

Date : 8/2/2011 3:43:50 PM

From : "Paddon, Terry"

To : "Marshall Q.C., Hon. Thomas"

Subject : RE: Greece

In the US – Debt to GDP for 2010 was 96.3% and has obviously risen since then. This is the last firm number I can get.

In Canada, the Debt to GDP ratio is expected to be 34.3% at March 31, 2012

With respect to your question on debt for MF, the debt for the project would be split between project debt (borrowed by Nalcor) and equity from the province. The Net Debt of the province includes a reduction for the amount of equity in government business enterprises such as Nalcor. As such, borrowings for the project do not increase Net Debt because the assets (MF and Transmission) offset the debt.

However, even if we assumed that the full amount of the debt (\$7.5 billion in your scenario) was added to net debt, the impact on our debt to GDP ratio, based on expected amounts at the end of March 31, 2011, would be 53% vs the actual of 27.7%. If we use the forecast Debt to GDP at March 31, 2012 it would be 49.7% vs the expected amount of 26.7%.

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From: Marshall Q.C., Hon. Thomas
Sent: Tuesday, August 02, 2011 3:18 PM
To: Paddon, Terry
Subject: RE: Greece

Thanks—What is:

US debt to GDP now

Canada Debt to GDP now

Assuming we deduct the cost of the Maritime link from the 6.2(6.2—1.2=5) and increase by 50 % overruns to 7.5 and add this to present 8.2B what would the debt to GDP for NL be .e assume debt of \$15.7Billion with today's GDP.

From: Paddon, Terry
Sent: Tuesday, August 02, 2011 3:12 PM
To: Marshall Q.C., Hon. Thomas
Subject: RE: Greece

Attached from Wells Fargo Securities pegs Greece debt to GDP at 160% now.

Let me check on US.

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From: Marshall Q.C., Hon. Thomas
Sent: Tuesday, August 02, 2011 3:05 PM
To: Paddon, Terry
Subject: RE: Greece

What is it in the US now?

From: Paddon, Terry
Sent: Tuesday, August 02, 2011 3:00 PM
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127% in 2009 according to wikipedia

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From: Marshall Q.C., Hon. Thomas
Sent: Tuesday, August 02, 2011 2:12 PM
To: Paddon, Terry
Subject: Greece

What is the debt to GDP for Greece? Need this pronto. Thanks