

## RESOLUTION

### RESOLUTION OF THE BOARD OF DIRECTORS OF THE LAUSD FINANCING CORPORATION AUTHORIZING THE PREPARATION AND SALE OF NOT TO EXCEED \$80,000,000 REFUNDING CERTIFICATES OF PARTICIPATION, 2009 SERIES A (MULTIPLE PROPERTIES PROJECT) IN ONE OR MORE SERIES AND AUTHORIZING AND DIRECTING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Los Angeles Unified School District (the “District”) is a school district organized and existing under and pursuant to the Constitution and laws of the State of California (the “State”); and

WHEREAS, the LAUSD Financing Corporation is a nonprofit public benefit corporation (the “Corporation”) duly organized and existing under the laws of the State of California (the “State”), including, without limitation, the Nonprofit Public Benefit Corporation Law (Sections 5110 *et. seq.* of the State Corporations Code) with the authority to assist the District in financing and refinancing of the acquisition, construction, improvement and rehabilitation of the 1997 Project and the 1998 Project (defined below) on behalf of the District; and

WHEREAS, the District previously caused to be executed and delivered \$91,400,000 of Variable Rate Certificates of Participation, 1997 Series A (Belmont Learning Center Project) (the “1997 Certificates”) each evidencing a proportionate interest in the lease payments and prepayments to be made by the District under a Sublease, dated as of December 1, 1997, for the purpose of financing the acquisition and construction of public school facilities within the District (the “1997 Project”); and

WHEREAS, the District previously caused to be executed and delivered \$60,805,000 of Refunding Certificates of Participation, (Multiple Properties Project), 1998-A (the “1998 Certificates”) each evidencing a proportionate interest in the lease payments and prepayments to be made by the District under a Sublease and Option to Purchase, dated as of June 1, 1998, for the purpose of refinancing the acquisition and construction of public school facilities within the District (the “1998 Project”); and

WHEREAS, the District and the Corporation wish to authorize the sale, execution and delivery of not to exceed \$80,000,000 of Refunding Certificates of Participation, 2009 Series A (Multiple Properties Project) (the “Certificates”), in one or more series (with such other or additional series designations as may be approved by the District), with a fixed interest rate, pursuant to the terms of the Trust Agreement (as defined below), which Certificates shall evidence the proportionate interests in the Lease Payments (as defined in the Lease Agreement described below) and prepayments to be made by the District under the Lease Agreement (as defined below) in order (i) to prepay all of the outstanding 1997 Certificates and all of the outstanding 1998 Certificates and thereby refinance the 1997 Project and the 1998 Project,

respectively, (ii) to fund a reserve fund or obtain a reserve surety, as appropriate for the Certificates, and (iii) to pay costs of sale and delivery of the Certificates; and

WHEREAS, the District and the Corporation desire to facilitate the refinancing of the 1997 Project and the 1998 Project by entering into the Site Lease (as defined below), pursuant to which the District will lease to the Corporation real property described in the Site Lease, together with the facilities and improvements thereon (collectively, the “Property”); and

WHEREAS, the District and the Corporation propose to enter into the Lease Agreement pursuant to which the Corporation will sublease the Property to the District and the District will pay lease payments to be evidenced and represented by the Certificates; and

WHEREAS, the Corporation desires to assign its rights, title, and interest under the Lease Agreement, including the right to receive the Lease Payments from the District, to the Trustee pursuant to an Assignment Agreement by and between the Corporation and the Trustee (the “Assignment Agreement”); and

WHEREAS, the Corporation desires to approve the forms of certain of the financing documents to be executed and delivered by it in connection with the sale and delivery of the Certificates; and

WHEREAS, the Corporation has determined that it may be in the best interests of the Corporation and the District to fund a debt service reserve fund for the Certificates, to obtain such credit enhancement and/or reserve fund surety, and such other insurance policies or surety and/or swap agreements as may be necessary to improve the marketability of the Certificates; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State to exist, to have happened and to have been performed precedent to and in connection with the consummation of the financing authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Corporation is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate its role in such financing for the purpose, in the manner and upon the terms herein provided; and

NOW, THEREFORE, the Board of Directors of the LAUSD Financing Corporation does hereby resolve as follows:

**SECTION 1: Authorization of Certificates.** This Board of Directors hereby authorizes the preparation, sale, execution and delivery of the Certificates in an aggregate principal amount not to exceed \$80,000,000 in accordance with the terms and provisions of the Trust Agreement, the proceeds of which will be used, together with other moneys available to the District for such purpose, if any, (i) to refinance the 1997 Project by prepaying the outstanding 1997 Certificates, (ii) to refinance the 1998 Project by prepaying the outstanding 1998 Certificates, (iii) to fund a reserve fund or obtain a reserve surety, as appropriate, for the Certificates and (iv) pay the costs of the sale and delivery of the Certificates. The Certificates shall be designated as “Refunding Certificates of Participation, 2009 Series A (Multiple Properties Project)” with such other or

additional designations as may be approved in accordance with Section 3 of this Resolution. The Certificates shall bear interest at a fixed rate.

