

Notes of a meeting between Premier Dexter and Premier Dunderdale
July 12, 2012

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The Premiers acknowledge that there is a joint issue that has to be resolved regarding content and timing of the federal loan guarantee parameters that is essential to be resolved in the next two to three weeks. Failure to adequately address these issues have serious consequences for the success of the project.

2

Nova Scotia and NL together will obtain clarity from the federal government as to what documentation and assurance is required to satisfy the federal government that Nova Scotia will ensure the Maritime link project proceeds, and enable the federal government to contractually agree that the loan guarantee applies to the Muskrat Falls and LIL projects at the date of sanction of Muskrat Falls and LIL.

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Subsequent to obtaining this clarity NS and NL will work together to document these requirements for presentation to the federal government and finalization of a binding term sheet.

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In addition NS and NL will simultaneously seek political resolution, with the federal government, regarding the additional loan guarantee issues: the term and the amount of the guarantee, as well as ensuring the other elements of the guarantee reflect normal commercial market conditions.

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NS and NL agree that complete certainty on the loan guarantee is required prior to the Emera submission to the UARB and prior to the release of the DG3 data to the NL public.

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Parallel to the above Emera and Nalcor will complete their negotiations towards signing of binding agreements by July 31, 2012.

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To facilitate the timing, clarity and efficiency NL, NS, Emera and Nalcor will work closely together on all the foregoing. The same four parties agree to a series of weekly "check ins" to ensure coordinated action.

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The first immediate step is for both NS and NL to connect with Minister Oliver's COS on July 13, 2012.