FORM SC 14D1

Tender offer statement.

Filing Date: **1999-03-26**
SEC Accession No. 0000950123-99-002606

SUBJECT COMPANY

UNITED STATES FILTER CORP

CIK:**318025**| IRS No.: **330266015** | State of Incorp.:**DE** | Fiscal Year End: **0331**
Type: **SC 13D** | Act: **34** | File No.: **005-35006** | Film No.: **99575079**
SIC: **3580** Refrigeration & service industry machinery

Mailing Address
40-004 COOK STREET
PALM DESERT CA 92211

Business Address
40-004 COOK ST
PALM DESERT CA 92211
7603400098

UNITED STATES FILTER CORP

CIK:**318025**| IRS No.: **330266015** | State of Incorp.:**DE** | Fiscal Year End: **0331**
Type: **SC 14D1** | Act: **34** | File No.: **005-35006** | Film No.: **99575080**
SIC: **3580** Refrigeration & service industry machinery

Mailing Address
40-004 COOK STREET
PALM DESERT CA 92211

Business Address
40-004 COOK ST
PALM DESERT CA 92211
7603400098

FILED BY

VIVENDI

CIK:**920617**| IRS No.: **000000000** | State of Incorp.:**I0** | Fiscal Year End: **1231**
Type: **SC 14D1**

Mailing Address
C/O COMPAGNIE GENERALE
DES EAUX
52 RUE D'ANJOU
PARIS I0 75384

Business Address
52 RUE D ANJOU
PARIS, FRANCE I0 75384
0113314924

VIVENDI

CIK:**920617**| IRS No.: **000000000** | State of Incorp.:**I0** | Fiscal Year End: **1231**
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Mailing Address
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Business Address
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0113314924

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 14D-1

TENDER OFFER STATEMENT PURSUANT TO SECTION 14(D)(1)
OF THE SECURITIES EXCHANGE ACT OF 1934

AND

SCHEDULE 13D
UNDER THE SECURITIES EXCHANGE ACT OF 1934

UNITED STATES FILTER CORPORATION
(NAME OF SUBJECT COMPANY)

VIVENDI
EAU ACQUISITION CORP.
(BIDDERS)

COMMON STOCK, PAR VALUE $.01 PER SHARE

(AND ASSOCIATED PREFERRED SHARE PURCHASE RIGHTS)
(TITLE OF CLASS OF SECURITIES)

911843209
(CUSIP NUMBER OF CLASS OF SECURITIES)

MICHEL AVENAS

EAU ACQUISITION CORP.
C/O VIVENDI NORTH AMERICA MANAGEMENT SERVICES, INC.
800 THIRD AVENUE
38TH FLOOR
NEW YORK, NEW YORK 10022
(212)753-2000
(NAME, ADDRESS AND TELEPHONE NUMBER OF PERSON AUTHORIZED TO
RECEIVE NOTICES AND COMMUNICATIONS ON BEHALF OF BIDDER)

COPIES TO:
DANIEL A. NEFF, ESQ.
TREVOR S. NORWITZ, ESQ.
WACHTELL, LIPTON, ROSEN & KATZ
51 WEST 52ND STREET
NEW YORK, NEW YORK 10019
(212) 403-1000

CALCULATION OF FILING FEE

<TABLE>
<CAPTION>

TRANSACTION VALUATION*	AMOUNT OF FILING FEE**
<S>	<C>

	$5,733,878,913	$1,146,775.78

</TABLE>

* For purposes of calculating the filing fee only. Based upon 182,027,902 shares of Common Stock, par value $.01 per share, of United States Filter Corporation outstanding on March 22, 1999.

** The fee, calculated in accordance with Rule 0-11(d) of the Securities Exchange Act of 1934, is 1/50th of one percent of the aggregate Transaction Valuation.

[ ] Check box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and date of its filing.

Amount Previously Paid	None
Form of Registration No.:	N/A
Filing Party:	N/A
Date Filed:	N/A

SCHEDULE 14D-1/SCHEDULE 13D

CUSIP NO. 88553V107

<TABLE>

<S>	<C>	<C>
1	NAME OF REPORTING PERSON S.S. OR I.R.S. IDENTIFICATION NUMBER OF ABOVE PERSON Eau Acquisition Corp.	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [ ] (b) [ ]	
3	SEC USE ONLY	
4	SOURCES OF FUNDS AF	
5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(e) or 2(f) [ ]	
6	CITIZENSHIP OR PLACE OF ORGANIZATION Delaware	
7	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 58,634,357*	
8	CHECK IF THE AGGREGATE AMOUNT IN ROW (7) EXCLUDES CERTAIN SHARES [ ]	
9	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (7) 26.9%*	
10	TYPE OF REPORTING PERSON CO	

</TABLE>

SCHEDULE 14D-1/SCHEDULE 13D

CUSIP NO. 88553V107

<TABLE>
<S> <C> <C>

1	NAME OF REPORTING PERSON Vivendi S.S. OR I.R.S. IDENTIFICATION NUMBER OF ABOVE PERSON (N/A)	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [ ] (b) [X]	
3	SEC USE ONLY	
4	SOURCES OF FUNDS BK, OO	
5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(e) or 2(f) [ ]	
6	CITIZENSHIP OR PLACE OF ORGANIZATION France	
7	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 58,634,357*	
8	CHECK IF THE AGGREGATE AMOUNT IN ROW (7) EXCLUDES CERTAIN SHARES [ ]	
9	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (7) 26.9%*	
10	TYPE OF REPORTING PERSON CO	

</TABLE>

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* On March 22, 1999, Vivendi ("Parent") entered into support agreements (the "Support Agreements") with certain stockholders and three executive officers of United States Filter Corporation (the "Com-

pany"), which are described in Section 11 of the Offer to Purchase dated March 26, 1999 filed as an exhibit to this Schedule 14D-1. Pursuant to the Support Agreements, upon the terms set forth therein, the parties to the Support Agreements generally have agreed to tender, in accordance with the terms of the tender offer described in this statement (the "Offer") an aggregate of 22,410,805 shares of common stock, par value $.01 per share, of the Company (the "Common Stock"). In addition, the parties to the Support Agreements have granted an irrevocable proxy with respect to such shares of Common Stock to Parent. The three executive officers who are parties to Support Agreements have also granted to Parent an option to purchase their aggregate 657,946 shares at an exercise price of $31.50, exercisable upon the terms set forth therein. Parent has also agreed in the Support Agreements with the stockholders of the Company who are not executive officers of the Company, to

purchase the shares owned by such stockholders in the event the Offer is terminated or withdrawn. Vivendi and the Company also entered into a Stock Option Agreement on March 22, 1999, pursuant to which the Company granted to Parent an option to purchase 36,223,552 Shares at an exercise price of $31.50 per share, which is not currently exercisable but would become exercisable by Parent pursuant to the terms and conditions of the Stock Option Agreement if the Company were to become obligated to pay the Termination Fee (as defined in the Merger Agreement) in accordance with the Merger Agreement. The Stock Option Agreement is described in Section 11 of the Offer to Purchase dated March 26, 1999 filed as an exhibit to this Schedule 14D-1.

This Schedule 14D-1 Tender Offer Statement relates to the offer by Eau Acquisition Corp. (the "Purchaser"), a Delaware corporation and an indirect wholly-owned subsidiary of Vivendi, a societe anonyme organized under the laws of France ("Parent"), to purchase all outstanding shares of Common Stock, par value $.01 per share (the "Shares"), of United States Filter Corporation, a Delaware corporation (the "Company"), and the associated preferred share purchase rights (the "Rights") issued pursuant to the Rights Agreement, dated as of November 27, 1998, between the Company and The Bank of New York, as Rights Agent (as the same may be amended, the "Rights Agreement"), at a purchase price of $31.50 per Share (and associated Right), net to the seller in cash, without interest thereon, upon the terms and subject to the conditions set forth in the Offer to Purchase and in the related Letter of Transmittal (which together constitute the "Offer"), which are annexed to and filed with this Schedule 14D-1 as Exhibits (a)(1) and (a)(2), respectively. This Schedule 14D-1 is being filed on behalf of the Purchaser and Parent.

This Statement also constitutes a Statement on Schedule 13D with respect to beneficial ownership of Shares resulting from the Support Agreements and the Stock Option Agreement. The item numbers and responses thereto are in accordance with the requirements of Schedule 14D-1.

ITEM 1. SECURITY AND SUBJECT COMPANY.

(a) The name of the subject company is United States Filter Corporation. The address of its principal executive offices is 40-004 Cook Street, Palm Desert, California 92211.

(b) Reference is hereby made to the information set forth in the "Introduction," Section 1 ("Terms of the Offer") and Section 11 ("Purpose of the Offer; the Merger Agreement; the Stock Option Agreement; the Support Agreements; Appraisal Rights; Plans for the Company; the Rights") of the Offer to Purchase, which is incorporated herein by reference.

(c) Reference is hereby made to the information set forth in Section 6 ("Price Range of the Shares; Dividends") of the Offer to Purchase, which is incorporated by reference.

ITEM 2. IDENTITY AND BACKGROUND.

(a)-(d) This Statement is being filed on behalf of Parent and the Purchaser for purposes of the Schedule 14D-1. Reference is hereby made to the information set forth in the "Introduction," Section 9 ("Certain Information Concerning Parent and the Purchaser") and Schedule I ("Directors and Executive Officers of Parent and the Purchaser") of the Offer to Purchase, which is incorporated herein by reference.

(e)-(f) During the last five years, neither Parent nor the Purchaser, nor, to the best of their knowledge, any of their respective executive officers and directors listed in Schedule I (Directors and Executive Officers of Parent and

the Purchaser) of the Offer to Purchase, which is incorporated herein by reference, has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors), or was a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting activities subject to, Federal or State securities laws or finding any violation of such laws.

(g) Reference is hereby made to the information set forth in Schedule 1 ("Directors and Executive Officers of Parent and the Purchaser") of the Offer to Purchase, which is incorporated herein by reference.

ITEM 3. PAST CONTACTS, TRANSACTIONS OR NEGOTIATIONS WITH THE SUBJECT COMPANY.

(a)-(b) Reference is hereby made to the information set forth in the "Introduction," Section 9 ("Certain Information Concerning Parent and the Purchaser"), Section 10 ("Background of the Offer; Contacts with the Company") and Section 11 ("Purpose of the Offer; the Merger Agreement; the Stock Option Agreement; the Support Agreements; Appraisal Rights; Plans for the Company; the Rights") of the Offer to Purchase, which is incorporated herein by reference.

ITEM 4. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

(a)-(b) Reference is made to the information set forth in Section 12 ("Source and Amount of Funds") of the Offer to Purchase, which is incorporated herein by reference.

(c) Not applicable.

ITEM 5. PURPOSE OF THE TENDER OFFER AND PLANS OR PROPOSALS OF THE BIDDER.

(a)-(g) Reference is hereby made to the information set forth in the "Introduction," Section 7 ("Possible Effects of the Offer on the Market for the Shares; NYSE Listing; Exchange Act Registration; Margin Regulations"), Section 10 ("Background of the Offer; Contacts with the Company"), Section 11 ("Purpose of the Offer; the Merger Agreement; the Stock Option Agreement; the Support Agreements; Appraisal Rights; Plans for the Company; the Rights") and Section 13 ("Dividends and Distributions") of the Offer to Purchase, which is incorporated herein by reference.

ITEM 6. INTEREST IN SECURITIES OF THE SUBJECT COMPANY.

(a)-(b) Reference is hereby made to the information set forth in Section 9 ("Certain Information Concerning Parent and the Purchaser") and Schedule I ("Directors and Executive Officers of Parent and the Purchaser") of the Offer to Purchase, which is incorporated herein by reference.

ITEM 7. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO THE SUBJECT COMPANY'S SECURITIES.

Reference is hereby made to the information set forth in the "Introduction," Section 9 ("Certain Information Concerning Parent and the Purchaser"), Section 10 ("Background of the Offer; Contacts with the Company"), Section 11 ("Purpose of the Offer; the Merger Agreement; the Stock Option Agreement; the Support Agreements; Appraisal Rights; Plans for the Company; the Rights") and Section 15 ("Certain Legal Matters; Required Regulatory Approvals") of the Offer to Purchase, which is incorporated herein by reference.

ITEM 8. PERSONS RETAINED, EMPLOYED OR TO BE COMPENSATED.

Reference is hereby made to the information set forth in Section 16 ("Certain Fees and Expenses") of the Offer to Purchase, which is incorporated herein by reference.

ITEM 9. FINANCIAL STATEMENTS OF CERTAIN BIDDERS.

Reference is hereby made to the information set forth in Section 9 ("Certain Information Concerning Parent and the Purchaser") of the Offer to Purchase, which is incorporated herein by reference.

ITEM 10. ADDITIONAL INFORMATION.

(a) Reference is hereby made to the information set forth in the "Introduction," Section 10 ("Background of the Offer; Contacts with the Company") and Section 11 ("Purpose of the Offer; the Merger Agreement; the Stock Option Agreement; the Support Agreements; Appraisal Rights; Plans for the Company; the Rights") of the Offer to Purchase, which is incorporated herein by reference.

(b)-(c) Reference is hereby made to the information set forth in the "Introduction," Section 11 ("Purpose of the Offer; the Merger Agreement; the Stock Option Agreement; the Support Agreements; Appraisal Rights; Plans for the Company; the Rights") and Section 15 ("Certain Legal Matters; Required Regulatory Approvals") of the Offer to Purchase, which is incorporated herein by reference.

(d) Reference is hereby made to the information set forth in Section 7 ("Possible Effects of the Offer on the Market for the Shares; NYSE Listing; Exchange Act Registration; Margin Regulations") of the Offer to Purchase, which is incorporated herein by reference.

(e) Reference is hereby made to the information set forth in Section 15 ("Certain Legal Matters; Required Regulatory Approvals") of the Offer to Purchase, which is incorporated herein by reference.

(f) Reference is hereby made to the entire texts of the Offer to Purchase and the related Letter of Transmittal, which are incorporated herein by reference.

ITEM 11. MATERIAL TO BE FILED AS EXHIBITS.

<TABLE>

<S>	<C>	<C>
(a)(1)	--	Offer to Purchase, dated March 26, 1999.
(a)(2)	--	Letter of Transmittal.
(a)(3)	--	Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Nominees.
(a)(4)	--	Letter to Clients for Use by Brokers, Dealers, Commercial Banks, Trust Companies and Nominees.
(a)(5)	--	Notice of Guaranteed Delivery.
(a)(6)	--	Guidelines for Certification on Taxpayer Identification Number on Substitute Form W-9.
(a)(7)	--	Text of press release issued by Parent and the Company on March 22, 1999.
(a)(8)	--	Summary Advertisement, dated March 26, 1999.
(c)(1)	--	Agreement and Plan of Merger, dated as of March 22, 1999 by

<TABLE>
		and among the Company, the Purchaser and Parent.
(c)(2)	--	Form of Support Agreement between Parent and the Apollo Stockholders.
(c)(3)	--	Support Agreement between Parent and the Bass Stockholders.
(c)(4)	--	Form of Support Agreement between Parent and Management.
(c)(5)	--	Employment Agreement among the Company, Parent and Richard J. Heckmann.
(c)(6)	--	Employment Agreement among the Company, Parent and Andrew D. Seidel.
(c)(7)	--	Employment Agreement among the Company, Parent and Kevin L. Spence.
(c)(8)	--	Stock Option Agreement dated as of March 22, 1999 between Company and Parent.
(c)(9)	--	Confidentiality Agreement, dated as of March 15, 1999 between the Company and Parent.
(c)(10)	--	Letter Agreement dated March 22, 1999 between Parent, Company and Richard J. Heckmann.
(d)	--	Not applicable.
(e)	--	Not applicable.
(f)	--	Not applicable.
</TABLE>

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: March 26, 1999

VIVENDI

By: /s/ JEAN-MARIE MESSIER

Name: Jean-Marie Messier
Title: Chairman and Chief Executive Officer

EAU ACQUISITION CORP.

By: /s/ JEAN-MARIE MESSIER

Name: Jean-Marie Messier
Title: President

EXHIBIT INDEX

<TABLE>
<CAPTION>

EXHIBIT NO.		DESCRIPTION	SEQUENTIALLY NUMBERED PAGES
<S>	<C>	<C>	<C>
(a)(1)	--	Offer to Purchase, dated March 26, 1999.	

(a)(2)	--	Letter of Transmittal.
(a)(3)	--	Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Nominees.
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(c)(5)	--	Employment Agreement among the Company, Parent and Richard J. Heckmann.
(c)(6)	--	Employment Agreement among the Company, Parent and Andrew D. Seidel.
(c)(7)	--	Employment Agreement among the Company, Parent and Kevin L. Spence.
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(c)(10)	--	Letter Agreement dated March 22, 1999 between Parent, Company and Richard J. Heckmann.
(d)	--	Not applicable.
(e)	--	Not applicable.
(f)	--	Not applicable.

</TABLE>

OFFER TO PURCHASE FOR CASH

ALL OUTSTANDING SHARES OF COMMON STOCK
(INCLUDING THE ASSOCIATED PREFERRED SHARE PURCHASE RIGHTS)

OF

UNITED STATES FILTER CORPORATION
BY

EAU ACQUISITION CORP.
AN INDIRECT WHOLLY OWNED SUBSIDIARY

OF

VIVENDI
AT

$31.50 NET PER SHARE

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON THURSDAY, APRIL 22, 1999, UNLESS THE OFFER IS EXTENDED.

THE BOARD OF DIRECTORS OF THE COMPANY HAS DETERMINED THAT THE OFFER AND THE MERGER (AS SUCH TERMS ARE DEFINED HEREIN), ARE FAIR TO AND IN THE BEST INTERESTS OF THE COMPANY AND ITS STOCKHOLDERS, HAS APPROVED THE OFFER AND ADOPTED THE MERGER AGREEMENT AND DECLARED ITS ADVISABILITY, AND RECOMMENDS ACCEPTANCE OF THE OFFER BY THE COMPANY'S STOCKHOLDERS.

THE OFFER IS CONDITIONED UPON, AMONG OTHER THINGS, SHARES REPRESENTING AT LEAST A MAJORITY OF THE TOTAL NUMBER OF OUTSTANDING SHARES OF COMMON STOCK OF THE COMPANY ON A FULLY DILUTED BASIS BEING VALIDLY TENDERED PRIOR TO THE EXPIRATION OF THE OFFER AND NOT PROPERLY WITHDRAWN AND CERTAIN OTHER CONDITIONS. SEE SECTION 14.

IMPORTANT

Any stockholder desiring to tender all or any portion of such stockholder's Shares (as defined herein) either should (i) complete and sign the Letter of Transmittal (or a facsimile thereof) in accordance with the instructions in the Letter of Transmittal, and mail or deliver it together with the certificate(s) representing tendered Shares and any other required documents to the Depositary (as defined herein) or tender such Shares pursuant to the procedures for book-entry transfer set forth in Section 3 or (ii) request such stockholder's broker, dealer, commercial bank, trust company or other nominee to effect such transaction. A stockholder whose Shares are registered in the name of a broker, dealer, commercial bank, trust company or other nominee must contact such broker, dealer, commercial bank, trust company or other nominee if such stockholder desires to tender such Shares.

A stockholder who desires to tender Shares and whose certificates representing such Shares are not immediately available or who cannot comply with the procedures for book-entry transfer on a timely basis, may tender such Shares by following the procedures for guaranteed delivery set forth in Section 3.

Questions and requests for assistance may be directed to the Information Agent at its address and telephone number set forth on the back cover of this Offer to Purchase. Additional copies of this Offer to Purchase, the Letter of Transmittal, the Notice of Guaranteed Delivery and other related materials may

be obtained from the Information Agent or from brokers, dealers, commercial banks, trust companies and other nominees.

The Dealer Manager for the Offer is:
LAZARD FRERES & CO. LLC
30 Rockefeller Plaza
New York, New York 10020
(212) 632-6717 (call collect)

March 26, 1999

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To: All Holders of Shares of Common Stock of United States Filter Corporation:

INTRODUCTION

Eau Acquisition Corp. (the "Purchaser"), a Delaware corporation and an indirect wholly-owned subsidiary of Vivendi, a societe anonyme organized under the laws of France ("Parent"), hereby offers to purchase all outstanding shares of common stock, par value $.01 per share (the "Shares"), of United States Filter Corporation, a Delaware corporation (the "Company"), and the associated Preferred Share Purchase Rights (the "Rights") issued pursuant to the Rights Agreement, dated as of November 27, 1998, between the Company and The Bank of New York, as Rights Agent (as the same may be amended, the "Rights Agreement"), at a purchase price of $31.50 per Share (and associated Right), net to the seller in cash, without interest thereon, upon the terms and subject to the conditions set forth in this Offer to Purchase and in the related Letter of

Transmittal (which together constitute the "Offer"). Unless the context otherwise requires, all references to Shares shall include the associated Rights.

Tendering stockholders will not be obligated to pay brokerage fees or commissions or, except as set forth in Instruction 6 of the Letter of Transmittal, stock transfer taxes on the purchase of Shares by the Purchaser pursuant to the Offer. The Purchaser will pay all charges and expenses of ChaseMellon Shareholder Services, L.L.C., as Depositary (the "Depositary"), and Innisfree M&A Incorporated, as Information Agent (the "Information Agent"), incurred in connection with the Offer. See Section 16.

THE BOARD OF DIRECTORS OF THE COMPANY HAS DETERMINED THAT THE OFFER AND THE MERGER (AS SUCH TERMS ARE DEFINED HEREIN) ARE FAIR TO AND IN THE BEST INTERESTS OF THE COMPANY AND ITS STOCKHOLDERS, HAS APPROVED THE OFFER AND ADOPTED THE MERGER AGREEMENT AND DECLARED ITS ADVISABILITY AND RECOMMENDS THAT STOCKHOLDERS OF THE COMPANY ACCEPT THE OFFER AND TENDER THEIR SHARES PURSUANT TO THE OFFER.

Each of Salomon Smith Barney Inc. ("SSB") and J.P. Morgan Securities Inc. ("J.P. Morgan") has delivered to the Board of Directors of the Company a written opinion dated March 22, 1999 to the effect that, as of such date and based upon and subject to certain matters stated in such opinion, the $31.50 per Share cash consideration to be received by the holders of Shares, pursuant to the Offer and the Merger is fair, from a financial point of view, to such holders. A copy of the written opinions from SSB and J.P. Morgan are included with the Company's Solicitation/ Recommendation Statement on Schedule 14D-9 (the "Schedule 14D-9"), that is being mailed to stockholders concurrently herewith, and stockholders are urged to read such opinion carefully and in its entirety for a description of the assumptions made, matters considered and limitations of the review undertaken by SSB and J.P. Morgan.

THE OFFER IS CONDITIONED UPON, AMONG OTHER THINGS, AT LEAST A MAJORITY OF THE TOTAL NUMBER OF OUTSTANDING SHARES ON A FULLY DILUTED BASIS BEING VALIDLY TENDERED PRIOR TO THE EXPIRATION DATE (AS DEFINED HEREIN) AND NOT PROPERLY WITHDRAWN (THE "MINIMUM CONDITION"). THE OFFER IS ALSO SUBJECT TO CERTAIN OTHER TERMS AND CONDITIONS. THE OFFER WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON THURSDAY, APRIL 22, 1999, UNLESS EXTENDED. SEE SECTIONS 1, 14 AND 15.

The Offer is being made pursuant to the Agreement and Plan of Merger, dated as of March 22, 1999 (the "Merger Agreement"), by and among the Company, the Purchaser and Parent pursuant to which, following the consummation of the Offer and the satisfaction or waiver of certain conditions, the Purchaser will be merged with and into the Company (the "Merger"), with the Company continuing as the surviving corporation (the "Surviving Corporation"). On the effective date of the Merger, each outstanding Share (other than Shares held by Parent, the Purchaser, any wholly-owned subsidiary of Parent or the Purchaser, or in the treasury of the Company or by any wholly-owned subsidiary of the Company, which Shares will be canceled with no payment being made with respect thereto, and other than Shares, if any, held by stockholders who perfect their appraisal rights under Delaware law, if available ("Dissenting Shares")), will, by virtue of

the Merger and without any action by the holder thereof, be converted into the right to receive $31.50 in cash (the "Merger Consideration"), payable to the holder thereof, without interest thereon, upon the surrender of the certificate formerly representing such Share. The Merger Agreement is more fully described in Section 11 below. Certain Federal income tax consequences of the sale of Shares pursuant to the Offer and the Merger, as the case may be, are described in Section 5 below.

If the Minimum Condition and the other conditions to the Offer are

satisfied and the Offer is consummated, the Purchaser will own a sufficient number of Shares to ensure that the Merger will be approved. Under the Delaware General Corporation Law (the "DGCL"), if, after consummation of the Offer, the Purchaser owns at least 90% of the Shares then outstanding, the Purchaser will be able to cause the Merger to occur without a vote of the Company's stockholders. If, however, after consummation of the Offer, the Purchaser owns less than 90% of the then outstanding Shares, a vote of the Company's stockholders will be required under the DGCL to approve the Merger, and a significantly longer period of time will be required to effect the Merger. See Section 11.

Concurrently with the execution of the Merger Agreement, the Company and Parent entered into a Stock Option Agreement (the "Stock Option Agreement") pursuant to which, the Company granted to Parent an irrevocable option (the "Option") to purchase 36,223,552 authorized but unissued Shares at an exercise price of $31.50 per Share. The Shares subject to the Option would represent approximately 19.9% of the outstanding Shares (before giving effect to the issuance of the Shares subject to the Option). The Option would become exercisable by Parent pursuant to the terms and conditions of the Stock Option Agreement, if the Company would be obligated to pay the Termination Fee (as described herein) in accordance with the Merger Agreement. See Section 11.

Concurrently with the execution of the Merger Agreement, Parent also entered into support agreements with certain stockholders of the Company (the "Stockholder Support Agreements") and three executive officers of the Company (the "Management Support Agreements", and together with the Stockholder Support Agreements, the "Support Agreements"). Pursuant to the Support Agreements, such stockholders of the Company have agreed, among other things, to tender, in accordance with the terms of the Offer, all of the Shares owned (beneficially or of record) by them and to vote all of the Shares owned by them in favor of the Merger and against certain other extraordinary transactions. The Management Support Agreements also provide for a grant of an option to Parent to purchase the Shares held by the executive officers that are party thereto at $31.50 per Share. Parent has also agreed with the stockholders who are parties to the Stockholder Support Agreements to purchase the Shares owned by such stockholders as of the date of such agreements in the event the Offer is terminated or withdrawn or the Shares are not otherwise purchased pursuant to the Offer. According to information provided by such stockholders, in the aggregate, approximately 22,410,805 Shares are subject to the Support Agreements, representing approximately 12.3% of the outstanding Shares. See Section 11.

The Company has informed the Purchaser that, as of March 20, 1999, there were 182,027,902 Shares issued and outstanding and 14,626,972 Shares reserved for issuance upon the exercise of outstanding stock options ("Options") granted under the Company's stock option or similar plans or agreements.

Based on the foregoing, and assuming no additional Shares (or warrants, options or rights exercisable for, or securities convertible into, Shares) have been issued (other than Shares issued pursuant to such options and rights referred to above), if the Purchaser were to acquire approximately 98,327,438 Shares pursuant to the Offer (including the Shares which pursuant to the Support Agreements are required to be tendered in response to the Offer), the Minimum Condition would be satisfied.

No appraisal rights are available in connection with the Offer; however, stockholders may have appraisal rights in connection with the Merger regardless of whether the Merger is consummated, with or without a vote of the Company's stockholders. See Section 11.

THIS OFFER TO PURCHASE AND THE RELATED LETTER OF TRANSMITTAL CONTAIN IMPORTANT INFORMATION THAT SHOULD BE READ CAREFULLY BEFORE ANY DECISION IS MADE WITH RESPECT TO THE OFFER.

1. TERMS OF THE OFFER.

Upon the terms and subject to the conditions of the Offer (including, if the Offer is extended or amended, the terms and conditions of any such extension or amendment), the Purchaser will accept for payment and pay for all Shares validly tendered and not withdrawn on or prior to the Expiration Date in accordance with the procedures set forth in Section 4, as soon as practicable after such Expiration Date; provided that, if the Shares validly tendered and not withdrawn pursuant to the Offer are sufficient to satisfy the Minimum Condition but equal to less than 90% of the outstanding Shares, the Purchaser reserves the right, in its sole discretion, to extend the Offer from time to time for up to 15 business days in the aggregate, notwithstanding the prior satisfaction of the conditions to the Offer so long as Purchaser irrevocably waives the satisfaction of any of the conditions to the Offer (other than those set forth in paragraph (a), (b) or (d) of Section 14 hereof) that subsequently may not be satisfied during any such extension of the Offer. The Offer will remain open until 12:00 midnight, New York City time, on Thursday, April 22, 1999 (the "Expiration Date"), unless and until the Purchaser extends the period of time for which the Offer is open, in which event the term "Expiration Date" will mean the time and date at which the Offer, as so extended by the Purchaser, will expire.

The Offer is conditioned upon, among other things, the satisfaction of the Minimum Condition and the expiration or termination of all waiting periods imposed by the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"), and the Merger Control Regulation 4064-89 of the European Commission (the "EC Merger Control Regulation"). See Section 14. Parent shall be entitled to extend the Offer if, at any Expiration Date, any condition to the Offer is not satisfied or waived, and Parent agrees to cause the Purchaser to extend the Offer up to 40 days in the aggregate, in one or more periods of not more than 10 business days, if, at any Expiration Date, any condition to the Offer set forth in paragraph (a), (b) or (g) of Section 14 hereof is not satisfied or waived; provided, however, that the Purchaser shall not be required to extend the Offer as provided in this sentence unless, in Parent's reasonable judgment, (i) each such condition is reasonably capable of being satisfied and (ii) the Company is in material compliance with all of its covenants under the Merger Agreement, subject however to Parent's and the Purchaser's rights of termination under the Merger Agreement. During any extension, all Shares previously tendered and not withdrawn will remain subject to the Offer and subject to the right of a tendering stockholder to withdraw such stockholder's Shares. See Section 4. Under no circumstances will interest be paid on the purchase price for tendered Shares, whether or not the Offer is extended.

Subject to the applicable regulations of the Securities and Exchange Commission (the "Commission"), the Purchaser expressly reserves the right, in its sole discretion, at any time or from time to time, to (i) in addition to its termination rights relating to fulfillment of the Minimum Condition and expiration or termination of HSR Act or EC Merger Control Regulation waiting periods, terminate the Offer if at any time prior to the time of payment for Shares pursuant to the Offer any of the other conditions referred to in Section 14 has not been satisfied; (ii) waive any condition (including the Minimum Condition); or (iii) except as set forth in the Merger Agreement and discussed below, otherwise amend the Offer in any respect, in each case, by giving oral or written notice of such termination, waiver or amendment to the Depositary. In the Merger Agreement, the Purchaser has agreed that without the prior written consent of the Company, it will not decrease the Offer Price or change the form of consideration payable in the Offer, decrease the number of Shares sought to be purchased in the Offer, impose additional conditions to the Offer or amend any other term of the Offer in any manner adverse to the holders of Shares, or reduce the time period during which the Offer shall remain open. Notwithstanding the foregoing, the Offer Price may be increased and the Offer may be extended to the extent required by law in connection with any such increase, in each case without the consent of the Company.

Any such extension, termination or amendment will be followed as promptly as practicable by public announcement thereof. In the case of an extension, Rule 14e-1(d) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), requires that the announcement be issued no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled Expiration Date in accordance with the public announcement requirements of Rule 14e-1 under the Exchange Act. Subject to applicable law (including Rules 14d-4(c) and 14d-6(d) under the Exchange Act, which require that any material change in

the information published, sent or given to stockholders in connection with the Offer be promptly disseminated to stockholders in a manner reasonably designed to inform stockholders of such change), and without limiting the manner in which the Purchaser may choose to make any public announcement, the Purchaser will not have any obligation to publish, advertise or otherwise communicate any such public announcement other than by making a release to the Dow Jones News Service. The rights reserved by the Purchaser in the preceding paragraph are in addition to the Purchaser's rights pursuant to Section 14.

If the Purchaser makes a material change in the terms of the Offer, or if it waives a material condition to the Offer, the Purchaser will extend the Offer and disseminate additional tender offer materials to the extent required by Rules 14d-4(c), 14d-6(d) and 14e-1 under the Exchange Act. The minimum period during which an offer must remain open following material changes in the terms of the Offer, other than a change in price or a change in percentage of securities sought, will depend upon the facts and circumstances, including the materiality of the changes. In the Commission's view, an offer should remain open for a minimum of five business days from the date the material change is first published, sent or given to stockholders, and, if material changes are made with respect to information that approaches the significance of price and the percentage of securities sought, a minimum of ten business days may be required to allow for adequate dissemination and investor response. With respect to a change in price, a minimum ten business day period from the date of such change is generally required under applicable Commission rules and regulations to allow for adequate dissemination to stockholders.

For purposes of the Offer, a "business day" means any day other than a Saturday, Sunday or a Federal holiday and consists of the time period from 12:01 a.m. through 12:00 midnight, New York City time.

As of the date of this Offer, the Rights are evidenced by the certificates representing Shares and do not trade separately. Accordingly, by tendering a certificate representing Shares, a stockholder is automatically tendering a similar number of associated Rights. If, however, pursuant to the Rights Agreement or for any other reason, the Rights detach and separate certificates representing rights ("Rights Certificates") are issued, stockholders will be required to tender one Right for each Share tendered in order to effect a valid tender of such Share.

The Company has provided the Purchaser with the Company's stockholder lists and security position listings for the purpose of disseminating the Offer to holders of Shares. This Offer to Purchase, the related Letter of Transmittal and other relevant materials will be mailed by the Purchaser, to record holders of Shares and will be furnished by the Purchaser to brokers, dealers, commercial banks, trust companies and similar persons whose names, or the names of whose nominees, appear on the securityholder lists or, if applicable, who are listed as participants in a clearing agency's security position listing, for subsequent transmittal to beneficial owners of Shares.

2. ACCEPTANCE FOR PAYMENT AND PAYMENT.

Upon the terms and subject to the conditions of the Offer (including, if the Offer is extended or amended, the terms and conditions of the Offer as so extended or amended), promptly after the Expiration Date the Purchaser will purchase, by accepting for payment, and will pay for, all Shares validly tendered and not properly withdrawn (in accordance with Section 4) prior to the Expiration Date. In addition, subject to applicable rules of the Commission, the Purchaser expressly reserves the right, in its sole discretion, to delay acceptance for payment of, or payment for, Shares in order to comply with applicable law, including the HSR Act and the EC Merger Control Regulation. See Sections 1 and 15.

In all cases, payment for Shares purchased pursuant to the Offer will be made only after timely receipt by the Depositary of (i) certificates representing such Shares ("Share Certificates") or timely confirmation (a "Book-Entry Confirmation") of the book-entry transfer of such Shares into the Depositary's account at The Depository Trust Company ("DTC") pursuant to the procedures set forth in Section 3; (ii) the appropriate Letter of Transmittal (or a facsimile thereof), properly completed and duly executed, with any required signature guarantees or an Agent's Message (as defined below) in connection with a book-entry transfer; and (iii) any other documents required by the Letter of Transmittal.

The term "Agent's Message" means a message transmitted by DTC to, and received by, the Depositary and forming a part of a Book-Entry Confirmation, which states that DTC has received an express acknowledgment from the participant in DTC tendering the Shares which are the subject of such Book-Entry Confirmation, that such participant has received and agrees to be bound by the terms of the Letter of Transmittal and that the Purchaser may enforce such agreement against such participant.

For purposes of the Offer, the Purchaser will be deemed to have accepted for payment, and thereby purchased, Shares validly tendered and not withdrawn as, if and when the Purchaser gives oral or written notice to the Depositary of the Purchaser's acceptance of such Shares for payment pursuant to the Offer. In all cases, upon the terms and subject to the conditions of the Offer, payment for Shares purchased pursuant to the Offer will be made by deposit of the purchase price therefor with the Depositary, which will act as agent for tendering stockholders for the purpose of receiving payment from the Purchaser and transmitting payment to validly tendering stockholders.

UNDER NO CIRCUMSTANCES WILL INTEREST ON THE PURCHASE PRICE FOR SHARES BE PAID BY THE PURCHASER.

The reservation by Purchaser of the right to delay the acceptance or purchase of or payment for Shares is subject to the provisions of Rule 14e-1(c) under the Exchange Act, which requires Purchaser to pay the consideration offered or to return Shares deposited by, or on behalf of stockholders, promptly after the termination or withdrawal of the Offer.

If any tendered Shares are not purchased pursuant to the Offer for any reason, or if Share Certificates are submitted representing more Shares than are tendered, Share Certificates representing unpurchased or untendered Shares will be returned, without expense to the tendering stockholder (or, in the case of Shares delivered by book-entry transfer into the Depositary's account at DTC pursuant to the procedures set forth in Section 3, such Shares will be credited to an account maintained within DTC), as promptly as practicable following the expiration, termination or withdrawal of the Offer.

IF, PRIOR TO THE EXPIRATION DATE, THE PURCHASER SHALL INCREASE THE CONSIDERATION OFFERED TO HOLDERS OF SHARES PURSUANT TO THE OFFER, SUCH INCREASED

CONSIDERATION SHALL BE PAID TO ALL HOLDERS OF SHARES THAT ARE PURCHASED PURSUANT TO THE OFFER, WHETHER OR NOT SUCH SHARES WERE TENDERED PRIOR TO SUCH INCREASE IN CONSIDERATION.

The Purchaser reserves the right, subject to the provisions of the Merger Agreement, to assign to any affiliate, to one or more of Parent's direct or indirect subsidiaries, the right to purchase all or any portion of the Shares tendered pursuant to the Offer, but no such assignment will relieve Parent or the Purchaser of any liability under the Merger Agreement for any breach of the Merger Agreement by any such assignee.

3. PROCEDURES FOR TENDERING SHARES.

Valid Tender. Except as set forth below, in order for Shares to be validly tendered pursuant to the Offer, a properly completed and duly executed Letter of Transmittal (or a facsimile thereof), together with any required signature guarantees or an Agent's Message in connection with a book-entry delivery of Shares, and any other documents required by the Letter of Transmittal, must be received by the Depositary at one of its addresses set forth on the back cover of this Offer to Purchase on or prior to the Expiration Date and either (i) Share Certificates representing tendered Shares must be received by the Depositary or tendered pursuant to the procedure for book-entry transfer set forth below, and Book-Entry Confirmation must be received by the Depositary, in each case on or prior to the Expiration Date, or (ii) the guaranteed delivery procedures set forth below must be complied with. No alternate, conditional or contingent tenders will be accepted.

THE METHOD OF DELIVERY OF SHARE CERTIFICATES, RIGHTS CERTIFICATES (IF APPLICABLE), THE LETTER OF TRANSMITTAL AND ALL OTHER REQUIRED DOCUMENTS IS AT THE OPTION AND SOLE RISK OF THE TENDERING STOCKHOLDER, AND DELIVERY WILL BE DEEMED MADE ONLY WHEN ACTUALLY RECEIVED BY THE DEPOSITARY (INCLUDING, IN THE CASE OF A BOOK-ENTRY TRANSFER, BY BOOK-ENTRY CONFIRMATION). IF DELIVERY IS BY MAIL, REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, PROPERLY INSURED, IS RECOMMENDED. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ENSURE TIMELY DELIVERY.

Book-Entry Transfer. The Depositary will establish accounts with respect to the Shares at DTC for purposes of the Offer. Any financial institution that is a participant in DTC's systems may make book-entry delivery of Shares by causing DTC to transfer such Shares into the Depositary's account at DTC in accordance with its procedures for such transfer. However, although delivery of Shares may be effected through book-entry transfer into the Depositary's account at DTC, the Letter of Transmittal (or facsimile thereof), properly completed and duly executed, with any required signature guarantees, or an Agent's Message in connection with a book-entry transfer, and any other required documents must, in any case, be transmitted to and received by the Depositary at one of its addresses set forth on the back cover of this Offer to Purchase on or prior to the Expiration Date, or the guaranteed delivery procedure set forth below must be complied with.

DELIVERY OF DOCUMENTS TO DTC IN ACCORDANCE WITH DTC'S PROCEDURES DOES NOT CONSTITUTE DELIVERY TO THE DEPOSITARY.

Signature Guarantees. Signatures on all Letters of Transmittal must be guaranteed by a firm that is a bank, broker, dealer, credit union, savings association or other entity which is a member in good standing of the Securities Transfer Agents Medallion Program (an "Eligible Institution"), unless the Shares tendered thereby are tendered (i) by a registered holder of Shares who has not completed either the box labeled "Special Payment Instructions" or the box labeled "Special Delivery Instructions" on the Letter of Transmittal or (ii) for the account of an Eligible Institution. See Instruction 1 of the Letter of

Transmittal.

If the Share Certificates are registered in the name of a person other than the signer of the Letter of Transmittal, or if payment is to be made to, or Share Certificates for unpurchased Shares are to be issued or returned to, a person other than the registered holder, then the tendered certificates must be endorsed or accompanied by appropriate stock powers, signed exactly as the name or names of the registered holder or holders appear on the certificates, with the signatures on the certificates or stock powers guaranteed by an Eligible Institution as provided in the Letter of Transmittal. See Instructions 1 and 5 of the Letter of Transmittal.

If the Share Certificates are forwarded separately to the Depositary, a properly completed and duly executed Letter of Transmittal (or facsimile thereof) must accompany each such delivery.

Guaranteed Delivery. If a stockholder desires to tender Shares pursuant to the Offer and such stockholder's Share Certificates are not immediately available or time will not permit all required documents to reach the Depositary on or prior to the Expiration Date or the procedures for book-entry transfer cannot be completed on a timely basis, such Shares or Rights may nevertheless be tendered if all of the following guaranteed delivery procedures are duly complied with:

(i) such tender is made by or through an Eligible Institution;

(ii) a properly completed and duly executed Notice of Guaranteed Delivery, substantially in the form made available by the Purchaser, is received by the Depositary, as provided below, on or prior to the Expiration Date; and

(iii) the Share Certificates (or a Book-Entry Confirmation) representing all tendered Shares, in proper form for transfer together with a properly completed and duly executed Letter of Transmittal (or facsimile thereof), with any required signature guarantees (or, in the case of a book-entry transfer, an Agent's Message) and any other documents required by the Letter of Transmittal are received by the

Depositary within three New York Stock Exchange, Inc. ("NYSE") trading days after the date of execution of such Notice of Guaranteed Delivery. A "NYSE trading day" is any day on which the NYSE is open for business.

The Notice of Guaranteed Delivery may be delivered by hand or mail or transmitted by facsimile transmission to the Depositary, and must include a guarantee by an Eligible Institution in the form set forth in such Notice of Guaranteed Delivery and a representation that the stockholder on whose behalf the tender is being made is deemed to own the Shares being tendered within the meaning of Rule 14e-4 under the Exchange Act.

Notwithstanding any other provision hereof, payment for Shares accepted for payment pursuant to the Offer will in all cases be made only after timely receipt by the Depositary of Share Certificates for, or, of Book-Entry Confirmation with respect to, such Shares, a properly completed and duly executed Letter of Transmittal (or facsimile thereof), together with any required signature guarantees (or, in the case of a book-entry transfer, an Agent's Message) and any other documents required by the Letter of Transmittal. Accordingly, payment might not be made to all tendering stockholders at the same time, and will depend upon when Share Certificates are received by the Depositary or Book-Entry Confirmations of such Shares are received into the Depositary's account at DTC.

Backup Withholding. Under the backup federal income tax withholding laws applicable to certain stockholders (other than certain exempt stockholders, including, among others, all corporations and certain foreign individuals), the Depositary may be required to withhold 31% of the amount of any payments made to such stockholders pursuant to the Offer or the Merger. To prevent backup federal income tax withholding, each such stockholder must provide the Depositary with such stockholder's correct taxpayer identification number and certify that such stockholder is not subject to backup federal income tax withholding by completing the Substitute Form W-9 included in the Letter of Transmittal. See Instruction 9 of the Letter of Transmittal.

Appointment as Proxy. By executing the Letter of Transmittal, a tendering stockholder irrevocably appoints designees of the Purchaser as such stockholder's agents, attorneys-in-fact and proxies, with full power of substitution, in the manner set forth in the Letter of Transmittal, to the full extent of such stockholder's rights with respect to the Shares tendered by such stockholder and accepted for payment by the Purchaser and with respect to any and all other Shares and other securities or rights issued or issuable in respect of such Shares on or after the date of this Offer to Purchase. All such powers of attorney and proxies shall be considered irrevocable and coupled with an interest in the tendered Shares. Such appointment will be effective upon the acceptance for payment of such Shares by the Purchaser in accordance with the terms of the Offer. Upon such acceptance for payment, all other powers of attorney and proxies given by such stockholder with respect to such Shares and such other securities or rights prior to such payment will be revoked, without further action, and no subsequent powers of attorney and proxies may be given by such stockholder (and, if given, will not be deemed effective). The designees of the Purchaser will, with respect to the Shares and such other securities and rights for which such appointment is effective, be empowered to exercise all voting and other rights of such stockholder as they in their sole discretion may deem proper at any annual or special meeting of the Company's stockholders, or any adjournment or postponement thereof, or by consent in lieu of any such meeting or otherwise. In order for Shares to be deemed validly tendered, immediately upon the acceptance for payment of such Shares, the Purchaser or its designee must be able to exercise full voting rights with respect to such Shares and other securities, including voting at any meeting of stockholders.

Determination of Validity. All questions as to the form of documents and the validity, eligibility (including time of receipt) and acceptance for payment of any tender of Shares will be determined by the Purchaser, in its sole discretion, whose determination shall be final and binding on all parties. The Purchaser reserves the absolute right to reject any or all tenders determined by it not to be in proper form or for which the acceptance of or payment may, in the opinion of the Purchaser's counsel, be unlawful. The Purchaser also reserves the absolute right to waive any of the conditions of the Offer and the Merger Agreement to the extent permitted by applicable law and the Merger Agreement or any defect or irregularity in any tender of

Shares of any particular stockholder, whether or not similar defects or irregularities are waived in the case of other stockholders.

A tender of Shares pursuant to any of the procedures described above will constitute the tendering stockholder's acceptance of the terms and conditions of the Offer, as well as the tendering stockholder's representation and warranty to Purchaser that (i) such stockholder has a net long position in the Shares being tendered within the meaning of Rule 14e-4 under the Exchange Act and (ii) the tender of such Shares complies with Rule 14e-4. It is a violation of Rule 14e-4 for a person, directly or indirectly, to tender Shares for such person's own account unless, at the time of tender, the person so tendering (a) has a net long position equal to or greater than the amount of (A) Shares tendered or (B) other securities immediately convertible into or exchangeable or exercisable for

the Shares tendered, and such person will acquire such Shares for tender by conversion, exchange or exercise and (b) will cause such Shares to be delivered in accordance with the terms of the Offer. Rule 14e-4 provides a similar restriction applicable to the tender or guarantee of a tender on behalf of another person.

The Purchaser's interpretation of the terms and conditions of the Offer will be final and binding. No tender of Shares will be deemed to have been validly made until all defects and irregularities with respect to such tender have been cured or waived by the Purchaser. None of Parent, the Purchaser or any of their respective affiliates or assigns, the Depositary, the Information Agent or any other person or entity, will be under any duty to give any notification of any defects or irregularities in tenders or incur any liability for failure to give any such notification.

The Purchaser's acceptance for payment of Shares tendered pursuant to any of the procedures described above will constitute a binding agreement between the tendering stockholder and the Purchaser upon the terms and subject to the conditions of the Offer.

4. WITHDRAWAL RIGHTS.

Except as otherwise provided in this Section 4, tenders of Shares made pursuant to the Offer are irrevocable. Shares tendered pursuant to the Offer may be withdrawn at any time, on or prior to the Expiration Date, and, unless theretofore accepted for payment as provided herein, may also be withdrawn at any time after May 24, 1999.

If, for any reason whatsoever, acceptance for payment of any Shares tendered pursuant to the Offer is delayed, or the Purchaser is unable to accept for payment or pay for Shares tendered pursuant to the Offer, then, without prejudice to the Purchaser's rights set forth herein, the Depositary may, nevertheless, on behalf of the Purchaser, retain tendered Shares and such Shares may not be withdrawn except to the extent that the tendering stockholder is entitled to and duly exercises withdrawal rights as described in this Section 4.

In order for a withdrawal to be effective, a written or facsimile transmission notice of withdrawal must be timely received by the Depositary at one of its addresses set forth on the back cover of this Offer to Purchase. Any such notice of withdrawal must specify the name of the person who tendered the Shares to be withdrawn, the number of Shares to be withdrawn, and (if Share Certificates have been tendered) the name of the registered holder of the Shares as set forth in the Share Certificate, if different from that of the person who tendered such Shares. If Share Certificates have been delivered or otherwise identified to the Depositary, then prior to the physical release of such certificates, the tendering stockholder must submit the serial numbers shown on the particular certificates evidencing the Shares to be withdrawn, and the signature on the notice of withdrawal must be guaranteed by an Eligible Institution, except in the case of Shares tendered for the account of an Eligible Institution. If Shares have been tendered pursuant to the procedures for book-entry transfer set forth in Section 3, the notice of withdrawal must specify the name and number of the account at DTC to be credited with the withdrawn Shares, in that case a notice of withdrawal will be effective if delivered to the Depositary by any method of delivery described in the first sentence of this paragraph. Withdrawals of Shares may not be rescinded. Any Shares properly withdrawn will be deemed not validly tendered for purposes of the Offer, but may be tendered at any subsequent time prior to the Expiration Date by following any of the procedures described in Section 3.

All questions as to the form and validity (including time of receipt) of notices of withdrawal will be determined by the Purchaser, in its sole

discretion, whose determination shall be final and binding. None of Parent, the Purchaser or any of their respective affiliates or assigns, the Depositary, the Information Agent or any other person or entity will be under any duty to give any notification of any defects or irregularities in any notice of withdrawal or incur any liability for failure to give any such notification.

5. CERTAIN TAX CONSEQUENCES.

The receipt of cash for Shares pursuant to the Offer or the Merger will be a taxable transaction for federal income tax purposes and may also be a taxable transaction under applicable state, local, foreign and other tax laws. For federal income tax purposes, each selling or exchanging stockholder would generally recognize gain or loss equal to the difference between the amount of cash received and such stockholder's tax basis for the sold or exchanged Shares. Such gain or loss will be capital gain or loss (assuming the Shares are held as a capital asset) and any such capital gain or loss will be long-term capital gain or loss if the stockholder held the Shares for more than one year.

The foregoing discussion may not be applicable to certain types of stockholders, including stockholders who acquired Shares pursuant to the exercise of employee stock options or otherwise as compensation, individuals who are not citizens or residents of the United States and foreign corporations, or entities that are otherwise subject to special tax treatment under the Internal Revenue Code of 1986, as amended (the "Code") (such as dealers in securities, traders in securities who elect to apply a mark-to-market method of accounting, financial institutions, persons who hold Shares as part of a hedge, straddle or conversion transaction, insurance companies, tax-exempt entities and regulated investment companies). This discussion does not address all aspects of federal income taxation that may be relevant to a particular stockholder in light of such stockholder's personal investment circumstances nor does it address any aspect of foreign, state, local or estate and gift taxation that may be applicable to a stockholder.

THE FEDERAL INCOME TAX DISCUSSION SET FORTH ABOVE IS INCLUDED FOR GENERAL INFORMATION ONLY. STOCKHOLDERS ARE URGED TO CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE SPECIFIC TAX CONSEQUENCES TO THEM OF THE OFFER AND MERGER, INCLUDING FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES.

6. PRICE RANGE OF THE SHARES; DIVIDENDS.

The Shares are traded on the NYSE under the symbol "USF." The following table sets forth, for the periods indicated, the reported high and low sale prices for the Shares on the NYSE since the first quarter of 1996.

UNITED STATES FILTER CORPORATION

<TABLE>
<CAPTION>

	HIGH	LOW
<S>	<C>	<C>
CALENDAR YEAR 1997		
First Quarter	$39	$28 7/8
Second Quarter	$33 3/8	$25 3/4
Third Quarter	$43 3/16	$26 15/16
Fourth Quarter	$44 7/16	$27 6/8

</TABLE>

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	HIGH	LOW

<S>	<C>	<C>
CALENDAR YEAR 1998		
First Quarter	$36 7/16	$28 3/4
Second Quarter	$36 1/4	$26 3/8
Third Quarter	$31 1/4	$14 1/16
Fourth Quarter	$25 1/2	$11 7/16
CALENDAR YEAR 1999		
First Quarter (through March 19, 1999)	$31 7/16	$22 1/2

</TABLE>

Prices are adjusted to reflect a three-for-two stock split given to those holders of record on June 14, 1996.

On March 19, 1999, the last full day of trading prior to the press release announcing the execution of the Merger Agreement, according to publicly available sources, the reported closing price on the NYSE for the Shares was $30 1/2 per Share. The Company has not declared or paid any cash dividends on the Shares since January 1, 1996.

STOCKHOLDERS ARE URGED TO OBTAIN CURRENT MARKET QUOTATIONS FOR THE SHARES.

7. POSSIBLE EFFECTS OF THE OFFER ON THE MARKET FOR THE SHARES; NYSE LISTING; EXCHANGE ACT REGISTRATION; MARGIN REGULATIONS.

Possible Effects of the Offer on the Market for the Shares. The purchase of Shares pursuant to the Offer will reduce the number of Shares that might otherwise trade publicly and could adversely affect the liquidity and market value of the remaining Shares held by the public. The purchase of Shares pursuant to the Offer can also be expected to reduce the number of holders of Shares. The Purchaser cannot predict whether the reduction in the number of Shares that might otherwise trade publicly would have an adverse or beneficial effect on the market price for or marketability of the Shares or whether it would cause future market prices to be greater or less than the Offer price therefor.

NYSE Listing. The purchase of Shares pursuant to the Offer will reduce the number of holders of Shares and the number of Shares that might otherwise trade publicly and could adversely affect the liquidity and market value of the remaining Shares held by the public.

Depending upon the number of Shares purchased pursuant to the Offer, the Shares may no longer meet the standards for continued listing on the NYSE. According to published guidelines, the NYSE would give consideration to delisting the Shares if, among other things, the number of publicly held Shares falls below 600,000, the number of holders of round lots of Shares falls below 400 (or below 1,200 if the average monthly trading volume is below 100,000 for the last twelve months) or the aggregate market value of such publicly held Shares falls below $8,000,000. Shares held by officers or directors of the Company or their immediate families, or by any beneficial owner of more than 10% or more of the Shares, ordinarily will not be considered as being publicly held for this purpose.

In the event the Shares are no longer eligible for listing on the NYSE, quotations might still be available from other sources. The extent of the public market for the Shares and the availability of such quotations would, however, depend upon the number of holders of such shares remaining at such time, the interest in maintaining a market in such Shares on the part of securities firms, the possible termination of registration of such Shares under the Exchange Act as described below and other factors.

Exchange Act Registration. The Shares are currently registered under the Exchange Act. The purchase of the Shares pursuant to the Offer may result in the Shares becoming eligible for deregistration under the Exchange Act. Registration

of the Shares may be terminated upon application by the Company to the Commission if the Shares are not listed on a "national securities exchange" and there are fewer than 300 record holders of Shares. Termination of registration of the Shares under the Exchange Act would substantially reduce the information required to be furnished by the Company to its stockholders and the Commission and would make certain provisions of the Exchange Act, such as the short-swing profit recovery

provisions of Section 16(b) and the requirements of furnishing a proxy statement in connection with stockholders' meetings pursuant to Section 14(a) or 14(c) and the related requirement of an annual report, no longer applicable to the Company. If the Shares are no longer registered under the Exchange Act, the requirements of Rule 13e-3 under the Exchange Act with respect to "going private" transactions would no longer be applicable to the Company. Furthermore, the ability of "affiliates" of the Company and persons holding "restricted securities" of the Company to dispose of such securities pursuant to Rule 144 promulgated under the Securities Act of 1933, as amended, may be impaired or, with respect to certain persons, eliminated. If registration of the Shares under the Exchange Act were terminated, the Shares would no longer be eligible for stock exchange listing or Nasdaq reporting. The Purchaser believes that the purchase of the Shares pursuant to the Offer may result in the Shares becoming eligible for deregistration under the Exchange Act, and it would be the intention of the Purchaser to cause the Company to make an application for termination of registration of the Shares as soon as possible after successful completion of the Offer if the Shares are then eligible for such termination.

If registration of the Shares is not terminated prior to the Merger, then the Shares will no longer be eligible for listing on the NYSE and the registration of the Shares under the Exchange Act will be terminated following the consummation of the Merger.

Margin Regulations. The Shares are currently "margin securities" under the regulations of the Board of Governors of the Federal Reserve System (the "Federal Reserve Board"), which have the effect, among other things, of allowing brokers to extend credit on the collateral of such Shares for the purpose of buying, carrying or trading in securities ("Purpose Loans"). Depending upon factors such as the number of record holders of the Shares and the number and market value of publicly held Shares, following the purchase of Shares pursuant to the Offer, the Shares might no longer constitute "margin securities" for purposes of the Federal Reserve Board's margin regulations and, therefore, could no longer be used as collateral for Purpose Loans made by brokers. In addition, if registration of the Shares under the Exchange Act were terminated, the Shares would no longer constitute "margin securities."

8. CERTAIN INFORMATION CONCERNING THE COMPANY.

The Company is a Delaware corporation with its principal executive offices located at 40-004 Cook Street, Palm Desert, California 92211, and its telephone number is (760) 340-0098. The following description of the Company's business has been taken from, and is qualified in its entirety by reference to, the Form 10-K filed by the Company for the year ended March 31, 1998 (the "Form 10-K").

The Company is a leading global provider of industrial, municipal, commercial and consumer water and wastewater treatment systems, products and services, with an installed base of systems that the Company believes is one of the largest worldwide. The Company offers a single-source solution to its customers through what the Company believes is the industry's broadest range of cost-effective systems, products, services and proven technologies. In addition, the Company markets a broad line of waterworks distribution products and services. The Company has one of the industry's largest networks of sales and service and distribution facilities through more than 2,000 locations, including

over 1,100 franchised dealerships, 833 Company-owned or leased facilities and manufacturing plants in 94 countries. The Company capitalizes on its large installed base, extensive distribution network and manufacturing capabilities to provide customers with ongoing local service and maintenance. The Company is a leading provider of outsourced water services, including the operation of water and wastewater treatment systems at customer sites. In addition, the Company is actively involved in the development of privatization initiatives for municipal water treatment facilities throughout the world and, specifically, in the United States, Mexico and Canada. The Company also owns a significant amount of properties with appurtenant water rights in the Western and Southwestern United States, substantially all of which are leased to agricultural tenants.

The selected financial information of the Company and its consolidated subsidiaries set forth below has been excerpted and derived from the Form 10-K and from the Form 10-Q filed by the Company for the nine months ended December 31, 1998. More comprehensive financial and other information is included in such report (including management's discussion and analysis of financial condition and results of operations) and in

other reports and documents filed by the Company with the Commission. The financial information set forth below is qualified in its entirety by reference to such reports and documents filed with the Commission and the financial statements and related notes contained therein. These reports and other documents may be examined and copies thereof may be obtained in the manner set forth below.

UNITED STATES FILTER CORPORATION
AND SUBSIDIARIES

SELECTED FINANCIAL INFORMATION

<TABLE>
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	THREE MONTHS ENDED DECEMBER 31, 1998	NINE MONTHS ENDED DECEMBER 31, 1998	YEARS ENDED MARCH 31, 1996	1997	1998
	(UNAUDITED)	(UNAUDITED)	(IN THOUSANDS EXCEPT PER SHARE DATA)		
<S>	<C>	<C>	<C>	<C>	<C>
Revenues	$1,225,109	$3,570,322	$1,090,745	$1,764,406	$3,234,580
Costs of sales	861,690	2,511,304	836,973	1,376,615	2,456,173
Gross profit	363,419	1,059,018	253,772	387,791	778,407
Selling, general and administrative expenses	241,652	709,231	192,387	316,190	573,002
Purchased in-process research and development	--	3,558	--	--	299,505
Merger, restructuring, acquisition and other related charges	--	257,920	--	5,581	141,109
	241,652	970,709	192,387	321,771	1,013,616
Operating income (loss)	121,767	88,309	61,385	66,020	(235,209)

Other income (expense):					
Interest expense.....	(29,999)	(85,180)	(16,280)	(26,509)	(53,887)
Gain on disposition of affiliate.....	--	--	--	--	--
Interest and other income, net.....	7,497	15,227	5,923	3,678	4,900
	(22,503)	(69,953)	(10,357)	(22,831)	(48,987)
Income (loss) before income taxes.....	99,265	18,356	51,028	43,189	(284,196)
Income tax expense (benefit).....	35,774	50,051	20,329	10,681	15,583
Net income (loss).....	63,491	(31,695)	30,699	32,508	(299,779)
Net income (loss) per common share:					
Basic.....	0.37	(0.19)	0.62	0.51	(3.13)
Diluted.....	0.36	(0.19)	0.61	0.49	(3.13)

</TABLE>

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	DECEMBER 31,	
	1997	1998
<S>	<C>	<C>
BALANCE SHEET DATA (AT END OF PERIOD):		
Current assets.....	1,164,922	1,575,950
Property and equipment, net.....	319,687	806,475
Investment in leasehold interests, net.....	23,230	21,699
Costs in excess of net assets of businesses acquired, net...	788,096	1,027,481
Other assets.....	101,628	166,239
Total assets.....	2,397,563	3,597,844
Current liabilities.....	649,770	948,174
Notes payable.....	42,646	574,806
Convertible subordinated debt.....	554,000	554,000
Long-term debt (excluding current portion).....	31,464	56,305
Deferred taxes.....	12,198	51,849
Other liabilities.....	61,655	83,300
Total liabilities.....	1,351,733	2,304,434
Stockholders' equity.....	1,045,830	1,293,410

</TABLO>

The Company is subject to the information and reporting requirements of the Exchange Act and in accordance therewith is required to file periodic reports, proxy statements and other information with the Commission relating to its business, financial condition and other matters. Certain information, as of particular dates, concerning the Company's business, principal physical properties, capital structure, material pending legal proceedings, operating results, financial condition, directors and officers (including their remuneration and the stock options granted to them), the principal holders of the Company's securities, any material interests of such persons in transactions with the Company and certain other matters is required to be disclosed in proxy statements and annual reports distributed to the Company's stockholders and filed with the Commission. Such reports, proxy statements and other information can be inspected and copied at the public reference facilities maintained by the

Commission at Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549, and at the Commission's regional offices at 500 West Madison Street, Chicago, Illinois 60606, and 7 World Trade Center, New York, New York 10048. Copies of such material can also be obtained at prescribed rates from the Public Reference Section of the Commission at its principal office at Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549. Such material may be obtained electronically by visiting the Commission's website on the Internet, at http://www.sec.gov. The Shares are traded on the New York Stock Exchange, Inc., and reports, proxy statements and other information concerning the Company should also be available for inspection at 20 Broad Street, New York, New York 10005.

Although neither Parent nor the Purchaser has any knowledge that any such information is untrue, neither Parent nor the Purchaser takes any responsibility for the accuracy or completeness of information contained in this Offer to Purchase with respect to the Company or any of its subsidiaries or affiliates or for any failure by the Company to disclose events which may have occurred or may affect the significance or accuracy of any such information.

9. CERTAIN INFORMATION CONCERNING PARENT AND THE PURCHASER.

Parent is a societe anonyme organized under the laws of France whose principal executive offices are located at 42, Avenue de Friedland, 75380 Paris Cedex 08 France.

The Purchaser's principal executive offices are located care of Vivendi-North America Management Services, Inc. 800 Third Avenue, 38th Floor, New York, New York 10022. The Purchaser is a newly formed Delaware corporation and an indirect wholly owned subsidiary of Parent. The Purchaser has not conducted any business other than in connection with the Offer and the Merger.

The name, business address, citizenship, present principal occupation and employment history for the past five years of each of the directors and executive officers of Parent and the Purchaser are set forth in Schedule I.

Except as set forth elsewhere in this Offer to Purchase or Schedule I hereto: (i) neither Parent nor the Purchaser nor, to the knowledge of Parent or the Purchaser, any of the persons listed in Schedule I hereto or any associate or majority-owned subsidiary of Parent or the Purchaser or any of the persons so listed, beneficially owns or has a right to acquire any Shares or any other equity securities of the Company; (ii) neither Parent nor the Purchaser nor, to the knowledge of Parent or the Purchaser, any of the persons or entities referred to in clause (i) above or any of their executive officers, directors or subsidiaries has effected any transaction in the Shares or any other equity securities of the Company during the past 60 days; (iii) neither Parent nor the Purchaser nor, to the knowledge of Parent or the Purchaser, any of the persons listed in Schedule I hereto, has any contract, arrangement, understanding or relationship with any other person with respect to any securities of the Company (including, but not limited to, any contract, arrangement, understanding or relationship concerning the transfer or the voting of any such securities, joint ventures, loan or option arrangements, puts or calls, guaranties of loans, guaranties against loss or the giving or withholding of proxies, consents or authorizations); (iv) since January 1, 1996, there have been no transactions which would require reporting under the rules and regulations of the Commission between Parent or the Purchaser or any of their respective subsidiaries or, to the knowledge of Parent or the Purchaser, any of the persons listed in Schedule I hereto, on the one hand, and the Company or any of its executive officers, directors or affiliates, on the other hand; and (v) since January 1, 1996, there have been no contacts, negotiations or transactions between Parent or the Purchaser or any of their respective subsidiaries or, to the knowledge of Parent or the Purchaser, any of the persons listed in Schedule I hereto, on the one

hand, and the Company or any of its subsidiaries or affiliates, on the other hand, concerning a merger, consolidation or acquisition, a tender offer or other acquisition of securities, an election of directors or a sale or other transfer of a material amount of assets.

10. BACKGROUND OF THE OFFER; CONTACTS WITH THE COMPANY.

In early July 1996, Richard J. Heckmann, Chairman and Chief Executive Officer of the Company and certain other members of the Company's senior management met with Jean-Marie Messier, Chairman and Chief Executive Officer of Vivendi and other representatives of Parent to discuss the possibility of the acquisition by the Company of certain assets of Parent. Such exploratory discussions did not advance beyond the preliminary stage and the potential transaction was not pursued.

