nonarbitrage Certificate.

SECTION 22. Payments of Costs of Issuance. The District shall pay, or cause to be paid, Costs of Issuance using moneys disbursed from time to time, as appropriate, from the Building Fund. Notwithstanding the foregoing, all or a portion of the Costs of Issuance may be paid by the Underwriter on behalf of the District. Any amounts retained by the Underwriter for payment of Costs of Issuance and returned to the District pursuant to the Contract of Purchase shall be applied to the payment of Principal of and/or interest on the Bonds.

SECTION 23. Negotiated Sale.

(w) The Bonds shall be sold by negotiated sale inasmuch as: (i) such as sale will allow the District to integrate the sale of the Bonds with other public financings undertaken, or to be undertaken, by the District in order to finance and fund public school facilities; (ii) such a sale will allow the District to utilize the services of consultants who are familiar with the financial needs, status and plans of the District; and (iii) such a sale will allow the District to control the timing of the sale of the Bonds to the municipal bond market and, potentially, take advantage of interest rate opportunities for favorable sale of the Bonds to such market.

(x) Caldwell Flores Winters, Inc. has been selected to act as financial advisor to the District, Nixon Peabody LLP has been selected as the District's bond counsel and George K. Baum & Company shall act as underwriter. The estimated costs of issuance associated with the bond sale are $163,600.00 or 2.37% of the par total of $6,896,471.00, which include the financial advisor and bond counsel fees, underwriter compensation, bond insurance premium, costs of printing the Official Statement, rating agency fees, paying agent fees, and other related

costs. The estimated underwriter's discount, which is included in the amount and percentage above, is 1.1% or $75,862.00. An estimate of the itemized fees and expenses is on file with the Superintendent.

SECTION 24. Establishment of Additional Funds and Accounts. If at any time it is deemed necessary or desirable by the District, the Treasurer-Tax Collector, the County Office of Education or the District may establish additional funds under this Resolution and/or accounts within any of the funds or accounts established hereunder.

SECTION 25. Redemption.

(y) The Current Interest Bonds shall be subject to redemption as provided in the Contract of Purchase.

(z) The Capital Appreciation Bonds shall not be subject to optional redemption, except as otherwise provided in the Contract of Purchase. The Capital Appreciation Bonds shall be subject to mandatory redemption prior to their maturity date, by lot, at the Accreted Value thereof, without premium, on the dates, if any, in the years and in an amount equal to the aggregate Accreted Values as and to the extent set forth in the Contract of Purchase.

SECTION 26. Selection of Bonds for Redemption. Whenever provision is made in this Resolution or in the Contract of Purchase for the redemption of the Bonds and less than all Outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District given at least 60 days prior to the Payment Date designated for such redemption, shall select Bonds for redemption in the manner directed by the District or, in the absence of such direction, in inverse order of maturity within a series. Within a maturity, the Paying Agent shall select 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 the Maturity Amount of $5,000 or any integral multiple thereof. The Accreted Value of such Capital Appreciation Bond shall be determined by reference to a schedule to be provided to the Paying Agent.

SECTION 27. Notice of Redemption. When redemption is authorized or required pursuant to this Resolution or the Contract of Purchase, the Paying Agent, upon written instruction from the District given at least 60 days prior to the date designated for such redemption, or such shorter time as is agreed by the Paying Agent, shall give notice (a **"Redemption Notice"**) of the redemption of the Bonds. Such Redemption Notice shall specify: (a) the Bonds or designated portions thereof (in the case of redemption of the 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 or Accreted Value, (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (f) the Bond numbers of the 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 or Accreted Value, as appropriate, of such Bond to be redeemed, and (g) the original issue date, interest 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 Bond or portion thereof being redeemed the redemption price, together with the interest accrued to the redemption date in the case of Current Interest Bonds, and that from and after such date interest with respect thereto shall cease to accrue or accrete and be payable.

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

(aa) 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 Bonds designated for redemption by first class mail, postage prepaid, at their addresses appearing on the Bond Register.

(bb) In the event that the Bonds shall no longer be held in book-entry-only form, at least 35 but not more than 45 days before the redemption date, such Redemption Notice shall be given by (i) first class mail, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service, to each of the Securities Depositories.

