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Missouri Public
Service Commission

SETTLEMENT AGREEMENT AND AMENDMENT

THIS AGREEMENT, dated this 15th day of May, 2001, is by and among Raintree Plantation, Inc. ("Raintree"), Central Jefferson Utility Company ("Central Jefferson") and Aquasource Utility, Inc. ("AquaSource") (each referred to as "Party" or "Parties").

WHEREAS, the Parties entered into an Agreement dated June 17, 1999, a true and correct copy of which is attached hereto as Appendix "A" ("Raintree Agreement"); and

WHEREAS, Raintree and Central Jefferson commenced a lawsuit against Aquasource which is now pending at Cause No. 4:00 C.V. 863 DDN in the U.S. District Court for the Eastern District of Missouri, asserting in Count II thereof certain claims arising out of the Agreement and alleged breaches thereof; and

WHEREAS, AquaSource does not and has not contended that it is not bound by the Raintree Agreement, and has represented to Raintree and Central Jefferson that it intends to perform its obligations under the Raintree Agreement;

WHEREAS, Raintree and Central Jefferson have represented that they will perform their obligations under the Raintree Agreement;

WHEREAS, the parties desire to amend and clarify the Raintree Agreement as set forth herein;

NOW THEREFORE, it is agreed between the Parties as follows:

1. AquaSource reaffirms that it is bound by the Raintree Agreement and will perform its obligations under the Raintree Agreement.
2. Raintree and Central Jefferson reaffirm that they are bound by the Raintree Agreement and will perform their obligations under the Raintree Agreement.
3. Raintree and Central Jefferson will take whatever steps are required to cause the voluntary dismissal of Count II of the Lawsuit, without prejudice to their rights under the Raintree Agreement, and without prejudice to any other claims pending in the Lawsuit.
4. The Parties agree that all disputes arising under the Raintree Agreement or this Agreement shall be submitted to arbitration in accordance with the rules of the American Arbitration Association governing commercial arbitration. The venue of the arbitration shall be St. Louis, Missouri. The parties will attempt to agree upon a single arbitrator who shall be selected from the court approved list of mediators for the U.S. District Court for the Eastern District of Missouri, and only if the parties cannot agree upon an arbitrator from that list shall the matter be submitted to the American Arbitration Association for arbitration. The arbitrator or arbitrators shall have the discretion to award attorney fees to the prevailing party.
5. This Agreement shall not be deemed to either enlarge or diminish the rights of the parties under the Raintree Agreement or to modify their rights or obligations

Staff Exhibit No. 11
Date 12-20 Case No. SO-2001-001
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under the Raintree Agreement, except as may be specifically provided herein, and the provisions of the Raintree Agreement, except as specifically modified or amended herein, shall remain in full force and effect.

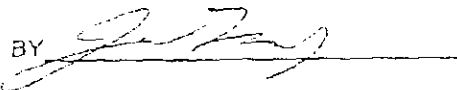
6 In the event new construction in the Raintree Plantation requires the installation of new lines or connections, Central Jefferson and/or Raintree shall provide to the person requesting the installation of the new line or connection the name and telephone number of the person provided by AquaSource as the contact to obtain such installation or connection. AquaSource shall be solely and fully responsible for such installation or connection as required by Central Jefferson's tariff with the Missouri Public Service Commission. All connection fees shall be paid directly to AquaSource. Should AquaSource fail to make such installation or connection or to comply with any rule, regulation or tariff applying to such installation or connection after timely notice, and should Central Jefferson suffer any expense, including reasonable attorney fees, by reason of such failure, AquaSource agrees to hold Central Jefferson harmless and indemnify Central Jefferson from any such expense. In the event of a claim by any customer or by the Public Service Commission of Missouri that there has been a failure to comply with any rule, regulation or tariff applying to such installation or connection, Central Jefferson shall immediately provide written notice of such claim to AquaSource.

IN WITNESS WHEREOF, the parties have signed this Agreement in multiple counterparts, all as of the date first written above.

ATTEST:

RAINTREE PLANTATION, INC.



BY 

ATTEST:

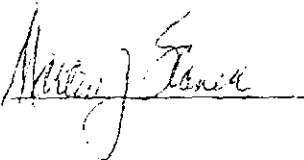
CENTRAL JEFFERSON UTILITY COMPANY

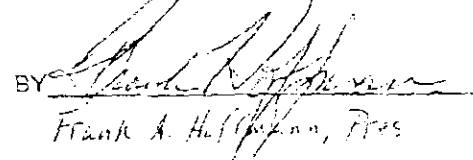


BY 

ATTEST:

AQUASOURCE UTILITY, INC.



BY 
Frank A. Hufschmidt, Pres

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