

**RESOLUTION AUTHORIZING THE ISSUANCE OF \$1,150,000  
TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10  
WATERWORKS AND SEWER SYSTEM COMBINATION  
UNLIMITED TAX AND REVENUE BONDS, SERIES 2011**

THE STATE OF TEXAS     §  
  §  
COUNTY OF TRAVIS     §

WHEREAS, the bonds hereinafter authorized were duly and favorably voted at an election held in the District on September 14, 2002; and

WHEREAS, the Board of Directors of the District does hereby determine that bonds in the amount of \$1,150,000 should be issued, as a portion and the third installment of the \$20,300,000 bonds voted at such election, leaving the remaining \$13,660,000 of such bonds, and any other bonds as may hereinafter be authorized by the District voters, to be issued at a later date; Now, Therefore

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10 THAT:

1.     Definitions.     Throughout this resolution the following terms and expressions as used herein shall have the meanings set forth below:

“Accounting Principles” means the accounting principles described in the notes to the Audit.

“Act” means Chapters 49 and 54, Texas Water Code, as amended.

“Audit” means the audited financial statements of the District prepared by an independent auditor in accordance with the rules of the Texas Commission on Environmental Quality in effect at such time.

“Blanket Issuer Letter of Representations” means the Blanket Issuer Letter of Representations between the District, the Registrar and DTC.

“Board” means the Board of Directors of the District.

“Bond” or “Bonds” means one or more bonds of the issue of \$1,150,000 Travis County Municipal Utility District No. 10 Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds, Series 2011, authorized in this Resolution, unless the context clearly indicates otherwise.

“Business Day” means any day which is not a Saturday, Sunday, or a day on which the Registrar is authorized by law or executive order to remain closed.

“Code” means the Internal Revenue Code of 1986, as amended.

“Debt Service Fund” means the interest and sinking fund confirmed in this Resolution.

“District” means Travis County Municipal Utility District No. 10.

“DTC” means The Depository Trust Company of New York, New York, or any successor securities depository.

“DTC Participant” means brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

“EMMA” means the MSRB via the Electronic Municipal Market Access System established by the MSRB.

“Initial Bond” means the Initial Bond authorized by Section 4.

“Interest Payment Date,” when used in connection with any Bond, means March 1, 2012, and each September 1 and March 1 thereafter until maturity or prior redemption of such Bond.

“Material” shall have the meaning of such word as used under federal securities laws.

“MSRB” means the Municipal Securities Rulemaking Board.

“Paying Agent” means the Registrar.

“Person” or “Persons” means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision of a government or any entity whatsoever.

“Record Date” means, for any Interest Payment Date, the fifteenth calendar day of the month next preceding each Interest Payment Date.

“Register” means the books of registration kept by the Registrar, in which are maintained the names and addresses of, and the principal amounts of the Bonds registered to, each Registered Owner.

“Registered Owner” means any person who shall be the registered owner of any outstanding Bond.

“Registrar” means The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, and its successors in that capacity.

“Resolution” as used herein and in the Bonds means this Resolution authorizing the Bonds.

“Rule” means SEC Rule 10c2-12, as amended from time to time.

“SEC” means the United States Securities and Exchange Commission.

2. Authorization. The Bonds shall be issued in fully registered form, without coupons, in the total aggregate amount of ONE MILLION ONE HUNDRED FIFTY THOUSAND DOLLARS (\$1,150,000) for the purpose or purposes of purchasing, constructing, acquiring, owning, operating, repairing, improving, extending, or paying for inside and outside the District's boundaries, any District works, improvements, facilities, plants, equipment, appliances and all costs associated with flood plain and wetlands regulation and endangered species and stormwater permits, including mitigation, needed to accomplish the purposes of the District authorized by the Texas Constitution, the Texas Water Code, to wit: the works, improvements, facilities, plants, equipment and appliances to provide a waterworks system, sanitary sewer system, drainage and storm sewer system, including, but not limited to, all additions to such systems and all works, improvements, facilities, plants, equipment, appliances, interests in property, and contract rights needed therefore and administrative facilities needed in connection therewith, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Section 59 of Article XVI, Constitution of Texas, and the Act.

3. Designation, Date, and Interest Payment Dates. The Bonds shall be designated as the “TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10 WATERWORKS AND SEWER SYSTEM COMBINATION UNLIMITED TAX AND REVENUE BONDS, SERIES 2011,” and shall be dated July 1, 2011. The Bonds shall bear interest at the rates set forth below from the later July 1, 2011, or the most recent Interest Payment Date to which interest has been paid or duly provided for, calculated on the basis of a 360-day year of twelve 30-day months, interest payable on March 1, 2012, and semiannually thereafter on each September 1 and March 1 until maturity or prior redemption.

4. Initial Bonds; Interest Rates; Maturities; Principal Amounts and Denominations. The Bonds shall be issued bearing the numbers, in the principal amounts, and bearing interest at the rates set forth in the following schedule, and may be transferred and exchanged as set out in this Resolution. The Bonds shall mature on September 1 in each of the years and in the amounts set out in such schedule. The Initial Bond shall be numbered IB-1 and all other Bonds shall be numbered in sequence beginning with R-1. Bonds delivered in transfer of or in exchange for other Bonds shall be numbered in order of their authentication by the Registrar, shall be in the denomination of \$5,000 or integral multiples thereof, and shall mature on the same date and bear interest at the same rate as the Bond or Bonds in lieu of which they are delivered.

