
MASTER DEFINITIONS AGREEMENT

AMONG

**THE TORONTO-DOMINION BANK,
as Collateral Agent and as Paying Agent**

AND

**TD SECURITIES INC.,
and
GOLDMAN, SACHS & CO.,
as Lead Arranger**

AND

**BNY TRUST COMPANY OF CANADA,
as Issuer Trustee of
LABRADOR - ISLAND LINK FUNDING TRUST,
as a GAA Finance Party**

AND

**COMPUTERSHARE TRUST COMPANY OF CANADA,
as the LIL Security Trustee, the IT Security Trustee and the FV Security Trustee**

AND

**BNY TRUST COMPANY OF CANADA,
as IT Trustee of
LIL CONSTRUCTION PROJECT TRUST,
as a GAA Finance Party and an Obligor**

AND

**NALCOR ENERGY,
as a Contributing Party**

AND

**LABRADOR-ISLAND LINK HOLDING CORPORATION,
as a Contributing Party**

AND

**HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF
NEWFOUNDLAND AND LABRADOR,
as Guarantor of the Contributing Parties**

AND

**LABRADOR - ISLAND LINK LIMITED PARTNERSHIP,
as an Obligor**

AND

**LABRADOR - ISLAND LINK OPERATING CORPORATION,
as an Obligor**

AND

**LABRADOR-ISLAND LINK GENERAL PARTNER CORPORATION,
as an Obligor**

DATED AS OF NOVEMBER 29, 2013

THIS MASTER DEFINITIONS AGREEMENT is made as of November 29, 2013

- AMONG:** **THE TORONTO-DOMINION BANK**, as Collateral Agent and as Paying Agent
- AND:** **TD SECURITIES INC.** and **GOLDMAN, SACHS & CO.**, as Lead Arranger
- AND:** **BNY TRUST COMPANY OF CANADA**, as Issuer Trustee of **LABRADOR - ISLAND LINK FUNDING TRUST**, as a GAA Finance Party
- AND:** **BNY TRUST COMPANY OF CANADA**, as IT Trustee of **LIL CONSTRUCTION PROJECT TRUST**, as a GAA Finance Party and an Obligor
- AND:** **COMPUTERSHARE TRUST COMPANY OF CANADA**, as the LIL Security Trustee, IT Security Trustee and FV Security Trustee
- AND:** **NALCOR ENERGY**, as a Contributing Party
- AND:** **LABRADOR-ISLAND LINK HOLDING CORPORATION**, as a Contributing Party
- AND:** **HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF NEWFOUNDLAND AND LABRADOR**, as Guarantor of the Contributing Parties
- AND:** **LABRADOR - ISLAND LINK LIMITED PARTNERSHIP**, acting by its general partner, **LABRADOR - ISLAND LINK GENERAL PARTNER CORPORATION**, as an Obligor
- AND:** **LABRADOR - ISLAND LINK OPERATING CORPORATION**, as an Obligor

**AND: LABRADOR-ISLAND LINK GENERAL PARTNER
 CORPORATION, as an Obligor**

WITNESSETH THAT:

WHEREAS the parties hereto have entered into the Project Finance Documents and the Guarantee Transaction Documents to which they are respectively party and have agreed to consolidate the definitions required for such documents in this Agreement;

AND WHEREAS it is a condition precedent under the LIL Project Finance Agreement, the IT Project Finance Agreement and the GAA that the parties hereto execute and deliver this Agreement;

NOW THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration given by each of the parties hereto, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1

INTERPRETATION

1.1 Definitions

Unless a clear contrary intention appears in a Project Finance Document or a Guarantee Transaction Document, the capitalized terms used in each Project Finance Document and Guarantee Transaction Document shall have the following meanings:

"**Additional Cost Overrun**" has the meaning ascribed to it in paragraph 10.28.2.2 of the LIL Project Finance Agreement;

"**Additional Debt**" means (i) an operating line of credit up to a maximum principal amount of CDN\$10,000,000 for the Partnership and (ii) other Debt for Borrowed Money to finance by the Partnership realized Cost Variances prior to Commissioning and Sustaining Costs following Commissioning;

