

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**Form 8-K
CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) May 29, 2012

AMERICAN STATES WATER COMPANY

(Exact name of registrant as specified in its charter)

California

(State or other jurisdiction of
incorporation or organization)

001-14431

(Commission File Number)

95-4676679

(I.R.S. Employer Identification
No.)

630 East Foothill Blvd.

San Dimas, California

(Address of principal executive
offices)

91773

(Zip Code)

GOLDEN STATE WATER COMPANY

(Exact name of registrant as specified in its charter)

Registrant's telephone number, including area code: (909) 394-3600

California

(State or other jurisdiction of
incorporation or organization)

001-12008

(Commission File Number)

95-1243678

(I.R.S. Employer Identification
No.)

630 East Foothill Blvd.

San Dimas, California

(Address of principal executive
offices)

91773

(Zip Code)

Registrant's telephone number, including area code: (909) 394-3600

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Section 5 - Corporate Governance and Management

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On May 29, 2012, the Compensation Committee of the Board of Directors approved the performance awards to Robert J. Sprowls, President and Chief Executive Officer of American States Water Company and its subsidiaries in the amount of 5,818 restricted stock units under the Company's 2008 Amended and Restated Stock Incentive Plan.

The awards vest on March 15, 2013, February 14, 2014 and February 14, 2015 in the percentages of 33%, 33% and 34%, respectively, provided that the performance criteria described in the performance award agreement has been satisfied. Under the terms of the restricted stock unit grant, Mr. Sprowls will be entitled to receive dividends payable in additional restricted stock units equal to the amount of dividends payable on an equivalent number of the Company's common shares as the underlying awards vest.

Section 9 Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits.

The following document is filed as an Exhibit to this Report:

Exhibit 10.1 2012 Performance Award Agreement for Robert J. Sprowls

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMERICAN STATES WATER COMPANY:

Date: June 4, 2012

/s/ Eva G. Tang

Eva G. Tang
Senior Vice President, Chief Financial Officer,
Corporate Secretary and Treasurer

GOLDEN STATE WATER COMPANY:

/s/ Eva G. Tang

Eva G. Tang
Senior Vice President, Chief Financial Officer
and Secretary

AMERICAN STATES WATER COMPANY
AMENDED AND RESTATED 2008 STOCK INCENTIVE PLAN
PERFORMANCE AWARD AGREEMENT

THIS PERFORMANCE AWARD AGREEMENT (this “**Agreement**”) is dated as of May 29, 2012 by and between American States Water Company, a California corporation (the “**Corporation**”), and Robert J. Sprowls (the “**Participant**”).

WITNESSETH

WHEREAS, pursuant to the American States Water Company Amended and Restated 2008 Stock Incentive Plan (the “**Plan**”), the Corporation has granted to the Participant effective as of the date hereof (the “**Award Date**”), an award of Performance Awards under the Plan (the “**Award**”), upon the terms and conditions set forth herein and in the Plan.

NOW, THEREFORE, in consideration of services rendered and to be rendered by the Participant, and the mutual promises made herein and the mutual benefits to be derived therefrom, the parties agree as follows:

1. **Defined Terms.** Capitalized terms used herein and not otherwise defined herein shall have the meaning assigned to such terms in the Plan.
2. **Grant.** Subject to the terms of this Agreement, the Corporation hereby grants to the Participant an Award with respect to an aggregate of **5,818** performance awards (subject to adjustment as provided in Section 5.2 of the Plan (the “**Performance Awards**”). The Corporation will maintain a Performance Award bookkeeping account for the Participant (the “**Account**”). The Performance Awards shall be used solely as a device for determination of the payment eventually to be made to the Participant if such Performance Awards vest pursuant to Section 3. The Performance Awards shall not be treated as property or as a trust fund of any kind.
3. **Vesting.**
 - a. **General.** The Performance Awards shall vest and become nonforfeitable with respect to thirty-three percent (33%) of the total number of Performance Awards on the first Installment Vesting Date, thirty-three percent (33%) of the total number of Performance Awards on the second Installment Vesting Date and thirty-four percent (34%) of the total number of Performance Awards on the last Installment Vesting Date. The first Installment Vesting Date shall be March 15, 2013, the second Installment Vesting Date shall be February 14, 2014 and the last Installment Date Vesting Date shall be February 14, 2015 (each an “**Installment Vesting Date**”).
 - b. **Performance Criteria Satisfaction Condition.** Notwithstanding any provision of this Section 3, the vesting of the Performance Awards (and any Performance Awards credited as dividend equivalents) shall be contingent upon certification by the Committee on or prior to March 15, 2013 that the Net Earnings of the Corporation and its subsidiaries on a consolidated basis are at least \$17,555,475 (the “**Performance Criteria**”) for the period commencing April 1, 2012 and ending December 31, 2012 (the “**Performance Period**”).
 - c. **Termination of Employment Prior to Vesting.** Notwithstanding Section 3(a), the Participant’s Performance Awards (and any Performance Awards credited as dividend equivalents) shall terminate to the extent that such Performance Awards have not become vested prior to the first date the Participant is no longer employed by the Corporation or one of its Subsidiaries, regardless of the reason for the termination of the Participant’s employment with the Corporation or a Subsidiary; provided, however, that if the Participant’s employment is terminated by the Corporation or a Subsidiary as a result of the Participant’s death or Total Disability, the Participant’s Performance Awards to the extent such Performance Awards are not then vested, shall become fully vested as of the date of termination of the Participant’s employment. If the Participant is employed by a Subsidiary and that entity ceases to be a Subsidiary, such event shall be deemed to be a termination of employment of the Participant for the purposes of this Agreement (unless the Participant otherwise continues to be employed by the Corporation or another of its Subsidiaries following such event).

d. Termination of Performance Awards. If any unvested Performance Awards are terminated under Section 3(b) or 3(c), such Performance Awards (and any Performance Awards credited as dividend equivalents) shall automatically terminate and be cancelled as of the applicable termination date without payment of any consideration by the Corporation and without any other action by the Participant or the Participant's beneficiary or personal representative, as the case may be.

e. Early Vesting Upon Change in Control. Notwithstanding Section 3(a), the Participant's Performance Awards (and any Performance Awards credited as dividend equivalents), to the extent such Performance Awards are not then vested, shall become fully vested upon the occurrence of a Change in Control.

4. Continuance of Employment. The vesting schedule requires continued employment or service through each applicable vesting date as a condition to the vesting of the applicable installment of the Award and the rights and benefits under this Agreement. Partial employment or service, even if substantial, during any vesting period will not entitle the Participant to any proportionate vesting or avoid or mitigate a termination of rights and benefits upon or following a termination of employment or services.

Nothing contained in this Agreement or the Plan constitutes an employment or service commitment by the Corporation, affects the Participant's status as an employee at will who is subject to termination without cause, confers upon the Participant any right to remain employed by or in service to the Corporation or Subsidiary, interferes in any way with the right of the Corporation or any Subsidiary at any time to terminate such employment or services, or affects the right of the Corporation or any Subsidiary to increase or decrease the Participant's other compensation or benefits. Nothing in this paragraph, however, is intended to adversely affect any independent contractual right of the Participant without his or consent hereto.