<u>Principal Amount</u>	<u>Year</u>	<u>Interest Rate</u>
\$ 25,000	2013	%
25,000	2014	
25,000	2015	
25,000	2016	
25,000	2017	
25,000	2018	
25,000	2019	
25,000	2020	
25,000	2021	
25,000	2022	
25,000	2023	
25,000	2022	
25,000	2023	
25,000	2024	
25,000	2025	
25,000	2026	
25,000	2027	
25,000	2028	
25,000	2029	
25,000	2030	
25,000	2031	
25,000	2032	
25,000	2033	
25,000	2034	
25,000	2035	
25,000	2036	
265,000	2037	
285,000	2038	

5. Optional and Mandatory Redemption. The District reserves the right, at its option, to redeem the Bonds prior to maturity on the dates and at the redemption prices set forth in the form of the Bonds in this Resolution. In addition, portions of the Bonds are subject to mandatory sinking fund redemption on the dates and at the redemption prices set forth in the form of the Bonds in this Resolution.

Principal amounts may be redeemed only in integral multiples of \$5,000. If a Bond subject to redemption is in a denomination larger than \$5,000, a portion of such Bond may be redeemed, but only in integral multiples of \$5,000. In selecting portions of Bonds for redemption, the Registrar shall treat each Bond as representing that number of Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Bond by \$5,000. The Registrar shall select the particular Bonds to be redeemed within any given maturity by lot or other random selection method. Upon surrender of any Bond for redemption in part, the Registrar, in accordance with this Resolution, shall authenticate and deliver in exchange therefor a Bond or Bonds of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered.

Notice of any redemption identifying the Bonds to be redeemed in whole or in part shall be given by the Registrar at least 30 days prior to the date fixed for redemption by sending written notice by first class mail to the Registered Owner of each Bond to be redeemed in whole or in part at the address shown on the Register. Such notices shall state the redemption date, the redemption price, the place at which Bonds are to be surrendered for payment and, if less than all Bonds outstanding within any one maturity are to be redeemed, the numbers of the Bonds or portions thereof to be redeemed. Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Registered Owner receives such notice. By the date fixed for redemption, due provision shall be made with the Registrar for payment of the redemption price of the Bonds or portions thereof to be redeemed, plus accrued interest to the date fixed for redemption. When Bonds have been called for redemption in whole or in part and due provision has been made to redeem same as herein provided, the Bonds or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Registered Owners to collect interest which would otherwise accrue after the redemption date on any Bond or portion thereof called for redemption shall terminate on the date fixed for redemption.

6. Execution of Bonds; Seal. The Bonds shall be signed by the President of the Board and countersigned by the Secretary of the Board, by their manual, litho-graphed, or facsimile signatures, and the official seal of the District shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Bonds shall have the same effect as if each of the Bonds had been signed manually and in person by each of said officers, and such facsimile seal on the Bonds shall have the same effect as if

the official seal of the District had been manually impressed upon each of the Bonds. If any officer of the District whose manual or facsimile signature shall appear on the Bonds shall cease to be such officer before the authentication of such Bonds or before the delivery of such Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

On the date of delivery of the Bonds, the Initial Bond, being a single bond representing the entire principal amount of the Bonds, payable in stated installments to the Initial Purchaser or its designee, executed by manual or facsimile signature of the President and Secretary of the Board, or other designated District official, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, shall be delivered to the Initial Purchaser or its designee. Upon payment for the Initial Bond, the Registrar shall cancel the Initial Bond and deliver Bonds to DTC in accordance with Section 13.

7. Approval by Attorney General; Registration by Comptroller. The Bonds to be initially issued shall be delivered to the Attorney General of Texas for approval and shall be registered by the Comptroller of Public Accounts of the State of Texas. The manually executed registration certificate of the Comptroller of Public Accounts substantially in the form provided in this Resolution shall be attached or affixed to the Bonds to be initially issued.

8. Authentication. Except for the Initial Bond, which need not be authenticated by the Registrar, in the event the Book-Entry-Only System is discontinued, only such Bonds which bear thereon a certificate of authentication, substantially in the form provided in this Resolution, manually executed by an authorized representative of the Registrar, shall be entitled to the benefits of this Resolution or shall be valid or obligatory for any purpose. Such duly executed certificate of authentication shall be conclusive evidence that the Bonds so authenticated were delivered by the Registrar hereunder.

9. Payment of Principal and Interest. The Registrar is hereby appointed as the paying agent for the Bonds. The principal of and interest on the Bonds are payable, without exchange or collection charges, in any coin or currency of the United States of America which, on the date of payment, is legal tender for the payment of debts due the United States of America. Principal is payable upon presentation and surrender of the Bonds as they respectively become due and payable, whether at maturity or by prior redemption, at the principal payment office of the Registrar in Dallas, Texas. Interest is payable by check or draft dated as of the Interest Payment Date, mailed by the Registrar on each Interest Payment Date to the Registered Owner of record as of the Record Date, first class, postage prepaid, to the address of such Registered Owner as shown in the Register, or by such other customary banking arrangements as may be agreed upon by the Registrar and the Registered Owner, at the risk and expense of the Registered

Owner. Any accrued interest payable at maturity on a Bond shall be paid upon presentation and surrender of such Bond at the principal payment office of the Registrar.

If the date for payment of the principal of or interest on any Bond is not a Business Day, then the date for such payment shall be the next succeeding Business Day with the same force and effect as if made on the date such payment was originally due.

10. Successor Registrars. The District covenants that at all times while any Bonds are outstanding it will provide a national or state banking institution, which shall be organized and doing business under the laws of the United States of America or of any State, authorized under such laws to exercise trust powers, and which shall be subject to supervision or examination by federal or state authority, to act as Registrar for the Bonds. The District reserves the right to change the Registrar for the Bonds on not less than 30 days written notice to the Registrar, so long as any such notice is effective not less than 60 days prior to the next succeeding principal or Interest Payment Date on the Bonds. Promptly upon the appointment of any successor Registrar, the previous Registrar shall deliver the Register or copies thereof to the new Registrar, and the new Registrar shall notify each Registered Owner, by United States mail, first class postage prepaid, of such change and of the address of the new Registrar. Each Registrar here-under, by acting in that capacity, shall be deemed to have agreed to the provisions of this Section.

