

Form No. 14

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**CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT**

This agreement ("Agreement"), with an effective date of \_\_\_\_\_, is by and between Park Water Company. ("Disclosing Party") and \_\_\_\_\_, ("Receiving Party") (jointly referred to as "Parties").

In consideration of the foregoing mutual covenants and promises contained herein, the Parties agree as follows:

**1 PURPOSE**

1.1 This Agreement allows Park Water Company to release specific customer information to the Receiving Party for purposes of calculating fees such as taxes, sewer fees, etc. and/or for the implementation of water conservation programs. The Parties agree to enter into a confidential relationship with respect to the disclosure of certain proprietary and/or confidential information ("Confidential Information") as defined in Section 2 below.

**2 CONFIDENTIAL INFORMATION**

2.1 For purposes of this Agreement, "Confidential Information" means any and all information, whether in oral, written, graphic or electronic form, provided by the Disclosing Party to the Receiving Party, including but not limited to, data, ideas, samples, media, techniques, sketches, blueprints, plans, drawings, maps, data, works of authorship, models, inventions (whether patentable or not), know-how, processes, algorithms, software documents, formulae related to the current, future, and proposed products and services of Disclosing Party, information concerning research, experimental work, development, design details and specifications, engineering, financial information, procurement requirements, customer lists, pricing, investors, employees, business and contractual relationships, business forecasts, sales and merchandising, marketing plans, copyrights, trademarks, trade names, service marks, trade secrets, patent disclosures, patent applications, provisional patent applications, patents of any kind, information the Disclosing Party provides regarding third parties, any third party proprietary information rightfully held and disclosed by the Disclosing Party, information by its nature or circumstances surrounding its disclosure should be reasonably regarded as confidential, or any document that refers or relates to Confidential Information.

2.2 By way of further example and not as a limitation hereof, Confidential Information shall include the Disclosing Party's customer records such as Account Number, Customer Number, Customer Name, Service Address, Meter Size, Consumption Usage, Usage Read Days, Service Establishment Date, Service Termination Date, Meter Size, Meter Type, Type of Service and other data relating to the Disclosing Party's customers.

2.3 Confidential Information does not include information which can be shown by the Receiving Party as: (i) already known or in its possession without an obligation of confidentiality prior to the execution of this Agreement; (ii) hereafter rightfully furnished to the Receiving Party by a third party without a breach of any legal or contractual obligation; (iii) that is or becomes publicly available without breach of this Agreement; or (iv) independently developed by the Receiving Party without reliance on the Confidential Information.

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(To be inserted by utility)

Advice No. 219-W

LEIGH K. JORDAN  
Name

Dec. No. \_\_\_\_\_

EXECUTIVE VICE-PRESIDENT  
Title

(To be inserted by Cal. P.U.C.)

Date Filed OCT 20 2010

Effective NOV 19 2010

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(continued)

**3 TERM.**

3.1 The term of this Agreement shall be unlimited.

**4 TREATMENT OF CONFIDENTIAL INFORMATION.**

4.1 During the term of this Agreement, Receiving Party agrees to: (i) hold the Disclosing Party's Confidential Information in the strictest confidence and to take all reasonable precautions to protect such Confidential Information including, without limitation, all precautions that Receiving Party employs with respect to its own confidential and proprietary materials, but in no event less than reasonable care; (ii) not to make any use whatsoever at any time of disclosed Confidential Information except for purposes specifically approved by the Disclosing Party; (iii) not to copy, decompile, disassemble or reverse engineer any disclosed Confidential Information; and (iv) not to use any Confidential Information to create any intellectual property, product, service, or technology that is based upon, developed with, derived from, uses, employs, or incorporates, any Confidential Information.

**5 USES OF INFORMATION.**

5.1 Without the written consent of Disclosing Party, Receiving Party will make no commercial use of Confidential Information for its own or any third party's benefit, other than for purposes specifically approved by the Disclosing Party. In the event Receiving Party discovers that Confidential Information has been used, disseminated or published in violation of this Agreement, the Receiving Party will immediately: (i) notify Disclosing Party; (ii) take all reasonable action to minimize the impact of the use, dissemination or publication; and (iii) take any necessary steps to prevent a further disclosure of any Confidential Information.

**6 RETURN OF CONFIDENTIAL INFORMATION.**

6.1 Upon Disclosing Party's written request, all Confidential Information and all copies thereof shall be returned by Receiving Party within 15 days of receipt of Disclosing Party's request. At the Disclosing Party's option, Confidential Information and all copies thereof may instead be destroyed by Receiving Party, provided that Receiving Party certifies such destruction in writing. Return or destruction of Confidential Information shall not waive a party's obligations of confidentiality under this Agreement. If a breach of any condition of this Agreement occurs or if the Disclosing Party has reasonable grounds for believing that such a breach occurred or will occur, then Receiving Party will immediately return or destroy all Confidential Information upon Disclosing Party's request.

