

ASSIGNMENT AND ASSUMPTION OF AGREEMENT FOR FUTURE WASTEWATER
AND RECYCLED WATER SERVICES

THIS ASSIGNMENT AND ASSUMPTION OF AGREEMENT FOR FUTURE WASTEWATER AND RECYCLED WATER SERVICES (this "Assignment") is made and entered into as of the 24 day of September, 2013 by and between GLOBAL WATER RESOURCES, INC., an Arizona corporation ("Global"), GLOBAL WATER - 303 UTILITIES COMPANY, INC., an Arizona corporation ("Utility"), the City of Glendale, an Arizona municipal corporation ("City") and EPCOR WATER ARIZONA INC., an Arizona corporation ("EWAZ").

Recitals

A. Global and Utility are parties to that certain Agreement for Future Wastewater and Recycled Water Services, Contract C-8209, with the City, dated as of October 23, 2012 and recorded in the Office of the Maricopa County Recorder at document 20130104447 (the "Glendale Agreement"). The terms and conditions of the Glendale Agreement are fully incorporated herein by this reference and a copy of the Glendale Agreement is attached as Exhibit A.

B. Global and Utility each desire to assign all of their respective rights, title and interest in and to, and delegate all of their respective obligations under, the Glendale Agreement to EWAZ, and EWAZ desires to assume such rights and obligations thereunder.

C. Pursuant to the terms of Section 4.8 of the Glendale Agreement, neither Global nor Utility may assign the Glendale Agreement, in whole or in part, or any right or obligation thereunder, without the prior written consent of City.

D. The City desires to consent to the assignment and assumption of the rights and obligations of the Agreement.

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Global, Utility, City and EWAZ, intending to be legally bound hereby, agree as follows:

1. Recitals. The Recitals are incorporated herein as if fully set forth.
2. Assignment. Each of Global and Utility hereby transfers, conveys, assigns and sets over to EWAZ all of such their respective rights, title and interest in, to and under the Glendale Agreement.
3. Acceptance and Assumption. EWAZ hereby accepts the foregoing assignments by Global and Utility and assumes and agrees to be bound by the Glendale Agreement and to

timely keep, perform and fulfill each and all of the obligations required to be kept, performed and fulfilled by either Global or Utility under the Glendale Agreement accruing or arising on or after the date hereof.

4. City Consent. City consents and agrees to the assignment of the Glendale Agreement by Global and Utility to EWAZ, as stated herein.

5. No Modification. This Assignment shall not be construed in any way as modifying, waiving or affecting any of the terms, covenants, conditions or agreements contained in the Glendale Agreement except as expressly provided herein.

6. Amendment of Notice Provision. Section 4.6 of the Glendale Agreement is amended for purposes of providing notice to EWAZ:

EPCOR Water Arizona, Inc.
2355 W. Pinnacle Peak Road, Suite 300
Phoenix, AZ 85024
Attn: President

7. Further Assurances. Promptly upon request from time to time of the other party, each party shall do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged or delivered, to or at the direction of such party, all further acts, transfers, assignments, powers and other documents and instruments as may be so reasonably requested to give effect to the transactions contemplated by this Assignment.

8. Successors and Assigns. This Assignment shall bind the parties and their respective successors and assigns.

9. Governing Law. This Assignment shall be governed by, and construed and interpreted in accordance with, the laws of the State of Arizona, without giving effect to its choice of laws provisions.

10. Effectiveness. This Assignment shall not be effective, or of any force or effect, unless and until the City has consented to the assignment of the Glendale Agreement and evidenced that consent by executing this Assignment in the space provided below.

11. Immigration Law Compliance.

A. EWAZ, and on behalf any subcontractor, warrants, to the extent applicable under A.R.S. § 41-4401, compliance with all federal immigration laws and regulations that relate to their employees as well as compliance with A.R.S. § 23-214(A) which requires registration and participation with the E-Verify Program.

B. Any breach of warranty under subsection (A) above is considered a material breach of this Assignment and is subject to penalties up to and including termination of this Assignment.

