

SIGNATURE AND NO-LITIGATION CERTIFICATE

THE STATE OF TEXAS	§
	§
COUNTY OF TRAVIS	§
	§
CITY OF AUSTIN	§

WE, the undersigned, officials of the City of Austin, Texas (the "Issuer"), hereby certify with respect to the "CITY OF AUSTIN, TEXAS, WATER AND WASTEWATER SYSTEM REVENUE REFUNDING BONDS, SERIES 2004A", dated September 15, 2004 (the "Bond Date"), in the aggregate principal amount of \$165,145,000 (the "Bonds"), as follows:

1. The Bonds have been duly and officially executed by the undersigned with their manual or facsimile signature in the same manner appearing hereon, and the undersigned hereby adopt and ratify their respective signatures in the manner appearing on each of the Bonds whether in manual or facsimile form, as the case may be, as their true, genuine and official signatures.

2. On the Bond Date and on the date hereof, we were and are the duly chosen, qualified and acting officers indicated therein and authorized to execute the same.

3. The legally adopted proper and official corporate seal of the Issuer is impressed, imprinted or lithographed on all of the Bonds and impressed on this certificate.

4. No litigation of any nature is now pending before any federal or state court, or administrative body, or to our knowledge threatened, seeking to restrain or enjoin the issuance, sale or delivery of the Bonds or the authority or actions of the governing body of the Issuer authorizing the issuance or sale of the Bonds, including the Guaranty Agreement by and between the City and Ambac Assurance Corporation, or relating to the sale of the Bonds, questioning or affecting the operations of the City's Waterworks and Sanitary Sewer System (the "System"), the revenues derived from the operations and ownership of the System or the rates and charges for products and services provided thereby, or that would otherwise adversely affect in a material manner the financial condition of the Issuer, or the System, to pay the principal of and interest on the Bonds; and that neither the corporate existence or boundaries of the Issuer nor the right to hold office of any member of the governing body of the Issuer or any other elected or appointed official of the Issuer is being contested or otherwise questioned.

(5) No petition or other request has been filed with or presented to any official of the Issuer requesting that any proceedings authorizing the issuance of the Bonds adopted by the governing body of the Issuer be submitted to a referendum or other election; no authority or proceeding for the issuance, sale or delivery of the Bonds, passed and adopted by the governing body of the Issuer, has been amended, repealed, revoked, rescinded or otherwise modified since the date of passage thereof, and all such proceedings and authority relating to the issuance and sale of the Bonds remain in full force and effect as of the date of this Certificate.

DELIVERED this _____.

SIGNATURE

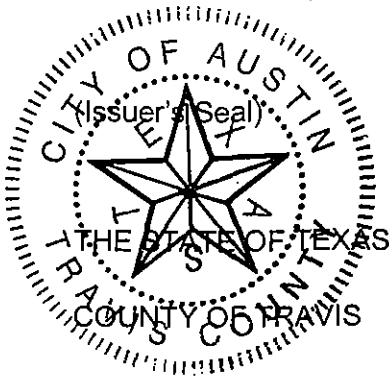
OFFICIAL TITLE

Will Wynn

Mayor, City of Austin, Texas

Shirley A. Brown

City Clerk, City of Austin, Texas



§
§
§

The undersigned, a Notary Public, hereby represents and certifies each of the signatures of Will Wynn and Shirley A. Brown, Mayor and City Clerk, respectively, of the City of Austin, Texas, appearing above is genuine.

Given under my hand and seal of office, this 5th day of October, 2004.

Linda L. Ferrell
Notary Public, State of Texas

