

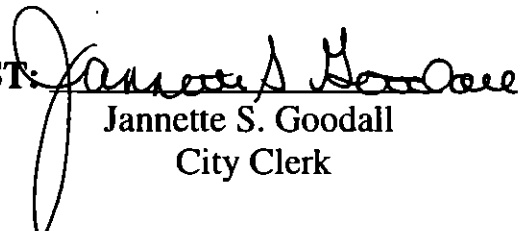
**RESOLUTION NO. 20160609-012**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

The Council authorizes the Travis County Municipal Utility District No. 10 (District) to issue in one or more series its Unlimited Tax and Revenue Refunding Bonds, Series 2016, in a principal amount not to exceed \$5,805,000, and approves a substantial draft of the District's Bond Resolution (Exhibit 1). This refunding does not authorize the extension of the maturity of the bonds being refunded.

**ADOPTED:** June 9, 2016

**ATTEST:**

  
Jannette S. Goodall  
City Clerk

## Exhibit 1

RESOLUTION AUTHORIZING THE ISSUANCE OF TRAVIS COUNTY MUNICIPAL  
UTILITY DISTRICT NO. 10 WATERWORKS AND SEWER SYSTEM COMBINATION  
UNLIMITED TAX AND REVENUE REFUNDING BONDS, SERIES 2016;  
AUTHORIZING THE AUTHORIZED REPRESENTATIVE TO TAKE CERTAIN  
ACTIONS ON BEHALF OF THE DISTRICT; AUTHORIZING THE REDEMPTION  
PRIOR TO MATURITY OF CERTAIN OUTSTANDING BONDS; AUTHORIZING THE  
REFUNDING OF CERTAIN OUTSTANDING BONDS AND THE EXECUTION AND  
DELIVERY OF AN ESCROW AGREEMENT AND THE PURCHASE OF CERTAIN  
ESCROWED SECURITIES; AND CONTAINING OTHER MATTERS RELATED  
THERE TO

THE STATE OF TEXAS           §  
  §  
COUNTY OF TRAVIS           §

WHEREAS, Travis County Municipal Utility District No. 10 (the "District") has heretofore issued its \$1,920,000 Waterworks and Sewer System Combination Unlimited Tax and Revenue Refunding Bonds, Series 2004 (the "Series 2004 Bonds"), \$3,570,000 Waterworks and Sewer System Combination Unlimited Tax and Revenue Refunding Bonds, Series 2010 (the "Series 2010 Bonds"), and \$1,150,000 Waterworks and Sewer System Combination Unlimited Tax and Revenue Refunding Bonds, Series 2011 (the "Series 2011 Bonds") (collectively, the "Outstanding Bonds"); and

WHEREAS, the District desires to refund certain portions of the Series 2004 Bonds, the Series 2010 Bonds, and the Series 2011 Bonds (collectively, the "Refunded Bonds"), in advance of their maturities as provided herein; and

WHEREAS, Chapter 1207 of the Texas Government Code, as amended, provides that the District is authorized to issue refunding bonds for the purpose of refunding the Refunded Bonds in advance of their maturities, and to accomplish such refunding by depositing directly with a paying agent for the Refunded Bonds the proceeds of such refunding bonds, together with other available funds, in an amount adequate to provide for the payment or redemption of the Refunded Bonds, and that such deposit shall constitute the making of firm banking and financial arrangements for the discharge and final payment or redemption of the Refunded Bonds; and

WHEREAS, the District desires to enter into an escrow agreement (the "Escrow Agreement") with The Bank of New York Mellon Trust Company, N.A. (the "Escrow Agent"), as authorized by Chapter 1207 of the Texas Government Code, pursuant to which proceeds of the refunding bonds herein authorized, together with other available funds, will be deposited, invested and applied in a manner adequate to provide for the full and timely payment of all interest on and principal of the Refunded Bonds; and

WHEREAS, upon the issuance of the refunding bonds herein authorized and the creation of the escrow referred to above, the Refunded Bonds shall no longer be regarded as being outstanding, except for the purpose of being paid pursuant to such Escrow Agreement, and the pledges, liens, trusts and all other covenants, provisions, terms and conditions of the resolution authorizing the issuance of the Refunded Bonds shall be, with respect to the Refunded Bonds, discharged, terminated and defeased; now, therefore,

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 as such principles may be changed from time to time to comply with State laws or regulations.

