

Paul A. Colbert
Associate General Counsel
Regulatory Affairs



October 5, 2015

Susan Zimet
Town of New Paltz Supervisor
PO Box 550
New Paltz, NY 12561

Dear Municipal Official:

Central Hudson periodically provides your office with sensitive confidential information as part of its emergency preparedness plans and/or gas safety public awareness program. Often that information includes personal privacy information, such as the names, home addresses, and home telephone numbers of Central Hudson employees who are emergency contact persons during storms or other adverse events.

New York State Public Service Law Part 6-2 requires that Central Hudson protect customer information, as well as the personal privacy information of its employees, contractors and consultants. Therefore, we are writing to request a copy of your procedures for maintaining confidential or personal privacy information that we provide to you.

If there are no detailed procedures in place within your organization, the Public Service Commission, in Case 12-M-0192, has authorized Central Hudson's use of the enclosed Nondisclosure Agreement to protect information that it shares with others.

Please provide us with a copy of your procedures by October 20, 2015 or complete and return a signed copy of the enclosed agreement to the undersigned.

Should you have any questions or concerns regarding this matter, please do not hesitate to contact me at (845)486-5831 or pcolbert@cenhud.com.

Sincerely,

A handwritten signature in black ink that reads "Paul A. Colbert".

Paul A. Colbert
Associate General Counsel
Regulatory Affairs

284 South Avenue
Poughkeepsie, NY 12601

(845) 452-2000
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CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT

This Confidentiality and Non-disclosure Agreement (the "Agreement") is made and entered into this ____ day of October, 2015, by and between Town of New Paltz, a New York Municipality/Town/Village ("Municipality/Town/Village") and Central Hudson Gas & Electric Corporation, a New York corporation ("Central Hudson"). Municipality/Town/Village and Central Hudson may be referred to herein individually as a "Party" and collectively as the "Parties".

WITNESSETH:

A. The Municipality/Town/Village and Central Hudson are entering into this Agreement to govern the exchange of certain information for the purpose of evaluating, negotiating and/or consummating a project relating to emergency preparedness and gas safety public awareness (the "Project").

B. In connection with the Project, the Municipality/Town/Village and Central Hudson will be exchanging, reviewing, and analyzing certain information, some or all of which could be considered Confidential Information (as such term is defined in Section 4 of this Agreement). As used in this Agreement, "Disclosing Party" shall mean the party that discloses its Confidential Information to the other party and "Receiving Party" shall mean the party that receives Confidential Information.

NOW THEREFORE, for and in consideration of the mutual exchange of Confidential Information to each other and in further consideration of the promises and the agreements herein contained, the sufficiency of which is hereby acknowledged and confessed, the Parties do hereby agree as follows:

1. Nondisclosure and Use of Confidential Information. Without the Disclosing Party's prior written consent, the Receiving Party shall not: (a) disclose to any third party the fact that the Disclosing Party has provided any Confidential Information to the Receiving Party; (b) disclose to any third party the Confidential Information or any portion thereof; or (c) use any Confidential Information for any purpose other than for the purpose stated in paragraph "A" above. The Confidential Information may be disclosed to Receiving Party's affiliates, directors, officers, employees, consultants, subcontractors and agents and its affiliates' directors, officers, employees, consultants, subcontractors and agents (collectively, "Representatives"), but only if each such Representative needs to know the Confidential Information in connection with the Project described above and signs the Individual Non-Disclosure Agreement ("INA") set forth as Attachment 1 to this Agreement. The Receiving Party shall provide a copy of each INA to the Disclosing Party within ten (10) business days after the INA is signed. The Confidential Information shall not be used by the Receiving Party or its Representatives for any purpose other than in connection with the Project. It is understood that (i) such Representatives shall be informed by the Receiving Party of the confidential nature of the Confidential Information and shall be required to adhere to the terms of this Agreement by the

Receiving Party, and (ii) in any event, Receiving Party shall be responsible for any breach of this Agreement by any of its Representatives. Receiving Party shall not disclose the Confidential Information in any form whatsoever to any person other than as permitted hereby, and shall safeguard the Confidential Information from unauthorized disclosure. For purposes hereof, "person" will be interpreted broadly to include any corporation, company, partnership, individual or governmental authority.

