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March 30, 2010

**Re: Veolia Water Class Action Lawsuit
Marion County Superior Court No. 7
Cause No. 49D07-0804-CC-018081**

To All Concerned Veolia Water Customers:

You are receiving this correspondence because you have indicated an interest in knowing more about the class action lawsuit filed against Veolia Water Indianapolis, LLC (“Veolia”) and the Department of Waterworks, City of Indianapolis (“Department”) in April, 2008. This is my sixth update on the status of the lawsuit and related matters. The last update was sent on July 1, 2009.

Status of the Lawsuit

In my last update, I wrote that we were expecting to receive documents and other information from Veolia in response to our discovery requests. Since July, 2009, I have received in excess of 7,000 pages of documents from Veolia, the Department and other third-parties. We have also taken the depositions of two of Veolia’s employees. We have been busy reviewing and analyzing this information and preparing our case. Unfortunately, the vast majority of the information produced to us by Veolia and the Department is protected by a confidentiality agreement, which means I cannot share the information with you. However, I can say that as a general matter I believe the information we’ve received from Veolia and the Department supports the allegations made in the Complaint.

Potential Settlement

In the latter part of 2009, all of the parties to this case agreed that it would be worthwhile to explore the possibility of settlement. Towards that end, the Plaintiffs, Department and Veolia agreed to attempt settlement through the process of mediation. A mediation is scheduled for April 6, 2010. All three of the named Plaintiffs will participate in the mediation. The mediation may or may not result in a settlement. However, I feel that it would be productive to discuss ways this case might be resolved, rather than continue to litigate.

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Both Veolia and the Department have produced substantial volumes of information in advance of the mediation which has assisted us in our preparations for the mediation. I have also reread many of the hundreds of e-mails and letters sent to me by water company customers like you. Many of your notes complained of high water bills in 2007/2008, many consecutive months of estimates and the consequences of having to pay inflated water bills in these times of economic crisis. Although it is by no means guaranteed that the mediation will result in a settlement, I am encouraged by the cooperative spirit with which both of the defendants have approached the mediation. It is my hope that the mediation will result in a settlement that fairly addresses the issues you've informed me of over the past two years.

Before the April 6, 2010 mediation, I would be open to receive any comments or concerns you might have regarding the issues in this lawsuit. Please feel free to e-mail or call me before April 6th.

I hope this update has been informative. If you do not wish to receive further updates, please send me an e-mail or call.

Very truly yours,

STEWART & IRWIN, P.C.



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