11. Special Record Date. If interest on any Bond is not paid on any Interest Payment Date and continues unpaid for 30 days thereafter, the Registrar shall establish a new record date for the payment of such interest, to be known as a Special Record Date. The Registrar shall establish a Special Record Date when funds to make such interest payment are received from or on behalf of the District. Such Special Record Date shall be 10 days prior to the date fixed for payment of such past due interest, and notice of the date of payment and the Special Record Date shall be sent by United States mail, first class, postage prepaid, not later than five days prior to the Special Record Date, to each affected Registered Owner of record as of the close of business on the day prior to the mailing of such notice.

12. Ownership; Unclaimed Principal and Interest. The District, the Registrar and any other person may treat the person in whose name any Bond is registered as the absolute Registered Owner of such Bond for the purpose of making and receiving payment of principal or interest on such Bond, and for all other purposes, whether or not such Bond is overdue, and neither the District nor the Registrar shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Registered Owner of any Bond in accordance with this Section shall be valid and effectual and shall discharge the liability of the District and the Registrar upon such Bond to the extent of the sums paid.

Amounts held by the Registrar which represent principal of and interest on the Bonds remaining unclaimed by the Registered Owner after the expiration of three years from the date such amounts have become due and payable shall be reported and disposed of by the Registrar in accordance with the applicable provisions of Texas law including, to the extent applicable, Title 6 of the Texas Property Code, as amended.

13. Book-Entry Only System.

(a) The Initial Bond shall be registered in the name of Cede & Co. Except as provided in Section 14 hereof, all other Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

(b) With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the District and the Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such DTC Participant holds an interest in the Bonds, except as provided in this Resolution. Without limiting the immediately preceding sentence, the District and the Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a Registered Owner, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a Registered Owner, as shown on the Register, of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Resolution to the contrary, the District and the Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Register as the absolute Registered Owner of such Bond for the purpose of payment of principal of and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the resolution of the respective Registered Owners, as shown in the Register as provided in this Resolution, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payments of principal, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than a Registered Owner, as shown in the Register, shall receive a Bond certificate evidencing the obligation of the District to make payments of amounts due pursuant to this Resolution. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions of this Resolution with respect to interest checks being mailed to the



Registered Owner of record as of the Record Date, the phrase "Cede & Co." in this Resolution shall refer to such new nominee of DTC.

(c) The execution and delivery of the Blanket Issuer Letter of Representations is hereby approved with such changes as may be approved by the President of the Board, and the President of the Board is hereby authorized and directed to execute such Blanket Issuer Letter of Representations.

14. Successor Securities Depository; Transfer Outside Book-Entry Only System. In the event that the District in its sole discretion, determines that the beneficial owners of the Bonds be able to obtain certificated Bonds, or in the event DTC discontinues the services described herein, the District shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants, as identified by DTC, of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants, as identified by DTC, of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts, as identified by DTC. In such event, the Bonds shall not longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Registered Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Resolution.

15. Payments to Cede & Co. Notwithstanding any other provision of this Resolution to the contrary, so long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bonds, and all notices with respect to such Bonds, shall be made and given, respectively, in the manner provided in the Blanket Issuer Letter of Representations.

16. Registration, Transfer, and Exchange. So long as any Bonds remain outstanding, the Registrar shall keep the Register at its principal payment office and, subject to such reasonable regulations as it may prescribe, the Registrar shall provide for the registration and transfer of Bonds in accordance with the terms of this Resolution.

Subject to the provisions of Section 13, entitled "Book-Entry-Only System," each Bond shall be transferable only upon the presentation and surrender thereof at the principal payment office of the Registrar, duly endorsed for transfer, or accompanied by an assignment duly executed by the Registered Owner or his authorized representative in form satisfactory to the Registrar. Upon due presentation of any Bond in proper form for transfer, the Registrar shall authenticate and deliver in exchange therefor,

within three Business Days after such presentation, a new Bond or Bonds, registered in the name of the transferee or transferees, in authorized de-nominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the Bond or Bonds so presented.

All Bonds shall be exchangeable upon presentation and surrender thereof at the principal payment office of the Registrar for a Bond or Bonds of like maturity and interest rate and in any authorized denomination, in an aggregate amount equal to the unpaid principal amount of the Bond or Bonds presented for exchange. The Registrar shall be and is hereby authorized to authenticate and deliver exchange Bonds in accordance with the provisions of this Section. Each Bond delivered in accordance with this Section shall be entitled to the benefits and security of this Resolution to the same extent as the Bond or Bonds in lieu of which such Bond is delivered.

Neither the District nor the Registrar shall be required to transfer or exchange any Bond during the period beginning on a Record Date and ending on the next succeeding Interest Payment Date or to transfer or exchange any Bond called for redemption during the 30 day period prior to the date fixed for redemption of such Bond.

The District or the Registrar may require the Registered Owner of any Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such Bond. Any fee or charge of the Registrar for such transfer or exchange shall be paid by the District.

17. Mutilated, Lost, or Stolen Bonds. Subject to the provisions of Section 13, entitled "Book-Entry-Only System," upon the presentation and surrender to the Registrar of a mutilated Bond, the Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like maturity, interest rate, and principal amount, bearing a number not contemporaneously outstanding. If any Bond is lost, apparently destroyed, or wrongfully taken, the District, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall execute and the Registrar shall authenticate and deliver a replacement Bond of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding.

The District or the Registrar may require the Registered Owner of a mutilated Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Registrar. The District or the Registrar may require the Registered Owner of a lost, apparently destroyed or wrongfully taken Bond, before any replacement Bond is issued, to:

(1) furnish to the District and the Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Bond;

(2) furnish such security or indemnity as may be required by the Registrar and the District to hold them harmless;

(3) pay all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Registrar and any tax or other governmental charge that may be imposed; and

(4) meet any other reasonable requirements of the District and the Registrar.