**7 NON-DISCLOSURE OF RELATIONSHIP OR POSSIBLE TRANSACTION.**

7.1 Each Party agrees that it will not, without the prior written consent of the other, disclose to any third party the fact that Confidential Information has been made available hereunder or, that discussions, talks, or negotiations are occurring between the Parties concerning a possible business relationship.

(continued)

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**8 MANDATORY DISCLOSURE.**

8.1.1 If disclosure of Confidential Information is required by judicial or other governmental action, Receiving Party will: (i) immediately notify Disclosing Party; (ii) not make the disclosure without first allowing Disclosing Party the opportunity to oppose the action; (iii) cooperate fully with Disclosing Party in opposing and limiting the scope of the disclosure; (iv) continue to protect Confidential Information not otherwise made public by the court or governmental body; and (v) be released from its obligations under this Agreement to the extent, but only to the extent, of the compelled disclosure.

**9 NO EXCLUSIVITY.**

9.1 The Parties acknowledge that this Agreement is non-exclusive. Nothing herein shall prohibit either Party from entering into talks, discussions, or negotiations with a third party for any reason whatsoever regarding any product, service or business relationship that does not refer to or include Confidential Information disclosed by the other party under this Agreement.

**10 RELATIONSHIP OF PARTIES.**

10.1 For the purposes of this Agreement, each Party shall be and act as an independent contractor and not as a partner, joint venturer, or agent of the other and shall not bind, nor attempt to bind, the other to any contract or obligation with a third party.

**11 NO WAIVER.**

11.1 Nothing in this Agreement shall be construed to constitute: (i) a waiver by the Disclosing Party of any of its rights in or to any Confidential Information that constitutes a copyright, patent, trademark, or trade secret; (ii) a release or waiver of the Receiving Party's legal obligation not to disclose or misappropriate any copyright, patent, trademark, or trade secret of Disclosing Party during or after the term of this Agreement; or (iii) a limit on any statutory or common law rights that provide Disclosing Party with broader protection than that provided in this Agreement.

**12 INDEMNIFICATION.**

12.1 Receiving Party agrees to indemnify and hold Disclosing Party (and its officers and employees) harmless from and against any and all losses, costs, damages and expenses arising as a result of any breach of this Agreement by Receiving Party.

**13 ADDITIONAL PROVISIONS**

13.1 Sections 4, 5, 6 and 7 shall survive for a period of 3 years following the termination of this Agreement for any reason whatsoever.

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(To be inserted by utility)

(To be inserted by Cal. P.U.C.)

Advice No. 219-W LEIGH K. JORDAN  
Name  
Dec. No. EXECUTIVE VICE-PRESIDENT  
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(continued)

13.2 Any and all notices or consents under this Agreement will be in writing. Notices shall be deemed sufficiently given when delivered personally or 48 hours after deposit with a receipted commercial courier service or the U.S. Postal Service as registered or certified mail, postage prepaid to the above addresses of the Parties. Any and all notices will be sent "Attention: Legal Counsel."

13.3 The Parties agree that each can be held liable for damages resulting from the disclosure of Confidential Information in breach of this Agreement by the Receiving Party's employees, officers, directors, contractors, consultants, agents, representatives, attorneys and advisors. The Parties acknowledge that there can be no adequate remedy at law for any breach of obligations hereunder and, therefore, that upon any such breach or any threat thereof, the Disclosing Party shall be entitled to appropriate equitable relief, including injunctions without the posting of a bond, in addition to any other remedies it might have at law.

13.4 In any action brought under this Agreement, the prevailing Party shall be entitled to recover from the non-prevailing Party all reasonable costs and expenses, including attorneys' fees, incurred in enforcing this Agreement.

13.5 This Agreement contains the entire understanding of the Parties regarding the treatment of their Confidential Information. All previous agreements or understandings concerning Confidential Information, whether written or oral, are superseded.

13.6 No amendment or modification of this Agreement shall be valid and binding on the Parties unless made in writing and signed on behalf of each of the Parties by their respective duly authorized officers or representatives.

13.7 This Agreement will be governed by and construed in accordance with the laws of the State of California. The Parties agree that the State Courts of California shall have exclusive jurisdiction over any matters arising under or out of this Agreement.

13.8 The Agreement shall bind and inure to the benefit of the Parties and their respective successors and assigns.

<b>Park Water Company</b>	<b>(Disclosing Party)</b>	<b>Receiving Party</b>
_____	_____	_____
Signature		Signature
_____		_____
Name (Printed or Typed)		Name (Printed or Typed)
_____		_____
Date		Date

(N)

(To be inserted by utility)		(To be inserted by Cal. P.U.C.)
Advice No. 219-W	LEIGH K. JORDAN	Date Filed OCT 20 2010
	Name	
Dec. No.	EXECUTIVE VICE-PRESIDENT	Effective NOV 19 2010
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