2. Standard of Care. The Receiving Party agrees to use at least the same care and discretion to avoid disclosure of the Disclosing Party's Confidential Information as it uses with its own similar information it does not wish to disclose, but in no event less than a reasonable standard of care; provided, however, that if the Disclosing Party requests that the Receiving Party employ specific measures against disclosure (e.g., restrictions on copying), the Receiving Party shall agree to be bound by such measures by accepting the Confidential Information, provided that the Disclosing Party delivering the Confidential Information makes such request in writing on or before the date the Confidential Information is provided and identifies with specificity the Confidential Information that is to be subject to such specific measures. The Receiving Party shall promptly provide the Disclosing Party with notice of any actual or threatened breach of the terms of this Agreement or unauthorized disclosure of the Disclosing Party's Confidential Information.
3. Notice Preceding Compelled Disclosure. If Receiving Party or its Representatives are requested or required (by oral question, interrogatories, requests for information or documents, subpoena, civil investigative demand, or similar process) to disclose any Confidential Information, Receiving Party shall promptly notify Disclosing Party of such request or requirement so that Disclosing Party may seek an appropriate protective order. To the fullest extent permitted by law, Receiving Party agrees to cooperate with Disclosing Party to obtain an appropriate protective order. If, in the absence of a protective order or the receipt of a written waiver by the Disclosing Party, Receiving Party or its Representatives are compelled by a subpoena or by an order of a court of competent jurisdiction to disclose any portion of the Confidential Information or else stand liable for contempt or suffer other censure or penalty, Receiving Party and its Representatives may disclose only such portion(s) of the Confidential Information to the party compelling disclosure as is required by such subpoena or order and, in connection with such compelled disclosure, Receiving Party and its Representatives shall use their reasonable efforts to obtain from the party to whom disclosure is made written assurance that confidential treatment will be accorded to such portion(s) of the Confidential Information as is disclosed.
4. Definition of "Confidential Information". As used in this Agreement, "Confidential Information" means all information that is furnished to Receiving Party or its Representatives by Disclosing Party in the course of discussions or evaluations of the Project which concerns the Confidential Information, Disclosing Party, its partners or co-venturers, affiliates, or subsidiaries, and which is either confidential, proprietary, or otherwise not generally available to the public. Any information furnished to Receiving

Party or its Representatives by a director, officer, employee, stockholder, partner, co-venturer, consultant, agent, or representative of Disclosing Party will be deemed furnished by Disclosing Party for the purpose of this Agreement. The term "Confidential Information" shall specifically include, but shall not be limited to, the Disclosing Party's following information: business plans, strategies, forecasts and analyses; financial information; employee and vendor information; software (including all documentation and code), hardware, system designs, and protocols; product and service specifications; purchasing, logistics, sales, marketing and other business processes and energy infrastructure, information, location, quantity, production, flow, load, usage, size, capacity and/or other data or information; customer list, accounts, billing information and personal data including but not limited to names, addresses, telephone numbers, account numbers, dates of birth, social security numbers, employment information, and demographic, financial and transaction information ("Customer Information"); and all reports, analyses, notes or other information that are based on, contain or reflect any such information. Confidential Information also includes all information that by its nature should reasonably be expected to be treated as confidential, whether or not such information is identified as confidential.

5. Information Excluded from "Confidential Information". Notwithstanding any provision in this Agreement to the contrary, the following will not constitute Confidential Information for purposes of this Agreement: (i) information which is or becomes generally available to the public other than as a result of a disclosure by Receiving Party or its Representatives; (ii) information which was already known to Receiving Party on a non-confidential basis prior to being furnished to Receiving Party by Disclosing Party; (iii) information which becomes available to Receiving Party on a non-confidential basis from a source other than Disclosing Party or a representative of Disclosing Party if such source was not subject to any prohibition against transmitting the information to Receiving Party and was not bound by a confidentiality agreement with Disclosing Party; or (iv) information which was independently developed by the Receiving Party or its Representatives without reference to, or consideration of, the Confidential Information; provided however, that any specific Confidential Information, or any combination of features comprising the same, will not be deemed to fall within sub-paragraphs (i) to (iv) of this paragraph 5 inclusive, merely because the same is embraced by more general information or individual features which do fall within such paragraphs.
6. Return of Information. The Confidential Information shall, at all times, remain the property of Disclosing Party. At the Disclosing Party's sole discretion and immediately upon its request, all Confidential Information and any copies thereof shall be immediately returned to Disclosing Party or destroyed by Receiving Party (in which case an authorized representative of Receiving Party shall certify to such destruction in writing to Disclosing Party), and no copies will be retained by Receiving Party or its Representative unless the Parties agree otherwise in writing or unless required by any applicable laws or regulations governing document retention (in which case Receiving Party shall continue to keep such information confidential in accordance with the terms set forth herein). Any

Confidential Information that may be found in drafts, notes, compilations, studies, synopses, or summaries thereof, or other documents prepared by or for Receiving Party or its Representatives, and written Confidential Information not so requested to be returned, will be held by Receiving Party and kept subject to the terms of this Agreement, or destroyed. Notwithstanding the return or destruction of material, information and documents containing Confidential Information, the Receiving Party shall continue to be bound by the Receiving Party's obligations of confidentiality and other obligations hereunder.

7. No Waiver. No failure or delay in exercising any right, power or privilege hereunder will operate as a waiver thereof, nor will any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power, or privilege hereunder.
8. Remedies. Receiving Party acknowledges and agrees that money damages would not be a sufficient remedy for any breach of this Agreement by Receiving Party or its Representatives and Disclosing Party will be entitled to specific performance and injunctive relief as remedies for any such breach. Such remedies will not be deemed to be the exclusive remedies for a breach of this Agreement by Receiving Party or any of its Representatives but will be in addition to all other remedies available at law or in equity to Disclosing Party.
9. Indemnification and Defense. To the fullest extent permitted by law, the Receiving Party agrees to indemnify, defend, and hold the Disclosing Party, its Officers, Directors and employees free and harmless from any liability, damages, claims, causes of action, and/or litigation (including reasonable attorneys' fees) related to and/or arising out of any breach or default by Receiving Party of the terms, conditions or provisions of this Agreement, including but not limited to any claims made by the Disclosing Party's customers or any other third-party person or entity.
10. Duration. This Agreement shall remain in force and effect for five (5) years from the date first above written unless earlier terminated by either Party giving thirty (30) days written notice to the other, provided, however, that the restrictions on disclosure shall survive termination of the Agreement for a period of two (2) years from the date of expiry or termination of this Agreement or such longer period during which any Confidential Information retains its status as a trade secret or otherwise qualifies as confidential under applicable law. Notwithstanding the foregoing, sections 9 and 16 and the restrictions on disclosure for Customer Information shall remain binding for the fullest term permitted by law.
11. No Obligation or Joint Venture. The Parties hereto understand and agree that unless and until a definitive agreement has been executed and delivered, no contract or agreement providing for a project between the Parties shall be deemed to exist between the Parties, and neither Party will be under any legal obligation of any kind whatsoever with respect

to such transaction by virtue of this or any written or oral expression thereof, except, in the case of this Agreement, for the matters specifically agreed to herein. For purposes of this Agreement, the term “definitive agreement” does not include an executed letter of intent, memorandum of understanding or any other preliminary written agreement or offer, unless specifically so designated in writing and executed by both Parties. This Agreement neither obligates a Party to deal exclusively with the other Party nor prevents a Party or any of its affiliates from competing with the other Party or any of its affiliates. Either Party may terminate consideration and discussion of the Project at any time for any reason whatsoever, and the terminating party shall have no liability to the other party by reason of the termination; provided, however, that notwithstanding any such termination the Parties shall continue to be bound by the restrictions on disclosure detailed in this Agreement.