In January 1999, the Company authorized representatives of two investment banking firms to contact three industrial companies identified by the investment bankers regarding a possible business combination transaction with the Company. These inquiries did not result in any subsequent discussions between the Company and any of such companies.

On January 19, 1999 Messrs. Heckmann and Messier met to discuss a potential transaction between the Company and Parent involving certain water industry holdings of Parent. At the meeting, the Company and Parent could not reach agreement on the terms of a possible transaction. However, in the course of discussions consideration was given to the possibility of a business combination transaction between the Company and Parent.

From late January through late February 1999 Mr. Heckmann and Mr. Messier together with other representatives of the Company and Parent had several telephone discussions relating to the businesses of the Company and Parent and exchanged publicly available documents and information about the Company and Parent, and on February 19, 1999 executives of Parent and the Company met to exchange detailed presentations concerning their respective businesses.

From late February through early March 1999 the management of the Company provided Parent certain information with respect to the Company's financial condition, results of operations and other measurements of operating performance.

On March 8, 9, and 10, 1999, Mr. Heckmann and certain other executives of the Company met with Mr. Messier and certain other executives of Parent to continue discussions with respect to a possible business combination transaction between the Company and Parent.

On March 11, 1999, representatives from each party's legal and financial advisors met to discuss the structure and timing of the proposed transaction and organize a due diligence review of the Company. On March 11, 1999, following presentations by management the Board of Directors of Parent authorized its management to enter into a definitive acquisition agreement if such an agreement could be concluded on specified terms. From March 12, 1999 through March 22, 1999, Parent's legal and financial advisors together with representatives of Parent conducted legal and financial due diligence investigations of the Company.

On March 18-19, 1999, the parties and their legal and financial advisors met to negotiate the terms of the proposed Merger. Negotiations between the parties continued at meetings on March 20, 21 and 22, 1999. During that time Parent and the stockholders of the Company party to Support Agreements negotiated the terms of such agreements.

From time to time from February 17, 1999 through March 22, 1999, Mr. Heckmann had numerous conversations with various members of the Company's Board of Directors to keep them apprised of developments with respect to a possible business combination transaction with Parent.

At meetings on March 21 and 22, 1999 the Company's Board reviewed the terms of the proposed Merger Agreement and related documents to be entered into by the Company and Parent. At the March 21, 1999 Board meeting, the Board discussed the fairness of the proposed transaction and the Company's financial advisors delivered presentations on the fairness of the merger and the Offer and rendered their opinions regarding the fairness, from a financial point of view, to the Company's stockholders of the consideration to be received by the Company's stockholders pursuant to the Merger and the Offer. At the March 22, 1999 Board meeting, after due deliberation, the Board determined the proposed Offer and Merger are in the best interests of the Company and the Company's stockholders and are fair to the Company's stockholders. At the March 22, 1999 Board Meeting, the Board approved the Offer and the Merger and resolved to recommend acceptance of the Offer by the Company's stockholders.

Following the Company's Board meeting on March 22, 1999, the Merger Agreement and related documents were finalized and executed by the parties. The Company and Parent announced the execution of the agreements in a joint press release issued before the New York Stock Exchange opened on March 22, 1999.

11. PURPOSE OF THE OFFER; THE MERGER AGREEMENT; THE STOCK OPTION AGREEMENT; THE SUPPORT AGREEMENTS; APPRAISAL RIGHTS; PLANS FOR THE COMPANY; THE RIGHTS.

(a) Purpose

The purpose of the Offer and the Merger is to acquire control of, and the entire equity interest in, the Company. The Offer, as the first step in the acquisition of the Company, is intended to facilitate the acquisition of all the Shares. The purpose of the Merger is to acquire all of the capital stock of the Company not purchased pursuant to the Offer or otherwise.

The following is a summary of certain provisions of the Merger Agreement, the Stock Option Agreement and the Support Agreements. This summary is qualified in its entirety by reference to the Merger Agreement, the Stock Option Agreement and the Support Agreements which are incorporated by reference and copies or forms of which have been filed with the Commission as exhibits to the Schedule 14D-1 to which this Offer to Purchase is an exhibit (the "Schedule 14D-1"). The Merger Agreement, the Stock Option Agreement and the Support Agreements may be examined and copies may be obtained at the places set forth in Section 8. Defined terms used herein and not defined herein shall have the respective meanings assigned to those terms in the Merger Agreement.

(b) The Merger Agreement

The Offer. The Merger Agreement provides that the Purchaser will commence the Offer and that, upon the terms and subject to prior satisfaction or waiver of the conditions of the Offer, as set forth in Section 14, the Purchaser will purchase all Shares validly tendered pursuant to the Offer. The Merger Agreement provides

that, without the prior written consent of the Company, the Purchaser shall not decrease the Offer Price or change the form of consideration payable in the Offer, decrease the number of Shares sought to be purchased in the Offer, impose additional conditions to the Offer or amend any other term of the Offer in any manner adverse to the holders of Shares or reduce the time period during which the Offer shall remain open. Notwithstanding the foregoing, the Purchaser shall be entitled to extend the Offer, if at the initial expiration of the Offer, or

any extension thereof, any condition to the Offer is not satisfied or waived, and Parent agrees to cause the Purchaser to extend the Offer up to 40 days in the aggregate, in one or more periods of not more than 10 business days, if, at the initial expiration date of the Offer, or any extension thereof, any condition to the Offer set forth in paragraphs (a), (b) or (g) of Section 14 hereof is not satisfied or waived; provided, however, that the Purchaser shall not be required to extend the Offer unless, in Parent's reasonable judgment, (i) each such condition is reasonably capable of being satisfied and (ii) the Company is in material compliance with all of its covenants under the Merger Agreement. In addition, without limiting the foregoing, the Purchaser may, without the consent of the Company, if on any Expiration Date the Shares validly tendered and not withdrawn pursuant to the Offer are sufficient to satisfy the Minimum Condition but equal to less than 90% of the outstanding Shares, extend the Offer for up to 15 business days in the aggregate notwithstanding that all the conditions to the Offer have been satisfied so long as Purchaser irrevocably waives the satisfaction of any of the conditions to the Offer (other than those set forth in paragraphs (a), (b) or (d) of Section 14 hereof) that subsequently may not be satisfied during any such extension of the Offer. In addition, the Offer Price may be increased and the Offer may be extended to the extent required by law in connection with such increase, in each case, without the consent of the Company.

Directors. The Merger Agreement provides that promptly upon the payment by the Purchaser for the Shares pursuant to the Offer and from time to time thereafter at which it owns a majority of the Shares, Parent will be entitled to designate such number of directors, rounded up to the next whole number on the Company Board of Directors as is equal to the product of the total number of directors on the Company Board of Directors (determined after giving effect to the directors elected pursuant such provision) multiplied by the percentage that the aggregate number of Shares beneficially owned by Parent or its affiliates bears to the total number of Shares then outstanding. The Merger Agreement provides that the Company will, upon request of Parent, promptly take all actions necessary to cause Parent's designees to be so elected, including, if necessary, seeking the resignations of one or more existing directors; provided, however, that prior to the time the Merger becomes effective (the "Effective Time") the Company Board of Directors will always have at least two members who are neither officers, directors or designees of the Purchaser or any of its affiliates ("Purchaser Insiders") (including at least two members who are "independent directors" for purposes of the rules of the New York Stock Exchange). If the number of directors who are not Purchaser Insiders is reduced below two prior to the Effective Time, the remaining director who is not a Purchaser Insider will be entitled to designate a person to fill such vacancy who is not a Purchaser Insider and who will be a director not deemed to be a Purchaser Insider for all purposes of the Merger Agreement. Following the election or appointment of Parent's designees and prior to the Effective Time, if any of the directors of the Company then in office are not Purchaser Insiders, any amendment or termination of the Merger Agreement by the Company, any extension of time for performance of any of the obligations of Parent or the Purchaser under the Merger Agreement, any waiver of any condition or any of the Company's rights under the Merger Agreement or other action by the Company thereunder adversely affecting the rights of the minority stockholders of the Company, will require the concurrence of a majority of such directors.

The Merger. The Merger Agreement provides that, at the Effective Time, the Purchaser will be merged with and into the Company. Following the Merger, the separate corporate existence of the Purchaser will cease and the Company will continue as the Surviving Corporation.

The Company has agreed pursuant to the Merger Agreement that, if required by applicable law in order to consummate the Merger, it will (i) convene and hold a special meeting of its stockholders as soon as practicable following the acceptance for payment of and payment for Shares by the Purchaser pursuant to the Offer for the purpose of considering and taking action upon the Merger Agreement; (ii) prepare and file with the Commission a preliminary proxy statement relating to the Merger Agreement, and use its reasonable best efforts

(x) to obtain and furnish the information required to be included by the Commission in the Proxy

Statement (as defined herein) and, after consultation with Parent, to respond as soon as practicable to any comments made by the Commission with respect to the preliminary proxy statement and to cause a definitive proxy statement (the "Proxy Statement") to be mailed to its stockholders and (y) to obtain the necessary approvals of the Merger and adoption of the Merger Agreement by its stockholders; and (iii) include in the Proxy Statement the recommendation of the Company Board of Directors that stockholders of the Company vote in favor of the approval of the Merger and adoption of the Merger Agreement. Parent has agreed in the Merger Agreement that it will vote, or cause to be voted, all of the Shares then owned by it, the Purchaser or any of its other subsidiaries in favor of the approval of the Merger and the Merger Agreement. Parent also agrees that it will not transfer, sell or assign any of the Shares of the Purchaser prior to the Effective Time.

The Merger Agreement further provides that, notwithstanding the foregoing, if the Purchaser acquires at least 90% of the outstanding Shares pursuant to the Offer, the parties to the Merger Agreement will take all necessary and appropriate action to cause the Merger to become effective as soon as practicable after the acceptance for payment of and payment for the Shares by the Purchaser pursuant to the Offer without a meeting of the stockholders of the Company, in accordance with Section 253 of the DGCL.

Charter, Bylaws, Directors and Officers. The Certificate of Incorporation of the Purchaser, as in effect immediately prior to the Effective Time, shall be the Certificate of Incorporation of the Surviving Corporation, until thereafter amended in accordance with the provisions thereof and of the Merger Agreement and applicable law. The By-Laws of the Purchaser in effect at the time of the Effective Time shall be the By-Laws of the Surviving Corporation until amended, subject to the provisions of the Merger Agreement which provide that all rights to indemnification now existing in favor of directors and officers of the Company and its subsidiaries as provided in their respective charters or by-laws shall survive the Merger and continue in effect for not less than six years thereafter. Subject to applicable law, the directors of the Purchaser immediately prior to the Effective Time as well as Mr. Richard J. Heckmann, Chairman of the Board of Directors, Chief Executive Officer and President of the Company, will be the initial directors of the Surviving Corporation, and the officers of the Purchaser immediately prior to the Effective Time shall be the initial officers of the Surviving Corporation. Such officers and directors will hold office until their respective successors are duly elected and qualified, or their earlier death, resignation or removal.

Conversion of Securities. By virtue of the Merger and without any action on the part of the holders thereof, at the Effective Time, each Share issued and outstanding immediately prior to the Effective Time (other than (i) any Shares held by Parent, the Purchaser, any wholly owned subsidiary of Parent or the Purchaser, in the treasury of the Company or by any wholly owned subsidiary of the Company, which Shares, by virtue of the Merger and without any action on the part of the holder thereof, will be canceled and retired and will cease to exist with no payment being made with respect thereto and (ii) Dissenting Shares) will be canceled and retired and will be converted into the right to receive $31.50 net per Share in cash (the "Merger Price"), payable to the holder thereof, without interest thereon, upon surrender of the certificate formerly representing such Share. At the Effective Time, each share of common stock of the Purchaser, par value $.01 per share, issued and outstanding immediately prior to the Effective Time will, by virtue of the Merger and without any action on the part of the holder thereof, be converted into and become one validly issued, fully paid and nonassessable share of common stock, par value $.01 per share, of the Surviving Corporation.

The Merger Agreement provides that, prior to the consummation of the Offer, the Company Board of Directors (or, if appropriate, any committee thereof) shall adopt appropriate resolutions and take all other actions necessary or desirable (including obtaining all applicable consents from optionees) to provide for the cancellation, effective at the Effective Time, of all the outstanding stock options (the "Options") granted under any stock option or similar plan of the Company (the "Stock Plans") or under any agreement, without any payment therefor except as otherwise discussed in this Section 11. Immediately prior to the Effective Time, all Options (whether vested or unvested) will be canceled (and to the extent exercisable shall no longer be exercisable) and will entitle each holder thereof, in cancellation and settlement therefor, to a payment, if any, in cash by the Company (less any applicable withholding taxes), as soon as practicable following the Effective Time, equal to the product of (i) the total number of Shares subject to such Option (without regard to whether such Option was vested or unvested) and (ii) the excess, if any, of the Merger Price over the exercise price per Share subject to such Option (the "Cash Payments"); provided that no such payment shall

be due until the Company has delivered to Parent a true and complete list of the Options which remained outstanding as of immediately prior to the Effective Time. The Merger Agreement provides that the Cash Payments are the sole payments that will be made with respect to or in relation to the Options.

Representations and Warranties. Pursuant to the Merger Agreement, the Company has made customary representations and warranties to Parent and the Purchaser with respect to, among other matters, its organization and qualification, subsidiaries, capitalization, authority, required filings, consents and approvals, financial statements, public filings, litigation, compliance with law, employee benefit plans, intellectual property, environmental matters, material contracts, opinion of financial advisor, information to be included in the Proxy Statement, tax matters, labor matters, state law approvals, brokers and the absence of any material adverse effects on the Company. Parent and the Purchaser have made customary representations and warranties to the Company with respect to, among other matters, its organization, qualifications, authority, required filings, information to be included in the Proxy Statement, consents and approvals, ownership of Shares and financing.

Covenants. The Merger Agreement obligates the Company and its subsidiaries, from the date of the Merger Agreement until the Effective Time, to conduct their operations only in the ordinary and usual course of business consistent with past practice and obligates the Company and its subsidiaries to use all reasonable best efforts to preserve intact their business organizations, to keep available the services of their present officers and employees and to preserve the good will of those having business relationships with them, including, without limitation, maintaining satisfactory relationships with licensors, suppliers, customers and others having business relationships with the Company and its subsidiaries. The Merger Agreement also contains specific restrictive covenants as to certain activities of the Company prior to the Effective Time, which provide that the Company will not (and will not permit any of its subsidiaries to) take certain actions without the prior written consent of Parent including, among other things and subject to certain exceptions, amendments to its certificate of incorporation or by-laws, issuances or sales of its securities, changes in capital structure, dividends and other distributions, repurchases or redemptions of securities, material acquisitions or dispositions, incurrence of indebtedness, incurrences of capital expenditures increases in compensation or adoption of new benefit plans and certain other material events or transactions.

Access to Information. The Merger Agreement provides that, until the

Effective Time, the Company will, and will cause its subsidiaries to, give Parent and the Purchaser and their representatives full access, during normal business hours, to the offices and other facilities and to the books and records of the Company and its subsidiaries, subject to applicable confidentiality requirements.

Efforts. Subject to the terms and conditions provided in the Merger Agreement, each of the Company, Parent and the Purchaser shall, and the Company shall cause each of its subsidiaries to, cooperate and use their respective reasonable best efforts to take, or cause to be made, all filings reasonably necessary, proper or advisable under applicable laws and regulations to consummate and make effective the transactions contemplated by the Merger Agreement.

Each of the parties also has agreed to use its reasonable best efforts to obtain as promptly as practicable all Consents of any Governmental Entity or any other person required in connection with, and waivers of any Violations that may be caused by, the consummation of the transactions contemplated by the Offer and the Merger Agreement.

The Merger Agreement provides that neither the Company nor the Company Board of Directors nor any committee thereof will withdraw or modify, or propose publicly to withdraw or modify, in a manner adverse to Parent or Purchaser, the recommendation of the Company Board of Directors of the Merger Agreement, the Offer or the Merger, or approve or recommend, or propose publicly to approve or recommend, an Acquisition Transaction (as defined herein), unless the Company Board of Directors determines in good faith by a vote of a majority of the members of the full Company Board of Directors that failing to take such action would create a reasonable likelihood of a breach of the fiduciary duties of the Company Board of Directors, after consultation with and receipt of advice from its outside counsel to such effect. Any such withdrawal, modification or change of the recommendation of the Company Board of Directors of the Merger Agreement, the Merger or the Offer shall not change the approval of the Company Board of Directors for purpose of

causing any state takeover statute or other law or the Rights Agreement or the Rights to be inapplicable to the Merger Agreement, the Merger, the Stock Option Agreement and the Support Agreements, and the transactions contemplated thereby.

Public Announcements. The Merger Agreement provides that the Company, on the one hand, and Parent and the Purchaser, on the other hand, agree to consult promptly with each other prior to issuing any press release or otherwise making any public statement with respect to the Offer, the Merger and the other transactions contemplated by the Merger Agreement, agree to provide to the other party for review a copy of any such press release or statement, and will not issue any such press release or make any such public statement prior to such consultation and review, unless required by applicable law or any listing agreement with a securities exchange.

Employee Benefit Arrangements With respect to employee benefit matters, the Merger Agreement provides that, Parent will maintain, or cause the Surviving Corporation to maintain compensation and employee benefits substantially equivalent in the aggregate to those provided by the Company immediately prior to the Effective Time (not taking into account equity-based incentive compensation provided by the Company) for employees other than those subject to collective bargaining agreements, until December 31, 2000. The Merger Agreement provides that, from and after the Effective Time, Parent will honor or will cause the Surviving Corporation to honor, all obligations under certain listed plans. Notwithstanding the foregoing, the Merger Agreement provides that from and after the Effective Time, the Surviving Corporation will have the right to amend, modify, alter or terminate any Plan to the extent the terms of such Plans

permit such action. The Merger Agreement further provides, however, that for a period of 12 months following the Effective Time, the Surviving Corporation shall neither terminate nor adversely amend or modify the Company's severance pay policy in effect as of April 1, 1999, other than with respect to requiring a binding waiver and release from the terminated employee prior to the payment of severance benefits. The Merger Agreement does not confer rights or remedies upon any person other than the parties thereto (except as provided under "Indemnification; Investors' and Officers' Insurance" below).

Except for employees subject to collective bargaining agreements, for purposes of determining eligibility to participate, vesting and accrual or entitlement to benefits where length of service is relevant under any employee benefit plan of the Parent or the Surviving Corporation, the Company's employees will receive service credit for service with the Company and any of its subsidiaries to the same extent such service credit was granted under the Plans, subject to offsets for previously accrued benefits and to no duplication of benefits (except that no such credit shall be applied for benefit accrual or entitlement purposes under defined benefit pension plans). Such employees will also be given credit for any deductible or co-payment amounts paid in respect of the plan year in which the Effective Time occurs, to the extent that, following the Effective Time, they participate in any Parent Plan for which deductibles or co-payments are required. Parent agrees that it shall also cause each Parent Plan to waive (i) any pre-existing condition restriction which was waived under the terms of any analogous Plan immediately prior to the Effective Time or (ii) waiting period limitation which would otherwise be applicable to an employee on or after the Effective Time to the extent such employee had satisfied any similar waiting period limitation under an analogous Plan prior to the Effective Time.

The transactions contemplated by the Merger Agreement constitute a "Change of Control" of the Company for purposes of the Company's Plans.

Indemnification; Directors' and Officers' Insurance. Pursuant to the Merger Agreement, Parent has agreed that from and after the Effective Time all rights to indemnification existing at the date of the Merger Agreement in favor of directors, officers or employees of the Company or any of its subsidiaries as set forth in their respective charters and bylaws shall survive the Merger and shall continue in full force and effect for a period of six years following the Effective Time and Parent shall cause the Surviving Corporation to honor all of these obligations. The Merger Agreement further provides that the Company will, and from and after the Effective Time, the Surviving Corporation will, cause to be maintained in effect for not less than six years (except as provided below) from the Effective Time the current policies of the directors' and officers' liability insurance maintained by the Company; provided that the Surviving Corporation may substitute therefor other

policies not less advantageous (other than to a de minimis extent) to the beneficiaries for the current policies and provided that such substitution shall not result in any gaps or lapses in coverage with respect to matters occurring prior to the Effective Time; and provided, however, that the Surviving Corporation shall not be required to pay an annual premium in excess of 200% of the last annual premium paid by the Company prior to the date of the Merger Agreement (which the Company represents to be not more than $400,000 for the 12-month period ending December 31, 1998) and if the Surviving Corporation is unable to obtain such insurance it shall obtain as much comparable insurance as possible for an annual premium equal to such maximum amount. The Merger Agreement provides that these requirements are deemed to be satisfied if prepaid policies have been obtained by the Company prior to the Effective Time, which policies provide such directors and officers with coverage for an aggregate period of six years with respect to claims arising from facts and events that occurred on or before the Effective Time, including in respect of the

transactions contemplated by the Merger Agreement and for a premium not in excess of the aggregate premiums set forth above. Notwithstanding the foregoing, at any time on or after the second anniversary of the Effective Time, Parent may, at its election, undertake to provide funds to the Surviving Corporation to the extent necessary so that the Surviving Corporation may self-insure with respect to the level of insurance coverage required in lieu of causing to remain in effect any directors' and officers' liability insurance policy.

Notification of Certain Matters. Parent and the Company have agreed to promptly notify each other of (i) the occurrence or non-occurrence of any fact or event which would be reasonably likely (A) to cause any representation or warranty contained in the Merger Agreement to be untrue or inaccurate in any material respect at any time prior to the Effective Time or (B) to cause any covenant, condition or agreement under the Merger Agreement not to be complied with or satisfied in any material respect and (ii) any failure of the Company or Parent, as the case may be, to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it under the Merger Agreement in any material respect; provided, however, that no such notification will affect the representations or warranties of any party or the conditions to the obligations of any party. Each of the Company, Parent and the Purchaser is also required to give prompt notice to the other parties of any notice or other communication from any third party alleging that the consent of such third party is or may be required in connection with the transactions contemplated by the Merger Agreement.

Rights Agreement. The Company agreed in the Merger Agreement that it will not (i) redeem the Rights, (ii) amend the Rights Agreement or (iii) take any action which would allow any Person (as defined in the Rights Agreement) other than Parent or the Purchaser to acquire beneficial ownership of 15% or more of the Shares without causing a Distribution Date or a Triggering Event (as such terms are defined in the Rights Agreement) to occur.

State Takeover Laws. The Merger Agreement provides that the Company will, upon the request of the Purchaser, take all reasonable steps to assist in any challenge by the Purchaser to the validity or applicability to the transactions contemplated by the Merger Agreement, including the Offer and the Merger, of any state takeover law.

No Solicitation. The Merger Agreement requires the Company, its controlled affiliates and their respective officers, directors, employees, representatives and agents to immediately cease any existing discussions or negotiations, with any parties with respect to any acquisition or exchange of all or any material portion of the assets of, or any equity interest in, the Company or any of its subsidiaries or any business combination with the Company or any of its subsidiaries. The Merger Agreement further provides that, prior to the Effective Time, the Company will not, and will not authorize or permit any of its subsidiaries or any of its or its subsidiaries' directors, officers, employees, agents or representatives, directly or indirectly, to solicit, initiate, encourage or facilitate, or furnish or disclose non-public information in furtherance of, any inquiries or the making of any proposal with respect to any merger, liquidation, recapitalization, consolidation or other business combination involving the Company or its subsidiaries or acquisition of any capital stock or any material portion of the assets of the Company or of its subsidiaries, or any combination of the foregoing (an "Acquisition Transaction") or negotiate, explore or otherwise engage in discussions with any person (other than the Purchaser, Parent or their respective directors, officers, employees, agents and representatives) with respect to any Acquisition Transaction or enter into any agreement, arrangement or understanding requiring it

to abandon, terminate or fail to consummate the Merger or any other transactions contemplated by the Merger Agreement; provided that prior to the purchase of a

majority of the Shares pursuant to the Offer, the Company may furnish information, pursuant to a customary confidentiality agreement with terms not more favorable to the receiving party than the confidentiality agreement with Parent, to, and negotiate or otherwise engage in discussions with, any party who delivers a bona fide written proposal for an Acquisition Transaction for which all necessary financing is then in the judgment of the Company Board of Directors readily obtainable, if the Company Board of Directors determines in good faith and by a majority vote of the members of the full Company Board of Directors that failing to take such action would create a reasonable likelihood of a breach of the fiduciary duties of the Company Board of Directors (after consultation and receipt of advice from its outside legal counsel to such effect) and such a proposal is, in the written opinion of each of SSB and J.P. Morgan, more favorable to the Company's stockholders from a financial point of view than the transactions contemplated by the Merger Agreement, as it has been proposed to be amended by Parent pursuant to Parent's right to propose amendments in response to such a proposal, as described below. The Merger Agreement further provides that from and after the date of execution of the Merger Agreement, the Company will promptly advise Purchaser in writing of the receipt, directly or indirectly, of any inquiries, discussions, negotiations or proposals relating to an Acquisition Transaction, identify the offeror and furnish to the Purchaser a copy of any such proposal or inquiry, if it is in writing, and that the Company will promptly advise Parent of any material development relating to such proposal, including the results of any discussions or negotiations with respect thereto. Notwithstanding anything in the Merger Agreement to the contrary, the Merger Agreement provides that prior to the approval of an Acquisition Transaction by the Company Board of Directors, the Company shall give Parent sufficient notice of the material terms and conditions of any such Acquisition Transaction, and negotiate in good faith with Parent for a period of not less than three business days after Parent's receipt of a written proposal or a written summary of any oral proposal to make such adjustments in the terms and conditions of the Merger Agreement as would enable the Company to proceed with the transactions contemplated by the Merger Agreement.

Conditions to Consummation of the Merger. Pursuant to the Merger Agreement, the respective obligations of Parent, the Purchaser and the Company to consummate the Merger are subject to the satisfaction, at or before the Effective Time, of each of the following conditions: (i) the stockholders of the Company shall have duly approved the transactions contemplated by the Merger Agreement, if required by applicable law; (ii) Parent, the Purchaser or any of their affiliates shall have accepted for payment and paid for Shares pursuant to the Offer in accordance with the terms of the Merger Agreement; (iii) the consummation of the Merger is not restrained, enjoined or prohibited by any order, judgment, decree, injunction or ruling of a court of competent jurisdiction or any Governmental Entity (provided that each of the parties to the Merger Agreement shall have used reasonable best efforts to prevent the entry of any such injunction or other order that may be entered) and there is not any statute, rule or regulation enacted, promulgated or deemed applicable to the Merger by any Governmental Entity which prevents the consummation of the Merger or has the effect of making the purchase of Shares illegal; and (iv) any waiting period (and any extension thereof) under the HSR Act applicable to the Merger shall have expired or terminated and all applicable foreign approvals and consents shall have been received or obtained.

Termination. The Merger Agreement may be terminated and the Merger may be abandoned at any time prior to the Effective Time, notwithstanding approval thereof by the stockholders of the Company (with any termination by Parent also being an effective termination by the Purchaser):

(a) by the mutual written consent of the Company, by action of its Board of Directors and Parent; provided that any such change is done in with the approval of the directors who are not Purchaser Insiders, if applicable;

(b) by the Company if (i) the Purchaser fails to commence the Offer

by March 26, 1999, (ii) the Purchaser has not accepted for payment and paid for the Shares pursuant to the Offer in accordance with the terms of the Offer on or before October 31, 1999, or (iii) the Purchaser fails to purchase validly tendered Shares in violation of the terms of the Merger Agreement;

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(c) by Parent or the Company if the Offer is terminated or withdrawn pursuant to its terms without any Shares being purchased thereunder; provided, however, that neither Parent nor the Company may terminate the Merger Agreement pursuant to this clause (c) if such party shall have materially breached the Merger Agreement;

(d) by Parent or the Company if any court or other Governmental Entity shall have issued an order, decree, judgment or ruling or taken any other action permanently enjoining, restraining or otherwise prohibiting the acceptance for payment of, or payment for, Shares pursuant to the Offer or the Merger and such order, decree or ruling or other action shall have become final and nonappealable;

(e) by the Company if, prior to the purchase of a majority of the Shares pursuant to the Offer in accordance with the terms of the Merger Agreement, (i) the Company Board of Directors approves an Acquisition Transaction, for which all necessary financing is then in the judgment of the Company Board of Directors readily obtainable, on terms which a majority of the members of the full Company Board of Directors has determined in good faith and on a reasonable basis after consultation with and receipt of advice from its outside legal counsel to the effect that failing to take such action would create a reasonable likelihood of a breach of their fiduciary duties, and (ii) such Acquisition Transaction is, in the written opinion of each of SSB and J.P. Morgan, more favorable from a financial point of view to the Company's stockholders than the transactions contemplated by the Merger Agreement (as the same has been proposed to be amended by Parent in response to the proposal in question); provided that the termination described in this clause (e) shall not be effective unless and until the Company shall have paid to Parent all of the fees and expenses described herein including, without limitation, the Termination Fee (as hereinafter defined);

(f) by Parent, if the Company breaches any of its covenants in Section 6.3(c) (relating to an approval, recommendation, or public proposal to approve or recommend an Acquisition Transaction); 6.8 (relating to the Rights Agreement) or 6.10 of the Merger Agreement (relating to the Company's obligation not to solicit competing transactions), if the Company Board of Directors withdraws or modifies (including by amendment of the Schedule 14D-9) in a manner adverse to the Purchaser its approval or recommendation of the Offer, the Merger Agreement or the Merger, approves or recommends another Acquisition Transaction, or resolves to effect any of the foregoing (and such resolution shall have been made public); or

(g) by Parent, if the Minimum Condition shall not have been satisfied by the expiration date of the Offer and on or prior to such date (A) a third party shall have made a proposal or public announcement or communication to the Company with respect to (i) the acquisition of the Company by merger, tender offer or otherwise, (ii) a merger, consolidation or similar business combination with the Company or any of its subsidiaries, (iii) the acquisition of 50% or more of the assets of the Company and its subsidiaries, taken as a whole or any material asset of the Company or its subsidiaries, (iv) the acquisition of 50% or more of the outstanding Shares, (v) the adoption by the Company of a plan of liquidation or the declaration or payment of an extraordinary dividend, or (vi) the repurchase by the Company or any of its subsidiaries of 50% or

more of the outstanding Shares at a price in excess of the Offer Price or (B) any person (including the Company or any of its affiliates or subsidiaries), other than Parent or any of its affiliates, shall have become the beneficial owner of more than 50% of the Shares.

Effect of Termination. In the event of the termination of the Merger Agreement in accordance with its terms, the Merger Agreement will become void and have no effect, without any liability on the part of any party or its directors, officers, employees or stockholders, other than this provision and provisions relating to the payment of certain fees and expenses including the Termination Fee, which shall survive any such termination; provided that no party would be relieved from liability for any breach of the Merger Agreement.

Fees and Expenses. Except as provided below, whether or not the Merger is consummated, all costs and expenses incurred in connection with the Offer, the Merger Agreement and the transactions contemplated by the Merger Agreement will be paid by the party incurring such expenses. In the event that the Merger Agreement is terminated pursuant to subparagraph (e), (f) or (g)(B) under "Termination" above, or is terminated pursuant to paragraph (c) under "Termination" above following the termination of the Offer by

Parent as a result of the failure to satisfy the conditions set forth in paragraph (c)(1) of Section 14, then the Company will simultaneously with such termination (or, in the case of a termination by Parent, within one business day thereafter) reimburse Parent for out-of-pocket fees and expenses of Parent and the Purchaser (including printing fees, filing fees and fees and expenses of its legal and financial advisors) related to the Offer, the Merger Agreement, the transactions contemplated thereby and any related financing up to a maximum of $25 million (collectively, "Expenses"), and at the same time pay Parent a termination fee of $220 million (the "Termination Fee") in immediately available funds by wire transfer to an account designated by Parent. In the event that (i) the Merger Agreement is terminated pursuant to subparagraph (g)(A) under "Termination" above or pursuant to subparagraph (c) under "Termination" above by the Purchaser following the termination of the Offer by Parent as a result of the failure to satisfy any of the conditions set forth in subparagraph (c)(2), (3) or (4) of Section 14 hereof) and (ii) within twelve months of the date of such termination, the Company will enter into an agreement for an Acquisition Transaction with any person other than Parent and its affiliates, then, prior to or simultaneously with entering into such agreement, the Company will pay Parent the Termination Fee and reimburse Parent and the Purchaser for their Expenses, in each case in immediately available funds by wire transfer to an amount specified by Parent. Without limiting the foregoing, in the event the Merger Agreement is terminated pursuant to subparagraph (c) under "Termination" above as a result of the failure to satisfy the conditions set forth in paragraph (e) of Section 14 hereof, then the Company will promptly (and in any event within one business day of such termination) reimburse Parent for Expenses in immediately available funds by wire transfer to an account designated by Parent. The prevailing party in any legal action undertaken to enforce the provisions of the Merger Agreement relating to the Termination Fee shall be entitled to recover his costs and expenses.

Amendment. The Merger Agreement may be amended in writing by the Company, Parent and the Purchaser at any time before or after any approval of the Merger Agreement by the stockholders of the Company but, after any such approval, no amendment may be made which decreases the Merger Price or which adversely affects the rights of the Company's stockholders hereunder without the approval of such stockholders. The Merger Agreement also provides that any amendment or termination of the Merger Agreement by the Company, any extension of time for performance of any of the obligations of Parent or the Purchaser under the Merger Agreement or any waiver of any condition or any of the Company's rights under the Merger Agreement or any other action by the Company under the Merger

Agreement adversely affecting the rights of minority stockholders of the Company, following the election of Parent's designees to the Company Board of Directors requires the concurrence of a majority of the Company directors who are not Purchaser Insiders.

Extension; Waiver. At any time prior to the Effective Time, the parties hereto may in writing (i) extend the time for the performance of any of the obligations or other acts of any other party thereto, (ii) waive any inaccuracies in the representations and warranties contained therein of any other party thereto or in any document, certificate or writing delivered pursuant to the Merger Agreement by any other party thereto, or (iii) waive compliance with any of the agreements of any other party or with any conditions to its own obligations

(c) The Stock Option Agreement

As an inducement to, and a condition of, Parent entering into the Merger Agreement concurrently with the execution of the Merger Agreement, the Company and Parent entered into a Stock Option Agreement (the "Stock Option Agreement") pursuant to which the Company granted to Parent an irrevocable option (the "Stock Option") to purchase 36,223,552 authorized but unissued Shares at an exercise price (the "Exercise Price") of $31.50 per Share. The Shares subject to the Stock Option represent approximately 19.9% of the outstanding Shares (before giving effect to the issuance of the Shares subject to the Option). The Option becomes exercisable by Parent pursuant to the terms and conditions of the Stock Option Agreement if an event (an "Exercise Event") giving rise to the obligation to pay the Termination Fee in accordance with the Merger Agreement has occurred, as described in (b) of this Section 11.

The Stock Option will expire upon the earliest of (i) the Effective Time, (ii) one year after receipt by Parent of notice from the Company that an Exercise Event has occurred and (iii) termination of the Merger Agreement other than a termination as a result of an Exercise Event.

The number and type of securities subject to the Stock Option and the Exercise Price will be adjusted to preserve the economic benefit of the Stock Option if there is any change in the Shares by reason of a stock dividend, split-up, combination, recapitalization, exchange of shares or similar transaction.

The Stock Option Agreement provides that at any time after an Exercise Event and prior to 120 days after the expiration of the term of the Stock Option, Parent may put (the "Put Right") to the Company the Stock Option and any Shares purchased pursuant to the Stock Option ("Option Shares") for aggregate consideration equal to (i) the aggregate exercise price paid by Parent for any Shares owned by Parent and purchased pursuant to the Stock Option in respect of which Parent is exercising the Put Right and (ii) the number of Shares in respect of which the Put Right is being exercised (whether or not such Shares are owned by Parent and purchased pursuant to the Stock Option or remain subject to the Stock Option) multiplied by the difference between the Exercise Price and the highest of (A) the highest purchase price per Share paid pursuant to a third party's tender or exchange offer prior to the date the Put Right is exercised; (B) the price per share to be paid by any third person for Shares pursuant to a business combination transaction involving the Company; and (C) the average closing price of the Shares as reported on the NYSE during the ten consecutive trading days prior to exercise of the Put Right.

The Stock Option Agreement further provides that to the extent the Put Right has not been exercised, following the tenth day after the purchase by Parent of any Option Shares and for a period of 120 days after expiration of the Option, the Company may repurchase from Parent (the "Call Right") all (but not less than all) of the Option Shares owned by Parent at such time for a price per Share equal to the greater of (i) the average closing price of the Shares as reported on the NYSE during the ten consecutive trading days prior to the exercise of such right and (ii) the Exercise Price.

The Stock Option Agreement provides that Parent's total profit from the Stock Option Agreement (including amounts payable pursuant to the Put Right and the Call Right), the Termination Fee and Parent's expenses cannot exceed a "Profit Cap" of $237 million.

The Stock Option Agreement further provides that for a period of two years following the first exercise of the Stock Option by Parent, Parent will have certain registration rights in respect of the Option Shares.

The foregoing is a summary of the material provisions of the Stock Option Agreement, a copy of which is included as an exhibit to the Schedule 14D-1 of which this Offer to Purchase forms a part. This summary is qualified in its entirety by reference to the Stock Option Agreement which is incorporated herein by reference.

(d) The Support Agreements

Concurrently with the execution of the Merger Agreement, Parent entered into Support Agreements with three executive officers (the "Management Stockholders") of the Company, Apollo Investment Fund, L.P., Lion Advisors, L.P. (together with Apollo Investment Fund, L.P., the "Apollo Stockholders") and certain shareholders related to the Bass family of Texas (the "Bass Stockholders"). According to the information provided by them, the Management Stockholders, the Apollo Stockholders and the Bass Stockholders owned 657,946, 13,752,859 and 8,000,000 Shares, respectively, as of March 22, 1999, representing in the aggregate approximately 12.3% of the Shares outstanding as of such date.

Pursuant to the Support Agreements each of the above stockholders has agreed to tender (or cause the record owner to tender) and not withdraw all of their Shares owned on the date of the Support Agreements and all Shares acquired prior to termination of the Tender Offer ("Tender Shares") and not withdraw their Shares pursuant to the Offer. Each also agreed that, for so long as the Support Agreement was in effect, at any meeting of the stockholders of the Company, however called, he would vote his Tender Shares in favor of the Merger, vote against any action or agreement that would result in a breach of any covenant, representation or warranty or any other obligation or agreement of the Company under the Merger Agreement, and against any action or agreement that would impede, interfere with, delay, postpone or attempt to discourage the Merger or the Offer including (i) any extraordinary transaction involving the Company or any of its subsidiaries, (ii) a sale or transfer of a material amount of assets of the Company or any of its subsidiaries or a reorganization, recapitalization or liquidation of the Company or any of its subsidiaries, (iii) any change in the management or Company Board of Directors, except as agreed to by Parent, (iv) any material change in the capitalization or dividend policy of the Company, or (v) any other material change in the Company's corporate structure or business.

Each of these stockholders also granted representatives of Parent an irrevocable proxy to vote its Tender Shares in favor of the Merger and other transactions contemplated by the Merger Agreement, against any Acquisition Transaction and otherwise as contemplated by the preceding paragraph.

In addition each of the stockholders who is a party to a Support Agreement agreed not to (i) except to Parent or the Purchaser, transfer any or all of his Tender Shares, (ii) except with Parent, enter into any contract, option or other

agreement or understanding with respect to any transfer of any or all of his Tender Shares, (iii) grant any proxy, power-of-attorney or other authorization in or with respect to his Tender Shares, (iv) deposit his Tender Shares into a voting trust or enter into a voting agreement or arrangement with respect to his Shares, or (v) take any other action that would in any way restrict, limit or interfere with the performance of his obligations under the Support Agreements or by the Merger Agreement or which would make any representation or warranty of such stockholder under the Support Agreement untrue or incorrect.

Each stockholder further agreed that he would not, and would not permit or authorize any of his affiliates, representatives or agents to, directly or indirectly, encourage, solicit, explore, participate in or initiate discussions or negotiations with, or provide or disclose any information to, any corporation, partnership, person or other entity or group (other than Parent, the Purchaser, any of their affiliates or representatives) concerning any Acquisition Transaction or enter into any agreement, arrangement or understanding requiring the Company to abandon, terminate or fail to consummate the Merger or any other transactions contemplated by the Merger Agreement. Each such stockholder also agreed to immediately cease any existing activities, discussions or negotiations with any parties with respect to any Acquisition Transaction and to immediately advise Parent in writing of the receipt, directly or indirectly, of any inquiries, discussions, negotiations or proposals relating to an Acquisition Transaction, identify the offeror and furnish to parent a copy of any such proposal or inquiry, if it is in writing, or a written summary of any oral proposal or inquiry relating to an Acquisition Transaction and to promptly advise Parent in writing of any development relating to such proposal, including the results of any discussions or negotiations with respect thereto. Where applicable, the Support Agreements provide, however, that any action taken by the Company or any member of the Board of Directors of the Company (including, if applicable, such stockholder or his representative acting in such capacity) in accordance with the proviso set forth in the second sentence of "No Solicitation" will be deemed not to violate the provisions described in this paragraph.

Each such stockholder also agreed to waive any appraisal rights available under applicable law, as described below.

Each Management Stockholder also granted Parent an irrevocable option (the "Management Stock Option") to purchase his Tender Shares at $31.50. The Management Stock Option becomes exercisable in whole or in part upon the first to occur of (i) the Tender Shares being purchased pursuant to the Offer or (ii) the Merger Agreement being terminated pursuant to subparagraph (e), (f) or (g) under "Termination," or the Offer being terminated following the failure of any of the conditions set forth in paragraph (c) or (e) of Section 14 hereof to be satisfied. Once exercisable, the Management Stock Option will remain exercisable, in whole or in part for 120 days. However, the Management Stock Option may only be exercised if (i) all waiting periods under the HSR Act and any equivalent foreign laws, required for the purchase of the Tender Shares upon such exercise shall have expired or been waived (and the 120-day exercise period shall be tolled if it would otherwise expire pending such expiration or waiver) and (ii) there is not in effect any preliminary or final injunction or other order issued by any court or governmental, administrative or regulatory agency or authority prohibiting the exercise of the Management Stock Option.

The Management Support Agreements also provide that any incremental value in excess of $31.50 per Tender Share received by any executive officers party to any such agreement attributable to an Acquisition Transaction (other than with Parent or the Purchaser) that is entered into or consummated within 12 months of the termination of the Merger Agreement belongs to Parent who is entitled to receive such amount within two business days of receipt by any such executive officer.

Parent has agreed in the Stockholder Support Agreements that it will, unless prevented by law, purchase or cause the Purchaser to purchase the shares owned as of the date of such agreements by each of the Bass Stockholders and the Apollo Stockholders if (i) the Offer is terminated or withdrawn by the Purchaser or (ii) the Offer is consummated and such shares are not purchased by Purchaser pursuant to the Offer, at $31.50 per Share (or at such higher price as may be paid to tendering stockholders pursuant to the Offer). In addition, the Support Agreement with the Apollo Stockholders provides that Parent and the Purchaser will use their best efforts to obtain all necessary approvals so that the Purchaser can pay (or have a third party pay) the Apollo Stockholders for their Shares by June 15, 1999, and that the Apollo Stockholders will have the right to transfer their Shares owned as of the date of such Support Agreement if the Offer is not consummated or such Shares are not otherwise purchased by Parent or the Purchaser prior to June 15, 1999 (with Parent and the Purchaser being responsible for the difference between $31.50 and the price per Share received by the Apollo Stockholders).

The agreements and proxy contained in each Support Agreement will terminate on the earlier of payment for the Shares pursuant to the Offer (or otherwise in the case of the Stockholder Support Agreements) and, in

the case of the Management Support Agreements and the Support Agreement with the Bass Stockholders, the 181st day after termination of the Merger Agreement in accordance with its terms.

The foregoing is a summary of the material provisions of the Support Agreements, copies of which are included as exhibits to the Schedule 14D-1 of which this Offer to Purchase forms a part. This summary is qualified in its entirety by reference to the Support Agreements which are incorporated herein by reference.

(e) Executive Employment Agreements

Concurrently with the execution of the Merger Agreement, the Company and Parent entered into an employment agreement with Richard J. Heckmann (the "Heckmann Agreement") which has a term of four years from the date on which the effective time of the Merger occurs (the "Effective Date"). The Heckmann Agreement will be of no force and effect if the Merger Agreement is terminated. During the term of the Heckmann Agreement, Mr. Heckmann will be Chairman and Chief Executive Officer of the Company, a member of the Executive Committee of Vivendi Water Branch and a director of Generale des Eaux. In addition to payments of salary (which would be increased to $950,000 per year) and annual bonus opportunities, the Heckmann Agreement provides for a cash payment not to exceed $7.5 million to be paid no later than five days following the Effective Date in respect of the severance provisions of his former employment agreement with the Company, and provides for the full vesting of Mr. Heckmann's benefit under the Company's Supplemental Executive Retirement Plan. In addition, the Company (or Parent, on behalf of the Company) is obligated to deliver to Mr. Heckmann an aggregate of 289,056 shares of Parent stock, one-quarter of which will be delivered on each of the first four anniversaries of the Effective Date, provided that Mr. Heckmann is employed by the Company as of each such date. In the event that Mr. Heckmann's employment is terminated by the Company for Cause or by Mr. Heckmann without Good Reason (as each such term is defined in the Heckmann Agreement), Mr. Heckmann will be entitled to receive only his salary accrued to such termination and any previously vested benefits under Company benefit plans; provided, that portion of the Parent stock grant not previously delivered or past due to be delivered at such time will be forfeited. If Mr. Heckmann's employment is terminated because of his death or Disability (as defined in the Heckmann Agreement), Mr. Heckmann (or his beneficiaries, as applicable) will be entitled to receive, in addition to any accrued but unpaid

salary and other benefits owed or payable to Mr. Heckmann under the Company's benefit plans, (i) a lump sum in cash equal to two times (x) his then current base salary plus (y) the minimum annual incentive to which Mr. Heckmann would have been entitled for the year in which such termination occurs; (ii) a lump sum in cash in respect of any deferred compensation; (iii) that portion of the Parent stock grant that was not delivered prior to the effective date of such termination; and (iv) continuation of welfare-type benefits for two years following the date of termination. In the event that Mr. Heckmann's employment is terminated by the Company without Cause or by Mr. Heckmann for Good Reason, which includes a Change in Control of Parent or the Company (as each term is defined in the Heckmann Agreement), Mr. Heckmann will be entitled to receive (1) a lump sum in cash equal to (a) the base salary that would have been paid to Mr. Heckmann for the remainder of the original term of the Heckman Agreement plus (b) the target annual bonus that would have been paid to Mr. Heckmann for the remainder of the original term of the Heckmann Agreement plus (c) the minimum annual bonus for the year in which such termination occurs, pro-rated to date of termination; (2) continued welfare-type benefits for the remainder of the original term of the Heckmann Agreement; and (3) that portion of the Parent stock grant that was not delivered prior to the effective date of such termination. The Heckmann Agreement provides that, if any payment or benefit that Mr. Heckmann receives in connection with the Merger becomes subject to the excise tax imposed by section 4999 of the Internal Revenue Code of 1986, as amended (the "Code"), the Company will pay to Mr. Heckmann an amount in cash sufficient to make him whole with respect to such excise tax. Mr. Heckmann is subject to non-competition and non-solicitation covenants for the entire term of the Heckmann Agreement, regardless of the earlier termination of his employment thereunder. The Company will no longer be obligated to deliver the Parent stock grant, in the event Mr. Heckmann violated such covenants prior to the due date for any payment of the Parent stock grant. Parent, the Company and Mr. Heckmann have also entered into an agreement whereby Mr. Heckmann may purchase one of the Company's aircraft at its then depreciated value upon his retirement or, if earlier, at such time as the Company determines to sell such aircraft to a third party.

Concurrently with the execution of the Merger Agreement, the Company and Parent entered into employment agreements with each of Andrew D. Seidel and Kevin L. Spence (each, an "Executive Agreement") which are substantially similar in their terms. Each Executive Agreement has a three-year term from the Effective Date. The Executive Agreements will be of no force and effect if the Merger Agreement is terminated. During the term of the Executive Agreements, Mr. Seidel will be President and Chief Operating Officer -- Wastewater Group of the Company, and Mr. Spence will be Executive Vice President and Chief Financial Officer of the Company. In addition to payments of salary (which would be increased for both executives to $350,000 per year) and annual bonus opportunities, the Executive Agreements provide for a cash payment not to exceed $2.1 million (in the case of Mr. Seidel) or $1.95 million (in the case of Mr. Spence) to be paid no later than five days following the Effective Date in respect of the severance provisions of their former employment agreements with the Company, and provide for the full vesting of their benefits under the Company's Supplemental Executive Retirement Plan. In addition, the Company (or Parent, on behalf of the Company) is obligated to deliver to the executives an aggregate of 50,370 shares of Parent stock (in the case of Mr. Seidel) or 49,341 shares of Parent stock (in the case of Mr. Spence), one-third of which will be delivered on each of the first three anniversaries of the Effective Date, provided that the executive is employed by the Company as of each such date. In the event that the executive's employment is terminated by the Company for Cause or by the executive without Good Reason (as each such term is defined in the Executive Agreements), that portion of the Parent stock grant not previously delivered or past due to be delivered at such time will be forfeited. If the executive's employment is terminated because of his death or Disability (as defined in the Executive Agreements), the executive (or his beneficiaries, as

applicable) will be entitled to receive (i) a lump sum in cash equal to 150 percent (150%) of (x) his then current base salary plus (y) the minimum annual incentive to which the executive would have been entitled for the year in which such termination occurs; (ii) a lump sum in cash in respect of any deferred compensation, (iii) that portion of the Parent stock grant that was not delivered prior to the effective date of such termination; and (iv) continuation of welfare-type benefits for two years following the date of termination. In the event that the executive's employment is terminated by the Company without Cause or by the executive for Good Reason, which includes a Change in Control of Parent or the Company (as each such term is defined in the Executive Agreements), the executive will be entitled to receive (1) a lump sum in cash equal to (a) the base salary that would have been paid to the executive for the remainder of the original term of the Executive Agreement plus (b) the target annual bonus that would have been paid to the executive for the remainder of the original term of the Executive Agreement plus (c) the minimum annual bonus for the year in which such termination occurs, pro-rated to the date of termination; (2) continued welfare-type benefits for the remainder of the original term of the Executive Agreement; and (3) that portion of the Parent stock grant that was not delivered prior to the effective date of such termination. The Executive Agreements provide that, if any payment or benefit that the executive receives in connection with the Merger becomes subject to the excise tax imposed by section 4999 of the Code, the Company will pay to the executive an amount in cash (a "Gross-up Payment") sufficient to make him whole with respect to such excise tax. Each of the executives is subject to non-competition and non-solicitation covenants for the entire term of his Executive Agreement, regardless of the earlier termination of his employment thereunder. The Company will no longer be obligated to deliver the Parent stock grant to Mr. Seidel or Mr. Spence, as the case may be, in the event such executive violates such covenants prior to the due date for any payment of the Parent stock grant.

As of August 26, 1998, the Company entered into Employment Agreements ("Employment Agreements") with its executive officers other than Mr. Heckmann and Mr. Shimmon (Mr. Stanczak entered into his Employment Agreement on February 15, 1999), whose terms are substantially similar, except that the number of years in the term of the agreement and the corresponding multiplier used in calculating severance benefits thereunder may differ. With respect to Messrs. Seidel and Spence, such agreements are superceded by the Executive Agreements described above. Each Employment Agreement provides for a term of 24 or 36 months, provided in each case that unless either party has given notice of termination, on the first day of the month following the commencement of the term of the Employment Agreement, the term is extended by an additional month. The Employment Agreements provide for certain payments and benefits to be paid in respect of severance upon the occurrence of a Change of Control (as defined in the Employment Agreements). Such payments and benefits include: (1) a lump sum in cash equal to (a) the executive's base

salary and target annual incentive bonus that would be payable for the remainder of the term of the Employment Agreement; (b) the present value of the welfare-type benefits covering the executive if continued to the end of the term of the Employment Agreement; and (c) for agreements with a 36-month term, the immediate vesting of the executive's benefit under the Company's Supplemental Executive Retirement Plan. Employment Agreements with a 36-month term provide that, if any payment or benefit that the executive receives in connection with the Merger becomes subject to excise tax imposed by section 4999 of the Code, the Company will pay to the executive a Gross-up Payment. Employment Agreements with a two-year term do not provide for a Gross-up Payment. Each Employment Agreement provides that the executive will be subject to non-competition covenants during the term of the agreement and, if the executive's employment is terminated prior to the expiration of the term of the Employment Agreement, for one year thereafter.

Appraisal Rights. No appraisal rights are available in connection with the Offer. If the Merger is consummated, however, stockholders of the Company who have not tendered their Shares will have certain rights under the DGCL to dissent and demand appraisal of, and to receive payment in cash of the fair value of, their Shares. Stockholders who perfect such rights by complying with the procedures set forth in Section 262 of the GCL ("Section 262") will have the fair value of their Shares (exclusive of any element of value arising from the accomplishment or expectation of the Merger) determined by the Delaware Court of Chancery and will be entitled to receive a cash payment equal to such fair value from the Surviving Corporation. In addition, such dissenting stockholders would be entitled to receive payment of a fair rate of interest from the date of consummation of the Merger on the amount determined to be the fair value of their Shares. In determining the fair value of the Shares, the court is required to take into account all relevant factors. Accordingly, such determination could be based upon considerations other than, or in addition to, the market value of the Shares, including, among other things, asset values and earning capacity. In Weinberger v. UOP, Inc., the Delaware Supreme court stated that "proof of value by any techniques or methods which are generally considered acceptable in the financial community and otherwise admissible in court" should be considered in an appraisal proceeding. The Weinberger court also noted that under Section 262, fair value is to be determined "exclusive of any element of value arising from the accomplishment of exception of the merger." In Cede & Co. v. Technicolor, Inc., however, the Delaware Supreme Court stated that, in the context of a two-step cash merger, "to the extent that value has been added following a change in majority control before cash-out, it is still value attributable to the going concern," to be included in the appraisal process. As a consequence, the fair value determined in any appraisal proceeding could be more or less than the consideration to be paid in the Offer and the Merger.

Parent does not intend to object, assuming the proper procedures are followed, to the exercise of appraisal rights by any stockholder and the demand for appraisal of, and payment in cash for the fair value of, the Shares. Parent intends, however, to cause the Surviving Corporation to argue in an appraisal proceeding that, for purposes of such proceeding, the fair value of each Share is less than the price paid in the Merger. In this regard, stockholders should be aware that opinions of investment banking firms as to the fairness from a financial point of view (including the opinions of SSB and J.P. Morgan described herein) are not necessarily opinions as to "fair value" under Section 262.

THE PRESERVATION AND EXERCISE OF DISSENTERS' RIGHTS REQUIRE STRICT ADHERENCE TO THE APPLICABLE PROVISIONS OF THE DGCL.

Plans for the Company. In connection with the Offer, Parent and the Purchaser have reviewed, and will continue to review various possible business strategies that they might consider in the event that the Purchaser acquires control of the Company, whether pursuant to this Offer, the Merger or otherwise. Such strategies could include, among other things, changes in the Company's business, corporate structure, capitalization or management.

"Going Private" Transactions. The Commission has adopted Rule 13e-3 under the Exchange Act which is applicable to certain "going private" transactions and which may under certain circumstances be applicable to the Merger. However, Rule 13e-3 would be inapplicable if (i) the Shares are deregistered under the Exchange Act prior to the Merger or other business combination or (ii) the Merger or other business

combination is consummated within one year after the purchase of the Shares pursuant to the Offer and the amount paid per Share in the Merger or other business combination is at least equal to the amount paid per Share in the Offer. If applicable, Rule 13e-3 requires, among other things, that certain financial information concerning the fairness of the proposed transaction and

the consideration offered to minority stockholders in such transaction be filed with the Commission and disclosed to stockholders prior to the consummation of the transaction.

The Rights. According to the Company's Current Report on Form 8-K dated November 27, 1998 (together with subsequent filings relating to the Rights Agreement, the "Company 8-K"), on November 12, 1998, the Company declared a dividend distribution of one Right for each outstanding Share, which entitles the registered holder to purchase from the Company one one-thousandth of a share of Series A Junior Participating Preferred Stock, par value $0.10 per share, of the Company (the "Preferred Stock") at an exercise price of $80.00 (the "Exercise Price"), subject to adjustment.

The Rights Agreement provides that in the event that a person becomes the beneficial owner of 15% or more of the outstanding Shares, each holder of a Right can receive upon exercise that number of Shares (or other securities) of the Company having at the time of such transaction a market value equal to two times the Exercise Price. In the event that the Company is acquired in a merger or other business combination transaction in which the Company is not the surviving corporation or where 50% or more of the assets or earning power is sold or transferred, each holder of a Right can receive common stock of the acquiring company having a value equal to two times the Exercise Price. As a condition of the Offer and pursuant to the Merger Agreement, the Company has taken all actions necessary to make the Rights inapplicable to the Offer, the Merger, the Stock Option Agreement and the Support Agreements.

The foregoing summary of the Rights Agreement does not purport to be complete and is qualified in its entirety by reference to the Company 8-K and the text of the Rights Agreement as set forth as an exhibit thereto filed with the Commission, copies of which may be obtained in the manner set forth in Section 8.

STOCKHOLDERS ARE REQUIRED TO TENDER ONE ASSOCIATED RIGHT FOR EACH SHARE TENDERED IN ORDER TO EFFECT A VALID TENDER OF SUCH SHARE. IF THE DISTRIBUTION DATE (AS DEFINED IN THE RIGHTS AGREEMENT) DOES NOT OCCUR PRIOR TO THE EXPIRATION DATE, A TENDER OF SHARES WILL ALSO CONSTITUTE A TENDER OF THE ASSOCIATED RIGHTS. SEE SECTIONS 1 AND 3.

12. SOURCE AND AMOUNT OF FUNDS.

Approximately $6.2 billion is required to purchase the Shares pursuant to the Offer and upon conversion of the Shares in the proposed Merger, and to pay fees and expenses related to the Offer and the proposed Merger.

Parent plans to obtain sufficient funds from available cash on hand, available lines of credit and from bridge loans to be separately provided by Bayerische Landesbank and Societe Generale. Parent expects to conclude an arrangement with Bayerische Landesbank under which it will provide to Parent a FF 13.2 billion loan repayable no later than October 29, 1999. Such borrowing will bear interest at one of the following rates: (i) 1-, 2- or 3-month Euribor rate plus 8 basis points if the loan is drawn in Euros or; (ii) 1-, 2- or 3-month Libor U.S. dollar rate plus 8 basis points if the loan is drawn in U.S. dollars. Additionally, Parent expects to conclude an arrangement with Societe Generale under which it will provide a FF 2.286 billion 6-month loan. Such borrowing will bear an interest rate equal to 1-month Euribor plus 8 basis points, subject to certain adjustment at Parent's option. Parent expects to obtain the remaining funds to consummate the Offer and the proposed Merger from available cash and existing lines of credit.

Both bridge loans will be repaid with the issuance through a rights offering on the Paris Stock Exchange of Parent common stock for aggregate proceeds of E3 billion and convertible bonds for aggregate proceeds of not less than E2 billion.

The funds necessary to purchase the Shares pursuant to the Offer and upon

conversion of the Shares in the proposed Merger, and to pay fees and expenses related to the Offer and the proposed Merger, will be furnished to Purchaser by Parent and/or one or more of its subsidiaries as a capital contribution and/or loans.

13. DIVIDENDS AND DISTRIBUTIONS.

The Merger Agreement provides that without the prior written consent of Parent, the Company will not, and will not permit any of its subsidiaries to, prior to the Effective Time, (i) issue, reissue or sell, or authorize the issuance, reissuance or sale of (A) additional shares of capital stock of any class, or securities convertible into capital stock of any class, or any rights, warrants or options to acquire any convertible securities or capital stock, other than the issuance of Shares, in accordance with the terms of the instruments governing such issuance on the date hereof, pursuant to the exercise of Options outstanding on the date of the Merger Agreement, or (B) any other securities in respect of, in lieu of, or in substitution for, the Shares or any other capital stock of any class outstanding on the date of the Merger Agreement or (ii) make any other changes in its capital structure (other than the incurrence of indebtedness in the amount of up to $100 million in the aggregate under existing revolving credit facilities).

14. CERTAIN CONDITIONS OF THE OFFER.

Notwithstanding any other provisions of the Offer, the Purchaser shall not be required to accept for payment or pay for any tendered Shares and may terminate or, subject to the terms of the Merger Agreement, amend the Offer, if (i) the Minimum Condition is not satisfied, (ii) any applicable waiting period under the HSR Act shall not have expired or been terminated, and any applicable approvals or consents have not been obtained under any Foreign Approval Laws (or any applicable waiting periods thereunder have not expired or been terminated), (iii) the Company shall not have delivered to the Purchaser and Parent a duly executed FIRPTA certificate in the form of Attachment 1 to the Merger Agreement, or (iv) at any time on or after the date of the Merger Agreement and prior to the time of payment for any Shares, any of the following events (each, an "Event") shall occur:

(a) there shall be any action taken, or any statute, rule, regulation, legislation, interpretation, ruling, condition, judgment, order or injunction enacted, enforced, promulgated, proposed, amended, issued or deemed applicable to the Offer, by any governmental entity that could reasonably be expected to, directly or indirectly: (1) make illegal or otherwise prohibit consummation of the Offer or the Merger, (2) prohibit or materially limit the ownership or operation by Parent or the Purchaser of all or a portion of the business or assets of the Company and its subsidiaries or compel Parent or the Purchaser to dispose of or hold separately all or a portion of the business or assets of Parent or the Purchaser or the Company and its subsidiaries, or seek to impose a limitation on the ability of Parent or the Purchaser to conduct its business or own such assets, (3) impose a limitations on the ability of Parent or the Purchaser effectively to acquire, hold or exercise full rights of ownership of the Shares, including, without limitation, the right to vote any Shares acquired or owned by the Purchaser or Parent on all matters properly presented to the Company's stockholders, (4) require divestiture by Parent or the Purchaser of Shares, in the case of any of the foregoing in clauses (2), (3) or (4), which would reasonably be expected, individually or in the aggregate, to have a material adverse effect on the respective businesses of the Company or Compagnie Generale des Eaux, or (5) result in any change in or effect on the business, financial condition, results of operations or prospects of the Company or any of its subsidiaries that could reasonably be expected to have a material adverse

effect (a "Material Adverse Effect") on the Company and its subsidiaries taken as a whole or could reasonably be expected to prevent or delay consummation of the Offer or Merger on the Company or Parent;

(b) there shall be instituted or pending any action or proceeding by any Governmental Entity seeking any of the consequences referred to in clauses (1) through (4) of paragraph (a) above; or

(c) it shall have been publicly disclosed or the Purchaser shall have otherwise learned that beneficial ownership (determined for the purposes of this paragraph (c) as set forth in Rule 13d-3 promulgated under the Exchange Act) of 50% or more of the outstanding Shares has been acquired by any person (including the Company or any of its subsidiaries or affiliates) or group (as defined in Section 13(d)(3) under the Exchange Act), (2) the Company Board of Directors or any committee thereof shall have withdrawn, or shall have modified or amended in a manner adverse to Parent or the Purchaser, the approval, adoption or recommendation, as the case may be, of the Offer, the Merger or the

Merger Agreement, or approved or recommended any, merger, consolidation, other business combination, sale of material assets, takeover proposal or other acquisition of Shares other than the Offer and the Merger, (3) a third party shall have entered into a definitive agreement or a written agreement in principle with the Company with respect to a tender offer or exchange offer for any Shares or a merger, consolidation, other business combination with the Company or sale of material assets with or involving the Company or any of its subsidiaries (except as specifically permitted by Section 6.1 of the Merger Agreement), or (4) the Company Board of Directors or any committee thereof shall have resolved to do any of the foregoing (and such resolution shall be made public); or

(d) the Company and the Purchaser and Parent shall have reached an agreement that the Offer or the Merger Agreement be terminated, or the Merger Agreement shall have been terminated in accordance with its terms; or

(e) (i) any of the representations and warranties of the Company set forth in the Merger Agreement, when read without any exception or qualification as to materiality or to Material Adverse Effect on the Company, shall not be true and correct as of the date of the Merger Agreement except where the failure or failures to be so true and correct would not, individually or in the aggregate, reasonably be expected to adversely affect the value of the Company and its subsidiaries taken as a whole, in an amount equal to or in excess of $500 million, (ii) any of the representations and warranties of the Company with respect to the capitalization of the Company (Section 4.3 of the Merger Agreement) not be true and correct (except for immaterial inaccuracies), as if such representations and warranties were made at the time of such determination; or (iii) the Company shall have breached or failed to observe or perform in any material respect any of its covenants or agreements under the Merger Agreement, provided, however, that any breach or failure to observe or perform by the Company which is capable of being cured without a material adverse effect upon the Company and its subsidiaries or Parent and its subsidiaries, shall not be deemed a breach or failure to observe or perform by the Company if, without a material adverse effect upon the Company and its subsidiaries or Parent and its subsidiaries, such breach or failure to perform or observe is cured by the Company within five business days after written notice thereof by Parent is provided; or

(f) any consent (other than the filing of a certificate of merger or approval by the stockholders of the Company of the Merger if required by

the DGCL) required to be filed, occurred or been obtained by the Company or any of its subsidiaries in connection with the execution and delivery of the Merger Agreement, the Offer and the consummation of the transactions contemplated by the Merger Agreement shall not have been filed or obtained or shall not have occurred except where the failure to obtain such consent could not reasonably be expected to have individually or in the aggregate a Material Adverse Effect on the Company; or

(g) there shall have occurred, and continued to exist, (1) any general suspension of, or limitation on prices for, trading in securities on the New York Stock Exchange or the Paris Bourse, (2) (excluding any coordinated trading halt-triggered solely as a result of a specified decrease in a market index and suspensions on limitations resulting solely from physical damage or interference with such exchanges not related to market conditions), (3) any decline of at least 35% in the CAC-40 Index from the close of business on the last trading day immediately preceding the date of the Merger Agreement, (4) a declaration of a banking moratorium or any suspension of payments in respect of banks in the United States, France or the European Union, or a material limitation (whether or not mandatory) by any Governmental Entity on the extension of credit by banks or other lending institutions, or (5) in the case of any of the foregoing clauses (1) and (2) existing at the time of the commencement of the Offer, a material acceleration or worsening thereof.

The foregoing conditions (including those set forth in clauses (i), (ii) and (iii) of the initial paragraph) are for the benefit of Parent and the Purchaser and may be asserted by Parent or the Purchaser regardless of the circumstances giving rise to any such conditions and may be waived by Parent or the Purchaser, in whole or in part, at any time and from time to time in their reasonable discretion, in each case, subject to the terms of the Merger Agreement. The failure by Parent or the Purchaser at any time to exercise any of the foregoing

rights will not be deemed a waiver of any such right and each such right will be deemed an ongoing right which may be asserted at any time and from time to time. Any reasonable determination by the Purchaser concerning the events described in this Section 14 will be final and binding on all parties.

15. CERTAIN LEGAL MATTERS; REQUIRED REGULATORY APPROVALS.

General. Except as set forth in this Offer to Purchase, based on its review of publicly available filings by the Company with the Commission, neither Parent nor the Purchaser is aware of any licenses or regulatory permits that appear to be material to the business of the Company and its subsidiaries, taken as a whole, and that might be adversely affected by the Purchaser's acquisition of Shares (and the indirect acquisition of the stock of the Company's subsidiaries) as contemplated herein, or any filings, approvals or other actions by or with any domestic, foreign or supranational governmental authority or administrative or regulatory agency that would be required for the acquisition or ownership of the Shares (or the indirect acquisition of the stock of the Company's subsidiaries) by the Purchaser pursuant to the Offer as contemplated herein. Should any such approval or other action be required, it is presently contemplated that such approval or action would be sought except as described below under "State Takeover Laws." Should any such approval or other action be required, there can be no assurance that any such approval or action would be obtained without substantial conditions or that adverse consequences might not result to the Company's or its subsidiaries' businesses, or that certain parts of the Company's, Parent's, the Purchaser's or any of their respective subsidiaries' businesses might not have to be disposed of or held separate or other substantial conditions complied with in order to obtain such approval or action or in the event that such approvals were not obtained or such actions

were not taken. The Purchaser's obligation to purchase and pay for Shares is subject to certain conditions, including conditions with respect to litigation and governmental actions. See Introduction and Section 14.

State Takeover Laws. A number of states (including Delaware where the Company is incorporated) have adopted takeover laws and regulations which purport, to varying degrees, to be applicable to attempts to acquire securities of corporations which are incorporated in such states or which have substantial assets, stockholders, principal executive offices or principal places of business therein. To the extent that certain provisions of certain of these state takeover statutes purport to apply to the Offer or the Merger, the Purchaser believes that such laws conflict with federal law and constitute an unconstitutional burden on interstate commerce. In 1982, the Supreme Court of the United States, in Edgar v. Mite Corp., invalidated on constitutional grounds the Illinois Business Takeovers Statute, which as a matter of state securities law made takeovers of corporations meeting certain requirements more difficult. The reasoning in such decision is likely to apply to certain other state takeover statutes. In 1987, however, in CTS Corp. v. Dynamics Corp. of America, the Supreme Court of the United States held that the State of Indiana could as a matter of corporate law and, in particular, those aspects of corporate law concerning corporate governance, constitutionally disqualify a potential acquiror from voting on the affairs of a target corporation without the prior approval of the remaining stockholders, provided that such laws were applicable only under certain conditions. Subsequently, in TLX Acquisition Corp. v. Telex Corp., a Federal district court in Oklahoma ruled that the Oklahoma statutes were unconstitutional insofar as they apply to corporations incorporated outside Oklahoma in that they would subject such corporations to inconsistent regulations. Similarly, in Tyson Foods, Inc. v. McReynolds, a Federal district court in Tennessee ruled that four Tennessee takeover statutes were unconstitutional as applied to corporations incorporated outside Tennessee. This decision was affirmed by the United States Court of Appeals for the Sixth Circuit. In December 1988, a Federal district court in Florida held, in Grand Metropolitan PLC v. Butterworth, that the provisions of the Florida Affiliated Transactions Act and Florida Control Share Acquisition Act were unconstitutional as applied to corporations incorporated outside of Florida.

Section 203 of the DGCL prevents certain "business combinations" with an "interested stockholder" (generally, any person who owns or has the right to acquire 15% or more of a corporation's outstanding voting stock) for a period of three years following the time such person became an interested stockholder, unless, among other things, prior to the time the interested stockholder became such, the board of directors of the corporation approved either the business combination or the transaction in which the interested stockholder

became such. The Board of Directors of the Company has unanimously approved the Offer, the Merger and the Merger Agreement and the transactions contemplated thereby for the purposes of Section 203 of DGCL.

The Purchaser has not attempted to comply with any state takeover statutes in connection with the Offer or the Merger although, pursuant to the Merger Agreement, the Company has represented that the Company Board of Directors has taken appropriate action to render Section 203 of the DGCL inapplicable to the Offer, the Merger and the transactions contemplated by the Merger Agreement. The Purchaser reserves the right to challenge the validity or applicability of any state law allegedly applicable to the Offer or the Merger, and nothing in this Offer to Purchase nor any action taken in connection herewith is intended as a waiver of that right. In the event that it is asserted that one or more takeover statutes apply to the Offer or the Merger, and it is not determined by an appropriate court that such statute or statutes do not apply or are invalid as applied to the Offer or the Merger, as applicable, the Purchaser may be required to file certain documents with, or receive approvals from, the relevant state

authorities, and the Purchaser might be unable to accept for payment or purchase Shares tendered pursuant to the Offer or be delayed in continuing or consummating the Offer. In such case, the Purchaser may not be obligated to accept for purchase, or pay for, any Shares tendered. See Section 14.

United States Antitrust Approvals. Under the HSR Act, and the rules and regulations that have been promulgated thereunder by the Federal Trade Commission (the "FTC"), certain acquisition transactions may not be consummated until certain information and documentary material has been furnished for review by the FTC and the Antitrust Division of the Department of Justice (the "Antitrust Division") and certain waiting period requirements have been satisfied. The acquisition of Shares pursuant to the Offer and the Merger is subject to such requirements.

Under the provisions of the HSR Act applicable to the Offer and the Merger, the purchase of Shares pursuant to the Offer and the Merger may not be consummated until the expiration of a 30-calendar-day waiting period following the filing of certain required information and documentary material with respect to the Offer with the FTC and the Antitrust Division, unless such waiting period is earlier terminated by the FTC and the Antitrust Division. Parent has filed a Premerger Notification and Report Form with the FTC and the Antitrust Division in connection with the purchase of Shares pursuant to the Offer and the Merger under the HSR Act on March 23, 1999, and the required waiting period with respect to the Offer and the Merger would expire at 12:00 a.m., New York City time, on April 22, 1999, unless earlier terminated by the FTC or the Antitrust Division or Parent receives a request for additional information or documentary material prior thereto. If within such 30-calendar-day waiting period either the FTC or the Antitrust Division were to request additional information or documentary material from Parent, the waiting period with respect to the Offer and the Merger would be extended for an additional period of 10 calendar days following the date of substantial compliance with such request by Parent. Only one extension of the waiting period pursuant to a request for additional information is authorized by the rules promulgated under the HSR Act. Thereafter, the waiting period could be extended only by court order or with the consent of Parent. The additional 10-calendar-day waiting period may be terminated sooner by the FTC or the Antitrust Division. Although the Company is required to file certain information and documentary material with the FTC and the Antitrust Division in connection with the Offer, neither the Company's failure to make such filings nor a request made to the Company from the FTC or the Antitrust Division for additional information or documentary material will extend the waiting period with respect to the purchase of Shares pursuant to the Offer and the Merger.

The FTC and the Antitrust Division frequently scrutinize the legality under the antitrust laws of transactions such as the acquisition of Shares by the Purchaser pursuant to the Offer and the Merger. At any time before or after the Purchaser's purchase of Shares, the FTC or the Antitrust Division could take such action under the antitrust laws as either deems necessary or desirable in the public interest, including seeking to enjoin the purchase of Shares pursuant to the Offer and the Merger, the divestiture of Shares purchased pursuant to the Offer or the divestiture of substantial assets of Parent, the Purchaser, the Company or any of their respective subsidiaries or affiliates. Private parties as well as state attorneys general may also bring legal actions under the antitrust laws under certain circumstances. See Section 14.

Based upon an examination of publicly available information relating to the businesses in which the Company is engaged, the Purchaser believes that the acquisition of Shares pursuant to the Offer and the Merger should not violate the applicable antitrust laws. Nevertheless, there can be no assurance that a challenge to the Offer and the Merger on antitrust grounds will not be made, or, if such challenge is made, what the result will be. See Section 14.

Foreign Approvals. Parent and the Company each conduct business in member states of the European Union. The EC Merger Control Regulation, requires notification to and approval by the European Commission of certain mergers or acquisitions involving parties with aggregate worldwide sales and individual European Union sales exceeding certain thresholds, before such mergers or acquisitions are completed. Parent and the Company have sales that exceed these thresholds. A single notification to the European Commission eliminates any need to submit notifications of the merger to national competition authorities in member states within the European Economic Area. Parent and the Company notified the European Commission of the Merger on March 23, 1999.

The European Commission must review the Offer and Merger to determine whether or not it is compatible with the common market and, accordingly, whether or not to permit it to proceed. A merger or acquisition which does not create or strengthen a dominant position as a result of which effective competition would be significantly impeded in the common market or in a substantial part of the common market is considered to be compatible with the common market, and must be allowed to proceed. The European Commission has one month following submission of a complete notification to examine whether the merger raises serious doubts with regard to its compatibility with the common market. If within this one-month period the European Commission decides that there are no serious doubts, or if it fails to reach a decision, the merger is deemed approved. If, instead, the European Commission decides that there are serious doubts, it must open a more detailed investigation which can last up to an additional four months. Parent and the Company believe that the Merger is compatible with the common market under the EC Merger Control Regulation, although there can be no assurance that the European Commission will agree.

Parent also anticipates filing a premerger notification with the Mexican Competition Council. It is not anticipated at this time that there will be any waiting period associated with the filing in Mexico. Parent also intends to make voluntary filings with the Australian Foreign Investment Review Board and Competition & Consumer Commission, and there is no waiting period associated with this filing.

In connection with the acquisition of the Shares pursuant to the Offer or the Merger, the laws of certain of other foreign countries and jurisdictions may require the filing of information with, or the obtaining of the approval or consent of, governmental authorities in such countries and jurisdictions. The governments in such countries and jurisdictions might attempt to impose additional conditions on the Company's operations conducted in such countries and jurisdictions as a result of the acquisition of the Shares pursuant to the Offer or the Merger. If such approvals or consents are found to be required the parties intend to make the appropriate filings and applications. In the event such a filing or application is made for the requisite foreign approvals or consents, there can be no assurance that such approvals or consents will be granted and, if such approvals or consents are received, there can be no assurance as to the date of such approvals or consents. In addition, there can be no assurance that the Purchaser will be able to cause the Company or its subsidiaries to satisfy or comply with such laws or that compliance or noncompliance will not have adverse consequences for the Company or any subsidiary after purchase of the Shares pursuant to the Offer or the Merger.

Litigation. On March 22, 1999, Michael Wigton ("'Plaintiff"), filed a purported class action complaint (the "Complaint") in the Court of Chancery of the State of Delaware in and for New Castle County captioned Michael Wigton v. United States Filter Corporation et. al., (Case No. 17033 NC), challenging the proposed transaction between the Company and Parent. Plaintiff alleges that he is the owner of Common Stock and seeks to represent all persons, other than defendants, and any person, firm, trust, corporation or other entity related to or affiliated with the defendants or their successors in interest, who have been or will be adversely affected by the conduct of defendants in connection with the proposed transaction with Parent. Plaintiff names as defendants the Company and several of its officers and/or directors including Richard J.

Heckmann, James E. Clark, John L. Diederich, Robert A. Hillas, Nicholas C. Memmo, Alfred E. Osborne, J. Danforth Quayle, C. Howard Wilkins, Jr., Arthur B. Laffer, Ardon E. Moore and Andrew D. Seidel.

Plaintiff alleges that defendants breached their fiduciary duties to the Company's stockholders by failing to take all necessary steps to obtain the best price available in the proposed transactions with Parent, and further, have agreed to a lock-up option that will impede the conduct of any such process.

Plaintiff seeks an order declaring his action to be a proper class action and certifying Plaintiff as a class representative, and ordering defendants to fulfill their fiduciary duties to the class by (i) taking all appropriate steps to enhance the Company's value as a merger candidate and to obtain the best possible price for the Company; (ii) acting independently so that the interests of the Company's public stockholders are protected; and (iii) adequately insuring that no conflicts of interest exist between defendants and their fiduciary obligation to maximize stockholder value in the sale of the Company. Plaintiff also seeks an accounting to the class for damages suffered as a result of the sale of the Company, costs and reasonable expert and attorney's fees.

Also on March 22, 1999, two other complaints were filed in the Court of Chancery of the State of Delaware in and for New Castle County captioned Earnest Hack v. United States Filter Corporation, et. al., (Case No. 17036 NC),(the "Schipper Complaint"). The Hack and Schipper Complaints contain allegations identical to those in the Wigton Complaint.

16. CERTAIN FEES AND EXPENSES.

Innisfree M&A Incorporated has been retained by the Purchaser as Information Agent in connection with the Offer. The Information Agent may contact holders of Shares by mail, telephone, telex, telegraph and personal interview and may request brokers, dealers and other nominee stockholders to forward material relating to the Offer to beneficial owners of Shares. The Purchaser will pay the Information Agent reasonable and customary compensation for all such services in addition to reimbursing the Information Agent for reasonable out-of-pocket expenses in connection therewith.

In addition, ChaseMellon Shareholder Services L.L.C. has been retained as the Depositary. The Purchaser will pay the Depositary reasonable and customary compensation for its services in connection with the Offer, will reimburse the Depositary for its reasonable out-of-pocket expenses in connection therewith and will indemnify the Depositary against certain liabilities and expenses in connection therewith, including certain liabilities under the federal securities laws.

Except as set forth above, neither Parent nor the Purchaser will pay any fees or commissions to any broker, dealer or other person for soliciting tenders of Shares pursuant to the Offer. Brokers, dealers, commercial banks and trust companies and other nominees will, upon request, be reimbursed by Parent or the Purchaser for customary clerical and mailing expenses incurred by them in forwarding offering materials to their customers.

17. MISCELLANEOUS.

The Offer is not being made to (nor will tenders be accepted from or on behalf of) holders of Shares residing in any jurisdiction in which the making of the Offer or the acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction. However, the Purchaser may, in its discretion, take such action as it may deem necessary to make the Offer in any jurisdiction and extend the Offer to holders of Shares in such

jurisdiction.

In any jurisdiction where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer will be deemed to be made on behalf of the Purchaser by one or more registered brokers or dealers that are licensed under the laws of such jurisdiction.

Parent and the Purchaser have filed with the Commission a Schedule 14D-1, together with exhibits, pursuant to Rule 14d-3 of the General Rules and Regulations under the Exchange Act, furnishing certain additional information with respect to the Offer, and may file amendments thereto. Such Schedule 14D-1 and

any amendments thereto, including exhibits, may be examined and copies may be obtained from the office of the Commission in the same manner as described in Section 8 with respect to information concerning the Company, except that copies will not be available at the regional offices of the Commission.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION ON BEHALF OF PARENT OR THE PURCHASER NOT CONTAINED IN THIS OFFER TO PURCHASE OR IN THE LETTER OF TRANSMITTAL AND, IF GIVEN OR MADE, ANY SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED.

Neither the delivery of the Offer to Purchase nor any purchase pursuant to the Offer shall under any circumstances create any implication that there has been no change in the affairs of Parent, the Purchaser, the Company or any of their respective subsidiaries since the date as of which information is furnished or the date of this Offer to Purchase.

EAU ACQUISITION CORP.

March 26, 1999

DIRECTORS AND EXECUTIVE OFFICERS OF PARENT

The name, business address, present principal occupation or employment and five-year history of each of the directors and executive officers of the Purchaser are set forth below. Unless otherwise indicated, the business address of each such director and each such executive officer is care of Vivendi-USA, 800 Third Avenue, 38th Floor, New York, NY 10022. Unless otherwise indicated, all directors and executive officers listed below are citizens of France.

DIRECTORS

<TABLE>
<CAPTION>

NAME AND ADDRESS	PRINCIPAL OCCUPATION OR EMPLOYMENT; 5-YEAR EMPLOYMENT HISTORY
<S>	<C>
Bernard Arnault..... LVMH 30, avenue Hoche 75008 Paris France	Chairman and CEO of LVMH
Eric Licoys..... HAVAS 31, rue du Colisee	Chairman and CEO of Havas and General Manager of Vivendi; formerly Chairman of Fonds Partenaires Gestion and General Manager of HAVAS

75008 Paris
France
Philippe L. Germond..... CEO of Cegetel and Senior Executive Vice President of
Cegetel Vivendi; formerly General Manager of Hewlett-Packard Europe
1, Place Carpeaux and CEO of SFR
92 Paris La Defense
France
Simon Murray..... Executive at Simon Murray and Associates (UK) Ltd., Chairman
Simon Murray and Associates (U.K.) of Gens (HK) Ltd., Director of Tommy Hilfiger, Director of
Ltd. Usinor Sacilor and Director of Hutchison Waampta Hong Kong;
Princes House formerly Chairman of Deutsche Bank Asia
38 Jermyn Street
England
Esther Koplowitz..... Vice President of F.C.C.
F.C.C. -- Madrid -- Spain
Plaza Pablo Ruiz Picasso
28020 Madrid
Spain
Serge Tchuruk..... Chairman and CEO of Alcatel; formerly Chairman and CEO of
Alcatel Total S.A.
64, rue de la Boetie
75008 Paris
France
Ambroise Roux..... Executive of Pinault-Printemps-Redoute and Vice President of
Pinault-Printemps-Redoute Vivendi; formerly Director of Compagnie Generale des Eaux,
8 bis, rue Margueritte
75017 Paris
France
Philippe Foriel-Destezet..... Co-Chairman of Addeco, Chairman of Ecco SA, and Chairman of
Nescofin Nescofin
43 Rutlandgate
S.W. 71 ED London
England
</TABLE>

<TABLE>
<CAPTION>
NAME AND ADDRESS	PRINCIPAL OCCUPATION OR EMPLOYMENT; 5-YEAR EMPLOYMENT HISTORY
<S>	<C>
Jacques Friedmann..... Chairman of the Supervisory Board of AXA; formerly Chairman
AXA of UAP
9, Place Vendome
75001 Paris
France
Henri Lachmann..... Chairman and CEO of Schneider S.A. and Schneider Electric
Schneider S.A. S.A.;
64/70 Avenue Jean-Baptiste Clement formerly Chairman and CEO of the Strafor Facom Group
92646 Boulogne Billancourt
France
Jacques Calvet..... Retired; formerly Chairman and CEO of PSA-Peugeot-Citroen
7, rue de Tilsitt
75017 Paris
France
Marc Vienot..... Chairman of Paris-Europlace, Honorary Chairman and Director
Paris Europlace of Societe Generale and Director of Rhone Poulenc; formerly
39, rue Cambon Chairman and CEO of Societe Generale, Director of
75039 Paris Cedex 1er Alcatel-Alsthom, Director of Havas
France
Rene Thomas..... Honorary Chairman of Banque Nationale de Paris
Banque Nationale de Paris

16, boulevard des Italiens
75009, Paris
France
Jean-Louis Beffa..... Chairman and CEO of Compagnie Saint-Gobain; formerly Vice-
Compagnie de Saint-Gobain Chairman of Compagnie Generale des Eaux
"Les Miroirs"
92096 La Defense Cedex
France
</TABLE>

EXECUTIVE OFFICERS

<TABLE>
<CAPTION>
NAME AND ADDRESS PRINCIPAL OCCUPATION OR EMPLOYMENT; 5-YEAR EMPLOYMENT HISTORY
---------- ----------
<S> <C>
Jean-Marie Messier..... Chairman and CEO of Vivendi; formerly General Manager of
Vivendi Vivendi
42, Avenue de Friedland
75009 Paris
France
Henri Proglio..... Senior Executive Vice President of Vivendi
Vivendi
42, Avenue de Friedland
75008 Paris
France
Stephanie Richard..... Chairman and CEO of CGIS, Managing Director of Compagnie
CGIS (Vivendi Group) Immobiliere Phenix and Chairman of CGIS
8, rue du general Foy
75008, Paris
France
</TABLE>

<TABLE>
<CAPTION>
NAME AND ADDRESS PRINCIPAL OCCUPATION OR EMPLOYMENT; 5-YEAR EMPLOYMENT HISTORY
---------- ----------
<S> <C>
Antoine Zacharias..... Chairman and CEO of Societe Generale d'Entreprises; formerly
Societe Generale d'Entreprises Chairman of Ecco SA
1, cours Ferdinand de Lesseps
95851, Rueil Malmaison
France
Guy Dejouany..... President of Honor of Vivendi; formerly President of
Vivendi-Compagnie Generale des Compagnie Generale des Eaux
Eaux
52, Rue d'Anjou
75008, Paris
France
</TABLE>

DIRECTORS AND EXECUTIVE OFFICERS OF THE PURCHASER

The name, business address, present principal occupation or employment and five-year history of each of the directors and executive officers of the Purchaser are set forth below. Unless otherwise indicated, the business address

of each such director and each such executive officer is care of Vivendi North America Management Services, Inc. ("Vivendi North America"), 800 Third Avenue, 38th Floor, New York, NY 10022. Unless otherwise indicated, all directors and executive officers listed below are citizens of the United States.

DIRECTOR

<TABLE>
<CAPTION>

NAME	POSITION WITH THE PURCHASER; PRINCIPAL OCCUPATION OR EMPLOYMENT AND 5-YEAR EMPLOYMENT HISTORY
<S>	<C>
Jean-Marie Messier..... Vivendi 42, Avenue de Friedland 75009 Paris France	Chairman, President and CEO of Purchaser Chairman and CEO of Vivendi; formerly General Manager of Vivendi

</TABLE>

EXECUTIVE OFFICERS

<TABLE>

<S>	<C>
Michael Avenas.....	Vice-President of Purchaser President of Purchaser; formerly Assistant to the Chairman of Compagnie Generale des Eaux
Christian Furman.....	Vice-President, Assistant Secretary and Treasurer of Purchaser Vice President and Chief Financial Officer of Vivendi North America
Neil Laurence Lane.....	Vice President and Secretary of Purchaser General Counsel, Vivendi North and General Counsel Vivendi, Aqua Alliance Inc.; formerly Associate General Counsel, Citicorp Investment Services, and associate Dewey Ballantine.

</TABLE>

Facsimile copies of the Letter of Transmittal, properly completed and duly executed, will be accepted. The Letter of Transmittal, certificates for Shares and any other required documents should be sent or delivered by each stockholder of the Company or his broker, dealer, commercial bank, trust company or other nominee to the Depositary at one of its addresses set forth below:

THE DEPOSITARY FOR THE OFFER IS:

CHASEMELLON SHAREHOLDER SERVICES L.L.C.

<TABLE>

<S>	<C>	<C>
By Mail: Reorganization Department P.O. Box 3301 South Hackensack, NJ 07606	By Hand: Reorganization Department 120 Broadway 13th Floor New York, NY 10271 By Facsimile Transmission: (for eligible institutions only) (201) 296-4293 Confirm Facsimile Transmission:	By Overnight: Reorganization Department 85 Challenger Road, Mail Drop-Reorg Ridgefield Park, NJ 07660

</TABLE>

By Telephone Only
(201) 296-1860

</TABLE>

Questions and requests for assistance may be directed to the Information Agent at the address and telephone number set forth below. Additional copies of this Offer to Purchase, the Letter of Transmittal and other tender offer materials may be obtained from the Information Agent as set forth below and will be furnished promptly at the Purchaser's expense. Stockholders may also contact their broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer.

THE INFORMATION AGENT FOR THE OFFER IS:
INNSFREE M&A INCORPORATED

501 MADISON AVENUE, 20TH FLOOR
NEW YORK, NEW YORK 10022

BANKS AND BROKERS CALL COLLECT: (212) 750-5833
ALL OTHERS CALL TOLL FREE (888) 750-5834
The Dealer Manager for the Offer is:
LAZARD FRERES & CO. LLC
30 Rockefeller Plaza
New York, New York 10020
(212) 632-6717 (call collect)

LETTER OF TRANSMITTAL

TO TENDER SHARES OF COMMON STOCK
(INCLUDING THE ASSOCIATED PREFERRED SHARE PURCHASE RIGHTS)

OF

UNITED STATES FILTER CORPORATION
PURSUANT TO THE OFFER TO PURCHASE
DATED MARCH 26, 1999

BY

EAU ACQUISITION CORP.
AN INDIRECT WHOLLY OWNED SUBSIDIARY OF

VIVENDI

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON THURSDAY, APRIL 22, 1999, UNLESS THE OFFER IS EXTENDED.

The Depositary for the Offer is:
CHASEMELLON SHAREHOLDER SERVICES, L.L.C.

<TABLE>
<S> <C> <C>

BY MAIL:	BY HAND:	BY OVERNIGHT COURIER:
ChaseMellon Shareholder Services, L.L.C.	ChaseMellon Shareholder Services, L.L.C.	ChaseMellon Shareholder Services, L.L.C.
Post Office Box 3301	120 Broadway, 13th Floor	85 Challenger Road-Mail Drop-Reorg
South Hackensack, NJ 07606	New York, NY 10271	Ridgefield Park, NJ 07660
Attn: Reorganization Department	Attn: Reorganization Department	Attn: Reorganization Department

</TABLE>

BY FACSIMILE TRANSMISSION
(for eligible institutions only)
(201) 296-4293
To Confirm Facsimile Transmission Only
(201) 296-4860

DELIVERY OF THIS LETTER OF TRANSMITTAL TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE OR TRANSMISSIONS OF INSTRUCTIONS VIA A FACSIMILE TRANSMISSION TO A NUMBER OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY.

THE INSTRUCTIONS ACCOMPANYING THIS LETTER OF TRANSMITTAL SHOULD BE READ CAREFULLY BEFORE THIS LETTER OF TRANSMITTAL IS COMPLETED.

This Letter of Transmittal is to be completed by stockholders either if certificates for Shares (as defined in the Offer to Purchase dated March 26, 1999 (the "Offer to Purchase")) are to be forwarded herewith or, unless an Agent's Message (as defined in the Offer to Purchase) is utilized, if tenders of Shares are to be made by book-entry transfer to an account maintained by ChaseMellon Shareholder Services, L.L.C. (the "Depositary") at The Depository Trust Company ("DTC"), pursuant to the procedures set forth in Section 3 of the Offer to Purchase. Stockholders who tender Shares by book-entry transfer are referred to herein as "Book-Entry Stockholders."

Holders of Shares whose certificates for such Shares (the "Share Certificates") are not immediately available or who cannot deliver their Share Certificates and all other required documents to the Depositary on or prior to the Expiration Date (as defined in the Offer to Purchase) or who cannot complete the procedures for book-entry transfer on a timely basis, must tender their Shares according to the guaranteed delivery procedures set forth in Section 3 of the Offer to Purchase. See Instruction 2.

DELIVERY OF DOCUMENTS TO DTC DOES NOT CONSTITUTE DELIVERY TO THE DEPOSITARY.

NOTE: SIGNATURES MUST BE PROVIDED ON THE INSIDE AND REVERSE BACK COVER. PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY.

[ ] CHECK HERE IF SHARES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER MADE TO AN ACCOUNT MAINTAINED BY THE DEPOSITARY WITH DTC AND COMPLETE THE FOLLOWING:

Name of Tendering Institution:

Account Number:

Transaction Code Number:

[ ] CHECK HERE IF SHARES ARE BEING DELIVERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY SENT TO THE DEPOSITARY AND COMPLETE THE FOLLOWING. PLEASE ENCLOSE A PHOTOCOPY OF SUCH NOTICE OF GUARANTEED DELIVERY.

Name(s) of Registered Holder(s):

Window Ticket Number (if any):

Date of Execution of Notice of Guaranteed Delivery:

Name of Institution which Guaranteed Delivery:

DESCRIPTION OF SHARES TENDERED

<TABLE>
<CAPTION>

NAME(S) AND ADDRESS(ES) OF REGISTERED HOLDER(S) (PLEASE FILL IN EXACTLY AS NAME(S) APPEAR ON SHARE CERTIFICATE(S) TENDERED)	SHARE CERTIFICATE(S) AND SHARE(S) TENDERED (ATTACH ADDITIONAL LIST, IF NECESSARY)		
	SHARE CERTIFICATE NUMBER(S)*	TOTAL NUMBER OF SHARES REPRESENTED BY SHARE CERTIFICATE(S)*	NUMBER OF SHARES TENDERED**
<S>	<C>	<C>	<C>
	Total Shares		

</TABLE>

* Need not be completed by Book-Entry Stockholders.

** Unless otherwise indicated it will be assumed that all Shares represented by Share Certificates delivered to the Depositary are being tendered. See Instruction 4.

LADIES AND GENTLEMEN:

The undersigned hereby tenders to Eau Acquisition Corp. (the "Purchaser"), a Delaware corporation and an indirect wholly-owned subsidiary of Vivendi, a societe anonyme organized under the laws of France("Parent"), the above described shares of Common Stock, par value $.01 per share (the "Shares"), of United States Filter Corporation, a Delaware corporation (the "Company"), and the associated preferred share purchase rights (the "Rights") issued pursuant to the Rights Agreement, dated as of November 27, 1998, between the Company and The Bank of New York, as Rights Agent (as the same may be amended, the "Rights Agreement"), pursuant to the Purchaser's offer to purchase all outstanding Shares at a price of $31.50 per Share, net to the seller in cash, without interest thereon, upon the terms and subject to the conditions set forth in the Offer to Purchase, receipt of which is hereby acknowledged, and in this Letter of Transmittal (which together with the Offer to Purchase constitute the "Offer"). Unless the context otherwise requires, all references to Shares shall include the associated Rights. The undersigned understands that the Purchaser reserves the right to transfer or assign, in whole or from time to time in part, to one or more of its direct or indirect subsidiaries or affiliates the right to purchase all or any portion of the Shares tendered pursuant to the Offer, as used herein, the term "Purchaser" shall, if applicable, include any such subsidiary and affiliate.

Subject to, and effective upon, acceptance for payment of and payment for the Shares tendered hereby in accordance with the terms and subject to the conditions of the Offer, the undersigned hereby sells, assigns, and transfers to, or upon the order of, the Purchaser all right, title and interest in and to all of the Shares that are being tendered hereby and any and all dividends on the Shares (including, without limitation, the issuance of additional Shares

pursuant to a stock dividend or stock split, the issuance of other securities, the issuance of rights for the purchase of any securities, or any cash dividends that are declared or paid by the Company on or after the date of the Offer to Purchase and are payable or distributable to stockholders of record on a date prior to the transfer into the name of the Purchaser or its nominees or transferees on the Company's stock transfer records of the Shares purchased pursuant to the Offer (collectively, "Distributions"), and constitutes and irrevocably appoints the Depositary the true and lawful agent, attorney-in-fact and proxy of the undersigned to the full extent of the undersigned's rights with respect to such Shares (and Distributions) with full power of substitution (such power of attorney and proxy being deemed to be irrevocable and coupled with an interest), to (a) deliver Share Certificates (and Distributions), or transfer ownership of such Shares on the account books maintained by DTC, together in either such case with all accompanying evidences of transfer and authenticity, to or upon the order of the Purchaser upon receipt by the Depositary, as the undersigned's agent, of the purchase price, (b) present such Shares (and Distributions) for transfer on the books of the Company and (c) receive all benefits and otherwise exercise all rights of beneficial ownership of such Shares (and Distributions), all in accordance with the terms of the Offer.

The undersigned hereby irrevocably appoints designees of the Purchaser, and each of them, the attorneys-in-fact and proxies of the undersigned, each with full power of substitution, to vote in such manner as each such attorney and proxy or his or her substitute shall, in his or her sole discretion, deem proper, and otherwise act (including pursuant to written consent) with respect to all of the Shares tendered hereby which have been accepted for payment by the Purchaser prior to the time of such vote or action (and Distributions) which the undersigned is entitled to vote at any meeting of stockholders of the Company (whether annual or special and whether or not an adjourned meeting), or by written consent in lieu of such meeting, or otherwise. This power of attorney and proxy is coupled with an interest in the Company and in the Shares and is irrevocable and is granted in consideration of, and is effective upon, the acceptance for payment of such Shares by the Purchaser in accordance with the terms of the Offer. Such acceptance for payment shall revoke, without further action, any other power of attorney or proxy granted by the undersigned at any time with respect to such Shares (and Distributions) and no subsequent powers of attorney or proxies will be given (and if given will be deemed not to be effective) with respect thereto by the undersigned. The undersigned understands that the Purchaser reserves the right to require that, in order for Shares to be deemed validly tendered, immediately upon the Purchaser's acceptance for payment of such Shares, the Purchaser is able to exercise full voting rights with respect to such Shares and Distributions, including voting at any meeting of stockholders.

The undersigned hereby represents and warrants that the undersigned has full power and authority to tender, sell, assign and transfer the Shares tendered hereby (and Distributions), that the undersigned own(s) the Shares tendered hereby within the meaning of Rule 14e-4 promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that such tender of Shares complies with Rule 14e-4 under the Exchange Act and that when the same are accepted for payment by the Purchaser, the Purchaser will acquire good, marketable and unencumbered title thereto, free and clear of all liens, restrictions, charges and encumbrances and the same will not be subject to any adverse claim. The undersigned, upon request, will execute and deliver any additional documents reasonably deemed by the Depositary or the Purchaser to be necessary or desirable to complete the sale, assignment and transfer of the Shares tendered hereby (and Distributions). In addition, the undersigned shall promptly remit and transfer to the Depositary for the account of the Purchaser any and all other Distributions in respect of the Shares tendered hereby, accompanied by appropriate documentation of transfer and, pending such remittance or appropriate assurance thereof, the Purchaser shall be entitled to all rights and privileges as owner of such Distributions and may withhold the entire purchase price or deduct from the purchase price of Shares tendered hereby the amount or value thereof, as determined by the Purchaser in its sole discretion.

All authority herein conferred or herein agreed to be conferred shall not be affected by, and shall survive, the death or incapacity of the undersigned and any obligation of the undersigned hereunder shall be binding upon the heirs, executors, administrators, legal representatives, successors and assigns of the undersigned. Tenders of Shares pursuant to the Offer are irrevocable, except that Shares tendered pursuant to the Offer may be withdrawn at any time on or prior to the Expiration Date and, unless theretofore accepted for payment pursuant to the Offer, may also be withdrawn at any time after May 24, 1999. See Section 4 of the Offer to Purchase.

The undersigned understands that tenders of Shares pursuant to any one of the procedures described in Section 3 of the Offer to Purchase and in the instructions hereto will constitute a binding agreement between the undersigned and the Purchaser upon the terms and subject to the conditions of the Offer.

Unless otherwise indicated herein under "Special Payment Instructions," please issue the check for the purchase price and/or return any Share Certificates not tendered or accepted for payment in the name(s) of the undersigned. Similarly, unless otherwise indicated under "Special Delivery Instructions," please mail the check for the purchase price and/or return any Share Certificates not tendered or accepted for payment (and accompanying documents as appropriate) to the undersigned at the address shown below the undersigned's signature. In the event that both the "Special Delivery Instructions" and the "Special Payment Instructions" are completed, please issue the check for the purchase price and/or return any Share Certificates not tendered or accepted for payment in the name(s) of, and deliver said check and/or return certificates to, the person or persons so indicated. Stockholders tendering Shares by book-entry transfer may request that any Shares not accepted for payment be returned by crediting such account maintained at DTC as such stockholder may designate by making an appropriate entry under "Special Payment Instructions." The undersigned recognizes that the Purchaser has no obligation pursuant to the "Special Payment Instructions" to transfer any Shares from the name of the registered holder thereof if the Purchaser does not accept for payment any of such Shares.

SPECIAL PAYMENT INSTRUCTIONS
(SEE INSTRUCTIONS 1, 5, 6 AND 7)

To be completed ONLY if Share Certificates not tendered or not purchased and/or the check for the purchase price of Shares purchased are to be issued in the name of someone other than the undersigned, or if Shares tendered by book-entry transfer which are not purchased are to be returned by credit to an account maintained at DTC other than that designated on the front cover.

Issue check and/or certificates to:

Name

(PLEASE PRINT)

Address

(INCLUDE ZIP CODE)

(TAX IDENTIFICATION OR SOCIAL SECURITY NO.)
(SEE SUBSTITUTE FORM W-9)

[ ] Credit unpurchased Shares tendered by book-entry transfer to account at DTC set forth below:

(ACCOUNT NUMBER)

SPECIAL DELIVERY INSTRUCTIONS
(SEE INSTRUCTIONS 1, 5, 6 AND 7)

To be completed ONLY if Share Certificates not tendered or not purchased and/or the check for the purchase price of Shares purchased are to be sent to someone other than the undersigned, or to the undersigned at an address other than that shown on the front cover.

Mail check and/or certificate to:

Name

(PLEASE PRINT)

Address

(INCLUDE ZIP CODE)

(TAX IDENTIFICATION OR SOCIAL SECURITY NO.)

IMPORTANT -- SIGN HERE

(PLEASE COMPLETE SUBSTITUTE FORM W-9)

SIGNATURE(S) OF OWNER(S)

Dated:

(Must be signed by the registered holder(s) exactly as name(s) appear(s) on the Share Certificate(s) or on a security position listing or by person(s) authorized to become registered holder(s) by certificates and documents transmitted herewith. If signature is by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, please provide the necessary information. See Instruction 5.)

Name(s)

(PLEASE PRINT)

Capacity (full title):

Address:

(INCLUDE ZIP CODE)

Area Code and Telephone Number:

Tax Identification or Social Security No.:

(SEE SUBSTITUTE FORM W-9)

GUARANTEE OF SIGNATURE(S)
(IF REQUIRED -- SEE INSTRUCTIONS 1 AND 5)

Authorized Signature:

Name (Please print):

Name of Firm:

Address:

(INCLUDE ZIP CODE)

Area Code and Telephone Number:

Dated:
----------, 1999

INSTRUCTIONS

FORMING PART OF THE TERMS AND CONDITIONS OF THE OFFER

1. GUARANTEE OF SIGNATURES. No signature guarantee on this Letter of Transmittal is required (i) if this Letter of Transmittal is signed by the registered holder(s) (which term, for purposes of this document, shall include any participant in DTC whose name appears on a security position listing as the owner of Shares) of the Shares tendered herewith, unless such holder(s) has completed either the box entitled "Special Payment Instructions" or the box entitled "Special Delivery Instructions" on the inside front cover hereof or (ii) if such Shares are tendered for the account of a firm that is a bank, broker, dealer, credit union, savings association or other entity which is a member in good standing of the Securities Transfer Agents Medallion Program (an "Eligible Institution"). In all other cases, all signatures on this Letter of Transmittal must be guaranteed by an Eligible Institution. See Instruction 5.

2. DELIVERY OF LETTER OF TRANSMITTAL AND CERTIFICATES. This Letter of Transmittal is to be used either if Share Certificates are to be forwarded herewith or, unless an Agent's Message is utilized, if tenders are to be made pursuant to the procedures for tender by book-entry transfer set forth in Section 3 of the Offer to Purchase. Share Certificates, or timely confirmation of a book-entry transfer (a "Book-Entry Confirmation") of such Shares into the Depositary's account at DTC, as well as this Letter of Transmittal (or a facsimile hereof), properly completed and duly executed, with any required

signature guarantees, or an Agent's Message in the case of a book-entry delivery, and any other documents required by this Letter of Transmittal, must be received by the Depositary at one of its addresses set forth herein prior to the Expiration Date. Stockholders whose Share Certificates are not immediately available or who cannot deliver their Share Certificates and all other required documents to the Depositary prior to the Expiration Date or who cannot complete the procedures for delivery by book-entry transfer on a timely basis may tender their Shares by properly completing and duly executing a Notice of Guaranteed Delivery pursuant to the guaranteed delivery procedures set forth in Section 3 of the Offer to Purchase. Pursuant to such procedure: (i) such tender must be made by or through an Eligible Institution; (ii) a properly completed and duly executed Notice of Guaranteed Delivery, substantially in the form made available by the Purchaser, must be received by the Depositary on or prior to the Expiration Date; and (iii) the Share Certificates (or a Book-Entry Confirmation) representing all tendered Shares, in proper form for transfer together with a properly completed and duly executed Letter of Transmittal (or a facsimile hereof), with any required signature guarantees (or, in the case of a book-entry delivery, an Agent's Message) and any other documents required by this Letter of Transmittal, must be received by the Depositary within three NYSE trading days after the date of execution of such Notice of Guaranteed Delivery. A "NYSE trading day" is any day on which New York Stock Exchange, Inc. is open for business. If Share Certificates are forwarded separately to the Depositary, a properly completed and duly executed Letter of Transmittal (or facsimile hereof) must accompany each such delivery.

THE METHOD OF DELIVERY OF SHARE CERTIFICATES, THIS LETTER OF TRANSMITTAL AND ALL OTHER REQUIRED DOCUMENTS IS AT THE OPTION AND SOLE RISK OF THE TENDERING STOCKHOLDER, AND THE DELIVERY WILL BE DEEMED MADE ONLY WHEN ACTUALLY RECEIVED BY THE DEPOSITARY. IF DELIVERY IS BY MAIL, REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, PROPERLY INSURED, IS RECOMMENDED. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ENSURE TIMELY DELIVERY.

No alternative, conditional or contingent tenders will be accepted and no fractional Shares will be purchased. All tendering stockholders, by execution of this Letter of Transmittal or facsimile hereof, waive any right to receive any notice of the acceptance of their Shares for payment.

3. INADEQUATE SPACE. If the space provided herein is inadequate, the certificate numbers and/or the number of Shares and any other required information should be listed on a separate schedule attached hereto and separately signed on each page thereof in the same manner as this Letter of Transmittal is signed.

4. PARTIAL TENDERS (NOT APPLICABLE TO STOCKHOLDERS WHO TENDER BY BOOK-ENTRY TRANSFER). If fewer than all the Shares evidenced by any certificate submitted are to be tendered, fill in the number of Shares which are to be tendered in the box entitled "Number of Shares Tendered." In such case, new certificate(s) for the remainder of the Shares that were evidenced by your old certificate(s) will be sent to you, unless otherwise provided in the appropriate box marked "Special Payment Instructions" and/or "Special Delivery Instructions" on this Letter of Transmittal, as soon as practicable after the Expiration Date. All Shares represented by certificates delivered to the Depositary will be deemed to have been tendered unless otherwise indicated.

5. SIGNATURES ON LETTER OF TRANSMITTAL, STOCK POWERS AND ENDORSEMENTS. If this Letter of Transmittal is signed by the registered holder(s) of the Shares tendered hereby, the signature(s) must correspond exactly with the name(s) as written on the face of the certificate(s) without alteration, enlargement or any other change whatsoever.

If any of the Shares tendered hereby are owned of record by two or more joint owners, all such owners must sign this Letter of Transmittal.

If any tendered Shares are registered in different names on several certificates, it will be necessary to complete, sign and submit as many separate Letters of Transmittal as there are different registrations of certificates.

If this Letter of Transmittal or any certificates or stock powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and proper evidence satisfactory to the Purchaser of their authority to so act must be submitted.

When this Letter of Transmittal is signed by the registered owner(s) of the Shares listed and transmitted hereby, no endorsements of certificates or separate stock powers are required unless payment is to be made to or certificates for Shares not tendered or purchased are to be issued in the name of a person other than the registered owner(s). Signatures on such certificates or stock powers must be guaranteed by an Eligible Institution.

If this Letter of Transmittal is signed by a person other than the registered owner(s) of the Shares listed, the certificates must be endorsed or accompanied by appropriate stock powers, in either case signed exactly as the name or names of the registered owner(s) appear(s) on the certificates. Signatures on such certificates or stock powers must be guaranteed by an Eligible Institution.

6. STOCK TRANSFER TAXES. Except as set forth in this Instruction 6, the Purchaser will pay or cause to be paid any stock transfer taxes with respect to the transfer and sale of purchased Shares to it or its order pursuant to the Offer. If, however, payment of the purchase price is to be made to, or if certificates for Shares not tendered or purchased are to be registered in the name of, any person other than the registered holder(s), or if tendered certificates are registered in the name of any person other than the person(s) signing this Letter of Transmittal, the amount of any stock transfer taxes (whether imposed on the registered holder(s) or such person) payable on account of the transfer to such person will be deducted from the purchase price received by such person(s) pursuant to this Offer (i.e., such purchase price will be reduced) unless satisfactory evidence of the payment of such taxes or exemption therefrom is submitted.

EXCEPT AS PROVIDED IN THIS INSTRUCTION 6, IT WILL NOT BE NECESSARY FOR TRANSFER TAX STAMPS TO BE AFFIXED TO THE CERTIFICATES LISTED IN THIS LETTER OF TRANSMITTAL.

9

7. SPECIAL PAYMENT AND DELIVERY INSTRUCTIONS. If a check is to be issued in the name of, and/or certificates for unpurchased Shares are to be returned to, a person other than the person(s) signing this Letter of Transmittal or if a check is to be sent and/or such certificates are to be returned to someone other than the person(s) signing this Letter of Transmittal or to an address other than that shown on the front cover hereof, the appropriate boxes on this Letter of Transmittal should be completed. Book-Entry Stockholders may request that Shares not purchased be credited to such account maintained at DTC as such Book-Entry Stockholder may designate hereon. If no such instructions are given, such Shares not purchased will be returned by crediting the account at DTC designated above. See Instruction 1.

8. REQUESTS FOR ASSISTANCE OR ADDITIONAL COPIES. Requests for assistance may be directed to the Information Agent at its addresses set forth below. Requests for additional copies of the Offer to Purchase and this Letter of Transmittal may be directed to the Information Agent or to brokers, dealers, commercial banks or trust companies.

9. 31% BACKUP WITHHOLDING; SUBSTITUTE FORM W-9. Under U.S. Federal income tax law, a stockholder whose tendered Shares are accepted for payment is required to provide the Depositary with such stockholder's correct taxpayer identification number ("TIN") on Substitute Form W-9 below. If the Depositary is not provided with the correct TIN, the Internal Revenue Service may subject the stockholder or other payee to a $50 penalty, and payments that are made to such stockholder or other payee with respect to Shares purchased pursuant to the Offer may be subject to 31% backup withholding.

Certain stockholders (including, among others, all corporations and certain foreign individuals) are not subject to these backup withholding and reporting requirements. In order for a foreign individual to qualify as an exempt recipient, it must submit a Form W-8, signed under penalties of perjury, attesting to that individual's exempt status. A Form W-8 can be obtained from the Depositary. See the enclosed "Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9" for more instructions.

If backup withholding applies, the Depositary is required to withhold 31% of any such payments made to the stockholder or other payee. Backup withholding is not an additional tax. Rather, the tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund may be obtained from the Internal Revenue Service.

To prevent backup withholding on payments that are made to a stockholder with respect to Shares purchased pursuant to the Offer, the stockholder is required to notify the Depositary of such stockholder's correct TIN by completing a Substitute Form W-9 certifying (i) that the TIN provided on Substitute Form W-9 is correct (or that such stockholder is awaiting a TIN), and (ii) that (a) such stockholder is exempt from backup withholding, (b) such stockholder has not been notified by the Internal Revenue Service that such stockholder is subject to backup withholding as a result of a failure to report all interest or dividends or (c) the Internal Revenue Service has notified such stockholder that such stockholder is no longer subject to backup withholding.

The box in Part 3 of the Substitute Form W-9 may be checked if the tendering stockholder has not been issued a TIN but has applied for a TIN or intends to apply for a TIN in the near future. If the box in Part 3 is checked, the stockholder or other payee must also complete the Certificate of Awaiting Taxpayer Identification Number below in order to avoid backup withholding. Notwithstanding that the box in Part 3 is checked and the Certificate of Awaiting Taxpayer Identification Number is completed, the Depositary will withhold 31% of all payments made prior to the time a properly certified TIN is provided to the Depositary.

The stockholder is required to give the Depositary the TIN of the record holder of the Shares or of the last transferee appearing on the transfers attached to, or endorsed on, the Shares. If the Shares are in more than one name or are not in the name of the actual owner, consult the enclosed "Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9" for additional guidance on which number to report.

10. LOST, DESTROYED, MUTILATED, OR STOLEN CERTIFICATES. If any certificate(s) representing Shares has been lost, destroyed, mutilated, or stolen, the stockholder should promptly notify The American Stock Transfer & Trust Company at (800) 937-5449. The stockholder will then be instructed as to the steps that must be taken in order to replace the certificate(s). This Letter of Transmittal and related documents cannot be processed until the procedures for replacing lost, mutilated, or destroyed certificates have been followed.

IMPORTANT: THIS LETTER OF TRANSMITTAL (OR A FACSIMILE COPY HEREOF) OR AN AGENT'S MESSAGE TOGETHER WITH SHARE CERTIFICATES OR CONFIRMATION OF BOOK-ENTRY TRANSFER OR A PROPERLY COMPLETED AND DULY EXECUTED NOTICE OF GUARANTEED DELIVERY AND ALL OTHER REQUIRED DOCUMENTS MUST BE RECEIVED BY THE DEPOSITARY ON OR PRIOR TO THE EXPIRATION DATE.

TO BE COMPLETED BY ALL TENDERING STOCKHOLDERS
(SEE INSTRUCTION 9)

<table>
<tr><td></td><td colspan="2">PAYOR'S NAME: CHASEMELLON SHAREHOLDER SERVICES, L.L.C.</td></tr>
<tr><td>SUBSTITUTE
FORM W-9
DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE</td><td>PART 1 -- Please provide your name, address and TIN and certify by signing and dating below

Name:
Address:</td><td>PART 3 -- Social Security Number or Employer ID Number
Awaiting TIN [ ]</td></tr>
<tr><td>PAYOR'S REQUEST FOR TAXPAYER IDENTIFICATION NUMBER ("TIN")</td><td colspan="2">PART 2 -- CERTIFICATIONS -- Under penalties of perjury, I certify that:
(1) The number shown on this form is my correct Taxpayer Identification Number (or I am waiting for a number to be issued to me and have checked the box in Part 3) and
(2) I am not subject to backup withholding because:
(a) I am exempt from backup withholding, (b) I have not been notified by the Internal Revenue Service (the "IRS") that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding.</td></tr>
<tr><td colspan="3">CERTIFICATION INSTRUCTIONS -- You must cross out item(2) of Part II above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return. However, if after being notified by the IRS that you were subject to backup withholding you received another notification from the IRS that you are no longer subject to backup withholding, do not cross out such item(2).</td></tr>
<tr><td colspan="2">Signature</td><td>Date</td></tr>
</table>

NOTE: FAILURE TO COMPLETE AND RETURN THIS FORM MAY RESULT IN BACKUP WITHHOLDING OF 31% OF ANY PAYMENTS MADE TO YOU PURSUANT TO THE OFFER. PLEASE REVIEW THE ENCLOSED "GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9" FOR ADDITIONAL DETAILS. YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU CHECKED THE BOX IN PART 3 OF SUBSTITUTE

FORM W-9.

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me, and either (1) I have mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Center or Social Security Administration Office, or (2) I intend to mail or deliver an application in the near future. I understand that if I do not provide a taxpayer identification number by the time of payment, 31% of all reportable payments made to me will be withheld.

Signature:
---------- Date:---------- , 1999

FACSIMILE COPIES OF THE LETTER OF TRANSMITTAL, PROPERLY COMPLETED AND DULY EXECUTED, WILL BE ACCEPTED. THE LETTER OF TRANSMITTAL, SHARE CERTIFICATES AND ANY OTHER REQUIRED DOCUMENTS SHOULD BE SENT OR DELIVERED BY EACH STOCKHOLDER OF THE COMPANY OR HIS BROKER, DEALER, COMMERCIAL BANK, TRUST COMPANY OR OTHER NOMINEE TO THE DEPOSITARY AT ONE OF ITS ADDRESSES SET FORTH BELOW:

The Depositary for the Offer is:
CHASEMELLON SHAREHOLDER SERVICES, L.L.C.

<TABLE>
<S> <C> <C>

BY MAIL:	BY HAND:	BY OVERNIGHT COURIER:
ChaseMellon Shareholder Services, L.L.C.	ChaseMellon Shareholder Services, L.L.C.	ChaseMellon Shareholder Services, L.L.C.
Post Office Box 3301	120 Broadway, 13th Floor	85 Challenger Road-Mail Drop-Reorg
South Hackensack, NJ 07606	New York, NY 10271	Ridgefield Park, NJ 07660
Attn: Reorganization Department	Attn: Reorganization Department	Attn: Reorganization Department

</TABLE>

BY FACSIMILE TRANSMISSION
(for eligible institutions only)
(201) 296-4293
To Confirm Facsimile Transmission Only
(201) 296-4860

Questions and requests for assistance may be directed to the Information Agent at the address and telephone number listed below. Additional copies of the Offer to Purchase, the Letter of Transmittal and other tender offer materials may be obtained from the Information Agent as set forth below, and will be furnished promptly at the Purchaser's expense. You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer.

THE INFORMATION AGENT FOR THE OFFER IS:
INNSFREE M&A INCORPORATED

501 Madison Avenue, 20th Floor
New York, New York 10022

Banks and Brokers Call Collect: (212) 750-5833
All Others Call Toll-Free: (888) 750-5834

LAZARD FRERES & CO. LLC
OFFER TO PURCHASE FOR CASH

ALL OUTSTANDING SHARES OF COMMON STOCK
(INCLUDING THE ASSOCIATED PREFERRED SHARE PURCHASE RIGHTS)

OF

UNITED STATES FILTER CORPORATION
BY

EAU ACQUISITION CORP.
AN INDIRECT WHOLLY OWNED SUBSIDIARY

OF

VIVENDI
AT

$31.50 NET PER SHARE
THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON THURSDAY, APRIL 22, 1999, UNLESS THE OFFER IS EXTENDED

March 26, 1999

To Brokers, Dealers, Commercial Banks,
Trust Companies and Other Nominees:

We have been appointed by Eau Acquisition Corp., a Delaware corporation (the "Purchaser"), and Vivendi, a societe anonyme organized under the laws of France ("Parent"), to act as Dealer Manager in connection with the Purchaser's offer to purchase all outstanding shares of Common Stock, par value $.01 per share (the "Shares"), of United States Filter Corporation, a Delaware corporation (the "Company"), and the associated preferred share purchase rights at a purchase price of $31.50 per Share, net to the seller in cash, without interest thereon, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated March 26, 1999 (the "Offer to Purchase"), and in the related Letter of Transmittal (which together constitute the "Offer") enclosed herewith.

Please furnish copies of the enclosed materials to those of your clients for whose accounts you hold Shares registered in your name or in the name of your nominee.

THE OFFER IS CONDITIONED UPON, AMONG OTHER THINGS, SHARES REPRESENTING AT LEAST A MAJORITY OF THE TOTAL NUMBER OF OUTSTANDING SHARES ON A FULLY DILUTED BASIS BEING VALIDLY TENDERED AND NOT WITHDRAWN PRIOR TO THE EXPIRATION OF THE

OFFER. THE OFFER IS ALSO SUBJECT TO OTHER TERMS AND CONDITIONS CONTAINED IN THE OFFER TO PURCHASE. SEE THE INTRODUCTION AND SECTIONS 1, 14 AND 15 OF THE OFFER TO PURCHASE.

Enclosed herewith for your information and forwarding to your clients are copies of the following documents:

1. The Offer to Purchase, dated March 26, 1999.

2. The Letter of Transmittal for your use to tender Shares and for the information of your clients. Facsimile copies of the Letter of Transmittal may be used to tender Shares.

3. A printed form of letter which may be sent to your clients for whose accounts you hold Shares registered in your name or in the name of your nominee, with space provided for obtaining such clients' instructions with regard to the Offer.

4. The Notice of Guaranteed Delivery for Shares to be used to accept the Offer if certificates for Shares ("Share Certificates") and all other required documents are not immediately available or cannot be delivered to ChaseMellon Shareholder Services, L.L.C. (the "Depositary") by the Expiration Date (as defined in the Offer to Purchase) or if the procedure for book-entry transfer cannot be completed by the Expiration Date.

5. A letter to stockholders from the Secretary of the Company accompanied by the Company's Solicitation/Recommendation Statement on Schedule 14D-9.

6. Guidelines of the Internal Revenue Service for Certification of Taxpayer Identification Number on Substitute Form W-9.

YOUR PROMPT ACTION IS REQUESTED. WE URGE YOU TO CONTACT YOUR CLIENTS AS PROMPTLY AS POSSIBLE. PLEASE NOTE THAT THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON THURSDAY, APRIL 22, 1999, UNLESS THE OFFER IS EXTENDED.

In order to accept the Offer, a duly executed and properly completed Letter of Transmittal and any required signature guarantees, or an Agent's Message (as defined in the Offer to Purchase) in connection with a book-entry delivery of Shares, and any other required documents should be sent to the Depositary and either Share Certificates representing the tendered Shares should be delivered to the Depositary, or Shares should be tendered by book-entry transfer into the Depositary's account maintained at The Depositary Trust Company, all in accordance with the instructions set forth in the Letter of Transmittal and the Offer to Purchase.

If holders of Shares wish to tender, but it is impracticable for them to forward their Share Certificates or other required documents on or prior to the

Expiration Date or to comply with the book-entry transfer procedures on a timely basis, a tender may be effected by following the guaranteed delivery procedures specified in Section 3 of the Offer to Purchase.

The Purchaser will not pay any commissions or fees to any broker, dealer or other person for soliciting tenders of Shares pursuant to the Offer. The Purchaser will, however, upon request, reimburse you for customary clerical and mailing expenses incurred by you in forwarding any of the enclosed materials to your clients. The Purchaser will pay or cause to be paid any stock transfer taxes payable on the transfer of Shares to it, except as otherwise provided in Instruction 6 of the Letter of Transmittal.

Any inquiries you may have with respect to the Offer should be addressed to, and additional copies of the enclosed material may be obtained from, the undersigned.

Very truly yours,

Lazard Freres & Co. LLC
as Dealer Manager
30 Rockefeller Plaza
New York, New York 10020

NOTHING CONTAINED HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL CONSTITUTE YOU OR ANY OTHER PERSON THE AGENT OF PARENT, THE PURCHASER, THE COMPANY, THE DEPOSITARY OR THE INFORMATION AGENT, OR ANY AFFILIATE OF ANY OF THEM, OR AUTHORIZE YOU OR ANY OTHER PERSON TO MAKE ANY STATEMENT OR USE ANY DOCUMENT ON BEHALF OF ANY OF THEM IN CONNECTION WITH THE OFFER OTHER THAN THE ENCLOSED DOCUMENTS AND THE STATEMENTS CONTAINED THEREIN.

OFFER TO PURCHASE FOR CASH

ALL OUTSTANDING SHARES OF COMMON STOCK
(INCLUDING THE ASSOCIATED PREFERRED SHARE PURCHASE RIGHTS)

OF

UNITED STATES FILTER CORPORATION
BY

EAU ACQUISITION CORP.
AN INDIRECT WHOLLY OWNED SUBSIDIARY

OF

VIVENDI
AT

$31.50 NET PER SHARE

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT,
NEW YORK CITY TIME, ON THURSDAY, APRIL 22, 1999,
UNLESS THE OFFER IS EXTENDED.

March 26, 1999

To Our Clients:

Enclosed for your consideration are the Offer to Purchase, dated March 26, 1999 (the "Offer to Purchase"), and the related Letter of Transmittal (which together constitute the "Offer") relating to the offer by Eau Acquisition Corp., a Delaware corporation (the "Purchaser") and an indirect wholly owned subsidiary of Vivendi, a societe anonyme organized under the laws of France, to purchase all outstanding shares of Common Stock, par value $.01 per share (the "Shares"), of United States Filter Corporation, a Delaware corporation (the "Company"), and the associated preferred share purchase rights (the "Rights"), at a purchase price of $31.50 per Share, net to the seller in cash, without interest thereon, upon the terms and subject to the conditions set forth in the Offer to Purchase and in the related Letter of Transmittal enclosed herewith. Unless the context otherwise requires, all references to Shares shall include the associated Rights. Holders of Shares whose certificates for such Shares (the "Share Certificates") are not immediately available, or who cannot deliver their Share Certificates and all other required documents to the Depositary on or prior to the Expiration Date (as defined in the Offer to Purchase), or who cannot complete the procedures for book-entry transfer on a timely basis, must tender their Shares according to the guaranteed delivery procedures set forth in Section 3 of the Offer to Purchase.

WE ARE THE HOLDER OF RECORD OF SHARES HELD BY US FOR YOUR ACCOUNT. A TENDER OF SUCH SHARES CAN BE MADE ONLY BY US AS THE HOLDER OF RECORD AND PURSUANT TO YOUR INSTRUCTIONS. THE LETTER OF TRANSMITTAL IS FURNISHED TO YOU FOR YOUR INFORMATION ONLY AND CANNOT BE USED BY YOU TO TENDER SHARES HELD BY US FOR YOUR ACCOUNT.

Accordingly, we request instructions as to whether you wish to have us tender on your behalf any or all Shares held by us for your account pursuant to the terms and conditions set forth in the Offer.

Please note the following:

1. The tender price is $31.50 per Share, net to you in cash, without interest thereon, upon the terms and subject to the conditions set forth in the Offer.

2. The Offer is being made for all outstanding Shares.

3. The Offer is conditioned upon, among other things, Shares representing at least a majority of the total number of outstanding Shares on a fully diluted basis being validly tendered and not properly withdrawn prior to the expiration of the Offer. The Offer is also subject to other terms and conditions contained in the Offer to Purchase. See the Introduction and Sections 1, 14 and 15 of the Offer to Purchase.

4. Tendering stockholders will not be obligated to pay brokerage fees or commissions or, except as otherwise provided in Instruction 6 of the Letter of Transmittal, stock transfer taxes on the purchase of Shares by the Purchaser pursuant to the Offer.

5. The Offer and withdrawal rights will expire at 12:00 midnight, New York City time, on Thursday, April 22, 1999, unless the Offer is extended.

6. Payment for Shares purchased pursuant to the Offer will in all cases be made only after timely receipt by Chase Mellon Shareholder Services, L.L.C. (the "Depositary") of (a) Share Certificates or timely confirmation of the book-entry transfer of such Shares into the account maintained by the Depositary at The Depository Trust Company ("DTC"), pursuant to the procedures set forth in Section 3 of the Offer to Purchase, (b) the Letter of Transmittal (or a facsimile thereof), properly completed and duly executed, with any required signature guarantees or an Agent's Message (as defined in the Offer to Purchase), in connection with a book-entry delivery, and (c) any other documents required by the Letter of Transmittal. Accordingly, payment may not be made to all tendering stockholders at the same time, depending upon when Share Certificates or confirmations of book-entry transfer of such Shares into the Depositary's account at "DTC" are actually received by the Depositary.

If you wish to have us tender any or all of the Shares held by us for your account, please so instruct us by completing, executing, detaching and returning to us the instruction form set forth on the back page of this letter. If you authorize the tender of your Shares, all such Shares will be tendered unless otherwise specified on the back page of this letter. An envelope to return your instructions to us is enclosed. Your instructions should be forwarded to us in ample time to permit us to submit a tender on your behalf prior to the expiration of the Offer.

The Offer is not being made to (nor will tenders be accepted from or on behalf of) holders of Shares residing in any jurisdiction in which the making of the Offer or the acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction. However, the Purchaser may, in its discretion, take such action as it may deem necessary to make the Offer in any such jurisdiction and extend the Offer to holders of Shares in such jurisdiction.

In any jurisdiction where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer is being made on behalf of the Purchaser by one or more registered brokers or dealers that are licensed under the laws of such jurisdiction.

INSTRUCTIONS WITH RESPECT TO THE OFFER TO PURCHASE FOR CASH
ALL OUTSTANDING SHARES OF COMMON STOCK (INCLUDING THE
ASSOCIATED PREFERRED SHARE PURCHASE RIGHTS)

OF

UNITED STATES FILTER CORPORATION
BY

EAU ACQUISITION CORP.
AN INDIRECT WHOLLY OWNED SUBSIDIARY

OF

VIVENDI

The undersigned acknowledge(s) receipt of your letter, the enclosed Offer to Purchase, dated March 26, 1999 (the "Offer to Purchase"), and the related Letter of Transmittal (which together with the Offer to Purchase constitute the "Offer") in connection with the offer by Eau Acquisition Corp., a Delaware corporation (the "Purchaser") and wholly owned subsidiary of Vivendi, a societe anonyme organized under the laws of France, to purchase all outstanding shares of Common Stock, par value $.01 per share (the "Shares"), of United States Filter Corporation, a Delaware corporation, and the associated preferred share purchase rights, at a purchase price of $31.50 per Share, net to the seller in

cash, without interest thereon, upon the terms and subject to the conditions set forth in the Offer to Purchase.

This will instruct you to tender to the Purchaser the number of Shares indicated below (or if no number is indicated below, all Shares) which are held by you for the account of the undersigned, upon the terms and subject to the conditions set forth in the Offer.

Number of Shares to Be Tendered:
---------- Shares*

SIGN BELOW

Account Number: Signature(s)

Dated: , 1999

PLEASE TYPE OR PRINT NAME(S)

PLEASE TYPE OR PRINT ADDRESS(ES) HERE

AREA CODE AND TELEPHONE NUMBER

TAXPAYER IDENTIFICATION OR SOCIAL SECURITY NUMBER(S)

---

* Unless otherwise indicated, it will be assumed that you instruct us to tender all Shares held by us for your account.

NOTICE OF GUARANTEED DELIVERY

FOR

TENDER OF SHARES OF COMMON STOCK
(INCLUDING THE ASSOCIATED PREFERRED SHARE PURCHASE RIGHTS)

OF

UNITED STATES FILTER CORPORATION
TO

EAU ACQUISITION CORP.
AN INDIRECT WHOLLY OWNED SUBSIDIARY OF

VIVENDI
(NOT TO BE USED FOR SIGNATURE GUARANTEES)

This Notice of Guaranteed Delivery or one substantially equivalent hereto must be used to accept the Offer (as defined below) if certificates ("Share Certificates") representing shares of Common Stock, par value $.01 per share (the "Shares"), of the United States Filter Corporation, a Delaware corporation (the "Company"), and the associated Rights (as defined in the Offer to Purchase), are not immediately available, if time will not permit all required documents to reach ChaseMellon Shareholder Services L.L.C. (the "Depositary") on or prior to the Expiration Date (as defined in the Offer to Purchase), or if the procedures for delivery by book-entry transfer cannot be completed on a timely basis. This Notice of Guaranteed Delivery may be delivered by hand or sent by facsimile transmission or mail to the Depositary. See Section 3 of the Offer to Purchase.