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

"Approval Certificate" is defined in Section 2, below.

"Audit" means the audited annual 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 the Travis County Municipal Utility District No. 10 Waterworks and Sewer System Combination Unlimited Tax and Revenue Refunding Bonds, Series 2016, 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.

"Chapter 1207" means Chapter 1207, Texas Government Code, as amended.

"Closing Date" means the date of the initial delivery of and payment for the Bonds.

"Code" means the Internal Revenue Code of 1986, as amended.

"Comptroller" means the Comptroller of Public Accounts of the State of Texas.

"Debt Service Fund" means the interest and sinking fund confirmed in Section 21 of 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.

"Interest Payment Date," when used in connection with any Bond, means March 1, 2017, and each September 1 and March 1 hereafter until maturity or redemption of such Bond.

"Initial Bond" means the Initial Bond authorized by Section 4.

"Issuance Date" means the date on which the Bonds are delivered to and paid for by the Underwriter.

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

"MSRB" means the Municipal Securities Rulemaking Board.

"Owner" means any person who shall be the registered owner of any outstanding Bond.

"Paying Agent" means 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.

"Refunded Bonds" means portions of the District's \$1,920,000 Waterworks and Sewer System Combination Unlimited Tax and Revenue Refunding Bonds, Series 2004, portions of the \$3,570,000 Waterworks and Sewer System Combination Unlimited Tax and Revenue Refunding Bonds, Series 2010, and the 1,150,000 Waterworks and Sewer System Combination Unlimited Tax and Revenue Refunding Bonds, Series 2011, as selected by the Authorized Representative pursuant to Section 2 below.

"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 Owner.

"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 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

"Underwriter" means RBC Capital Markets, LLC and Hilltop Securities.

2. Authorization and Purpose. The Bonds shall be issued in fully registered form in the aggregate principal amount not to exceed \$6,500,000 for the purpose of refunding the Refunded Bonds and paying the cost of issuance of the Bonds.

As authorized by Chapter 1207, the President of the Board of Directors of the District is hereby designated as the "Authorized Representative" of the District, and is hereby authorized, appointed, and designated 3

as the officer or employee of the District authorized to act on behalf of the District, which actions shall be evidenced by a certificate executed by the Authorized Representative (the "Approval Certificate") in the selling and delivering of the Bonds and carrying out the other procedures specified in this Resolution, including the execution of an appropriate letter of representations if deemed appropriate, the determining and fixing of the date of the Bonds, any additional or different designation

or title by which the Bonds shall be known, the principal amount of the Bonds, the price at which the Bonds will be sold, the rate of interest, to be borne by each maturity, gross savings and net present value savings in debt service payable by the District of not less than 4.5% savings, the amounts and maturities of the Refunded Bonds to be refunded, other lawfully available funds of the District to be used to redeem the Refunded Bonds, the dates, any mandatory sinking fund redemption provisions, terms relating to municipal bond insurance, selecting the deposit bank, and approving modifications to this Resolution and executing such instruments, documents and agreements as may be necessary with respect thereto, and all other matters relating to the issuance, sale and delivery of the Bonds.

It is hereby found and determined that, based upon the criteria established above, such refunding will benefit the District by providing a gross savings and a net present value savings in the debt service payable by the District, that such benefit is sufficient consideration for the refunding of the Refunded Bonds, and that the refunding of the Refunded Bonds is in the best interest of the District.

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 REFUNDING BONDS, SERIES 2016" and shall be dated June 1, 2016. The Bonds shall bear interest at the rates set forth in the Approval Certificate from the later of June 1, 2016, or the most recent Interest Payment Date to which such interest has been paid or duly provided for, calculated on the basis of a 360-day year of twelve 30-day months, payable on March 1, 2017, and semiannually thereafter on September 1 and March 1 of each year until maturity or prior redemption.

4. Initial Bond; Numbers and Denominations; Maturities, Amounts, and Interest Rates. The Bonds shall be initially issued in the principal amounts, and bear interest at the rates set forth in the Approval Certificate, 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 the Approval Certificate. 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.

