



CEDARPINES PARK MUTUAL WATER CO.

21853 CREST FOREST DR. P.O. BOX 9259 CEDARPINES PARK, CA. 92322 (909) 338-1821 FAX (909) 338-7311

Dear Shareholders,

June 11, 2012

NOTICE OF ANNUAL SHAREHOLDERS MEETING

DATE: Saturday, July 28, 2012
REGISTRATION: 12:00 PM
MEETING TIME: 1:30 PM
LOCATION: Leisure Shores Community Center – Lakeside Room
24658 San Mortiz Dr
Crestline, CA 92325

NOTICE OF DIRECTOR POSITIONS AVAILABLE

Cedarpines Park Mutual Water Company will have one (1) Board of Director position available this year as Director Wilfred Steiner's term will expire. Any Shareholder interested in applying for a Director's position, can obtain an application form from the Company office, or from the Company web site at www.cppmwc.com. Board Service Applications will be accepted until 4:00 PM on Friday July 20, 2012. All candidates must be a shareholder in good standing. If a quorum is achieved for the Annual Shareholders Meeting (50% +1 of all shares in good standing) then an election for the available Director position will be conducted. If a quorum is not achieved, the Director vacancy will be filled by an election conducted by the Board of Directors.

We encourage every Shareholder to vote in the upcoming Directors election by attending the Annual Shareholders Meeting, or by submitting your proxy. If you are unable or do not wish to attend the annual meeting, you may assign someone you trust to vote your shares by completing the proxy form and submitting it to the office by the deadline, 4:00 PM, Friday July 22, 2011. Only Shareholders in good standing have the right to vote in the upcoming Directors election. If your account is past due or delinquent, your account is not in good standing and your vote cannot be counted.

The Board of Directors has approved 180 Business Solutions to conduct a complete review of the Company financials for the fiscal year ending April 30, 2012, and continue as the Company's Certified Public Accounting Firm for the 2012-2013 fiscal year.

As specified in Section 8321 of the California Corporations Code, this letter will serve as Notice to each and every Shareholder, that you have the right to receive a copy of CPPMWC's annual financial report. Copies of this report will be available at the Annual Shareholders Meeting; however, if you are unable to attend the meeting, you may request that a copy be mailed, by submitting a written request to, or calling, the CPPMWC office at: (909) 338-1821.

We hope to see you at our Annual Shareholders Meeting on July 28, 2012. If you are unavailable to attend, we encourage you to send in your proxy.

Respectfully,


Robert Hairley
General Manager

NOTICE OF ANNUAL SHAREHOLDERS' MEETING PROXY SOLICITATION and INSTRUCTIONS

On July 28, 2012, the Cedarpines Park Mutual Water Company (CPPMWC) will hold its Annual Shareholders Meeting at the Leisure Shores Community Center. This meeting will begin at 1:30 PM. Registration will begin promptly at 12:00 PM.

If you will be unable to attend the Annual Shareholders Meeting, please fill out and return the enclosed form of proxy so that you will be represented at the Annual Shareholders Meeting. We ask that the enclosed proxy be returned to the CPPMWC office no later than 4:00 PM on Friday July 20, 2012. Your attendance or submission of a proxy is important to establish a quorum for the upcoming Directors election.

The term for Director Wilfred Steiner will expire this year. If a quorum is achieved for the Annual Shareholders Meeting (50% +1 of all shares in good standing) then an election for the available Director's positions will be conducted. If a quorum is not achieved, Director vacancies will be filled by an election conducted by the Board of Directors in the executive organizational meeting which follows the annual meeting.

Only Shareholders in good standing have the right to vote in the upcoming Directors election. If your account is past due or delinquent, your account is not in good standing and your vote cannot be counted. If you are a Shareholder in good standing, you may designate another Shareholder or any other adult to vote your shares on your behalf, as a proxy. You may also sign your proxy allowing any Board member to vote your shares.

How to complete the Proxy Form

1. Your Address:

The enclosed proxy form provides your pre-printed name, address and the number of water shares you own, as it appears on the Company shareholder file. If this information is not correct, please notify our office so corrections can be made.

2. Completion of the Proxy Form:

In order to appoint a proxy, you "must" be a shareholder in good standing. If the individual you wish to appoint as your proxy is someone other than the Secretary of the Board of Directors please print legibly, the full name of that individual in the **box** provided on the proxy form. If you leave the **box** blank, the Secretary of the Board of Directors will be your proxy. As the shareholder of record, please print and sign your name in the provided spaces. Where the shares are in more than one name, either shareholder may sign.

Both the **top** and **bottom** sections of the proxy form must be complete. Please submit the completed **top** portion of the proxy form to the CPPMWC office no later than 4:00 PM on Friday July 20, 2012. Proxy forms submitted after this date will NOT be valid. The **bottom** section of the proxy form must be submitted by the individual you have selected as your proxy, during the registration process at the Annual Shareholders Meeting.

3. Attending the Meeting in Person:

Completion of a proxy form will not prevent individual shareholders from attending the Annual Shareholders Meeting in person if they wish. Where a shareholder completes and submits a valid proxy form and attends the Annual Shareholders Meeting in person, then the proxy's authority to speak and vote for the shareholder is suspended while the shareholder is present at the Annual Shareholders Meeting.

We hope to see you at our Annual Shareholders Meeting on July 28, 2012. If you are unavailable to attend, we encourage you to send in your proxy.