The Depositary for the Offer is:
CHASEMELLON SHAREHOLDER SERVICES, L.L.C.

<TABLE>
<S> <C> <C>

BY MAIL:	BY HAND:	BY OVERNIGHT COURIER:
ChaseMellon Shareholder Services, L.L.C.	ChaseMellon Shareholder Services, L.L.C.	ChaseMellon Shareholder Services, L.L.C.
Post Office Box 3301	120 Broadway, 13th Floor	85 Challenger Road-Mail Drop-Reorg
South Hackensack, NJ 07606	New York, NY 10271	Ridgefield Park, NJ 07660
Attn: Reorganization Department	Attn: Reorganization Department	Attn: Reorganization Department

</TABLE>

BY FACSIMILE TRANSMISSION
(for eligible institutions only)
(201) 296-4293
To Confirm Facsimile Transmission Only
(201) 296-4860

DELIVERY OF THIS NOTICE OF GUARANTEED DELIVERY TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE OR TRANSMISSION OF INSTRUCTIONS VIA A FACSIMILE TRANSMISSION TO A NUMBER OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY.

THIS NOTICE OF GUARANTEED DELIVERY IS NOT TO BE USED TO GUARANTEE SIGNATURES. IF A SIGNATURE ON A LETTER OF TRANSMITTAL IS REQUIRED TO BE GUARANTEED BY AN "ELIGIBLE INSTITUTION" UNDER THE INSTRUCTIONS THERETO, SUCH SIGNATURE GUARANTEE MUST APPEAR IN THE APPLICABLE SPACE PROVIDED IN THE SIGNATURE BOX ON THE LETTER OF TRANSMITTAL.

Ladies and Gentlemen:

The undersigned hereby tenders to Eau Acquisition Corp., a Delaware corporation (the "Purchaser") and an indirect wholly-owned subsidiary of Vivendi, a societe anonyme organized under the laws of France, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated March 26, 1999 (the "Offer to Purchase"), and in the related Letter of Transmittal

(which together constitute the "Offer"), receipt of each of which is hereby acknowledged, the number of Shares (including the associated preferred share purchase rights) indicated below pursuant to the guaranteed delivery procedures set forth in Section 3 of the Offer to Purchase.

<TABLE>
<S>
Number of Shares

Certificate Nos. (if available)

[ ] Check if Shares will be tendered by book-entry transfer through the facilities of The Depository Trust Company (including through DTC's ATOP):
Signature(s): ----------
Account Number: ----------
<C>
Name(s) of Record Holder(s):

Please Print
Address(es): ----------

Zip Code
Area Code and Tel. No.: ----------
Dated: ---------- , 1999
</TABLE>

THE GUARANTEE BELOW MUST BE COMPLETED

GUARANTEE
(NOT TO BE USED FOR SIGNATURE GUARANTEE)

The undersigned, a firm that is a bank, broker, dealer, credit union, savings association or other entity which is a member in good standing of the Securities Transfer Agents Medallion Program, hereby guarantees to deliver to the Depositary at one of its addresses set forth above either the certificates representing all tendered Shares, in proper form for transfer, a Book-Entry Confirmation (as defined in the Offer to Purchase), together with a properly completed and duly executed Letter of Transmittal (or facsimile thereof), with any required signature guarantees, or, in the case of book-entry delivery of Shares, an Agent's Message (as defined in the Offer to Purchase), and any other documents required by the Letter of Transmittal within three NYSE trading days after the date of execution of this Notice of Guaranteed Delivery. A "NYSE trading day" is any day on which the New York Stock Exchange, Inc. is open for business.

NAME OF FIRM

ADDRESS

ZIP CODE

Area Code and Tel. No.:

AUTHORIZED SIGNATURE

TITLE

Name:

PLEASE PRINT

Date:
---------- , 1999

NOTE: DO NOT SEND SHARE CERTIFICATES WITH THIS NOTICE OF GUARANTEED DELIVERY. SHARE CERTIFICATES SHOULD BE SENT WITH YOUR LETTER OF TRANSMITTAL.

Exhibit (a)(6)

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9

GUIDELINES FOR DETERMINING THE PROPER IDENTIFICATION NUMBER TO GIVE THE PAYER.--Social Security number have nine digits separated by two hyphens: i.e., 000-00-0000. Employer identification numbers have nine digits separated by only one hyphen: i.e., 00-0000000. The table below will help determine the number to give the payer.

<TABLE>
<C> <S> <C>

	FOR THIS TYPE OF ACCOUNT:	GIVE THE SOCIAL SECURITY NUMBER OF--
1.	An individual's account	The individual
2.	Two or more individuals (joint account)	The actual owner of the account or, if combined funds, any one of the individuals(1)
3.	Husband and wife (joint account)	The actual owner of the account or, if joint funds, either person(1)
4.	Custodian account of a minor (Uniform Gift to Minors Act)	The minor(2)
5.	Adult and minor (joint account)	The adult or, if the minor is the only contributor, the minor(1)
6.	Account in the name of guardian or committee for a designated ward, minor, or incompetent person	The ward, minor, or incompetent person(3)
7.	a. The usual revocable savings trust account (grantor is also trustee)	The grantor-trustee(1)
	b. So-called trust account that is not a legal or valid trust under State law	The actual owner(1)
8.	Sole proprietorship account	The owner(4)
		GIVE THE EMPLOYER

FOR THIS TYPE OF ACCOUNT:	IDENTIFICATION NUMBER OF--
9. A valid trust, estate, or pension trust	Legal entity (Do not furnish the identifying number of the personal representative or trustee unless the legal entity itself is not designated in the account title.)(5)
10. Corporate account	The corporation
11. Religious, charitable, or educational organization account	The organization
12. Partnership account held in the name of the business	The partnership
13. Association, club, or other tax-exempt organization	The organization
14. A broker or registered nominee	The broker or nominee
15. Account with the Department of Agriculture in the name of a public entity (such as a State or local government, school district, or prison) that receives agricultural program payments	The public entity

</TABLE>

(1) List first and circle the name of the person whose number you furnish.
(2) Circle the minor's name and furnish the minor's social security number.
(3) Circle the ward's, minor's or incompetent person's name and furnish such person's social security number.
(4) Show the name of the owner.
(5) List first and circle the name of the legal trust, estate, or pension trust.

NOTE: If no name is circled when there is more than one name, the number will be considered to be that of the first name listed.

OBTAINING A NUMBER

If you don't have a taxpayer identification number or you do not know your number, obtain Form SS-5, Application for a Social Security Number Card, or Form

SS-4, Application for Employer Identification Number, at the local office of the Social Security Administration or the Internal Revenue Service and apply for a number.

PAYEES EXEMPT FROM BACKUP WITHHOLDING

Payees specifically exempted from backup withholding on ALL payments include the following:

- A corporation.
- A financial institution.
- An organization exempt from tax under section 501(a), or an individual retirement plan.
- The United States or any agency or instrumentality thereof.
- A State, the District of Columbia, a possession of the United States, or any subdivision or instrumentality thereof.
- A foreign government, a political subdivision of a foreign government, or any agency or instrumentality thereof.
- An international organization or any agency or instrumentality thereof.
- A registered dealer in securities or commodities registered in the U.S. or a possession of the U.S.
- A real estate investment trust.
- A common trust fund operated by a bank under section 584(a).
- An exempt charitable remainder trust, or a non-exempt trust described in section 4947(a)(1).
- An entity registered at all times under the Investment Company Act of 1940.
- A foreign central bank of issue.

Payments of dividends and patronage dividends not generally subject to backup withholding include the following:

- Payments to nonresident aliens subject to withholding under section 1441.
- Payments to partnerships not engaged in a trade or business in the U.S. and which have at least one nonresident partner.
- Payments of patronage dividends where the amount received is not paid in money.
- Payments made by certain foreign organizations.
- Payments made to a nominee.

Payments of interest not generally subject to backup withholding include the following:

- Payments of interest on obligations issued by individuals. Note: You may be subject to backup withholding if this interest is $600 or more and is paid in the course of the payer's trade or business and you have not provided your correct taxpayer identification number to the payer.
- Payments of tax-exempt interest (including exempt-interest dividends under section 852).
- Payments described in section 6049(b)(5) to non-resident aliens.
- Payments on tax-free covenant bonds under section 1451.
- Payments made by certain foreign organizations.
- Payments of mortgage interest to you.

Exempt payees described above should file Form W-9 to avoid possible erroneous backup withholding.

FILE THIS FORM WITH THE PAYER, FURNISH YOUR TAXPAYER IDENTIFICATION NUMBER, WRITE "EXEMPT" ON THE FACE OF THE FORM, AND RETURN IT TO THE PAYER. IF THE PAYMENTS ARE INTEREST, DIVIDENDS, OR PATRONAGE DIVIDENDS, ALSO SIGN AND DATE THE FORM.

Certain payments other than interest, dividends, and patronage dividends, that are not subject to information reporting are also not subject to backup withholding. For details, see the regulations under sections 6041, 6041A(a), 6045, and 6050A. PRIVACY ACT NOTICE.--Section 6109 requires most recipients of dividend, interest, or other payments to give taxpayer identification numbers to payers who must report the payments to IRS. IRS uses the numbers for identification purposes. Payers must be given the numbers whether or not recipients are required to file tax returns. Beginning January 1, 1993, payers must generally withhold 31% of taxable interest, dividend, and certain other payments to a payee who does not furnish a taxpayer identification number to a payer. Certain penalties may also apply.

PENALTIES
(1) PENALTY FOR FAILURE TO FURNISH TAXPAYER IDENTIFICATION NUMBER.--If you fail to furnish your taxpayer identification number to a payer, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.
(2) FAILURE TO REPORT CERTAIN DIVIDEND AND INTEREST PAYMENTS.--If you fail to include any portion of an includable payment for interest, dividends, or patronage dividends in gross income, such failure will be treated as being due to negligence and will be subject to a penalty of 20% on any portion of an under-payment attributable to that failure unless there is clear and convincing evidence to the contrary.
(3) CIVIL PENALTY FOR FALSE INFORMATION WITH RESPECT TO WITHHOLDING.--If you make a false statement with no reasonable basis which results in no imposition of backup withholding, you are subject to a penalty of $500.
(4) CRIMINAL PENALTY FOR FALSIFYING INFORMATION.--Falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

FOR ADDITIONAL INFORMATION CONTACT YOUR TAX CONSULTANT OR THE INTERNAL REVENUE SERVICE.

EXHIBIT (a)(7)

Vivendi to Acquire USFilter Through a $6.2 Billion Tender Offer
Two Water Industry Leaders Join Forces to Create the World's Largest Water Treatment Firm

NEW YORK, March 22 - Vivendi, the world's largest environmental services provider and one of Europe's fastest-growing companies, today announced an agreement to acquire United States Filter Corporation (NYSE: USF - news) in a two-step cash transaction worth approximately US$6.2 billion (Euro 5.7 billion).

The tender offer, approved by the boards of directors of both companies at $31.50 (Euro 29.0) per share of USFilter common stock, is the largest French acquisition ever made in the United States. The transaction is subject to regulatory approvals under the Hart-Scott-Rodino Act in the United States and by the European Union Commission.

In the first step of the transaction, a Vivendi subsidiary will commence an all cash tender offer for all outstanding shares of USFilter common stock within five business days. In the second step, subject to the terms and conditions of the agreement, a Vivendi subsidiary will merge into USFilter, making USFilter a wholly owned subsidiary of Vivendi. In the merger, USFilter stockholders will receive $31.50 (Euro 29.0) per share in cash.

USFilter has granted to Vivendi a 19.9 percent Treasury stock option. In addition, members of USFilter's senior management and a major USFilter stockholder, Apollo, L.P. agreed to tender their USFilter shares into the offer.

Once approved, the transaction would nearly double the revenues of Vivendi's water treatment business through its Generale des Eaux subsidiary. Combined, Palm Desert, California-based USFilter and Paris-based Generale des Eaux would have annual sales of approximately $12 billion (Euro 11.0 billion). The transaction will create an undisputed water technology leader, with worldwide manufacturing, distribution and service capabilities for the commercial, industrial, municipal, residential and agricultural market segments.

"What we recognized is that we share a vision of a full-service, global water enterprise," said Jean-Marie Messier, chairman of Vivendi. "The world's population is continuing to grow. Industry is demanding ever-higher standards of processed water for manufacturing and the demand for quality wastewater treatment to protect the environment has never been greater."

After the transaction, USFilter Chairman and Chief Executive Officer Richard J. Heckmann will broaden his responsibilities, serving on the Generale

des Eaux Board of Directors and joining Messier and Generale des Eaux Chairman Daniel Caille on the Vivendi Water Group Executive Committee.

"This transaction makes perfect sense for USFilter," Heckmann said. "Our customers, shareholders and employees all benefit from this agreement."

Generale des Eaux was founded in Paris in 1853 to supply water to cities throughout France. Since then, the company has expanded beyond its borders to become a world leader in water treatment and distribution services. Generale des Eaux is a major player in the growing municipal privatization movement, in which cities contract out to private firms to design, build, own and operate their water and wastewater treatment services. Privatization is widespread in the United Kingdom and France and the concept is spreading to other parts of the world, including the United States, Canada, Latin America, China and the Pacific Rim.

Generale des Eaux has over 4,000 municipal contracts in France through which it provides drinking water treatment services to more than 25 million people and wastewater treatment services for some 16 million residents. Outside France, Generale des Eaux provides water and wastewater treatment services for 65 million people on every continent.

USFilter was founded in 1990 with the goal of becoming the world's largest water treatment equipment manufacturer. Sales have increased from $16 million (Euro 15 million) to about $5 billion (Euro 4.6 billion) this year as a result of both organic growth and strategic acquisitions companies such as Memtec, Culligan and Kinetics.

USFilter's Memtec subsidiary is the world leader in advanced microfiltration technology, which can be used to treat drinking water and recycle wastewater without the use of chemicals. Microfiltration technology is

becoming increasingly sought after worldwide as means of removing giardia and cryptosporidium and other water-borne parasites and pathogens.

USFilter's Culligan subsidiary bottles water and provides industrial water treatment services in numerous locations throughout Europe, Asia and Latin America.

USFilter has also made numerous acquisitions in the industrial water treatment sector which, when combined with its Kinetics subsidiary, give it the ability to not only provide high purity water treatment services, but the high purity piping infrastructure needed by companies in the biotechnology,

pharmaceutical and microelectronics industries.

"Vivendi and USFilter have both been targeting the growing worldwide water market, but from different starting points and with an emphasis on different types of clients," said Messier of

Vivendi. "Our businesses are very complementary and this agreement gives us access to the North American water treatment business and a very strong management team to run it."

"This transaction makes strategic sense for us," said USFilter Chairman and Chief Executive Officer Richard J. Heckmann. "Generale des Eaux offers USFilter an enormous worldwide market for everything we manufacture. Together we will have a capability for tapping the municipal privatization market in the United States and elsewhere that we haven't had before."

Heckmann and Messier added that joining forces at this time is a strategic move by both companies to provide unprecedented single source service for their customers, who include commercial, industrial, municipal and residential customers worldwide. Fittingly, today's announcement in New York coincides with the United Nations observance of "World Day for Water."

USFilter has 28,000 employees in some 2,000 manufacturing, distribution and sales offices in 94 countries. Generale des Eaux has 40,000 employees in 90 countries.

Vivendi, Generale des Eaux's parent company, is a major player in Europe's communications and utilities industries. Vivendi has 235,000 employees, annual sales of about $35 billion (Euro 32 billion) and market capitalization of over $41 billion (Euro 38.0 billion). In 1998, Generale des Eaux had net sales of $7.3 billion (Euro 6.7 billion), of which $1.6 billion (Euro 1.5 billion) stemmed from sales outside France. Vivendi also recently acquired most of Waste Management's Houston, Texas-based industrial services business, which has net sales of $360 million (Euro 331.0).

Vivendi and USFilter invite you to visit their respective websites, at www.vivendi.com and www.usfilter.com. Please contact Sandra Sokoloff or Melissa Kinch at the numbers listed below to schedule interviews with Jean-Marie Messier or Richard Heckmann today or Tuesday, March 23.

Forward-looking statements in this release, including, without limitation, statements relating to USFilter's plans, strategies, objectives, expectations, intentions and adequacy of resources, are made pursuant to the safe harbor

provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These factors include, among others, the following: general economic and business conditions; competition; success of operating initiatives; advertising and promotional efforts; existence of adverse publicity or litigation; changes in business strategy or plans; quality of management; availability, terms and development of capital; business abilities and judgment of personnel; changes in, or the failure to comply with governmental regulations; and other factors described in filings of the company with the U.S. Securities and Exchange Commission. USFilter undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise.

CONTACT: Alain Delrieu, 011-331-171711711, Fax: 011-331-171713711, or Sandra Sokoloff, 212-367-6892, both of Vivendi; or Jeff Crider, 760-341-8173, Fax: 760-341-9368, or Melissa Kinch, 310-444-1306, both of United States Filter Corporation.

Exhibit (a)(8)

This announcement is neither an offer to purchase nor a solicitation of an offer to sell Shares. The Offer is made solely by the Offer to Purchase, dated March 26, 1999, and the related Letter of Transmittal, and is being made to all holders of Shares. The Offer is not being made to (nor will tenders be accepted from or on behalf of) holders of Shares in any jurisdiction in which the making of the Offer or the acceptance thereof would not be in compliance with the laws of such jurisdiction. In any jurisdiction where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer shall be deemed to be made on behalf of Eau Acquisition Corp. by one or more registered brokers or dealers licensed under the laws of such jurisdiction.

NOTICE OF OFFER TO PURCHASE FOR CASH
ALL OUTSTANDING SHARES OF COMMON STOCK
(INCLUDING THE ASSOCIATED PREFERRED SHARE PURCHASE RIGHTS)

OF

UNITED STATES FILTER CORPORATION

BY

EAU ACQUISITION CORP.

AN INDIRECT WHOLLY-OWNED SUBSIDIARY

OF

VIVENDI

AT

$31.50 NET PER SHARE

Eau Acquisition Corp. (the "Purchaser"), a Delaware corporation and an indirect wholly-owned subsidiary of Vivendi, a societe anonyme organized under the laws of France ("Parent"), is offering to purchase all outstanding shares of Common Stock, par value $.01 per share (the "Shares"), of United States Filter Corporation, a Delaware corporation (the "Company"), and the associated preferred share purchase rights (the "Rights") issued pursuant to the Rights Agreement, dated as of November 27, 1998, between the Company and The Bank of New York; as Rights Agent (as the same may be amended, the "Rights Agreement"), at a purchase price of $31.50 per Share (and associated Right), net to the seller in cash, without interest thereon, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated March 26,1999 (the "Offer to Purchase"), and in the related Letter of Transmittal (which together constitute the "Offer"). Unless the context otherwise requires, all references

to Shares herein and in the Offer to Purchase shall include the associated Rights.

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON APRIL 22, 1999, UNLESS THE OFFER IS EXTENDED.

The Offer is being made pursuant to an Agreement and Plan of Merger, dated as of March 22, 1999 (the "Merger Agreement"), by and among the Company, the Purchaser and Parent pursuant to which, following the consummation of the Offer and the satisfaction of certain conditions, the Purchaser will be merged with and into the Company (the "Merger"), with the Company continuing as the surviving corporation. On the effective date of the Merger, each outstanding Share (other than any Shares held by Parent, the Purchaser, any wholly-owned subsidiary of Parent or the Purchaser, in the treasury of the Company or by any wholly-owned subsidiary of the Company, and other than Shares, if any, held by stockholders who perfect their appraisal rights under Delaware law, if available) will be converted into the right to receive an amount equal to $31.50 in cash (without interest).

THE BOARD OF DIRECTORS OF THE COMPANY HAS DETERMINED THAT THE OFFER AND THE MERGER ARE FAIR TO AND IN THE BEST INTERESTS OF THE COMPANY AND ITS STOCKHOLDERS, HAS APPROVED THE OFFER AND ADOPTED THE MERGER AGREEMENT AND DECLARED ITS ADVISABILITY, AND RECOMMENDS ACCEPTANCE OF THE OFFER BY THE COMPANY'S STOCKHOLDERS.

THE OFFER IS CONDITIONED UPON, AMONG OTHER THINGS, AT LEAST A MAJORITY OF THE TOTAL NUMBER OF OUTSTANDING SHARES ON A FULLY DILUTED BASIS ON THE DATE OF PURCHASE BEING VALIDLY TENDERED AND NOT PROPERLY WITHDRAWN PRIOR TO THE EXPIRATION OF THE OFFER. THE OFFER IS ALSO SUBJECT TO OTHER TERMS AND CONDITIONS. SEE THE INTRODUCTION AND SECTIONS 1, 14 AND 15 OF THE OFFER TO PURCHASE.

For purposes of the Offer, the Purchaser will be deemed to have accepted for payment, and thereby purchased, Shares validly tendered and not withdrawn as, if and when the Purchaser gives oral or written notice to the Depositary (as defined in the Offer to Purchase) of the Purchaser's acceptance of such Shares for payment pursuant to the Offer. In all cases, upon the terms and subject to the conditions of the Offer, payment for Shares purchased pursuant to the Offer will be made by deposit of the purchase price therefor with the Depositary, which will act as agent for tendering stockholders for the purpose of receiving payment from the Purchaser and transmitting payment to validly tendering stockholders. Under no circumstances will interest on the purchase price for Shares be paid by the Purchaser. In all cases, payment for Shares purchased pursuant to the Offer will be made only after timely receipt by the Depositary of (i) certificates representing Shares (the "Share Certificates") for such Shares or timely confirmation of the book-entry transfer of such Shares into the Depositary's account at The Depository Trust Company ("DTC") pursuant to the procedures set forth in Section 3 of the Offer to Purchase, (ii) the Letter of Transmittal delivered with the Offer to Purchase (or a facsimile thereof), properly completed and duly executed, with any

required signature guarantees or an Agent's Message (as defined in the Offer to Purchase) in connection with a book-entry transfer of Shares and (iii) any other documents required by the Letter of Transmittal.

The Purchaser expressly reserves the right, in its sole discretion (subject to the terms and conditions of the Merger Agreement), at any time and from time to time, to extend the period during which the Offer is open for any reason, including the failure of any of the conditions specified in Section 14 of the Offer to Purchase to be satisfied, by giving oral or written notice of such extension to the Depositary. Any such extension will be followed as promptly as practicable by public announcement thereof, and such announcement will be made no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled Expiration Date (as defined below).

Tenders of Shares made pursuant to the Offer are irrevocable, except that Shares tendered pursuant to the Offer may be withdrawn at any time on or prior to the Expiration Date and, unless theretofore accepted for payment as provided in the Offer to Purchase, may also be withdrawn at any time after May 24, 1999. The term "Expiration Date" means 12:00 midnight, New York City time, on Thursday, April 22, 1999, unless and until the Purchaser, subject to the terms of the Merger Agreement, shall have further extended the period of time for which the Offer is open, in which event the term "Expiration Date" shall mean the time and date at which the Offer, as so extended by the Purchaser, shall expire. In order for a withdrawal to be effective, a written or facsimile transmission notice of withdrawal must be timely received by the Depositary at one of its addresses set forth on the back cover of the Offer to Purchase. Any such notice of withdrawal must specify the name of the person who tendered the Shares to be withdrawn, the number of Shares to be withdrawn, and (if Share Certificates have been tendered) the name of the registered holder of the Shares as set forth in the Share Certificate, if different from that of the person who tendered such Shares. If Share Certificates have been delivered or otherwise identified to the Depositary, then prior to the physical release of such certificates, the tendering stockholder must submit the serial numbers shown on the particular certificates evidencing the Shares to be withdrawn and the signature on the notice of withdrawal must be guaranteed by a firm that is a bank, broker, dealer, credit union, savings association or other entity which is a member in good standing of the Securities Transfer Agents Medallion Program (an "Eligible Institution"), except in the case of Shares tendered for the account of an Eligible Institution. If Shares have been tendered pursuant to the procedures for book-entry transfer set forth in Section 3 of the Offer to Purchase, the notice of withdrawal must specify the name and number of the account at DTC to be credited with the withdrawn Shares, in which case a notice of withdrawal will be effective if delivered to the Depositary by any method of delivery described in this paragraph. All questions as to the form and validity (including time of receipt) of notices of withdrawal will be determined by the Purchaser, in its sole discretion, whose determination shall be final and binding. Any Shares properly withdrawn will be deemed not validly tendered for purposes of the Offer, but may be tendered at any subsequent time prior to the Expiration Date by following any of the procedures described in Section 3 of the Offer to Purchase.

The information required to be disclosed pursuant to Rule 14d-6(e)(1)(vii) of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended, is contained in the Offer to Purchase, and is incorporated herein by reference.

The Company is providing the Purchaser with the Company's stockholder list and security position listings for the purpose of disseminating the Offer to holders of Shares. The Offer to Purchase and the related Letter of Transmittal and, if required, other relevant materials will be mailed to record holders of Shares and will be furnished to brokers, dealers, commercial banks, trust companies and similar persons whose names, or the names of whose nominees, appear on the stockholder list or who are listed as participants in a clearing agency's security position listing for subsequent transmittal to beneficial owners of Shares.

THE OFFER TO PURCHASE AND THE RELATED LETTER OF TRANSMITTAL CONTAIN IMPORTANT INFORMATION WHICH SHOULD BE READ CAREFULLY BEFORE ANY DECISION IS MADE WITH RESPECT TO THE OFFER.

Questions and requests for assistance may be directed to the Information Agent at the address and telephone number listed below. Additional copies of the Offer to Purchase, the Letter of Transmittal, the Notice of Guaranteed Delivery and other related materials may be obtained at the Purchaser's expense from the Information Agent or from brokers, dealers, commercial banks and trust companies. Neither Parent nor the Purchaser will pay any fees or commissions to any broker, dealer or other person for soliciting tenders of Shares pursuant to the Offer (other than the Information Agent and the Dealer Manager).

The Information Agent for the Offer is:

[INNISFREE LOGO]
M&A INCORPORATED

501 Madison Avenue, 20th Floor
New York, New York 10022
BANKS AND BROKERS CALL COLLECT: (212) 750-5833
ALL OTHERS CALL TOLL FREE: (888) 750-5834

The Dealer Manager for the Offer is:

[LAZARD FRERES & CO. LLC LOGO]

30 Rockefeller Plaza
New York, New York 10020
(212) 632-6717 (call collect)

March 26, 1999

EXHIBIT (c)(1)

EXECUTION COPY

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AGREEMENT AND PLAN OF MERGER

by and among

VIVENDI

EAU ACQUISITION CORP.

and

UNITED STATES FILTER CORPORATION

dated as of

March 22, 1999

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AGREEMENT AND PLAN OF MERGER

AGREEMENT AND PLAN OF MERGER (this "Agreement"), dated as of March 22, 1999, by and among VIVENDI, a societe anonyme organized under the laws of France ("Parent"), EAU ACQUISITION CORP., a Delaware corporation and a subsidiary of Parent (the "Purchaser"), and UNITED STATES FILTER CORPORATION, a Delaware corporation (the "Company").

WHEREAS, the respective Boards of Directors of Parent, the Purchaser and the Company have approved the acquisition of the Company on the terms and subject to the conditions set forth in this Agreement;

WHEREAS, pursuant to this Agreement the Purchaser has agreed to commence a tender offer (the "Offer") to purchase all of the outstanding shares of the Company's common stock, par value $.01 per share (the "Common Shares"), including the associated preferred share purchase rights (the "Rights") issued pursuant to the Rights Agreement, dated as of November 27, 1998, between the Company and The Bank of New York, as Rights Agent (the "Rights Agreement") (the Common Shares, together with the Rights, are hereinafter referred to as the "Shares"), at a price per Share of $31.50 net to the seller in cash (the "Offer Price");

WHEREAS, the Board of Directors of the Company (the "Company Board") has (i) approved the Offer and (ii) approved and adopted this Agreement, declared its advisability and is recommending that the Company's stockholders accept the Offer, tender their Shares to the Purchaser and approve and adopt this Agreement;

WHEREAS, the respective Boards of Directors of the Purchaser and the Company have approved and adopted the merger of the Purchaser with and into the Company, as set forth below (the "Merger"), in accordance with the General Corporation Law of Delaware (the "GCL") and upon the terms and subject to the

conditions set forth in this Agreement, whereby each of the issued and outstanding Shares not owned directly or indirectly by Parent, the Purchaser or the Company will be converted into the right to receive the Offer Price in cash;

WHEREAS, as a condition and inducement to Parent's and the Purchaser's willingness to enter into this Agreement, upon the execution and delivery of this Agreement, the individuals and entities set forth in Annex II-A are simultaneously entering into and delivering support agreements (the "Support Agreements") in the forms attached hereto as Annex II-B;

WHEREAS, as a condition and inducement to Parent's and the Purchaser's willingness to enter into this Agreement, the individuals set forth on Annex II-A are simultaneously entering into and delivering the Employment Agreements in the form of Annex III attached hereto;

WHEREAS, as a condition and inducement to Parent's and the Purchaser's willingness to enter into this Agreement, the Purchaser and the Company are simultaneously entering into and delivering the Company Stock Option Agreement in the form of Annex IV attached hereto;

WHEREAS, the Boards of Directors of Parent, the Purchaser and the Company have approved, and deem it advisable and in the best interests of their respective stockholders to consummate, the acquisition of the Company by Parent and the Purchaser upon the terms and subject to the conditions set forth herein; and

WHEREAS, Parent, the Purchaser and the Company desire to make certain representations, warranties, covenants and agreements in connection with the Offer and the Merger and also to prescribe various conditions to the Offer and the Merger.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants and agreements set forth herein, Parent, the Purchaser and the Company agree as follows:

ARTICLE I

THE OFFER

SECTION 1.1. The Offer.

(a) Provided that this Agreement shall not have been terminated in accordance with Article VIII hereof and none of the events set forth in Annex I hereto (the "Tender Offer Conditions") shall have occurred, as promptly as practicable but in no event later than the fifth business day from the date of this Agreement, Parent shall cause the Purchaser to, and the Purchaser shall commence (within the meaning of Rule 14d-2 under the Securities Exchange Act of 1934, as amended (including the rules and regulations promulgated thereunder,

the "Exchange Act")) the Offer to purchase all outstanding Shares at the Offer Price and shall file all necessary documents with the Securities and Exchange Commission (the "SEC") in connection with the Offer (together with any amendments or supplements to the "Offer Documents"). The Offer shall remain open until at least the twentieth business day after the commencement of the Offer. Purchaser shall disseminate to holders of Common Shares the Offer Documents to the extent required by law. The obligation of the Purchaser to accept for payment or pay for any Shares tendered pursuant thereto will be subject only to the satisfaction of the conditions set forth in Annex I hereto.

(b) Without the prior written consent of the Company, the Purchaser shall not decrease the Offer Price or change the form of consideration payable in the Offer, decrease the number of Shares sought to be purchased in the Offer, impose additional conditions to the Offer or amend any other term of the Offer in any manner adverse to the holders of Shares or reduce the time period during which the Offer shall remain open. Subject to the terms of the Offer and this Agreement and the satisfaction or waiver of all the Tender Offer Conditions as of any expiration date, the Purchaser will accept for payment and pay for all Shares validly tendered and not withdrawn pursuant to the Offer as soon as practicable after such expiration date of the Offer. Notwithstanding the foregoing, the Purchaser shall be entitled to extend the Offer, if at the initial expiration of the Offer, or any extension thereof, any condition to the Offer is not satisfied or waived, and Parent agrees to cause the Purchaser to extend the Offer up to 40 days in the aggre-

gate, in one or more periods of not more than 10 business days, if, at the initial expiration date of the Offer, or any extension thereof, any condition to the Offer set forth in paragraphs (a), (b) or (g) of Annex I is not satisfied or waived; provided, however, that the Purchaser shall not be required to extend the Offer as provided in this sentence unless, in Parent's reasonable judgment, (i) each such condition is reasonably capable of being satisfied and (ii) the Company is in material compliance with all of its covenants under this Agreement. In addition, without limiting the foregoing, the Purchaser may, without the consent of the Company, if, on the expiration date of the Offer, the Shares validly tendered and not withdrawn pursuant to the Offer are sufficient to satisfy the Minimum Condition (as defined in Annex I hereto) but equal to less than 90% of the outstanding Shares, extend the Offer for up to 15 business days in the aggregate notwithstanding that all the conditions to the Offer have been satisfied so long as Purchaser irrevocably waives the satisfaction of any of the conditions to the Offer (other than those set forth in paragraphs (a), (b) or (d) of Annex I) that subsequently may not be satisfied during any such extension of the Offer. In addition, the Offer Price may be increased and the Offer may be extended to the extent required by law in connection with such increase in each case without the consent of the Company.

(c) Parent and the Purchaser represent that the Offer Documents will

comply in all material respects with the provisions of applicable federal securities laws and, on the date filed with the SEC and on the date first published, sent or given to the Company's stockholders, shall not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading, except that no representation is made by Parent or the Purchaser with respect to information supplied by the Company for inclusion in the Offer Documents. The Company and its counsel shall be given an opportunity to review and comment on the Offer Documents and any material amendments thereto prior to the filing thereof with the SEC. Each of Parent and the Purchaser, on the one hand, and the Company, on the other hand, agrees promptly to correct any information provided by it for use in the Offer Documents if and to the extent that it shall have become false or misleading in any material respect and the Purchaser further agrees to take all steps necessary to cause the Offer Documents as so corrected to be filed with the SEC and to be disseminated to stockholders of the Company, in each case, as and to the extent required by applicable federal securities laws. Parent and Purchaser will provide the Company and its counsel with a copy of any written comments or telephonic notification of any oral comments Parent or Purchaser may received from the SEC or its staff with respect to the Offer Documents promptly after receipt thereof and will provide the Company and its counsel with a copy of any written responses and telephonic notification of any oral responses of Parent, Purchaser or their counsel.

SECTION 1.2 Company Actions.

(a) The Company shall file with the SEC and mail to the holders of Common Shares, on the date of the filing by Parent and the Purchaser of the Offer Documents, a Solicitation/Recommendation Statement on Schedule 14D-9 (together with any amendments or supplements thereto, the "Schedule 14D-9") reflecting the recommendation of the Company Board that holders of Shares tender their Shares pursuant to the Offer, and shall disseminate the Schedule

14D-9 as required by Rule 14d-9 promulgated under the Exchange Act. The Schedule 14D-9 will set forth, and the Company hereby represents, that the Company Board, at a meeting duly called and held, has (i) determined by unanimous vote of its directors present at the meeting at which this Agreement was approved that the transactions contemplated hereby, including each of the Offer and the Merger, are fair to and in the best interests of the Company and its stockholders, (ii) approved the Offer and adopted this Agreement and declared its advisability in accordance with the GCL, (iii) recommended acceptance of the Offer and approval of this Agreement by the Company's stockholders (if such approval is required by applicable law), and (iv) taken all other action necessary to render Section 203 of the GCL and the Rights inapplicable to the Offer, the Merger, the Company Stock Option Agreement and the Support Agreements. The Company further represents that, prior to the execution hereof, each of Salomon Smith Barney

Inc. ("SSB") and J.P. Morgan & Co. Incorporated ("J.P. Morgan") has delivered to the Company Board its written opinion that the consideration to be received for the Shares pursuant to the Offer and the Merger is fair to the Company's stockholders from a financial point of view. The Company further represents and warrants that it has been authorized by each of SSB and J.P. Morgan to permit, subject to prior review and consent by each of SSB and J.P. Morgan, respectively (such consent not to be unreasonably withheld), the inclusion of the respective fairness opinion (or a reference thereto) in the Offer Documents and in the Schedule 14D-9. The Company hereby consents to the inclusion in the Offer Documents of the recommendations of the Company Board described in this Section 1.2(a).

(b) The Company represents that the Schedule 14D-9 will comply in all material respects with the provisions of applicable federal securities laws and, on the date filed with the SEC and on the date first published, sent or given to the Company's stockholders, shall not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading, except that no representation is made by the Company with respect to information supplied by Parent or the Purchaser for inclusion in the Schedule 14D-9. Parent and its counsel shall be given an opportunity to review and comment on the Schedule 14D-9 and any material amendments thereto prior to the filing thereof with the SEC. Each of the Company, on the one hand, and Parent and the Purchaser, on the other hand, agree promptly to correct any information provided by either of them for use in the Schedule 14D-9 if and to the extent that it shall have become false or misleading, and the Company further agrees to take all steps necessary to cause the Schedule 14D-9 as so corrected to be filed with the SEC and to be disseminated to the holders of Shares, in each case, as and to the extent required by applicable federal securities law. The Company will provide Parent, Purchaser and their counsel with a copy of any written comments or telephonic notification of any oral comments the Company may receive from the SEC or its staff with respect to the Schedule 14D-9 promptly after the receipt thereof and will provide Parent, Purchaser and their counsel with a copy of any written responses and telephonic notification of any oral responses of the Company or its counsel.

(c) In connection with the Offer, the Company will promptly furnish the Purchaser with mailing labels, security position listings, any non-objecting beneficial owner lists and any available listing or computer list containing the names and addresses of the record hold-

ers of the Shares as of the most recent practicable date and shall furnish the Purchaser with such additional information (including, but not limited to, updated lists of holders of Shares and their addresses, mailing labels and lists of security positions and non-objecting beneficial owner lists) and such other

assistance as the Purchaser or its agents may reasonably request in communicating the Offer to the Company's record and beneficial stockholders.

SECTION 1.3 Directors.

(a) Subject to compliance with applicable law, promptly upon the payment by the Purchaser for the Shares pursuant to the Offer and from time to time thereafter, Parent shall be entitled to designate such number of directors, rounded up to the next whole number provided, however, that the Purchaser shall not be entitled to designate any members to the Company Board without owning a majority of the Shares, on the Company Board as is equal to the product of the total number of directors on the Company Board (determined after giving effect to the directors elected pursuant to this sentence) multiplied by the percentage that the aggregate number of Shares beneficially owned by Parent or its affiliates bears to the total number of Shares then outstanding, and the Company shall, upon request of Parent, promptly take all actions necessary to cause Parent's designees to be so elected, including, if necessary, seeking the resignations of one or more existing directors; provided, however, that prior to the Effective Time (as defined herein), the Company Board shall always have at least two members who are neither officers, directors or designees of the Purchaser or any of its affiliates ("Purchaser Insiders") (including at least two members who are "independent directors" for purposes of the rules of the New York Stock Exchange). If the number of directors who are not Purchaser Insiders is reduced below two prior to the Effective Time, the remaining director who is not a Purchaser Insider shall be entitled to designate a person to fill such vacancy who is not a Purchaser Insider and who shall be a director not deemed to be a Purchaser Insider for all purposes of this Agreement.

(b) The Company's obligations to appoint Parent's designees to the Company Board shall be subject to Section 14(f) of the Exchange Act and Rule 14f-1 thereunder. The Company shall promptly take all actions required pursuant to such Section and Rule in order to fulfill its obligations under this Section 1.3 and shall include in the Schedule 14D-9 such information with respect to the Company and its officers and directors as is required under such Section and Rule in order to fulfill its obligations under this Section 1.3. Parent will supply any information with respect to itself and its officers, directors and affiliates required by such Section and Rule to the Company.

(c) Following the election or appointment of Parent's designees pursuant to this Section 1.3 and prior to the Effective Time (as defined herein), if any of the directors of the Company then in office are not Purchaser Insiders, any amendment or termination of this Agreement by the Company, any extension of time for performance of any of the obligations of Parent or the Purchaser hereunder, any waiver of any condition or any of the Company's rights hereunder or other action by the Company hereunder adversely affecting the rights of the minority stockholders of the Company, will require the concurrence of a majority of such directors.

ARTICLE II

THE MERGER

SECTION 2.1. The Merger. Upon the terms and subject to the satisfaction or waiver of the conditions hereof, and in accordance with the applicable provisions of this Agreement and the GCL, at the Effective Time the Purchaser shall be merged with and into the Company. Following the Merger, the separate corporate existence of the Purchaser shall cease and the Company shall continue as the surviving corporation (the "Surviving Corporation").

SECTION 2.2 Effective Time. As soon as practicable after the satisfaction of the conditions set forth in Sections 7.1(a) and 7.1(b), but subject to Sections 7.1(c) and 7.1(d), the Company shall execute, in the manner required by the GCL, and deliver to the Secretary of State of the State of Delaware a duly executed certificate of merger, and the parties shall take such other and further actions as may be required by law to make the Merger effective. The time the Merger becomes effective in accordance with applicable law is referred to as the "Effective Time."

SECTION 2.3 Effects of the Merger. The Merger shall have the effects set forth in the GCL. Without limiting the generality of the foregoing, and subject thereto, at the Effective Time, all the properties, rights, privileges, powers and franchises of the Company and the Purchaser shall vest in the Surviving Corporation, and all debts, liabilities and duties of the Company and the Purchaser shall become the debts, liabilities and duties of the Surviving Corporation.

SECTION 2.4 Certificate of Incorporation and By-Laws of the Surviving Corporation.

(a) The Certificate of Incorporation of the Purchaser, as in effect immediately prior to the Effective Time, shall be the Certificate of Incorporation of the Surviving Corporation until thereafter amended in accordance with the provisions thereof and hereof and applicable law.

(b) Subject to the provisions of Section 6.6 of this Agreement, the By-Laws of the Purchaser in effect at the Effective Time shall be the By-Laws of the Surviving Corporation until amended in accordance with the provisions thereof and applicable law.

SECTION 2.5 Directors. Subject to applicable law, the directors of the Purchaser immediately prior to the Effective Time, as well as Mr. Richard J. Heckmann shall be the initial directors of the Surviving Corporation and shall hold office until their respective successors are duly elected and qualified, or their earlier death, resignation or removal.

SECTION 2.6 Officers. The officers of the Company immediately prior to the Effective Time shall be the initial officers of the Surviving Corporation

and shall hold office until their respective successors are duly elected and qualified, or their earlier death, resignation or removal.

SECTION 2.7 Conversion of Common Shares. At the Effective Time, by virtue of the Merger and without any action on the part of the holders thereof, each Common Share issued and outstanding immediately prior to the Effective Time (other than (i) any Common Shares held by Parent, the Purchaser, any wholly owned subsidiary of Parent or the Purchaser, in the treasury of the Company or by any wholly owned subsidiary of the Company, which Common Shares, by virtue of the Merger and without any action on the part of the holder thereof, shall be cancelled and retired and shall cease to exist with no payment being made with respect thereto and (ii) Dissenting Shares (as defined herein)), shall be cancelled and retired and shall be converted into the right to receive $31.50 in cash (the "Merger Price"), payable to the holder thereof, without interest thereon, upon surrender of the certificate formerly representing such Common Share.

SECTION 2.8 Conversion of Purchaser Common Stock. The Purchaser has outstanding 100 shares of common stock, par value $.01 per share, all of which are entitled to vote with respect to approval of this Agreement. At the Effective Time, each share of common stock, par value $.01 per share, of the Purchaser issued and outstanding immediately prior to the Effective Time shall, by virtue of the Merger and without any action on the part of the holder thereof, be converted into and become one validly issued, fully paid and non-assessable share of common stock, par value $.01 per share, of the Surviving Corporation.

SECTION 2.9 Options; Stock Plans. Prior to the consummation of the Offer, the Company Board (or, if appropriate, any committee thereof) shall adopt appropriate resolutions and take all other actions necessary or desirable (including obtaining all applicable consents from optionees) to provide for the cancellation, effective at the Effective Time, of all of the outstanding stock options (the "Options") heretofore granted under any stock option or similar plan of the Company (the "Stock Plans") or under any agreement, without any payment therefor except as otherwise provided in this Section 2.9. Immediately prior to the Effective Time, all Options (whether vested or unvested) which are listed in Section 2.9 of the disclosure schedule delivered to Parent by the Company prior to the date hereof (the "Company Disclosure Schedule"), which list includes all outstanding Options, shall be canceled, to the extent such Options remain outstanding as of immediately prior to the Effective Time (and to the extent exercisable shall no longer be exercisable) and shall entitle each holder thereof, in cancellation and settlement therefor, to a payment, if any, in cash by the Company (less any applicable withholding taxes), as soon as practicable following the Effective Time, equal to the product of (i) the total number of Common Shares subject to such Option (without regard to whether such Option was vested or unvested) and (ii) the excess, if any, of the Merger Price over the

exercise price per Share subject to such Option (the "Cash Payments"); provided that no such payment shall be due until following such time that the Company has delivered to Parent a true and complete list of the Options which remained outstanding as of immediately prior to the Effective Time. The Company represents and warrants that the Company Board has taken all necessary action to terminate the 1991 Employee Stock Option Plan, the 1991 Director Stock Option Plan, as amended, and the 1998 Stock Incentive Plan, and all other Stock Plans and any other plan, program or arrangement providing for the issuance or grant of any other interest in respect of the capital stock of the Company or any subsidiary in each case effective prior to the Effective Time; provided, however, that with respect to any employment agreements that provide for

grants of Options, the Company will take such necessary action prior to the Effective Time. The Company and the Parent agree that the Cash Payments are the sole payments that will be made with respect to or in relation to the Options. The Company may take all such steps as may be required to cause the transactions contemplated by this Section 2.9 and any other dispositions of Company equity securities (including derivative securities) in connection with this Agreement by each individual who is a director or officer of the Company to be exempt under Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended, such steps to be taken in accordance with the No-Action Letter dated January 12, 1999, issued by the SEC to Skadden, Arps, Slate, Meagher & Flom LLP.

SECTION 2.10 Stockholders' Meeting.

(a) If required by applicable law in order to consummate the Merger, the Company, acting through the Company Board, shall, in accordance with applicable law:

(i) duly call, give notice of, convene and hold a special meeting of its stockholders (the "Special Meeting") as soon as practicable following the acceptance for payment of and payment for Shares by the Purchaser pursuant to the Offer for the purpose of considering and taking action upon this Agreement;

(ii) prepare and file with the SEC a preliminary proxy statement relating to this Agreement, and use its reasonable efforts (A) to obtain and furnish the information required to be included by the SEC in the Proxy Statement (as hereinafter defined) and, after consultation with Parent, to respond promptly to any comments made by the SEC with respect to the preliminary proxy statement and cause a definitive proxy statement (the "Proxy Statement") to be mailed to its stockholders and (B) to obtain the necessary approvals of the Merger and adoption of this Agreement by its stockholders; and

(iii) include in the Proxy Statement the recommendation of the

Company Board that stockholders of the Company vote in favor of the approval of the Merger and adoption of this Agreement.

(b) Parent agrees that it will vote, or cause to be voted, all of the Shares then owned by it, the Purchaser or any of its other subsidiaries in favor of the approval of the Merger and of this Agreement. Parent agrees that it will not transfer, sell or assign any of the shares of the Purchaser prior to the Effective Date.

SECTION 2.11 Merger Without Meeting of Stockholders. Notwithstanding Section 2.10, in the event that the Purchaser shall acquire at least 90% of the outstanding Shares pursuant to the Offer, the parties hereto agree to take all necessary and appropriate action to cause the Merger to become effective as soon as reasonably practicable after the acceptance for payment of and payment for Shares by the Purchaser pursuant to the Offer without a meeting of stockholders of the Company, in accordance with Section 253 of the GCL.

SECTION 2.12 Closing. The closing of the Merger (the "Closing") shall take place at 10:00 a.m., on a date to be specified by the parties, which shall be as soon as practica-

ble, but in no event later than the third business day, after satisfaction or waiver of all of the conditions set forth in Article VII hereof (the "Closing Date"), at the offices of Wachtell, Lipton, Rosen & Katz, unless another date or place is agreed to in writing by the parties hereto.

ARTICLE III

DISSENTING SHARES; PAYMENT FOR SHARES

SECTION 3.1 Dissenting Shares. Notwithstanding Section 2.7, Common Shares outstanding immediately prior to the Effective Time and held by a holder who has not voted in favor of the Merger or consented thereto in writing and who has demanded appraisal for such Common Shares in accordance with the GCL ("Dissenting Shares") shall not be converted into a right to receive the Merger Price, unless such holder fails to perfect or withdraws or otherwise loses such holder's right to appraisal. If after the Effective Time such holder fails to perfect or withdraws or loses such holder's right to appraisal, such Common Shares shall be treated as if they had been converted as of the Effective Time into a right to receive the Merger Price. The Company shall give Parent prompt notice of any demands received by the Company for appraisal of Common Shares, and Parent shall have the right to conduct all negotiations and proceedings with respect to such demands. The Company shall not, except with the prior written consent of Parent, make any payment with respect to, or settle or offer to settle, or otherwise negotiate, any such demands.

SECTION 3.2 Payment for Common Shares.

(a) From and after the Effective Time, such bank or trust company as shall be mutually acceptable to Parent and the Company shall act as paying agent (the "Paying Agent") in effecting the payment of the Merger Price in respect of certificates (the "Certificates") that, prior to the Effective Time, represented Shares entitled to payment of the Merger Price pursuant to Section 2.7. At the Effective Time, Parent or the Purchaser shall deposit, or cause to be deposited, in trust with the Paying Agent the aggregate Merger Price to which holders of Shares shall be entitled at the Effective Time pursuant to Section 2.7.

(b) Promptly after the Effective Time, the Paying Agent shall mail to each record holder of Certificates a form of letter of transmittal which shall specify that delivery shall be effected, and risk of loss and title to the Certificates shall pass, only upon proper delivery of the Certificates to the Paying Agent and instructions for use in surrendering such Certificates and receiving the Merger Price in respect thereof. Upon the surrender of each such Certificate, the Paying Agent shall pay the holder of such Certificate the Merger Price multiplied by the number of Shares formerly represented by such Certificate, in consideration therefor, and such Certificate shall forthwith be cancelled. Until so surrendered, each such Certificate (other than Certificates representing Shares held by Parent or the Purchaser, any wholly owned subsidiary of Parent or the Purchaser, in the treasury of the Company or by any wholly owned subsidiary of the Company or Dissenting Shares) shall represent solely the right to receive the aggregate Merger Price relating thereto. No interest or dividends shall be paid or accrued on the Merger Price. If the Merger Price (or any portion thereof) is to be delivered to any person other than the person

in whose name the Certificate surrendered is registered, it shall be a condition to such right to receive such Merger Price that the Certificate so surrendered shall be properly endorsed or otherwise be in proper form for transfer and that the person surrendering such Shares shall pay to the Paying Agent any transfer or other taxes required by reason of the payment of the Merger Price to a person other than the registered holder of the Certificate surrendered, or shall establish to the satisfaction of the Paying Agent that such taxes have been paid or are not applicable.

(c) Promptly following the date which is 180 days after the Effective Time, the Paying Agent shall deliver to the Surviving Corporation all cash, Certificates and other documents in its possession relating to the transactions described in this Agreement, and the Paying Agent's duties shall terminate. Thereafter, each holder of a Certificate may surrender such Certificate to the Surviving Corporation and (subject to applicable abandoned property, escheat and similar laws) receive in consideration therefor the aggregate Merger Price relating thereto, without any interest or dividends thereon. Notwithstanding the foregoing, none of Parent, the Purchaser, the

Company or the Paying Agent shall be liable to any person in respect of any cash delivered to a public official pursuant to any applicable abandoned property, escheat or similar law. If any Certificates shall not have been surrendered immediately prior to such date on which any payment pursuant to this Article III would otherwise escheat to or become the property of any Governmental Entity (as hereinafter defined), the cash payment in respect of such Certificate shall, to the extent permitted by applicable law, become the property of the Surviving Corporation, free and clear of all claims or interests of any person previously entitled thereto.

(d) After the Effective Time, there shall be no transfers on the stock transfer books of the Surviving Corporation of any Common Shares which were outstanding immediately prior to the Effective Time. If, after the Effective Time, Certificates are presented to the Surviving Corporation or the Paying Agent, they shall be surrendered and cancelled in return for the payment of the aggregate Merger Price relating thereto, as provided in this Article III.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company represents and warrants to Parent and the Purchaser, except as set forth by specific reference to the applicable Section of this Article IV in the Company Disclosure Schedule (as hereinafter defined), as follows:

SECTION 4.1 Organization and Qualification; Subsidiaries. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. Each of the Company's significant subsidiaries is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation. The Company and each of its significant subsidiaries has the requisite corporate power and authority to own, operate or lease its properties and to carry on its business as it is now being conducted, and is duly qualified or licensed to do business, and is in good standing, in each jurisdiction in which the nature of its business or the properties owned, operated or leased by it makes such

qualification, licensing or good standing necessary, except where the failure to have such power or authority, or the failure to be so qualified, licensed or in good standing, would not have a Material Adverse Effect on the Company. The term "Material Adverse Effect on the Company," as used in this Agreement, means any change in or effect on the business, financial condition, results of operation or prospects of the Company or any of its subsidiaries that could reasonably be expected to have a material adverse effect on the Company and its subsidiaries taken as a whole or could reasonably be expected to prevent or delay

consummation of the Offer or the Merger.

SECTION 4.2 Charter; By-Laws and Rights Agreement. The Company has heretofore made available to Parent and the Purchaser a complete and correct copy of the certificate of incorporation and the by-laws or comparable organizational documents, each as amended to the date hereof, of the Company and each of its domestic subsidiaries and has made available a complete and correct copy of the Rights Agreement as amended through the date hereof.

SECTION 4.3 Capitalization; Subsidiaries. The authorized capital stock of the Company consists of 300,000,000 Common Shares and 3,000,000 shares of Preferred Stock, par value $.10 per share (the "Preferred Stock") of which 300,000 shares are designated Series A Junior Participating Preferred Stock, par value $.10 per share (the "Junior Preferred Stock"). As of the close of business on March 20, 1999, 182,027,902 Common Shares were issued and outstanding, all of which are entitled to vote on this Agreement, and 119,129 Common Shares were held in treasury. As of the close of business on March 20, 1999 there were no shares of Preferred Stock issued and outstanding. The Company has no shares reserved for issuance, except that, as of March 20, 1999, there were 14,626,972 Common Shares reserved for issuance pursuant to outstanding Options granted under the Stock Plans there were 1,231,050 Common Shares reserved for issuance pursuant to outstanding warrants and 300,000 shares of Junior Preferred Stock reserved for issuance upon exercise of the Rights. Section 4.3 of the Company Disclosure Schedule sets forth the holders of all outstanding Options and the number, exercise prices and expiration dates of each grant to such holders. Except as set forth in Section 4.3 of the Company Disclosure Schedule, since December 31, 1998, the Company has not granted any Options or issued any shares of capital stock except pursuant to the exercise of Options outstanding as of such date. All the outstanding Common Shares are, and all Common Shares which may be issued pursuant to the exercise of outstanding Options will be, when issued and paid for in accordance with the respective terms thereof, duly authorized, validly issued, fully paid and nonassessable and are not subject to, nor were they issued in violation of, any preemptive rights. Except as set forth in Section 4.3 of the Company Disclosure Schedule, there are no bonds, debentures, notes or other indebtedness having general voting rights (or convertible into securities having such rights) ("Voting Debt") of the Company or any of its subsidiaries issued and outstanding. Except as set forth above or in Section 4.3 of the Company Disclosure Schedule or for the Rights and except for the transactions contemplated by this Agreement, there are no existing options, warrants, calls, subscriptions or other rights, agreements, arrangements or commitments of any character, relating to the issued or unissued capital stock of the Company or any of its subsidiaries, obligating the Company or any of its subsidiaries to issue, transfer or sell or cause to be issued, transferred or sold any shares of capital stock or Voting Debt of, or other equity interest in, the Company or any of its subsidiaries or securities convertible into or exchangeable

for such shares or equity interests and neither the Company nor any of its subsidiaries is obligated to grant, extend or enter into any such option, warrant, call, subscription or other right, agreement, arrangement or commitment. Except as contemplated by this Agreement or the Rights Agreement, there are no outstanding contractual obligations of the Company or any of its subsidiaries to repurchase, redeem or otherwise acquire any Common Shares or the capital stock of the Company or any of its subsidiaries. Each of the outstanding shares of capital stock of each of the Company's subsidiaries is duly authorized, validly issued, fully paid and nonassessable (except, in the case of foreign subsidiaries, for immaterial failures to be such), and such shares of the Company's subsidiaries are owned by the Company or by a subsidiary of the Company in each case free and clear of any lien, claim, option, charge, security interest, limitation, encumbrance and restriction of any kind (any of the foregoing being a "Lien"). Set forth in Section 4.3 of the Company Disclosure Schedule is a complete and correct list of each domestic subsidiary (direct or indirect) of the Company, each material foreign subsidiary (direct or indirect) of the Company and any joint ventures or partnerships in which the Company or any of its subsidiaries has an interest (and the amount and percentage of any such interest). No entity in which the Company or any of its subsidiaries owns, directly or indirectly, less than a 50% equity interest is, individually or when taken together with all such other entities, material to the business of the Company and its subsidiaries taken as a whole.

SECTION 4.4 Authority. The Company has all necessary corporate power and authority to execute and deliver this Agreement and the Company Stock Option Agreement and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Agreement and the Company Stock Option Agreement by the Company and the consummation by the Company of the transactions contemplated hereby and thereby have been duly and validly authorized and approved by the Company Board and no other corporate proceedings on the part of the Company are necessary to authorize or approve this Agreement or to consummate the transactions contemplated hereby and thereby (other than, with respect to the Merger, the approval of this Agreement by the affirmative vote of the holders of a majority of the then outstanding Shares entitled to vote thereon, to the extent required by applicable law). Each of this Agreement and the Company Stock Option Agreement has been duly and validly executed and delivered by the Company and, assuming the due and valid authorization, execution and delivery of this Agreement and the Company Stock Option Agreement by Parent and the Purchaser (to the extent Parent or Purchaser is a party thereto), constitutes a valid and binding obligation of the Company enforceable against the Company in accordance with its terms.

SECTION 4.5 No Conflict; Required Filings and Consents.

(a) Assuming (i) the filings required under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended and the rules and regulations thereunder (the "HSR Act") are made and the waiting periods thereunder have been terminated or have expired, (ii) the requirements of the Exchange Act and any applicable state securities, "blue sky" or takeover law are met, (iii) the

filing of the certificate of merger and other appropriate merger documents, if any, as required by the GCL, is made, (iv) approval of this Agreement by the holders of a majority of the Common Shares, if required by the GCL, is received, and (v) the filings required under the competition and foreign investment and other applicable laws, each as set forth on

Section 4.5(b) of the Company Disclosure Schedule, and the approvals and consents thereunder have been obtained (or waiting periods thereunder have been terminated or have expired), none of the execution and delivery of this Agreement by the Company, the consummation by the Company of the transactions contemplated hereby or compliance by the Company with any of the provisions hereof will (i) conflict with or violate the Certificate of Incorporation or By-Laws of the Company or the comparable organizational documents of any of its material subsidiaries, (ii) except as disclosed on Section 4.5(a) of the Company Disclosure Schedule, result in a breach or violation of, a default under or the triggering of any payment or the increase in any other obligations pursuant to, any of the Company's existing Employee Benefit Arrangements (as hereinafter defined) or any grant or award made under any of the foregoing, (iii) conflict with or violate any statute, ordinance, rule, regulation, order, judgment, decree, permit or license applicable to the Company or any of its subsidiaries, or by which any of them or any of their respective properties or assets may be bound or affected, or (iv) except as set forth in Section 4.5 of the Company Disclosure Schedule, require the consent from or the giving of notice to a third party pursuant to, result in a violation or breach of or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, or result in any loss of any benefit, the triggering of any payment by, or the increase in any other obligation of, the Company or any of its subsidiaries or the creation of any material Lien on any of the property or assets of the Company or any of its subsidiaries (any of the foregoing referred to in clause (ii), (iii) or this clause (iv) being a "Violation") pursuant to, any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise Plan (as defined in Section 4.13), or other instrument or obligation to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries or any of their respective properties may be bound or affected, except in the case of (ii), (iii) and (iv) for any of the foregoing that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Company or a material adverse effect on the ability of the parties to consummate the Offer or the Merger.

(b) None of the execution and delivery of this Agreement or the Company Stock Option Agreement by the Company, the consummation by the Company of the transactions contemplated hereby or thereby or compliance by the Company with any of the provisions hereof or thereof will require any consent, waiver, approval, authorization or permit of, or registration or filing with or

notification to (any of the foregoing with respect to any Governmental Entity (as hereinafter defined) or any other third party being a "Consent"), any government or subdivision thereof, domestic or foreign (including supranational) or any administrative, governmental, legislative or regulatory authority, agency, commission, tribunal, court or body, domestic or foreign (including supranational) (a "Governmental Entity"), except for (i) compliance with any applicable requirements of the Exchange Act, (ii) the filing of a certificate of merger pursuant to the GCL, (iii) compliance with the HSR Act, (iv) such filings, authorizations, orders and approvals, if any, as set forth on Section 4.5(b) of the Company Disclosure Schedule, as are required under foreign laws or (v) where the failure to obtain such consent, approval, authorization or permit, or to make such filing or notification, would not, individually or in the aggregate, reasonably be expected to (i) have a Material Adverse Effect on the Company, (ii) impair in any material respect the ability of the Company to perform its obligations hereunder or (iii) prevent or materially delay consummation of the transactions contemplated hereby.

SECTION 4.6 SEC Reports and Financial Statements.

(a) The Company and its subsidiaries have filed with the SEC all forms, reports, schedules, registration statements and definitive proxy statements required to be filed by them with the SEC since March 31, 1996 (as amended since the time of their filing and prior to the date hereof, collectively, the "SEC Reports"). As of their respective dates, the SEC Reports (including, but not limited to, any financial statements or schedules included or incorporated by reference therein) complied in all material respects with the requirements of the Exchange Act or the Securities Act of 1933, as amended, including the rules and regulations of the SEC promulgated thereunder (the "Securities Act") applicable, as the case may be, to such SEC Reports, and none of the SEC Reports contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(b) The (i) consolidated balance sheets as of March 31, 1998 (the "3/31/98 Balance Sheet") and March 31, 1997 and the consolidated statements of operations, stockholders' equity and cash flows for each of the three years in the period ended March 31, 1998 (including the related notes and schedules thereto) of the Company contained in the Company's Form 10-K for the fiscal year ended March 31, 1998 as amended or restated prior to the date hereof and (ii) the unaudited consolidated balance sheet as of December 31, 1998 and the unaudited consolidated statements of operations, stockholders' equity and cash flows for the three- and nine-month periods ended December 31, 1998 of the Company contained in the Company's Form 10-Q for the three-month period ended December 31, 1998 present fairly in all material respects the consolidated financial position and the consolidated results of operations and cash flows of

the Company and its subsidiaries as of the dates or for the periods presented therein and were prepared in accordance with United States generally accepted accounting principles ("GAAP") consistently applied during the periods involved (except as set forth in the notes contained therein and subject, in the case of unaudited statements, to recurring audit adjustments normal in nature and amount).

(c) Except as reflected in the SEC Reports or reserved against in the 12/31/98 Balance Sheet or as set forth in Section 4.6(c) of the Company Disclosure Schedule, as of the date hereof, neither the Company nor any of its subsidiaries have any material liabilities or obligations (absolute, accrued, fixed, contingent or otherwise), other than liabilities incurred in the ordinary course of business consistent with past practice since the date of the 12/31/98 Balance Sheet.

(d) The Company has heretofore furnished to Parent a complete and correct copy of any amendments or modifications which have not yet been filed with the SEC (but which it would or will be required to file with the SEC) to agreements, documents or other instruments which previously had been filed by the Company with the SEC pursuant to the Securities Act or the Exchange Act.

SECTION 4.7 Environmental Matters. Except as set forth in the Company Disclosure Schedule or except as disclosed in the SEC Reports or otherwise would not have a Material Adverse Effect:

(a) the Company and its subsidiaries are and have been in compliance in all respects with federal, state, local and foreign laws and regulations relating to pollution, protection or preservation of human health or the environment ("Environmental Laws") relating to the generation, storage, containment, disposal, transport or handling of regulated levels of hazardous or toxic materials, substances or wastes ("Hazardous Materials"), including compliance with any environmental permits or similar governmental authorizations or the terms and conditions thereof;

(b) there is no pending claim, investigation, order, or judicial or administrative proceeding against the Company or any of its subsidiaries for any violation of Environmental Laws or for investigation, remediation or clean up of Hazardous Materials, or payment therefor, by any third party included in any governmental authority, pursuant to any Environmental Law at any location owned or operated by the Company or its subsidiaries, or at any location to which the Company or any of its subsidiaries have sent Hazardous Materials; and

(c) there currently exist no facts or circumstances that could reasonably be expected to (i) give rise to proceedings described in subsection (b) above and (ii) prevent the renewal or reissuance, on terms reasonably comparable to those in existence, or any permits or authorizations required for

the Company's operations under any Environmental Law as such laws currently exist.

SECTION 4.8 Compliance with Applicable Laws. The Company and its subsidiaries hold all permits, licenses, variances, exemptions, orders and approvals of all Governmental Entities (the "Company Permits") required in order to own their assets and to conduct their respective businesses as currently conducted, except where the failure to hold such Company Permits, would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Company. The Company and its subsidiaries are in compliance with the terms of the Company Permits except where the failure to comply would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Company. The operations of the Company and its subsidiaries have been conducted in compliance with all applicable laws, ordinances and regulations of any Governmental Entity, except violations which will not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Company.

SECTION 4.9 Litigation. Except as reflected in the SEC Reports or as set forth in Section 4.9 of the Company Disclosure Schedule, there is no suit, claim, action, proceeding or investigation pending or, to the knowledge of the Company, threatened, against the Company or any of its subsidiaries, which, if adversely determined, could, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Company. Except as set forth in Section 4.9 of the Company Disclosure Schedule, neither the Company nor any of its subsidiaries is subject to any outstanding order, writ, injunction or decree which, individually

or in the aggregate, could reasonably be expected to have a Material Adverse Effect on the Company or could reasonably be expected to prevent or materially delay the consummation of the transactions contemplated hereby.