If, after the delivery of such replacement Bond, a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the District and the Registrar shall be entitled to recover such replacement Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the District or the Registrar in connection therewith.

If any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the District in its discretion may, instead of issuing a replacement Bond, authorize the Registrar to pay such Bond.

Each replacement Bond delivered in accordance with this Section shall be entitled to the benefits and security of this Resolution to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

18. Cancellation of Bonds. Subject to the provisions of Section 13, entitled "Book-Entry-Only System", all Bonds paid in accordance with this Resolution, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance herewith, shall be canceled and destroyed upon the making of proper records regarding such payment. Upon request, the Registrar shall furnish the District with appropriate certificates of destruction of such Bonds.

19. Forms. The form of the Bonds, including the form of the Registrar's Authentication Certificate, the form of Assignment, and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas, which shall be attached or affixed to the Bonds initially issued, shall be, respectively, substantially as follows, with such additions, deletions and variations as may be necessary or desirable



fifteenth day of the month next preceding each interest payment date, or (ii) by such other customary banking arrangements as may be agreed upon by the Registrar and the Registered Owner (at the risk and expense of such Registered Owner), on each September 1 and March 1 until maturity, beginning March 1, 2012.

THIS BOND is one of a duly authorized issue of Bonds, aggregating \$1,150,000 (the "Bonds"), issued for the purpose or purposes of purchasing, constructing, acquiring, owning, operating, repairing, improving, extending, or paying for inside and outside the District's boundaries, any District works, improvements, facilities, plants, equipment, appliances and all costs associated with flood plain and wetlands regulation and endangered species and stormwater permits, including mitigation, needed to accomplish the purposes of the District authorized by the Texas Constitution, the Texas Water Code, to wit: the works, improvements, facilities, plants, equipment and appliances to provide a waterworks system, sanitary sewer system, drainage and storm sewer system, including, but not limited to, all additions to such systems and all works, improvements, facilities, plants, equipment, appliances, interests in property, and contract rights needed therefore and administrative facilities needed in connection therewith, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Chapters 49 and 54 of the Texas Water Code, by authority of an election held for and within the District on September 14, 2002, and pursuant to a resolution adopted by the Board of Directors on June 7, 2011 (the "Resolution").

THIS BOND, and the other Bonds of the series of which it is a part, are payable from the proceeds of an annual ad valorem tax levied without legal limitation as to rate or amount upon all taxable property within the District, and are further payable from and secured by a lien on and pledge of certain net revenues, if any, of the District's waterworks, sanitary sewer and drainage system (the "System"). Reference is hereby made to the Resolution for a complete description of the terms, covenants and provisions pursuant to which this Bond and said series of Bonds are secured and made payable; the respective rights thereunder of the Registered Owners of the Bonds, the District and the Registrar; and the terms upon which the Bonds are, and are to be, registered and delivered.

THE DISTRICT RESERVES THE RIGHT, at its option, to redeem the Bonds maturing on or after September 1, 2019, prior to their scheduled maturities, in whole or in part, in integral multiples of \$5,000, on September 1, 2018, or any date thereafter at par plus accrued interest on the principal amounts called for redemption to the date fixed for redemption. If a Bond subject to redemption is in a denomination larger than \$5,000, a portion of such Bond may be redeemed, but only in integral multiples of \$5,000. In selecting portions of Bonds for redemption, the Registrar shall treat each Bond as representing that number of Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Bond by \$5,000. The Registrar shall select the particular Bonds to be redeemed within any given maturity by lot or other random

selection method. Upon surrender of any Bond for redemption in part, the Registrar, in accordance with the provisions of the Resolution, shall authenticate and deliver in exchange therefor a Bond or Bonds of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered. Reference is made to the Resolution for complete details concerning the manner of redeeming the Bonds.

IN ADDITION TO BEING SUBJECT TO OPTIONAL REDEMPTION, THE BONDS ISSUED AS TERM BONDS maturing on September 1, in each of the years \_\_\_\_\_ (collectively, the "Term Bonds") are subject to mandatory redemption prior to maturity in the following amounts (subject to reduction as hereinafter provided), on the following dates ("Mandatory Redemption Dates"), at a price equal to the principal amount redeemed plus accrued interest to each Mandatory Redemption Date, subject to the conditions set forth below:

TERM BOND

Mandatory Redemption

Principal Amount

ON OR BEFORE 30 days prior to each Mandatory Redemption Date set forth above, the Registrar shall (i) determine the principal amount of such Term Bond that must be mandatorily redeemed on such Mandatory Redemption Date, after taking into account deliveries for cancellation and optional redemptions as more fully provided for below, (ii) select, by lot or other customary random method, the Term Bond or portions of the Term Bond of such maturity to be mandatorily redeemed on such Mandatory Redemption Date, and (iii) give notice of such redemption as provided in the Bond Resolution. The principal amount of any Term Bond to be mandatorily redeemed on such Mandatory Redemption Date shall be reduced by the principal amount of such Term Bond which, by the 45th day prior to such Mandatory Redemption Date, either has been purchased in the open market and delivered or tendered for cancellation by or on behalf of the District to the Registrar or optionally redeemed and which, in either case, has not previously been made the basis for a reduction under this sentence

NOTICE OF ANY REDEMPTION shall be given at least 30 days prior to the date fixed for redemption by first class mail, addressed to the Registered Owner of each Bond to be redeemed in whole or in part at the address shown on the books of registration kept by the Registrar. When Bonds or portions thereof have been called for redemption, and due provision has been made to redeem the same, the principal

amounts so redeemed shall be payable solely from the funds provided for redemption, and interest which would otherwise accrue on the amounts called for redemption shall terminate on the date fixed for redemption.

THIS BOND IS TRANSFERABLE only upon presentation and surrender at the principal payment office of the Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or his authorized representative, subject to the terms and conditions of the Resolution.

