NEW ISSUE—FULL BOOK-ENTRY

RATINGS: Moody's: Aaa; S&P: AAA
(See "RATINGS" herein.)

In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California ("Bond Counsel"), under existing statutes, regulations, rulings and judicial decisions, and assuming certain representations and compliance with certain covenants and requirements described herein, interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations. In the further opinion of Bond Counsel, interest (and original issue discount) on the Bonds is exempt from State of California personal income tax. In addition, the difference between the issue price of a Bond (the first price at which a substantial amount of the Bonds of a maturity is to be sold to the public) and the stated redemption price at maturity with respect to the Bond constitutes original issue discount. (See "TAX MATTERS" with respect to tax consequences relating to the Bonds.)

$44,999,497.70
SAN BERNARDINO CITY UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)
Election of 2004 General Obligation Bonds, Series A

$37,055,000.00
SAN BERNARDINO CITY UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)
2004 General Obligation Refunding Bonds

Dated: Date of Delivery

Due: August 1, as shown on inside front cover

This cover page contains information for cursory reference only. It is not a summary of this issue. Investors must read the entire official statement to obtain information essential to the making an informed investment decision. Capitalized terms used in this cover page and not otherwise defined shall have the meanings set forth herein.

The San Bernardino City Unified School District Election of 2004 General Obligation Bonds, Series A (the "Series A Bonds"), in the aggregate principal amount of $44,999,497.70, are being issued by the San Bernardino City Unified School District (the "District") to fund the construction, renovation and repair of certain District facilities and the prepayment of the District's outstanding Certificates of Participation (2003 School Facility Bridge Funding Program). The Series A Bonds will be issued as current interest bonds (the "Current Interest Series A Bonds") and capital appreciation bonds (the "Capital Appreciation Bonds"). The Series A Bonds were authorized at an election of the registered voters of the District held on March 2, 2004 (the "Authorization"), at which more than fifty-five percent percent of the persons voting on the proposition voted to authorize the issuance and sale of not to exceed $140,000,000 principal amount of general obligation bonds.

The San Bernardino City Unified School District 2004 General Obligation Refunding Bonds (the "Refunding Bonds" and, collectively with the Series A Bonds, the "Bonds"), in the aggregate principal amount of $37,055,000.00, are being issued by the District to refund certain of the District's outstanding (i) Election of 1999 General Obligation Bonds, Series A (the "Prior Series A Bonds") and (ii) Election of 1999 General Obligation Bonds, Series C (the "Prior Series C Bonds" and, collectively with the Prior Series A Bonds, the "Prior Bonds"), and to pay costs of issuance associated with the Refunding Bonds. The Refunding Bonds will be issued as current interest bonds and are referred to herein collectively with the Current Interest Series A Bonds as the "Current Interest Bonds."

The Bonds represent general obligations of the District, payable solely from *ad valorem* property taxes levied and collected by San Bernardino County (the "County"). The Board of Supervisors of the County is empowered and is obligated to annually levy *ad valorem* taxes for the payment of the principal and Maturity Value of and interest on the Bonds upon all property subject to taxation by the District without limitation of rate or amount (except as to certain personal property which is taxable at limited rates).

The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (collectively referred to herein as "DTC"). Purchasers of the Bonds (the "Beneficial Owners") will not receive physical certificates representing their interests in the Bonds.

Interest with respect to the Current Interest Bonds accrues from the Date of Delivery and is payable semiannually by check mailed on February 1 and August 1 of each year, commencing February 1, 2005. Payment to owners of $1,000,000 or more in principal amount of the Current Interest Bonds, at the owner's option, will be made by wire transfer. The Current Interest Bonds are issuable as fully registered Bonds in denominations of $5,000 or any integral multiple thereof.

The Capital Appreciation Bonds are dated the Date of Delivery and accrete interest from such date, compounded semiannually on February 1 and August 1 of each year, commencing February 1, 2005, and are payable only at maturity. The Capital Appreciation Bonds are issuable as fully registered Bonds in Maturity Value amounts of $5,000 or any integral multiple thereof.

Payments of principal and Maturity Value of and interest on the Bonds will be made by U.S. Bank National Association, as Bond Registrar and Paying Agent, to DTC for subsequent disbursement to DTC Participants who will remit such payments to the Beneficial Owners of the Bonds. (See "THE BONDS – Book-Entry Only System.")

The Current Interest Bonds are subject to redemption prior to maturity as described herein. The Capital Appreciation Bonds are not subject to redemption prior to maturity.

The scheduled payment of the principal of (or in the case of the Capital Appreciation Bonds, the Maturity Value) and interest on the Bonds when due will be guaranteed under insurance policies to be issued concurrently with the Bonds by FINANCIAL SECURITY ASSURANCE INC. (See "THE BONDS – Bond Insurance" and "APPENDIX H – Form of Municipal Bond Insurance Policy.")

FSA.

Maturity Schedule
(see inside front cover)

The Bonds are offered when, as and if issued, and received by the Underwriters subject to the approval as to their legality by Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, Bond Counsel. The Bonds, in book-entry form, will be available for delivery through the facilities of the Depository Trust Company in New York, New York on or about September 29, 2004.

UBS Financial Services Inc.

Citigroup

Dated: September 16, 2004.

San Bernardino City Unified School District
2004 G.O. Bond Funding Program
Breakdown of Sources and Uses of Funds

Total Sources of Funds

Principal Amount of 2004 G.O. Bonds:	$44,999,497.70
Plus: Original Issue Premium:	1,946,302.70
Less: Underwriter's Discount:	(427,495.23)

TOTAL SOURCES OF FUNDS:	**$46,518,305.17**

Total Uses of Funds

Deposit With Trustee for 2003 Bridge Payoff:	$44,742,911.41
Deposit With the S.B. County Treasurer for Debt Service:	$959,293.75
Deposit With the S.B. County Treasurer for Building Fund:	270,362.83
Total Amount Wired to S.B. County Treasurer:	**$ 1,229,656.58**
Total Closing Costs (Bond Insurance, Legal Fees, etc.)	**$545,737.18**

TOTAL USES OF FUNDS:	**$46,518,305.17**