

EXECUTIVE EMPLOYMENT AMENDING AGREEMENT

THIS AGREEMENT made at St. John's, in the Province of Newfoundland and Labrador as of the (5) day of *October*, 2010. ("Amending Agreement")

BETWEEN:

NEWFOUNDLAND AND LABRADOR HYDRO, a corporation and an agent of the Crown constituted by statute and having its head office at Hydro Place, St. John's, aforesaid,

(hereinafter called "Hydro")

OF THE ONE PART

AND:

JOHN MALLAM, of St. John's, in the Province of Newfoundland and Labrador,

(hereinafter called the "Executive")

OF THE SECOND PART

AND:

NALCOR ENERGY, a body corporate constituted pursuant to the Energy Corporation Act, S.N. 2007, c. E-11.01 and having its head office at Hydro Place, St. John's, aforesaid,

(hereinafter called "Nalcor")

OF THE THIRD PART

WHEREAS the Executive has an Executive Employment Agreement with Newfoundland and Labrador Hydro made as of the 27th day of March, 2006 ("Executive Employment Agreement") and that agreement provides for the assignment of that agreement, with the consent of both parties;

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AND WHEREAS the Executive as a result of a corporate reorganization became an employee of Nalcor as of January 1, 2008 and thereby ceased to be an employee of Hydro;

AND WHEREAS the parties are agreed that the said Executive Employment Agreement was intended to be assigned by Hydro to Nalcor and all parties hereto are in agreement to assign the Executive Employment Agreement from Hydro to Nalcor with effect as of January 1, 2008.

WITNESSETH THAT for and in consideration of the mutual covenants and agreements hereinafter contained and all other considerations hereinafter mentioned, the parties hereto agree as follows:

ASSIGNMENT

1. The parties hereby confirm and agree that pursuant to Clause 16 the Executive Employment Agreement is hereby assigned by Hydro (with the consent of the Executive) to Nalcor effective as of January 1, 2008 without revision to the rights and benefits arising therefrom and enuring to the benefit of the Executive and Nalcor up to the date of this Amending Agreement.
2. Nalcor hereby confirms and agrees that the service earned by the Executive with Hydro under the Executive Employment Agreement shall be deemed to be service with Nalcor for the purposes of the assignment of the Executive Employment Agreement.

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AMENDMENT OF TERMS OF EXECUTIVE EMPLOYMENT AGREEMENT

3. Nalcor and the Executive hereby confirm and agree that pursuant to Clause 20, the Executive Employment Agreement is hereby amended with effect from the date hereof and by the mutual agreement of the parties as follows:

(A) Delete all references to "Newfoundland and Labrador Hydro" and "Hydro", and replace with "Nalcor Energy" and "Nalcor" respectively and as applicable.

(B) Delete reference to "policies" in Clause 5 and reference to "policies, procedures" in Clause 10(a) and replace these deletions in both instances with "corporate policies and procedures".

(C) Clauses 1 and 2 are deleted and replaced with the following:

"1. Nalcor shall employ the Executive as Lead Mechanical Engineer with the Lower Churchill Project effective October 1, 2010, for a term which shall automatically terminate on May 31, 2012, subject to the terms and conditions hereinafter mentioned.

