

**ACKNOWLEDGEMENT OF  
VEOLIA ENERGY NORTH AMERICA HOLDINGS, INC.  
OUTSIDE COUNSEL GUIDELINES**

Please review the following acknowledgement. Once you are comfortable that you attest to the accuracy of your representation, please print and execute this acknowledgement, and then return the signed original to your Point of Contact within the Legal Department or as otherwise instructed.

I hereby acknowledge that I have read, understand and agree to be bound by the terms of the Veolia Energy North America Holdings, Inc. Outside Counsel Guidelines ("Guidelines"). On behalf of my firm, I hereby represent that the firm will comply with the Guidelines in the course of any representation of Veolia Energy North America Holdings, Inc. or Dalkia North America Holdings, Inc. or any of their respective subsidiaries.

Executed on this 2 day of October, year 2012.

Thomas J. Campbell 10-2-12  
Your Name (signature) Date

Thomas J. Campbell  
Your Name (printed)

Polsinelli Shughart PC  
Name of Your Firm

## **OUTSIDE COUNSEL GUIDELINES**

The following are guidelines for all lawyers and their respective law firms ("Counsel") retained by Veolia Energy North America Holdings, Inc. (together with its subsidiaries and affiliates, referred to herein as "Veolia").<sup>1</sup>

### ***GENERAL STATEMENT***

Veolia appreciates the important role that Counsel has in our business. Our collective interests will be best served through frequent, honest, objective communication. Our Guidelines are reflective of the basic principles by which we hope to abide. They should be viewed as a starting point upon which our relationship will be built.

The heart and soul of these Guidelines are summarized by two overarching objectives: (1) eliminate inefficiency; and (2) eliminate surprise. Some common examples to be avoided include: (a) charging Veolia for invoices sent by courier; (b) invoicing Veolia for associates to attend, but not participate in, depositions (i.e., training exercises at Veolia's expense); (c) conveying a 20-page summary judgment memorandum for the first time the day before the filing deadline; (d) an unapproved 10-page memorandum explaining basic concepts; and (e) invoicing Veolia for time spent "learning" Veolia's corporate history without prior approval. The following detailed Guidelines expand upon these objectives.

### ***POINT OF CONTACT***

Unless otherwise instructed, your primary point of contact with Veolia is the Veolia attorney assigned to the matter ("Point of Contact"). All communication with Veolia should include, at the very least, copies to your Point of Contact. All authorization or approval for any required action should come from your Point of Contact.

### ***TRANSACTION/CASE MANAGEMENT***

1. Veolia expects the members of its Legal Department to take an active role in any matter affecting the Company. It is imperative, therefore, that Counsel keep Veolia fully and currently informed about the status of all matters and the import of that status. No surprises.
2. Any document that is likely to have significant impact if provided to third parties, including a court or administrative agency, should be sent to your Point of Contact with enough time to study, revise and circulate internally the document. All final copies of documents and all memoranda for which Veolia is charged should be sent to Veolia (in electronic form).

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<sup>1</sup> These Guidelines apply to all matters for which outside counsel are retained to represent Veolia Energy North America Holdings, Inc. and Dalkia North America Holdings, Inc. and any of their subsidiaries, including Thermal North America, Inc. and the Trigen Companies.

3. Counsel should consider the possibility of resolving disputes Veolia may have with third parties by methods other than the payment of money (e.g., by the resumption of a business relationship on favorable terms) or by methods of alternative dispute resolution.
4. Veolia should be fully and promptly advised of all settlement overtures and responses.
5. Veolia maintains an Early Case Assessment ("ECA") program for use by its outside counsel. Please communicate with your Point of Contact to determine whether Veolia expects you to complete the ECA.

### **STAFFING**

1. Veolia must approve in advance the identity of each attorney and legal assistant expected to work on any matter. The names of the lawyers and paralegals specifically assigned to any matter must appear on each monthly billing statement. Any subsequent changes to staff should be discussed with Veolia before the change is made.
2. While staffing changes may be necessary from time to time, Veolia should not be charged for the "downtime" or learning time that may result from such a staffing change.
3. Veolia expects that Counsel will bear the cost of training and educating attorneys, paralegals and support staff.
4. Veolia should consider the most efficient and cost effective approach to resolve any matter, including whether alternatives exist in which the time required of Counsel can be minimized without compromising the quality of representation.
5. Veolia expects that all matters will be staffed with the minimum number of professionals consistent with providing high quality legal services. Only in exceptional circumstances will Veolia permit the use of more than one partner, one associate and one legal assistant on any given matter.
6. Veolia believes that, in the ordinary course, only one lawyer is necessary for the handling of meetings, depositions, and arguments. If Counsel believes that additional staffing is necessary, Counsel should contact Veolia beforehand.
7. Time spent in interoffice conferences will be closely monitored and should be kept to a minimum.
8. Counsel should contact Veolia for approval before beginning any research project or any other work that will reasonably take in excess of five hours. Veolia expects that it will not be charged for routine legal research of matters of common knowledge among reasonably experienced attorneys, nor for peripheral

or unfocused legal or factual research. Where use of a brief bank is available and appropriate, Veolia expects it will be charged only for updating the material.

9. Any projects (e.g. scanning of documents, Bates labeling, document coding) which are reasonably anticipated to require large expenditures of paralegal or other non-lawyer staff time (i.e. those likely to result in fees or costs in excess of \$1000) are to be discussed in advance with the Veolia Point of Contact. Veolia expects all such projects to utilize contracted, temporary employees or third-party vendors. In the event that a third-party vendor is appropriate, Veolia will require at least two competitive bids (neither of which can be from the internal staff of the outside law firm). If the internal staff of the law firm can perform the task at the same or less cost than the lowest competitive bidder, Veolia may authorize the law firm staff to complete the project.

10. The partner in charge of the matter should advise each attorney and legal assistant working on a matter of these Guidelines.

### ***BUDGETING***

1. Budgeting policy for any given matter will be determined at the outset by the Veolia attorney in charge.

2. Veolia requires a fee schedule to be sent on a yearly basis regardless if there are any changes.

3. Veolia will not be responsible for fees and expenses in excess of Veolia - approved budgets. Veolia will consider authorizing changes to the budget if circumstances so warrant. All requests for increases must be made prior to exceeding the budget.

4. Veolia maintains budgets within Serengeti Tracker, our matter management system, for outside counsel use. Counsel should communicate with the Point of Contact to determine if Veolia will require completion of a budget for the particular matter.

### ***BILLINGS***

1. Counsel is required to submit all invoices through Serengeti Tracker, our matter management and electronic invoicing system.

2. Lawyers and paralegals should bill their time in increments of 6 minutes (1/10 of an hour).

3. Time charges during travel should be billed to Veolia only to the extent that such time is actually used in performing legal work on our behalf.

4. Only productive time that advances the interests of Veolia shall be billed to Veolia. Counsel should not bill time to Veolia for reviewing these Guidelines, preparing or discussing budgets, expense reports, time sheets, invoices, audits or conflict of interest checks.

5. Veolia expects that separate invoices will be provided for each matter or case, will be submitted in accordance with Serengeti Tracker's requirements and will include:

- a. summary statements of the kinds of services performed;
- b. the relevant period;
- c. the identity of the professional performing the services;
- d. the billing rate of the professional;
- e. the date of service;
- f. the amount of time devoted by each lawyer and paralegal to each *individual* task performed during the day (no "block" billing<sup>2</sup>);
- g. a detailed description of such task; and
- h. an itemization of disbursements and costs, including the date incurred and at whose request such disbursements were incurred.

Invoices must also include the aggregate amounts billed on each matter for both fees and expenses from inception of the matter to date of the invoice.