5. Optional and Mandatory Redemption. The Bonds are subject to optional redemption at the dates and for the redemption prices set forth in the form of Bond in this Resolution. In addition, portions of the Bonds are subject to mandatory 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 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, postage prepaid, to the 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 fewer than all Bonds outstanding are to be redeemed within any one maturity, 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 Owner receives such notice. By the date fixed for redemption, due provision shall be made with the Registrar for payment of the portions of the Bonds to be redeemed, as of 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 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 or Vice President of the Board and countersigned by the Secretary or Assistant Secretary of the Board, by their manual, lithographed, or facsimile signatures, and the official seal of the District shall be impressed or placed in facsimile thereon. Any 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 any 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, lithographed 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, lithographed or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.



7. Approval by Attorney General; Registration by Comptroller. The Initial Bond 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 affixed or attached to the Initial Bond.

On the Closing Date, the Initial Bond, being a single bond representing the entire principal amount of the Bonds, payable in stated installments to the Underwriter or its designee, executed by manual or facsimile signature of the Authorized Representative and Secretary or Assistant Secretary of the Board, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, shall be delivered to the Underwriter 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 16.

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 as shall 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 Bond so authenticated was 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 shall be 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 of the Bonds shall be payable upon presentation and surrender of the Bonds as they respectively become due and payable, at the principal payment office of the Registrar. Interest on the Bonds is payable (i) by check or draft dated as of the Interest Payment Date, mailed by the Registrar to the Owner as of the Record Date, first class, postage prepaid, to the address of such Owner as shown in the Register; or (ii) by such other customary banking arrangements as may be agreed upon by the Registrar and the Owner, at the risk and expense of the 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 Bonds 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 legally qualified bank or trust company organized under the laws of the United States of America or any state 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 30 days prior to the next succeeding date for payment of the principal of or interest on the Bonds. Promptly upon the appointment of any successor Registrar, the previous Registrar shall deliver the Bond Register or copies thereof to the new Registrar, and the new Registrar shall notify each Owner, by first class mail, postage prepaid, of such change and of the address of the new Registrar. Each Registrar hereunder, 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 15 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 first class mail, postage prepaid, not later than 5 days prior to the Special Record Date, to each Owner of record of an affected Bond as of the close of business on the day prior to the mailing of such notice.

12. Ownership; Unclaimed Principal and Interest. Subject to the further provisions of this Section, the District, the Registrar and any other person may treat the person in whose name any Bond is registered as the absolute Owner of such Bond for the purpose of making and receiving payment of the principal of 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 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 Owner after the expiration of 3 years from the date such amounts have become due and payable shall be reported and disposed of by the Registrar in accordance with the provisions of Texas law, including, to the extent applicable, Title 6 of the Texas Property Code, as amended.

13. Registration, Transfer, and Exchange. So long as any Bonds remain outstanding, the Registrar shall keep the Register at its principal payment office and if such principal payment office is not in the State of Texas, the Registrar shall maintain a copy of the Register within the State of Texas. 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.

In the event the Book-Entry-Only System is discontinued, 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 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 of the same type, registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate or rates 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 the same type, 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.

The District or the Registrar may require the Owner of any Bond to pay a sum adequate 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.

14. Mutilated, Lost, or Stolen Bonds. In the event the Book-Entry-Only System is discontinued, 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 Owner of a mutilated Bond to pay a sum adequate to cover any tax or other

governmental charge that may be imposed in connection therewith, including the fees and expenses of the Registrar. The District or the Registrar may require the 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 the Attorney General of Texas, 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 a 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.

15. Cancellation of Bonds. 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. The Registrar shall furnish the District with appropriate certificates of destruction of such Bonds.

16. Book-Entry Only System. (a) The Initial Bond shall be registered in the name of Cede & Co. Except as provided in Section 17 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 an 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 an 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 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 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 an 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 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 Authorized Representative, and the Authorized Representative of the Board is hereby authorized and directed to execute such Blanket Issuer Letter of Representations.

17. 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 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 Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Resolution.

18. 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.