C. City retains the legal right to inspect the papers of EWAZ or any subcontractor employee who performs work under this Assignment to ensure that EWAZ or any subcontractor is compliant with the warranty under subsection (A) above.

D. City may conduct random inspections, and upon request of the City, EWAZ shall provide copies of papers and records demonstrating continued compliance with the warranty under subsection (A) above. EWAZ agrees to keep papers and records available for inspection by the City during normal business hours and will cooperate with City in exercise of its statutory duties and not deny access to its business premises or applicable papers or records for the purposes of enforcement of this Section 11.

E. EWAZ agrees to incorporate into any subcontracts under this Assignment the same obligations imposed upon itself and expressly accrue those obligations directly to the benefit of the City. EWAZ also agrees to require any subcontractor to incorporate into each of its own subcontracts under this Assignment the same obligations above and expressly accrue those obligations to the benefit of the City.

F. EWAZ's warranty and obligations under this Section to the City is continuing throughout the term of this Assignment and its associated Agreement until such time as the City determines, in its sole discretion, that Arizona law has been modified in that compliance with this section is no longer a requirement.

G. The "E-Verify Program" above means the employment verification program administered by the United States Department of Homeland Security, the Social Security Administration, or any successor program.

12. Conflict of Interest. This Assignment is subject to cancellation for conflicts of interest under the provisions of A.R.S. § 38-511.

13. Counterparts. This Assignment may be executed in one or more counterparts, each of which will be considered an original, but all of which together will constitute the same Assignment.

IN WITNESS WHEREOF, the parties have executed this Assignment as of the date and year first set forth above.

(Signatures appear on the following pages.)

GLOBAL WATER RESOURCES, INC.

By: *Ron Fleming*
Ron Fleming

Title: President and Chief Operating Officer

Date: 8/29/13

STATE OF ARIZONA)
)
COUNTY OF MARICOPA)

On this 29th day of August, 2013, before me personally appeared Ron Fleming, the President and Chief Operating Officer of Global Water Resources, Inc., a Delaware corporation, for and on behalf thereof, whose identity was proven to me on the basis of satisfactory evidence to be the person who her or she claims to be, and acknowledged that he or she signed the above document.

Kris Fenex
Notary Public

[Affix notary seal here]



GLOBAL WATER - 303 UTILITIES COMPANY, INC.

By: *R Fleming*
Ron Fleming

Title: President

Date: 8/29/13

STATE OF ARIZONA)
)
COUNTY OF MARICOPA)

On this 29th day of August, 2013, before me personally appeared Ron Fleming, the President of Global Water - 303 Utilities Company, Inc., an Arizona corporation, for and on behalf thereof, whose identity was proven to me on the basis of satisfactory evidence to be the person who her or she claims to be, and acknowledged that he or she signed the above document.

Kris Fenex
Notary Public

[Affix notary seal here]



EPCOR WATER ARIZONA INC.

By: Martin J. Stanek

Title: General Counsel

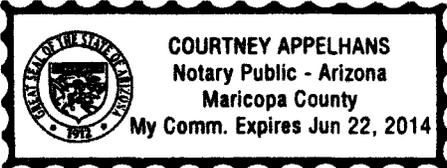
Date: August 29, 2013

STATE OF ARIZONA)
)
COUNTY OF MARICOPA)

On this 29th day of August, 2013, before me personally appeared Martin J. Stanek, the General Counsel of EPCOR Water Arizona Inc., an Arizona corporation, for and on behalf thereof, whose identity was proven to me on the basis of satisfactory evidence to be the person who her or she claims to be, and acknowledged that he or she signed the above document.

Courtney Appelhans
Notary Public

[Affix notary seal here]



ACKNOWLEDGED, AGREED AND CONSENTED TO:

CITY OF GLENDALE, an Arizona municipal corporation

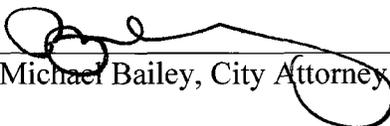
By: 
Brenda S. Fischer, City Manager

Date: 9/26/13

ATTEST:

By: 
Pamela Hanna, City Clerk (Seal)

APPROVED AS TO FORM:


Michael Bailey, City Attorney