(cc) In the event that the Bonds shall no longer be held in book-entry-only form, at least 35 but not more than 45 days before the redemption date, such Redemption Notice shall be given by (i) first class mail, postage prepaid, or (ii) overnight delivery service, to one of the Information Services.

Neither failure to receive 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 Bonds. Each check issued or other transfer of funds made by the Paying Agent for the purpose of redeeming Bonds shall bear the CUSIP number identifying, by issue, series and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

SECTION 28. Partial Redemption of Bonds. Upon the surrender of any Bond redeemed in part only, the Paying Agent shall execute and deliver to the Owner thereof a new Bond or Bonds of like tenor and maturity and of authorized denominations equal in Transfer Amounts to the unredeemed portion of the 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.

SECTION 29. Effect of Notice of Redemption. Notice having been given as aforesaid, and the moneys for the redemption (including the interest to the applicable date of redemption) having been set aside for the payment of their redemption price, the 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 Bonds to be redeemed as provided in Section 25 hereof, together with interest 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 Bonds to be redeemed shall cease to accrue and become payable. All money held by or on behalf of the Paying Agent for the redemption of Bonds shall be held in trust for the account of the Owners of the Bonds so to be redeemed.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of Section 25 shall be cancelled upon surrender thereof and delivered to or upon the order of the District. All or any portion of a Bond purchased by the District shall be cancelled by the Paying Agent upon written notice by the District given to the Paying Agent.

SECTION 30. Paying Agent; Appointment and Acceptance of Duties.

(dd) The District appoints the Los Angeles County Treasurer and Tax Collector (the "Treasurer") act as the initial authenticating agent, bond registrar, transfer agent and paying agent (collectively, the "Paying Agent") for the Bonds and consents to the Treasurer contracting with a third party to perform the services of Paying Agent (which third party designee shall initially be U.S. Bank National Association) pursuant to this Resolution.

(ee) Unless otherwise provided, the office of the Paying Agent designated by the Paying Agent shall be the place for the payment of Principal of, premium, if any, and interest on the Bonds.

SECTION 31. Liability of Paying Agent. The Paying Agent makes no representations as to the validity or sufficiency of this Resolution or of any Bonds issued hereunder or as to the security afforded by this Resolution, and the Paying Agent shall incur no liability in respect hereof or thereof.

SECTION 32. Evidence on Which Paying Agent May Act. The Paying Agent, upon receipt of any notice, resolution, request, consent, order, certificate, report, opinion, bond, or other paper or document furnished to it pursuant to any provision of this Resolution, shall examine such instrument to determine whether it conforms to the requirements of this Resolution and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. The Paying Agent may consult with counsel, who may or may not be counsel to the District, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Resolution in good faith and in accordance therewith.

SECTION 33. Compensation. 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 its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under this Resolution. Pursuant to Section 15232 of the Education Code, such payments, charges and expenses may be paid out of the tax levied and collected for the payment of the Bonds.

SECTION 34. Ownership of Bonds Permitted. The Paying Agent or the Underwriter may become the Owner of any Bonds.

SECTION 35. Resignation or Removal of Paying Agent and Appointment of Successor.

(ff) The initially appointed Paying Agent may resign from service as Paying Agent at any time. Prior to such resignation a new Paying Agent shall be appointed in accordance with the applicable law, which shall be the Treasurer-Tax Collector or a bank or trust company doing business in and having a corporate trust office in Los Angeles or San Francisco, California, with at least $100,000,000 in net assets. Such successor Paying Agent shall signify the acceptance of its duties and obligations hereunder by executing and delivering to the District, a written acceptance thereof. Resignation of the initial or a successor Paying Agent shall be effective upon appointment and acceptance of a successor Paying Agent.

(gg) Any successor Paying Agent appointed may resign from service as Paying Agent and may be removed at any time by the District as provided in the Paying Agent's service agreement. If at any time the Paying Agent shall resign or be removed, a new Paying Agent shall be appointed in accordance with applicable law, which shall be either the Treasurer-Tax Collector or a bank or trust company doing business in and having a corporate trust office in Los Angeles or San Francisco, California, with at least $100,000,000 in net assets. Such successor Paying Agent shall signify the acceptance of its duties and obligations hereunder by executing and delivering to the District, a written acceptance thereof. Resignation or removal of the Paying Agent shall be effective upon appointment and acceptance of a successor Paying Agent.