19. Forms. The form of the Bonds, including the form of the Registrar's Authentication Certificate, the form of Assignment; the form of Statement of Insurance, 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 provided in the Approval Certificate and as may be necessary or desirable and not prohibited by this Resolution:

(a) Form of Bond

United States of America  
State of Texas  
County of Travis

REGISTERED  
NUMBER

\_\_\_\_\_

REGISTERED  
AMOUNT

\$ \_\_\_\_\_

TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10  
WATERWORKS AND SEWER SYSTEM  
COMBINATION UNLIMITED TAX AND REVENUE  
REFUNDING BONDS, SERIES 2016

INTEREST RATE: MATURITY DATE: ISSUE DATE: CUSIP:  
June 1, 2016

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10 (the "District") promises to pay to the Registered Owner identified above, or registered assigns, on the maturity date specified above, upon presentation and surrender of this Bond at the principal payment office of the registrar (the "Registrar"), initially The Bank of New York Mellon Trust Company, NA, Dallas, Texas, the principal amount identified above, and to pay interest thereon at the rate shown above, calculated on the basis of a 360-day year of twelve 30-day months, from the later of June 1, 2016, or the most recent interest payment date to which interest has been paid or duly provided for. Principal of and interest on this Bond are payable 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. Interest on this Bond is payable (i) by check or draft dated as of the interest payment date mailed by the Registrar to the Registered Owner, first class, postage prepaid, to the address of such Registered Owner as shown in the register of the Registrar as of the 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 March 1 and September 1 until maturity, beginning March 1, 2017.

THIS BOND is one of a duly authorized issue of bonds, aggregating [\$REFER TO APPROVAL CERTIFICATE] (the "Bonds"), issued for the purpose of refunding a portion of the District's outstanding bonds pursuant to a resolution adopted by the Board of Directors of the District on May 3, 2016 (the "Resolution"). The Bonds pay interest semiannually until maturity or prior redemption and are subject to optional redemption prior to maturity, as provided below.

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, 2024, prior to their scheduled maturities, in whole or in part from time to time, in integral multiples of \$5,000, on September 1, 2023, or on any date thereafter, at a price of par plus accrued interest to the date of redemption on the principal amounts called for redemption. Reference is made to the Resolution for complete details concerning the manner of redeeming the Bonds.

[INSERT MANDATORY REDEMPTION LANGUAGE FROM APPROVAL  
CERTIFICATE, IF APPLICABLE]

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.

PRINCIPAL MAY BE REDEEMED IN PART 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 a 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.

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 denomination of \$5,000 or any integral multiple thereof, subject to the terms and conditions of the Resolution.



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 or Vice President of the Board of Directors of the District and countersigned with the manual or facsimile signature of the Secretary or Assistant Secretary of the Board of Directors of the District, 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 \_\_\_\_\_.

(SEAL)

\_\_\_\_\_  
Comptroller of Public Accounts  
of the State of Texas

(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 or bonds or a portion of a bond or bonds of a series that 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.
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(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" 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 Approval Certificate]

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

20. Legal Opinion; CUSIP; Bond Insurance. In the event the Book-Entry-Only System is discontinued, the approving opinion of Allen Boone Humphries Robinson LLP, Austin, Texas, may be printed on the Bonds. In addition, CUSIP numbers may be printed on the Bonds. However, 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, all authorized officers of the District are authorized and directed to execute such documents and to do any and all things necessary or desirable to obtain such insurance, and the printing on the Bonds of an appropriate legend regarding such insurance is hereby approved.

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 shall be deposited into the District's Debt Service 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 2016, a continuing direct annual ad valorem tax, without legal limit as to rate or amount, upon all taxable property in the District, adequate 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 Initial Bond shall have been executed, it shall be the duty of the President or Vice President of the Board and other appropriate officials and agents of the District to deliver the Initial Bond and all pertinent records and proceedings to the Attorney General of Texas, for examination and approval by the Attorney General. After the Initial Bond shall have been approved by the Attorney General, it shall be delivered to the Comptroller of Public Accounts of the State of Texas for registration. Upon registration of the Initial Bond, 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; Bond Purchase Agreement. The officers of the District and other appropriate officials and agents of the District are hereby authorized to do any and all things necessary or desirable to satisfy the conditions set out herein and to provide for the issuance and delivery of the Bonds.