12. Independent Review. Neither Party makes any representation or warranty (express or implied) as to the accuracy or completeness of any Confidential Information provided by it hereunder, although each Party represents that it shall endeavor in good faith to provide information which is reliable and accurate, and each party agrees to assume full responsibility for all conclusions that it derives from its review of the Confidential Information. Nothing contained in this Agreement nor the conveying of Confidential Information hereunder shall be construed as granting or conferring any rights by license or otherwise in any intellectual property.
13. Publicity. Neither Party will use any logo, trademark, design, mark or any distinguishing feature of the other Party in any manner (including without limitation, in any advertising or promotional material) without the express prior written authorization of such other Party, which may be arbitrarily withheld.
14. Nondisclosure of Existence of Negotiations. Without the prior written consent of the other Party, or except as may be required by applicable law or regulation, each Party shall be prohibited from disclosing to any person, other than its Representatives who have a need to know such information in connection with the Project that the Confidential Information has been disclosed to the Receiving Party. Notwithstanding the foregoing sentence, neither Party shall be prohibited from disclosing the fact that discussions or negotiations are taking place between the Parties regarding the Project, provided that, neither Party shall disclose the substance or status of such discussions or negotiations.
15. Notices. All notices to be given to a party hereunder shall be in writing and delivered personally, by overnight courier, by mail or by facsimile, addressed as follows:

If to Central Hudson:

Central Hudson Gas & Electric Corporation
284 South Avenue
Poughkeepsie, NY 12601
Attention: Paul A. Colbert, Esq.
Tel: (845) 486-5831
Facsimile: (845) 486-5465
Email: pcolbert@cenhud.com

If to Town of New Paltz:

Name: _____
Address: _____
City, State, Zip: _____
Attention: _____
Title: _____
Tel: _____
Fax: _____
Email: _____

Notices shall be deemed effective upon receipt. A Party may change its contact information by providing such information to the other Party in accordance with this Section 15.

16. Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to the conflict of laws principles thereof. For the limited purposes of the interpretation and/or enforcement of this Agreement, the Parties (a) consent and agree to the exclusive personal and subject matter jurisdiction of the New York State Supreme Court, County of Dutchess, in connection with any action or proceeding that relates to or arises from this Agreement, (b) consent to, and waive any objection to, the personal and subject matter jurisdiction of that court over any legal matter that relates to this Agreement, and (c) agree to service of process of any action commenced under this paragraph by FedEx to the addresses set forth in Section 15.
17. Miscellaneous. The Agreement inures to the benefit of the Parties hereto and their successors and assigns and is binding on each other and each other's successors and assigns; provided, however, that neither Party will assign this Agreement without the

written consent of the other Party. This Agreement constitutes the entire agreement between the Parties hereto with respect to the subject matter hereof and supersedes and replaces any and all prior agreements and understandings with regard to the subject matter hereof. If any provision of this Agreement is held by a court of competent jurisdiction in a final, non-appealable judgment to be invalid, illegal or unenforceable, the remainder of the provisions of this Agreement shall remain in full force and effect and any invalid, illegal or unenforceable provision shall be replaced with a valid, legal or enforceable provision, the effect of which comes as close as possible to that of the invalid, illegal or unenforceable provision. The headings of the Sections of this Agreement are inserted for convenience only and do not constitute a part hereof or affect in any way the meaning or interpretation of this Agreement. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original for all purposes. This Agreement may be executed by facsimile or reproductive signature and the Parties shall recognize, and not challenge, such execution as the valid and binding execution hereof. This Agreement may be modified only in a writing signed by both Parties.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first written above.

Town of New Paltz

By: _____

Name: _____

Title: _____

Central Hudson Gas & Electric Corporation

By: _____

Name: _____

Title: _____

ATTACHMENT 1

INDIVIDUAL NON-DISCLOSURE AGREEMENT

I, _____, have read the Agreement between Town of New Paltz, (“Municipality/Town/Village”) and Central Hudson Gas & Electric Corporation., (“Central Hudson”) dated October _____, 2015 (the “Agreement”) and agree to the terms and conditions contained therein. My duties and responsibilities on behalf of Town of New Paltz require me to have access to the Confidential Information disclosed by Central Hudson to the Municipality/Town/Village pursuant to the Agreement.

Name

Date