

May 8, 2008

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

To All Concerned Veolia Water Customers:

My name is Peter S. Kovacs and I am the attorney handling this case for the Plaintiffs. You are receiving this correspondence because you indicated an interest in knowing more about the recently filed class action lawsuit against Veolia Water.

The Complaint against Veolia Water was filed on April 23, 2008. Many of you read or heard about the lawsuit in the Indianapolis Star, WIBC, or other local media. Since that time, I have received an overwhelming response from concerned Veolia customers who wanted to know more about the lawsuit and who shared many of the same problems experienced by the two Plaintiffs, Jason Bond and David Lear. I have personally received in excess of 350 phone calls and numerous e-mails and correspondence from people like you wanting to know more. Although I have personally spoken to more than 150 individuals over the past week, it is simply impossible for me to return all of these calls. Instead, I hope to inform those who wish to know more by periodic updates via e-mail or regular mail. We have also developed a website to provide you the opportunity to communicate directly with me by e-mail and to provide you copies of important lawsuit documents. I urge you to utilize these resources to understand the nature of the lawsuit and to provide your feedback to me.

Status of the Lawsuit

The Complaint was filed on April 23, 2008 in the Marion County Superior Court No. 7. The Complaint has been served on Veolia Water. Their initial response is due on May 21, 2008. A full copy of the Complaint and Exhibits are available on our website at www.silegal.com. At our home page, click "Veolia Water Class Action Information" to access the web page which contains additional information about the Veolia Water lawsuit. At our website you will be able to register your information to receive future updates, view important legal filings, and tell me about your individual issues.

For those of you who do not have access to the internet, I will summarize the allegations of the Complaint here. First, the Complaint is brought by two individuals, one a resident of Zionsville and the other a resident of Indianapolis. Both are customers of Veolia Water. The Complaint does not name Indianapolis Water Company as a

May 8, 2008
Page 2

Defendant. Rather, Veolia Water and related companies are the only Defendants. Veolia Water is the company which manages Indianapolis Water Company's ("IWC") water utility. Under the Management Agreement between Veolia Water and IWC, Veolia Water is responsible for meter reading, billing, collection of bills, and dealing with customer complaints. The vast majority of the employees who work for the water company are employees of Veolia Water.

The Complaint alleges that Veolia is required to read each customer's water meter at least once every two months. It is further alleged that Veolia Water has failed to comply with that requirement. Moreover, the Complaint alleges that Veolia estimated customers' bills far in excess of their actual usage.

The Complaint includes claims for breach of contract, negligence, deceptive practices, and fraud. The lawsuit also requests class action status. Please note that a decision must be made by the Court before this case can achieve class action status. We have not yet asked the Court to make that decision. If the Court grants class action certification, then the two named Plaintiffs would represent the interests of all similarly situated Veolia Water customers. In other words, although your name may not be on the Complaint, your interests would be represented by those two individuals.

How Can You Participate

The vast majority of people with whom I have communicated describe their personal issues with Veolia Water the same general way. Many of you have been frustrated by long periods without meter reads, usually since at least October, 2007. An equal number were frustrated by extremely high estimated water bills which were inconsistent with your actual or historical usage. Many describe very large credits recently received when an actual meter read was undertaken. Many have also described their frustration with attempts to rectify the problems when they communicated directly with Veolia Water. All of these frustrations are precisely in tune with the allegations in the Complaint.

Although I have gathered numerous stories about these frustrations, I would still like to hear your story. If you have not already communicated with me regarding your frustrations with Veolia Water, then I urge you to utilize e-mail to communicate a summary of your story to me. Please do not call me as I simply do not have the resources to take all of your calls. The best way for you to participate and assist us in this lawsuit is to provide us evidence which supports the allegations of the Complaint. This evidence is extremely important to the success of the case. There may come a time in the future when I will ask some of you to serve as witnesses in this case so that you can tell your

May 8, 2008
Page 3

story to the Court. Please provide your comments at our website www.silegal.com. For those without internet access, please write me.

Please retain all of your documents, including water company bills. For those who have immediate issues that need resolution, please continue to work with Veolia Water. Due to the sheer volume of communications I've received, I cannot help each individual with his or her immediate problem. If you are unable to resolve your dispute with Veolia Water, call the Consumer Affairs Division of the Indiana Utility Regulatory Commission at 232-2712 and lodge a complaint with them.

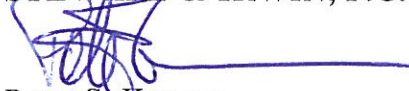
Many of you wish to be added to the lawsuit. For now, our two named Plaintiffs are sufficient to allow this case to move forward. It is my hope that the Court will allow this lawsuit to be treated as a class action. If that is the case, your interests would be represented just as if you were named in the lawsuit.

I want to thank each and every one of you who have attempted to contact me for taking the time to tell me your story. My apologies to those I have been unable to call. Your input has already impressed upon me the importance of this issue to the public. We will do everything we can to ensure that justice is served through this lawsuit. For those of you receiving this communication by e-mail, please forward this e-mail to your neighbors, friends, co-workers, and others who might have similar complaints. The more input I have, the better I will be able to serve your interests.

I will be sending out periodic updates to keep you informed on the progress of the lawsuit. You will also find our website, www.silegal.com, useful to view actual documents filed in Court. We will continue to post important filings as soon as they become available. If you have received this letter directly from me, then you will automatically continue to receive future updates and do not have to register at our website. If you do not wish to receive future communications by e-mail or letter, please e-mail or write and we will immediately take you off the distribution list.

Very truly yours,

STEWART & IRWIN, P.C.



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