Subject to the limitations provided in Section 2 hereof, the Authorized Representative, acting for and on behalf of the District, is authorized to arrange for the Bonds to be sold at negotiated sale to the Underwriter and to enter into and carry out a bond purchase agreement in substantially the form presented to the District (the "Bond Purchase Agreement") with the Underwriter at such price and other matters as shall be set forth therein and, with such changes as are acceptable to the Authorized Representative, provided that the price to be paid for the Bonds shall be not less than 95% of the par value of the Bonds, and that the true interest cost of the Bonds, taking into account any discount or premium as well as the interest rate borne by the Bonds, does not exceed two percent above the highest average interest rate reported by the *Daily Bond Buyer* in its weekly "20 Bond Index" during the one-month period next preceding the date of issuance of the Bonds. Upon its execution and delivery, the Bond

Purchase Agreement shall constitute a binding and enforceable agreement of the District in accordance with its terms. If the procuring of municipal bond insurance is approved by the Authorized Representative, the printing of an appropriate statement of insurance on the Bonds is hereby authorized and any provision relating to municipal bond insurance in the Approval Certificate incorporated herein and shall remain in effect so long as such municipal bonds insurance remains in effect.

25. Investments. Moneys deposited into the Debt Service Fund may be invested or reinvested in authorized investments as provided by Texas law and the District's investment policy. 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.

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

27. Remedies in Event of Default. In addition to any other rights and remedies provided by laws of the State of Texas, the District 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 defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Resolution, the Owners shall be entitled to a writ of mandamus issued by a court of competent jurisdiction compelling and requiring the District and other appropriate officials and agents 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 be construed as 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 150 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 27; provided, however, that the District shall not be required to comply with any particular requirement of this Section 27 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 27 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 27.

(b) No Private Use or Payment and No Private Loan Financing. 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 Refunded Bonds have not been used, and that proceeds of the Refunded Bonds and 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. Moreover, the District covenants and agrees that it will make such use of the proceeds of the Refunded Bonds and 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.

(c) No Federal Guarantee. 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 "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 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. Moreover, 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.

(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(c) 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 27 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 2016, 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 2016, 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. Official Statement. The Board hereby ratifies and approves the preparation and distribution of the Preliminary Official Statement dated May 3, 2016, and a final Official Statement substantially in the same form containing such additional information and amendments as may be necessary to conform to the terms of the Bonds, this Resolution, the Approval Certificate and the Bond Purchase Agreement. The officers of the District and other appropriate officials and agents of the District are hereby authorized to sign such Official Statement and/or to deliver certificates pertaining to such Official Statement as prescribed therein, dated as of the date of payment for and delivery of the Bonds.

31. Application of Proceeds; Transfer of Debt Service Funds. Proceeds from the sale of the Bonds shall, promptly upon receipt by the District, be applied as follows:

(a) Accrued interest on the Bonds shall be deposited into the Debt Service Fund; and

(b) The balance of the proceeds from the sale of the Bonds, together with other available funds, shall be applied (i) to establish an escrow fund to refund the Refunded Bonds, as more fully provided below, and (ii) to the extent not otherwise provided for, to pay all expenses arising in connection with the issuance of the Bonds, the establishment of such escrow fund and the refunding of the Refunded Bonds. Any proceeds of the Bonds remaining after making all such deposits and payments shall be deposited into the Debt Service Fund confirmed by the District pursuant to this Resolution.

32. Redemption of Refunded Bonds. The District hereby irrevocably calls the Refunded Bonds for redemption prior to their scheduled maturities on the redemption dates specified below for a redemption price equal to the principal amount thereof plus accrued interest to the redemption date:

[Refer to Approval Certificate]

The District authorizes all notices required to be given pursuant to the resolutions authorizing the Refunded Bonds to be given as provided therein. The District also authorizes the Authorized Representative to select the deposit agent.

33. Escrow Agreement. The discharge and defeasance of the Refunded Bonds shall be carried out pursuant to the terms and provisions of an Escrow Agreement to be entered into by and between the District and The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, as Escrow Agent, the terms and provisions of which are hereby approved, subject to such insertions, additions and modifications consistent with the Approval Certificate and as shall be necessary to (a) carry out the program designed for the District by the Underwriter and which shall be certified as to mathematical accuracy by Grant Thornton L.L.P., whose report shall be attached to the Escrow Agreement, (b) maximize the District's present value savings and/or to minimize the District's costs of refunding, (c) comply with all applicable laws and regulations relating to the refunding of the Refunded Bonds and (d) carry out the other intents and purposes of this Resolution, and the officers of the District or another designated official of the Board is hereby authorized to execute and deliver such Escrow Agreement on behalf of the District in multiple counterparts and the Secretary or Assistant Secretary of the Board or another designated official of the Board is hereby authorized to attest thereto and affix the District's seal.