(hh) In the event of the resignation or removal of the Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it as Paying Agent to its successor. The District shall promptly provide notice of the name and principal corporate trust office address of the Paying Agent appointed to replace any resigned or removed Paying Agent to the Owners of the Bonds by first class mail, postage prepaid, at their addresses appearing on the Bond Register.

SECTION 36. Investment of Certain Funds. Moneys held in all funds and accounts established hereunder shall be invested and reinvested in Authorized Investments to the fullest extent practicable as shall be necessary to provide moneys when needed for payments to be made from such funds or accounts, subject to any conditions set forth in the Nonarbitrage Certificate. Nothing in this Resolution shall prevent any investment securities acquired as investments of funds held hereunder from being issued or held in book-entry form on the books of the Department of the Treasury of the United States. All investment earnings on amounts on deposit in the Building Fund, the Excess Earnings Fund and the Debt Service Fund shall remain on deposit in such respective funds except as provided in the Nonarbitrage Certificate.

SECTION 37. Valuation and Sale of Investments. Obligations purchased as an investment of moneys in any fund or account shall be deemed at all times to be a part of such fund or account. Profits or losses attributable to any fund or account shall be credited or charged to such fund or account. In computing the amount in any fund or account created under the provisions of this Resolution for any purpose provided in this Resolution, obligations purchased as an investment of moneys therein shall be valued at cost, plus, where applicable, accrued interest.

SECTION 38. Supplemental Resolutions With Consent of Owners. This Resolution, and the rights and obligations of the District and of the Owners of the Bonds issued hereunder, may be modified or amended at any time by a Supplemental Resolution adopted by

the District with the written consent of Owners owning at least 60% in aggregate Bond Obligation of the Outstanding Bonds, exclusive of Bonds, if any, owned by the District; provided, however, that so long as a Bond Insurance Policy is in effect, and provided that the Bond Insurer complies with its obligations thereunder, the Bond Insurer shall be deemed to be the sole Owner of the Bonds for purposes of this sentence. Notwithstanding the foregoing, no such modification or amendment shall, without the express consent of the Owner of each Bond affected, reduce the Principal Amount of any Bond, reduce the interest rate payable thereon, advance the earliest redemption date thereof, extend its maturity or the times for paying interest thereon or change the monetary medium in which Principal and interest is payable, nor shall any modification or amendment reduce the percentage of consents required for amendment or modification without the express consent of all Owners. No such Supplemental Resolution shall change or modify any of the rights or obligations of any Paying Agent without its written assent thereto. Notwithstanding anything herein to the contrary, no such consent shall be required if the Owners are not directly and adversely affected by such amendment or modification.

SECTION 39. Supplemental Resolutions Effective Without Consent of Owners. For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution of the District may be adopted, which, without the requirement of consent of the Owners, shall be fully effective in accordance with its terms;

(ii) 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;

(jj) To add to the limitations and restrictions in this Resolution, other limitations and restrictions to be observed by the District which are not contrary to or inconsistent with this Resolution as theretofore in effect;

(kk) To confirm as further assurance, any pledge under, and the subjection 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;

(ll) To cure any ambiguity, supply any omission, or cure to correct any defect or inconsistent provision in this Resolution; or

(mm) To amend or supplement this Resolution in any other respect, provided such Supplemental Resolution does not, in the opinion of nationally recognized bond counsel, adversely affect the interests of the Owners.

SECTION 40. Effect of Supplemental Resolution. Any act done pursuant to a modification or amendment so consented to shall be binding upon the Owners of all the Bonds and shall not be deemed an infringement of any of the provisions of this Resolution, whatever the character of such act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of this Resolution, and after consent relating to such specified matters has been given, no Owner shall have any right or interest to object to such action or in any manner to question the propriety thereof or to enjoin or restrain the District or any officer or agent thereof from taking any action pursuant thereto.

