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Sent: Monday, November 9, 2015 10:14 AM
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Subject: Communication Guidelines [IWOV-Legal.FID1640195]
Attachments: Reporting Guidelines MF_LTA LIL.DOCX

For your review and comment - the Guidelines I have prepared based on my notes from the meeting on October 30.

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**REPORTING GUIDELINES
MF/LTA and LIL
NOVEMBER 2015**

The following are guidelines agreed to among the signatories below, to assist in interpreting and applying the reporting requirements provided in the Project Finance Agreements for each of the MF/LTA and LIL Projects. These guidelines are to be read as interpreting the reporting provisions of each of those Agreements and will assist in supplying timely and directed reporting on the matters outlined in this guideline.

1. **Contractor Reports:** The Contractor Reports, required to be delivered monthly pursuant to the provisions of the contracts between the relevant Project Entity and the Contractor, will, forthwith following receipt, and in any event by the end of the following month, be delivered to the Independent Engineer. It is acknowledged that review, and finalization, of the Contractor Report through the internal review system of the Project Entities may not be complete, and the Contractor Reports may be forwarded with comments, reservations, and where there is commercially sensitive information redaction. Once finalized, the Contractor Reports will be resubmitted to the Independent Engineer as being the completed Contractor Report.
2. **Monthly Call:** A call, pursuant to conference calling feature, will be scheduled for each month, on the 21st or 22nd of the month, as most suitable. The invitations to the monthly call will include the designated representatives of Canada, including its legal counsel, financial advisor, the direct contact for the Independent Engineer (currently Nik Argirov), and such persons as are deemed reasonably required to complete a program of regular communication of project status by the Project Entities, and will include such other persons as reasonably requested by Canada and the Independent Engineer from time to time. The purpose of the monthly call will be to informally update as to progress, issues, contractor matters, and to discuss the contents of the then issued Construction Reports.
3. **Quarterly Meeting:** A quarterly meeting will be scheduled between the relevant Project Entities, and Canada, on an in person basis. The purpose of the meeting will be to provide a more extensive review of the status and progress of the Project. Invitations to the quarterly in person meeting will include those persons as requested by Canada, including legal counsel and financial advisor, where Canada deems suitable, and the direct contact for the Independent Engineer (currently Nik Argirov). The Project Entities will make available the persons most suitable to discuss the status of the Project for each meeting.
4. **Contract Estimate Changes:** Nalcor, for each Project Entity, will periodically provide a summary of contracts which have changes to the estimates used for budget and reporting purposes, recognizing that changes may arise as a consequence of the terms of the Contracts. The summary of changes to estimates will not be a formal change to budget, nor will it require review or consent by Canada or the Independent Engineer other than if it would otherwise be required by the terms of the Project Finance Agreement, and will be applicable only for the Material Contracts.
5. **Contract Change Negotiations:** In the event that the Project Entities at any time engage in commercial discussions with contractors intended to change the material terms of those Contracts, the direct contact for the Independent Engineer will be kept reasonably informed, and will be given the opportunity to provide recommendations and suggestions. It is recognized that the intention is to provide timely information, and the opportunity to make recommendations based on experience, but not to guide, intervene in, attend at or influence the course of the commercial negotiations.

- 6. **Contract Changes:** The Project Entities will keep Canada, the legal counsel and financial advisor, and direct contact for the the Independent Engineer advised as to the progress of negotiation of further contracts, or revisions to contracts, in connection with the basis for estimate, changes from the basis of estimate, market conditions, and the status of negotiations. Such will be done on an informal or email advice basis, without constituting formal reporting, or requiring review or consent by Canada or the Independent Engineer, other than if otherwise required by the terms of the relevant Project Finance Agreement. The intention of such information will be to provide timely update, and to solicit informal discussion and input, where suitable.

The foregoing constitutes our communication guidelines in connection with the determination of Nalcor, and the Project Entities, to keep Canada, and its advisors, including the direct contact for the Independent Engineer, reasonably advised as to the status, progress, issues, mitigation steps being taken in connection with the furtherance of the Project.

Agreed to:

LABRADOR TRANSMISSION CORPORATION

MUSKRAT FALLS CORPORATION

By: _____
 Name:
 Title:

By: _____
 Name:
 Title:

By: _____
 Name:
 Title:

By: _____
 Name:
 Title:

LABRADOR ISLAND LINK OPERATING CORPORATION

LABRADOR-ISLAND LINK LIMITED PARTNERSHIP, by its general partner LABRADOR ISLAND LINK GENERAL PARTNER CORPORATION

By: _____
 Name:
 Title:

By: _____
 Name:
 Title:

By: _____
 Name:
 Title:

By: _____
 Name:
 Title:

ARGIROV ENGINEERING INC.

HER MAJESTY THE QUEEN IN RIGHT OF CANADA, as represented by the Minister of Natural Resources

By: _____
 Name:
 Title:

By: _____
 Name:
 Title:

By: _____
Name:
Title:

By: _____
Name:
Title: