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Peter Paz
CEO
Curapipe Systems
P.O. Box 7284 Abba Hillel Junction,
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20th December 2010

Re: Curapipe and Thames Water

Dear Peter,

Thank you for coming to present the TALR technology to us at Thames Water. The technology is definitely of interest with the potential to reduce leakage at a lower cost and with possibly less environmental impact compared with existing market alternatives. More specifically, it could provide us with a potential alternative to pipeline replacement (in certain cases) and may allow us to address the issue of background leakage.

Thames Water is the largest water utility in the UK and we strive to deliver the highest standards of service to our customers. Innovation plays an important part in meeting our targets; therefore we would be very interested in conducting trials of the TALR technology at our R&D facilities. To facilitate a trial, we would need to apply for investment approval to develop a dedicated pipe test rig, which would allow us to fully evaluate the potential effectiveness and operational impact of the TALR product.

As part of the justification process to gain approval for our investment, we would need to see evidence of completion of the preliminary testing phase in Jerusalem, BS6920 compliance, and the completion of the UK DWI approvals process for the product.

From our initial views of the potential benefits this technology could deliver we have already started to raise Curapipe's profile within Thames Water through our Networks Innovation Steering Group, with a great deal of interest being expressed.

We look forward to working more closely with you in the near future.

Yours sincerely,

A handwritten signature in blue ink that reads "J. Whiter".

Dr Jeff Whiter
Thames Water
Research and Development Manager