SECTION 41. Defeasance. If all Outstanding Bonds shall be paid and discharged in any one or more of the following ways:

(1) by paying or causing to be paid the Principal, premium, if any, and interest on all Bonds Outstanding, and when the same become due and payable;

(2) by depositing with the Paying Agent, in trust, at or before maturity, cash which together with the amounts then on deposit in the Debt Service Fund (and the accounts therein other than amounts that are not available to pay Debt Service) together with the interest to accrue thereon without the need for further investment, is fully sufficient to pay all Bonds Outstanding at maturity thereof (or on the redemption date therefor), including any premium and all interest thereon, notwithstanding that any Bonds shall not have been surrendered for payment; or

(3) by depositing with an institution that meets the requirements of serving as successor Paying Agent pursuant to Section 35 selected by the District, in trust, lawful money or noncallable direct obligations issued by the United States Treasury (including State and Local Government Series) or obligations which are unconditionally guaranteed by the United States of America and permitted under Section 149(b) of the Code and Regulations which, in the opinion of nationally recognized bond counsel, will not impair the exclusion from gross income for federal income tax purposes of interest on the Bonds, in such amount as will, together with the interest to accrue thereon without the need for further investment, be fully sufficient to pay and discharge all Bonds Outstanding at maturity thereof (or on the redemption date therefor), including any premium and all interest thereon, notwithstanding that any Bonds shall not have been surrendered for payment;

then all obligations of the District and the Paying Agent under this Resolution with respect to all Outstanding Bonds shall cease and terminate, except only the obligation of the Paying Agent to pay or cause to be paid to the Owners of the Bonds all sums due thereon, and the obligation of the District to pay to the Paying Agent amounts owing to the Paying Agent under Section 33 hereof.

SECTION 42. Bond Insurance. All or a portion of the Bonds may be sold with bond insurance or other form of credit enhancement, if an Authorized Officer determines that the savings to the District resulting from the purchase of such bond insurance exceeds the cost thereof.

SECTION 43. Bank Qualified. The Bonds are hereby designated as "Bank Qualified Bonds" under Section 265(b) of the Code. Taking the issuance of the Bonds into account, the District hereby acknowledges that it reasonably expects to issue no more than ten million dollars ($10,000,000) aggregate principal amount of debt, the interest on which is excluded from gross income for federal income tax purposes, in the 2008 calendar year.

SECTION 44. Approval of Actions; Miscellaneous.

(nn) The Superintendent and officers 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 Bonds or 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.

(oo) The County, its Board of Supervisors, officers, agents, and employees shall not be responsible for any proceedings or the preparation or contents of any resolutions, certificates, statements, disclosures, notices, contracts, or other documents relating to the sale and issuance of the Bonds.

(pp) The principal of and interest and redemption premium (if any) on the Bonds shall not constitute debt or an obligation of the County, its Board of Supervisors, officers, agents, or employees, and the County, its Board of Supervisors, officers, agents, and employees thereof shall not be liable thereon. In no event shall the principal of and interest and redemption premium (if any) on any Bond be payable out of any funds or property of the County.

(qq) The Clerk of the Board shall send a certified copy of this Resolution, together with the final debt service schedule for the Bonds, to the Treasurer-Tax Collector, the County Auditor-Controller and the County Counsel.

SECTION 45. Effective Date. This Resolution shall take effect immediately upon its passage.

ADOPTED, SIGNED AND APPROVED this 13th day of November, 2008.

BOARD OF TRUSTEES OF
EL RANCHO UNIFIED SCHOOL DISTRICT

By: Delia Alvarez
President

Attest:

By: Rita J. Ramirez
Clerk of the Board of Trustees
of El Rancho Unified School District

STATE OF CALIFORNIA)
) SS.
COUNTY OF LOS ANGELES)

I, Rita Jo Ramirez, do hereby certify that the foregoing is a true and correct copy of Resolution No. 19-2008/2009, which was duly adopted by the Board of Trustees of El Rancho Unified School District at a regular meeting thereof held on the 13th day of November 2008, and that it was so adopted by the following vote:

AYES: 5

NOES: 0

ABSENT: 0

ABSTAIN: 0

By: _____
Clerk of the Board of Trustees
for El Rancho Unified School District

EXHIBIT A-1

FORM OF CURRENT INTEREST BOND

[UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AS DEFINED IN THE RESOLUTION) TO THE BOND REGISTRAR 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 THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.]

UNITED STATES OF AMERICA STATE OF CALIFORNIA

EL RANCHO UNIFIED SCHOOL DISTRICT
(LOS ANGELES COUNTY, CALIFORNIA)
GENERAL OBLIGATION BONDS
(ELECTION OF 2003), SERIES 2008 E

$_____ No. ____

Interest Rate	Maturity Date	Dated Date	CUSIP
%			

REGISTERED OWNER:

PRINCIPAL AMOUNT:

The El Rancho Unified School District (the **"District"**) of the County of Los Angeles, State of California (the **"County"**), for value received, hereby acknowledges itself indebted and promises to pay to the Registered Owner set forth above the Principal Amount set forth above, on the Maturity Date set forth above, together with interest thereon from the dated date set forth above until the Principal Amount hereof shall have been paid or provided for, in accordance with the Resolution hereinafter referred to, at the interest rate set forth above. Interest on this Bond is payable on _____ 1, 200_ and semiannually thereafter on the first day of February and August (each an **"Interest Payment Date"**) in each year to the registered owner

hereof from the Interest Payment Date next preceding the date on which this Bond is registered (unless it is registered after the close of business on the fifteenth calendar day of the month preceding any Interest Payment Date (a **"Record Date"**) and before the close of business on the immediately following Interest Payment Date, in which event it shall bear interest from such following Interest Payment Date, or unless this Bond is registered prior to the close of business on the first Record Date, in which event it shall bear interest from its date; provided, however, that if at the time of registration of this Bond interest with respect hereto is in default, interest with respect hereto shall be payable from the Interest Payment Date to which interest has previously been paid or made available for payment). The Principal Amount hereof is payable at the office designated by the Paying Agent appointed pursuant to the Resolution (as hereinafter defined). The interest hereon is payable by check or draft mailed by first class mail, postage prepaid, to the Owner thereof on the Record Date, or by wire transfer to any Owner of $1,000,000 Principal Amount or more of such Bonds, to the account specified by such Owner in a written request delivered to the Paying Agent on or prior to the Record Date for such Interest Payment Date; provided, however, that payments of defaulted interest shall be payable to the person in whose name such Bond is registered at the close of business on a special record date fixed therefor by the Paying Agent which shall not be more than fifteen days and not less than ten days prior to the date of the proposed payment of defaulted interest.

The Bonds of this issue are comprised of $_____ Principal Amount of Current Interest Bonds, of which this Bond is a part (a **"Current Interest Bond"**) and $_____ Principal Amount of Capital Appreciation Bonds. This Bond is issued by the District under and in accordance with the provisions of (i) Chapter 3 of Part 1 of Division 2 of Title 5, Article 4.5 of the California Government Code, as amended, (ii) applicable provisions of the Education Code of the State of California and (iii) Article XIIIA of the California Constitution (together, the "**Authorizing Law**"), and pursuant to that a resolution adopted by the Board of Trustees of the District on _____, 2008 (the "**Resolution**"). Reference is hereby made to the Resolution, a copy of which is on file with the Clerk of the Board of the District, for a description of the terms on which the Bonds are delivered, and the rights thereunder of the registered owners of the Bonds and the rights and duties of the Paying Agent, and the District, to all of the provisions of which the registered owner of this Bond, by acceptance hereof, assents and agrees. All capitalized terms used but not otherwise defined herein shall have the respective meanings set forth in the Resolution. The Bonds were authorized by a vote of fifty-five percent of the qualified electors of the District voting on the proposition at an election held therein to determine whether such Bonds should be issued.

This Bond is a general obligation of the District, payable as to Principal, premium, if any, and interest from ad valorem taxes which, under the laws now in force, may be levied without limitation as to rate or amount upon all of the taxable property in the District. Neither the payment of the Principal of this Bond, or any part thereof, nor any interest or premium hereon constitutes a debt, liability or obligation of the County.