"**Additional Debt Concurrent Contribution**" has the meaning ascribed to it in Section 2.7 of the ESA;

"**Additional Material Project Documents**" means the contracts and agreements listed in Part III of Schedule "B" of the LIL Project Finance Agreement;

"**Administration Agreement**" means the administration agreement to be entered into among the Funding Vehicle, the Administrator, Canada and the Partnership;

"**Administrator**" means the Person that will act as administrator to the Funding Vehicle pursuant to the terms of the Administration Agreement;

"Advance" means any amount of money advanced or to be advanced (as the context requires) to the Partnership pursuant to the LIL Project Finance Agreement;

"Affiliate" means, with respect to any Person, any other Person, who directly or indirectly, Controls, is Controlled by or is under direct or indirect common Control with, such Person; provided, however, that NL Crown shall be deemed not to be an Affiliate of Nalcor, Nalcor LP or any Credit Party;

"Aggregate Account Balances" means as at the Effective Date of the Final Funding Request, the aggregate amount of the Aggregate Partnership Project Funding Account and Operating Account Balances and the Working Capital Reserve Account Balance;

"Aggregate Partnership Project Funding Account and Operating Account Balances" means, as at any time, the aggregate of (i) the balance on deposit at such time in the Partnership Project Funding Account, following the application of paragraphs 8.1.1.2, 8.1.1.3, 8.1.1.4, 8.1.1.5 and 8.1.1.6 of the LIL Project Finance Agreement including, for greater certainty, any LIL Income on Account Balances deriving therefrom, and (ii) the portion of the balance on deposit at such time in the Partnership Project Operating Account following the application of paragraph 8.2.2.2 and 8.2.2.3 of the LIL Project Finance Agreement that (a) is comprised of LIL Income on Account Balances deriving from any amounts deposited in the Partnership Project Operating Account pursuant to a previous Funding Request or (b) is comprised of the balance of any amounts deposited into the Partnership Project Operating Account pursuant to a previous Funding Request, and that had been so deposited for purposes of funding Project Costs that have since been fully satisfied for a lesser amount at the time of calculation of the Aggregate Partnership Project Funding Account and Operating Account Balances;

"AML Legislation" has the meaning ascribed to it in subsection 10.26 of the LIL Project Finance Agreement;

"Annual Cost Overrun Instalment Payment" has the meaning ascribed thereto in paragraph 10.28.2.2 of the LIL Project Finance Agreement;

"Annual Maintenance Plan" has the meaning ascribed to it from time to time in the LIL Lease;

"Annual O&M Budget" has the meaning ascribed to it from time to time in the LIL Lease;

"Applicable Interest Rate" means (i) with respect to interest payable on the Tranche A Construction Loan, the FV Bond - Series A Interest Rate; (ii) with respect to interest payable on the Tranche B Construction Loan, the FV Bond - Series B Interest Rate; and (iii) with respect to interest payable on the Tranche C Construction Loan, the FV Bond - Series C Interest Rate;

"Applicable Law" means any Law applicable or relating to any specified Person, property, transaction or event or any of such Person's Assets, and any judgment or award

of any Governmental Authority in any proceeding or action to which the Person in question is a party or by which such Person or any of its Assets is bound;

"Assets" means the property and assets, whether tangible or intangible, personal or real, of a specified Person and (to the extent the context so admits) also includes its business and operations. Wherever reference is made to the Partnership's Assets, such reference shall include the Project and all rights of the Partnership relative thereto;

"Assignment" or **"Assign"** means the sale, assignment, transfer or other disposition of the Indebtedness owed to the Intermediary Trust under the LIL Project Finance Agreement or any portion thereof and the equivalent portion of the corresponding LIL Construction Facility and other obligations of the Intermediary Trust thereunder and **"Assigning"**, **"Assignor"** and **"Assignee"** have the correlative meanings;

