

WATER SERVICES LICENCE

granted to

Satec Limited

PART 1 (PRELIMINARY)

Terms of this licence

1. This licence, granted by the Water Industry Commission for Scotland (the "Commission") under section 6(1) of the Water Services Etc. (Scotland) Act 2005 (the "2005 Act"), authorises Satec Limited, a company incorporated in England and Wales (Registered Number 01925178), (the "licensee") whose registered office is The Street, Englefield, Reading, Berkshire, RG7 5ES:
 - (a) to:
 - (i) make arrangements with the occupier of any eligible premises for or in relation to the supply of water to the premises through the public water supply system; and
 - (ii) fix, demand and recover charges for or in relation to the supply of water to any premises in respect of which the licensee has made such arrangements; and
 - (b) to make such arrangements with Scottish Water and such other persons as are necessary for the purposes of or in connection with the things mentioned in paragraph (a);during the period specified in paragraph 4 below.
2. This licence is subject to:
 - (a) the standard conditions applicable to water services licences which shall have effect in the licence in accordance with the provisions of the standard conditions and subject to such modifications (if any) as are set out in Part 2 below (together the "applicable standard conditions");
 - (b) the ordinary conditions, if any, set out in Part 3 below (the "ordinary conditions"); and
 - (c) such schedules hereto, if any, as may be referenced in the applicable standard conditions, the ordinary conditions or the terms of the licence.
3. This licence is subject to transfer, modification or amendment in accordance with the provisions of the 2005 Act, the ordinary conditions or the applicable standard conditions.
4. This licence, unless revoked or suspended in accordance with the 2005 Act, shall continue until determined by not less than 10 years' notice in writing given by the Commission to the licensee.

5. (a) Where any notice or direction is served on or given to any licensee under this licence or the 2005 Act (including any regulations made thereunder), it shall be treated as served -
- (i) by delivering it to any person or leaving it at his proper address or by sending it by post to him at that address; or
 - (ii) if the person is a body corporate, by serving it in accordance with sub-paragraph (i) above on the secretary of that body; or
 - (iii) if the person is a partnership, or a partner in a partnership, by serving it in accordance with sub-paragraph (i) above on a person having the control or management of the partnership business.
- (b) For the purposes of this paragraph and section 7 of the Interpretation Act 1978 (which relates to the service of documents by post) in its application to this paragraph, the proper address of any person on whom a document is to be served shall be his last known address, except that
- (i) in the case of service on a body corporate or its secretary, it shall be the address of the registered or principal office of the body; and
 - (ii) in the case of service on a partnership or a partner or a person having the control or management of a partnership business, it shall be the address of the principal office of the partnership;
- and for the purposes of this sub-paragraph the principal office of a company registered outside the United Kingdom or of a partnership carrying on business outside the United Kingdom is its principal office within the United Kingdom.
- (c) If a person to be served by virtue of this licence or under the 2005 Act with any notice or direction has specified an address within the United Kingdom other than his proper address (as determined in pursuance of sub-paragraph (b) above) as the one at which he or someone on his behalf will accept any notice or direction of the same description, that address shall also be treated as his proper address for the purposes of that sub-paragraph.
- (d) This section shall not apply to any notice or direction in relation to the service of which provision is made by rules of court.

6. This licence shall be interpreted and construed in like manner as an Act of Parliament for the purposes of the Interpretation Act 1978.

7. References in this licence to a provision of any enactment where, after the date of this licence:
 - (a) the enactment has been replaced or supplemented by another enactment, and
 - (b) such enactment incorporates a corresponding provision in relation to the same subject matter, shall be construed, so far as the context permits, as including a reference to the corresponding provision of that other enactment.

PART 2 (AMENDMENT OF STANDARD LICENCE CONDITIONS)

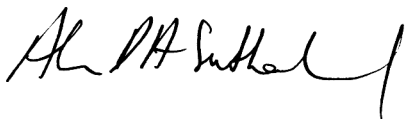
8. There are no amendments to the standard licence conditions.

PART 3 (ORDINARY CONDITIONS)

9. There are no ordinary conditions.

Done at Stirling on 1 August 2007

For and on behalf of the Water Industry Commission for Scotland



.....

Alan Sutherland, Chief Executive