This Bond is issued in fully registered form and is nonnegotiable. Registration of this Bond is transferable by the registered owner hereof, in person or by his attorney duly authorized in writing, at the aforesaid offices of the Paying Agent, but only in the manner, subject to the limitations, and upon payment of the charges, provided in the Resolution and upon surrender and cancellation of this Bond. Upon such registration of transfer, a new Bond or

Bonds, of like tenor and maturity in the same Principal Amount and in authorized denominations will be issued to the transferee in exchange herefor. The District and the Paying Agent may treat the registered owner hereof as the absolute owner hereof for all purposes, whether or not this Bond shall be overdue, and shall not be affected by any notice to the contrary.

The Bonds shall be subject to redemption as provided in the Resolution.

The rights and obligations of the District and of the owners of the Bonds may be modified or amended at any time by a supplemental resolution adopted by the District with the written consent of owners of at least 60% in aggregate Bond Obligation of the Outstanding Bonds, exclusive of Bonds, if any, owned by the District; provided, however, that so long as any Bond Insurance Policy is in effect, and provided that the Bond Insurer complies with its obligations thereunder, the Bond Insurer shall be deemed to be the sole Owner of the Bonds for purposes of this sentence. Notwithstanding the foregoing, no such modification or amendment shall, without the express consent of the registered owner of each Bond affected, reduce the Principal Amount of any Bond, reduce the interest rate payable thereon, advance the earliest redemption date thereof, extend its maturity or the times for paying interest thereon or change the monetary medium in which the Principal and interest is payable, nor shall any modification or amendment reduce the percentage of consents required for amendment or modification hereof without the express consent of all Owners. No such Supplemental Resolution shall change or modify any of the rights or obligations of any Paying Agent without its written asset thereto. Nothing withstanding anything in the Resolution to the contrary, no such consent shall be required if the Owners are not directly and adversely affected by such amendment or modification.

A supplemental resolution of the District may be adopted, which, without the requirement of consent of the registered owners, shall be fully effective in accordance with its terms: (1) to add to the covenants and agreements of the District in the Resolution, other covenants and agreements to be observed by the District which are not contrary to or inconsistent with the Resolution as theretofore in effect; (2) to add to the limitations and restrictions in the Resolution, other limitations and restrictions to be observed by the District which are not contrary to or inconsistent with the Resolution as theretofore in effect; (3) to confirm as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by the Resolution, of any moneys, securities or funds, or to establish any additional funds or accounts to be held under the Resolution; (4) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Resolution; or (5) to amend or supplement the Resolution in any other respect, provided such supplemental resolution does not, in the opinion of nationally-recognized bond counsel, adversely affect the interests of the owners.

If this Bond is called for redemption and the Principal Amount of this Bond plus premium, if any, and accrued interest due with respect hereto are duly provided therefor as specified in the Resolution, then interest shall cease to accrue with respect hereto from and after the date fixed for redemption.

This Bond shall not become valid or obligatory for any purpose until the Certificate of Authentication hereon endorsed shall have been dated and executed manually by the Paying Agent.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED, that an election was duly and legally called, held and conducted, and the notices thereof duly given, and the results thereof canvassed and declared in accordance with the provisions of the Authorizing Law and that all of the proceedings of the Board of Trustees of the District and in the matter of the issuance of this Bond were regular and in strict accordance with the provisions of the Authorizing Law and of the Constitution of the State of California, and that the total bonded indebtedness of the District, including the issue of which this Bond is a part, does not exceed any limit prescribed by said Authorizing Law.

IN WITNESS WHEREOF, the El Rancho Unified School District has caused this Bond to be executed on behalf of the District as of the date hereof.

EL RANCHO UNIFIED SCHOOL DISTRICT

Dated: _____

By:_____
[Superintendent]

Attest:

By:_____
Clerk of the Board of Trustees
of El Rancho Unified School District

[STATEMENT OF INSURANCE]

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Resolution of the El Rancho Unified School District.

TREASURER OF THE COUNTY OF LOS ANGELES,
as Paying Agent

Dated: _____

By:_____
Authorized Signatory

Attest:

By:_____
Clerk of the Board of Trustees
of El Rancho Unified School District

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned registered owner hereby sells, assigns and transfers unto

Name of Transferee: _____
Address for Payment of Interest: _____
_____
Social Security Number or other Tax Identification No.:
_____

the within-mentioned Bond and hereby irrevocably constitutes and appoints _____ attorney, to transfer the same on the books of the Paying Agent with full power of substitution in the premises.