"Attributable Debt" means, with respect to any Person, in connection with any Sale and Leaseback Transaction, at any date as of which the amount thereof is to be determined, the lesser of **(i)** the fair market value of the property subject to such Sale and Leaseback Transaction (as determined in good faith by the board of directors of such Person) and **(ii)** the total net amount of rent required to be paid by such Person under the lease which is the subject of such Sale and Leaseback Transaction during the remaining term thereof (including the initial term and any period for which such lease may be renewed or extended) discounted from the respective due dates thereof to such date at the debt rate implicit in such lease per annum compounded annually. The net amount of rent required to be paid under any such lease for any such period shall be the amount of the rent payable by the lessee with respect to such period, after excluding amounts required to be paid on account of maintenance and repairs, insurance, Taxes, assessments, water rates and similar charges. In the case of any lease which is terminable by the lessee upon the payment of a penalty, such net amount shall also include the amount of such penalty, but no rent shall be considered as required to be paid under such lease subsequent to the first date upon which it may be so terminated;

"Authorization" means any authorization, approval, consent, exemption, licence, permit, franchise or no-action letter from any Governmental Authority having jurisdiction with respect to any specified Person, property, transaction or event, or with respect to any of such Person's Assets or from any Person in connection with any contractual right;

"Available Base Equity Commitment" means, as at any time, the amount, if any, by which the Base Equity Commitment exceeds the Base Equity Contributions made as at such time;

"Available LIL Construction Facility" means, as at any time, as determined by the Collateral Agent, the lesser of **(i)** the difference between the LIL Construction Facility then in effect and the LIL Construction Loan then outstanding, and **(ii)** the balance on deposit at such time in the Intermediary Trust Proceeds Account;

"Base Cash Flow" means, for any period, Contracted Revenues for such period less all Cash Operating Costs;

"Base Equity Commitment" means the commitment of Nalcor to invest in the Partnership, directly or through one or more of its Subsidiaries, in order to fund the Equity Rateable Share of the Project Costs, the amount of such investment to be indicated in Schedule "BB" of the LIL Project Finance Agreement;

"Base Equity Contribution" means the amounts invested from time to time by Nalcor in the Partnership, directly or through one or more of its Subsidiaries, under the Base Equity Commitment together with the amounts paid from time to time to the Collateral Agent for deposit or deposited directly, as the case may be, in the Partnership Project Funding Account by NL Crown pursuant to the provisions of the NL Crown Guarantee in connection with the Base Equity Commitment;

"Basis of Design" means the basis of design described in Schedule "AA" to the extent it relates to the Project;

"Business Day" means a day other than a Saturday, Sunday or statutory holiday in NL or the Province of Ontario or any other day on which banking institutions in St. John's, NL or Toronto, Ontario are not open for the transaction of business;

"CA Indemnified Parties" means the Collateral Agent, its Affiliates, directors, officers, employees, advisers, representatives and agents;

"Canada" means Her Majesty the Queen in Right of Canada;

"Canada Project Costs and Expenses" means the reasonable costs and expenses (including all reasonable costs and expenses incurred by Canada under any enforcement proceeding instituted pursuant to any of the Funding Transaction Documents, the IT Project Finance Documents or the LIL Project Finance Documents) due and payable, as well as any indemnity obligations due and payable by Canada to the Collateral Agent pursuant to the Collateral Agency Agreement or by the Funding Vehicle to Canada pursuant to the Funding Transaction Documents, other than with respect to the reimbursement obligations of the Funding Vehicle set forth in Section 3.01(a)(1) of the GAA;

"Canadian Dollars" or **"CDN\$"** means the lawful currency of Canada;

"Capital Account" has the meaning ascribed to it from time to time in the LIL LP Agreement, provided, however, that for all purposes of calculating the DER, following the Available LIL Construction Facility being nil and the amounts on deposit in the Working Capital Reserve Account being nil, the amounts deposited into the Cost Overrun Escrow Account shall be deemed to form part of the Capital Account, but not before;

"Capital Lease" means, with respect to any Person, any lease or other arrangement relating to property or assets which, in accordance with GAAP, would be accounted for as a capital lease obligation on a balance sheet of such Person. The amount of any Capital Lease at any date shall be the amount of the obligation in respect thereof which would be included within such balance sheet;

"**Capital Stock**" means common shares, preferred shares or other equivalent equity interests (howsoever designated) of capital stock of a body corporate, equity preferred or common interests in a limited liability company, limited or general partnership interests in a partnership or any other equivalent such ownership interest;