34. Purchase of United States Treasury Obligations. To assure the purchase of the Escrowed Securities referred to in the Escrow Agreement, the Authorized Representative or another designated official of the Board is hereby authorized to agree to purchase, and to purchase direct, noncallable obligations of the United States of America or other investments authorized under Chapter 1207, Texas Government Code, in such amounts and maturities and bearing interest at such rates as may be provided for in the Escrow Agreement, and to execute any and all purchase agreements, commitments, letters of authorization and other documents necessary to effectuate the foregoing, and any actions heretofore taken for such purpose are hereby ratified and approved.

35. 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 the EMMA, within six months after the end of each fiscal year of the District ending in or after 2016, 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 the Accounting Principles described in this Resolution and (2) audited, if the audit is completed within the period during which they must be provided. If the audit of such financial statements 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, if and when the audit report on such statements 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.

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 this subsection (a) by the time required by this subsection (a).

(b) 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 status of the Bonds, or other Material events affecting the tax 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.

(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 subsection (b) of this Section of any Bond calls and defeasance that cause the District to be no longer such an "obligated person."

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 with any amended financial information or operating data next provided in accordance with subsection (a) of this Section 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.

36. Related Matters. To satisfy in a timely manner all of the District's obligations under this Resolution and the Bond Purchase Agreement with the Underwriter, the officers of the District and all other appropriate officers and agents of the District are hereby authorized and directed to take all other actions that are reasonably necessary to provide for the refunding of the Refunded Bonds, including, without limitation, executing and delivering on behalf of the District all certificates, consents, receipts, requests, and other documents as may be reasonably necessary to satisfy the District's obligations under the Bond Purchase Agreement, and this Resolution and to direct the transfer and application of funds of the District consistent with the provisions of this Resolution.

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

38. 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.

39. 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.

40. Benefits of Resolution Provisions. Nothing in this Resolution or in the Bonds, expressed or implied, shall give or be construed to give any person, other than the District, the Registrar, and the 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 Owners.

41. 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.

42. 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.

43. City of Austin Approval. A portion of the District lies within the extraterritorial jurisdiction of the City of Austin (the "City") and the District is subject to certain consent agreements, resolutions and ordinances of the City, including provisions that require the District submit application to and seek approval of the City for the issuance of the Bonds. The Board of Directors of the District hereby authorizes application to the City for approval of the issuance of the Bonds. The Board of Directors of the District hereby authorizes its financial advisor, bond counsel, and other

consultants to make such application and to take all actions necessary or convenient to obtain approval from the City to issue the Bonds.

**[Execution Page Follows]**

PASSED AND APPROVED this 3<sup>rd</sup> day of May, 2016.

/s/Harvey Reiter  
President, Board of Directors

ATTEST:

/s/Robert Ernst  
Assistant 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, do hereby certify as follows:

1. The Board of Directors of Travis County Municipal Utility District No. 10, convened in regular session on May 3, 2016, inside the boundaries of the District, and the roll was called of the duly constituted officers and members of the Board:

Harvey Reiter	President
C. Robert Woolsey	Vice President
Vance Taylor	Secretary
Raymond Archer	Assistant Vice President
Robert Ernst	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 TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10 WATERWORKS AND SEWER SYSTEM COMBINATION UNLIMITED TAX AND REVENUE REFUNDING BONDS, SERIES 2016; AUTHORIZING THE AUTHORIZED REPRESENTATIVE TO TAKE CERTAIN ACTIONS ON BEHALF OF THE DISTRICT; AUTHORIZING THE REDEMPTION PRIOR TO MATURITY OF CERTAIN OUTSTANDING BONDS; AUTHORIZING THE REFUNDING OF CERTAIN OUTSTANDING BONDS AND THE EXECUTION AND DELIVERY OF AN ESCROW AGREEMENT AND THE PURCHASE OF CERTAIN ESCROWED SECURITIES; AND CONTAINING OTHER MATTERS RELATED THERETO

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. A true, full and correct copy of the aforesaid Resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; the Resolution has been duly recorded in the Board's minutes of the meeting; 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; 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; the meeting was open to the public as required by law; and public notice of the time, place and subject of the meeting was given as required by the Open Meetings Law, Chapter 551, Texas Government Code.

SIGNED AND SEALED the 3<sup>rd</sup> day of May, 2016.

(SEAL)

Robert C. Ernst  
Assistant Secretary, Board of Directors