THIS BOND IS EXCHANGEABLE at the principal payment office of the Registrar for bonds in the principal amount of \$5,000 or any integral multiple thereof, subject to the terms and conditions of the Resolution.

NEITHER THE DISTRICT nor the Registrar shall be required to transfer or exchange any Bond during the period beginning on a Record Date and ending on the next succeeding interest payment date or to transfer or exchange any Bond called for redemption during the 30 day period prior to the date fixed for redemption of such Bond.

THIS BOND shall not be valid or obligatory for any purpose or be entitled to any benefit under the Resolution unless this Bond is either (i) registered by the Comptroller of Public Accounts of the State of Texas by registration certificate attached or affixed hereto or (ii) authenticated by the Registrar by due execution of the authentication certificate endorsed hereon.

THE REGISTERED OWNER of this Bond, by acceptance hereof, acknowledges and agrees to be bound by all the terms and conditions of the Resolution.

THE DISTRICT has covenanted in the Resolution that it will at all times provide a legally qualified registrar for the Bonds and will cause notice of any change of registrar to be mailed first class, postage prepaid, to each Registered Owner.

IT IS HEREBY certified, recited and covenanted that this Bond has been duly and validly issued and delivered; that all acts, conditions and things required or proper to be performed, to exist and to be done precedent to or in the issuance and delivery of this Bond have been performed, exist and have been done in accordance with law; and that annual ad valorem taxes, without legal limit as to rate or amount, sufficient to provide for the payment of the interest on and principal of this Bond, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in the District and have been pledged irrevocably for such payment, and in addition, certain net revenues of the System have been pledged irrevocably for the payment of the Bonds.

IN WITNESS WHEREOF, this Bond has been signed with the manual or facsimile signature of the President of the Board of Directors and countersigned with the manual or facsimile signature of the Secretary of the Board of Directors, and the official seal of the District has been duly impressed, or placed in facsimile, on this Bond.

TRAVIS COUNTY MUNICIPAL UTILITY  
DISTRICT NO. 10

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President, Board of Directors

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Secretary, Board of Directors

(SEAL)

b. Form of Registration Certificate of Comptroller of Public Accounts

COMPTROLLER'S REGISTRATION CERTIFICATE:

REGISTER NO.

I hereby certify that this Bond has been examined, certified as to validity, and approved by the Attorney General of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS MY SIGNATURE AND SEAL this \_\_\_\_\_.

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Comptroller of Public Accounts  
of the State of Texas

(SEAL)

c. Form of Registrar's Authentication Certificate

AUTHENTICATION CERTIFICATE

It is hereby certified that this Bond has been delivered pursuant to the Resolution described in the text of this Bond, in exchange for or in replacement of a bond, bonds or a portion of a bond or bonds of a series which was originally approved by the Attorney General of Texas and registered by the Comptroller of Public Accounts of the State of Texas.



The Bank of New York Mellon Trust  
Company, N.A.

By: \_\_\_\_\_  
Authorized Signature

Date of Authentication: \_\_\_\_\_

d. Form of Assignment

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto (Please print or type name, address, and zip code of Transferee) (Please insert Social Security or Taxpayer Identification Number of Transferee) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints attorney to transfer said Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

NOTICE: Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program ("STAMP") or similar program.

Registered Owner

NOTICE: The signature above must correspond to the name of the Registered Owner as shown on the face of this Bond in every particular, without any alteration, enlargement or change whatsoever.

e. The Initial Bond shall be in the form set forth in paragraphs (a), (b), and (d) of this Section, except for the following alterations:

(i) immediately under the name of the Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As Shown Below" and the word "CUSIP No." deleted;

(ii) in the first paragraph of the Bond, the words "on the maturity date specified above," "the principal amount identified above," and "at the rate shown above" shall be deleted and the following shall be inserted at the end of the first sentence "..., with such principal to be paid in installments on September 1 in each of the years and in the principal amounts identified in the following schedule and with such installments bearing interest at the per annum rates set forth in the following schedule:"

[Information to be inserted from schedule in Section 4]

(iii) the Initial Bond shall be numbered IB-1.

20. Legal Opinion; CUSIP; Bond Insurance. The approving opinion of Allen Boone Humphries Robinson LLP, Houston, Texas, and CUSIP numbers may be printed on the Bonds, but errors or omissions in the printing of such opinion or such numbers shall have no effect on the validity of the Bonds. If bond insurance is obtained by the purchaser, the Bonds may bear an appropriate legend as provided by the insurer.

21. Debt Service Fund; Tax Levy. The Debt Service Fund is hereby confirmed and the proceeds from all taxes levied, assessed and collected for and on account of the Bonds authorized by this Resolution shall be deposited, as collected, in such Fund. While the Bonds or any part of the principal thereof or interest thereon remain outstanding and unpaid, there is hereby levied and there shall be annually assessed and collected in due time, form and manner, and at the same time as other District taxes are assessed, levied and collected, in each year, beginning in 2011, a continuing direct annual ad valorem tax, without legal limit as to rate, upon all taxable property in the District, sufficient to pay the interest on the Bonds as the same becomes due and to pay each installment of the principal of the Bonds as the same matures, full allowance being made for delinquencies and costs of collection, and said taxes are hereby irrevocably pledged to the payment of the interest on and principal of the Bonds and to no other purpose.

22. Net Revenue Pledge As Additional Security. For purposes of this Section the following terms shall have the following definitions:

The term "Maintenance and Operation Expenses" shall mean the expenses necessary to provide for the administration, efficient operation and adequate maintenance of the System together with such other costs and expenses as may now or

hereafter be defined by law as proper Maintenance and Operation Expenses of the System; and,

The term "Net Revenues" shall mean all income derived from the ownership and operation of the System after deducting the Maintenance and Operation Expenses and providing for the funding of any operating reserve from time to time established by the Board.