"**Cash Call Notice**" has the meaning ascribed to it in Section 2.2 of the ESA;

"**Cash Operating Costs**" means, for any period, all cash costs of the Partnership relating to the operation of the Project during such period including any Taxes, insurance premiums, management and service fees, professional fees and expenses but excluding Total Debt Service paid during such period;

"**Change in Law**" means (i) the adoption or the coming into force of any Law, directive, guideline (whether or not having the force of law) or the interpretation or the administration thereof by a court or a Governmental Authority or other authority charged with such interpretation or administration, (ii) any change in any Law, directive or guideline whether or not having the force of law, or in the interpretation or administration thereof by any court or Governmental Authority or other authority charged with the interpretation or administration thereof, (iii) any reversal by any court or Governmental Authority or other authority of an interpretation of any Law, directive or guideline whether or not having the force of Law or (iv) any change in GAAP or any requirement, guideline, directive, interpretation or administrative position with respect to GAAP, in each case, which becomes effective after the Closing Date;

"**Change Order**" means any modification to the scope of work or the contract price pursuant to any Material Project Document which under the terms of subsection 3.1.1 of the PDMA requires the consent of the Partnership;

"**Class B Limited Partner**" means the holder of the Class B Limited Units (as such expression is in the LIL LP Agreement);

"**Clean-Up**" means the remediation, containment, removal, treatment, elimination or disposal of any Hazardous Material;

"**Clearing Agency**" means (i) CDS or, if a successor is appointed, a successor organization recognized by the Ontario Securities Commission as a "clearing agency" pursuant to the *Securities Act* (Ontario), or (ii) if permitted under the Supplemental Indenture for a Series of FV Bonds, an organization performing similar functions in another jurisdiction, including The Depository Trust Company (DTC) and Central Securities Depositories which are members of the Euroclear group;

"**Closing Date**" means the date that the LIL Initial Conditions Precedent, the IT Initial Conditions Precedent and the Muskrat/LTA Initial Conditions Precedent are met to the satisfaction of the Collateral Agent or waived by it;

"**Collateral Agency Agreement**" means the collateral agency agreement dated the date hereof entered into among the Collateral Agent, the LIL Security Trustee, the Lead Arranger, the GAA Finance Parties and the Obligors;

"Collateral Agent" means The Toronto-Dominion Bank, in its capacity as collateral agent for the GAA Finance Parties pursuant to the Collateral Agency Agreement, and includes any successor thereof in such capacity;

"Collateral Agent's Counsel" means (i) in Canada (other than in NL), McCarthy Tétrault LLP, (ii) in NL, Stewart McKelvey LLP, and (iii) in the United States of America, Sullivan Cromwell;;

"Collateral Agent's Office" means generally, the office of the Collateral Agent located at 140 Water Street, St. John's, NL A1C 6H6 or such other office as the Collateral Agent with the agreement of the Partnership may specify from time to time;

"Collateral Agent Standard" means based on the experience of the Collateral Agent in project financing transactions of nature and magnitude similar to the Project and taking into account the covenants of Nalcor and NL Crown under the Equity Agreements and as if the Collateral Agent was a direct lender to the Partnership or the Intermediary Trust, as the case may be;

"Collateral Mortgage Bond" means a senior secured bond issued by an Obligor pursuant to a Security Document;

"Collateral Mortgage Bond Pledge" means any pledge agreement in favour of a GAA Finance Party or the Collateral Agent pursuant to the terms of which a Collateral Mortgage Bond is pledged;

"Commissioning" means the commissioning deemed to have occurred upon the issuance by the Collateral Agent of the Commissioning Confirmation;

"Commissioning Certificate" means a certificate, substantially in the form of the one attached as Schedule "L" to the LIL Project Finance Agreement, executed by a Responsible Officer of Devco and a Responsible Officer of the General Partner, in each case in his capacity as an officer of, respectively, Devco and the General Partner and without personal liability, addressed to the Collateral Agent and the Independent Engineer, in form and substance satisfactory to the Collateral Agent, attesting:

- (i) the realized Cost Variances, if any;
- (ii) the Punch List Costs and Demobilization Costs;
- (iii) that the static and dynamic commissioning inspections and tests have been achieved in accordance with the approved commissioning procedures and that the Project has been constructed and mechanically completed in all material respects, in accordance with the Project Plans and Good Utility Practice, save for any Punch List Items and Demobilization List Items;
- (iv) that all Commissioning Tests, interconnection and reliability tests necessary to demonstrate that the Project meets the specifications and

the operating objectives for the Project pursuant to the Project Plans and the Basis of Design have been successfully completed save for any Punch List Items and Demobilization List Items; and

- (v) that he has no reason to believe that, assuming the proper operation and maintenance of the plant and related equipment and devices forming part of the Project, it will not be able to maintain such required specifications and operating objectives for a period of at least forty (40) years;

and shall be accompanied with all such supporting documentation and information as will permit the Collateral Agent and the Independent Engineer, in their judgment, to verify the information and calculations given and made in such certificate;

"Commissioning Confirmation" means the confirmation to be issued by the Collateral Agent pursuant to Section 7.7 of the LIL Project Finance Agreement, and which shall be in the form attached in Schedule "M";

"Commissioning Date" means the date and time specified on the Commissioning Confirmation, as the date the Conditions Precedent to Commissioning are met to the satisfaction of the Collateral Agent or waived by it;

"Commissioning Tests" means the successful completion of the specified static and dynamic commissioning tests and inspections in accordance with the approved commissioning procedures and the specified reliability and Performance Testing, in order to demonstrate that the Projects are able to meet the requirements of the Basis of Design;

"Commitment Letter" means the commitment letter relating to the financing contemplated in the Funding Transaction Documents executed as of November 5, 2013 among the Lead Arranger, the Funding Vehicle, the Partnership and Nalcor;

"Concurrent Contribution" has the meaning ascribed to it in Section 2.6 of the ESA;

"Conditions Precedent to Commissioning" has the meaning ascribed thereto in Section 7.7 of the LIL Project Finance Agreement;

"Consolidated Transaction Documents" refers collectively to the Funding Transaction Documents, the Guarantee Transaction Documents, the Project Finance Documents, the Administration Agreement and the IT Administration Agreement;

"Construction Period" means the period commencing on the Closing Date and terminating on the earlier of:

- (i) the day immediately preceding the Commissioning Date;
- (ii) the Date Certain;

- (iii) the date that the LIL Construction Facility is terminated and cancelled in its entirety under the provisions of Section 14.2 of the LIL Project Finance Agreement; and
- (iv) the date of any other cancellation of the LIL Construction Facility in its entirety;

"Construction Report" has the meaning ascribed thereto in Section 11.3 of the LIL Project Finance Agreement;

"Contingency Equity Commitment" means the commitment of Nalcor to invest in the Partnership, directly or through one or more Subsidiaries, all amounts necessary to fund the Equity Rateable Share of any Project Costs to be paid following the exhaustion of the Base Equity Commitment in order to achieve Commissioning of the Project;

"Contingency Equity Contribution" means the amounts invested from time to time by Nalcor in the Partnership, directly or through one or more of its Subsidiaries, under the Contingency Equity Commitment together with the amounts paid from time to time to the Collateral Agent for deposit or deposited directly, as the case may be, in the Partnership Project Funding Account by NL Crown pursuant to the provisions of the NL Crown Guarantee in connection with the Contingency Equity Commitment;

"Contracted Revenues" means, for any period, all amounts payable by Opco to the Partnership pursuant to the LIL Lease or, as the case may be, as contemplated by the LIL Remedies Agreement, all such amounts as may be payable by NLH to the Partnership;

"Contributed Surplus" means \$10,000, being a contribution made by shareholder Nalcor Energy to Opco, which amount is in excess of amounts allocated to the stated capital of Opco;

"Contributing Parties" means collectively Nalcor and Nalcor LP;