5. Dividend and Voting Rights.

a. Limitation of Rights Associated with Performance Awards. The Participant shall have no rights as a shareholder of the Corporation, no dividend rights (except as expressly provided in Section 5(b) with respect to dividend equivalent rights) and no voting rights, with respect to the Awards and any Common Shares underlying or issuable in respect of such Awards until such Common Shares are actually issued to and held of record by the Participant. No adjustments will be made for dividends or other rights of a holder for which the record date is prior to the date of issuance of the Common Shares.

b. Dividend Equivalents. The Participant shall be entitled to receive dividend equivalents in the form of additional Performance Awards with respect to the Awards credited to his or her Account as the Corporation declares and pays dividends on its Common Shares in the form of cash. The number of Performance Awards to be credited to the Participant's Account as a dividend equivalent will equal (1) the per share cash dividend to be paid by the Corporation on its Common Shares multiplied by the number of Awards then credited to the Participant's Account on the record date for the dividend divided by (2) the Fair Market Value of the Common Shares on the related dividend payment date. Performance Awards credited as dividend equivalents will become vested to the same extent as the Awards to which they relate. For purposes of clarity, no dividend equivalents shall be credited for a dividend record date with respect to any Awards that were paid or terminated prior to such dividend record date.

6. Timing and Manner of Distribution.

a. General. On or soon as administratively practicable following each Installment Vesting Date pursuant to Section 3(a), but in no event later than March 15 of the year following the Installment Vesting Date, the Corporation shall deliver to the Participant a number of Common Shares equal to the number of Performance Awards subject to this Award that become vested on such Installment Vesting Date (including any Performance Awards credited as dividend equivalents with respect to such vested Performance Awards), unless such Performance Awards terminate prior to such Installment Vesting Date pursuant to Section 3(b) or 3(c).

b. Payment of Performance Awards upon Termination of Employment as a Result of Death or Disability or upon a Change in Control. Notwithstanding Section 6(a), upon a termination of the Participant's employment as a result of his or her death or Total Disability or upon the occurrence of a Change in Control, the Corporation shall deliver to the Participant a number of Common Shares equal to the number of Performance Awards subject to this Award that become vested in accordance with Section 3 (including any Performance Awards credited as dividend equivalents with respect to such Performance Awards) as soon as administratively practicable following such termination of employment or a Change in Control, as applicable (but in no event later than March 15 of the year following the year in which such termination of employment or a Change in Control occurs).

c. Termination of Performance Awards Upon Payment. A Performance Award will terminate upon the payment of that Performance Award in accordance with the terms hereof, and the Participant shall have no further rights with respect to such Performance Award.

d. Form of Payment. The Corporation may deliver the Common Shares payable to the Participant under this Section 6 either by delivering one or more certificates for such shares or by entering such shares in book entry form, as determined by the Corporation in its discretion.

7. Restrictions on Transfer. Neither the Award, nor any interest therein or amount or shares payable in respect thereof may be sold, assigned, transferred, pledged or otherwise disposed of, alienated or encumbered, either voluntarily or involuntarily. The transfer restrictions in the preceding sentence shall not apply to (a) transfers to the Corporation, (b) transfers by will or the laws of descent and distribution, or (c) transfers pursuant to a QDRO order if approved or ratified by the Committee.

8. Adjustments Upon Specified Events. Upon the occurrence of certain events relating to the Corporation's stock contemplated by Section 5.2 of the Plan, the Committee shall make adjustments if appropriate in the number of Performance Awards then outstanding and the number and kind of securities that may be issued in respect of the Award.

9. Tax Withholding. Upon the vesting and/or distribution of Common Shares in respect to the Performance Awards, the Corporation (or the Subsidiary last employing the Participant) shall have the right at its option to (a) require the Participant to pay or provide for payment in respect of cash of the amount of any taxes that the Corporation or any Subsidiary may be required to withhold with respect to such vesting and/or distribution, or (b) deduct from any amount payable to the Participant the amount of any taxes which the Corporation or any Subsidiary may be required to withhold with respect to such vesting and/or distribution. In any case where a tax is required to be withheld in connection with the delivery of Common Shares under this Agreement, the Committee may, in its sole discretion, direct the Corporation or the Subsidiary to reduce the number of shares to be delivered by (or otherwise reacquire) the appropriate number of whole shares, valued at their then Fair Market Value (with the "Fair Market Value" of such shares determined in accordance with the applicable provisions of the Plan), to satisfy such withholding obligation at the minimum applicable withholding rates.