**SECTION 2: Lease Agreement.** The form of the Lease Agreement (the “Lease Agreement”), presented to this meeting and on file with the Secretary of the Corporation (the “Secretary”) is approved. Each of the Treasurer of the Corporation, the Secretary, and the authorized designees of such officers (collectively, the “Authorized Officers”), acting singly, is hereby authorized and directed, for and in the name and on behalf of the Corporation, to execute and deliver to the District said Lease Agreement. The Lease Agreement shall be executed in substantially the form hereby approved, with such additions thereto and changes therein as are approved by any such Authorized Officer, acting singly, such approval to be conclusively evidenced by the execution and delivery thereof.

**SECTION 4. Trust Agreement.** The form of the Trust Agreement (the “Trust Agreement”), presented to this meeting and on file with the Secretary is approved. Each of the Authorized Officers, acting singly, is hereby authorized and directed, for and in the name and on behalf of the Corporation, to execute and deliver to the District and the trustee named therein (the “Trustee”) said Trust Agreement. The Trust Agreement shall be executed in substantially the form hereby approved, with such additions thereto and changes therein as are approved by any such Authorized Officer, acting singly, such approval to be conclusively evidenced by the execution and delivery thereof.

**SECTION 5. Site and Facilities Lease.** The form of the Site and Facilities Lease (the “Site Lease”), presented to this meeting and on file with the Secretary is approved. Each of the Authorized Officers, acting singly, is hereby authorized and directed, for and in the name and on behalf of the Corporation, to execute and deliver to the District said Site Lease. The Site Lease shall be executed in substantially the form hereby approved, with such additions thereto and changes therein as are approved by any such Authorized Officer, acting singly, such approval to be conclusively evidenced by the execution and delivery thereof.

**SECTION 6. Assignment.** The form of the Assignment (the “Assignment”), presented to this meeting and on file with the Secretary is approved. Each of the Authorized Officers, acting singly, is hereby authorized and directed, for and in the name and on behalf of the Corporation, to execute and deliver to the Trustee said Assignment. The Assignment shall be executed in substantially the form hereby approved, with such additions thereto and changes therein as are approved by any such Authorized Officer, acting singly, such approval to be conclusively evidenced by the execution and delivery thereof.

**SECTION 7. Contract of Purchase.** The form of the Contract of Purchase between the District and the underwriters of the Certificates (the “Contract of Purchase”), presented to this meeting and on file with the Secretary is approved. Each Authorized Officers, acting singly, is hereby authorized and directed, for and in the name and on behalf of the Corporation, to execute and deliver to the District and the underwriters named therein said Contract of Purchase. Said Contract of Purchase shall be executed in substantially the form hereby approved, with such additions thereto and changes therein as are approved by any such Authorized Officer, acting singly, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 8 Other Actions. Pursuant to the Bylaws of the Corporation, the President, Vice President, Treasurer, Secretary and such other officers of the Corporation are authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents that they may deem necessary or advisable in order to consummate the sale and delivery of the Certificates, the prepayment of the 1997 Certificates and the 1998 Certificates and the delivery of the Site Lease, the Lease Agreement, the Trust Agreement, the Assignment and the Contract of Purchase, and all amendments thereto and changes therein, and the delivery of any additional documents and certificates related to the property conveyed to the Corporation pursuant to the Site Lease and otherwise effectuate the purposes of this Resolution and the purposes for which the Corporation was formed, and such actions previously taken by such officers are hereby ratified and confirmed.

SECTION 9: Effect. This Resolution shall take effect from and after its date of adoption.

ADOPTED AND APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2009 by the following  
vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

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President  
LAUSD Financing Corporation

I hereby certify that the foregoing resolution was duly introduced, passed and adopted at  
the time and place and by the vote as noted above.

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Secretary  
LAUSD Financing Corporation