SECTION 4.10 Information. None of the information supplied by the Company for inclusion or incorporation by reference in (i) the Offer Documents, (ii) the Proxy Statement or (iii) any other document to be filed with the SEC or any other Governmental Entity in connection with the transactions contemplated by this Agreement (the "Other Filings") will, at the respective times filed with the SEC or other Governmental Entity and, in addition, in the case of the Proxy Statement, at the date it or any amendment or supplement is mailed to stockholders, at the time of the Special Meeting and at the Effective Time, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading, except that no representation is made by the Company with respect to statements made therein based on information supplied by Parent or the Purchaser in writing specifically for inclusion in the Proxy Statement. The Proxy

Statement will comply as to form in all material respects with the provisions of the Exchange Act.

SECTION 4.11 Certain Approvals. The Company Board has taken any and all necessary and appropriate action to render inapplicable to the Offer, the Merger and the transactions contemplated by this Agreement, the Company Stock Option Agreement and the Support Agreements the provisions of Section 203 of the GCL. No other state takeover statute or similar domestic or foreign statute or regulation applies or purports to apply to the Offer, the Merger or the transactions contemplated by this Agreement, the Company Stock Option Agreement, or the Support Agreements.

SECTION 4.12 Employee Benefit Plans.

(a) Section 4.12(a) of the Company Disclosure Schedule includes a complete list of all material employee benefit plans, programs, agreements and other arrangements providing benefits to any former, current or future employee, officer or director of the Company or any of its subsidiaries or any beneficiary or dependent thereof, whether or not written, and whether covering one person or more than one person, sponsored or maintained by the Company or any of its subsidiaries or to which the Company or any of its subsidiaries contributes or is obligated to contribute for the benefit of U.S. employees of the Company and its subsidiaries ("Listed Plans"). Without limiting the generality of the foregoing, the term "Listed Plans" includes all employee welfare benefit plans within the meaning of Section 3(1) of the Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated thereunder ("ERISA") and all employee pension benefit plans within the meaning of Section 3(2) of ERISA and all other material employee benefit, employment, bonus, incentive, profit sharing, thrift, compensation, restricted stock, retirement, savings, deferred compensation, stock purchase, stock option, termination, severance, change in control, fringe benefit and other similar plans, programs, agreements or arrangements. For purposes of this Agreement, the term "Plans" shall mean all Listed Plans and all plans, programs, agreements and other arrangements which would have been Listed Plans, if there were no materiality qualifier for the definition of Listed

Plans or if plans, programs, agreements and other arrangements for non-U.S. employees of the Company and its subsidiaries (other than employment agreements for non-U.S. employees that are not material) were on the Company Disclosure Schedule.

(b) With respect to each Listed Plan, the Company has made available to Parent a true, correct and complete copy of: (i) each writing constituting a part of such Listed Plan, including, without limitation, all plan documents, benefit schedules, trust agreements, and insurance contracts and other funding vehicles; (ii) the most recent Annual Report (Form 5500 Series) and accompanying

schedule, if any; (iii) the current summary plan description (and any material modification to such description), if any; (iv) the most recent annual financial report, if any; (v) the most recent actuarial report, if any; and (vi) the most recent determination letter from the Internal Revenue Service (the "IRS"), if any. As soon as practicable following the date of this Agreement, the Company will provide to Parent the foregoing information, if applicable, with respect to the Plans that are not Listed Plans and a list of such Plans. Except as both previously made available to Parent and set forth on the Company Disclosure Plan, there are no material amendments to any Plan (or the establishment of any new Plan) that have been adopted or approved nor has the Company or any of its subsidiaries undertaken or committed to make any such amendments or to adopt or approve any new Plans.

(c) Section 4.12(c) of the Company Disclosure Schedule identifies each Listed Plan that is intended to be a "qualified plan" within the meaning of Section 401(a) of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder (the "Code") ("Qualified Plans"). The IRS has issued a favorable determination letter (or, with respect to standardized prototype plans, an opinion letter) with respect to each Qualified Plan that has not been revoked, and, to the Company's knowledge, there are no existing circumstances nor any events that have occurred that could reasonably be expected to adversely affect the qualified status of any Qualified Plan or the related trust. No Plan is intended to meet the requirements of Section 501(c)(9) of the Code. Except as disclosed on actuarial reports previously provided to Parent, with respect to each Plan that is subject to Title IV or Section 302 of ERISA or Section 412 or 4971 of the Code, the fair market value of the assets of such Plan equals or exceeds the actuarial present value of all accrued benefits under such Plan (whether or not vested), based upon the actuarial assumptions used to prepare the most recent actuarial report for such Plan and, to the knowledge of the Company, no event has occurred which would be reasonably expected to change any such funded status.

(d) Each Plan has been operated and administered in all material respects in accordance with its terms and applicable law, including but not limited to ERISA and the Code. With respect to each Plan, no event has occurred and there exists no condition or set of circumstances in connection with which the Company could be subject to any liability that, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect.

(e) With respect to each such multiemployer plan within the meaning of Section 4001(a)(3) of ERISA (a "Multiemployer Plan") in which the Company, any subsidiary or any ERISA Affiliate participates or has participated, (i) none of the Company, any of its subsidiaries or any ERISA Affiliate has withdrawn, partially withdrawn, or received any notice of any

claim or demand for withdrawal liability or partial withdrawal liability; (ii)

none of the Company nor any of its subsidiaries or any ERISA Affiliate has received any notice that any such plan is in reorganization, that increased contributions may be required to avoid a reduction in plan benefits or the imposition of any excise tax, or that any such plan is or may become insolvent; (iii) none of the Company, any of its subsidiaries or any ERISA Affiliate has failed to make any required contributions; (iv) to the Company's knowledge, no such plan is a party to any pending merger or asset or liability transfer; (v) to the Company's knowledge, there are no PBGC proceedings against or affecting any such plan; and (vi) none of the Company, any of its subsidiaries or any ERISA Affiliate has any withdrawal liability by reason of a sale of assets pursuant to Section 4204 of ERISA. With respect to each Multiemployer Plan, as of its last valuation date, the amount of potential withdrawal liability of the Company, any of its subsidiaries and any ERISA Affiliates would not reasonably be expected to have a Material Adverse Effect. To the best knowledge of the Company, nothing has occurred or is expected to occur that would materially increase the amount of the total potential withdrawal liability for any such plan over the amount shown in the Company Disclosure Schedule.

(f) Except as set forth in the Company's Disclosure Schedule, neither the Company nor any of its subsidiaries has any liability for life, health, medical or other welfare benefits to former employees or beneficiaries or dependents thereof, except for health continuation coverage as required by Section 4980B of the Code or Part 6 of Title I of ERISA at no expense to the Company and its subsidiaries.

(g) There are no pending or, to the knowledge of the Company, threatened claims (other than claims for benefits in the ordinary course), lawsuits, arbitrations or other alternate dispute resolution proceedings which have been asserted or instituted against the Plans, any fiduciaries thereof with respect to their duties to the Plans or the assets of any of the trusts under any of the Plans which could reasonably be expected to result in any liability of the Company or any of its subsidiaries to any Plan participant or beneficiary, the PBGC, the Department of Treasury, the Department of Labor or any Multiemployer Plan.

(h) All Plans covering foreign employees of the Company or any of its subsidiaries comply in all material respects with applicable local law (including any qualification or registration requirements) and, to the extent applicable, are fully funded and/or fully book reserved in accordance with applicable law and GAAP.

(i) Other than as disclosed in the Company Disclosure Schedule, neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby or by the Company Stock Option Agreement or the Support Agreements will (either alone or in conjunction with any other act) result in, cause the accelerated vesting or delivery of, or increase the amount or value of, any payment or benefit to any employee of the Company or any of its subsidiaries, or to fund any "rabbi" trust or similar trust.

(j) Except as set forth in the Company Disclosure Schedule, no Plans provide for the reimbursement of any excise taxes under Section 4999 of the

Code.

(k) Except as set forth on Section 4.12(k) of the Company Disclosure Schedule, no employment agreement or stock option agreement between the Company and any of its executive officers has been amended subsequent to December 31,1998.

SECTION 4.13 Intellectual Property.

(a) Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Company, the Company owns or possesses adequate licenses or other valid rights to use all Intellectual Property used in connection with the business of the Company as currently conducted. As used herein "Intellectual Property" shall mean all patents, patent applications, patent disclosures, assumed names, trade names, trademarks, trademark registrations and trademark applications, service marks, service mark registrations and service mark applications, certification marks, certification mark registrations and certification mark applications, copyrights, copyright registrations and copyright registration applications, chip registrations and chip registration applications, both domestic and foreign, which are owned by the Company or any of its subsidiaries and all computer software (and related documentation), trade secrets, know-how, industrial property, technology or other proprietary rights used or held for use in connection with the business of the Company and its subsidiaries as currently conducted.

(b) Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Company, none of the licenses which are part of the Intellectual Property is subject to termination or cancellation or change in its terms or provisions as a result of this Agreement or the transactions provided for in this Agreement.

(c) To the knowledge of the Company, no Person or entity is infringing, or has misappropriated, any Intellectual Property.

(d) Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Company, no claims with respect to the Intellectual Property have been asserted or, to the best knowledge of the Company, are threatened by any Person nor does the Company know of any valid grounds for any claims (i) to the effect that the manufacture, sale or use of any product or process or the furnishing of any service as previously used, now used or offered or proposed for use or sale by the Company infringes on any copyright, trade secret, patent, tradename or other intellectual property right of any Person, (ii) against the use by the Company or any of its subsidiaries of any Intellectual Property, or (iii) challenging the ownership, validity or effectiveness of any Intellectual Property. Except as

would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Company, all granted and issued patents and all registered trademarks and service marks and all copyrights held by the Company or any of its subsidiaries are valid, enforceable and subsisting.

SECTION 4.14 Taxes.

(a) The Company and each of its subsidiaries has duly filed (or has had duly filed on their behalf) or will duly file or cause to be duly filed all material federal, state, local

and foreign income and other Tax Returns (as hereinafter defined) required to be filed by it, and has duly paid or caused to be paid all Taxes (as hereinafter defined) shown to be due on such Tax Returns in respect of the periods covered by such Tax Returns and has made adequate provision according to GAAP in the Company's financial statements for payment of all Taxes in respect of all taxable periods or portions thereof ending on or before the date hereof. Section 4.14 of the Company Disclosure Schedule lists the periods through which the Tax Returns required to be filed by the Company or its subsidiaries have been examined by the IRS or, to the Company's knowledge, other appropriate taxing authority, or the periods during which the opportunity for any assessments to be made by the IRS or, to the Company's knowledge, other appropriate taxing authority has expired. All material deficiencies and assessments asserted in writing as a result of such examinations or other audits by federal, state, local or foreign taxing authorities have been paid, fully settled or adequately provided for according to GAAP in the Company's financial statements, and no issue or claim has been asserted or threatened in writing for Taxes by any taxing authority for any prior period, other than those heretofore paid or adequately provided for according to GAAP in the Company's financial statements. Except as set forth in Section 4.14 of the Company Disclosure Schedule, there are no outstanding agreements or waivers extending the statutory period of limitation applicable to any material Tax Return of the Company or any of its subsidiaries. Except as set forth in Section 4.14 of the Company Disclosure Schedule, neither the Company nor any of its subsidiaries is a party to any agreement, contract or arrangement that could result, separately or in the aggregate, in the payment of any "excess parachute payments" within the meaning of Section 280G of the Code or that would not be deductible pursuant to the terms of Section 162(a)(l), 162(m) or 162(n) of the Code. Except as set forth in Section 4.14 of the Company Disclosure Schedule, neither the Company nor any of its subsidiaries is a party to a material Tax sharing or Tax indemnity agreement or any other agreement of a similar nature that remains in effect.

(b) For purposes of this Agreement, the term "Taxes" means all taxes, charges, fees, levies or other assessments, including, without limitation, income, gross receipts, excise, property, sales, use, transfer, license, payroll, withholding, export, import, and customs duties, capital stock

and franchise taxes, imposed by the United States or any state, local or foreign government or subdivision or agency thereof, including any interest, penalties or additions thereto. For purposes of this Agreement, the term "Tax Return" means any report, return or other information or document required to be supplied to a taxing authority in connection with Taxes.

SECTION 4.15 Absence of Certain Changes. Except as disclosed in Section 4.15 of the Company Disclosure Schedule or the SEC Reports, since December 31, 1998 through the date hereof (i) there has not been any Material Adverse Effect on the Company or any event, development or circumstance which could reasonably be expected to have a Material Adverse Effect on the Company; and (ii) the businesses of the Company and its subsidiaries have been conducted only in the ordinary course and in a manner consistent with past practice.

SECTION 4.16 Labor Matters. No work stoppage involving the Company or any of its subsidiaries is pending or, to the knowledge of the Company, threatened and neither the Company nor any of its subsidiaries is involved in, threatened with or affected by any labor

dispute, arbitration, lawsuit or administrative proceeding which would reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect on the Company. Except as disclosed in Section 4.16 of the Company Disclosure Schedule, none of the employees of the Company or of any of its subsidiaries are represented by any labor union or any collective bargaining organization and, to the best knowledge of the Company, no labor union is attempting to organize employees of the Company or any of its subsidiaries. There is no pending charge or complaint against the Company or any of its subsidiaries by the National Labor Relations Board or any comparable state agency.

SECTION 4.17 Rights Agreement. The Company and the Company Board have taken all necessary action to amend the Rights Agreement (without redeeming the Rights) so that (a) none of the execution or delivery of this Agreement, the Company Stock Option Agreement and the Support Agreements, the making of the Offer, the acquisition of Common Shares pursuant to the Offer under this Agreement, the Company Stock Option Agreement and the Support Agreements, or the consummation of the Merger will (i) cause any Rights issued pursuant to the Rights Agreement to become exercisable or to separate from the stock certificates to which they are attached, (ii) cause Parent, the Purchaser or any of their Affiliates or Associates to be an Acquiring Person (as each such term is defined in the Rights Agreement) or (iii) trigger other provisions of the Rights Agreement, including giving rise to a Distribution Date or a Triggering Event (as each such term is defined in the Rights Agreement), and (b) the Rights Agreement will expire immediately prior to the Effective Time; and the Rights Agreement, as so amended, has not been further amended or modified. Copies of all such amendments to the Rights Agreement have been previously provided to

Parent.

SECTION 4.18 Brokers. Except for the engagement of SSB and J.P. Morgan, none of the Company, any of its subsidiaries, or any of their respective officers, directors or employees has employed any broker or finder or incurred any liability for any brokerage fees, commissions or finder's fees in connection with the transactions contemplated by this Agreement. The Company has previously delivered to Parent a copy of the Company's engagement letter with each of SSB and J.P. Morgan.

SECTION 4.19 Opinion of Financial Advisor. The Company has received the written opinion of each of SSB and J.P. Morgan, its financial advisors, to the effect that, as of the date hereof, the consideration to be received in the Offer and the Merger by the Company's stockholders is fair to the Company's stockholders from a financial point of view. The Company will promptly deliver to Parent a copy of such opinions.

SECTION 4.20 Material Contracts. Except as identified in the SEC Reports, neither the Company nor any of its subsidiaries is party to, nor is the Company or any of its subsidiaries (or their respective assets) bound by, any contract, indenture, lease or other agreement which, individually or in the aggregate, is material to the Company and the subsidiaries taken as a whole. Except as identified in the SEC Reports or in Section 4.20 of the Company Disclosure Schedule, there are no (i) contracts, indentures, leases or other agreements between the Company or any subsidiary, on the one hand, and any current or former director, officer, employee or 5% or greater shareholder of the Company or any of their affiliates or family members, on the other,

or (ii) any material non-competition agreement or any other agreement or obligation which purports to limit in any respect the manner in which, or the localities in which, the business of the Company and its subsidiaries, is or would be conducted. All contracts, indentures, leases and agreement to which the Company or any of the subsidiaries is a party or by which any of their respective assets is bound are valid and binding, in full force and effect in accordance with its terms would and enforceable against the parties thereto in accordance with their respective terms, other than such failures to be so valid and binding, in full force and effect or enforceable which would not, either individually or in the aggregate, have a Material Adverse Effect on the Company. There is not under any such contract, indenture or agreement any existing default, or event, which after notice or lapse of time, or both, would constitute a default, by the Company or any of its subsidiaries, or to the Company's knowledge, any other party, except to the extent any such defaults or events would not, individually or in the aggregate, have a Material Adverse Effect on the Company.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF PARENT AND THE PURCHASER

Parent and the Purchaser represent and warrant to the Company, except as set forth by specific reference to the applicable Section of this Article V in the Parent Disclosure Schedule (as hereinafter defined), as follows:

SECTION 5.1 Organization and Qualification. The Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the state of Delaware. Parent is a societe anonyme organized under the laws of France. Each of Parent and the Purchaser has the requisite corporate power and authority to own, operate or lease its properties and to carry on its business as it is now being conducted, and is duly qualified or licensed to do business, and is in good standing, in each jurisdiction in which the nature of its business or the properties owned, operated or leased by it makes such qualification, licensing or good standing necessary, except where the failure to have such power or authority, or the failure to be so qualified, licensed or in good standing, would not have a Material Adverse Effect on Parent. The term "Material Adverse Effect on Parent", as used in this Agreement, means any change in or effect on the business, financial condition, results of operation or prospects of Parent or any of its subsidiaries that would reasonably be expected to have a material adverse effect on Parent and its subsidiaries taken as a whole or could reasonably be expected to prevent or delay consummation of the Offer or the Merger.

SECTION 5.2 Authority. Each of Parent and the Purchaser has all necessary corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the Company Stock Option Agreement by Parent and the Purchaser (to the extent Parent or Purchaser is a party thereto) and the consummation by Parent and the Purchaser to the extent Parent or Purchaser is a party thereto of the transactions contemplated hereby and thereby have been duly and

validly authorized and approved by the respective Boards of Directors of Parent and the Purchaser and by Parent as sole stockholder of the Purchaser and no other corporate proceedings on the part of Parent or the Purchaser are necessary to authorize or approve this Agreement or to consummate the transactions contemplated hereby or thereby (to the extent Parent or Purchaser is a party thereto). Each of this Agreement and the Company Stock Option Agreement has been duly executed and delivered by each of Parent and the Purchaser (to the extent Parent or Purchaser is a party thereto) and, assuming the due and valid authorization, execution and delivery by the Company, constitutes a valid and binding obligation of each of Parent and the Purchaser (to the extent Parent or

Purchaser is a party thereto) enforceable against each of them in accordance with its terms.

SECTION 5.3 No Conflict; Required Filings and Consents.

(a) Assuming (i) the filings required under the HSR Act are made and the waiting periods thereunder have terminated or have expired, (ii) the requirements of the Exchange Act and any applicable state securities, "blue sky" or takeover law are met, (iii) the filings required under the competition and foreign investment and other applicable laws, each as set forth on Section 5.3 of the disclosure schedule delivered to the Company by the Parent prior to the date hereof (the "Parent Disclosure Schedule"), and the approvals and consents thereunder have been obtained (or waiting periods thereunder have been terminated or have expired), and (iv) the filing of the certificate of merger and other appropriate merger documents, if any, as required by the GCL, is made, none of the execution and delivery of this Agreement by Parent or the Purchaser, the consummation by Parent or the Purchaser of the transactions contemplated hereby or compliance by Parent or the Purchaser with any of the provisions hereof will (i) conflict with or violate the organizational documents of Parent or the Purchaser, (ii) conflict with or violate any statute, ordinance, rule, regulation, order, judgment, decree, permit or license applicable to Parent or the Purchaser or any of their subsidiaries, or by which any of them or any of their respective properties or assets may be bound or affected, or (iii) result in a violation pursuant to any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other instrument or obligation to which Parent or the Purchaser or any of their subsidiaries is a party or by which Parent or the Purchaser or any of their subsidiaries or any of their respective properties or assets may be bound or affected.

(b) None of the execution and delivery of this Agreement by Parent and the Purchaser, the consummation by Parent and the Purchaser of the transactions contemplated hereby or compliance by Parent and the Purchaser with any of the provisions hereof will require any Consent of any Governmental Entity, except for (i) compliance with any applicable requirements of the Exchange Act and any state securities, "blue sky" or takeover law, (ii) the filing of a certificate of merger pursuant to the GCL, (iii) compliance with the HSR Act, and (iv) such filings, authorizations, orders and approvals, if any, as set forth on Section 5.3 of the Parent Disclosure Schedule, as are required under foreign laws.

SECTION 5.4 Information. None of the information supplied or to be supplied by Parent and the Purchaser for inclusion in (i) the Schedule 14D-9, (ii) the Proxy Statement or (iii) the Other Filings will, at the respective times filed with the SEC or such other Gov-

ernmental Entity and, in addition, in the case of the Proxy Statement, at the

date it or any amendment or supplement is mailed to stockholders, at the time of the Special Meeting and at the Effective Time, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. The Offer Documents and any supplement thereto will comply as to form in all material respects with the requirements of the Exchange Act and the rules and regulations thereunder, and the Offer Documents and any supplement thereto will not contain, as of the date thereof, any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statement herein, in light of the circumstances under which they are made, not misleading, except that no representation or warranty is made by Parent or Purchaser with respect to the statements made or incorporated by reference therein based on information supplied by the Company specifically for inclusion or incorporation therein.

SECTION 5.5 Financing. Parent and Purchaser collectively will have at the closing of the Offer and the Effective Time and Parent will make available to Purchaser sufficient funds to enable Purchaser to purchase all Shares, on a fully diluted basis, and to pay all fees and expenses related to the transactions contemplated by this Agreement payable by them.

SECTION 5.6 Stock Ownership. As of the date hereof, except as set forth on Section 5.6 of Parent's Disclosure Schedule, none of the Parent, Purchaser or any of their respective "affiliates" or "associates" (as those terms are defined under Rule 12b-2 under the Exchange Act) beneficially own any Shares.

SECTION 5.7 Purchaser's Operations. Purchaser was formed solely for the purpose of engaging in the transactions contemplated by this Agreement and has not engaged in any business activities or conducted any operations other than in connection with such transactions.

ARTICLE VI

COVENANTS

SECTION 6.1 Conduct of Business of the Company. Except as required by this Agreement or otherwise with the prior written consent of Parent, during the period from the date of this Agreement to the Effective Time, the Company will, and will cause each of its subsidiaries to, conduct its operations only in the ordinary and usual course of business consistent with past practice and will use all reasonable efforts, and will cause each of its subsidiaries to use its all reasonable efforts, to preserve intact the business organization of the Company and each of its subsidiaries, to keep available the services of its and their present officers and employees, and to preserve the good will of those having business relationships with it, including, without limitation, maintaining satisfactory relationships with licensors, suppliers, customers and others having business relationships with the Company and its subsidiaries. Without limiting the generality of the foregoing, and except as otherwise required by this Agreement or as set forth in

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Section 6.1 of the Company Disclosure Schedule, the Company will not, and will not permit any of its subsidiaries to, prior to the Effective Time, without the prior written consent of Parent:

(a) adopt any amendment to its certificate of incorporation or by-laws or comparable organizational documents or the Rights Agreement or adopt a plan of merger, consolidation, reorganization, dissolution or liquidation;

(b) sell, pledge or encumber any stock owned by it in any of its subsidiaries;

(c) (i) issue, reissue or sell, or authorize the issuance, reissuance or sale of (A) additional shares of capital stock of any class, or securities convertible into capital stock of any class, or any rights, warrants or options to acquire any convertible securities or capital stock, other than the issuance of Shares, in accordance with the terms of the instruments governing such issuance on the date hereof, pursuant to the exercise of Options outstanding on the date hereof, or (B) any other securities in respect of, in lieu of, or in substitution for, Common Shares or any other capital stock of any class outstanding on the date hereof or (ii) make any other changes in its capital structure (other than incurrence of indebtedness in the amount of up to $100 million in the aggregate under existing revolving credit facilities);

(d) declare, set aside or pay any dividend or other distribution (whether in cash, securities or property or any combination thereof) in respect of any class or series of its capital stock other than between any of the Company and any of its wholly owned subsidiaries;

(e) split, combine, subdivide, reclassify or redeem, purchase or otherwise acquire, or propose to redeem or purchase or otherwise acquire, any shares of its capital stock, or any of its other securities;

(f) increase, or accelerate payment of, the compensation or benefits payable or to become payable to its directors, officers or, except in the ordinary course of business consistent with past practice in accordance with regular review and promotion cycles, employees (whether from the Company or any of its subsidiaries), or pay or award any benefit not required by any existing plan or arrangement to any officer, director or, except in the ordinary course of business consistent with past practice in accordance with regular review and promotion cycles, employee (including, without limitation, the granting of stock options, stock appreciation rights, shares of restricted stock or performance units pursuant to the Stock Plans or otherwise), or grant any severance or termination pay to any officer, director or other employee of the Company or any of its subsidiaries (other than as required by existing agreements or policies described in Section 6.1 of the Company Disclosure Schedule), or enter into any

employment or severance agreement with, any director, officer or other employee of the Company or any of its subsidiaries or establish, adopt, enter into, amend, or waive any performance or vesting criteria or amend the exercise or grant price for any equity-based awards under any Plan for the benefit or welfare of any current or former directors, officers or employees of the Company or its subsidiaries or their beneficiaries or dependents (any of the foregoing being an "Employee Benefit Arrangement"), except, in each case, to the extent required by applicable law or regulation;

(g) acquire, mortgage, encumber, sell, pledge, lease, license or dispose of any assets (including Intellectual Property or resource rights), except in the ordinary course of business consistent with past practice or any securities;

(h) (i) incur, assume or prepay any long-term debt or incur or assume any short-term debt, except that the Company and its subsidiaries may incur or prepay debt in the ordinary course of business in amounts and for purposes consistent with past practice under existing lines of credit, but in any event such incurrences, assumptions or prepayments not to exceed $100 million in the aggregate, (ii) assume, guarantee, endorse or otherwise become liable or responsible (whether directly, contingently or otherwise) for the obligations of any third party except in the ordinary course of business consistent with past practice, (iii) pay, discharge or satisfy any claims, liabilities or obligations (absolute, accrued, contingent or otherwise), except in the ordinary course of business consistent with past practice and (except as would not be material) in accordance with their terms, (iv) make any loans, advances or capital contributions to, or investments in, any other person or entity, except for loans, advances, capital contributions or investments in the ordinary course, consistent with past practice (in an amount not to exceed $10 million in the aggregate), or between any wholly owned subsidiary of the Company and the Company or another wholly owned subsidiary of the Company, (v) authorize or make capital expenditures (other than those previously committed as disclosed in the Capital Plan of the Company, a copy of which has been provided to the Purchaser) in excess of $10 million, (vi) accelerate or delay collection of notes or accounts receivable in advance of or beyond their regular due dates or the dates when the same would have been collected in the ordinary course of business consistent with past practice, or (vii) change any method or principle of accounting in a manner that is inconsistent with past practice except to the extent required by generally accepted accounting principles as advised by the Company's regular independent accountants;

(i) settle or compromise any suit or claim or threatened suit or claim where the amount involved is greater than $5 million;

(j) other than in the ordinary course of business consistent with past practice, (i) modify, amend or terminate any contract, (ii) waive, release,

relinquish or assign any contract (or any of the rights of the Company or any of its subsidiaries thereunder), right or claim, or (iii) cancel or forgive any indebtedness owed to the Company or any of its subsidiaries; provided, however, that neither the Company nor any of its subsidiaries may under any circumstance waive or release any of its rights under any confidentiality agreement to which it is a party;

(k) file any income Tax Return (other than in the ordinary course in a manner consistent with past practice), make any Tax election not required by law or settle or compromise any Tax liability;

(l) permit any insurance policy naming it as a beneficiary or a loss payable payee to be canceled or terminated, except in the ordinary course of business consistent with past practice;

(m) acquire (by merger, consolidation, acquisition of stock or assets, combination or other similar transaction) any material corporation, partnership or other business organization or division or assets thereof;

(n) enter into any material contract or agreement other than in the ordinary course of business consistent with past practice;

(o) except as may be required as a result of a change in law or in GAAP, make any change in its methods of accounting, including Tax accounting policies and procedures;

(p) enter into any agreement of a nature that would be required to be filed as an exhibit to Form 10-K under the Exchange Act;

(q) except as specifically permitted pursuant to Section 6.10 take, or agree to commit to take, or fail to take any action that would result or is reasonably likely to result in any of the conditions to the Offer set forth in Annex I or any of the conditions to the Merger set forth in Article VII not being satisfied, or would make any representation or warranty of the Company contained herein inaccurate in any material respect at, or as of any time prior to, the Effective Time, or that would impair the ability of the Company to consummate the Merger in accordance with the terms hereof or materially delay such consummation;

(r) convene any regular or special meeting (or any adjournment thereof) of the stockholders of the Company other than the meeting contemplated by Section 2.10 of this Agreement;

(s) agree in writing or otherwise to take any of the foregoing actions prohibited under this Section 6.1.

Notwithstanding the foregoing provisions of this Section 6.1, any action taken by or with the consent of the full Board of Directors after the time directors nominated by the Purchaser have been elected or appointed to, and shall constitute a majority of, the Company Board pursuant to Section 1.3 hereof, shall not constitute a violation of this Section 6.1.

SECTION 6.2 Access to Information. From the date of this Agreement until the Effective Time, the Company will, and will cause its subsidiaries, and each of their respective officers, directors, employees, counsel, advisors and representatives (collectively, the "Company Representatives") to, give Parent and the Purchaser and their respective officers, employees, counsel, advisors and representatives (collectively, the "Parent Representatives") full access during normal business hours, to the offices and other facilities and to the books and records of the Company and its subsidiaries and will cause the Company Representatives and the Company's subsidiaries to furnish Parent, the Purchaser and the Parent Representatives to the extent available with such financial and operating data and such other information (with sensitivity to competitive information) with respect to the business and operations of the Company and its subsidiaries as Parent and the Purchaser may from time to time reasonably request provided that the foregoing shall not require the Company to permit any inspection, or to disclose

any information, which would result in the disclosure of any trade secrets of third parties or violate any obligation of the Company with respect to confidentiality if such disclosure would reasonably be expected to result in liability to the Company, and provided that the Company shall have used reasonable best efforts to obtain the consent of such third party to such inspection or disclosure. The Confidentiality Agreement dated March 15, 1999, as amended through the date hereof, between Parent and the Company (the "Confidentiality Agreement") shall apply with respect to the Evaluation Materials (as defined in the Confidentiality Agreement). The Company shall furnish promptly to Parent and the Purchaser a copy of each report, schedule, registration statement and other document filed by it or its subsidiaries during such period pursuant to the requirements of federal or state or foreign securities laws. The Company shall cause its independent auditors to allow the review of the work papers of such auditors relating to the Company and its subsidiaries. No review pursuant to this Section 6.2 shall affect any representation or warranty given by the Company.

SECTION 6.3 Efforts.

(a) Subject to the terms and conditions provided herein, each of the Company, Parent and the Purchaser shall, and the Company shall cause each of its subsidiaries to, cooperate and use their respective reasonable best efforts to take, or cause to be made, all filings necessary, proper or advisable under applicable laws and regulations to consummate and make effective the

transactions contemplated by this Agreement, including but not limited to cooperation in the preparation and filing of the Offer Documents, the Schedule 14D-9, the Proxy Statement, any required filings or requests for additional information under the HSR Act, or other foreign filings and any amendments to any thereof. In addition, if at any time prior to the Effective Time any event or circumstance relating to either the Company or Parent or the Purchaser or any of their respective subsidiaries should be discovered by the Company or Parent, as the case may be, which should be set forth in an amendment to the Offer Documents or Schedule 14D-9, the discovering party will promptly inform the other party of such event or circumstance.

(b) Each of the parties will use its reasonable best efforts to obtain as promptly as practicable all Consents of any Governmental Entity or any other person required in connection with, and waivers of any Violations that may be caused by, the consummation of the transactions contemplated by the Offer and this Agreement.

(c) Neither the Company nor the Company Board nor any committee thereof shall withdraw or modify, or propose publicly to withdraw or modify, in a manner adverse to Parent or Purchaser, the recommendation of the Company Board of this Agreement, the Offer or the Merger, or approve or recommend, or propose publicly to approve or recommend, an Acquisition Transaction, unless the Company Board determines in good faith by a vote of a majority of the members of the full Company Board that failing to take such action would create a reasonable likelihood of a breach of the fiduciary duties of the Company Board, after consultation with and receipt of advice from its outside counsel to such effect. Nothing contained in this Section 6.3(c) shall prohibit the Company from taking and disclosing to its stockholders a position contemplated by Rule 14e-2(a) promulgated under the Exchange Act or from making any required disclosure to the Company's stockholders if the Company Board determines in good

faith by a vote of a majority of the members of the full Company Board, based on the opinion of outside counsel, that a failure so to disclose would be inconsistent with its obligations under applicable law. Any withdrawal, modification or change of the recommendation of the Company Board of this Agreement, the Merger or the Offer shall not change the approval of the Company Board for purpose of causing any state takeover statute or other law or the Rights Agreement or the Rights to be inapplicable to this Agreement, the Merger, the Company Stock Option Agreement and the Support Agreements, and the transactions contemplated hereby and thereby.

(d) Subject to the terms and conditions herein provided, each of the parties hereto agrees to use their respective reasonable best efforts to take, or cause to be taken, all action, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective the transactions contemplated by this Agreement. If at any time after the Effective Time any further action is necessary or

desirable to carry out the purposes of this Agreement, the parties hereto shall take or cause to be taken all such necessary action, including, without limitation, the execution and delivery of such further instruments and documents as may be reasonably requested by the other party for such purposes or otherwise to consummate and make effective the transactions contemplated hereby.

SECTION 6.4 Public Announcements. The Company, on the one hand, and Parent and the Purchaser, on the other hand, agree to consult promptly with each other prior to issuing any press release or otherwise making any public statement with respect to the Offer, the Merger and the other transactions contemplated hereby, agree to provide to the other party for review a copy of any such press release or statement, and shall not issue any such press release or make any such public statement prior to such consultation and review, unless required by applicable law or any listing agreement with a securities exchange.

SECTION 6.5 Employee Benefit Arrangements.

(a) Except for employees subject to collective bargaining agreements, until December 31, 2000, Parent shall maintain, or cause the Surviving Corporation to maintain compensation and employee benefits substantially equivalent in the aggregate to those provided by the Company immediately prior to the Effective Time (not taking into account equity-based incentive compensation provided by the Company). Parent agrees that, from and after the Effective Time, Parent will honor or will cause the Surviving Corporation to honor, all obligations under the Listed Plans. Notwithstanding the foregoing, from and after the Effective Time, the Surviving Corporation shall have the right to amend, modify, alter or terminate any Plan to the extent the terms of such Plans permit such action; provided, however, that for a period of no less than 12 months following the Effective Time, the Surviving Corporation shall neither terminate nor adversely amend or modify the Company's severance pay policy in effect as of April 1, 1999, other than with respect to requiring a binding waiver and release from the terminated employee prior to the payment of severance benefits.

(b) Except for employees subject to collective bargaining agreements, for purposes of determining eligibility to participate, vesting and accrual or entitlement to benefits where length of service is relevant under any employee benefit plan of the Parent or the Surviv-

ing Corporation, the Employees shall receive service credit for service with the Company and any of its subsidiaries to the same extent such service credit was granted under the Plans, subject to offsets for previously accrued benefits and to no duplication of benefits (except that no such credit shall be applied for benefit accrual or entitlement purposes under defined benefit pension plans). Such employees shall also be given credit for any deductible or co-payment amounts paid in respect of the plan year in which the Effective Time occurs, to

the extent that, following the Effective Time, they participate in any Parent Plan for which deductibles or co-payments are required. Parent agrees that it shall also cause each Parent Plan to waive (i) any pre-existing condition restriction which was waived under the terms of any analogous Plan immediately prior to the Effective Time or (ii) waiting period limitation which would otherwise be applicable to an Employee on or after the Effective Time to the extent such Employee had satisfied any similar waiting period limitation under an analogous Plan prior to the Effective Time.

(c) Parent hereby acknowledges and agrees that consummation of the transactions contemplated by this Agreement constitute a "Change of Control" of the Company for purposes of the Plans.

SECTION 6.6 Indemnification.

(a) Parent agrees that all rights to indemnification now existing in favor of any director, officer, or employee of the Company and its subsidiaries (the "Indemnified Parties") as provided in their respective charters or by-laws shall survive the Merger and shall continue in full force and effect for a period of not less than six years from the Effective Time. After the Effective Time, Parent agrees to cause the Surviving Corporation to honor all rights to indemnification referred to in the preceding sentence.

(b) Parent agrees that the Company, and from and after the Effective Time, the Surviving Corporation shall cause to be maintained in effect for not less than six years (except as provided in the last sentence of this Section 6.6(b)) from the Effective Time the current policies of the directors' and officers' liability insurance maintained by the Company; provided that the Surviving Corporation may substitute therefor other policies not less advantageous (other than to a de minimis extent) to the beneficiaries of the current policies and provided that such substitution shall not result in any gaps or lapses in coverage with respect to matters occurring prior to the Effective Time; and provided, however, that the Surviving Corporation shall not be required to pay an annual premium in excess of 200% of the last annual premium paid by the Company prior to the date hereof (which the Company represents to be not more than $400,000 for the 12-month period ending December 31, 1998) and if the Surviving Corporation is unable to obtain the insurance required by this Section 6.6(b) it shall obtain as much comparable insurance as possible for an annual premium equal to such maximum amount. The provisions of the immediately preceding sentence shall be deemed to have been satisfied if prepaid policies have been obtained by the Company prior to the Effective Time, which policies provide such directors and officers with coverage for an aggregate period of six years with respect to claims arising from facts or events that occurred on or before the Effective Time, including, without limitation, in respect of the transactions contemplated by this Agreement and for a premium not in excess of the aggregate of the premiums set forth in the preceding sentence.

Notwithstanding the foregoing, at any time on or after the second anniversary of the Effective Time, Parent may, at its election, undertake to provide funds to the Surviving Corporation to the extent necessary so that the Surviving Corporation may self-insure with respect to the level of insurance coverage required under this Section 6.6(b) in lieu of causing to remain in effect any directors' and officers' liability insurance policy.

(c) From and after the Effective Time, any Indemnified Party wishing to claim indemnification under paragraph (a) of this Section 6.6, upon learning of any such claim, action, suit, proceeding or investigation, shall promptly notify Parent thereof. In the event of any such claim, action, suit, proceeding or investigation (whether arising before or after the Effective Time), (i) Parent or the Surviving Corporation shall have the right, from and after the purchase of Shares pursuant to the Offer, to assume the defense thereof and Parent shall not be liable to such Indemnified Parties for any legal expenses of other counsel or any other expenses subsequently incurred by such Indemnified Parties in connection with the defense thereof, (ii) the Indemnified Parties will cooperate in the defense of any such matter and (iii) Parent shall not be liable for any settlement effected without its prior written consent, provided that Parent shall not have any obligation hereunder to any Indemnified Party when and if a court of competent jurisdiction shall ultimately determine, and such determination shall have become final, that such person is not entitled to indemnification under applicable law.

(d) In the event Parent or the Purchaser or any of their successors or assigns, (i) consolidates with or merges into any other person and shall not be the continuing or surviving corporation or entity of such consolidation or merger, or (ii) transfers or conveys all or substantially all of its properties and assets to any person, then, and in each such case, to the extent necessary to effectuate the purposes of this Section 6.6, proper provision shall be made so that the successors and assigns of Parent and the Purchaser assume the obligations set forth in this Section 6.6.

SECTION 6.7 Notification of Certain Matters. Parent and the Company shall promptly notify each other of (i) the occurrence or non-occurrence of any fact or event which would be reasonably likely (A) to cause any representation or warranty contained in this Agreement to be untrue or inaccurate in any material respect at any time from the date hereof to the Effective Time or (B) to cause any covenant, condition or agreement under this Agreement not to be complied with or satisfied in any material respect and (ii) any failure of the Company or Parent, as the case may be, to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it hereunder in any material respect; provided, however, that no such notification shall modify the representations or warranties of any party or the conditions to the obligations of any party hereunder. Each of the Company, Parent and the Purchaser shall give prompt notice to the other parties hereof of any notice or other communication from any third party alleging that the consent of such third party is or may be required in connection with the transactions contemplated by this Agreement.

SECTION 6.8 Rights Agreement. The Company covenants and agrees that it will not (i) redeem the Rights, (ii) amend the Rights Agreement or (iii) take any action which would allow any Person (as defined in the Rights Agreement) other than Parent or the Purchaser

to acquire beneficial ownership of 15% or more of the Common Shares without causing a Distribution Date or a Triggering Event to occur.

SECTION 6.9 State Takeover Laws. The Company shall, upon the request of the Purchaser, take all reasonable steps to assist in any challenge by the Purchaser to the validity or applicability to the transactions contemplated by this Agreement, including the Offer and the Merger, of any state takeover law.

SECTION 6.10 No Solicitation.

(a) The Company, its controlled affiliates and their respective officers, directors, employees, representatives and agents shall immediately cease any existing discussions or negotiations, if any, with any parties conducted heretofore with respect to any acquisition or exchange of all or any material portion of the assets of, or any equity interest in, the Company or any of its subsidiaries or any business combination with the Company or any of its subsidiaries. The Company agrees that, prior to the Effective Time, it shall not, and shall not authorize or permit any of its subsidiaries or any of its or its subsidiaries' directors, officers, employees, agents or representatives, directly or indirectly, to solicit, initiate, encourage or facilitate, or furnish or disclose non-public information in furtherance of, any inquiries or the making of any proposal with respect to any merger, liquidation, recapitalization, consolidation or other business combination involving the Company or any of its subsidiaries or acquisition of any capital stock or any material portion of the assets of the Company or its subsidiaries, or any combination of the foregoing (an "Acquisition Transaction"), or negotiate, explore or otherwise engage in discussions with any person (other than the Purchaser, Parent or their respective directors, officers, employees, agents and representatives) with respect to any Acquisition Transaction or enter into any agreement, arrangement or understanding requiring it to abandon, terminate or fail to consummate the Merger or any other transactions contemplated by this Agreement; provided that prior to the purchase of a majority of the Shares pursuant to the Offer, the Company may furnish information, pursuant to a customary confidentiality agreement with terms not more favorable to such third party than the Confidentiality Agreement, to, and negotiate or otherwise engage in discussions with, any party who delivers a bona fide written proposal for an Acquisition Transaction for which all necessary financing is then in the judgment of the Company Board readily obtainable, if the Company Board determines in good faith by a vote of a majority of the members of the full Company Board that failing to take such action would create a reasonable likelihood of a breach of the fiduciary duties of the Company Board (after

consultation and receipt of advice from its outside legal counsel to such effect) and such a proposal is, in the written opinion of each of SSB and J.P. Morgan, more favorable to the Company's stockholders from a financial point of view than the transactions contemplated by this Agreement as the same has been proposed to be amended by Parent pursuant to Section 6.10(b). This Section 6.10 shall not limit the Company's rights under Section 6.1 to effect specified divestitures.

(b) From and after the execution of this Agreement, the Company shall promptly advise the Purchaser in writing of the receipt, directly or indirectly, of any inquiries, discussions, negotiations or proposals relating to

an Acquisition Transaction, identify the offeror and furnish to the Purchaser a copy of any such proposal or inquiry, if it is in writing, relating to an Acquisition Transaction. The Company shall promptly advise Parent of any material development relating to such proposal, including the results of any discussions or negotiations with respect thereto. Notwithstanding anything in this Agreement to the contrary, prior to the approval of an Acquisition Transaction by the Company Board in accordance with Section 8.1(e), Company shall give Parent sufficient notice of the material terms and conditions of any such Acquisition Transaction, and negotiate in good faith with Parent for a period of not less than three business days after receipt of a written proposal or a written summary of any oral proposal to make such adjustments in the terms and conditions of this Agreement as would enable Company to proceed with the transactions contemplated herein.

ARTICLE VII

CONDITIONS TO CONSUMMATION OF THE MERGER

SECTION 7.1 Conditions. The respective obligations of Parent, the Purchaser and the Company to consummate the Merger are subject to the satisfaction, at or before the Effective Time, of each of the following conditions:

(a) Stockholder Approval. The stockholders of the Company shall have duly approved the transactions contemplated by this Agreement, if required by applicable law.

(b) Purchase of Shares. Parent, the Purchaser or any of their affiliates shall have accepted for payment and paid for Shares pursuant to the Offer in accordance with the terms hereof.

(c) Injunctions; Illegality. The consummation of the Merger shall not be restrained, enjoined or prohibited by any order, judgment, decree, injunction or ruling of a court of competent jurisdiction or any Governmental

Entity provided, however, that each of the parties shall have used reasonable best efforts to prevent the entry of any such injunction or other order and to appeal any injunction or other order that may be entered; and there shall not have been any statute, rule or regulation enacted, promulgated or deemed applicable to the Merger by any Governmental Entity which prevents the consummation of the Merger or has the effect of making the purchase of Shares illegal.

(d) HSR Act. Any waiting period (and any extension thereof) under the HSR Act applicable to the Merger shall have expired or terminated and all approvals or consents listed on Section 5.3 of the Parent Disclosure Schedule (or waiting periods thereunder have been terminated or expired) (the "Foreign Approval Law") shall have been received or obtained.

ARTICLE VIII

TERMINATION; AMENDMENTS; WAIVER

SECTION 8.1 Termination. This Agreement may be terminated and the Merger contemplated hereby may be abandoned at any time prior to the Effective Time, notwithstanding any approval thereof by the stockholders of the Company (with any termination by Parent also being an effective termination by the Purchaser):

(a) by the mutual written consent of the Company, by action of its Board of Directors and Parent (in accordance with Section 1.3(c), if applicable);

(b) by the Company if (i) the Purchaser fails to commence the Offer in violation of Section 1.1 hereof, (ii) the Purchaser shall not have accepted for payment and paid for Shares pursuant to the Offer in accordance with the terms thereof on or before October 31, 1999 or (iii) the Purchaser fails to purchase validly tendered Shares in violation of the terms of this Agreement;

(c) by Parent or the Company if the Offer is terminated or withdrawn pursuant to its terms without any Shares being purchased thereunder; provided, however, that neither Parent nor the Company may terminate this Agreement pursuant to this Section 8.1(c) if such party shall have materially breached this Agreement;

(d) by Parent or the Company if any court or other Governmental Entity shall have issued an order, decree, judgment or ruling or taken any other action permanently enjoining, restraining or otherwise prohibiting the acceptance for payment of, or payment for, Shares pursuant to the Offer or the Merger and such order, decree or ruling or other action shall have become final and nonappealable;

(e) by the Company if, prior to the purchase of a majority of the Shares pursuant to the Offer in accordance with the terms of this Agreement, and following compliance with the Company of its obligations under Section 6.10, (i) the Company Board approves an Acquisition Transaction, for which all necessary financing is then in the judgment of the Company Board readily obtainable, on terms which a majority of the members of the full Company Board have determined in good faith after consultation and receipt of advice from its outside legal counsel to the effect that failing to take such action would create a reasonable likelihood of a breach of the fiduciary duties of the Company's Board, and (ii) such Acquisition Transaction is, in the written opinion of each of SSB and J.P. Morgan, more favorable from a financial point of view to the Company's stockholders than the transactions contemplated by this Agreement (as the same has been proposed to be amended by Parent); provided that the termination described in this Section 8.1(e) shall not be effective unless and until the Company shall have paid to Parent all of the fees and expenses described in Section 8.3(b) including, without limitation, the Termination Fee (as hereinafter defined);

(f) by Parent, if the Company breaches any of its covenants in Sections 6.3(c), 6.8 or 6.10, if the Company Board shall have withdrawn or modified (including by

amendment of the Schedule 14D-9) in a manner adverse to the Purchaser its approval or recommendation of the Offer, this Agreement or the Merger, shall have approved or recommended another Acquisition Transaction, or shall have resolved to effect any of the foregoing (and such resolution shall be made public);

(g) by Parent if the Minimum Condition (as defined in Annex I) shall not have been satisfied by the expiration date of the Offer and on or prior to such date (A) a third party shall have made or caused to be made a proposal or public announcement of a proposal to the Company or its stockholders with respect to (i) the acquisition of the Company by merger, tender offer or otherwise; (ii) a merger, consolidation or similar business combination with the Company or any of its subsidiaries; (iii) the acquisition of 50% or more of the assets of the Company and its subsidiaries, taken as a whole, or any material asset of the Company or any of its subsidiaries; (iv) the acquisition of 50% or more of the outstanding Common Shares; (v) the adoption by the Company of a plan of liquidation or the declaration or payment of an extraordinary dividend; or (vi) the repurchase by the Company or any of its subsidiaries of 50% or more of the outstanding Common Shares at a price in excess of the Offer Price or (B) any person (including the Company or any of its affiliates or subsidiaries), other than Parent or any of its affiliates, shall have become the beneficial owner of more than 50% of the Common Shares.

SECTION 8.2 Effect of Termination. In the event of the termination of this Agreement pursuant to Section 8.1, this Agreement shall forthwith become void and have no effect, without any liability on the part of any party or its directors, officers, employees or stockholders, other than the provisions of this Section 8.2 and Section 8.3, which shall survive any such termination. Nothing contained in this Article VIII shall relieve any party from liability for any breach of this Agreement.

SECTION 8.3 Fees and Expenses.

(a) Whether or not the Merger is consummated, except as otherwise specifically provided herein, all costs and expenses incurred in connection with the Offer, this Agreement and the transactions contemplated by this Agreement shall be paid by the party incurring such expenses.

(b) In the event that this Agreement is terminated pursuant to Section 8.1(e), (f) or (g) (B) or pursuant to Section 8.1(c) following the termination of the Offer by the Purchaser as a result of the failure to satisfy any of the conditions set forth in paragraph (c) (1) of Annex I, then the Company shall simultaneously with such termination (or, in the case of a termination by Parent, within one business day thereafter) reimburse Parent for the out-of-pocket fees and expenses of Parent and the Purchaser (including printing fees, filing fees and fees and expenses of its legal and financial advisors) related to the Offer, this Agreement, the transactions contemplated hereby and any related financing up to a maximum of $25 million (collectively "Expenses"), and at the same time pay Parent a termination fee of $220 million (the "Termination Fee") in immediately available funds by wire transfer to an account designated by Parent. In the event that (x) this Agreement is terminated pursuant to Section 8.1(g)(A) or pursuant to Section 8.1(c) following the termination of the Offer by the Purchaser as a result of the

failure to satisfy any of the conditions set forth in paragraph (c)(2), (3) or (4) of Annex I, and (y) within twelve months of the date of such termination, the Company shall enter into an agreement for an Acquisition Transaction with any person other than Parent and its affiliates, then, prior to or simultaneously with entering into such agreement, the Company shall pay Parent the Termination Fee and reimburse Parent and the Purchaser for their Expenses, in each case in immediately available funds by wire transfer to an amount designated by Parent. Without limiting the foregoing, in the event this Agreement is terminated pursuant to Section 8.1(c) as a result of the failure to satisfy the conditions set forth in paragraph (e) of Annex I, then the Company shall promptly (and in any event with one business day after such termination) reimburse Parent for Expenses in immediately available funds by wire transfer to an account designated by Parent.

(c) The prevailing party in any legal action undertaken to enforce

this Agreement or any provision hereof shall be entitled to recover from the other party the costs and expenses (including attorneys' and expert witness fees) incurred in connection with such action.

SECTION 8.4 Amendment. Subject to Section 1.3(c), this Agreement may be amended by the Company, Parent and the Purchaser at any time before or after any approval of this Agreement by the stockholders of the Company but, after any such approval, no amendment shall be made which decreases the Merger Price or which adversely affects the rights of the Company's stockholders hereunder without the approval of such stockholders. This Agreement may not be amended except by an instrument in writing signed on behalf of all the parties.

SECTION 8.5 Extension; Waiver. Subject to Section 1.3(c), at any time prior to the Effective Time, the parties hereto may (i) extend the time for the performance of any of the obligations or other acts of any other party hereto, (ii) waive any inaccuracies in the representations and warranties contained herein by any other party or in any document, certificate or writing delivered pursuant hereto by any other party or (iii) waive compliance with any of the agreements of any other party or with any conditions to its own obligations. Any agreement on the part of any party to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party.

ARTICLE IX

MISCELLANEOUS

SECTION 9.1 Non-Survival of Representations and Warranties. The representations and warranties made in this Agreement shall not survive beyond the Effective Time. Notwithstanding the foregoing, the agreements set forth in Section 3.1 and Section 6.6 shall survive the Effective Time indefinitely (except to the extent a shorter period of time is explicitly specified therein).

SECTION 9.2 Entire Agreement; Assignment.

(a) This Agreement (including the documents and the instruments referred to herein, including the Company Stock Option Agreement) constitutes the entire agreement and

supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof and thereof.

(b) Neither this Agreement nor any of the rights, interests or obligations hereunder will be assigned by any of the parties hereto (whether by operation of law or otherwise) without the prior written consent of each other party, except that Parent may assign its rights and the Purchaser may assign its

rights, interest and obligations to any affiliate or direct or indirect subsidiary of Parent without the consent of the Company provided that no such assignment shall relieve Parent of any liability for any breach by such assignee. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

SECTION 9.3 Validity. The invalidity or unenforceability of any provision of this Agreement in any jurisdiction shall not affect the validity or enforceability of any other provision of this Agreement, each of which shall remain in full force and effect or the validity or enforceability of such provisions in any other jurisdiction.

SECTION 9.4 Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given when delivered in person, by overnight courier or facsimile to the respective parties as follows:

If to Parent or the Purchaser:

Vivendi
42, Avenue de Friedland
75380 Paris Cedex 08
France
Attention: Guillaume Hannezo
Fax: (011) 331-71-71-14-15

with a copy to:

Cabinet Bredin Prat
130 rue du Faubourg Saint Honore
75008
Paris
Attention: Elena M. Baxter, Esq.

and:

Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, New York 10019
Telecopy: (212) 403-2000
Attention: Daniel A. Neff, Esq.
Trevor S. Norwitz, Esq.

If to the Company:

United States Filter Corporation
40-004 Code Street
Palm Desert, California 92211
Attention: Steve Stanczak, Esq.
Fax:

with a copy to:

Skadden, Arps, Slate, Meagher & Flom LLP
300 South Grand Avenue
Los Angeles, CA 90071-3144
Telecopy: (213) 687-5600
Attention: Rod A. Guerra, Jr., Esq.
Brian J. McCarthy, Esq.

or to such other address as the person to whom notice is given may have previously furnished to the other in writing in the manner set forth above; provided that notice of any change of address shall be effective only upon receipt thereof.

SECTION 9.5 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, regardless of the laws that might otherwise govern under applicable principles of conflicts of laws thereof.

SECTION 9.6 Descriptive Headings. The descriptive headings herein are inserted for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

SECTION 9.7 Counterparts. This Agreement may be executed in two or more counterparts, by facsimile, each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement.

SECTION 9.8 Parties in Interest. This Agreement shall be binding upon and inure solely to the benefit of each party hereto, and, except with respect to Section 6.6, nothing in this Agreement, express or implied, is intended to confer upon any other person any rights or remedies of any nature whatsoever under or by reason of this Agreement.

SECTION 9.9 Certain Definitions. As used in this Agreement:

(a) the term "affiliate", as applied to any Person, shall mean any other person directly or indirectly controlling, controlled by, or under common control with, that Person. For the purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the

management and policies of that Person, whether through the ownership of voting securities, by contract or otherwise;

(b) the term "Person" or "person" shall include individuals, corporations, partnerships, trusts, other entities and groups (which term shall include a "group" as such term is defined in Section 13(d)(3) of the Exchange Act); and

(c) the term "subsidiary" or "subsidiaries" means, with respect to Parent, the Company or any other person, any corporation, partnership, joint venture or other legal entity of which Parent, the Company or such other person, as the case may be (either alone or through or together with any other subsidiary), owns, directly or indirectly, stock or other equity interests the holders of which are generally entitled to 50% or more of the vote for the election of the board of directors or other governing body of such corporation or other entity or 50% or more of the profits of such corporation or other entity.

SECTION 9.10 Specific Performance. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the United States or any state having jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity.

SECTION 9.11 Jurisdiction.

(a) Any legal action or proceeding with respect to this Agreement or any matters arising out of or in connection with this Agreement or otherwise, and any action for enforcement of any judgment in respect thereof shall be brought exclusively in the courts of the State of New York or of the United States of America for the Southern District of New York, the Court of Chancery of Delaware or the courts of the United States of America for the District of Delaware and, by execution and delivery of this Agreement, the Company, Parent and the Purchaser each hereby accepts for itself and in respect of its property, generally and unconditionally, the exclusive jurisdiction of the aforesaid courts and appellate courts thereof. The Company, Parent and the Purchaser irrevocably consent to service of process out of any of the aforementioned courts in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, or by recognized international express carrier or delivery service, to the Company, Parent or the Purchaser at their respective addresses referred to in Section 9.4 hereof.

(b) Each of Parent and the Purchaser hereby designates Vivendi North America, Inc. as its respective agent for service of process, and service upon Parent or the Purchaser shall be deemed to be effective upon service of Vivendi North America, Inc., 800 Third Avenue, 38th Floor, Attention: General Counsel,

as aforesaid or of its successor designated in accordance with the following sentence. Parent or the Purchaser may designate another corporate agent or law firm reasonably acceptable to the Company and located in the Borough of

Manhattan, in the City of New York, as successor agent for service of process upon 30-days prior written notice to the Company.

(c) The Company, Parent and the Purchaser each hereby irrevocably waives any objection which it may now or hereafter have to the laying of venue of any of the aforesaid actions or proceedings arising out of or in connection with this Agreement or otherwise brought in the courts referred to above and hereby further irrevocably waives and agrees, to the extent permitted by applicable law, not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum. Nothing herein shall affect the right of any party hereto to serve process in any other manner permitted by law.

* * *

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed on its behalf by its respective officer thereunto duly authorized, all as of the day and year first above written.

VIVENDI

By: /s/ Jean-Marie Messier

Name: Jean-Marie Messier
Title: Chairman and Chief Executive Officer

EAU ACQUISITION CORP.

By: /s/ Jean-Marie Messier

Name: Jean-Marie Messier
Title: President

UNITED STATES FILTER CORPORATION

By: /s/ Richard J. Heckmann

Name: Richard J. Heckmann
Title: Chairman and Chief Executive Officer

ANNEX I

CONDITIONS TO THE OFFER

The capitalized terms used in this Annex I shall have the meanings set forth in the Agreement and Plan of Merger to which this Annex is attached, except that the term "Merger Agreement" shall be deemed to refer to such Agreement and Plan of Merger.

Conditions to the Offer. Notwithstanding any other provisions of the Offer, the Purchaser shall not be required to accept for payment or pay for any tendered Shares and may terminate or, subject to the terms of the Merger Agreement, amend the Offer, if (i) there shall not be validly tendered and not properly withdrawn prior to the expiration date for the Offer (the "Expiration Date") that number of Shares which represents at least a majority of the total number of outstanding Shares on a fully diluted basis on the date of purchase (the "Minimum Condition"), (ii) any applicable waiting period under the HSR Act shall not have expired or been terminated, and any applicable approvals or consents have not been obtained under any Foreign Approval Laws (or any applicable waiting periods thereunder have not expired or been terminated), (iii) the Company shall not have delivered to the Purchaser and Parent a duly executed FIRPTA certificate in the form of Attachment 1 hereto, or (iv) at any time on or after the date of the Merger Agreement and prior to the time of payment for any Shares, any of the following events (each, an "Event") shall occur:

(a) there shall be any action taken, or any statute, rule, regulation, legislation, interpretation, ruling, condition, judgment, order or injunction enacted, enforced, promulgated, proposed, amended, issued or deemed applicable to the Offer, by any Governmental Entity that could reasonably be expected to, directly or indirectly: (1) make illegal or otherwise prohibit consummation of the Offer or the Merger, (2) prohibit or materially limit the ownership or operation by Parent or the Purchaser of all or a portion of the business or assets of the Company and its subsidiaries or compel Parent or the Purchaser to dispose of or hold separately all or a portion of the business or assets of Parent or the Purchaser or the Company and its subsidiaries, or seek to impose a

limitation on the ability of Parent or the Purchaser to conduct its business or own such assets, (3) impose a limitations on the ability of Parent or the Purchaser effectively to acquire, hold or exercise full rights of ownership of the Shares, including, without limitation, the right to vote any Shares acquired or owned by the Purchaser or Parent on all matters properly presented to the Company's stockholders, (4) require divestiture by Parent or the Purchaser of Shares, in the case of any of the foregoing in clauses (2), (3) or (4), which would reasonably be expected, individually or in the aggregate, to have a material adverse effect on the respective businesses of the Company or Compagnie Generale des Eaux, or (5) result in a Material Adverse Effect on the Company or Parent;

(b) there shall be instituted or pending any action or proceeding by any Governmental Entity seeking any of the consequences referred to in clauses (1) through (4) of paragraph (a) above; or

(c) (1) it shall have been publicly disclosed or the Purchaser shall have otherwise learned that beneficial ownership (determined for the purposes of this

paragraph (c) as set forth in Rule 13d-3 promulgated under the Exchange Act) of 50% or more of the outstanding Common Shares has been acquired by any person (including the Company or any of its subsidiaries or affiliates) or group (as defined in Section 13(d)(3) under the Exchange Act), (2) the Company Board or any committee thereof shall have withdrawn, or shall have modified or amended in a manner adverse to Parent or the Purchaser, the approval, adoption or recommendation, as the case may be, of the Offer, the Merger or the Merger Agreement, or approved or recommended any, merger, consolidation, other business combination, sale of material assets, takeover proposal or other acquisition of Common Shares other than the Offer and the Merger, (3) a third party shall have entered into a definitive agreement or a written agreement in principle with the Company with respect to a tender offer or exchange offer for any Common Shares or a merger, consolidation, other business combination with the Company or sale of material assets with or involving the Company or any of its subsidiaries (except as specifically permitted by Section 6.1 of the Merger Agreement), or (4) the Company Board or any committee thereof shall have resolved to do any of the foregoing (and such resolution shall be made public); or

(d) the Company and the Purchaser and Parent shall have reached an agreement that the Offer or the Merger Agreement be terminated, or the Merger Agreement shall have been terminated in accordance with its terms; or

(e) (i) any of the representations and warranties of the Company set forth in the Merger Agreement, when read without any exception

or qualification as to materiality or to Material Adverse Effect on the Company, shall not be true and correct as of the date of the Merger Agreement except where the failure or failures to be so true and correct would not, individually or in the aggregate, reasonably be expected to adversely affect the value of the Company and its subsidiaries taken as a whole, in an amount equal to or in excess of $500 million, (ii) any of the representations and warranties of the Company set forth in Section 4.3 of the Merger Agreement shall not be true and correct (except for immaterial inaccuracies), as if such representations and warranties were made at the time of such determination; or (iii) the Company shall have breached or failed to observe or perform in any material respect any of its covenants or agreements under the Merger Agreement, provided, however, that any breach or failure to observe or perform by the Company which is capable of being cured without a material adverse effect upon the Company and its subsidiaries or Parent and its subsidiaries, shall not be deemed a breach or failure to observe or perform by the Company if, without a material adverse effect upon the Company and its subsidiaries or Parent and its subsidiaries, such breach or failure to perform or observe is cured by the Company within five business days after written notice thereof by Parent is provided; or

(f) any Consent (other than the filing of a certificate of merger or approval by the stockholders of the Company of the Merger if required by the General Corporation Law of Delaware) required to be filed, occurred or been obtained by the Company or any of its subsidiaries in connection with the execution and delivery of this Agreement, the Offer and the consummation of the transactions contemplated by this

Agreement shall not have been filed or obtained or shall not have occurred except where the failure to obtain such Consent could not reasonably be expected to have individually or in the aggregate a Material Adverse Effect on the Company; or

(g) there shall have occurred, and continued to exist, (1) any general suspension of, or limitation on prices for, trading in securities on the New York Stock Exchange or the Paris Bourse, (2) (excluding any coordinated trading halt-triggered solely as a result of a specified decrease in a market index and suspensions on limitations resulting solely from physical damage or interference with such exchanges not related to market conditions), (3) any decline of at least 35% in the CAC-40 Index from the close of business on the last trading day immediately preceding the date of the Merger Agreement, (4) a declaration of a banking moratorium or any suspension of payments in respect of banks in the United States, France or the European Union, or a material limitation (whether or not mandatory) by any Governmental Entity on the extension of credit by banks or other lending institutions, or (5) in the case of any of the

foregoing clauses (1) and (2) existing at the time of the commencement of the Offer, a material acceleration or worsening thereof.

The foregoing conditions (including those set forth in clauses (i), (ii) and (iii) of the initial paragraph) are for the benefit of Parent and the Purchaser and may be asserted by Parent or the Purchaser regardless of the circumstances giving rise to any such conditions and may be waived by Parent or the Purchaser, in whole or in part, at any time and from time to time in their reasonable discretion, in each case, subject to the terms of the Merger Agreement. The failure by Parent or the Purchaser at any time to exercise any of the foregoing rights shall not be deemed a waiver of any such right and each such right shall be deemed an ongoing right which may be asserted at any time and from time to time. Any reasonable determination by the Purchaser concerning the events described in this Annex I will be final and binding on all parties.

ANNEX II-A

LIST OF PARTIES TO
SUPPORT AGREEMENTS

Richard J. Heckmann
Andrew D. Seidel
Kevin L. Spence

Lion Advisors, L.P.

Apollo Investment Fund, L.P.

Lee M. Bass
John A. Cardwell
Jeffrey L. Hart
Fine Line Inc.
William P. Hallman, Jr.
Peter Sterling
Ardon E. Moore
Jason M. Taylor Grantor Trust
Ronda Leigh Taylor Grant Trust
Agua Partners

ANNEX II-B

FORMS OF
SUPPORT AGREEMENTS

(see attached)

ANNEX III

FORMS OF EMPLOYMENT AGREEMENTS

(see attached)

ANNEX IV

FORM OF
COMPANY STOCK OPTION AGREEMENT

(see attached)

Attachment 1

FORM OF
FIRPTA CERTIFICATE OF COMPANY

FIRPTA CERTIFICATE

Reference is made to the Agreement and Plan of Merger by and among Vivendi, Eau Acquisition Corp. and United States Filter Corporation (the "Company") dated as of March 22, 1999 (the "Merger Agreement"). Section 1445 of the Internal Revenue Code of 1986, as amended (the "Code"), provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. In order to inform the transferee pursuant to Treasury Regulation Sections 1.897-2(h)(2) and 1.1445-2(c)(3) that withholding of tax is not required upon the disposition by the holders of interests in the Company of their interests in the Company, the undersigned hereby certifies on behalf of the Company that:

1. The address of the Company is: 40-004 Code Street, Palm Desert, California 92211

2. The employer identification number of the Company is: 33-0266015

3. The Company is not, will not be from the date hereof through the Effective Time (as defined in the Merger Agreement), and has not been during the applicable period specified in Code Section 897(c)(1)(A)(ii) a United States real property holding corporation (as defined in Code Section 897(c)(2)).