10. Notices. Any notice to be given under the terms of this Agreement shall be in writing and addressed to the Corporation at its principal office to the attention of the Secretary, and to the Participant at the Participant's last address reflected on the Corporation's records, or at such other address as either party may hereafter designate in writing to the other. Any such notice shall be given only when received, but if the Participant is no longer an employee of the Corporation, shall be deemed to have been duly given by the Corporation when enclosed in a properly sealed envelope addressed as aforesaid, registered or certified, and deposited (postage and registry or certification fee prepaid) in a post office or branch office regularly maintained by the United States Government.

11. Plan. The Award and all rights of the Participant under this Agreement are subject to, and the Participant agrees to be bound by, all of the terms and conditions of the provisions of the Plan, incorporated herein by reference. In the event of a conflict or inconsistency between the terms and conditions of this Agreement and of the Plan, the terms and conditions of the Plan shall govern. The Participant agrees to be bound by the terms of the Plan and this Agreement. The Participant acknowledges having read and understood the Plan and this Agreement. Unless otherwise expressly provided in other sections of this Agreement, provisions of the Plan that confer discretionary authority on the Committee do not (and shall not be deemed to) create any rights in the Participant unless such rights are expressly set forth herein or are otherwise in the sole discretion of the Committee so conferred by appropriate action of the Committee under the Plan after the date hereof.

12. **Entire Agreement.** This Agreement and the Plan together constitute the entire agreement and supersede all prior understandings and agreements, written or oral, of the parties hereto with respect to the subject matter hereof. The Plan and this Agreement may be amended pursuant to Section 5.6 of the Plan. Such amendment must be in writing and signed by the Corporation. The Corporation may, however, unilaterally waive any provision hereof in writing to the extent such waiver does not adversely affect the interests of the Participant hereunder, but no such waiver shall operate as or be construed to be a subsequent waiver of the same provision or a waiver of any other provision hereof.

13. **Limitation on Participant's Rights.** Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Corporation as to amounts payable and shall not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. The Participant shall have only the rights of a general unsecured creditor of the Corporation, with respect to amounts credited and payable, if any, with respect to the Performance Awards, and rights no greater than the right to receive the Common Shares as a general unsecured creditor with respect to such Awards, as and when payable hereunder.

14. **Counterparts.** This Agreement may be executed simultaneously in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

15. **Section Headings.** The section headings of this Agreement are for convenience of reference only and shall not be deemed to alter or affect any provision hereof.

16. **Governing Law.** This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California without regard to conflict of law principles thereunder.

17. **Construction.** It is intended that the terms of the Award will not result in the imposition of any tax liability pursuant to Section 409A of the Code. This Agreement shall be construed and interpreted consistent with that intent.

18. **Recoupment.** The Award under this Agreement and the Common Shares received by the Participant upon the vesting of the Award, or the value, proceeds or other benefits received by the Participant upon the sale of such Common Shares, shall be subject to the Corporation's Policy Regarding Recoupment of Certain Performance-Based Compensation Payments, as it may be amended from time to time, or as otherwise required by law.

19. **Section 409A.** This Agreement is intended to be exempt from, or in the alternative comply with, Section 409A and the interpretative guidance thereunder, and shall be administered and interpreted accordingly.

IN WITNESS WHEREOF, the Corporation has caused this Agreement to be executed on its behalf by a duly authorized officer and the Participant has hereunto set his or her hand as of the date and year first above written.

AMERICAN STATES WATER COMPANY, a California corporation

By: _____

Print Name: _____

Its: _____

PARTICIPANT

Signature

Print Name

CONSENT OF SPOUSE

In consideration of the execution of the foregoing Performance Award Agreement by American States Water Company, I, _____, the spouse of the Participant therein named, do hereby join with my spouse in executing the foregoing Performance Award Agreement and do hereby agree to be bound by all of the terms and provisions thereof and of the Plan.

Dated: _____

Signature

Print Name