_____
Registered Owner

Dated: _____

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

Signature _____
guaranteed

[Bank, Trust Company or Firm]

By: _____
Authorized Officer

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

EXHIBIT A-2

FORM OF CAPITAL APPRECIATION BOND

[UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AS DEFINED IN THE RESOLUTION) TO THE BOND REGISTRAR 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 THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.]

UNITED STATES OF AMERICA STATE OF CALIFORNIA

EL RANCHO UNIFIED SCHOOL DISTRICT
(LOS ANGELES COUNTY, CALIFORNIA)
GENERAL OBLIGATION BONDS
(ELECTION OF 2003), SERIES 2008 E

No. _____

Yield to Maturity	Maturity Date	Dated Date	CUSIP
%			

REGISTERED OWNER:

INITIAL PRINCIPAL AMOUNT:

MATURITY AMOUNT:

The El Rancho Unified School District (the **"District"**) of the County of Los Angeles, State of California (the **"County"**), for value received, hereby acknowledges itself indebted and promises to pay to the Registered Owner set forth above the Maturity Amount set forth above, on the Maturity Date set forth above. Interest on this Bond with respect to the Principal Amount hereof will accrue at the Interest Rate per annum shown above from the Dated Date shown above and will be compounded semiannually on February 1 and August 1 of each

year until maturity, computed using a year of 360 days comprised of twelve 30-day months and shall be payable only at maturity as part of the Maturity Amount. The Accreted Value hereof is payable at the office designated by the Paying Agent appointed pursuant to the Resolution (as hereinafter defined).

The Bonds of this issue are comprised of $_____ of Principal Amount of Capital Appreciation Bonds of which this Bond is a part (a **"Capital Appreciation Bond"**) and $_____ Principal Amount of Current Interest Bonds. This Bond is issued by the District under and in accordance with the provisions of (i) Chapter 3 of Part 1 of Division 2 of Title 5, Article 4.5 of the California Government Code, as amended, (ii) applicable provisions of the Education Code of the State of California and (iii) Article XIIIA of the California Constitution (together, the "**Authorizing Law**"), and pursuant to that a resolution adopted by the Board of Trustees of the District on _____, 2008 (the **"Resolution"**). Reference is hereby made to the Resolution, a copy of which is on file with the Clerk of the Board of the District, for a description of the terms on which the Bonds are delivered, and the rights thereunder of the registered owners of the Bonds and the rights and duties of the Paying Agent and the District, to all of the provisions of which the registered owner of this Bond, by acceptance hereof, assents and agrees. All capitalized terms used but not otherwise defined herein shall have the respective meanings set forth in the Resolution. The Bonds were authorized by a vote of fifty-five percent of the qualified electors of the District voting on the proposition at an election held therein to determine whether such Bonds should be issued.

This Bond is a general obligation of the District, payable as to Maturity Amount from ad valorem taxes which, under the laws now in force, may be levied without limitation as to rate or amount upon all of the taxable property in the District. Neither the payment of the Maturity Amount of this Bond, or any part hereof, nor any premium hereon, constitutes a debt, liability or obligation of the County.

This Bond is issued in fully registered form and is nonnegotiable. Registration of this Bond is transferable by the registered owner hereof, in person or by his attorney duly authorized in writing, at the aforesaid offices of the Paying Agent, but only in the manner, subject to the limitations, and upon payment of the charges, provided in the Resolution and upon surrender and cancellation of this Bond. Upon such registration of transfer, a new Bond or Bonds, of like tenor and maturity in the same Transfer Amount and in authorized denominations will be issued to the transferee in exchange herefor. The District and the Paying Agent may treat the registered owner hereof as the absolute owner hereof for all purposes, whether or not this Bond shall be overdue, and shall not be affected by any notice to the contrary.

The Bonds shall be subject to redemption as provided in the Resolution.