Under penalties of perjury, I declare that I have examined this certification and to the best of my knowledge and belief, it is true, correct and complete, and I further declare that I have authority, as a responsible corporate officer, to sign this document on behalf of the Company.

UNITED STATES FILTER CORPORATION

By: _____

Name:

Title:

Date:

EXHIBIT (c)(2)

FORM OF SUPPORT AGREEMENT

SUPPORT AGREEMENT (this "Agreement"), dated as of March 22, 1999, by and between VIVENDI, a societe anonyme organized under the laws of France ("Parent"), and [Apollo Investment Fund, L.P.] [Lion Advisors, L.P. on behalf of an investment account under management], ("Seller").

WHEREAS, concurrently herewith, Parent, Eau Acquisition Corp. (the "Purchaser"), a Delaware corporation and a subsidiary of Parent, and United States Filter Corporation (the "Company"), a Delaware corporation, are entering into an Agreement and Plan of Merger of even date herewith (the "Merger Agreement", which term for purposes of this Agreement shall not include any amendment or waiver to such Merger Agreement which decreases the Offer Price or the number of Shares to be purchased in the Offer or changes the form of consideration payable in the Offer). Capitalized terms used but not defined herein shall have the meanings set forth in the Merger Agreement, pursuant to which the Purchaser agrees to make a tender offer (the "Offer") for all outstanding Shares of the Company, at $31.50 per Share (including any increase in the price per share paid to tendering shareholders pursuant to the Offer, the "Offer Price") net to the seller in cash, to be followed by a merger (the "Merger") of the Purchaser with and into the Company at the same Offer Price;

WHEREAS, as of the date hereof, Seller beneficially owns [6,877,805] [6,875,054] Shares (the "Owned Shares");

WHEREAS, as a condition to their willingness to enter into the Merger Agreement and make the Offer, Parent and the Purchaser have required that Seller agree, and Seller hereby agrees, to tender pursuant to the Offer the Owned Shares, together with any Shares acquired after the date hereof and prior to the termination of the Offer, whether upon the exercise of options, conversion of convertible securities or otherwise (collectively, the "Tender Shares") on the terms and subject to the conditions provided for in this Agreement; and

WHEREAS, as a condition to its willingness to enter into this Agreement, Seller has requested, and Parent has agreed, that Parent purchase or cause the Purchaser to purchase the Owned Shares in the event the Owned Shares are not purchased in the Offer;

WHEREAS, immediately prior to the execution and delivery of this Agreement, Parent has entered into Support Agreements similar to this Agreement with certain members of the Company's management and another significant shareholder of the Company;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration given to each party hereto, the receipt of which is

hereby acknowledged, the parties agree as follows:

1. Agreement to Tender and to Vote.

1.1 Tender. Seller hereby agrees to validly tender (or cause the record owner of such shares to validly tender), pursuant to and in accordance with the terms of the Offer, as soon as practicable after such request but in no event later than ten business days after the date of

commencement, the Tender Shares by physical delivery of the certificates therefor (or delivery via transfer to Purchaser's account at the Depository Trust Company), and to not withdraw such Tender Shares, except following termination of the Offer pursuant to its terms or as otherwise contemplated herein. Seller hereby acknowledges and agrees that Parent's and the Purchaser's obligation to accept for payment and pay for the Tender Shares in the Offer is subject to the terms and conditions of the Offer. Seller hereby permits Parent and the Purchaser to publish and disclose in the Offer Documents and, if approval of the Company's stockholders is required under applicable law, the Proxy Statement (including all documents and schedules filed with the Securities and Exchange Commission) its identity and ownership of the Tender Shares and the nature of its commitments, arrangements and understandings under this Agreement, subject to providing a copy of said disclosure to Seller and considering any reasonable comments thereon provided by Seller).

1.2 Voting. Subject to Section 1.3 and Section 2, Seller hereby agrees that, during the time this Agreement is in effect, at any meeting of the stockholders of the Company, however called, Seller shall at the written direction of Parent, (a) vote the Tender Shares in favor of the Merger; (b) vote the Tender Shares against any action or agreement that would result in a breach of any covenant, representation or warranty or any other obligation or agreement of the Company under the Merger Agreement; and (c) vote the Tender Shares against any action or agreement (other than the Merger Agreement or the transactions contemplated thereby) that would impede, interfere with, delay, postpone or attempt to discourage the Merger or the Offer, including, but not limited to: (i) any extraordinary corporate transaction, such as a merger, consolidation or other business combination involving the Company or any of its subsidiaries; (ii) a sale or transfer of a material amount of assets of the Company or any of its subsidiaries or a reorganization, recapitalization or liquidation of the Company and its subsidiaries; (iii) any change in the management or board of directors of the Company, except as otherwise agreed to in writing by the Purchaser; (iv) any material change in the present capitalization or dividend policy of the Company; or (v) any other material change in the Company's corporate structure or business. Seller hereby revokes any proxy previously granted by it with respect to the Tender Shares.

1.3 Grant of Irrevocable Proxy; Appointment of Proxy.

(i) Subject to Section 2, Seller hereby irrevocably grants to, and

appoints, Guillaume Hannezo and Eric Lecoys, or either of them, in their respective capacities as officers or directors of Parent, and any individual who shall hereafter succeed to any such office or directorship of Parent, and each of them individually, Seller's proxy and attorney-in-fact (with full power of substitution), for and in the name, place and stead of Seller, to vote the Tender Shares in favor of the Merger and other transactions contemplated by the Merger Agreement, against any Acquisition Transaction and otherwise as contemplated by Section 1.2.

(ii) Seller represents that any proxies heretofore given in respect of the Tender Shares are not irrevocable, and that any such proxies are hereby revoked.

(iii) Seller understands and acknowledges that Parent is entering into the Merger Agreement in reliance upon Seller's execution and delivery of this Agreement. Seller hereby affirms that the irrevocable proxy set forth in this Section 1.3 is given in connection with the execution of the Merger Agreement, and that such irrevocable proxy is given to secure the performance of the duties of Seller under this Agreement. Seller hereby further affirms that the irrevocable proxy is coupled with an interest. Such irrevocable proxy is executed and intended to be irrevocable in accordance with the provisions of Section 212(e) of the Delaware General Corporation Law.

1.4 No Inconsistent Arrangements. Seller hereby covenants and agrees that, except as contemplated by this Agreement and the Merger Agreement, it shall not (i) except to Parent or the Purchaser, transfer (which term shall include, without limitation, any sale, gift, pledge or other disposition), or consent to any transfer of, any or all of the Tender Shares or any interest therein, (ii) except with Parent, enter into any contract, option or other agreement or understanding with respect to any transfer of any or all of the Tender Shares or any interest therein, (iii) grant any proxy, power-of-attorney or other authorization in or with respect to the Tender Shares, (iv) deposit any Tender Shares into a voting trust or enter into a voting agreement or arrangement with respect to the Tender Shares or (v) take any other action that would in any way restrict, limit or interfere with the performance of its obligations hereunder or the transactions contemplated hereby or by the Merger Agreement or which would make any representation or warranty of Seller hereunder untrue or incorrect.

1.5 No Solicitation. Seller hereby agrees that it shall not, and shall not permit or authorize any of its affiliates, representatives or agents to, directly or indirectly, encourage, solicit, explore, participate in or initiate discussions or negotiations with, or provide or disclose any information to, any corporation, partnership, person or other entity or group (other than Parent, the Purchaser or any of their affiliates or representatives) concerning any Acquisition Transaction or enter into any agreement, arrangement

or understanding requiring the Company to abandon, terminate or fail to consummate the Merger or any other transactions contemplated by the Merger Agreement. Seller will immediately cease any existing activities, discussions or negotiations with any parties conducted heretofore with respect to any Acquisition Transaction. From and after the execution of this Agreement, Seller shall immediately advise Parent in writing of the receipt, directly or indirectly, of any inquiries, discussions, negotiations or proposals relating to an Acquisition Transaction, identify the offeror and furnish to Parent a copy of any such proposal or inquiry, if it is in writing, or a written summary of any oral proposal or inquiry relating to an Acquisition Transaction. Seller shall promptly advise Parent in writing of any development relating to such proposal, including the results of any discussions or negotiations with respect thereto.

1.6 Reasonable Best Efforts. Seller shall promptly consult with Parent and use reasonable best efforts to provide any necessary information and material with respect to all filings made by Seller with any Governmental Entity in connection with this Agreement and the Merger Agreement and the transactions contemplated hereby and thereby. Parent acknowledges that Seller will file a Schedule 13D in connection with the Agreement.

1.7 Waiver of Appraisal Rights. Seller hereby waives any rights of appraisal or rights to dissent from the Merger that it may have.

1.8 Parent's Commitment to Purchase Owned Shares. Parent hereby agrees that, if (i) the Offer is terminated, abandoned or withdrawn by the Purchaser or (ii) the Offer is consummated and the Owned Shares are not purchased by the Purchaser pursuant to the Offer, (other than as a result of a breach of this Agreement by Seller) then Parent will purchase or cause the Purchaser to purchase, and the Seller shall sell, the Owned Shares at a purchase price per share equal to the Offer Price, on the 10th Business Day after the date of such termination, abandonment, withdrawal or consummation of the Offer; provided that (x) all waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"), and any equivalent foreign laws, required for the purchase of the Owned Shares upon such exercise shall have expired or been waived, (y) there shall not be in effect any preliminary or final injunction or other order issued by any court or governmental, administrative or regulatory agency or authority prohibiting the purchase of the Owned Shares pursuant to this Agreement and (z) Seller's representations and warranties herein shall be true in all material respects at such time except to the extent that the failure to be so true in all material respects would not adversely affect the benefits to be received by Parent. Parent and the Purchaser will use their best efforts to obtain all necessary regulatory approvals so as to enable them to pay the aggregate Offer Price (or have a third party to pay the aggregate Offer Price) to Seller no later than June 15, 1999 in accordance with all applicable securities laws and other legal constraints. In that regard, Seller shall cooperate with Parent and the Purchaser, including by transferring

against payment of the Offer Price on or before June 15, 1999 the Tender Shares at Parent's request to a third party designated by Parent or the Purchaser on terms reasonably specified by them, provided that such terms do not increase Seller's obligations or liabilities in any respect or reduce the benefits to be obtained by Seller hereunder. If the Owned Shares have not been purchased and paid for in the Offer or under the preceding sentences of this Section 1.8 by June 15, 1999, (and so long as Seller's representations and warranties herein shall be true in all material respects except where the failure to be so true in all material respects would not adversely affect the benefits to be received by Parent or the third party so designated by Parent), then Seller may sell such Shares, in one or more transactions in the sole discretion of Seller, to persons other than the Parent or Purchaser and such sold Shares shall not be subject to Sections 1.1 to 1.4 hereof. In the event Seller sells any Owned Shares for anything less than the Offer Price, Parent shall, promptly after such sale, pay to Seller in US Dollars the difference between the amount received in such sale and the amount that Seller would have received had such Shares been sold in the Offer or under the preceding sentences of this Section 1.8 (plus any "gross-up" in respect of French withholding tax, if any). Seller shall use such efforts as it reasonably determines are appropriate to obtain a fair price for any such Shares sold under the second preceding sentence, it being agreed that Seller may seek to sell all such Shares promptly and with no retained obligation or liability.

2. Expiration. Sections 1.1 through 1.4 of this Agreement and the parties' obligations thereunder shall terminate on the earlier of the payment for the Tender Shares pursuant to the Offer or in accordance with to Section 1.8.

3. Representation and Warranties. Seller hereby represents and warrants to Parent as follows:

(a) Title. Seller has good and valid title to the Owned Shares, free and clear of any lien, charge, encumbrance or claim of whatever nature (other than liens in respect of pledges to secure margin or similar borrowings). Upon the purchase of the Tender Shares by Parent or the Purchaser, Purchaser will receive good and valid title to the Tender Shares, free and clear of any lien, charge, encumbrance or similar claim of whatever nature.

(b) Ownership of Shares. On the date hereof, the Owned Shares are owned beneficially by Seller and, on the date hereof, except as described in Seller's Schedule 13D filings, the Owned Shares constitute all of the Shares owned of record or beneficially by Seller. Except as described in Seller's Schedule 13D filings, Seller has sole voting power and sole power of disposition with respect to all of the Owned Shares, with no restrictions on Seller's rights of

disposition pertaining thereto, subject to applicable federal and state securities laws (including Rules 144 and 145) and any liens in the ordinary course of business that will not interfere the Seller's obligations hereunder.

(c) Power; Binding Agreement. Seller has the legal capacity, power and authority to enter into and perform all of its obligations under this Agreement. The execution, delivery and performance of this Agreement by Seller will not violate any other agreement to which Seller is a party including, without limitation, any voting agreement, stockholders agreement or voting trust. This Agreement has been duly and validly executed and delivered by Seller and constitutes a valid and binding agreement of Seller, enforceable against Seller in accordance with its terms.

(d) No Conflicts. Other than in connection with or in compliance with the provisions of the Exchange Act and the HSR Act, no authorization, consent or approval of, or filing with, any court or any public body or authority is necessary for the consummation by Seller of the transactions contemplated by this Agreement which would reasonably be expected to materially restrict or hinder the performance of Seller's obligations hereunder. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not constitute a breach, violation or default (or any event which, with notice or lapse of time or both, would constitute a default) under, or result in the termination of, or accelerate the performance required by, or result in a right of termination or acceleration under, or result in the creation of any lien, encumbrance, pledge, charge or claim upon any of the properties or assets of Seller under, any note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument to which Seller is a party or by which its properties or assets are bound which would reasonably be expected to materially restrict or hinder the performance of Seller's actions hereunder.

(e) No Finder's Fees. No broker, investment banker, financial advisor or other person is entitled to any broker's, finder's, financial adviser's or other similar fee or commission in connection with the transactions contemplated hereby based upon arrangements made by or on behalf of Seller.

(f) Information. Seller understands and acknowledges that Parent and the Purchaser have been conducting a due diligence investigation of the Company and may have information which is material regarding the Company and its financial performance and

prospects and which is not publicly disclosed. Seller agrees that it shall not take any action against Parent or the Purchaser in respect of such information .

Parent and the Purchaser hereby represent and warrant to Seller as follows:

(g) Power; Binding Agreement. Each of Parent and the Purchaser has the legal capacity, power and authority to enter into and perform all of its obligations under this Agreement. The execution, delivery and performance of this Agreement by Parent and the Purchaser will not violate any other agreement to which Parent or the Purchaser are parties including, without limitation, any voting agreement, stockholders agreement or voting trust. This Agreement has been duly and validly executed and delivered by Parent and the Purchaser and constitutes a valid and binding agreement of each of Parent and the Purchaser, enforceable against them in accordance with its terms.

(h) No Conflicts. Other than in connection with or in compliance with the provisions of the Exchange Act and the HSR Act, no authorization, consent or approval of, or filing with, any court or any public body or authority is necessary for the consummation by Parent and the Purchaser of the transactions contemplated by this Agreement which would reasonably be expected to materially restrict or hinder the performance of Parent's obligations hereunder. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not constitute a breach, violation or default (or any event which, with notice or lapse of time or both, would constitute a default) under, or result in the termination of, or accelerate the performance required by, or result in a right of termination or acceleration under, or result in the creation of any lien, encumbrance, pledge, charge or claim upon any of the properties or assets of Parent or the Purchaser under, any note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument to which Parent or the Purchaser is a party or by which their properties or assets are bound which would reasonably be expected to materially restrict or hinder the performance of their obligations hereunder.

(i) No Finder's Fees. No broker, investment banker, financial advisor or other person is entitled to any broker's, finder's, financial adviser's or other similar fee or commission in connection with the transactions contemplated

hereby based upon arrangements made by or on behalf of Parent or the

Purchaser for which Seller would be responsible.

4. Additional Shares. Seller hereby agrees, while this Agreement is in effect, to promptly notify Parent of the number of any new Shares acquired by Seller, if any, after the date hereof.

5. Further Assurances. From time to time, at the request of one party hereto and without further consideration, the other party shall execute and deliver such additional documents and take all such further action as may be reasonably necessary or desirable in connection with the performance of its obligations hereunder. Parent shall cause the Company to provide a Certificate to Seller that it is not a U.S. real property holding company.

6. Miscellaneous.

6.1 Non-Survival. The representations and warranties made herein shall terminate upon Seller's sale of the Tender Shares to the Purchaser in the Offer or pursuant to Section 1.8, other than Seller's representations and warranties in Section 3(a) which shall survive the sale of the Tender Shares.

6.2 Entire Agreement; Assignment. This Agreement (i) constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all other prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof and (ii) shall not be assigned by operation of law or otherwise, provided that Parent may assign its rights and obligations hereunder to any direct or indirect wholly owned subsidiary of Parent, but no assignment shall relieve Parent of its obligations hereunder if the assignee does not perform its obligations and Seller may assign its rights and obligations hereunder to one or more persons reasonably acceptable to Purchaser to whom it transfers Tender Shares in accordance herewith, so long as such persons agree in writing with Parent and Seller to be bound by the provisions hereof applicable to Seller.

6.3 Amendments. This Agreement may not be modified, amended, altered or supplemented, except upon the execution and delivery of a written agreement executed by the parties hereto.

6.4 Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given by hand delivery, telegram, telex or telecopy or by any courier service, such as Federal Express, providing proof of delivery. All communications hereunder shall be delivered to the respective parties at the following addresses:

If to Seller:

c/o Michael D. Weiner, Esq.

Apollo Advisors, L.P.
1999 Avenue of the Stars, Suite 1900
Los Angeles, CA 90067
Fax: (310) 201-4166

copy to Seller's Counsel:

Patrick J. Dooley, Esq.
Akin Gump Strauss Hauer & Feld, L.L.P.
590 Madison Avenue
New York, NY 10022
Fax: (212) 872-1002

If to Parent:

VIVENDI
42, Avenue de Friedland
75380 Paris Cedex 08
Attention: Guillaume Hannezo
Fax: (011) 331-7171-1415

copy to:

Cabinet Bredin Prat
130 rue du Faubourg Saint Honore
75008
Paris
Attention: Elena M. Baxter, Esq.
Fax: (011) 331-4359-7001

and

Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, New York 10019
Attention: Daniel A. Neff, Esq.
Fax: (212) 403-2000

or to such other address as the person to whom notice is given may have previously furnished to the others in writing in the manner set forth above.

6.5 Governing Law; Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, regardless of the laws that might otherwise govern under applicable principles of conflicts of laws thereof. Each of Seller, Parent and the Purchaser irrevocably submits to the exclusive jurisdiction of any Delaware state or federal court sitting in the

State of Delaware in any action arising out of or relating to this Agreement, hereby irrevocably agrees that all claims in respect of such action may be heard and determined in such Delaware state or federal court, and hereby irrevocably waives, to the fullest extent it may effectively do so, the defense of an inconvenient forum to the maintenance of such action or proceeding and the right to trial by jury.

6.6 Specific Performance. Each of Parent and Seller recognizes and acknowledges that a breach by it of any covenants or agreements contained in this Agreement will cause the other to sustain damages for which it would not have an adequate remedy at law, and therefore each of Parent and Seller agrees that in the event of any such breach the other shall be entitled to the remedy of specific performance of such covenants and agreements and injunctive and other equitable relief in addition to any other remedy to which it may be entitled, at law or in equity.

6.7 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same Agreement.

6.8 Descriptive Headings. The descriptive headings used herein are inserted for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

6.9 Severability. Whenever possible, each provision or portion of any provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law but if any provision or portion of any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or portion of any provision in such jurisdiction, and this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision or portion of any provision had never been contained herein.

6.10 No Agency; Indemnification. Nothing herein shall be deemed create any agency or partnership relationship between the parties hereto. Parent shall indemnify Seller and hold Seller harmless from and against any loss, claim or liability arising out of a third party claim relating to Seller's entering into this Agreement and the consummation of the transactions contemplated hereby, and each party shall indemnify the other against breaches of its representations and warranties.

* * *

IN WITNESS WHEREOF, Parent and Seller have caused this Agreement to

be duly executed as of the day and year first above written.

[APOLLO INVESTMENT FUND, L.P.

By: APOLLO ADVISORS, L.P.
ITS GENERAL PARTNER

By: APOLLO CAPITAL MANAGEMENT,
INC., ITS GENERAL PARTNER

By: /s/ Michael D. Weiner

Name: Michael D. Weiner
Title: Vice President]

[LION ADVISORS, L.P.

By: LION CAPITAL MANAGEMENT, INC.
ITS GENERAL PARTNER

By: /s/ Michael D. Weiner

Name: Michael D. Weiner
Title: Vice-President]

VIVENDI

By: /s/ Jean-Marie Messier

Name: Jean-Marie Messier
Title: Chairman and Chief
Executive Officer

EXHIBIT (c)(3)

EXECUTION COPY

SUPPORT AGREEMENT

SUPPORT AGREEMENT (this "Agreement"), dated as of March 22, 1999, by and between VIVENDI, a societe anonyme organized under the laws of France ("Parent"), and each of the individuals and entities listed on Annex A hereto (individually or collectively, "Seller").

WHEREAS, concurrently herewith, Parent, Eau Acquisition Corp. (the "Purchaser"), a Delaware corporation and a subsidiary of Parent, and United States Filter Corporation (the "Company"), a Delaware corporation, are entering into an Agreement and Plan of Merger of even date herewith (the "Merger Agreement", which term shall not include any amendment to such Agreement which decreases the Offer Price or changes the form of consideration payable in the Offer, unless Seller consents to the inclusion of such amendment in such term). Capitalized terms used but not defined herein shall have the meanings set forth in the Merger Agreement, pursuant to which the Purchaser agrees to make a tender offer (the "Offer") for all outstanding Shares of the Company, at $31.50 per Share (the "Offer Price") net to the seller in cash, to be followed by a merger (the "Merger") of the Purchaser with and into the Company;

WHEREAS, as of the date hereof, Seller beneficially owns directly that number of Shares (the "Owned Shares") set forth opposite his name on Annex A hereto;

WHEREAS, as a condition to their willingness to enter into the Merger Agreement and make the Offer, Parent and the Purchaser have required that Seller agree, and Seller hereby agrees, (i) if requested by Parent, to tender pursuant to the Offer the Owned Shares, together with any Shares acquired after the date hereof and prior to the termination of the Offer, whether upon the exercise of options, conversion of convertible securities or otherwise (collectively, the "Tender Shares") on the terms and subject to the conditions provided for in this Agreement and (ii) to enter into the other agreements set forth herein; and

WHEREAS, as a condition to its willingness to enter into this Agreement, Seller has requested, and Parent has agreed, that Parent purchase or cause the Purchaser to purchase the Owned Shares in the event the Owned Shares are not purchased in the Offer;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration given to each party hereto, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Agreement to Tender and to Vote.

1.1 Tender. Seller hereby agrees that if, but only if, it is so requested by Parent, it will validly tender (or cause the record owner of such shares to validly tender), pursuant to and in accordance with the terms of the Offer, as soon as practicable after such request but in no event later than the then scheduled expiration date of the Offer, the Tender Shares by physical delivery of the certificates therefor, and to not withdraw such Tender Shares, except following termination of the Offer pursuant to its terms. Seller hereby permits Parent and the Purchaser to publish and disclose in the Offer Documents and, if approval of the Company's stockholders is required under applicable law, the Proxy Statement (including all documents and

schedules filed with the Securities and Exchange Commission) its identity and ownership of the Tender Shares and the nature of its commitments, arrangements and understandings under this Agreement.

1.2 Voting. Seller hereby agrees that, during the time this Agreement is in effect, at any meeting of the stockholders of the Company, however called, Seller shall (a) vote the Tender Shares in favor of the Merger; (b) vote the Tender Shares against any action or agreement that would result in a breach of any covenant, representation or warranty or any other obligation or agreement of the Company under the Merger Agreement; and (c) vote the Tender Shares against any action or agreement (other than the Merger Agreement or the transactions contemplated thereby) that would impede, interfere with, delay, postpone or attempt to discourage the Merger or the Offer, including, but not limited to: (i) any extraordinary corporate transaction, such as a merger, consolidation or other business combination involving the Company or any of its subsidiaries; (ii) a sale or transfer of a material amount of assets of the Company or any of its subsidiaries or a reorganization, recapitalization or liquidation of the Company and its subsidiaries; (iii) any change in the management or board of directors of the Company, except as otherwise agreed to in writing by the Purchaser; (iv) any material change in the present capitalization or dividend policy of the Company; or (v) any other material change in the Company's corporate structure or business. Seller hereby revokes any proxy previously granted by him with respect to the Tender Shares.

1.3 Grant of Irrevocable Proxy; Appointment of Proxy.

(i) Seller hereby irrevocably grants to, and appoints, Guillaume Hannezo and Eric Lecoys, or either of them, in their respective capacities as officers or directors of Parent, and any individual who shall hereafter succeed to any such office or directorship of Parent, and each of them individually, Seller's proxy and attorney-in-fact (with full power of substitution), for and in the name, place and stead of Seller, to vote the Tender Shares in favor of the Merger and other transactions contemplated by the Merger Agreement, against any Acquisition Transaction and otherwise as contemplated by Section 1.2.

(ii) Seller represents that any proxies heretofore given in respect

of the Tender Shares are not irrevocable, and that any such proxies are hereby revoked.

(iii) Seller understands and acknowledges that Parent is entering into the Merger Agreement in reliance upon Seller's execution and delivery of this Agreement. Seller hereby affirms that the irrevocable proxy set forth in this Section 1.3 is given in connection with the execution of the Merger Agreement, and that such irrevocable proxy is given to secure the performance of the duties of Seller under this Agreement. Seller hereby further affirms that the irrevocable proxy is coupled with an interest and may under no circumstances be revoked. Seller hereby ratifies and confirms all that such irrevocable proxy may lawfully do or cause to be done by virtue hereof. Such irrevocable proxy is executed and intended to be irrevocable in accordance with the provisions of Section 212(e) of the Delaware General Corporation Law.

1.4 No Inconsistent Arrangements. Seller hereby covenants and agrees that, except as contemplated by this Agreement and the Merger Agreement, it shall not (i) except to Parent or the Purchaser, transfer (which term shall include, without limitation, any sale, gift,

pledge or other disposition), or consent to any transfer of, any or all of the Tender Shares or any interest therein, (ii) except with Parent, enter into any contract, option or other agreement or understanding with respect to any transfer of any or all of the Tender Shares or any interest therein, (iii) grant any proxy, power-of-attorney or other authorization in or with respect to the Tender Shares, (iv) deposit any Tender Shares into a voting trust or enter into a voting agreement or arrangement with respect to the Tender Shares or (v) take any other action that would in any way restrict, limit or interfere with the performance of its obligations hereunder or the transactions contemplated hereby or by the Merger Agreement or which would make any representation or warranty of Seller hereunder untrue or incorrect.

1.5 No Solicitation. Seller hereby agrees that it shall not, and shall not permit or authorize any of its affiliates, representatives or agents to, directly or indirectly, encourage, solicit, explore, participate in or initiate discussions or negotiations with, or provide or disclose any information to, any corporation, partnership, person or other entity or group (other than Parent, the Purchaser or any of their affiliates or representatives) concerning any Acquisition Transaction or enter into any agreement, arrangement or understanding requiring the Company to abandon, terminate or fail to consummate the Merger or any other transactions contemplated by the Merger Agreement. Seller will immediately cease any existing activities, discussions or negotiations with any parties conducted heretofore with respect to any Acquisition Transaction. From and after the execution of this Agreement, Seller shall immediately advise Parent in writing of the receipt, directly or indirectly, of any inquiries, discussions, negotiations or proposals relating to

an Acquisition Transaction, identify the offeror and furnish to Parent a copy of any such proposal or inquiry, if it is in writing, or a written summary of any oral proposal or inquiry relating to an Acquisition Transaction. Seller shall promptly advise Parent in writing of any development relating to such proposal, including the results of any discussions or negotiations with respect thereto. Any action taken by the Company or any member of the Board of Directors of the Company including, if applicable, any representative of Seller acting in such capacity, in accordance with the proviso to the second sentence of Section 6.10(a) of the Merger Agreement shall be deemed not to violate this Section 1.5.

1.6 Reasonable Best Efforts. Subject to the terms and conditions of this Agreement, Seller hereby agrees to use all reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective the transactions contemplated by this Agreement and the Merger Agreement. Seller shall promptly consult with Parent and provide any necessary information and material with respect to all filings made by Seller with any Governmental Entity in connection with this Agreement and the Merger Agreement and the transactions contemplated hereby and thereby.

1.7 Waiver of Appraisal Rights. Seller hereby waives any rights of appraisal or rights to dissent from the Merger that it may have.

1.8 Parent's Commitment to Purchase Owned Shares. Parent hereby agrees that, if (i) the Offer is terminated, abandoned or withdrawn by the Purchaser or (ii) the Offer is consummated and the Owned Shares are not purchased by the Purchaser pursuant to the Offer, then Parent will purchase or cause the Purchaser to purchase, the Owned Shares at a purchase price per share equal to the Offer Price (or such higher price as may be paid to tendering

shareholders pursuant to the Offer), on the 5th Business Day after the date of such termination, abandonment, withdrawal or consummation of the Offer; provided that (x) all waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"), and any equivalent foreign laws, required for the purchase of the Owned Shares upon such exercise shall have expired or been waived, (y) there shall not be in effect any preliminary or final injunction or other order issued by any court or governmental, administrative or regulatory agency or authority prohibiting the purchase of the Owned Shares pursuant to this Agreement and (z) Seller's representations and warranties herein shall be true in all material respects at such time.

1.9 Reasonable Efforts. Parent agrees (a) to cause the Purchaser to institute the Offer as soon as reasonably practicable after execution of this Agreement and the Merger Agreement and (b) to reasonably promptly file an application under the HSR Act and equivalent foreign laws to purchase the Owned Shares.

2. Expiration. This Agreement and the parties' obligations hereunder shall terminate on the earlier of the payment for the Owned Shares pursuant to the Offer or pursuant to Section 1.8 and the 181st day after the termination of the Merger Agreement.

3. Representation and Warranties. Seller hereby represents and warrants to Parent as follows:

(a) Title. Seller has good and valid title to the Owned Shares, free and clear of any lien, pledge, charge, encumbrance or claim of whatever nature, except the pledge of the Owned Shares to secure margin borrowings. Upon the purchase of the Tender Shares by Parent or the Purchaser, Seller will deliver good and valid title to the Tender Shares, free and clear of any lien, charge, encumbrance or claim of whatever nature.

(b) Ownership of Shares. On the date hereof, the Owned Shares are owned of record or beneficially by Seller and, on the date hereof, the Owned Shares constitute all of the Shares owned of record or beneficially by Seller. Seller has sole voting power and sole power of disposition with respect to all of the Owned Shares, with no restrictions, subject to applicable federal securities laws, on Seller's rights of disposition pertaining thereto.

(c) Power; Binding Agreement. Seller has the legal capacity, power and authority to enter into and perform all of its obligations under this Agreement. This Agreement has been duly and validly executed and delivered by Seller and constitutes a valid and binding agreement of Seller, enforceable against Seller in accordance with its terms.

(d) No Conflicts. Other than in connection with or in compliance with the provisions of the Exchange Act and the HSR Act, no authorization, consent or approval of, or filing with, any court or any public body or authority is necessary for the consummation by Seller of the transactions contemplated by this Agreement. Subject to the release of the margin loan pledge at or prior to the

purchase of the Owned Shares, the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not constitute a breach, violation or default (or any event which, with notice or lapse of time or both, would constitute a default) under, or result in the termination of, or accelerate the performance required by, or result in a right of termination or acceleration under, or result in the

creation of any lien, encumbrance, pledge, charge or claim upon any of the properties or assets of Seller under, any note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument to which Seller is a party or by which its properties or assets are bound.

(e) No Finder's Fees. No broker, investment banker, financial advisor or other person is entitled to any broker's, finder's, financial adviser's or other similar fee or commission in connection with the transactions contemplated hereby based upon arrangements made by or on behalf of Seller.

(f) Information. Seller understands and acknowledges that Parent and the Purchaser have been conducting a due diligence investigation of the Company and may have information which is material regarding the Company and its financial performance and prospects and which is not publicly disclosed. Seller agrees that it shall not take any action against Parent or the Purchaser in respect of such information.

4. Additional Shares. Seller hereby agrees, while this Agreement is in effect, to promptly notify Parent of the number of any new Shares acquired by Seller, if any, after the date hereof.

5. Further Assurances. From time to time, at the Parent's request and without further consideration, Seller shall execute and deliver such additional documents and take all such further action as may be reasonably necessary or desirable to consummate and make effective the transactions contemplated by Section 1 of this Agreement.

6. Miscellaneous.

6.1 Non-Survival. The representations and warranties made herein shall terminate upon Seller's sale of the Tender Shares to the Purchaser in the Offer or pursuant to Section 1.8, other than Seller's representations and warranties in Sections 3(a) and (b) which shall survive the sale of the Tender Shares and the termination of this Agreement following such sale.

6.2 Entire Agreement; Assignment. This Agreement (i) constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all other prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof and (ii) shall not be assigned by operation of law or otherwise, provided that Parent may assign its rights and obligations hereunder to any direct or indirect wholly owned subsidiary of Parent, but no such assignment shall relieve Parent of its obligations hereunder if such assignee does not perform such obligations.

6.3 Amendments. This Agreement may not be modified, amended, altered or supplemented, except upon the execution and delivery of a written agreement executed by the parties hereto.

6.4 Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given by hand delivery, telegram, telex or telecopy or by any courier service, such as Federal Express, providing proof of delivery. All communications hereunder shall be delivered to the respective parties at the following addresses:

If to Seller:

c/o Ardon Moore
Agent and Attorney-in-fact
201 Main Street,
Suite 3200
Fort Worth, Texas 76102
Fax: 817-

copy to Seller's Counsel:

Kelly, Hart & Hallman
201 Main Street
Suite 2500
Forth Worth, Texas 76102
Attention: F. Richard Bernasek
Fax: 817-878-9285

If to Parent:

VIVENDI
42 Avenue de Friedland
75380 Paris Cedex 08
France
Attention: Guillaume Hannezo
Fax: (011) 331-7171-1415

copy to:

Cabinet Bredin Prat
130 rue du Faubourg Saint Honore
75008
Paris
Attention: Elena M. Baxter, Esq.

Fax: (011) 331-4359-7001

and

Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, New York 10019
Attention: Trevor S. Norwitz, Esq.
Fax: (212) 403-2000

or to such other address as the person to whom notice is given may have previously furnished to the others in writing in the manner set forth above.

6.5 Governing Law; Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, regardless of the laws that might otherwise govern under applicable principles of conflicts of laws thereof. Each of Seller, Parent and the Purchaser irrevocably submits to the exclusive jurisdiction of any Delaware state or federal court sitting in the State of Delaware in any action arising out of or relating to this Agreement, hereby irrevocably agrees that all claims in respect of such action may be heard and determined in such Delaware state or federal court, and hereby irrevocably waives, to the fullest extent it may effectively do so, the defense of an inconvenient forum to the maintenance of such action or proceeding.

6.6 Specific Performance. Each of Parent and Seller recognizes and acknowledges that a breach by it of any covenants or agreements contained in this Agreement will cause the other to sustain damages for which it would not have an adequate remedy at law, and therefore each of Parent and Seller agrees that in the event of any such breach the other shall be entitled to the remedy of specific performance of such covenants and agreements and injunctive and other equitable relief in addition to any other remedy to which it may be entitled, at law or in equity.

6.7 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same Agreement.

6.8 Descriptive Headings. The descriptive headings used herein are inserted for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

6.9 Severability. Whenever possible, each provision or portion of any provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law but if any provision or portion of any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such

invalidity, illegality or unenforceability will not affect any other provision or portion of any provision in such jurisdiction, and this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision or portion of any provision had never been contained herein.

* * *

9

IN WITNESS WHEREOF, Parent and Seller have caused this Agreement to be duly executed as of the day and year first above written.

VIVENDI

By: /s/ Jean-Marie Messier

Name: Jean-Marie Messier
Title: Chairman and Chief Executive Officer

SELLERS

/s/ Lee M. Bass*

Name: Lee M. Bass

/s/ John A. Cardwell*

Name: John A. Cardwell

/s/ Jeffrey L. Hart*

Name: Jeffrey L. Hart

/s/ Fine Line Inc.*

Name: Fine Line Inc.

/s/ William P. Hallman, Jr.*

Name: William P. Hallman, Jr.

/s/ Peter Sterling*

Name: Peter Sterling

/s/ Ardon E. Moore

Name: Ardon E. Moore

/s/ Jason M. Taylor Grantor Trust*

Name: Jason M. Taylor Grantor Trust

/s/ Rhonda Leigh Taylor Grantor Trust*

Name: Rhonda Leigh Taylor Grantor Trust

/s/ Agua Partners*

Name: Agua Partners

* By: /s/ Ardon E. Moore

Ardon E. Moore, Agent
and Attorney-in-Fact

ANNEX A

<TABLE>
<CAPTION>

Seller	Shares Beneficially Owned
<S>	<C>
Lee M. Bass	4,857,277
John A. Cardwell	216,000
Jeffrey L. Hart	72,000
Fine Line Inc.	1,231,559
William P. Hallman, Jr	61,578
Peter Sterling	61,578
Ardon E. Moore	148,480
Jason M. Taylor Grantor Trust	30,789
Ronda Leigh Taylor Grantor Trust	30,789
Agua Partners	1,289,950

</TABLE>

EXHIBIT (c)(4)

EXECUTION COPY

MANAGEMENT SUPPORT AGREEMENT

SUPPORT AGREEMENT (this "Agreement"), dated as of March 22, 1999, by and between Vivendi, a societe anonyme organized under the laws of France ("Parent"), and Richard J. Heckmann ("Seller").

WHEREAS, concurrently herewith, Parent, Eau Acquisition Corp. (the "Purchaser"), a Delaware corporation and a subsidiary of Parent, and United States Filter Corporation (the "Company"), a Delaware corporation, are entering into an Agreement and Plan of Merger of even date herewith (the "Merger Agreement", which term shall not include any amendment to such Agreement which decreases the Offer Price or changes the form of consideration payable in the Offer, unless Seller consents to the inclusion of such amendment in such term). Capitalized terms used but not defined herein shall have the meanings set forth in the Merger Agreement, pursuant to which the Purchaser agrees to make a tender offer (the "Offer") for all outstanding Shares of the Company, at $31.50 per Share (the "Offer Price") net to the seller in cash, to be followed by a merger (the "Merger") of the Purchaser with and into the Company;

WHEREAS, as of the date hereof, Seller is an executive officer of the Company beneficially owns directly 647,658 Shares (the "Owned Shares") and options to acquire 761,650 Shares, and other equity-linked securities and arrangements (the "Options");

WHEREAS, as a condition to their willingness to enter into the Merger Agreement and make the Offer, Parent and the Purchaser have required that Seller agree, and Seller hereby agrees, (i) to tender pursuant to the Offer the Owned Shares, together with any Shares acquired after the date hereof and prior to the termination of the Offer, whether upon the exercise of Options, conversion of convertible securities or otherwise (collectively, the "Tender Shares") on the terms and subject to the conditions provided for in this Agreement and (ii) to enter into the other agreements set forth herein; and

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration given to each party hereto, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Agreement to Tender and to Vote.

1.1 Tender. Seller hereby agrees to validly tender (or cause the record owner of such shares to validly tender), pursuant to and in accordance with the terms of the Offer, as soon as practicable after commencement of the Offer but in no event later than ten business days after the date of commencement of the Offer, the Tender Shares by physical delivery of the

certificates therefor and to not withdraw such Tender Shares, except following termination of the Offer pursuant to its terms. Seller hereby acknowledges and agrees that Parent's and the Purchaser's obligation to accept for payment and pay for the Tender Shares is subject to the terms and conditions of the Offer. Seller hereby permits Parent and the Purchaser to publish and disclose in the Offer Documents and, if approval of the Company's stockholders is required

under applicable law, the Proxy Statement (including all documents and schedules filed with the Securities and Exchange Commission) its identity and ownership of the Tender Shares and the nature of its commitments, arrangements and understandings under this Agreement.

1.2 Voting. Seller hereby agrees that, during the time this Agreement is in effect, at any meeting of the stockholders of the Company, however called, Seller shall (a) vote the Tender Shares in favor of the Merger; (b) vote the Tender Shares against any action or agreement that would result in a breach of any covenant, representation or warranty or any other obligation or agreement of the Company under the Merger Agreement; and (c) vote the Tender Shares against any action or agreement (other than the Merger Agreement or the transactions contemplated thereby) that would impede, interfere with, delay, postpone or attempt to discourage the Merger or the Offer, including, but not limited to: (i) any extraordinary corporate transaction, such as a merger, consolidation or other business combination involving the Company or any of its subsidiaries; (ii) a sale or transfer of a material amount of assets of the Company or any of its subsidiaries or a reorganization, recapitalization or liquidation of the Company and its subsidiaries; (iii) any change in the management or board of directors of the Company, except as otherwise agreed to in writing by the Purchaser; (iv) any material change in the present capitalization or dividend policy of the Company; or (v) any other material change in the Company's corporate structure or business. Seller hereby revokes any proxy previously granted by him with respect to the Tender Shares.

1.3 Grant of Irrevocable Proxy; Appointment of Proxy.

(i) Seller hereby irrevocably grants to, and appoints, Michel Avenas, Christian G. Farman and Jean-Marie Messier, or any of them, in their respective capacities as officers of the Purchaser or Parent, and any individual who shall hereafter succeed to any such office of the Purchaser or Parent, and each of them individually, Seller's proxy and attorney-in-fact (with full power of substitution), for and in the name, place and stead of Seller, to vote the Tender Shares in favor of the Merger and other transactions contemplated by the Merger Agreement, against any Acquisition Transaction and otherwise as contemplated by Section 1.2.

(ii) Seller represents that any proxies heretofore given in respect of the Tender Shares are not irrevocable, and that any such proxies are hereby revoked.

(iii) Seller understands and acknowledges that Parent is entering into the Merger Agreement in reliance upon Seller's execution and delivery of this Agreement. Seller hereby affirms that the irrevocable proxy set forth in this Section 1.3 is given in connection with the execution of the Merger Agreement, and that such irrevocable proxy is given to secure the performance of the duties of Seller under this Agreement consistent with Seller's duties as an officer or Director of the Company and in accordance with the terms of the Merger Agreement. Seller hereby further affirms that the irrevocable proxy is coupled with an interest and may under no circumstances be revoked. Seller hereby ratifies and confirms all that such irrevocable proxy may lawfully do or cause to be done by virtue hereof. Such irrevocable proxy is executed and intended to be irrevocable in accordance with the provisions of Section 212(e) of the Delaware General Corporation Law.

1.4 No Inconsistent Arrangements. Seller hereby covenants and agrees that, except as contemplated by this Agreement and the Merger Agreement, it shall not (i) except to the Purchaser, transfer (which term shall include, without limitation, any sale, gift, pledge or other disposition), or consent to any transfer of, any or all of the Options or Tender Shares or any interest therein, (ii) except with Parent, enter into any contract, option or other agreement or understanding with respect to any transfer of any or all of the Options or Tender Shares or any interest therein, (iii) grant any proxy, power-of-attorney or other authorization in or with respect to the Options or Tender Shares, (iv) deposit any Options or Tender Shares into a voting trust or enter into a voting agreement or arrangement with respect to the Tender Shares or (v) take any other action that would in any way restrict, limit or interfere with the performance of its obligations hereunder or the transactions contemplated hereby or by the Merger Agreement or which would make any representation or warranty of Seller hereunder untrue or incorrect.

1.5 No Solicitation. Seller hereby agrees that it shall not, and shall not permit or authorize any of its affiliates, representatives or agents to, directly or indirectly, encourage, solicit, explore, participate in or initiate discussions or negotiations with, or provide or disclose any information to, any corporation, partnership, person or other entity or group (other than Parent, the Purchaser or any of their affiliates or representatives) concerning any Acquisition Transaction or enter into any agreement, arrangement or understanding requiring the Company to abandon, terminate or fail to consummate the Merger or any other transactions contemplated by the Merger Agreement. Seller will immediately cease any existing activities, discussions or negotiations with any parties conducted heretofore with respect to any Acquisition Transaction. From and after the execution of this Agreement, Seller shall immediately advise Parent in writing of the receipt, directly or indirectly, of any inquiries, discussions, negotiations or proposals relating to an Acquisition Transaction, identify the offeror and furnish to Parent a copy of any such proposal or inquiry, if it is in writing, or a written summary of any

oral proposal or inquiry relating to an Acquisition Transaction. Seller shall promptly advise Parent in writing of any development relating to such proposal, including the results of any discussions or negotiations with respect thereto. Any action taken by the Company or any member of the Board of Directors of the Company including, if applicable, any representative of Seller acting in such capacity, in accordance with the proviso to the second sentence of Section 6.10(a) of the Merger Agreement shall be deemed not to violate this Section 1.5.

1.6 Reasonable Best Efforts. Subject to the terms and conditions of this Agreement, Seller hereby agrees to use all reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective the transactions contemplated by this Agreement and the Merger Agreement. Seller shall promptly consult with Parent and provide any necessary information and material with respect to all filings made by Seller with any Governmental Entity in connection with this Agreement and the Merger Agreement and the transactions contemplated hereby and thereby.

1.7 Waiver of Appraisal Rights. Seller hereby waives any rights of appraisal or rights to dissent from the Merger that it may have.

1.8 Option; Payment for Tender Shares in Excess of the Offer Price.

(a) In order to induce Parent and Purchaser to enter into the Merger Agreement, Seller hereby grants to Parent an irrevocable option (the "Stock Option") to purchase the Tender Shares at a purchase price per share equal to the Offer Price (the "Purchase Price"), on the terms described below. If (i) the Tender Shares are purchased pursuant to the Offer, (ii) the Merger Agreement is terminated pursuant to Section 8.1 (e), (f) or (g), or the Offer is terminated following the failure of any of the conditions set forth in clauses (c) or (e) of Annex I of the Merger Agreement to be satisfied, the Stock Option shall, in either such case, become exercisable in whole or in part upon the first to occur of either such event and remain exercisable, in whole or in part, until the date which is 120 days after the date of the occurrence of such event; provided that the Stock Option may only be exercised if (x) all waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"), and any equivalent foreign laws, required for the purchase of the Tender Shares upon such exercise shall have expired or been waived (and such 120-day period shall be tolled if it would otherwise expire pending such expiration or waiver) and (ii) there shall not be in effect any preliminary or final injunction or other order issued by any court or governmental, administrative or regulatory agency or authority prohibiting the exercise of the Stock Option pursuant to

this Agreement. In the event that Parent wishes to exercise the Stock Option, Parent shall send a written notice (the "Notice") to Seller identifying the place and date (not less than one nor more than 20 business days from the date of the Notice) for the closing of such purchase.

(b) Seller hereby agrees that any incremental value Seller has in the equity of the Company (including any Shares and Options beneficially owned by Seller) resulting from or attributable to an Acquisition Transaction (other than with Parent or the Purchaser) that is entered into or consummated within 12 months of the termination of the Merger Agreement that exceeds $31.50 per share (an "Excess Amount") shall belong to Parent. Seller accordingly agrees to hold in trust for the benefit of Parent, and to remit to Parent within two days of any receipt thereof (or, if earlier, entitlement to receive), any Excess Amount or Amounts that Seller shall receive or be entitled to receive from any person. Seller acknowledges that this provision is a material inducement to Parent and Purchaser to enter into this Agreement, and is intended to ensure that Seller would not have a personal incentive to favor a competing transaction over the transactions contemplated by the Merger Agreement. Accordingly, Seller hereby agrees to reimburse Parent and Purchaser for any fees and expenses (including reasonable attorneys fees) incurred by Parent and Purchaser in connection with any successful litigation, dispute or other attempt to recover Excess Amounts.

2. Expiration. This Agreement and Seller's obligation to tender provided hereto shall terminate on the earlier of the payment for the Shares pursuant to the Offer and the 181st day after the termination of the Merger Agreement.

3. Representation and Warranties. Seller hereby represents and warrants to Parent as follows:

(a) Title. Seller has good and valid title to the Owned Shares, free and clear of any lien, pledge, charge, encumbrance or claim of whatever nature and, upon the purchase of the Tender Shares by the Purchaser, Seller will deliver good and valid title to the Tender Shares, free and clear of any lien, charge, encumbrance or claim of whatever nature.

(b) Ownership of Shares. On the date hereof, the Owned Shares are owned of record or beneficially by Seller and, on the date hereof, the Owned Shares constitute all of the Shares owned of record or beneficially by Seller. Seller has sole voting power and

sole power of disposition with respect to all of the Owned Shares, with no restrictions, subject to applicable federal securities laws, on Seller's rights of disposition pertaining thereto.

(c) Power; Binding Agreement. Seller has the legal capacity, power and authority to enter into and perform all of its obligations under this Agreement. The execution, delivery and performance of this Agreement by Seller will not violate any other agreement to which Seller is a party including, without limitation, any voting agreement, stockholders agreement or voting trust. This Agreement has been duly and validly executed and delivered by Seller and constitutes a valid and binding agreement of Seller, enforceable against Seller in accordance with its terms.

(d) No Conflicts. Other than in connection with or in compliance with the provisions of the Exchange Act and the HSR Act, no authorization, consent or approval of, or filing with, any court or any public body or authority is necessary for the consummation by Seller of the transactions contemplated by this Agreement. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not constitute a breach, violation or default (or any event which, with notice or lapse of time or both, would constitute a default) under, or result in the termination of, or accelerate the performance required by, or result in a right of termination or acceleration under, or result in the creation of any lien, encumbrance, pledge, charge or claim upon any of the properties or assets of Seller under, any note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument to which Seller is a party or by which its properties or assets are bound.

(e) No Finder's Fees. No broker, investment banker, financial advisor or other person is entitled to any broker's, finder's, financial adviser's or other

similar fee or commission in connection with the transactions contemplated hereby based upon arrangements made by or on behalf of Seller.

4. Additional Shares. Seller hereby agrees, while this Agreement is in effect, to promptly notify Parent of the number of any new Shares acquired by Seller, if any, after the date hereof.

5. Further Assurances. From time to time, at the Parent's request and without further consideration, Seller shall execute and deliver such additional documents and take all such further action as may be reasonably

necessary or desirable to consummate and make effective the transactions contemplated by Section 1 of this Agreement.

6. Miscellaneous.

6.1 Non-Survival. The representations and warranties made herein shall terminate upon Seller's sale of the Tender Shares to the Purchaser in the Offer or pursuant to exercise of the Stock Option, other than Seller's representation and warranty in Sections 3(a) and (b) which shall survive the sale of the Tender Shares and the termination of this Agreement following such sale.

6.2 Entire Agreement; Assignment. This Agreement (i) constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all other prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof and (ii) shall not be assigned by operation of law or otherwise, provided that Parent may assign its rights and obligations hereunder to any direct or indirect wholly owned subsidiary of Parent, but no such assignment shall relieve Parent of its obligations hereunder if such assignee does not perform such obligations.

6.3 Amendments. This Agreement may not be modified, amended, altered or supplemented, except upon the execution and delivery of a written agreement executed by the parties hereto.

6.4 Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given by hand delivery, telegram, telex or telecopy or by any courier service, such as Federal Express, providing proof of delivery. All communications hereunder shall be delivered to the respective parties at the following addresses:

If to Seller:

c/o United States Filter Corporation
40-004 Code Street
Palm Desert, California 92211

copy to Seller's Counsel:

Diamond & Ostrow LLP
1900 Avenue of the Stars, Suite 600
Los Angeles, California 90067
Telecopy: 310-785-9555
Attention: Michael H. Diamond

If to Parent:

Vivendi
42, Avenue de Friedland
75380 Paris Cedex 08
France
Attention: Guilluame Hannezo
Fax: (011) 331-71-71-14-15

copy to:

Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, New York 10019
Attention: Daniel A. Neff, Esq.
Trevor S. Norwitz, Esq.
Fax: (212) 403-2000

and

Cabinet Bredin Prat
130 rue du Faubourg Saint Honore
75008 Paris Cedex
France
Attention: Elena M. Baxter, Esq.
Fax: (011) 331-4359-7001

or to such other address as the person to whom notice is given may have previously furnished to the others in writing in the manner set forth above.

6.5 Governing Law; Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, regardless of the laws that might otherwise govern under applicable principles of conflicts of laws thereof. Each of Seller, Parent and the Purchaser irrevocably submits to the exclusive jurisdiction of any Delaware state or federal court sitting in the State of Delaware in any action arising out of or relating to this Agreement, hereby irrevocably agrees that all claims in respect of such action may be heard and determined in such Delaware state or federal court, and hereby irrevocably waives, to the fullest

extent it may effectively do so, the defense of an inconvenient forum to the maintenance of such action or proceeding.

6.6 Specific Performance. Seller recognizes and acknowledges that a breach by it of any covenants or agreements contained in this Agreement will cause Parent to sustain damages for which it would not have an adequate remedy at law, and therefore Seller agrees that in the event of any such breach Parent

shall be entitled to the remedy of specific performance of such covenants and agreements and injunctive and other equitable relief in addition to any other remedy to which it may be entitled, at law or in equity.

6.7 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same Agreement.

6.8 Descriptive Headings. The descriptive headings used herein are inserted for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

6.9 Severability. Whenever possible, each provision or portion of any provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law but if any provision or portion of any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or portion of any provision in such jurisdiction, and this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision or portion of any provision had never been contained herein.

* * *

IN WITNESS WHEREOF, Parent and Seller have caused this Agreement to be duly executed as of the day and year first above written.

VIVENDI

By: /s/ Jean-Marie Messier

Name: Jean-Marie Messier
Title: Chairman and Chief Executive Officer

RICHARD J. HECKMANN

/s/ Richard J. Heckmann

Name: Richard J. Heckmann

EXHIBIT (c)(5)

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "Agreement"), dated as of March 22, 1999, among United States Filter Corporation (the "Company"), Vivendi ("Parent") and Richard J. Heckmann (the "Employee").

WITNESSETH

WHEREAS, Employee is currently Chairman of the Board of Directors, Chief Executive Officer and President of the Company; and

WHEREAS, the Company has entered, as of even date herewith, into that certain Agreement and Plan of Merger (the "Merger Agreement") by and among Parent, Eau Acquisition Corp. and the Company, dated as of March 22, 1999, pursuant to which, among other things, the Company shall become a subsidiary of Parent (such transaction or series of transactions, the "Transaction"); and

WHEREAS, Parent desires to insure the continued availability to the Company of the Employee's services, managerial skills and business experience following consummation of the Transaction and his commitment not to compete with the Company for a certain period of time, and the Employee is willing to render such services and provide such commitment, all upon and subject to the terms and conditions contained in this Agreement; and

WHEREAS, the Employee and the Company previously entered into a certain written First Amended and Restated Employment Agreement, effective as of September 30, 1998 (the "Prior Agreement"), and now desire to supercede the Prior Agreement in its entirety, contingent upon consummation of the Transaction; and

WHEREAS, in addition to the terms and conditions of employment set forth herein, the parties wish to set forth herein provisions with respect to certain payments being made to the Employee pursuant to the Prior Agreement and the Merger Agreement.

NOW THEREFORE, in consideration of the premises and the mutual covenants set forth in this Agreement, the Company and the Employee agree as follows:

1. Employment and Employment Term.

(a) Employment.

Subject to the terms and provisions set forth in this Agreement, the Company hereby employs the Employee during the Employment Term (as hereinafter defined) as Chairman of the Board of Directors of the

Company (the "Board") and its Chief Executive Officer, and Parent agrees to cause the Employee to be elected as Chairman of the Board, a member of the Executive Committee of Vivendi Water Branch, and a director of Generale des Eaux during the Employment Term, and the Employee hereby accepts such employment.

(b) Employment Term.

The period of employment under this Agreement (the "Employment Term") shall commence as of the date on which the Effective Time (as defined in the Merger Agreement) occurs (the "Effective Date") and shall continue for a period of four (4) years thereafter, or until earlier terminated as herein provided.

2. Positions, Responsibilities and Duties.

(a) In General.

During the Employment Term, the Employee shall be employed as, and the Company shall at all times cause the Employee to be, the Chief Executive Officer of the Company. In addition, Parent agrees to cause the Employee to be elected as Chairman of the Board, a member of the Executive Committee of Vivendi Water Branch, and a director of Generale des Eaux during the Employment Term. In such positions, the Employee shall have the duties, responsibilities and authority normally associated with the office and position of chairman and chief executive officer of a corporation of the Company's size and type and as a director of companies of the size and type of Vivendi Water Branch and Generale des Eaux. No other employee of the Company shall have authority and responsibilities that are equal to or greater than those of the Employee. All other officers and other employees of the Company shall report directly to the Employee or the Employee's designees. The Employee will be responsible in conjunction with the President of Generale des Eaux for studying and implementing the world-wide integration of Vivendi Water Branch and the Company. The Employee will report to the Chairman of Parent and the Chairman of Generale des Eaux in the context of such integration. The Chairman of Parent and the Employee may mutually agree to provide the Employee with specific responsibilities or projects on a case-by-case basis in the context of the development of Parent's world-wide operations and activities (e.g., developing opportunities for initial public offerings of Parent's United States utilities and related entities).

(b) Time.

During the Employment Term, the Employee shall devote such time as is reasonably necessary to perform the duties associated with his

offices and positions as set forth herein and shall use his best efforts to perform faithfully and efficiently the duties and responsibilities contemplated by this Agreement. Notwithstanding the foregoing, the Employee may devote reasonable time to activities other than those required under this Agreement, including the supervision of his personal investments, and activities involving professional, charitable, educational, religious and similar types of organizations, speaking engagements, membership on the boards of directors of other corporations, and similar type activities, to the extent that such other activities do not inhibit or prohibit the performance of the Employee's duties under this Agreement or conflict in any way with the business of the Com-

pany; provided, however, that the Employee shall not serve on the board of any commercial business or hold any other position with respect to any commercial business without the consent of the Board, which consent shall not be unreasonably withheld.

3. Compensation and Benefits.

(a) Base Salary.

During the Employment Term, the Employee shall receive an initial base salary ("Base Salary") of $950,000 per annum, payable in accordance with the Company's payroll practices generally applicable to the Company's senior executives. Such Base Salary shall be reviewed for increase but not decrease by the Board not less frequently than annually during the Employment Term. In conducting any such annual review, the Board shall take into account any change in the Employee's responsibilities, increases in the compensation of other senior executives of the Company or of its competitors or other comparable executives and companies, the performance of the Employee and other pertinent factors. If increased, such increased Base Salary shall then constitute "Base Salary" for purposes of this Agreement.

(b) Cash Incentive Compensation.

(i) During the Employment Term, the Employee shall be entitled to participate in all incentive compensation plans and programs maintained generally by the Company for the benefit of its senior executives.

(ii) Without limiting the foregoing, for each fiscal year of the Company ending with or within the Employment Term, the Employee shall have the opportunity to earn an annual

incentive of not less than sixty percent (60%) of his then current Base Salary, subject to such performance goals as may from time to time be determined by the Executive Committee of Parent. Each such annual incentive shall be paid at the same time that annual incentives are generally paid to the Company's other senior executives, but no later than the end of the third month of the fiscal year next following the fiscal year for which such annual incentive is paid, unless the Employee shall elect prior to the year to which such annual incentive relates to defer the receipt or alter the payment thereof.

(c) Equity Grant.

In consideration for the Employee's services hereunder and the covenants set forth in Section 7, the Company shall, or the Parent shall on behalf of the Company in satisfaction of the Company's obligation, deliver to the Employee an aggregate of 289,056 shares of Parent common stock (the "Stock Grant"), subject to the terms of this Section 3(c). On each of the first four (4) anniversaries of the Effective

Date (each, a "Grant Date"), the Company shall, or the Parent shall on behalf of the Company, deliver to the Employee 72,264 shares of Parent common stock, representing one quarter (1/4) of the Stock Grant, if the Employee is employed hereunder as of such Grant Date; provided, however, that in the event that the Employee's employment hereunder is terminated because of his death or Disability, that portion of the Stock Grant not already delivered to the Employee shall be immediately delivered to the Employee (or his estate or beneficiaries, if applicable); and provided, further, that if the Employee's employment hereunder is terminated by the Employee for Good Reason (as defined in Section 4(b)(iv)) or by the Company without Cause (as defined in Section 4(b)(vii)), the portions of the Stock Grant not already delivered shall be delivered on the scheduled Grant Dates so long as the Employee is not in violation of Section 7(b) (as determined, if applicable, by arbitration under Section 9(i)) and the Employee provides consulting services to the Company during the remainder of the scheduled Employment Term, as may be reasonably requested by the Parent Executive Committee from time to time, for which services the Company shall reimburse the Employee for his reasonable expenses incurred in the performance thereof. In the event that the Employee's employment hereunder is terminated by the Employee without Good Reason (as defined in Section 4(b)(iv)), or by the Company for Cause (as defined in Section 4(b)(vii)) or the Employee violates Section 7(b) (as

determined, if applicable, by arbitration under Section 9(i)), the Employee shall forfeit all rights to receive any portion of the Stock Grant for which the Grant Date had not occurred as of the Date of Termination. The number and kind of shares to be granted under this Section 3(c) shall be equitably adjusted to reflect changes in Parent's capitalization, such as a stock split or extraordinary dividend, or corporate transactions, such as a merger, spin-off, recapitalization or consolidation. With respect to each share of Parent common stock to be granted under this Section 3(c) that has not been forfeited and with respect to which the Employee (or his estate or beneficiaries, if applicable) has not yet become a shareholder, the Company shall pay to the Employee an amount in cash equal to the regular quarterly cash dividend, if any, paid by the Parent on its common stock. Such payment shall be made within ten (10) days following the applicable dividend payment date.

(d) Employee Benefits.

During the Employment Term, the Employee and/or the Employee's family, as the case may be, shall be entitled to participate in employee benefit plans and programs provided or maintained generally by the Company to its senior executives (including, without limitation, pension, profit sharing, savings, medical, disability, life and accident plans and programs and deferred compensation plans and programs).

(e) Vacation and Fringe Benefits.

(i) During the Employment Term, the Employee shall be entitled to paid vacation and fringe benefits as provided generally to senior executives of the Company.

(ii) Without limiting the foregoing, during the Employment Term, the Company will lease for the Employee an automobile for the Employee's business and private use, the make and model of which shall be at least comparable to the make and model provided to the Employee immediately preceding the Effective Date, and the Company will pay all deposit requirements, servicing and maintenance costs, insurance premiums and the cost of the gasoline for authorized business use. The term of any one such automobile lease shall not exceed thirty-six (36) months other than at the discretion of the Employee.

(f) Office and Support Staff.

During the Employment Term, the Employee shall be entitled to an

office or offices of a size and with furnishings and other appointments, and to personal secretarial and other assistance, at least substantially equivalent to that provided to the Employee as of the date of this Agreement.

(g) Expense Reimbursement.

During the Employment Term, the Employee shall be entitled to receive prompt reimbursement for all usual, customary and reasonable, business-related expenses incurred by the Employee in performing his duties and responsibilities hereunder in accordance with the practices and procedures of the Company as in effect with respect to senior executives of the Company.

(h) Indemnification.

The Company shall maintain directors and officers liability insurance in commercially reasonable amounts (as reasonably determined by the Board) to the extent provided as of the date of this Agreement, and the Employee shall be covered under such insurance to the same extent as other directors and senior executives of the Company. The Employee shall be eligible for indemnification by the Company under the Company by-laws as currently in effect, and the Company agrees that it shall not take any action that would impair the Employee's rights to indemnification under the Company by-laws, as currently in effect.

(i) Payments and Benefits in Connection with the Transaction.

The Employee shall, as of the Effective Date, be entitled to receive a lump sum in cash from the Company equal to five (5) times the sum of (x) his Base Salary in

effect as of the Effective Date, plus (y) the Employee's target bonus under the Company's Annual Incentive Compensation Plan for the year in which the Effective Date occurs. Such amount shall be paid to the Employee within five (5) business days following the Effective Date (provided such amount has not been paid under the Prior Agreement or the Company's Executive Severance Pay Plan prior to such date) but in no event shall such amount exceed $7,500,000. In addition, the Employee's benefit in the U.S. Filter Supplemental Executive Retirement Plan shall become fully vested as of the Effective Date.

4. Termination of Employment.

(a) Termination Due to Death or Disability.

The Company may terminate the Employee's employment hereunder due to Disability (as hereinafter defined). In the event of the Employee's death or a termination of the Employee's employment by the Company due to Disability, the Employee or his estate or his legal representative, as the case may be, shall be entitled to receive from the Company:

(i) any unpaid Base Salary through the Date of Termination (as defined in Section 4(b)(iv));

(ii) an immediate lump sum in cash equal to the minimum annual incentive (determined without regard to any performance goals) provided by Section 3(b)(ii) for the year in which the Date of Termination (as defined in Section 4(b)(iv)) occurs multiplied by a fraction, the numerator of which is the number of days of such fiscal year through such Date of Termination and the denominator of which is 365;

(iii) an immediate lump sum amount equal to the sum of (A) two times the minimum annual incentive (determined without regard to any performance goals) provided by Section 3(b)(ii) for the year in which the Date of Termination (as defined in Section 4(b)(iv)) occurs plus (B) twenty-four (24) times the monthly rate of Base Salary at the rate in effect on the Date of Termination (as defined in Section 4(b)(iv));

(iv) a lump sum amount, payable within five (5) days following the Date of Termination (as defined in Section 4(b)(iv)), in respect of any deferred compensation (including, without limitation, interest or other credits on such deferred amounts), any accrued vacation pay and any reimbursement for expenses incurred but not yet paid prior to such Date of Termination; and

(v) any other compensation or benefits which may be owed or provided to or in respect of the Employee in accordance with the terms and provisions of this Agreement or any plans and programs of the Company.