In order to further secure the Bonds, the District hereby grants a lien on and pledge of the Net Revenues. The Net Revenues are hereby pledged to the payment of the principal, interest, redemption price and paying agent expenses of the Bonds. If at any time ad valorem taxes levied and collected for the payment of the Bonds, together with any other amounts in the Debt Service Fund, are insufficient for such purpose, the District shall transfer to the Debt Service Fund such available Net Revenues as shall be necessary to provide (together with other amounts on deposit in the Debt Service Fund) for the payment of principal, interest, redemption price and paying agent expenses of the Bonds; provided, however, that no transfers of revenues shall be made to the Debt Service Fund by the District until all Maintenance and Operation Expenses shall have been paid by the District. The District reserves the right to apply Net Revenues not required for current payments of principal, interest, redemption price and bank charges of the Bonds for any lawful purpose of the District. The District further reserves the right to issue additional bonds secured in whole or in part by a lien on and pledge of Net Revenues on a parity with or subordinate to the lien on and pledge of Net Revenues securing the Bonds, and to apply such Net Revenues to the payment of such additional bonds and obligations on a parity with or subordinate to the Bonds.

23. Further Proceedings. After the Bonds to be initially issued have been executed, it shall be the duty of the President and Secretary of the Board and other appropriate officials and agents of the District to deliver the Bonds to be initially issued and all pertinent records and proceedings to the Attorney General of Texas, for examination and approval. After the Bonds to be initially issued have been approved by the Attorney General, they shall be delivered to the Comptroller of Public Accounts of the State of Texas for registration. Upon registration of the Bonds to be initially issued, the Comptroller of Public Accounts (or the Comptroller's bond clerk or an assistant bond clerk lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificate prescribed herein and the seal of said Comptroller shall be impressed, or placed in facsimile, thereon.

24. Sale; Proceeds. The sale and delivery of the Bonds to \_\_\_\_\_ (herein referred to as the "Initial Purchaser") at a price of \$\_\_\_\_\_, plus accrued interest thereon to date of delivery, is hereby authorized, approved, ratified and confirmed, subject to the approving opinion as to the legality of the Bonds of the Attorney General of Texas, and of Allen Boone Humphries

Robinson LLP, Houston, Texas, bond counsel. It is hereby found and declared that the Initial Purchaser's bid produced the lowest net effective interest rate for the Bonds after advertisement and public sale, and that the net effective interest rate resulting from such bid is \_\_\_\_\_% which rate is less than the maximum rate permitted by law.

Accrued interest on the Bonds and any amount appropriated by the District for capitalized interest shall be deposited into the Debt Service Fund upon receipt. The remaining proceeds of the Bonds shall be deposited into the Capital Projects Fund and used for the purposes described in Section 2 above and to pay costs of issuance, all in accordance with the order of the Texas Commission on Environmental Quality (the "Commission") approving the Bonds. Any proceeds remaining after completion of the projects and expenditures approved by the Commission, including earnings from the investment of bond proceeds, shall be used in accordance with the rules of the Commission for use of surplus bond proceeds. After the entire system described in this Resolution is constructed, any remainder shall be transferred to the Debt Service Fund, in accordance with the applicable laws and regulations, including those of the Commission or its successor, in effect at such time.

25. Investments. Moneys deposited into the Debt Service or Capital Projects Funds and any other fund or funds that the District may lawfully create may be invested or reinvested in authorized investments. All investments and any profits realized from or interest accruing on such investments shall belong to the fund from which the moneys for such investments were taken; provided, however, that in the discretion of the Board of Directors the profits realized from and interest accruing on investments made from any fund may be transferred to the Debt Service Fund.

26. Defeasance and Refunding. The District reserves the right to defease or refund the Bonds in any manner provided by law.

27. Remedies in Event of Default. In addition to all of the rights and remedies provided by laws of the State of Texas, the District further covenants and agrees that in the event of default in payment of principal or interest on any of the Bonds when due, or, in the event it fails to make the payments required to be made into the Debt Service Fund or any other fund or defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Resolution, the Registered Owners shall be entitled to a writ of mandamus issued by a court of competent jurisdiction compelling and requiring the District and the officials thereof to observe and perform the covenants, obligations or conditions prescribed in this Resolution. Any delay or omission to exercise any right or power occurring upon any default shall not impair any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

28. Federal Income Tax Exclusion.

(a) General. The District intends that the interest on the Bonds shall be excludable from gross income for federal income tax purposes pursuant to sections 103 and 141 through 100 of the Internal Revenue Code of 1986, as amended (the "Code"), and the applicable Income Tax Regulations (the "Regulations"). The District covenants and agrees not to take any action, or knowingly omit to take any action within its control, that if taken or omitted, respectively, would cause the interest on the Bonds to be includable in gross income, as defined in section 61 of the Code, for federal income tax purposes. In particular, the District covenants and agrees to comply with each requirement of this Section 28; provided, however, that the District shall not be required to comply with any particular requirement of this Section 28 if the District has received an opinion of nationally recognized bond counsel ("Counsel's Opinion") that such noncompliance will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds or if the District has received a Counsel's Opinion to the effect that compliance with some other requirement set forth in this Section 28 will satisfy the applicable requirements of the Code and the Regulations, in which case compliance with such other requirement specified in such Counsel's Opinion shall constitute compliance with the corresponding requirement specified in this Section 28.

(b) No Private Use or Payment and No Private Loan Financing. The District covenants and agrees that it will make such use of the proceeds of the Bonds including interest or other investment income derived from Bond proceeds, regulate the use of property financed, directly or indirectly, with such proceeds, and take such other and further action as may be required so that the Bonds will not be "private activity bonds" within the meaning of section 141 of the Code and the Regulations promulgated thereunder. Moreover, the District shall certify, through an authorized officer, employee or agent that based upon all facts and estimates known or reasonably expected to be in existence on the date the Bonds are delivered, that the proceeds of the Bonds will not be used in a manner that would cause the Bonds to be "private activity bonds" within the meaning of section 141 of the Code and the Regulations promulgated thereunder.