2. As a member of the Project Engineering team, the Executive shall be responsible for the following:

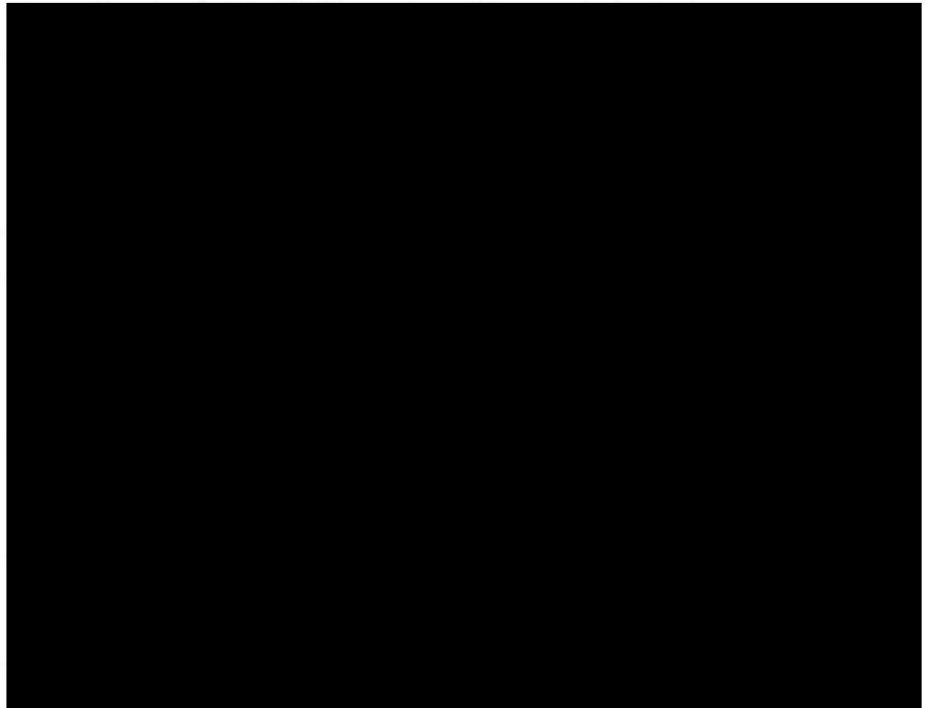
(a) Providing expert guidance and advice to the Project Engineering Manager, Project Manager, and other members of the Lower Churchill project team on design matters related to project operations and operability; and,

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- (b) Providing technical guidance, advice and mentorship on project design matters related to the mechanical engineering discipline, and on matters generally related to large scale hydro project engineering.

(D) Clauses 4 and 8 are deleted and replaced with the following:

"4.



- 8. The Executive shall be entitled to annual leave pursuant to the number of days prescribed by Nalcor's corporate policies and procedures for years of service as an employee with Nalcor in each year during the term of this Agreement."

(E) Clause 11 is deleted and replaced with the following:

"11. The employment of the Executive is terminated:

- (a) upon death or resignation;

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- (b) for just cause, by written notice by Nalcor;
 - (c) upon expiry of the term on May 31, 2012; or
 - (d) at the sole discretion of Nalcor prior to the expiry of the term on May 31, 2012, in which event the Executive shall be entitled to receive (except in the case of termination for just cause) in full and final settlement of all claims and demands arising out of any such termination the following:
 - (i) termination remuneration in accordance with Nalcor's corporate policies and procedures in effect from time to time for any and all service prior to the commencement of this Agreement that the Executive has with Nalcor,
 - (ii) plus one month's salary for each full year of service after March 27, 2006 that the Executive has with Nalcor;
- subject to the proviso that the total amount payable to the Executive upon termination shall equal the number of working days remaining between the date of written notice of termination up to the expiry of the term of this Agreement on May 31, 2012, times his daily salary.
- (e) The Executive agrees that the terms and conditions of this Clause 11 and the compensation provided for herein are fair and reasonable and he hereby waives

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any and all rights he may have now or in the future with respect to Hydro and Nalcor to any further compensation beyond what has been provided in this Clause 11.”

- (F) Clause 13 is amended by deleting “at Hydro’s Head Office at Hydro Place, P.O. Box 12400, 500 Columbus Drive, St. John’s, Newfoundland and Labrador, A1B 4K7” and replacing with “at Nalcor’s Head Office at Hydro Place, P.O. Box 12800, 500 Columbus Drive, St. John’s, Newfoundland and Labrador, A1B OC9.”
 - (G) Clause 18 is amended by deleting “Agreement” in the first and last line and replacing with “Agreement and Amending Agreement dated ____ day of _____, 2010”.
- 4. Nalcor and the Executive hereby confirm and agree with all other terms and conditions of the Executive Employment Agreement not amended by this Amending Agreement.
 - 9. The Executive acknowledges that he has read and understands this Agreement, and acknowledges that he has obtained legal advice concerning the Executive Employment Agreement and this Amending Agreement.

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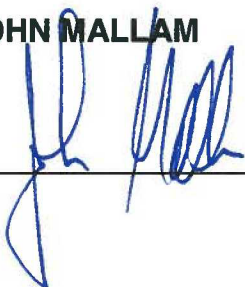
IN WITNESS WHEREOF this Agreement has been executed by the parties
hereto the day and year first above written.

**NEWFOUNDLAND AND LABRADOR
HYDRO**

NALCOR ENERGY


_____

JOHN MALLAM


_____ 2010-10-01