For purposes of this Agreement, "Disability" means the Employee's inability to render, for a period of six (6) consecutive months, services hereunder by reason of permanent disability, as determined by the written medical opinion of an independent medical physician mutually acceptable to the Employee and the Company. If the Employee

and the Company cannot agree as to such an independent medical physician each shall appoint one medical physician and those two physicians shall appoint a third physician who shall make such determination.

(b) Termination for Any Other Reason.

(i) In the event that the Employee's employment hereunder is terminated by the Employee for Good Reason (as defined in Section 4(b)(v)) or by the Company without Cause (as defined in Section 4(b)(vii)) (other than for Disability), then the Company shall pay the Employee (A) any unpaid Base Salary through the Date of Termination (as defined in Section 4(b)(iv)), plus (B) an amount equal to the minimum annual incentive (determined without regard to any performance goals) provided in Section 3(b)(ii) for the year in which the Date of Termination (as defined in Section 4(b)(iv)) occurs multiplied by a fraction, the numerator of which is the number of days from the beginning of such fiscal year through such Date of Termination (as defined in Section 4(b)(iv)), and the denominator of which is 365, plus (C) any previously vested benefits, such as previously vested retirement benefits, plus (D) any deferred compensation (including, without limitation, interest or other credits on such deferred amounts), any accrued vacation pay and any reimbursement for expenses incurred but not yet paid prior to such Date of Termination (collectively, the "Accrued Obligations").

(ii) Furthermore, and in addition to the foregoing, in the event that the Employee's employment with the Company is terminated by the Employee for Good Reason or by the Company without Cause (other than Disability), then the Company shall also pay the Employee, within five (5) business days following the Date of Termination (as defined in Section 4(b)(iv)), a lump sum in cash equal to the number of years (including fractions thereof) remaining in the Employment Term (without taking into account such early termination thereof) multiplied by the sum of (x) his then current Base Salary plus (y) the target annual incentive bonus for the year in which such Date of Termination occurs (determined without regard to any performance goals).

(iii) In the event that the Employee's employment hereunder is terminated by the Employee without Good Reason or by the Company for Cause, the Company shall pay the Employee the Accrued Obligations (other than the amounts under Section 4(b)(i)(B)).

(iv) For purposes of this Agreement, "Date of Termination" means (A) in the case of Disability, the last day of the six (6) month period referred to in Section 4(a), and (B) in all other cases, the actual date on which the Employee's employment terminates during the Term of Employment.

(v) For purposes of this Agreement, "Good Reason" for the Employee's termination of his employment hereunder shall mean, without the Employee's prior written consent, (A) the relocation of the Company's principal offices more than 150 miles from its location immediately prior to the Effective Date or the Company requiring the Employee to be based at any location other than such principal offices, (B) a breach by the Company of any material provision of this Agreement which is not cured within five (5) business days following written notification of such breach, or (C) the occurrence of a Change in Control (as defined in Section 4(b)(vi)).

(vi) "Change in Control" shall mean the occurrence of any of the following:

(A) the acquisition by any Person (including any group deemed to be a "person" under Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or any successor provision to either of the foregoing) of direct or indirect "beneficial ownership" (within the meaning of Rule 13d-3 under the Exchange Act) of securities of the Parent representing 50% or more of the combined voting power of the securities of the Parent;

(B) during any period of two (2) consecutive years (not including any period prior to the Effective Date), individuals who at the beginning of such period constitute the board of directors of Parent (the "Parent Board"), and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of Parent) whose election by the Parent Board or nomination for election by the Parent's stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority thereof;

(C) there is consummated a merger, consolidation,

recapitalization, reorganization or other similar transaction (any such transaction, a "Business Combination") between the Parent or any direct or indirect subsidiary of the Parent and any other corporation, other

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than (1) a Business Combination which would result in the voting securities of the Parent outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) at least 50% of the combined voting power of the securities of the Parent or such surviving entity or any parent thereof outstanding immediately after such Business Combination, or (2) a merger or consolidation effected to implement a recapitalization of the Parent (or similar transaction) in which no Person is or becomes the "beneficial owner," directly or indirectly, of securities of the Parent representing 50% or more of the combined voting power of the Parent's then outstanding securities;

(D) the Parent is placed under judicial administration or supervision in connection with the Parent's filing for bankruptcy;

(E) there is consummated an agreement for the sale or disposition by the Parent of all or substantially all of the Parent's assets, other than a sale or disposition by the Parent of all or substantially all of the Parent's assets to an entity, at least 50% of the combined voting power of the voting securities of which are owned by stockholders of the Parent in substantially the same proportions as their ownership of the Parent immediately prior to such sale;

(F) the Parent ceases to be the beneficial owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's securities; or

(G) there is consummated a sale or other disposition of all or substantially all of the assets of the Company, other than a sale or disposition of all or substantially all of the Company's assets to an entity, at least 50% of the combined voting power of the voting securities of

which are owned by stockholders of the Parent in substantially the same proportions as their ownership of the Parent immediately prior to such sale.

(vii) Termination by the Company of the Employee for "Cause" as used in this Agreement shall be limited to the following: the Employee's conviction of, or a plea of guilty to, a felony involving moral turpitude or willful violation of Section 7(b) or the Employee's willful gross negligence, material misconduct or material breach of this Agreement, resulting in material injury to the Company. For purposes of this definition, no act, or failure to act, on the Executive's part shall be deemed "willful" unless done, or omitted to be done, by the Executive not in

good faith and without reasonable belief that the Executive's act, or failure to act, was in the best interest of the Company. No termination for Cause shall be effective without (A) a resolution adopted by a majority of the Parent Executive Committee which sets forth the act (or failure to act) constituting Cause for termination, (B) if such act or failure to act is susceptible to cure, a reasonable period to effect such cure, and (C) opportunity for a hearing in arbitration, using the rules of the American Arbitration Association, as such rules are in effect in Los Angeles, California on the date of delivery of demand for arbitration, and otherwise in accordance with Section 9(i).

(c) Continuation of Employee Benefits.

Upon the termination of the Employee's employment hereunder for any reason, the Company shall continue, until the fourth anniversary of the Effective Date, to cover the Employee and/or the Employee's family under those life, disability, accident and health insurance benefits that were applicable to the Employee on the Date of Termination at benefit levels and on terms and conditions (including with respect to cost to the Employee and/or the Employee's family) no less favorable than that to which the Employee and/or his family was entitled immediately prior to his Date of Termination (except for any changes made with respect to active senior executives of the Company); provided, however, that, in the event Employee's employment hereunder is terminated for Disability, such coverage shall continue for twenty-four (24) months following the Date of Termination. In the event that the Employee and/or the Employee's family's participation in any such program is barred, the Company shall arrange to provide the Employee and/or the Employee's family with benefits substantially similar to those which the Employee and/or the Employee's

family would otherwise have been entitled to receive under such plans and programs from which continued participation is barred. Following the continuation period described in this subsection, the Employee and the Employee's family shall be entitled to elect continuation coverage under Section 601 et seq. of the Employee Retirement Income Security Act, as amended, if permitted by applicable law.

(d) No Mitigation or Offset.

The Company agrees that, if the Employee's employment with the Company terminates, the Employee is not required to seek other employment or to attempt in any way to reduce any amounts payable to or in respect of the Employee by the Company pursuant to this Agreement. Further, the amount of any payment or benefit provided for in this Agreement shall not be reduced by any compensation earned by the Employee as the result of employment by another employer, by retirement benefits, by offset against any amount claimed to be owed by the Employee to the Company or otherwise, except with respect to Section 4(c) benefits

to the extent the Employee receives substantially equivalent benefits from a successor employer.

5. Additional Tax Payments.

(a) Excise Tax Gross-Up.

If any payment or benefit to which the Employee becomes entitled in connection with the Transaction pursuant to this Agreement, the Merger Agreement or otherwise (the "Total Payments") will be subject to the tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended (the "Code") (or any successor tax that may hereafter be imposed) (the "Excise Tax"), the Company shall pay to the Employee at the time specified below, an additional amount (the "Gross-up Payment") such that the net amount retained by the Employee, after deduction of any Excise Tax on the Total Payments and any taxes on the Total Payments other than the Excise Tax and any federal, state and local income and employment tax and Excise Tax upon the payment provided for by this subsection, shall be equal to the Total Payments. For purposes of determining whether any of such payments or benefits will be subject to the Excise Tax, and the amount of such Excise Tax, the Company and the Employee shall rely upon the assumption and determinations of Arthur Andersen LLP or such other certified accounting firm as may be mutually agreed upon by the Employee and the Company (the "Accounting Firm"). All fees and expenses of the Accounting Firm shall be borne solely by the Company. Any determinations by the Accounting Firm shall be binding

upon the Company and the Employee, and they agree to take a position consistent with such determination (i) on any return, report, information return or other document (including, without limitation, any related or supporting information) with respect to taxes of the Company or the Employee, (ii) in any proceeding, formal or informal, before any taxing authority, and (iii) otherwise. In the event that the Excise Tax is subsequently determined to be less than the amount taken into account hereunder at the time the Gross-Up Payment is determined, the Employee shall repay to the Company at the time that the amount of such reduction in Excise Tax is finally determined the portion of the Gross-Up Payment attributable to such reduction (plus the portion of the Gross-Up Payment attributable to the Excise Tax and federal and state and local income and employment tax imposed on the Gross-Up Payment being repaid by him if such repayment results in reduction in Excise Tax and/or a federal and state and local income and employment tax deduction) plus interest on the amount of such repayment at the rate provided in section 1274(b)(2)(B) of the Code. In the event that the Excise Tax is determined to exceed the amount taken into account hereunder at the time the Gross-Up Payment is determined (including by reason of any payment the existence or amount of which cannot be determined at the time of the Gross-Up Payment), the Company shall make an additional Gross-Up Payment in respect of such excess (plus any interest payable with respect to such excess at the rate provided in section 1274(b)(2)(B) of the Code) at the time that the amount of such excess is finally determined. The Gross-Up Pay-

ment shall be paid within five (5) business days after the amount thereof is determined, but in no event later than thirty (30) days prior to the date on which payment of the Excise Tax in respect of which such Gross-Up Payment is determined is due. If the amounts of any payments under this Agreement cannot be finally determined on or before the payment date otherwise scheduled for payment, the Company shall pay to the Employee on such date an estimate, as determined in good faith by the Company, of the minimum amount of such payment and shall pay the remainder of such payments (together with interest at the rate provided in section 1274(b)(2)(B) of the Code) as soon as the amount thereof can be determined. In the event that the amount of the estimated payments exceeds the amount subsequently determined to have been due, such excess shall constitute a loan by the Company to the Employee payable on the fifth day after demand by the Company (together with interest at the rate provided in section 1274(b)(2)(B) of the Code).

Notwithstanding the foregoing, and subject to the Company's and Parent's obligations under Section 5(b), the Company shall not be

required to pay a Gross-Up Payment with respect to an amount of the Excise Tax equal to the excess of (i) over (ii), where (i) equals the Excise Tax that actually becomes due with respect to the Total Payments and (ii) equals that amount of Excise Tax that would have become due with respect to the Total Payments assuming that, with respect to the Company stock options granted to the Employee on October 9, 1998 (the "October Grant"), (x) the cash payout of the October Grant pursuant to Section 2.9 of the Merger Agreement was subject to Q&A 24(c) of the proposed Treasury Regulations promulgated under section 280G of the Code (the "Regulations") and (y) for purposes of Q&A 24(c)(2) under the Regulations, the percentage used to calculate the amount reflecting the lapse of the obligation to continue to perform services was one percent (1%) (such excess amount shall hereinafter be referred to as the "Option Excise Tax").

(b) Company's Tax Position.

The Company shall, and the Parent shall cause the Company to, take the position (i) on any return, report, information return or other document (including, without limitation, any related or supporting information) with respect to taxes of the Company or the Employee, (ii) in any proceeding, formal or informal, before any taxing authority, and (iii) otherwise, that the Option Excise Tax is not due, and the Company shall not, nor shall the Parent cause the Company to, withhold any amounts in respect thereof without the prior written consent of the Employee. The Company shall, at its own expense, contest in good faith any assessment or proposed assessment by the Internal Revenue Service (the "IRS") against the Company in respect of the Excise Tax with respect to the Option Excise Tax. The Employee shall notify the Company in writing of any claim by the Internal Revenue Service that, if successful, would require the payment by the Employee or the Company of the Option Excise Tax. Such notification shall be given as soon as

practicable but no later than ten (10) business days after the Employee is informed in writing of such claim and shall apprise the Company of the nature of such claim and the date on which such claim is requested to be paid. The Employee shall also give the Company any information reasonably requested by the Company relating to such claim; take such action in connection with contesting such claim as the Company shall reasonably request in writing from time to time, including, without limitation, accepting legal representation with respect to such claim by an attorney reasonably selected by the Company' cooperate with the Company in good faith in order effectively to contest such claim; and permit the Company to

participate in any proceedings relating to such claim. Such contest shall include pursuing any and all administrative and judicial remedies available to the Company. In the event that there is a Final Determination (as defined below) pursuant to which the IRS makes an assessment against the Company in respect of the Option Excise Tax, the Company shall remit such amount to the IRS and the Company shall be entitled to reimbursement of such amount. The Company shall effect such reimbursement only by means of withholding from the final tranche of the Stock Grant a number of shares having a value equal to the amount of the Option Excise Tax (rounding down to the next whole share); provided, however, that the Company shall be entitled to withhold from any cash payments to the Employee following the payment of such tranche of the Stock Grant an amount equal to the remainder of such Option Excise Tax.

For purposes of this Agreement, "Final Determination" shall mean:

(x) a decision, judgment, decree, or other order by any court of competent jurisdiction, which decision, judgment, decree, or other order has become final and not subject to further appeal; or

(y) a closing agreement entered into under section 7121 of the Code or any other binding settlement agreement entered into with the IRS, in either case with the consent of the Employee, which consent shall not be unreasonably withheld.

6. Legal Fees.

The Company shall pay to the Employee all legal fees and expenses reasonably incurred by the Employee in disputing in good faith any issue hereunder relating to the termination of the Employee's employment, in seeking in good faith to obtain or enforce any benefit or right provided by this Agreement or in connection with any tax audit or proceeding to the extent attributable to the application of section 4999 of the Code to any payment or benefit provided hereunder. Such payments shall be made within five (5) business days after delivery of the Employee's written requests for payment accompanied with such evidence of fees and expenses incurred as the Company reasonably may require.

7. Protective Covenants.

(a) Compensation, Benefits Suspended if Section 7(b) Breached.

Except as more specifically provided with respect to the Stock Grant in Section 3(c), the Employee agrees that if, during the Employment

Term, he breaches his obligations under Section 7(b), any payments and benefits to which the Employee would otherwise have been entitled shall be suspended for one (1) year, or, if less, the remaining balance of the period with respect to which the Employee would otherwise be so entitled to such payments and benefits, which payments and benefits shall be deemed immediately forfeited. Nothing herein shall prohibit the Employee from being a stockholder in a mutual fund or a diversified investment company or a passive owner of not more than two percent of the outstanding stock of any class of a corporation any equity securities of which are publicly traded, so long as the Employee has no active participation in the business of such corporation.

(b) Non-Disclosure; Non-Compete; Non-Solicitation.

The Employee shall not, at any time during the Employment Term or thereafter, make use of or disclose, directly or indirectly, any trade secret, customer lists or other confidential or secret information of the Company not available to the public generally or to the competitors of the Company ("Confidential Information") except to the extent that such Confidential Information becomes a matter of public record or is otherwise available to the general public, other than as a result of any act or omission of the Employee, or is required to be disclosed by any law, regulation or order of any court or regulatory commission, department or agency. Promptly following the Date of Termination, the Employee shall surrender to the Company all records, memoranda, notes, plans, reports, computer tapes and software and other documents and data relating to any Confidential Information or the business of the Company that he may then possess or have under his control (together with all copies thereof); provided, however, that the Employee may retain copies of such documents as are necessary for the preparation of his federal or state income tax returns. In consideration for the payments under this Agreement and any payments received by the Employee pursuant to the Transaction for his equity interests in the Company, during the scheduled Employment Term (notwithstanding any earlier termination of the Employment Term), the Employee will not in any manner directly or indirectly, through any person, firm or corporation, alone or as a member of a partnership or as an officer, director, stockholder, investor or employee of or consultant to any other corporation or enterprise or otherwise engage or assist any other person, firm, corporation or enterprise in engaging in any business then being conducted by the Company (but not later than as of the Date of Termination) in any geographic area in which the Company is then conducting such business. In consideration for the payments under this Agreement and any payments received by the Employee pursuant to the Transaction for his

equity interests in the Company, the Employee will not during the scheduled Employment Term (notwithstanding any earlier termination of the Employment Term) in any manner, directly or indirectly induce or attempt to induce any employee of the Company to terminate or abandon his or her employment for any purpose whatsoever.

(c) False, Defamatory, or Disparaging Statements.

The Employee agrees that after his Date of Termination, he shall not make any false, defamatory or disparaging statements about the Company, or the officers or directors of the Company. Promptly after the Employee's Date of Termination, the Company agrees that it shall instruct the officers and the directors of the Company not to make any false, defamatory or disparaging statements about the Employee after such Date of Termination.

(d) Injunctions to Prevent Breaches of Protective Covenants.

The parties hereto agree that the Company would be damaged irreparably in the event any provision of paragraphs (b) or (c), next above, were not performed by the Employee in accordance with their respective terms or were otherwise breached and that money damages would be an inadequate remedy for any such nonperformance or breach. Therefore, the Company or its successors or assigns shall be entitled, in addition to any other rights and remedies existing in their favor, to an injunction or injunctions to prevent any breach or threatened breach of any such provisions and to enforce such provisions specifically (without posting a bond or other security). The parties hereto agree that the Employee would be damaged irreparably in the event any provision of paragraph (c), next above, were not performed by the Company in accordance with its terms or were otherwise breached and that money damages would be an inadequate remedy for any such nonperformance or breach. Therefore, the Employee shall be entitled, in addition to any other rights and remedies existing in his favor, to an injunction or injunctions to prevent any breach or threatened breach of any such provisions and to enforce such provision specifically (without posting a bond or other security).

8. Successors.

(a) The Employee.

This Agreement is personal to the Employee and, without the prior express written consent of the Company, shall not be assignable by the Employee, except that the Employee's rights to receive any compensation or benefits under this Agreement may be transferred or disposed of pursuant to testamentary disposition, intestate succession or pursuant to a domestic relations order of a court of

competent jurisdiction. This Agreement shall inure to the benefit of and be enforceable by the Employee's heirs, beneficiaries and/or legal representatives.

(b) The Company.

This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns. The Company shall require any successor to all or substantially all of the business and/or assets of the Company, whether direct or indirect, by purchase, merger, consolidation, acquisition of stock, or otherwise, by an agreement in form and substance satisfactory to the Employee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent as the Company would be required to perform if no such succession had taken place.

9. Miscellaneous.

(a) Applicable Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, applied without reference to principles of conflict of laws.

(b) Amendments.

This Agreement may not be amended or modified otherwise than by a written agreement executed by the parties hereto or their respective successors and legal representatives.

(c) Notices.

All notices and other communications hereunder shall be in writing and shall be given by hand-delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Company: UNITED STATES FILTER CORPORATION
40-004 Cook Street
Palm Desert, CA 92211

If to the Employee: RICHARD J. HECKMANN
72551 Clancy Lane
Rancho Mirage, CA 92270

With a copy to: MICHAEL DIAMOND, ESQ.

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or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notices and communications shall be effective when actually received by the addressee.

(d) Withholding.

The Company may withhold from any amounts payable under this Agreement such federal, state or local income taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(e) Severability.

If any provision of this Agreement as applied to any part or to any circumstances will be adjudged by a court to be invalid or unenforceable, the same will in no way affect any other provision of this Agreement, the application of such provision in any other circumstances, or the validity or enforceability of this Agreement. The parties hereto intend this Agreement to be enforced as written. If any provision or any part thereof is held to be invalid or unenforceable because of the duration thereof, the level of restrictions or the geographic scope thereof, all parties agree that the court or arbitrator making such determination will have the power to reduce the duration, restrictions or geographic scope of such provision, and/or to delete specific words or phrases in an its modified form such provision will then be enforceable.

(f) Captions.

The captions of this Agreement are not part of the provisions hereof and shall have no force or effect.

(g) Beneficiaries/References.

The Employee shall be enabled to select (and change) a beneficiary or beneficiaries to receive any compensation or benefit payable hereunder following the Employee's death, and may change such election, in either case by giving the Company written notice thereof. In the event of the Employee's death or a judicial determination of his incompetence, reference in this Agreement to the Employee shall be deemed, where appropriate, to refer to the Employee's beneficiary(ies), estate or legal representative(s).

(h) Entire Agreement.

This Agreement contains the entire agreement between the parties concerning the subject matter hereof and supersedes all prior agreements, understandings, discussions, negotiations and undertakings, whether written or oral, between the parties with respect to the subject matter hereof, including without limitation the Prior Agreement and the Company's Executive Severance Pay Plan. However, nothing

in this Agreement shall adversely affect the Employee's rights to benefits vested and accrued prior to the Effective Date, other than benefits which vest or accrue upon a "Change of Control" as defined in the Prior Agreement and the Company's Executive Severance Pay Plan, as the case may be. The Employee expressly agrees and acknowledges that the payments for his Company stock options set forth in Section 2.9 of the Merger Agreement are the sole payments in connection with or with respect to his Company stock options to which he is or will be entitled, and that the Prior Agreement has not been amended subsequent to September 30, 1998.

(i) Arbitration.

(i) Any dispute, controversy or claim arising out of or relating to this Agreement, a breach thereof or the coverage or enforceability of this Section 9(i) shall be settled by arbitration in Los Angeles, California (or such other location as the Company and the Employee may mutually agree), conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association, as such rules are in effect in Los Angeles on the date of delivery of demand for arbitration. The arbitration of any such issue, including the determination of the amount of damages, shall be to the exclusion of any court of law. This provision shall not limit, nor be limited by, any additional right to seek injunctive relief under Section 7(d).

(ii) There shall be three arbitrators, one to be chosen by each party at will within ten (10) days from the date of delivery of demand for arbitration and the third arbitrator to be selected by the two arbitrators so chosen. If the two arbitrators are unable to select a third arbitrator within ten (10) days after the last of the two arbitrators is chosen by the parties, the third

arbitrator will be designated, on application by either party, by the American Arbitration Association. The decision of a majority of the arbitrators shall be final and binding on both parties and their respective heirs, executors, administrators, personal representatives, successors and assigns. Judgment upon any award of the arbitrators may be entered in any court having jurisdiction, or application may be made to any such court for the judicial acceptance of the award and for an order of enforcement.

(iii) The Company shall pay the fees and expenses incurred in connection with any arbitration arising out of this Agreement, unless a majority of the arbitrators concludes that such arbitration procedure was not instituted in good faith by the Employee.

(j) Representation.

The Company represents and warrants that it is fully authorized and empowered to enter into this Agreement and that the performance of its obligations under this

Agreement will not violate any agreement between the Company and any other person, firm or organization or any applicable laws or regulations.

(k) Survivorship.

The respective rights and obligations of the parties hereunder shall survive any termination of this Agreement or the Employee's employment hereunder to the extent necessary to the intended preservation of such rights and obligations.

10. Termination of Agreement.

This Agreement shall be void and of no further force or effect upon the termination of the Merger Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of March 22, 1999.

PARENT:

VIVENDI

By: /s/ Jean-Marie Messier

Its: Chairman and Chief Executive Officer

(title)

COMPANY:

UNITED STATES FILTER CORPORATION,
a Delaware corporation

By: /s/ Kevin L. Spence

Its: Executive Vice President, CFO

(title)

EMPLOYEE:

By: /s/ Richard J. Heckmann

Exhibit (c)(6)

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "Agreement"), dated as of March 22, 1999, among United States Filter Corporation (the "Company"), Vivendi ("Parent") and Andrew D. Seidel (the "Employee").

WITNESSETH

WHEREAS, Employee is currently President and Chief Operating Officer - Wastewater Group of the Company; and

WHEREAS, the Company has entered, as of even date herewith, into that certain Agreement and Plan of Merger (the "Merger Agreement") by and among Parent, Eau Acquisition Corp. and the Company, dated as of March 22, 1999, pursuant to which, among other things, the Company shall become a subsidiary of Parent (such transaction or series of transactions, the "Transaction"); and

WHEREAS, Parent desires to insure the continued availability to the Company of the Employee's services, managerial skills and business experience following consummation of the Transaction and his commitment not to compete with the Company for a certain period of time, and the Employee is willing to render such services and provide such commitment, all upon and subject to the terms and conditions contained in this Agreement; and

WHEREAS, the Employee and the Company previously entered into a certain written Employment Agreement, effective as of August 26, 1998 (the "Prior Agreement"), and now desire to supercede the Prior Agreement in its entirety, contingent upon consummation of the Transaction; and

WHEREAS, in addition to the terms and conditions of employment set forth herein, the parties wish to set forth herein provisions with respect to certain payments being made to the Employee pursuant to the Prior Agreement and the Merger Agreement.

NOW THEREFORE, in consideration of the premises and the mutual covenants set forth in this Agreement, the Company and the Employee agree as follows:

1. EMPLOYMENT AND EMPLOYMENT TERM.

(a) EMPLOYMENT.

Subject to the terms and provisions set forth in this Agreement, the Company hereby employs the Employee during the Employment Term (as hereinafter defined) as President and Chief Operating Officer - Wastewater Group of the Company.

(b) EMPLOYMENT TERM.

The period of employment under this Agreement (the "Employment Term") shall commence as of the date on which the Effective Time (as defined in the Merger Agreement) occurs (the "Effective Date") and shall continue for a period of three (3) years thereafter, or until earlier terminated as herein provided.

2. POSITIONS, RESPONSIBILITIES AND DUTIES.

(a) IN GENERAL.

During the Employment Term, the Employee shall be employed as, and the Company shall at all times cause the Employee to be, the President and Chief Operating Officer - Wastewater Group of the Company. The Executive's duties, responsibilities and authority shall be consistent with the Executive's position and shall include such other duties, responsibilities and authority as may be assigned to the Executive by the Board of Directors of the Company (the "Board") or the Chief Executive Officer of the Company.

(b) TIME.

During the Employment Term, the Employee shall devote such time as is reasonably necessary to perform the duties associated with his offices and positions as set forth herein and shall use his best efforts to perform faithfully and efficiently the duties and responsibilities contemplated by this Agreement. Notwithstanding the foregoing, the Employee may devote reasonable time to activities other than those required under this Agreement, including the supervision of his personal investments, and activities involving professional, charitable, educational, religious and similar types of organizations, speaking engagements, membership on the boards of directors of other corporations, and similar type activities, to the extent that such other activities do not inhibit or prohibit the performance of the Employee's duties under this Agreement or conflict in any way with the business of the Company; provided, however, that the Employee shall not serve on the board of any commercial business or hold any other position with respect to any commercial business without the consent of the Board, which consent shall not be unreasonably withheld.

3. COMPENSATION AND BENEFITS.

(a) BASE SALARY.

During the Employment Term, the Employee shall receive an initial base salary ("Base Salary") of $350,000 per annum, payable in accordance with the Company's payroll practices generally applicable to the Company's senior executives. Such Base Salary shall be reviewed for increase but not decrease by the Board not less frequently than annually during the Employment Term. In conducting any

such annual review, the Board shall take into account any change in the Employee's responsibilities, increases in the compensation of other senior executives of the Company or of its competitors or other comparable executives and companies, the performance of the Employee and other pertinent factors. If increased, such increased Base Salary shall then constitute "Base Salary" for purposes of this Agreement.

(b) BONUSES, INCENTIVE, SAVINGS AND RETIREMENT PLANS, WELFARE BENEFIT PLANS.

The Employee shall be entitled to participate in all annual and long-term bonuses and incentive, savings and retirement plans generally available to other similarly situated executive employees of the Company. The Employee, and the Employee's family as the case may be, shall be eligible to participate in and receive all benefits under welfare benefit plans, practices, programs and policies provided to other similarly situated executive employees of the Company.

(c) EQUITY GRANT.

In consideration for the Employee's services hereunder and the covenants set forth in Section 7, the Company shall, or the Parent shall on behalf of the Company, deliver to the Employee an aggregate of 50,370 shares of Parent common stock (the "Stock Grant"), subject to the terms of this Section 3(c). On each of the first three (3) anniversaries of the Effective Date (each, a "Grant Date"), the Company shall, or the Parent shall on behalf of the Company, deliver to the Employee 16,790 shares of Parent common stock, representing one third (1/3) of the Stock Grant, if the Employee is employed hereunder as of such Grant Date; provided, however, that in the event that the Employee's employment hereunder is terminated because of his death or Disability, that portion of the Stock Grant not already delivered to the Employee shall be immediately delivered to the Employee (or his estate or beneficiaries, if applicable); and provided, further, that if the Employee's

employment hereunder is terminated by the Employee for Good Reason (as defined in Section 4(b)(iv)) or by the Company without Cause (as defined in Section 4(b)(vii)), the portions of the Stock Grant not already delivered shall be delivered on the scheduled Grant Dates so long as the Employee is not in violation of Section 7(b) (as determined, if applicable, by arbitration under Section 9(i)) and the Employee provides consulting services to the Company during the remainder of the scheduled Employment Term, as may be reasonably requested by the Parent Executive Committee from time to time, for which services the Company shall reimburse the Employee for his reasonable expenses incurred in the performance thereof. In the event that the Employee's employment hereunder is terminated by the Employee without Good Reason (as defined in Section 4(b)(iv)), or by the Company for Cause (as defined in Section 4(b)(vii)) or the Employee violates Section 7(b) (as determined, if applicable, by arbitration under Section 9(i)), the Employee shall forfeit all rights to receive any portion of the Stock Grant for which the Grant Date had not occurred as of the Date of Termination. The number and

kind of shares to be granted under this Section 3(c) shall be equitably adjusted to reflect changes in Parent's capitalization, such as a stock split or extraordinary dividend, or corporate transactions, such as a merger, spin-off, recapitalization or consolidation. With respect to each share of Parent common stock to be granted under this Section 3(c) that has not been forfeited and with respect to which the Employee (or his estate or beneficiaries, if applicable) has not yet become a shareholder, the Company shall pay to the Employee an amount in cash equal to the regular quarterly cash dividend, if any, paid by the Parent on its common stock. Such payment shall be made within ten (10) days following the applicable dividend payment date.

(d) VACATION AND FRINGE BENEFITS.

(i) During the Employment Term, the Employee shall be entitled to paid vacation and fringe benefits as provided generally to similarly situated executive employees of the Company.

(ii) The Employee shall be entitled to the full time use of an automobile, including reimbursement for all operating and maintenance costs, consistent with the Company's corporate policy on automobiles as in effect from time to time.

(e) OFFICE AND SUPPORT STAFF.

During the Employment Term, the Employee shall be entitled to an office or offices of a size and with furnishings and other appointments, and to personal secretarial and other assistance, at least substantially equivalent to that provided to the Employee as of the date of this Agreement.

(f) EXPENSE REIMBURSEMENT.

During the Employment Term, the Employee shall be entitled to receive prompt reimbursement for all usual, customary and reasonable, business-related expenses incurred by the Employee in performing his duties and responsibilities hereunder in accordance with the practices and procedures of the Company as in effect with respect to senior executives of the Company.

(g) INDEMNIFICATION.

The Company shall maintain directors and officers liability insurance in commercially reasonable amounts (as reasonably determined by the Board) to the extent provided as of the date of this Agreement, and the Employee shall be covered under such insurance to the same extent as other similarly situated executive employees of the Company. The Employee shall be eligible for indemnification by the Company under the Company by-laws as currently in effect, and the Company

agrees that it shall not take any action that would impair the Employee's rights to indemnification under the Company by-laws, as currently in effect.

(h) PAYMENT AND BENEFITS IN CONNECTION WITH THE TRANSACTION.

The Employee shall, as of the Effective Date, be entitled to receive a lump sum in cash from the Company equal to three (3) times the sum of (x) his Base Salary in effect as of the Effective Date (provided such amount has not been paid under the Prior Agreement), plus (y) the Employee's target bonus under the Company's Annual Incentive Compensation Plan for the year in which the Effective Date occurs. Such amount shall be paid to the Employee within five (5) business days following the Effective Date but in no event shall such amount exceed $2,100,000. In addition, the Employee's benefit in the U.S. Filter Supplemental Executive Retirement Plan shall become fully vested as of the Effective Date.

4. TERMINATION OF EMPLOYMENT.

(a) TERMINATION DUE TO DEATH OR DISABILITY.

The Company may terminate the Employee's employment hereunder due to Disability (as hereinafter defined). In the event of the Employee's death or a termination of the Employee's employment by the Company due to Disability, the Employee or his estate or his legal representative, as the case may be, shall be entitled to receive from the Company:

(i) any unpaid Base Salary through the Date of Termination (as defined in Section 4(b)(iv));

(ii) an immediate lump sum in cash equal to the minimum annual incentive (determined without regard to any performance goals) provided by Section 3(b)(ii) for the year in which the Date of Termination (as defined in Section 4(b)(iv)) occurs multiplied by a fraction, the numerator of which is the number of days of such fiscal year through such Date of Termination and the denominator of which is 365;

(iii) an immediate lump sum amount equal to the sum of (A) 150 percent (150%) times the minimum annual incentive (determined without regard to any performance goals) provided by Section 3(b)(ii) for the year in which the Date of Termination (as defined in Section 4(b)(iv)) occurs plus (B) 150 percent (150%) times the annual rate of Base Salary at the rate in effect on the Date of Termination (as defined in Section 4(b)(iv));

(iv) a lump sum amount, payable within five (5) days following the Date of Termination (as defined in Section 4(b)(iv)), in respect of any deferred compensation (including, without limitation, interest or other credits on such deferred amounts), any accrued vacation pay and any reimburse-

ment for expenses incurred but not yet paid prior to such Date of Termination; and

(v) any other compensation or benefits which may be owed or provided to or in respect of the Employee

in accordance with the terms and provisions of this Agreement or any plans and programs of the Company.

For purposes of this Agreement, "Disability" means the Employee's inability to render, for a period of six (6) consecutive months, services hereunder by reason of permanent disability, as determined by the written medical opinion of an independent medical physician mutually acceptable to the Employee and the Company. If the Employee and the Company cannot agree as to such an independent medical physician each shall appoint one medical physician and those two physicians shall appoint a third physician who shall make such determination.

(b) TERMINATION FOR ANY OTHER REASON.

(i) In the event that the Employee's employment hereunder is terminated by the Employee for Good Reason (as defined in Section 4(b)(v)) or by the Company without Cause (as defined in Section 4(b)(vii)) (other than for Disability), then the Company shall pay the Employee (A) any unpaid Base Salary through the Date of Termination (as defined in Section 4(b)(iv)), plus (B) an amount equal to the minimum annual incentive (determined without regard to any performance goals) provided in Section 3(b)(ii) for the year in which the Date of Termination (as defined in Section 4(b)(iv)) occurs multiplied by a fraction, the numerator of which is the number of days from the beginning of such fiscal year through such Date of Termination (as defined in Section 4(b)(iv)), and the denominator of which is 365, plus (C) any previously vested benefits, such as previously vested retirement benefits, plus (D) any deferred compensation (including, without limitation, interest or other credits on such deferred amounts), any accrued vacation pay and any reimbursement for expenses incurred but not yet paid prior to such Date of Termination (collectively, the "Accrued Obligations").

(ii) Furthermore, and in addition to the foregoing, in the event that the Employee's employment with the Company is terminated by the Employee for Good Reason or by the Company without Cause (other than Disability), then the Company shall also pay the Employee, within five (5) business days following the Date of Termination (as defined in Section 4(b)(iv)), a lump sum in cash equal to the number of years (including fractions thereof) remaining in the Employment Term (without taking into account such early termination

thereof) multiplied by the sum of (x) his then current Base Salary plus (y) the target annual incentive bonus

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for the year in which such Date of Termination occurs (determined without regard to any performance goals).

(iii) In the event that the Employee's employment hereunder is terminated by the Employee without Good Reason or by the Company for Cause, the Company shall pay the Employee the Accrued Obligations (other than the amounts under Section 4(b)(i)(B)).

(iv) For purposes of this Agreement, "Date of Termination" means (A) in the case of Disability, the last day of the six (6) month period referred to in Section 4(a), and (B) in all other cases, the actual date on which the Employee's employment terminates during the Term of Employment.

(v) For purposes of this Agreement, "Good Reason" for the Employee's termination of his employment hereunder shall mean, without the Employee's prior written consent, (A) the relocation of the Company's principal offices more than 150 miles from its location immediately prior to the Effective Date or the Company requiring the Employee to be based at any location other than such principal offices, (B) a breach by the Company of any material provision of this Agreement which is not cured within five (5) business days following written notification of such breach, or (C) the occurrence of a Change in Control (as defined in Section 4(b)(vi)).

(vi) "Change in Control" shall mean the occurrence of any of the following:

(A) the acquisition by any Person (including any group deemed to be a "person" under Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or any successor provision to either of the foregoing) of direct or indirect "beneficial ownership" (within the meaning of Rule 13d-3 under the Exchange Act) of securities of the Parent representing 50% or more of the combined

voting power of the securities of the Parent;

(B) during any period of two (2) consecutive years (not including any period prior to the Effective Date), individuals who at the beginning of such period constitute the board of directors of Parent (the "Parent Board"), and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of Parent) whose election by the Parent Board or nomination for election by the Parent's stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the period or whose election or nomina-

tion for election was previously so approved, cease for any reason to constitute at least a majority thereof;

(C) there is consummated a merger, consolidation, recapitalization, reorganization or other similar transaction (any such transaction, a "Business Combination") between the Parent or any direct or indirect subsidiary of the Parent and any other corporation, other than (1) a Business Combination which would result in the voting securities of the Parent outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) at least 50% of the combined voting power of the securities of the Parent or such surviving entity or any parent thereof outstanding immediately after such Business Combination, or (2) a merger or consolidation effected to implement a recapitalization of the Parent (or similar

transaction) in which no Person is or becomes the "beneficial owner," directly or indirectly, of securities of the Parent representing 50% or more of the combined voting power of the Parent's then outstanding securities;

(D) the Parent is placed under judicial administration or supervision in connection with the Parent's filing for bankruptcy;

(E) there is consummated an agreement for the sale or disposition by the Parent of all or substantially all of the Parent's assets, other than a sale or disposition by the Parent of all or substantially all of the Parent's assets to an entity, at least 50% of the combined voting power of the voting securities of which are owned by stockholders of the Parent in substantially the same proportions as their ownership of the Parent immediately prior to such sale;

(F) the Parent ceases to be the beneficial owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's securities; or

(G) there is consummated a sale or other disposition of all or substantially all of the assets of the Company, other than a sale or disposition of all or substantially all of the Company's assets to an entity, at least 50% of the combined voting power of the voting securities of which are owned by stockholders of the Parent in substantially the same proportions as their ownership of the Parent immediately prior to such sale.

(vii) Termination by the Company of the Employee for "Cause" as used in this Agreement shall be limited to the following: the Employee's con-

viction of, or a plea of guilty to, a felony involving moral turpitude or willful violation of Section 7(b) or the Employee's willful gross

negligence, material misconduct or material breach of this Agreement, resulting in material injury to the Company. For purposes of this definition, no act, or failure to act, on the Executive's part shall be deemed "willful" unless done, or omitted to be done, by the Executive not in good faith and without reasonable belief that the Executive's act, or failure to act, was in the best interest of the Company. No termination for Cause shall be effective without (A) a resolution adopted by a majority of the Parent Executive Committee which sets forth the act (or failure to act) constituting Cause for termination, (B) if such act or failure to act is susceptible to cure, a reasonable period to effect such cure, and (C) opportunity for a hearing in arbitration, using the rules of the American Arbitration Association, as such rules are in effect in Los Angeles, California on the date of delivery of demand for arbitration, and otherwise in accordance with Section 9(i).

(c) CONTINUATION OF EMPLOYEE BENEFITS.

Upon the termination of the Employee's employment hereunder for any reason, the Company shall continue, until the third anniversary of the Effective Date, to cover the Employee and/or the Employee's family under those life, disability, accident and health insurance benefits that were applicable to the Employee on the Date of Termination at benefit levels and on terms and conditions (including with respect to cost to the Employee and/or the Employee's family) no less favorable than that to which the Employee and/or his family was entitled immediately prior to his Date of Termination (except for any changes made with respect to active senior executives of the Company); provided, however, that, in the event Employee's employment hereunder is terminated for Disability, such coverage shall continue for eighteen (18) months following the Date of Termination. In the event that the Employee and/or the Employee's family's participation in any such program is barred, the Company shall arrange to provide the Employee and/or the Employee's family with benefits substantially similar to those which the Employee and/or the Employee's family would otherwise have been entitled to receive under such plans and programs from which continued participation is barred. Following the continuation period described in this subsection, the Employee and the Employee's family shall be entitled to elect continuation coverage under Section 601 et seq. of the Employee Retirement Income Security Act, as amended, if permitted by applicable law.

(d) NO MITIGATION OR OFFSET.

The Company agrees that, if the Employee's employment with the Company terminates, the Employee is not required to seek other employment or to attempt in any way to reduce any amounts payable to or in respect of the Employee by the

Company pursuant to this Agreement. Further, the amount of any payment or benefit provided for in this Agreement shall not be reduced by any compensation earned by the Employee as the result of employment by another employer, by retirement benefits, by offset against any amount claimed to be owed by the Employee to the Company or otherwise, except with respect to Section 4(c) benefits to the extent the Employee receives substantially equivalent benefits from a successor employer.

5. ADDITIONAL TAX PAYMENTS.

(a) EXCISE TAX GROSS-UP.

If any payment or benefit to which the Employee becomes entitled in connection with the Transaction pursuant to this Agreement, the Merger Agreement or otherwise (the "Total Payments") will be subject to the tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended (the "Code") (or any successor tax that may hereafter be imposed) (the "Excise Tax"), the Company shall pay to the Employee at the time specified below, an additional amount (the "Gross-up Payment") such that the net amount retained by the Employee, after deduction of any Excise Tax on the Total Payments and any taxes on the Total Payments other than the Excise Tax and any federal, state and local income and employment tax and Excise Tax upon the payment provided for by this subsection, shall be equal to the Total Payments. For purposes of determining whether any of such payments or benefits will be subject to the Excise Tax, and the amount of such Excise Tax, the Company and the Employee shall rely upon the assumption and determinations of Arthur Andersen LLP or such other certified accounting firm as may be mutually agreed upon by the Employee and the Company (the "Accounting Firm"). All fees and expenses of the Accounting Firm shall be borne solely by the Company. Any determinations by the Accounting Firm shall be binding upon the Company and the Employee, and they agree to take a position consistent with such determination (i) on any return, report, information return or other document (including, without limitation, any related or supporting information) with respect to taxes of the Company or the Employee, (ii) in any proceeding, formal or informal, before

any taxing authority, and (iii) otherwise. In the event that the Excise Tax is subsequently determined to be less than the amount taken into account hereunder at the time the Gross-Up Payment is determined, the Employee shall repay to the Company at the time that the amount of such reduction in Excise Tax is finally determined the portion of the Gross-Up Payment attributable to such reduction (plus the portion of the Gross-Up Payment attributable to the Excise Tax and federal and state and local income and employment tax imposed on the Gross-Up Payment being repaid by him if such repayment results in reduction in Excise Tax and/or a federal and state and local income and employment tax deduction) plus interest on the amount of such repayment at the rate provided in section 1274(b)(2)(B) of the Code. In the event that the Excise Tax is determined to exceed the amount taken into account hereunder at the time the Gross-Up Payment is determined (including

by reason of any payment the existence or amount of which cannot be determined at the time of the Gross-Up Payment), the Company shall make an additional Gross-Up Payment in respect of such excess (plus any interest payable with respect to such excess at the rate provided in section 1274(b)(2)(B) of the Code) at the time that the amount of such excess is finally determined. The Gross-Up Payment shall be paid within five (5) business days after the amount thereof is determined, but in no event later than thirty (30) days prior to the date on which payment of the Excise Tax in respect of which such Gross-Up Payment is determined is due. If the amounts of any payments under this Agreement cannot be finally determined on or before the payment date otherwise scheduled for payment, the Company shall pay to the Employee on such date an estimate, as determined in good faith by the Company, of the minimum amount of such payment and shall pay the remainder of such payments (together with interest at the rate provided in section 1274(b)(2)(B) of the Code) as soon as the amount thereof can be determined. In the event that the amount of the estimated payments exceeds the amount subsequently determined to have been due, such excess shall constitute a loan by the Company to the Employee payable on the fifth day after demand by the Company (together with interest at the rate provided in section 1274(b)(2)(B) of the Code).

Notwithstanding the foregoing, and subject to the Company's and Parent's obligations under Section 5(b), the Company shall not be required to pay a Gross-Up Payment with respect to an amount of the Excise Tax equal to the excess of (i) over (ii), where (i) equals the Excise Tax that actually becomes due with

respect to the Total Payments and (ii) equals that amount of Excise Tax that would have become due with respect to the Total Payments assuming that, with respect to the Company stock options granted to the Employee on October 9, 1998 (the "October Grant"), (x) the cash payout of the October Grant pursuant to Section 2.9 of the Merger Agreement was subject to Q&A 24(c) of the proposed Treasury Regulations promulgated under section 280G of the Code (the "Regulations") and (y) for purposes of Q&A 24(c)(2) under the Regulations, the percentage used to calculate the amount reflecting the lapse of the obligation to continue to perform services was one percent (1%) (such excess amount shall hereinafter be referred to as the "Option Excise Tax").

(b) COMPANY'S TAX POSITION.

The Company shall, and the Parent shall cause the Company to, take the position (i) on any return, report, information return or other document (including, without limitation, any related or supporting information) with respect to taxes of the Company or the Employee, (ii) in any proceeding, formal or informal, before any taxing authority, and (iii) otherwise, that the Option Excise Tax is not due, and the Company shall not, nor shall the Parent cause the Company to, withhold any amounts in respect thereof without the prior written consent of the Employee. The Company shall, at its own expense, contest in good faith any assessment or proposed assessment by the Internal Revenue Service (the "IRS") against the Com-

pany in respect of the Excise Tax with respect to the Option Excise Tax. The Employee shall notify the Company in writing of any claim by the Internal Revenue Service that, if successful, would require the payment by the Employee or the Company of the Option Excise Tax. Such notification shall be given as soon as practicable but no later than ten (10) business days after the Employee is informed in writing of such claim and shall apprise the Company of the nature of such claim and the date on which such claim is requested to be paid. The Employee shall also give the Company any information reasonably requested by the Company relating to such claim; take such action in connection with contesting such claim as the Company shall reasonably request in writing from time to time, including, without limitation, accepting legal representation with respect to such claim by an attorney reasonably selected by the Company' cooperate with the Company in good faith in order effectively to contest such claim; and permit the Company to participate in any proceedings relating

to such claim. Such contest shall include pursuing any and all administrative and judicial remedies available to the Company. In the event that there is a Final Determination (as defined below) pursuant to which the IRS makes an assessment against the Company in respect of the Option Excise Tax, the Company shall remit such amount to the IRS and the Company shall be entitled to reimbursement of such amount. The Company shall effect such reimbursement only by means of withholding from the final tranche of the Stock Grant a number of shares having a value equal to the amount of the Option Excise Tax (rounding down to the next whole share); provided, however, that the Company shall be entitled to withhold from any cash payments to the Employee following the payment of such tranche of the Stock Grant an amount equal to the remainder of such Option Excise Tax.

For purposes of this Agreement, "Final Determination" shall mean:

(x) a decision, judgment, decree, or other order by any court of competent jurisdiction, which decision, judgment, decree, or other order has become final and not subject to further appeal; or

(y) a closing agreement entered into under section 7121 of the Code or any other binding settlement agreement entered into with the IRS, in either case with the consent of the Employee, which consent shall not be unreasonably withheld.

6. LEGAL FEES.

The Company shall pay to the Employee all legal fees and expenses incurred by the Employee in disputing in good faith any issue hereunder relating to the termination of the Employee's employment, in seeking in good faith to obtain or enforce any benefit or right provided by this Agreement or in connection with any tax audit or proceeding to the extent attributable to the application of section 4999 of the Code to any payment or benefit provided hereunder. Such payments shall be made within five (5) business days after delivery

of the Employee's written requests for payment accompanied with such evidence of fees and expenses incurred as the Company reasonably may require.

7. PROTECTIVE COVENANTS.

(a) COMPENSATION, BENEFITS SUSPENDED IF SECTION 7 (b) BREACHED.

Except as more specifically provided with respect to the Stock Grant in Section 3(c), the Employee agrees that if, during the Employment Term, he breaches his obligations under Section 7(b), any payments and benefits to which the Employee would otherwise have been entitled shall be suspended for one (1) year, or, if less, the remaining balance of the period with respect to which the Employee would otherwise be so entitled to such payments and benefits, which payments and benefits shall be deemed immediately forfeited. Nothing herein shall prohibit the Employee from being a stockholder in a mutual fund or a diversified investment company or a passive owner of not more than two percent of the outstanding stock of any class of a corporation any equity securities of which are publicly traded, so long as the Employee has no active participation in the business of such corporation.

(b) NON-DISCLOSURE; NON-COMPETE; NON-SOLICITATION.

The Employee shall not, at any time during the Employment Term or thereafter, make use of or disclose, directly or indirectly, any trade secret, customer lists or other confidential or secret information of the Company not available to the public generally or to the competitors of the Company ("Confidential Information") except to the extent that such Confidential Information becomes a matter of public record or is otherwise available to the general public, other than as a result of any act or omission of the Employee, or is required to be disclosed by any law, regulation or order of any court or regulatory commission, department or agency. Promptly following the Date of Termination, the Employee shall surrender to the Company all records, memoranda, notes, plans, reports, computer tapes and software and other documents and data relating to any Confidential Information or the business of the Company that he may then possess or have under his control (together with all copies thereof); provided, however, that the Employee may retain copies of such documents as are necessary for the preparation of his federal or state income tax returns. In consideration for the payments under this Agreement and any payments received by the Employee pursuant to the Transaction for his equity interests in the Company, during the scheduled Employment Term (notwithstanding any earlier termination of the Employment Term), the Employee will not in any manner directly or indirectly, through any person, firm or corporation, alone or as a member of a partnership or as an officer, director, stockholder, investor or employee of or consultant to any other corporation or enterprise or otherwise engage or assist any other person, firm, corporation or enterprise in engaging in any business then being conducted by the Company (but not later than as of the Date of

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Termination) in any geographic area in which the Company is then conducting such business. In consideration for the payments under this Agreement and any payments received by the Employee pursuant to the Transaction for his equity interests in the Company, the Employee will not during the scheduled Employment Term (notwithstanding any earlier termination of the Employment Term) in any manner, directly or indirectly induce or attempt to induce any employee of the Company to terminate or abandon his or her employment for any purpose whatsoever.

(c) FALSE, DEFAMATORY, OR DISPARAGING STATEMENTS.

The Employee agrees that after his Date of Termination, he shall not make any false, defamatory or disparaging statements about the Company, or the officers or directors of the Company. Promptly after the Employee's Date of Termination, the Company agrees that it shall instruct the officers and the directors of the Company not to make any false, defamatory or disparaging statements about the Employee after such Date of Termination.

(d) INJUNCTIONS TO PREVENT BREACHES OF PROTECTIVE COVENANTS.

The parties hereto agree that the Company would be damaged irreparably in the event any provision of paragraphs (b) or (c), next above, were not performed by the Employee in accordance with their respective terms or were otherwise breached and that money damages would be an inadequate remedy for any such nonperformance or breach. Therefore, the Company or its successors or assigns shall be entitled, in addition to any other rights and remedies existing in their favor, to an injunction or injunctions to prevent any breach or threatened breach of any such provisions and to enforce such provisions specifically (without posting a bond or other security). The parties hereto agree that the Employee would be damaged irreparably in the event any provision of paragraph (c), next above, were not performed by the Company in accordance with its terms or were otherwise breached and that money damages would be an inadequate remedy for any such nonperformance or breach. Therefore, the Employee shall be entitled, in addition to any other rights and remedies existing in his favor, to an injunction or injunctions to prevent any breach or threatened breach of any such provisions and to enforce such provision specifically (without posting a bond or other security).

8. SUCCESSORS.

(a) THE EMPLOYEE.

This Agreement is personal to the Employee and, without the prior express written consent of the Company, shall not be assignable by the Employee, except that the Employee's rights to receive any compensation or benefits under this Agreement may be transferred or disposed of pursuant to testamentary disposition, intestate succession or pursuant to a domestic relations order of a court of competent juris-

diction. This Agreement shall inure to the benefit of and be enforceable by the Employee's heirs, beneficiaries and/or legal representatives.

(b) THE COMPANY.

This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns. The Company shall require any successor to all or substantially all of the business and/or assets of the Company, whether direct or indirect, by purchase, merger, consolidation, acquisition of stock, or otherwise, by an agreement in form and substance satisfactory to the Employee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent as the Company would be required to perform if no such succession had taken place.

9. MISCELLANEOUS.

(a) APPLICABLE LAW.

This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, applied without reference to principles of conflict of laws.

(b) AMENDMENTS.

This Agreement may not be amended or modified otherwise than by a written agreement executed by the parties hereto or their respective successors and legal representatives.

(c) NOTICES.

All notices and other communications hereunder shall be in writing and shall be given by hand-delivery to the other party

or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Company:	UNITED STATES FILTER CORPORATION 40-004 Cook Street Palm Desert, CA 92211
If to the Employee:	ANDREW D. SEIDEL 47-280 Prince's Plume Lane Palm Desert, CA 92260
With a copy to:	MICHAEL DIAMOND, ESQ. 1900 Avenue of the Stars Suite 600 Los Angeles, CA 90067

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notices and communications shall be effective when actually received by the addressee.

(d) WITHHOLDING.

The Company may withhold from any amounts payable under this Agreement such federal, state or local income taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(e) SEVERABILITY.

If any provision of this Agreement as applied to any part or to any circumstances will be adjudged by a court to be invalid or unenforceable, the same will in no way affect any other provision of this Agreement, the application of such provision in any other circumstances, or the validity or enforceability of this Agreement. The parties hereto intend this Agreement to be enforced as written. If any provision or any part thereof is held to be invalid or unenforceable because of the duration thereof, the level of restrictions or the geographic scope thereof, all parties agree that the court or arbitrator making such determination will have the power to reduce the duration, restrictions or geographic scope of such provision, and/or to delete specific words or phrases in an its modified form such provision will then be enforceable.

(f) CAPTIONS.

The captions of this Agreement are not part of the provisions hereof and shall have no force or effect.

(g) BENEFICIARIES/REFERENCES.

The Employee shall be enabled to select (and change) a beneficiary or beneficiaries to receive any compensation or benefit payable hereunder following the Employee's death, and may change such election, in either case by giving the Company written notice thereof. In the event of the Employee's death or a judicial determination of his incompetence, reference in this Agreement to the Employee shall be deemed, where appropriate, to refer to the Employee's beneficiary(ies), estate or legal representative(s).

(h) ENTIRE AGREEMENT.

This Agreement contains the entire agreement between the parties concerning the subject matter hereof and supersedes all prior agreements, understandings, discussions, negotiations and undertakings, whether written or oral, between the parties with respect to the subject matter hereof, including without limitation the Prior Agreement and the Company's Executive Severance Pay Plan. However, nothing

in this Agreement shall adversely affect the Employee's rights to benefits vested and accrued prior to the Effective Date, other than benefits which vest or accrue upon a "Change of Control" as defined in the Prior Agreement and the Company's Executive Severance Pay Plan, as the case may be, which are not satisfied under Section 3(h). The Employee expressly agrees and acknowledges that the payments for his Company stock options set forth in Section 2.9 of the Merger Agreement are the sole payments in connection with or with respect to his Company stock options to which he is or will be entitled, and that the Prior Agreement has not been amended subsequent to September 30, 1998.

(i) ARBITRATION.

(i) Any dispute, controversy or claim arising out of or relating to this Agreement, a breach thereof or the coverage or enforceability of this Section 9(i) shall be settled by arbitration in Los Angeles, California (or such other location as the Company and the

Employee may mutually agree), conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association, as such rules are in effect in Los Angeles on the date of delivery of demand for arbitration. The arbitration of any such issue, including the determination of the amount of damages, shall be to the exclusion of any court of law. This provision shall not limit, nor be limited by, any additional right to seek injunctive relief under Section 7(d).

(ii) There shall be three arbitrators, one to be chosen by each party at will within ten (10) days from the date of delivery of demand for arbitration and the third arbitrator to be selected by the two arbitrators so chosen. If the two arbitrators are unable to select a third arbitrator within ten (10) days after the last of the two arbitrators is chosen by the parties, the third arbitrator will be designated, on application by either party, by the American Arbitration Association. The decision of a majority of the arbitrators shall be final and binding on both parties and their respective heirs, executors, administrators, personal representatives, successors and assigns. Judgment upon any award of the arbitrators may be entered in any court having jurisdiction, or application may be made to any such court for the judicial acceptance of the award and for an order of enforcement.

(iii) The Company shall pay the fees and expenses incurred in connection with any arbitration arising out of this Agreement, unless a majority of the arbitrators concludes that such arbitration procedure was not instituted in good faith by the Employee.

(j) REPRESENTATION.

The Company represents and warrants that it is fully authorized and empowered to enter into this Agreement and that the performance of its obligations under this

Agreement will not violate any agreement between the Company and any other person, firm or organization or any applicable laws or regulations.

(k) SURVIVORSHIP.

The respective rights and obligations of the parties hereunder shall survive any termination of this Agreement or the Employee's employment hereunder to the extent necessary to the intended preservation of such rights and obligations.

10. TERMINATION OF AGREEMENT.

This Agreement shall be void and of no further force or effect upon the termination of the Merger Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of March 22, 1999.

PARENT:

VIVENDI
By: _____
Its:_____
(title)

COMPANY:

UNITED STATES FILTER CORPORATION,
a Delaware corporation
By: _____
Its:_____
(title)

EMPLOYEE:

By: _____

Exhibit (c)(7)

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "Agreement"), dated as of March 22, 1999, among United States Filter Corporation (the "Company"), Vivendi ("Parent") and Kevin L. Spence (the "Employee").

WITNESSETH

WHEREAS, Employee is currently Executive Vice President and Chief Financial Officer of the Company; and

WHEREAS, the Company has entered, as of even date herewith, into that certain Agreement and Plan of Merger (the "Merger Agreement") by and among Parent, Eau Acquisition Corp. and the Company, dated as of March 22, 1999, pursuant to which, among other things, the Company shall become a subsidiary of Parent (such transaction or series of transactions, the "Transaction"); and

WHEREAS, Parent desires to insure the continued availability to the Company of the Employee's services, managerial skills and business experience following consummation of the Transaction and his commitment not to compete with the Company for a certain period of time, and the Employee is willing to render such services and provide such commitment, all upon and subject to the terms and conditions contained in this Agreement; and

WHEREAS, the Employee and the Company previously entered into a certain written Employment Agreement, effective as of August 26, 1998 (the "Prior Agreement"), and now desire to supercede the Prior Agreement in its entirety, contingent upon consummation of the Transaction; and

WHEREAS, in addition to the terms and conditions of employment set forth herein, the parties wish to set forth herein provisions with respect to certain payments being made to the Employee pursuant to the Prior Agreement and the Merger Agreement.

NOW THEREFORE, in consideration of the premises and the mutual covenants set forth in this Agreement, the Company and the Employee agree as follows:

1. EMPLOYMENT AND EMPLOYMENT TERM.

(a) EMPLOYMENT.

Subject to the terms and provisions set forth in this Agreement, the Company hereby employs the Employee during the Employment Term (as hereinafter defined) as Executive Vice President and Chief Financial Officer of the Company.

(b) EMPLOYMENT TERM.

The period of employment under this Agreement (the "Employment Term") shall commence as of the date on which the Effective Time (as defined in the Merger

Agreement) occurs (the "Effective Date") and shall continue for a period of three (3) years thereafter, or until earlier terminated as herein provided.

2. POSITIONS, RESPONSIBILITIES AND DUTIES.

(a) IN GENERAL.

During the Employment Term, the Employee shall be employed as, and the Company shall at all times cause the Employee to be, Executive Vice President and Chief Financial Officer of the Company. The Executive's duties, responsibilities and authority shall be consistent with the Executive's position and shall include such other duties, responsibilities and authority as may be assigned to the Executive by the Board of Directors of the Company (the "Board") or the Chief Executive Officer of the Company.

(b) TIME.

During the Employment Term, the Employee shall devote such time as is reasonably necessary to perform the duties associated with his offices and positions as set forth herein and shall use his best efforts to perform faithfully and efficiently the duties and responsibilities contemplated by this Agreement. Notwithstanding the foregoing, the Employee may devote reasonable time to activities other than those required under this Agreement, including the supervision of his personal investments, and activities involving professional, charitable, educational, religious and similar types of organizations, speaking engagements, membership on the boards of directors of other corporations, and similar type activities, to the extent that such other activities do not inhibit or prohibit the performance of the Employee's duties under this Agreement or conflict in any way with the business of the Company; provided, however, that the Employee shall not serve on the board of any commercial business or hold any other position with respect to any commercial business without the consent of the Board, which consent shall not be unreasonably withheld.

3. COMPENSATION AND BENEFITS.

(a) BASE SALARY.

During the Employment Term, the Employee shall receive an initial base salary ("Base Salary") of $350,000 per annum, payable in accordance with the Company's payroll practices generally applicable to the Company's senior executives. Such Base Salary shall be reviewed for increase but not decrease by the Board not less frequently than annually during the Employment Term. In conducting any such annual review, the Board shall take into account any change in the Employee's responsibilities, increases in the compensation of other senior executives of the Company or of its competitors or other comparable executives and companies, the performance of the Employee and other pertinent factors. If increased,

such increased Base Salary shall then constitute "Base Salary" for purposes of this Agreement.

(b) BONUSES, INCENTIVE, SAVINGS AND RETIREMENT PLANS, WELFARE BENEFIT PLANS.

The Employee shall be entitled to participate in all annual and long-term bonuses and incentive, savings and retirement plans generally available to other similarly situated executive employees of the Company. The Employee, and the Employee's family as the case may be, shall be eligible to participate in and receive all benefits under welfare benefit plans, practices, programs and policies provided to other similarly situated executive employees of the Company.

(c) EQUITY GRANT.

In consideration for the Employee's services hereunder and the covenants set forth in Section 7, the Company shall, or the Parent shall on behalf of the Company, deliver to the Employee an aggregate of 49,341 shares of Parent common stock (the "Stock Grant"), subject to the terms of this Section 3(c). On each of the first three (3) anniversaries of the Effective Date (each, a "Grant Date"), the Company shall, or the Parent shall on behalf of the Company, deliver to the Employee 16,447 shares of Parent common stock, representing one third (1/3) of the Stock Grant, if the Employee is employed hereunder as of such Grant Date; provided, however, that in the event that the Employee's employment hereunder is terminated because of his death or Disability, that portion of the Stock Grant not

already delivered to the Employee shall be immediately delivered to the Employee (or his estate or beneficiaries, if applicable); and provided, further, that if the Employee's employment hereunder is terminated by the Employee for Good Reason (as defined in Section 4(b)(iv)) or by the Company without Cause (as defined in Section 4(b)(vii)), the portions of the Stock Grant not already delivered shall be delivered on the scheduled Grant Dates so long as the Employee is not in violation of Section 7(b) (as determined, if applicable, by arbitration under Section 9(i)) and the Employee provides consulting services to the Company during the remainder of the scheduled Employment Term, as may be reasonably requested by the Parent Executive Committee from time to time, for which services the Company shall reimburse the Employee for his reasonable expenses incurred in the performance thereof. In the event that the Employee's employment hereunder is terminated by the Employee without Good Reason (as defined in Section 4(b)(iv)), or by the Company for Cause (as defined in Section 4(b)(vii)) or the Employee violates Section 7(b) (as determined, if applicable, by arbitration under Section 9(i)), the Employee shall forfeit all rights to receive any portion of the Stock Grant for which the Grant Date had not occurred as of the Date of Termination. The number and kind of shares to be granted

under this Section 3(c) shall be equitably adjusted to reflect changes in Parent's capitalization, such as a stock split or extraordinary dividend, or corporate transactions, such as a merger, spin-off, recapitalization or consolidation. With respect to each share of Parent common stock to be granted under this Section 3(c) that has not been forfeited and with respect to which the Employee (or his estate or beneficiaries, if applicable) has not yet become a shareholder, the Company shall pay to the Employee an amount in cash equal to the regular quarterly cash dividend, if any, paid by the Parent on its common stock. Such payment shall be made within ten (10) days following the applicable dividend payment date.

(d) VACATION AND FRINGE BENEFITS.

(i) During the Employment Term, the Employee shall be entitled to paid vacation and fringe benefits as provided generally to similarly situated executive employees of the Company.

(ii) The Employee shall be entitled to the full time use of an automobile, including reimbursement for all

operating and maintenance costs, consistent with the Company's corporate policy on automobiles as in effect from time to time.

(e) OFFICE AND SUPPORT STAFF.

During the Employment Term, the Employee shall be entitled to an office or offices of a size and with furnishings and other appointments, and to personal secretarial and other assistance, at least substantially equivalent to that provided to the Employee as of the date of this Agreement.

(f) EXPENSE REIMBURSEMENT.

During the Employment Term, the Employee shall be entitled to receive prompt reimbursement for all usual, customary and reasonable, business-related expenses incurred by the Employee in performing his duties and responsibilities hereunder in accordance with the practices and procedures of the Company as in effect with respect to senior executives of the Company.

(g) INDEMNIFICATION.

The Company shall maintain directors and officers liability insurance in commercially reasonable amounts (as reasonably determined by the Board) to the extent provided as of the date of this Agreement, and the Employee shall be covered under such insurance to the same extent as other similarly situated executive employees of the Company. The Employee shall be eligible for indemnification by the Company under the Company by-laws as currently in effect, and the Company agrees that it shall not take any action that would impair the Employee's rights to indemnification under the Company by-laws, as currently in effect.

(h) PAYMENT AND BENEFITS IN CONNECTION WITH THE TRANSACTION.

The Employee shall, as of the Effective Date, be entitled to receive a lump sum in cash from the Company equal to three (3) times the sum of (x) his Base Salary in effect as of the Effective Date (provided such amount has not been paid under the Prior Agreement), plus (y) the Employee's target bonus under the Company's Annual Incentive Compensation Plan for the year in which the Effective Date occurs. Such amount shall be paid to the Employee within five (5) business days following the Effective Date but in no event shall such amount exceed $1,950,000. In addition, the Employee's benefit in the U.S.

Filter Supplemental Executive Retirement Plan shall become fully vested as of the Effective Date.

4. TERMINATION OF EMPLOYMENT.

(a) TERMINATION DUE TO DEATH OR DISABILITY.

The Company may terminate the Employee's employment hereunder due to Disability (as hereinafter defined). In the event of the Employee's death or a termination of the Employee's employment by the Company due to Disability, the Employee or his estate or his legal representative, as the case may be, shall be entitled to receive from the Company:

(i) any unpaid Base Salary through the Date of Termination (as defined in Section 4(b)(iv));

(ii) an immediate lump sum in cash equal to the minimum annual incentive (determined without regard to any performance goals) provided by Section 3(b)(ii) for the year in which the Date of Termination (as defined in Section 4(b)(iv)) occurs multiplied by a fraction, the numerator of which is the number of days of such fiscal year through such Date of Termination and the denominator of which is 365;

(iii) an immediate lump sum amount equal to the sum of (A) 150 percent (150%) times the minimum annual incentive (determined without regard to any performance goals) provided by Section 3(b)(ii) for the year in which the Date of Termination (as defined in Section 4(b)(iv)) occurs plus (B) 150 percent (150%) times the annual rate of Base Salary at the rate in effect on the Date of Termination (as defined in Section 4(b)(iv));

(iv) a lump sum amount, payable within five (5) days following the Date of Termination (as defined in Section 4(b)(iv)), in respect of any deferred compensation (including, without limitation, interest or other credits on such deferred amounts), any accrued vacation pay and any reimbursement for expenses incurred but not yet paid prior to such Date of Termination; and

(v) any other compensation or benefits which may be owed or provided to or in respect of the Employee in

accordance with the terms and provisions of this Agreement or any plans and programs of the Company.

For purposes of this Agreement, "Disability" means the Employee's inability to render, for a period of six (6) consecutive months, services hereunder by reason of permanent disability, as determined by the written medical opinion of an independent medical physician mutually acceptable to the Employee and the Company. If the Employee and the Company cannot agree as to such an independent medical physician each shall appoint one medical physician and those two physicians shall appoint a third physician who shall make such determination.

(b) TERMINATION FOR ANY OTHER REASON.

(i) In the event that the Employee's employment hereunder is terminated by the Employee for Good Reason (as defined in Section 4(b)(v)) or by the Company without Cause (as defined in Section 4(b)(vii)) (other than for Disability), then the Company shall pay the Employee (A) any unpaid Base Salary through the Date of Termination (as defined in Section 4(b)(iv)), plus (B) an amount equal to the minimum annual incentive (determined without regard to any performance goals) provided in Section 3(b)(ii) for the year in which the Date of Termination (as defined in Section 4(b)(iv)) occurs multiplied by a fraction, the numerator of which is the number of days from the beginning of such fiscal year through such Date of Termination (as defined in Section 4(b)(iv)), and the denominator of which is 365, plus (C) any previously vested benefits, such as previously vested retirement benefits, plus (D) any deferred compensation (including, without limitation, interest or other credits on such deferred amounts), any accrued vacation pay and any reimbursement for expenses incurred but not yet paid prior to such Date of Termination (collectively, the "Accrued Obligations").

(ii) Furthermore, and in addition to the foregoing, in the event that the Employee's employment with the Company is terminated by the Employee for Good Reason or by the Company without Cause (other than Disability), then the Company shall also pay the Employee, within five (5) business days following the Date of Termination (as defined in Section 4(b)(iv)), a lump sum in cash equal to the number of years (including fractions thereof) remaining in the Employment Term (without taking into account such early termination

thereof) multiplied by the sum of (x) his then current Base Salary plus (y) the target annual incentive bonus for the year in which such Date of Termination occurs (determined without regard to any performance goals).

(iii) In the event that the Employee's employment hereunder is terminated by the Employee without Good Reason or by the Company for Cause, the Company shall pay the Employee the Accrued Obligations (other than the amounts under Section 4(b)(i)(B)).

(iv) For purposes of this Agreement, "Date of Termination" means (A) in the case of Disability, the last day of the six (6) month period referred to in Section 4(a), and (B) in all other cases, the actual date on which the Employee's employment terminates during the Term of Employment.

(v) For purposes of this Agreement, "Good Reason" for the Employee's termination of his employment hereunder shall mean, without the Employee's prior written consent, (A) the relocation of the Company's principal offices more than 150 miles from its location immediately prior to the Effective Date or the Company requiring the Employee to be based at any location other than such principal offices, (B) a breach by the Company of any material provision of this Agreement which is not cured within five (5) business days following written notification of such breach, or (C) the occurrence of a Change in Control (as defined in Section 4(b)(vi)).

(vi) "Change in Control" shall mean the occurrence of any of the following:

(A) the acquisition by any Person (including any group deemed to be a "person" under Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or any successor provision to either of the foregoing) of direct or indirect "beneficial ownership" (within the meaning of Rule 13d-3 under the Exchange Act) of securities of the Parent representing 50% or more of the combined voting power of the securities of the

Parent;

(B) during any period of two (2) consecutive years (not including any period prior to the Effective Date), individuals who at the beginning of such period constitute the board of directors of Parent (the "Parent Board"), and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of Parent) whose election by the Parent Board or nomination for election by the Parent's stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority thereof;

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(C) there is consummated a merger, consolidation, recapitalization, reorganization or other similar transaction (any such transaction, a "Business Combination") between the Parent or any direct or indirect subsidiary of the Parent and any other corporation, other than (1) a Business Combination which would result in the voting securities of the Parent outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) at least 50% of the combined voting power of the securities of the Parent or such surviving entity or any parent thereof outstanding immediately after such Business Combination, or (2) a merger or consolidation effected to implement a recapitalization of the Parent (or similar transaction) in which no Person is or becomes the "beneficial owner," directly or indirectly, of securities of the Parent

representing 50% or more of the combined voting power of the Parent's then outstanding securities;

(D) the Parent is placed under judicial administration or supervision in connection with the Parent's filing for bankruptcy;

(E) there is consummated an agreement for the sale or disposition by the Parent of all or substantially all of the Parent's assets, other than a sale or disposition by the Parent of all or substantially all of the Parent's assets to an entity, at least 50% of the combined voting power of the voting securities of which are owned by stockholders of the Parent in substantially the same proportions as their ownership of the Parent immediately prior to such sale;

(F) the Parent ceases to be the beneficial owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's securities; or

(G) there is consummated a sale or other disposition of all or substantially all of the assets of the Company, other than a sale or disposition of all or substantially all of the Company's assets to an entity, at least 50% of the combined voting power of the voting securities of which are owned by stockholders of the Parent in substantially the same proportions as their ownership of the Parent immediately prior to such sale.

(vii) Termination by the Company of the Employee for "Cause" as used in this Agreement shall be limited to the following: the Employee's conviction of, or a plea of guilty to, a felony involving moral turpitude or willful violation of Section 7(b) or the Employee's willful gross negli-

gence, material misconduct or material breach of this Agreement, resulting in material injury to the Company. For purposes of this definition, no act, or

failure to act, on the Executive's part shall be deemed "willful" unless done, or omitted to be done, by the Executive not in good faith and without reasonable belief that the Executive's act, or failure to act, was in the best interest of the Company. No termination for Cause shall be effective without (A) a resolution adopted by a majority of the Parent Executive Committee which sets forth the act (or failure to act) constituting Cause for termination, (B) if such act or failure to act is susceptible to cure, a reasonable period to effect such cure, and (C) opportunity for a hearing in arbitration, using the rules of the American Arbitration Association, as such rules are in effect in Los Angeles, California on the date of delivery of demand for arbitration, and otherwise in accordance with Section 9(i).

(c) CONTINUATION OF EMPLOYEE BENEFITS.

Upon the termination of the Employee's employment hereunder for any reason, the Company shall continue, until the third anniversary of the Effective Date, to cover the Employee and/or the Employee's family under those life, disability, accident and health insurance benefits that were applicable to the Employee on the Date of Termination at benefit levels and on terms and conditions (including with respect to cost to the Employee and/or the Employee's family) no less favorable than that to which the Employee and/or his family was entitled immediately prior to his Date of Termination (except for any changes made with respect to active senior executives of the Company); provided, however, that, in the event Employee's employment hereunder is terminated for Disability, such coverage shall continue for eighteen (18) months following the Date of Termination. In the event that the Employee and/or the Employee's family's participation in any such program is barred, the Company shall arrange to provide the Employee and/or the Employee's family with benefits substantially similar to those which the Employee and/or the Employee's family would otherwise have been entitled to receive under such plans and programs from which continued participation is barred. Following the continuation period described in this subsection, the Employee and the Employee's family shall be entitled to elect continuation coverage under Section 601 et seq. of the Employee Retirement Income Security Act, as amended, if permitted by applicable law.

(d) NO MITIGATION OR OFFSET.

The Company agrees that, if the Employee's employment with the Company terminates, the Employee is not required to seek other

employment or to attempt in any way to reduce any amounts payable to or in respect of the Employee by the Company pursuant to this Agreement. Further, the amount of any payment or benefit provided for in this Agreement shall not be reduced by any compensation

earned by the Employee as the result of employment by another employer, by retirement benefits, by offset against any amount claimed to be owed by the Employee to the Company or otherwise, except with respect to Section 4(c) benefits to the extent the Employee receives substantially equivalent benefits from a successor employer.

5. ADDITIONAL TAX PAYMENTS.

(a) EXCISE TAX GROSS-UP.

If any payment or benefit to which the Employee becomes entitled in connection with the Transaction pursuant to this Agreement, the Merger Agreement or otherwise (the "Total Payments") will be subject to the tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended (the "Code") (or any successor tax that may hereafter be imposed) (the "Excise Tax"), the Company shall pay to the Employee at the time specified below, an additional amount (the "Gross-up Payment") such that the net amount retained by the Employee, after deduction of any Excise Tax on the Total Payments and any taxes on the Total Payments other than the Excise Tax and any federal, state and local income and employment tax and Excise Tax upon the payment provided for by this subsection, shall be equal to the Total Payments. For purposes of determining whether any of such payments or benefits will be subject to the Excise Tax, and the amount of such Excise Tax, the Company and the Employee shall rely upon the assumption and determinations of Arthur Andersen LLP or such other certified accounting firm as may be mutually agreed upon by the Employee and the Company (the "Accounting Firm"). All fees and expenses of the Accounting Firm shall be borne solely by the Company. Any determinations by the Accounting Firm shall be binding upon the Company and the Employee, and they agree to take a position consistent with such determination (i) on any return, report, information return or other document (including, without limitation, any related or supporting information) with respect to taxes of the Company or the Employee, (ii) in any proceeding, formal or informal, before any taxing authority, and (iii) otherwise. In the event that the Excise Tax is subsequently determined to be less than the

amount taken into account hereunder at the time the Gross-Up Payment is determined, the Employee shall repay to the Company at the time that the amount of such reduction in Excise Tax is finally determined the portion of the Gross-Up Payment attributable to such reduction (plus the portion of the Gross-Up Payment attributable to the Excise Tax and federal and state and local income and employment tax imposed on the Gross-Up Payment being repaid by him if such repayment results in reduction in Excise Tax and/or a federal and state and local income and employment tax deduction) plus interest on the amount of such repayment at the rate provided in section 1274(b)(2)(B) of the Code. In the event that the Excise Tax is determined to exceed the amount taken into account hereunder at the time the Gross-Up Payment is determined (including by reason of any payment the existence or amount of which cannot be determined at the time of the Gross-Up Payment), the Company shall make an additional

Gross-Up Payment in respect of such excess (plus any interest payable with respect to such excess at the rate provided in section 1274(b)(2)(B) of the Code) at the time that the amount of such excess is finally determined. The Gross-Up Payment shall be paid within five (5) business days after the amount thereof is determined, but in no event later than thirty (30) days prior to the date on which payment of the Excise Tax in respect of which such Gross-Up Payment is determined is due. If the amounts of any payments under this Agreement cannot be finally determined on or before the payment date otherwise scheduled for payment, the Company shall pay to the Employee on such date an estimate, as determined in good faith by the Company, of the minimum amount of such payment and shall pay the remainder of such payments (together with interest at the rate provided in section 1274(b)(2)(B) of the Code) as soon as the amount thereof can be determined. In the event that the amount of the estimated payments exceeds the amount subsequently determined to have been due, such excess shall constitute a loan by the Company to the Employee payable on the fifth day after demand by the Company (together with interest at the rate provided in section 1274(b)(2)(B) of the Code).

Notwithstanding the foregoing, and subject to the Company's and Parent's obligations under Section 5(b), the Company shall not be required to pay a Gross-Up Payment with respect to an amount of the Excise Tax equal to the excess of (i) over (ii), where (i) equals the Excise Tax that actually becomes due with respect to the Total Payments and (ii) equals that amount of

Excise Tax that would have become due with respect to the Total Payments assuming that, with respect to the Company stock options granted to the Employee on October 9, 1998 (the "October Grant"), (x) the cash payout of the October Grant pursuant to Section 2.9 of the Merger Agreement was subject to Q&A 24(c) of the proposed Treasury Regulations promulgated under section 280G of the Code (the "Regulations") and (y) for purposes of Q&A 24(c)(2) under the Regulations, the percentage used to calculate the amount reflecting the lapse of the obligation to continue to perform services was one percent (1%) (such excess amount shall hereinafter be referred to as the "Option Excise Tax").

(b) COMPANY'S TAX POSITION.

The Company shall, and the Parent shall cause the Company to, take the position (i) on any return, report, information return or other document (including, without limitation, any related or supporting information) with respect to taxes of the Company or the Employee, (ii) in any proceeding, formal or informal, before any taxing authority, and (iii) otherwise, that the Option Excise Tax is not due, and the Company shall not, nor shall the Parent cause the Company to, withhold any amounts in respect thereof without the prior written consent of the Employee. The Company shall, at its own expense, contest in good faith any assessment or proposed assessment by the Internal Revenue Service (the "IRS") against the Company in respect of the Excise Tax with respect to the Option Excise Tax. The Employee shall notify the Company in writing of any claim by the Internal Revenue

Service that, if successful, would require the payment by the Employee or the Company of the Option Excise Tax. Such notification shall be given as soon as practicable but no later than ten (10) business days after the Employee is informed in writing of such claim and shall apprise the Company of the nature of such claim and the date on which such claim is requested to be paid. The Employee shall also give the Company any information reasonably requested by the Company relating to such claim; take such action in connection with contesting such claim as the Company shall reasonably request in writing from time to time, including, without limitation, accepting legal representation with respect to such claim by an attorney reasonably selected by the Company' cooperate with the Company in good faith in order effectively to contest such claim; and permit the Company to participate in any proceedings relating to such claim. Such contest shall

include pursuing any and all administrative and judicial remedies available to the Company. In the event that there is a Final Determination (as defined below) pursuant to which the IRS makes an assessment against the Company in respect of the Option Excise Tax, the Company shall remit such amount to the IRS and the Company shall be entitled to reimbursement of such amount. The Company shall effect such reimbursement only by means of withholding from the final tranche of the Stock Grant a number of shares having a value equal to the amount of the Option Excise Tax (rounding down to the next whole share); provided, however, that the Company shall be entitled to withhold from any cash payments to the Employee following the payment of such tranche of the Stock Grant an amount equal to the remainder of such Option Excise Tax.

For purposes of this Agreement, "Final Determination" shall mean:

(x) a decision, judgment, decree, or other order by any court of competent jurisdiction, which decision, judgment, decree, or other order has become final and not subject to further appeal; or

(y) a closing agreement entered into under section 7121 of the Code or any other binding settlement agreement entered into with the IRS, in either case with the consent of the Employee, which consent shall not be unreasonably withheld.

6. LEGAL FEES.

The Company shall pay to the Employee all legal fees and expenses incurred by the Employee in disputing in good faith any issue hereunder relating to the termination of the Employee's employment, in seeking in good faith to obtain or enforce any benefit or right provided by this Agreement or in connection with any tax audit or proceeding to the extent attributable to the application of section 4999 of the Code to any payment or benefit provided hereunder. Such payments shall be made within five (5) business days after delivery of the Employee's written requests for payment accompanied with such evidence of fees and expenses incurred as the Company reasonably may require.

7. PROTECTIVE COVENANTS.

(a) COMPENSATION, BENEFITS SUSPENDED IF SECTION 7 (b) BREACHED.

Except as more specifically provided with respect to the Stock Grant in Section 3(c), the Employee agrees that if, during the

Employment Term, he breaches his obligations under Section 7(b), any payments and benefits to which the Employee would otherwise have been entitled shall be suspended for one (1) year, or, if less, the remaining balance of the period with respect to which the Employee would otherwise be so entitled to such payments and benefits, which payments and benefits shall be deemed immediately forfeited. Nothing herein shall prohibit the Employee from being a stockholder in a mutual fund or a diversified investment company or a passive owner of not more than two percent of the outstanding stock of any class of a corporation any equity securities of which are publicly traded, so long as the Employee has no active participation in the business of such corporation.

(b) NON-DISCLOSURE; NON-COMPETE; NON-SOLICITATION.

The Employee shall not, at any time during the Employment Term or thereafter, make use of or disclose, directly or indirectly, any trade secret, customer lists or other confidential or secret information of the Company not available to the public generally or to the competitors of the Company ("Confidential Information") except to the extent that such Confidential Information becomes a matter of public record or is otherwise available to the general public, other than as a result of any act or omission of the Employee, or is required to be disclosed by any law, regulation or order of any court or regulatory commission, department or agency. Promptly following the Date of Termination, the Employee shall surrender to the Company all records, memoranda, notes, plans, reports, computer tapes and software and other documents and data relating to any Confidential Information or the business of the Company that he may then possess or have under his control (together with all copies thereof); provided, however, that the Employee may retain copies of such documents as are necessary for the preparation of his federal or state income tax returns. In consideration for the payments under this Agreement and any payments received by the Employee pursuant to the Transaction for his equity interests in the Company, during the scheduled Employment Term (notwithstanding any earlier termination of the Employment Term), the Employee will not in any manner directly or indirectly, through any person, firm or corporation, alone or as a member of a partnership or as an officer, director, stockholder, investor or employee of or consultant to any other corporation or enterprise or otherwise engage or assist any other person, firm, corporation or enterprise in engaging in any business then being conducted by the Company (but not later than as of the Date of Termination) in any geographic area in which the Company is then conducting such business. In consideration for the payments under this Agreement and any payments received by the Employee pursuant to the Transaction for his equity in-

terests in the Company, the Employee will not during the scheduled Employment Term (notwithstanding any earlier termination of the Employment Term) in any manner, directly or indirectly induce or attempt to induce any employee of the Company to terminate or abandon his or her employment for any purpose whatsoever.

(c) FALSE, DEFAMATORY, OR DISPARAGING STATEMENTS.

The Employee agrees that after his Date of Termination, he shall not make any false, defamatory or disparaging statements about the Company, or the officers or directors of the Company. Promptly after the Employee's Date of Termination, the Company agrees that it shall instruct the officers and the directors of the Company not to make any false, defamatory or disparaging statements about the Employee after such Date of Termination.

(d) INJUNCTIONS TO PREVENT BREACHES OF PROTECTIVE COVENANTS.

The parties hereto agree that the Company would be damaged irreparably in the event any provision of paragraphs (b) or (c), next above, were not performed by the Employee in accordance with their respective terms or were otherwise breached and that money damages would be an inadequate remedy for any such nonperformance or breach. Therefore, the Company or its successors or assigns shall be entitled, in addition to any other rights and remedies existing in their favor, to an injunction or injunctions to prevent any breach or threatened breach of any such provisions and to enforce such provisions specifically (without posting a bond or other security). The parties hereto agree that the Employee would be damaged irreparably in the event any provision of paragraph (c), next above, were not performed by the Company in accordance with its terms or were otherwise breached and that money damages would be an inadequate remedy for any such nonperformance or breach. Therefore, the Employee shall be entitled, in addition to any other rights and remedies existing in his favor, to an injunction or injunctions to prevent any breach or threatened breach of any such provisions and to enforce such provision specifically (without posting a bond or other security).

8. SUCCESSORS.

(a) THE EMPLOYEE.

This Agreement is personal to the Employee and, without the

prior express written consent of the Company, shall not be assignable by the Employee, except that the Employee's rights to receive any compensation or benefits under this Agreement may be transferred or disposed of pursuant to testamentary disposition, intestate succession or pursuant to a domestic relations order of a court of competent jurisdiction. This Agreement shall inure to the benefit of and be enforceable by the Employee's heirs, beneficiaries and/or legal representatives.

(b) THE COMPANY.

This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns. The Company shall require any successor to all or substantially all of the business and/or assets of the Company, whether direct or indirect, by purchase, merger, consolidation, acquisition of stock, or otherwise, by an agreement in form and substance satisfactory to the Employee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent as the Company would be required to perform if no such succession had taken place.

9. MISCELLANEOUS.

(a) APPLICABLE LAW.

This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, applied without reference to principles of conflict of laws.

(b) AMENDMENTS.

This Agreement may not be amended or modified otherwise than by a written agreement executed by the parties hereto or their respective successors and legal representatives.

(c) NOTICES.

All notices and other communications hereunder shall be in writing and shall be given by hand-delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Company: UNITED STATES FILTER CORPORATION
40-004 Cook Street
Palm Desert, CA 92211

If to the Employee: KEVIN L. SPENCE
43717 Via Majorca
Palm Desert, CA 92260

With a copy to: MICHAEL DIAMOND, ESQ.
1900 Avenue of the Stars
Suite 600
Los Angeles, CA 90067

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notices and communications shall be effective when actually received by the addressee.

(d) WITHHOLDING.

The Company may withhold from any amounts payable under this Agreement such federal, state or local income taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(e) SEVERABILITY.

If any provision of this Agreement as applied to any part or to any circumstances will be adjudged by a court to be invalid or unenforceable, the same will in no way affect any other provision of this Agreement, the application of such provision in any other circumstances, or the validity or enforceability of this Agreement. The parties hereto intend this Agreement to be enforced as written. If any provision or any part thereof is held to be invalid or unenforceable because of the duration thereof, the level of restrictions or the geographic scope thereof, all parties agree that the court or arbitrator making such determination will have the power to reduce the duration, restrictions or geographic scope of such provision, and/or to delete specific words or phrases in an its modified form such provision will then be enforceable.

(f) CAPTIONS.

The captions of this Agreement are not part of the provisions hereof and shall have no force or effect.

(g) BENEFICIARIES/REFERENCES.

The Employee shall be enabled to select (and change) a beneficiary or beneficiaries to receive any compensation or benefit payable hereunder following the Employee's death, and may change such election, in either case by giving the Company written notice thereof. In the event of the Employee's death or a judicial determination of his incompetence, reference in this Agreement to the Employee shall be deemed, where appropriate, to refer to the Employee's beneficiary(ies), estate or legal representative(s).

(h) ENTIRE AGREEMENT.

This Agreement contains the entire agreement between the parties concerning the subject matter hereof and supersedes all prior agreements, understandings, discussions, negotiations and undertakings, whether written or oral, between the parties with respect to the subject matter hereof, including without limitation the Prior Agreement and the Company's Executive Severance Pay Plan. However, nothing in this Agreement shall adversely affect the Employee's rights to benefits vested and accrued prior to the Effective Date, other than benefits which vest or accrue upon a "Change of Control" as defined in the Prior Agreement and the Company's Executive Severance Pay Plan, as the case may be, which are not satisfied under

Section 3(h). The Employee expressly agrees and acknowledges that the payments for his Company stock options set forth in Section 2.9 of the Merger Agreement are the sole payments in connection with or with respect to his Company stock options to which he is or will be entitled, and that the Prior Agreement has not been amended subsequent to September 30, 1998.

(i) ARBITRATION.

(i) Any dispute, controversy or claim arising out of or relating to this Agreement, a breach thereof or the coverage or enforceability of this Section 9(i) shall be settled by arbitration in Los Angeles, California (or such other location as the Company and the Employee may mutually agree), conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association, as such rules are in effect in Los Angeles on the date of delivery of demand for arbitration. The arbitration of any such issue, including the determination of the amount of damages, shall be to the exclusion of any court of law. This

provision shall not limit, nor be limited by, any additional right to seek injunctive relief under Section 7(d).

(ii) There shall be three arbitrators, one to be chosen by each party at will within ten (10) days from the date of delivery of demand for arbitration and the third arbitrator to be selected by the two arbitrators so chosen. If the two arbitrators are unable to select a third arbitrator within ten (10) days after the last of the two arbitrators is chosen by the parties, the third arbitrator will be designated, on application by either party, by the American Arbitration Association. The decision of a majority of the arbitrators shall be final and binding on both parties and their respective heirs, executors, administrators, personal representatives, successors and assigns. Judgment upon any award of the arbitrators may be entered in any court having jurisdiction, or application may be made to any such court for the judicial acceptance of the award and for an order of enforcement.

(iii) The Company shall pay the fees and expenses incurred in connection with any arbitration arising out of this Agreement, unless a majority of the arbitrators concludes that such arbitration procedure was not instituted in good faith by the Employee.

(j) REPRESENTATION.

The Company represents and warrants that it is fully authorized and empowered to enter into this Agreement and that the performance of its obligations under this Agreement will not violate any agreement between the Company and any other person, firm or organization or any applicable laws or regulations.

(k) SURVIVORSHIP.

The respective rights and obligations of the parties hereunder shall survive any termination of this Agreement or the Employee's employment hereunder to the extent necessary to the intended preservation of such rights and obligations.

10. TERMINATION OF AGREEMENT.

This Agreement shall be void and of no further force or effect upon the termination of the Merger Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of March 22, 1999.

PARENT:

VIVENDI
By: _____
Its:_____
(title)

COMPANY:

UNITED STATES FILTER CORPORATION,
a Delaware corporation

By: _____
Its:_____
(title)

EMPLOYEE:

By: _____

EXHIBIT (c)(8)

EXECUTION COPY

STOCK OPTION AGREEMENT

This STOCK OPTION AGREEMENT dated as of March 22, 1999 is by and between United States Filter Corporation, a Delaware corporation (the "Company"), and Vivendi, a societe anonyme organized under the laws of France (the "Grantee").

RECITALS

The Grantee, the Company and Purchaser propose to enter into the Merger Agreement.

As a condition and inducement to the Grantee's willingness to enter into the Merger Agreement, the Grantee has requested that the Company agree, and the Company has agreed, to grant the Grantee the Option.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants and agreements set forth herein and in the Merger Agreement, the Company and the Grantee agree as follows:

1. Capitalized Terms. Certain capitalized terms used in this Agreement are defined in Annex A hereto and are used herein with the meanings therein ascribed. Those capitalized terms used but not defined herein (including in Annex A hereto) that are defined in the Merger Agreement are used herein with the same meanings as ascribed to them therein; provided, however, that, as used in this Agreement, "Person" shall have the meaning specified in Sections 3(a)(9) and 13(d)(3) of the Exchange Act.

2. The Option.

(a) Grant of Option. Subject to the terms and conditions set forth herein, the Company hereby grants to the Grantee an irrevocable option to purchase, out of the authorized but unissued Shares, 36,223,552 Shares (as adjusted as set forth herein) (the "Option Shares"), at the Exercise Price.

(b) Exercise Price. The exercise price (the "Exercise Price") of the Option shall be $31.50 per Option Share.

Term. The Option shall be exercisable at any time and from time to time following the occurrence of an Exercise Event and shall remain in full force and effect until the earliest to occur of (i) the Effective Time, (ii) the first anniversary of the receipt by Grantee of written notice from the Company of the occurrence of an Exercise Event and (iii) termination of the Merger Agreement in accordance with its terms other than a termination with respect to

which an Exercise Event shall occur (the "Option Term"). If the Option is not theretofore exercised, the rights and obligations set forth in this Agreement shall terminate at the expiration of the Option Term. "Exercise Event" shall mean any of the events giving rise to the obligation of the Company to pay the Termination Fee under Section 8.3 of the Merger Agreement.

(c) Exercise of Option.

(i) The Grantee may exercise the Option, in whole or in part, at any time and from time to time during the Option Term. Notwithstanding the expiration of the Option Term, the Grantee shall be entitled to purchase those Option Shares with respect to which it has exercised the Option in accordance with the terms hereof prior to the expiration of the Option Term.

(ii) If the Grantee wishes to exercise the Option, it shall send a written notice (an "Exercise Notice") (the date of which being herein referred to as the "Notice Date") to the Company specifying (i) the total number of Option Shares it intends to purchase pursuant to such exercise and (ii) a place and a date (the "Closing Date") not earlier than three Business Days nor later than 15 Business Days from the Notice Date for the closing of the purchase and sale pursuant to the Option (the "Closing").

(iii) If the Closing cannot be effected by reason of the application of any Law, Regulation or Order, the Closing Date shall be extended to the tenth Business Day following the expiration or termination of the restriction imposed by such Law, Regulation or Order. Without limiting the foregoing, if prior notification to, or Authorization of, any Governmental Entity is required in connection with the purchase of such Option Shares by virtue of the application of such Law, Regulation or Order, the Grantee and, if applicable, the Company shall promptly file the required notice or application for Authorization and the Grantee, with the cooperation of the Company, shall expeditiously process the same.

(iv) Notwithstanding Section 2(c)(iii) if the Closing Date shall not have occur-red within nine months after the related Notice Date as a result of one or more restrictions imposed by the application of any Law, Regulation or Order, the exercise of the Option effected on the Notice Date shall be deemed to have expired.

(d) Payment and Delivery of Certificates.

(i) At each Closing, the Grantee shall pay to the Company in immediately available funds by wire transfer to a bank account designated by the Company an amount equal to the Exercise Price multiplied by the number of Option Shares to be purchased on such Closing Date.

(ii) At each Closing, simultaneously with the delivery of immediately available funds as provided above, the Company shall deliver to the

Grantee a certificate or certificates representing the Option Shares to be purchased at such Closing, which Option Shares shall be duly authorized, validly issued, fully paid and nonassessable and free and clear of all Liens, and the Grantee shall deliver to the Company its written agreement that the Grantee will not offer to sell or otherwise dispose of such Option Shares in violation of applicable Law or the provisions of this Agreement.

(e) Certificates. Certificates for the Option Shares delivered at each Closing shall be endorsed with a restrictive legend that shall read substantially as follows:

THE TRANSFER OF THE STOCK REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO RESTRICTIONS ARISING UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND PURSUANT TO THE TERMS OF A STOCK OPTION AGREEMENT DATED AS OF MARCH 21, 1999. A COPY OF SUCH AGREEMENT WILL BE PROVIDED TO THE HOLDER HEREOF WITHOUT CHARGE UPON RECEIPT BY THE COMPANY OF A WRITTEN REQUEST THEREFOR.

A new certificate or certificates evidencing the same number of Shares will be issued to the Grantee in lieu of the certificate bearing the above legend, and such new certificate shall not bear such legend, insofar as it applies to the Securities Act, if the Grantee shall have delivered to the Company a copy of a letter from the staff of the Securities and Exchange Commission, or an opinion of counsel in form and substance reasonably satisfactory to the Company and its counsel, to the effect that such legend is not required for purposes of the Securities Act.

(f) If at the time of issuance of any Common Shares pursuant to any exercise of the Option, the Company shall have issued any share purchase rights or similar securities to holders of Common Shares, then each Option Share purchased pursuant to the Option shall also include rights with terms substantially the same as and at least as favorable to the Grantee as those issued to other holders of Common Shares.

3. Adjustment Upon Changes in Capitalization, Etc.

(a) In the event of any change in the Shares by reason of a stock dividend, split-up, combination, recapitalization, exchange of shares or similar transaction, the type and number of shares or securities subject to the Option, and the Exercise Price therefor, shall be adjusted appropriately, and proper provision shall be made in the agreements governing such transaction, so that the Grantee shall receive upon exercise of the Option the same class and number of outstanding shares or other securities or property that Grantee would have received in respect of the Shares if the Option had been exercised immediately prior to such event, or the record date therefor, as applicable.

(b) If any additional Shares are issued after the date of this

Agreement (other than pursuant to an event described in Section 3(a) above), the number of Shares then remaining subject to the Option shall be adjusted so that, after such issuance of additional Shares, such number of Shares then remaining subject to the Option, together with shares theretofore issued pursuant to the Option, equals 19.9% of the number of Shares then issued and outstanding.

(c) To the extent any of the provisions of this Agreement apply to the Exercise Price, they shall be deemed to refer to the Exercise Price as adjusted pursuant to this Section 3.

4. Repurchase at the Option of Grantee.

(a) At the request of the Grantee made at any time and from time to time after the occurrence of an Exercise Event and prior to 120 days after the expiration of the Option Term (the "Put Period"), the Company (or any successor thereto) shall, at the election of the

Grantee (the "Put Right"), repurchase from the Grantee (i) that portion of the Option relating to all or any part of the Unexercised Option Shares (or as to which the Option has been exercised but the Closing has not occurred) and (ii) all or any portion of the Shares purchased by the Grantee pursuant hereto and with respect to which the Grantee then has ownership. The date on which the Grantee exercises its rights under this Section 4 is referred to as the "Put Date." Such repurchase shall be at an aggregate price (the "Put Consideration") equal to the sum of:

(i) the aggregate Exercise Price paid by the Grantee for any Option Shares which the Grantee owns and as to which the Grantee is exercising the Put Right;

(ii) the excess, if any, of the Applicable Price over the Exercise Price paid by the Grantee for each Option Share as to which the Grantee is exercising the Put Right multiplied by the number of such shares; and

(iii) the excess, if any, of (x) the Applicable Price per Share over (y) the Exercise Price multiplied by the number of Unexercised Option Shares as to which the Grantee is exercising the Put Right.

(b) If the Grantee exercises its rights under this Section 4, the Company shall, within ten Business Days after the Put Date, pay the Put Consideration in immediately available funds to an account specified by the Grantee, and the Grantee shall promptly thereupon surrender to the Company the Option or portion of the Option and the certificates evidencing the Shares purchased thereunder. The Grantee shall warrant to the Company that, immediately

prior to the repurchase thereof pursuant to this Section 4, the Grantee had sole record and Beneficial Ownership of the Option or such shares, or both, as the case may be, and that the Option or such shares, or both, as the case may be, were then held free and clear of all Liens.

(c) If the Option has been exercised, in whole or in part, as to any Option Shares subject to the Put Right but the Closing thereunder has not occurred, the payment of the Put Consideration shall, to that extent, render such exercise null and void.

(d) Notwithstanding any provision to the contrary in this Agreement the Grantee may not exercise its rights pursuant to this Section 4 in a manner that would result in Total Profit of more than the Profit Cap; provided, however, that nothing in this sentence shall limit the Grantee's ability to exercise the Option in accordance with its terms.

5. Repurchase at the Option of the Company.

(a) To the extent the Grantee shall not have previously exercised its rights under Section 4, at the request of the Company made at any time after the tenth day following the closing of the purchase and sale of any Option Shares pursuant to Section 2 hereof and for a period ending 120-days after the expiration of Option Term (the "Call Period"), the Company may repurchase from the Grantee, and the Grantee shall sell, or cause to be sold, to the Company, all (but not less than all) of the Shares acquired by the Grantee pursuant hereto and with respect to which the Grantee has ownership at the time of such repurchase at a price per

share equal to the greater of (A) the Current Market Price and (B) the Exercise Price per share in respect of the shares so acquired (such price per share multiplied by the number of Shares to be repurchased pursuant to this Section 5 being herein called the "Call Consideration"). The date on which the Company exercises its rights under this Section 5 is referred to as the "Call Date."

(b) If the Company exercises its rights under this Section 5, the Company shall, within ten Business Days pay the Call Consideration in immediately available funds, and the Grantee shall surrender to the Company certificates evidencing the Shares purchased hereunder, and the Grantee shall warrant to the Company that, immediately prior to the repurchase thereof pursuant to this Section 5, the Grantee had sole record and Beneficial Ownership of such shares and that such shares were then held free and clear of all Liens.

(c) To the extent that the Grantee shall exercise the Option, the Grantee shall, unless the Grantee shall exercise the Put Right or the Company shall exercise the Call Right, retain sole ownership of the Shares so acquired through the end of the Call Period.

(d) Notwithstanding any provision to the contrary in this Agreement, the aggregate of the Call Consideration paid for all Option Shares shall not exceed the Profit Cap.

6. Registration Rights.

(a) The Company shall, if requested by the Grantee at any time and from time to time during the Registration Period, as expeditiously as practicable, prepare, file and cause to be made effective up to two registration statements under the Securities Act if such registration is required in order to permit the offering, sale and delivery of any or all Shares or other securities that have been acquired by or are issuable to the Grantee upon exercise of the Option in accordance with the intended method of sale or other disposition stated by the Grantee, including, at the sole discretion of the Company, a "shelf" registration statement under Rule 415 under the Securities Act or any successor provision, and the Company shall use all reasonable efforts to qualify such shares or other securities under any applicable state securities laws. The Company shall use all reasonable efforts to cause each such registration statement to become effective, to obtain all consents or waivers of other parties that are required therefor and to keep such registration statement effective for such period not in excess of 180 days from the day such registration statement first becomes effective as may be reasonably necessary to effect such sale or other disposition. The obligations of the Company hereunder to file a registration statement and to maintain its effectiveness may be suspended for one or more periods of time not exceeding 60 days in the aggregate if the Board of Directors of the Company shall have determined in good faith that the filing of such registration or the maintenance of its effectiveness would require disclosure of nonpublic information that would materially and adversely affect the Company. For purposes of determining whether two requests have been made under this Section 6, only requests relating to a registration statement that has become effective under the Securities Act and pursuant to which the Grantee has disposed of all shares covered thereby in the manner contemplated therein shall be counted. Notwithstanding any other provision of this Section 6, any request for registration shall permit the Company, upon notice given within 20 days of the request for registration, to repurchase from the Grantee any

shares as to which the Grantee requests registration at a price per share equal to the Current Market Price at the date the Company notifies the Grantee of its decision to so repurchase. The Registration Expenses shall be for the account of the Company.

(b) The Grantee shall provide all information reasonably requested by the Company for inclusion in any registration statement to be filed hereunder. Grantee shall choose the managing underwriter in any registration

contemplated by this Section 6. If during the Registration Period the Company shall propose to register under the Securities Act the offering, sale and delivery of Shares for cash for its own account or for any other stockholder of the Company pursuant to a firm underwriting, it shall, in addition to the Company's other obligations under this Section 6, allow the Grantee the right to participate in such registration provided that the Grantee participates in the underwriting; provided, however, that, if the managing underwriter of such offering advises the Company in writing that in its opinion the number of Shares requested to be included in such registration exceeds the number that can be sold in such offering, the Company shall, after fully including therein all securities to be sold by the Company, include the shares requested to be included therein by Grantee pro rata (based on the number of Shares intended to be included therein) with the shares intended to be included therein by Persons other than the Company.

(c) In connection with any offering, sale and delivery of Shares pursuant to a registration statement effected pursuant to this Section 6, the Company and the Grantee shall provide each other and each underwriter of the offering with customary representations, warranties and covenants, including covenants of indemnification and contribution and, with respect to an underwritten offering, enter into an underwriting agreement and other documents in form and substance customary for transactions of such type.

7. Profit Limitation.

(a) Notwithstanding any other provision of this Agreement in no event shall the Grantee's Total Profit exceed the Profit Cap and, if it otherwise would exceed such amount, (A) in connection with the Put Right or any sale to a third party, the Grantee, at its sole election, shall either (i) deliver to the Company for cancellation Option Shares previously purchased by Grantee, (ii) pay cash or other consideration to the Company, (iii) reduce the amount of the fee payable to Grantee under Section 8.3 of the Merger Agreement or (iv) undertake any combination thereof, and (B) in connection with the Call Right, Grantee shall deliver to the Company for cancellation Option Shares (or other securities into which such Option Shares are converted or exchanged), in either case, so that the Grantee's Total Profit shall not exceed the Profit Cap after taking into account the foregoing actions.

(b) Notwithstanding any other provision of this Agreement, this Stock Option may not be exercised for a number of Option Shares that would, as of the Notice Date, result in a Notional Total Profit of more than the Profit Cap, and, if exercise of the Option otherwise would exceed the Profit Cap, the Grantee, at its sole option, may reduce the number of Option shares as to which this Option is being exercised, increase the Exercise Price for that number of Option Shares set forth in the Exercise Notice so that the Notional Total Profit shall not exceed the

Profit Cap; provided, however, that nothing in this sentence shall restrict any exercise of the Option otherwise permitted by this Section 7(b) on any subsequent date at the Exercise Price set forth in Section 2(b) if such exercise would not then be restricted under this Section 7(b).

(c) If an Exercise Event shall occur, the Grantee may elect, in lieu of receiving any portion of the Termination Fee, to exercise a portion of the Option.

8. Listing. If the Shares or any other securities then subject to the Option are then listed on the NYSE, the Company, upon the occurrence of an Exercise Event, will promptly file an application to list on the NYSE the Shares or other securities then subject to the Option and will use all reasonable efforts to cause such listing application to be approved as promptly as practicable.

9. Replacement of Agreement. Upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Agreement, and (in the case of loss, theft or destruction) of reasonably satisfactory indemnification, and upon surrender and cancellation of this Agreement, if mutilated, the Company will execute and deliver a new Agreement of like tenor and date.

10. Miscellaneous.

(a) Expenses. Except as otherwise provided in the Merger Agreement or as otherwise expressly provided herein, each of the parties hereto shall bear and pay all costs and expenses incurred by it or on its behalf in connection with the transactions contemplated hereunder, including fees and expenses of its own financial consultants, investment bankers, accountants and counsel.

(b) Waiver and Amendment. Any provision of this Agreement may be waived at any time by the party that is entitled to the benefits of such provision. This Agreement may not be modified, amended, altered or supplemented except upon the execution and delivery of a written agreement executed by the parties hereto.

(c) Entire Agreement; No Third Party Beneficiary; Severability. Except as otherwise set forth in the Merger Agreement, this Agreement (including the Merger Agreement and the other documents and instruments referred to herein and therein) (i) constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof and (ii) is not intended to confer upon any Person other than the parties hereto any rights or remedies hereunder.

(d) Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of

the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as

possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

(e) Governing Law. This Agreement shall be governed by, and construed in accordance with, the Laws of the State of Delaware, regardless of the Laws that might otherwise govern under applicable principles of conflicts of law.

(f) Descriptive Headings. The descriptive headings contained herein are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement.

(g) Notices. All notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally, telecopied (with confirmation) or mailed by registered or certified mail (return receipt requested) to the parties at the following addresses or sent by electronic transmission to the telecopier number specified below:

If to the Company to:

United States Filter Corporation
40-004 Cook Street
Palm Desert, CA 92211
Telecopy:
Attention: Steve Stanczak, Esq.

with a copy to:

Skadden, Arps, Slate, Meagher & Flom LLP
300 South Grand Avenue
Los Angeles, CA 90071-3144
Telecopy: (213) 687-5600
Attention: Rod A. Guerra, Jr., Esq.
Brian J. McCarthy, Esq.

If to Grantee to:

VIVENDI S.A.
42, Avenue de Friedland
75380

Paris
Telecopy: (011) 331-7171-1137
Attention: Chief Financial Officer

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with a copy to:

Cabinet Bredin Prat
130 rue du Faubourg Saint Honore
75008
Paris
Telecopy: (011) 331-4359-7001
Attention: Elena M. Baxter, Esq.

and:

Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, New York 10019
Telecopy: (212) 403-2000
Attention: Daniel A. Neff, Esq.
Trevor S. Norwitz, Esq..

(h) Counterparts. This Agreement and any amendments hereto may be executed in counterparts, each of which shall be deemed an original and all of which taken together shall constitute but a single document.

(i) Assignment. Neither this Agreement nor any of the rights, interests or obligations hereunder or under the Option shall be sold, assigned or otherwise disposed of or transferred by either of the parties hereto (whether by operation of law or otherwise) without the prior written consent of the other party, except that the Grantee may assign this Agreement to a wholly owned Subsidiary of the Grantee; provided, however, that no such assignment shall have the effect of releasing the Grantee from its obligations hereunder. Subject to the preceding sentence, this Agreement shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

(j) Further Assurances. In the event of any exercise of the Option by the Grantee, the Company and the Grantee shall execute and deliver all other documents and instruments and take all other action that may be reasonably necessary in order to consummate the transactions provided for by such exercise.

(k) Specific Performance. The parties hereto hereby acknowledge and agree that the failure of any party to this Agreement to perform its agreements and covenants hereunder will cause irreparable injury to the other party to this Agreement for which damages, even if available, will not be an adequate remedy.

Accordingly, each of the parties hereto hereby consents to the granting of equitable relief (including specific performance and injunctive relief) by any court of competent jurisdiction to enforce any party's obligations hereunder. The parties further agree to waive any requirement for the securing or posting of any bond in connection with the obtaining of any such equitable relief and that this provision is without prejudice to any other rights that the parties hereto may have for any failure to perform this Agreement.

IN WITNESS WHEREOF, the Company and the Grantee have caused this Stock Option Agreement to be signed by their respective officers thereunto duly authorized, all as of the day and year first written above.

UNITED STATES FILTER CORPORATION

By: /s/ Richard J. Heckmann

Name: Richard J. Heckmann
Title: Chairman and Chief Executive Officer

VIVENDI S.A.

By: /s/ Jean-Marie Messier

Name: Jean-Marie Messier
Title: President Directeur General

ANNEX A

SCHEDULE OF DEFINED TERMS

The following terms when used in the Stock Option Agreement shall have the meanings set forth below unless the context shall otherwise require:

"Agreement" shall mean this Stock Option Agreement.

"Applicable Price" means the highest of (i) the highest purchase price per share paid pursuant to a third party's tender or exchange offer made for Shares after the date hereof and on or prior to the Put Date, (ii) the price per share to be paid by any third Person for Shares pursuant to an agreement for a Business Combination Transaction entered into on or prior to the Put Date, and

(iii) the Current Market Price. If the consideration to be offered, paid or received pursuant to either of the foregoing clauses (i) or (ii) shall be other than in cash, the value of such consideration shall be determined in good faith by an independent nationally recognized investment banking firm jointly selected by the Grantee and the Company, which determination shall be conclusive for all purposes of this Agreement.

"Authorization" shall mean any and all permits, licenses, authorizations, orders certificates, registrations or other approvals granted by any Governmental Entity.

"Beneficial Ownership," "Beneficial Owner" and "Beneficially Own" shall have the meanings ascribed to them in Rule 13d-3 under the Exchange Act.

"Business Combination Transaction" shall mean (i) a consolidation, exchange of shares or merger of the Company with any Person, other than the Grantee or one of its subsidiaries, and, in the case of a merger, in which the Company shall not be the continuing or surviving corporation, (ii) a merger of the Company with a Person, other than the Grantee or one of its Subsidiaries, in which the Company shall be the continuing or surviving corporation but the then outstanding Shares shall be changed into or exchanged for stock or other securities of the Company or any other Person or cash or any other property or the shares of Company Common Stock outstanding immediately before such merger shall after such merger represent less than 70% of the common shares and common share equivalents of the Company outstanding immediately after the merger or (iii) a sale, lease or other transfer of all or substantially all the assets of the Company to any Person, other than the Grantee or one of its Subsidiaries.

"Business Day" shall mean a day other than Saturday, Sunday or a federal holiday.

"Call Consideration" shall have the meaning ascribed to such term in Section 5 herein.

"Call Date" shall have the meaning ascribed to such term in Section 5 herein.

"Call Period" shall have the meaning ascribed to such term in Section 5 herein.

"Closing" shall have the meaning ascribed to such term in Section 2 herein.

"Closing Date" shall have the meaning ascribed to such term in Section 2 herein.

"Current Market Price" shall mean, as of any date, the average of the closing prices (or, if such securities should not trade on any trading day, the average of the bid and asked prices therefor on such day) of the Shares as reported on the New York Stock Exchange Composite Tape during the ten consecutive trading days ending on (and including) the trading day immediately prior to such date or, if the Shares are not quoted thereon, on The Nasdaq Stock Market or, if the Shares are not quoted thereon, on the principal trading market (as defined in Regulation M under the Exchange Act) on which such shares are traded as reported by a recognized source during such ten Business Day period.

"Exercise Event" shall have the meaning ascribed to such term in Section 2(c).

"Exercise Notice" shall have the meaning ascribed to such term in Section 2(d) herein.

"Exercise Price" shall have the meaning ascribed to such term in Section 2 herein.

"Law" shall mean all laws, statutes and ordinances of the United States, any state of the United States, any foreign country, any foreign state and any political subdivision thereof, including all decisions of Governmental Entities having the effect of law in each such jurisdiction.

"Lien" shall mean any mortgage, pledge, security interest, adverse claim, encumbrance, lien or charge of any kind (including any agreement to give any of the foregoing), any conditional sale or other title retention agreement, any lease in the nature thereof or the filing of or agreement to give any financing statement under the Laws of any jurisdiction.

"Merger Agreement" shall mean that certain Agreement and Plan of Merger dated as of the date hereof among United States Filter Corporation, a Delaware corporation, Eau Acquisition Corp., a Delaware corporation, and VIVENDI, a societe anonyme organized under the laws of France.

"Notice Date" shall have the meaning ascribed to such term in Section 2 herein.

"Notional Total Profit" shall mean, with respect to any number of Option Shares as to which the Grantee may propose to exercise the Option, the Total Profit determined as of the date of the Exercise Notice assuming that the Option were exercised on such date for such number of Option Shares and assuming such Option Shares, together with all other Option Shares held by the Grantee and its Affiliates as of such date, were sold for cash at the closing market price for the Shares as of the close of business on the preceding trading day (less customary brokerage commissions) and including all amounts theretofore received or concurrently being paid to the Grantee pursuant to clauses (i), (ii) and (iii) of the definition of Total Profit.

"Option" shall mean the option granted by the Company to Grantee pursuant to Section 2 herein.

"Option Shares" shall have the meaning ascribed to such term in Section 2 herein.

"Option Term" shall have the meaning ascribed to such term in Section 2 herein.

"Order" shall mean any judgment, order or decree of any Governmental Entity.

"Profit Cap" shall mean $237 million.

"Put Consideration" shall have the meaning ascribed to such term in Section 4 herein.

"Put Date" shall have the meaning ascribed to such term in Section 4 herein.

"Put Period" shall have the meaning ascribed to such term in Section 4 herein.

"Put Right" shall have the meaning ascribed to such term in Section 4 herein.

"Registration Expenses" shall mean the expenses associated with the preparation and filing of any registration statement pursuant to Section 6 herein and any sale covered thereby (including any fees related to blue sky qualifications and filing fees in respect of the National Association of Securities Dealers, Inc.), but excluding underwriting discounts or commissions or brokers' fees in respect to shares to be sold by the Grantee and the fees and disbursements of the Grantee's counsel.

"Registration Period" shall mean the period of two years following the first exercise of the Option by the Grantee.

"Regulation" shall mean any rule or regulation of any Governmental Entity having the effect of Law or of any rule or regulation of any self-regulatory organization, such as the NYSE.

"Total Profit" shall mean the aggregate (before income taxes) of the following: (i) all amounts to be received by the Grantee or concurrently being paid to the Grantee pursuant to Section 4 for the repurchase of all or part of the unexercised portion of the Option, (ii) (A) the amounts to be received by the Grantee or concurrently being paid to the Grantee pursuant to the sale of Option Shares (or any other securities into which such Option Shares are converted or exchanged), including sales made pursuant to a registration statement under the Securities Act or any exemption therefrom, less (B)

aggregate Exercise Price paid by the Grantee for such Option Shares and (iii) all amounts received by the Grantee from the Company or concurrently being paid to the Grantee pursuant to Section 8.3 of the Merger Agreement.

"Unexercised Option Shares" shall mean, from and after the Exercise Date until the expiration of the Option Term, those Option Shares as to which the Option remains unexercised from time to time.

EXHIBIT (c)(9)

United States Filter Corporation
40-004 Cook Street
Palm desert, CA 92210

March 15, 1999

Vivendi
42, avenue de Friedland
75380 Paris Cedex 08, France

Re: Confidentiality Agreement

Gentlemen:

You have expressed an interest in exploring a possible transaction (the "Transaction") with United States Filter Corporation (the "Company") relating to a possible acquisition of the Company and have requested that the Company furnish you with certain information.

As used herein, "Evaluation Material" means all information relating to the Company, whether oral, written or otherwise (including any such information furnished prior to the execution of this Agreement), furnished to you or your directors, officers, partners, advisors (including financial advisors), subsidiaries or other entities controlled by you directly or indirectly ("Controlled Entities"), employees, agents or representatives (collectively, "Representatives"), by the Company or its Representatives and all reports, analyses, compilations, studies and other materials prepared by you or your Representatives (in whatever form maintained, whether documentary, computer storage or otherwise) containing, reflecting or based upon, in whole or in part, any such information. The term "Evaluation Material" does not include information which (i) is or becomes generally available to the public other than as a result of a disclosure by you, your Representatives or anyone to whom you or any of your Representatives transmit any Evaluation Material or (ii) is or becomes known or available to you on a non-confidential basis from a source

(other than the Company or one of its Representatives) who, insofar as is known to you after reasonable due inquiry, is not prohibited from transmitting the information to you or your Representatives by a contractual, legal, fiduciary or other obligation.

In consideration of your being furnished with the Evaluation Material, you agree that:

1. Subject to paragraph 3 below, the Evaluation Material will be kept confidential in accordance with the terms hereof and will not, without the prior written consent of the Company, be disclosed by you or your Representatives, in whole or in part, and will not be used by you or your Representatives, directly or indirectly, for any purpose other than in connection with evaluating a possible Transaction. Moreover, you agree to disclose that you are evaluating the Transaction and transmit Evaluation Material to your Representatives only for the purpose of evaluating such Transaction and are informed by you of the confidential nature of the Evaluation Material and agree to act in accordance with the confidentiality provisions of this Agreement. In any event, you will be responsible for any actions by your Representatives which are not in accordance with the provisions hereof; provided, however, that you shall not be responsible for any such actions by any of your Representatives who is not one of your directors, partners, officers, Affiliates or employees and who furnishes to the Company a letter substantially in the form of Exhibit A.

2. Subject to paragraph 3 below, without the prior written consent of the Company, neither you nor your Representatives will disclose to any person any information regarding a possible Transaction involving the Company or any information relating in any way to the Evaluation Material, including, without limitation (i) the fact that discussions or negotiations with the Company are taking place concerning a possible Transaction, including the status thereof or the termination of discussions or negotiations with the Company, (ii) any of the terms, conditions or other facts with respect to any such possible Transaction or of your consideration of a possible Transaction or (iii) that this Agreement exists, that Evaluation Material has been made available to you. The Company, its subsidiaries, and its Representatives shall be subject to the restrictions contained in the immediately preceding sentence. The term "person" as used in this Agreement shall be broadly interpreted to include, without limitation, any corporation, company, group, partnership, entity or individual; and the term "Company" shall include, without limitation, its subsidiaries.

3. In the event that you, your Representatives or anyone to whom you or your Representatives supply Evaluation Material or any of the facts or information referred to in paragraph 2, above, are requested or required (by oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand, any informal or formal investigation by any government or governmental agency or authority or otherwise) to disclose any Evaluation Material or any of the facts or information referred to in the prior paragraph or any information relating to a possible Transaction or such person's opinion, judgment, view or recommendation concerning the Company as developed from the Evaluation Material, you agree (i) to immediately notify the Company of the existence, terms and circumstances surrounding such a request, (ii) to consult with the Company on the advisability of taking legally available steps to resist or narrow such request and (iii) if disclosure of such information is required, to furnish only that portion of the Evaluation Material which, in the opinion of your counsel, you are legally required to disclose and to cooperate with any reasonable action by the Company to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded the Evaluation Material.

4. You hereby acknowledge that you are aware, and that you will advise such of your Representatives who are informed in accordance with the terms of this Agreement, that the United States securities laws prohibit any person who has received from an issuer material non-public information concerning the matters which are the subject of this Agreement from purchasing or selling securities of such issuer or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities.

5. You hereby acknowledge that the Evaluation Material is being furnished to you in consideration of your agreement that, for a period of two years from the date hereof, neither you nor any of your Controlled Entities shall, directly or indirectly, without the consent of the Company (a)(x) solicit, seek or offer to effect or effect, (xx) negotiate with or provide any information to the Company's Board of Directors, any director or officer of the Company, any stockholder of the Company, any employee or union or other labor organization representing employees of the Company or any other person with respect to, (xxx) make any statement or proposal, whether written or oral, either alone or in concert with others, to the Board of Directors of the Company, any directors or officers of the Company or any stockholder of the Company, any employee or union or other labor organization representing employees of the Company or any other person with respect to,

or (xxxx) make any public announcement (except as required by law in respect of actions permitted hereby) or proposal or offer whatsoever (including, but not limited to, any "solicitation" of "proxies" as such terms are defined or used in Regulation 14A of the Exchange Act) with respect to (i) any form of business combination or similar or other extraordinary transaction involving the Company or any of its subsidiaries or other entities controlled by the Company (the "Company Controlled Entities"), including, without limitation, a merger, tender or exchange offer or liquidation of the Company assets, (ii) any form of restructuring, recapitalization or similar transaction with respect to the Company or any Company Controlled Entities, (iii) any purchase of any securities or assets, or rights or options to acquire any securities or assets (through purchase, exchange, conversion or otherwise), of the Company or any Company Controlled Entities, (iv) any proposal to seek representation on the Board of Directors of the Company or otherwise to seek to control or influence the management, Board of Directors or policies of the Company or any Company Controlled Entities, (v) any request or proposal to waive, terminate or amend the provisions of this letter or (vi) any proposal or other statement inconsistent with the terms of this agreement or (b) instigate, encourage, join, act in concert with or assist (including, but not limited to, providing or assisting in any way in obtaining financing for, or acting as a joint or co-bidder for the Company) any third party to do any of the foregoing (the actions referred to in (a) and (b) in this sentence are referred to as "Prohibited Actions"), unless and until you have received the prior written invitation or approval of a majority of the Board of Directors of the Company to do any of the foregoing (it being agreed and understood that the entering into of this Agreement shall not constitute such invitation). If at any time during such period you are approached by any party concerning your or their participation in a transaction involving the Company assets, businesses or securities or any other Prohibited Actions, you will promptly inform the Company of the nature of such contact and the parties thereto unless you terminate such contact immediately upon becoming aware of the subject matter thereof. Notwithstanding the foregoing provisions of this paragraph, such provisions shall not apply in the event the Company enters into a definitive agreement or an agreement in principle with a third party (other than the undersigned) with respect to a transaction referred to in clause (a)(i) or (ii) of this paragraph or a third party engages in any of the activities referred to in clause(a)(xxxx) with respect to a transaction referred to in clause (a)(i), (ii) or (iv) of this paragraph. You further agree that for a period of two years from the date hereof you will not offer to hire or hire any person currently or formerly employed by

the Company with whom you have had contact, or about whom you have become aware, during the period of your investigation of the Company provided however, that the foregoing provision will not prevent you from employing any such person

who contacts you on his or her own initiative or in response to any general solicitation or advertisement concerning available positions.

6. You agree that prior to the consummation of a Transaction, without the prior consent of the Company, neither you nor your Controlled Entities shall directly or indirectly, initiate, engage or participate in any discussions or negotiations or enter into any agreement or arrangements regarding the sale of any assets or securities of the Company, except for agreements with bona fide financial institutions providing financing for such Transaction which require sales of certain assets to third parties prior to a certain time.

7. Although the Company has endeavored to include in the Evaluation Material information known to it which it believes to be relevant for the purpose of your investigation, you understand that neither the Company nor any of its Representatives has made or will make any representation or warranty as to the accuracy or completeness of the Evaluation Material; except as may be contained in a definitive agreement with respect to a Transaction. You agree that neither the Company nor its Representatives shall have any liability to you or any of your Representatives resulting from the Evaluation Material or for your or your Representatives' consideration of, or participation in a process relating to, a possible Transaction.

8. Promptly upon request from the Company, you shall redeliver to the Company or destroy all tangible Evaluation Material and any other tangible material containing, prepared on the basis of, or reflecting any information in the Evaluation Material (whether prepared by the Company, its advisors or otherwise), including all reports, analyses, compilations, studies and other materials containing or based on the Evaluation Material or reflecting your review of, or interest in, the Company, and will not retain any copies, extracts or other reproductions in whole or in part of such tangible material. Upon the request of the Company, any such destruction shall be certified in writing to the Company by an authorized officer supervising the same.

9. You acknowledge and agree that in the event of any breach of this Agreement, the Company would be irreparably and immediately harmed and could

not be made whole by monetary damages. It is accordingly agreed that the Company, in addition to any other remedy to which it may be entitled in law or equity, shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to compel specific performance of this Agreement, without the need for proof of actual damages. You also agree to reim-

burse the Company for all costs and expenses, including attorney's fees, incurred by the Company in successfully enforcing your or your Representatives' obligations hereunder.

10. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, including, without limitation, ss. 5-1401 and 5-1402 of the New York General Obligations Law and NYCPLR 327(b). You hereby irrevocably and unconditionally submit to the jurisdiction of any court of the state of New York or any federal court sitting in the State of New York for purposes of any suit, action or other proceeding arising out of this Agreement or the Transaction contemplated hereby, which is brought by or against the Company (and you agree not to commence any action, suit or proceedings relating thereto except in such courts) and agree that service of any process, summons, notice or document by U.S. registered mail to Vivendi, 42, avenue de Friedland, 75380 Paris Cedex 08, France, with a copy by hand delivery, first class U.S. mail or overnight courier to Wachtell, Lipton, Rosen & Katz (attention: Daniel A. Neff, Esq.), 51 West 52nd Street, New York, New York 10019, shall be effective service of process for any action, suit or proceeding brought against you in any such court. You hereby irrevocably and unconditionally waive any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the Transaction contemplated hereby, which is brought by or against the Company, in the courts of the State of New York or any federal court sitting in the State of New York and hereby further irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such action suit or proceeding brought in any such court has been brought in an inconvenient forum.

11. You and the Company agree that unless and until a definitive written agreement between the Company and you with respect to a Transaction has been executed and delivered, neither the Company nor you will be under any legal obligation of any kind whatsoever with respect thereto. The agreements set forth in this Agreement may be modified or waived only by a separate writing by the Company and you which expressly modifies or waives such agreements.

12. You agree that you and your Representatives will direct all inquiries and any requests for information concerning the Company to Kevin L.

Spence or such other individuals named by the Company and not contact any other members of management or employees of the Company, without the prior consent of the Company. Notwithstanding anything else contained in this Agreement, (i) you may contact Apollo Investment Fund L.P.("Apollo") at any time in connection with a Sale Transaction and you may enter into an

agreement to purchase or an option agreement to purchase any shares of common stock of the Company owned by Apollo, and (ii) you may not contact other stockholders of the Company without the prior consent of Richard J. Heckmann, provided that any consent previously given by Mr. Heckmann to contact AXA Assurances I.A.R.D. Mutelle and its affiliates and the Bass family and its affiliates will be deemed to satisfy the requirements of this clause.

13. It is understood and agreed that no failure or delay by either party hereto in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege hereunder.

14. This Agreement shall inure to the benefit of any successor in interest to the Company. In addition, the confidentiality provisions of this Agreement shall inure to the benefit of any person that may acquire, after the date hereof, any subsidiary or division of the Company with respect to Evaluation Material concerning the business or affairs of such subsidiary or division. This Agreement may be executed in counterparts, each of which shall be deemed to be an original and all of which shall constitute the same agreement.

15. In the event the Company or any of its subsidiaries has entered into or enters into a confidentiality agreement with any third party with respect to a possible acquisition of or other business combination involving the Company (a "Third Party Agreement") and the Third Party Agreement contains terms similar to or relating to the matters covered hereby, and such terms of the Third Party Agreement are more favorable to such third party than the terms contained herein, then the Company shall notify you of such terms and this Agreement shall be deemed to be amended so that you will be entitled to the benefit of such more favorable terms.

Very truly yours,

United States Filter Corporation

By: /s/ KEVIN SPENCE

Name: Kevin Spence
Title: Executive V.P. CFO

Confirmed and Agreed to as of the date first written above:

Vivendi

By: /s/ GUILLAUME HANNEZO

Name: Guillaume Hannezo
Title:

EXHIBIT A

Representative's Letter

_____, 199_

United States Filter Corporation
40-004 Cook Street
Palm Desert, CA 92211

Vivendi
42, avenue de Friedland
75380 Paris Cedex 08, France

Ladies and Gentlemen:

The undersigned agrees to be bound by the confidentiality provisions of the letter agreement dated March __, 1999 between Vivendi and United States Filter Corporation, a copy of which is attached hereto.

Very truly yours,

[ ]

By: _____
Name:
Title:

Exhibit (c)(10)

March 22, 1999

Richard J. Heckmann
Chief Executive Officer
United States Filter Corporation
40-004 Cook Street
Palm Desert, CA 92211

Dear Richard:

This letter agreement (this "Letter Agreement") sets forth the understanding among United States Filter Company (the "Company"), Vivendi ("Parent") and you regarding your right to purchase the Company's airplane.

You shall be entitled to purchase the Company's Canadair Challenger aircraft, model No. 601-3ER, tail No. N502F, at its then depreciated cost, at such time as you retire or, if earlier, at such time as the Company determines that it shall sell such aircraft to any third party. You may, in your sole discretion, deliver to the Company previously acquired shares of Parent stock in payment or partial payment of such purchase price, which shares shall be valued at their fair market value on the date such shares are delivered to the Company.

This Letter Agreement is entered into as of the date hereof; provided, however, that its effectiveness is conditioned on the consummation of the transactions contemplated by the Agreement and Plan of Merger by and among the Parent, EAU Acquisition Corp. and the Company, dated as of March 22, 1999.

IN WITNESS WHEREOF, the parties have executed this Letter Agreement on this March 22, 1999.

VIVENDI

By: /s/ Jean-Marie Messier

Title: President Directeur General

UNITED STATES FILTER CORPORATION

By: /s/ Richard J. Heckmann

Title: C.E.O.

RICHARD J. HECKMANN

/s/ Richard J. Heckmann