The rights and obligations of the District and of the owners of the Bonds may be modified or amended at any time by a supplemental resolution adopted by the District with the written consent of owners of at least 60% in aggregate Bond Obligation of the Outstanding Bonds, exclusive of Bonds, if any, owned by the District; provided, however, that so long as any Bond Insurance Policy is in effect, and provided that the Bond Insurer complies with its obligations thereunder, the Bond Insurer shall be deemed to be the sole Owner of the Bonds for purposes of this sentence. Notwithstanding the foregoing, no such modification or amendment

shall, without the express consent of the registered owner of each Bond affected, reduce the Principal Amount of any Bond, reduce the interest rate payable thereon, advance the earliest redemption date thereof, extend its maturity or the times for paying interest thereon or change the monetary medium in which the Principal and interest is payable, nor shall any modification or amendment reduce the percentage of consents required for amendment or modification hereof without the express consent of all Owners. No such Supplemental Resolution shall change or modify any of the rights or obligations of any Paying Agent without its written asset thereto. Nothing withstanding anything in the Resolution to the contrary, no such consent shall be required if the Owners are not directly and adversely affected by such amendment or modification.

A supplemental resolution of the District may be adopted, which, without the requirement of consent of the registered owners, shall be fully effective in accordance with its terms: (1) to add to the covenants and agreements of the District in the Resolution, other covenants and agreements to be observed by the District which are not contrary to or inconsistent with the Resolution as theretofore in effect; (2) to add to the limitations and restrictions in the Resolution, other limitations and restrictions to be observed by the District which are not contrary to or inconsistent with the Resolution as theretofore in effect; (3) to confirm as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by the Resolution, of any moneys, securities or funds, or to establish any additional funds or accounts to be held under the Resolution; (4) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Resolution; or (5) to amend or supplement the Resolution in any other respect, provided such supplemental resolution does not, in the opinion of nationally-recognized bond counsel, adversely affect the interests of the owners.

If this Bond is called for redemption and the Maturity Amount or such other amount required for redemption, without premium, is duly provided therefore as specified in the Resolution, then interest shall cease to accrete with respect hereto from and after the date fixed for redemption.

This Bond shall not become valid or obligatory for any purpose until the Certificate of Authentication hereon endorsed shall have been dated and executed manually by the Paying Agent.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED, that an election was duly and legally called, held and conducted, and the notices thereof duly given, and the results thereof canvassed and declared in accordance with the provisions of the Authorizing Law and that all of the proceedings of the Board of Trustees of the District in the matter of the issuance of this Bond were regular and in strict accordance with the provisions of the Authorizing Law and of the Constitution of the State of California, and that the total bonded indebtedness of the District, including the issue of which this Bond is a part, does not exceed any limit prescribed by said Authorizing Law.

EL RANCHO UNIFIED SCHOOL DISTRICT

Dated: _____

By:_____
[Superintendent]

Attest:

By:_____
Clerk of the Board of Trustees
of El Rancho Unified School District

[STATEMENT OF INSURANCE]

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Resolution of the El Rancho Unified School District.

TREASURER OF THE COUNTY OF
LOS ANGELES,
as Paying Agent

Dated: _____

By:_____
Authorized Signatory

Attest:

By:_____
Clerk of the Board of Trustees
of El Rancho Unified School District

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned registered owner hereby sells, assigns and transfers unto

Name of Transferee: _____
Address for Payment of Interest: _____
_____
Social Security Number or other Tax Identification No.:
_____

the within-mentioned Bond and hereby irrevocably constitutes and appoints _____ attorney, to transfer the same on the books of the Paying Agent with full power of substitution in the premises.

_____
Registered Owner

Dated: _____

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

Signature _____
guaranteed

[Bank, Trust Company or Firm]

By: _____
Authorized Officer

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

Exhibit B

FORM OF 15c2-12 CERTIFICATE

[UNDERWRITER]

Ladies and Gentlemen:

With respect to the proposed sale of its General Obligation Bonds (Election of 2003), Series 2008 E in the maximum aggregate amount of not to exceed $6,896,471.00, El Rancho Unified School District (the "**District**") has delivered to you a Preliminary Official Statement, dated as of the date hereof (the "**Preliminary Official Statement**"). The District, for purposes of compliance with Rule 15c2-12 of the Securities Exchange Commission ("**Rule 15c2-12**"), deems the Preliminary Official Statement to be final as of its date, except for the omission of no more than the information permitted under Rule 15c2-12.

El Rancho Unified School District

Dated: _____

By:_____
Superintendent