(c) No Federal Guarantee. The District covenants and agrees not to take any action, or knowingly omit to take any action within its control, that, if taken or omitted, respectively, would cause the Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Code and the applicable Regulations thereunder, except as permitted by section 149(b)(3) of the Code and such Regulations.

(d) No Hedge Bonds. The District covenants and agrees that it has not and will not to take any action, and has not knowingly omitted and will not knowingly omit to take any action, within its control, that, if taken or omitted, respectively, would cause

the Bonds to be “hedge bonds” within the meaning of section 149(g) of the Code and the applicable Regulations thereunder.

(e) No Arbitrage. The District covenants and agrees that it will make such use of the proceeds of the Bonds including interest or other investment income derived from Bond proceeds, regulate investments of proceeds of the Bonds, and take such other and further action as may be required so that the Bonds will not be “arbitrage bonds” within the meaning of section 148(a) of the Code and the applicable Regulations promulgated thereunder. Moreover, the District shall certify, through an authorized officer, employee or agent that based upon all facts and estimates known or reasonably expected to be in existence on the date the Bonds are delivered, the District will reasonably expect that the proceeds of the Bonds will not be used in a manner that would cause the Bonds to be “arbitrage bonds” within the meaning of section 148(a) of the Code and the applicable Regulations promulgated thereunder.

(f) Arbitrage Rebate. If the District does not qualify for an exception to the requirements of Section 148(f) of the Code relating to the required rebate to the United States, the District will take all necessary steps to comply with the requirement that certain amounts earned by the District on the investment of the “gross proceeds” of the Bonds (within the meaning of section 148(f)(6)(B) of the Code), be rebated to the federal government. Specifically, the District will (i) maintain records regarding the investment of the gross proceeds of the Bonds as may be required to calculate the amount earned on the investment of the gross proceeds of the Bonds separately from records of amounts on deposit in the funds and accounts of the District allocable to other bond issue of the District or moneys which do not represent gross proceeds of any bonds of the District, (ii) calculate at such times as are required by applicable Regulations, the amount earned from the investment of the gross proceeds of the Bonds which is required to be rebated to the federal government, and (iii) pay, not less often than every fifth anniversary date of the delivery of the Bonds or on such other dates as may be permitted under applicable Regulations, all amounts required to be rebated to the federal government. Further, the District will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the Bonds that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in a smaller profit or a larger loss than would have resulted if the arrangement had been at arm’s length and had the yield on the issue not been relevant to either party.

(g) Information Reporting. The District covenants and agrees to file or cause to be filed with the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Bonds are issued, an

information statement concerning the Bonds, all under and in accordance with section 149(e) of the Code and the applicable Regulations promulgated thereunder.

(h) Continuing Obligation. Notwithstanding any other provision of this Bond Resolution, the District's obligations under the covenants and provisions of this Section 28 shall survive the defeasance and discharge of the Bonds.

29. Qualified Tax-Exempt Obligations. The District hereby designates the Bonds as "qualified tax-exempt obligations" for purposes of section 265(b) of the Code. In connection therewith, the District represents (a) that the aggregate amount of tax-exempt obligations issued by the District during calendar year 2011, including the Bonds, which have been designated as "qualified tax-exempt obligations" under section 265(b)(3) of the Code does not exceed \$10,000,000, and (b) that the reasonably anticipated amount of tax-exempt obligations which will be issued by the District during calendar year 2011, including the Bonds, will not exceed \$10,000,000. For purposes of this Section, the term "tax-exempt obligation" does not include "private activity bonds" within the meaning of section 141 of the Code, other than "qualified 501(c)(3) bonds" within the meaning of section 145 of the Code. In addition, for purposes of this Section, the District includes all governmental units which are aggregated with the District under section 265(b) of the Code.

30. Continuing Disclosure Undertaking.

The District qualifies for exemption from the Rule because the District has not issued more than \$10,000,000 in aggregate amount of outstanding bonds (including the Bonds) and no person is committed by contract or other arrangement with respect to the payment of the Bonds. The District, as required in connection with such exemption, makes the following agreement for the benefit of the Registered Owners and beneficial owners of the Bonds.

(a) Annual Reports. The District shall provide annually to EMMA, within six months after the end of each fiscal year of the District ending in or after 2011, annual financial information and operating data with respect to the District of the general type included in the Audit. Any financial statements so provided shall be (1) prepared in accordance with generally accepted auditing standards or such other accounting principles as the District may be required to employ from time to time pursuant to state law or regulation, and (2) audited, if the Audit is completed within the period during which they must be provided. If the Audit is not complete within such period, then the District shall provide unaudited financial statements for the applicable fiscal year to EMMA within such six month period, and audited financial statements when the Audit becomes available.

If the District changes its fiscal year, the District will notify EMMA of the change (and of the date of the new fiscal year end) prior to the next date by which the District otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document) available to the public on the MSRB's internet website or filed with the SEC.

All documents provided to EMMA by the District pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

(b) Material Event Notices. The District shall notify EMMA, in a timely manner, not in excess of ten business days after the occurrence of the event, of any of the following events with respect to the Bonds:

- A. Principal and interest payment delinquencies;
- B. Non-payment related defaults, if Material;
- C. Unscheduled draws on debt service reserves reflecting financial difficulties;
- D. Unscheduled draws on credit enhancements reflecting financial difficulties;
- E. Substitution of credit or liquidity providers, or their failure to perform;
- F. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax-exempt status of the Bonds, or other events affecting the tax-exempt status of the Bonds;
- G. Modifications to rights of holders of the Bonds, if Material;
- H. Bond calls, if Material, and tender offers;
- I. Defeasances;
- J. Release, substitution, or sale of property securing repayment of the Bonds, if Material;
- K. Rating changes;
- L. Bankruptcy, insolvency, receivership or similar event of the District or other obligated person within the meaning of the Rule;
- M. Consummation of a merger, consolidation, or acquisition involving the District or other obligated person within the meaning of the Rule or the sale of all or substantially all of the assets of the District or other obligated person within the meaning of the Rule, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an



- action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if Material; and
- N. Appointment of a successor or additional trustee or the change of name of a trustee, if Material.