6. Time reports should identify each matter separately.

7. Invoices should be submitted on a monthly basis unless the aggregate total is less than \$1,000 or is a final bill.

8. Unilateral increases in hourly rates by Counsel on a pending matter are not acceptable. Any increases in hourly rates for attorneys and legal assistants must be expressly approved in advance by Veolia.

9. Veolia expects that the partner in charge of each matter will scrutinize all bills to eliminate duplications, unauthorized charges, fees in excess of budgets and ambiguous entries prior to submittal to Veolia.

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<sup>2</sup> "Block" billing is the practice of showing one time entry followed by a number of tasks. Veolia prefers to see individual time entries for each individual task.

10. Veolia expects that professionals will not bill Veolia for more than 10 hours in any one day (except during trial or negotiations). Counsel should discuss any consistent deviations from this guideline with Veolia.

### **EXPENSES**

1. Subject to the following, Veolia will pay for reasonable, separately itemized, out-of-pocket expenses actually incurred by Counsel. Counsel will not mark-up any such expenses.

2. No disbursement, or series of disbursements in a single category, in excess of \$500 should be incurred without the prior approval of Veolia.

3. No charges shall be billed to Veolia for any of the following services and items:

- Secretarial, word processing, proofreading, filing, office machine attendants (photocopy or telecopier / fax "tending"), librarian or other clerical services (normal, temporary, or overtime), or administrative expenses including, but not limited to, file creation costs, document preparation charges, costs incurred in organizing and maintaining the file, inputting data and training personnel, any costs related to overtime such as meals or transportation;
- Billings for paralegals to maintain files, pleadings, correspondence, discovery and the like;
- Photocopy expenses at more than 10 cents per page or Counsel's actual cost, whichever is less;
- Computerized research such as Lexis/Nexis and Westlaw;
- Local telephone expenses;
- Local meals;
- Local travel and (unless approved in advance by Veolia) travel to any Veolia business headquarters;
- Outgoing fax (other than actual long distance cost);
- Any incoming fax; or
- Interest.

4. Counsel should transmit all documentation in the most cost-effective manner, taking into account the subject circumstances. Generally, documentation should be transmitted electronically, and Counsel should avoid faxing or sending documents via courier unless it is necessary to do so. In particular, Veolia knows of no reason for Counsel to invoice Veolia for invoices sent by courier.
5. Counsel should not charge more for messengers than it would pay an unaffiliated third party vendor.
6. Veolia expects that travel arrangements will take advantage of the most cost-effective discounts or special rates. Veolia must be consulted prior to the scheduling of any air travel. Veolia will not reimburse Counsel for the cost of first-class travel. Veolia will reimburse counsel for mileage for appropriate use of a personal automobile, not to exceed the current IRS limit.
7. Counsel should exercise good judgment in incurring expenses. Reimbursement for expenses, such as lodging, meals, and transportation shall be at reasonable rates. Veolia will not pay for meals, transportation and other similar charges that are incurred when Counsel is not traveling.
8. Billings should not be submitted with "miscellaneous" or "other" categories for expenses.
9. Invoices must be provided for airfare reimbursement, and invoices relating to any other expenses must be provided for reimbursement upon request by Veolia.

#### ***USE OF EXPERTS AND CONSULTANTS***

Counsel must consult with Veolia before retaining experts or consultants. The Point of Contact will determine budgeting policy at the outset for all experts and consultants.

#### ***MEDIA RELATIONS/ADVERTISING***

1. Counsel is not authorized to provide comments to the media with respect to any Veolia matter. All media inquiries should be directed to Veolia and its internal media relations department.
2. Counsel agrees that it will not refer to or otherwise use Veolia or the relationship between Counsel and Veolia in any marketing or similar materials without the consent of the General Counsel of Veolia.

#### ***DOCUMENTS***

Counsel acknowledges and agrees that Veolia shall have the exclusive right to use any documents or instruments prepared on behalf of Veolia.

## **CONFLICTS**

By undertaking representation of Veolia or any of its affiliates, Counsel expressly agrees to avoid all representation adverse to Veolia or any of its affiliates without the prior, express approval of Veolia.