The District shall notify EMMA, in a timely manner, of any failure by the District to provide financial information or operating data in accordance with paragraph (a) of this Section by the time required by such paragraph (a).

(c) Limitations, Disclaimers, and Amendments. The District shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the District remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the District in any event will give the notice required by paragraph (b) of this Section of any deposit made in accordance with Texas law that causes Bonds no longer to be outstanding.

The provisions of this Section are for the sole benefit of the Registered Owners and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The District undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the District’s financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The District does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE DISTRICT BE LIABLE TO THE REGISTERED OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE DISTRICT, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the District in observing or performing its obligations under this Section shall constitute a breach of or default under this Resolution for purposes of any other provision of this Resolution.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the District under federal and state securities laws.

The provisions of this Section may be amended by the District from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the District, but only if the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the original primary offering of the Bonds in compliance with the Rule, taking into account any amendments and interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and either the Registered Owners of a majority in aggregate principal amount (or any greater amount required by any other provision of this Resolution that authorizes such an amendment) of the outstanding Bonds consent to such amendment or a person that is unaffiliated with the District (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Registered Owners and beneficial owners of the Bonds. If the District so amends the provisions of this Section, it shall include in its next annual update an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided. The District may also repeal or amend the provisions of this Section if the SEC amends or repeals the applicable provisions of the Rule or any court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but in either case only if and to the extent that its right to do so would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

31. Official Statement. The District ratifies and confirms its prior approval of the form and content of the Preliminary Official Statement prepared in the initial offering of the Bonds and hereby authorizes and approves the amendment of the Preliminary Official Statement to add the terms of the Initial Purchaser's bid and to make any other changes necessary to comply with the provisions of this Resolution and existing law. The use of such final Official Statement in the reoffering of the Bonds by the Initial Purchaser is hereby approved and authorized. The proper officials of the District are hereby authorized to execute and deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the date of payment for and delivery of the Bonds.

32. Related Matters. To satisfy in a timely manner all of the District's obligations under this Resolution, the President and Secretary of the Board of Directors of the District and all other appropriate officers and agents of the District are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms and purposes of this Resolution.

33. Registrar. The form of agreement setting forth the duties of the Registrar is hereby approved, and the appropriate officials of the District are hereby authorized to execute such agreement for and on behalf of the District.

34. No Personal Liability. No recourse shall be had for payment of the principal of or interest on any Bonds or for any claim based thereon, or on this Resolution, against any official or employee of the District or any person executing any Bonds.

35. District's Successors and Assigns. Whenever in this Resolution the District is named and referred to it shall be deemed to include its successors and assigns, and all covenants and agreements in this Resolution by or on behalf of the District, except as otherwise provided herein, shall bind and inure to the benefit of its successors and assigns whether or not so expressed.

36. Benefits of Resolution Provisions. Nothing in this Resolution or in the Bonds, expressed or implied, shall give or be construed to give any person, firm or corporation, other than the District, the Registrar and the Registered Owners, any legal or equitable right or claim under or in respect of this Resolution, or under any covenant, condition or provision herein contained, all the covenants, conditions and provisions contained in this Resolution or in the Bonds being for the sole benefit of the District, the Registrar and the Registered Owners.

37. Severability Clause. If any word, phrase, clause, sentence, paragraph, section or other part of this Resolution, or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of this Resolution and the application of such word, phrase, clause, sentence, paragraph, section or other part of this Resolution to any other persons or circumstances shall not be affected thereby.

38. Open Meeting. It is hereby officially found and determined that the meeting at which this Resolution was adopted was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code, and Section 49.063, Texas Water Code.

**[EXECUTION PAGE FOLLOWS]**

PASSED AND APPROVED on this \_\_\_\_ day of June, 2011.

ATTEST:

\_\_\_\_\_  
President, Board of Directors

\_\_\_\_\_  
Secretary, Board of Directors

(SEAL)

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS       §  
  §  
COUNTY OF TRAVIS       §

I, the undersigned officer of the Board of Directors of Travis County Municipal Utility District No. 10, hereby certify as follows:

1. The Board of Directors of Travis County Municipal Utility District No. 10 convened in regular session on June 7, 2011, at the regular meeting place inside the boundaries of the District, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Harvey Reiter	President
Jerry McAhren	Vice President
John Henry McMahon, Jr.	Secretary
Robert Ernst	Assistant Vice President
Vance Taylor	Assistant Secretary

and all of said persons were present except Director(s) \_\_\_\_\_, thus constituting a quorum. Whereupon, among other business, the following was transacted at the meeting: a written

RESOLUTION AUTHORIZING THE ISSUANCE OF  
\$1,150,000 TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10  
WATERWORKS AND SEWER SYSTEM COMBINATION UNLIMITED TAX  
AND REVENUE BONDS, SERIES 2011

was introduced for the consideration of the Board. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, the motion, carrying with it the adoption of the Resolution, prevailed and carried unanimously.

2. That a true, full and correct copy of the afore-said Resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that the Resolution has been duly recorded in the Board's minutes of the meeting; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the Board as indicated therein; that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting, and that the Resolution would be introduced and considered for adoption at the meeting, and each of the officers and members consented, in advance, to the holding of the meeting for such purpose; that the meeting was open to the public as required by law; and that public notice of the time, place and subject of the meeting was given as required by Chapter 551, Texas Government Code, and Section 49.063, Texas Water Code.

SIGNED AND SEALED on this 7<sup>th</sup> day of June, 2011.

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Secretary, Board of Directors

(SEAL)