"Control" of a Person means the possession, direct or indirect, of the power to elect or appoint a majority of such Person's board of directors or similar governing body, or to direct or cause the direction of the management, business and/or policies of such Person, whether through ownership of Voting Capital Stock, by contract or otherwise, and, without limiting the generality of the foregoing, a Person shall be deemed to **"Control"** any partnership of which, at the time, the Person is a general partner or Controls the general partner, in the case of a limited partnership, or is a partner who, under the partnership agreement, has authority to bind the partnership in all other cases (and the terms **"Controlled by"** and **"under common Control with"** have a correlative meaning);

"Cost to Complete" means, as at any date, the estimate of the Hard Costs and Soft Costs which will be required to be incurred to attain Commissioning by the Date Certain (including the Punch List Costs and the Demobilization Costs), it being understood that the Project Costs incurred on or prior to such date, and whether already financed or

requested to be financed pursuant to any Funding Request or the Final Funding Request, shall not form part of the Cost to Complete;

"Costs Overruns" means in respect of the Project, on any date, an amount equal to: (A) the aggregate remaining project costs to achieve completion of the Project including (i) the remaining costs and payment obligations payable pursuant to the contracted items of the Project Budget including the cost of work completed but not yet paid for, *plus* (ii) any amounts set out in the Project Budget for non-contracted items of the Project Budget, *plus* (iii) all other remaining project costs including owners costs (included in the Project Budget but not covered by contract costs) and (iv) any appropriate contingencies and adjustments to such contingencies and escalation amounts and reasonably expected savings payable pursuant to the contracted items and non-contracted items of the Project Budget all as determined by the Partnership and as reviewed by the Independent Engineer as being reasonable, *plus* (iv) finance costs estimated to be payable to the Commissioning Date in excess of the amount specified for that item in the Project Budget *less* (B) (i) total project costs in the Project Budget less cumulative Project Costs incurred to date by the Project *plus* (ii) any cash deposits contained in the Cost Overrun Escrow Account;

"Cost Overruns Certificate" has the meaning ascribed thereto in Section 10.28 of the LIL Project Finance Agreement;

"Cost Overrun Escrow Account" has the meaning ascribed thereto in Section 8.18 of the LIL Project Finance Agreement;

"Cost Variances" means, with regard to any particular construction phase or component of construction and start-up of the Project, the amount by which costs in respect of such construction phase or component is expected to exceed amounts allocated thereto in the Project Budget;

"Credit Parties" as at any time, refers collectively to the Partnership, the General Partner and Opco and **"Credit Party"** refers to either one thereof;

"Current LIL Assets and Rights" means such of the LIL Assets and Rights that are in existence on the Closing Date;

"Date Certain" means February 28, 2019 as extended as hereinafter provided. The Partnership may request that the Date Certain be extended twice only, each time for a period of up to six (6) months by issuing to the Collateral Agent a written request at least thirty (30) days but no more than sixty (60) days prior to, in the case of the first request, February 28, 2019 and, in the case of the second request, the Date Certain as extended pursuant to the first request, which request shall:

- (i) state that no LIL Event of Default (other than a LIL Event of Default which has occurred as a direct result of an event of Force Majeure) has occurred and is continuing;
- (ii) designate the date to which the Date Certain is requested to be extended;

- (iii) be accompanied by written evidence satisfactory to the Collateral Agent that (a) no Material Project Document shall terminate as a result of such extension and each Material Project Document which as of the date of the request has not been terminated shall continue to be in effect until such extended Date Certain except to the extent already terminated as a consequence of a scheduled termination and (b) that such extension would not result in a Material Adverse Effect; and
- (iv) demonstrate to the satisfaction of the Collateral Agent and the Independent Engineer that Commissioning can be reasonably expected to occur during the period of such extension;

With respect to each such request, in the event that such request shall comply with the requirements set forth above and that the Collateral Agent shall be satisfied that the information set forth in such request is true and accurate in all material respects and that it is appropriate that the Date Certain be extended to the date set forth in the Partnership's request, and subject to the further requirement that no LIL Event of Default shall have occurred and be continuing on February 28, 2019 or, as the case may be, the Date Certain as previously extended, the Date Certain shall be extended to the date set forth in such request; provided, however, that, if at any time during the period of any such extension any of the conditions set forth above relating to such extension ceases to be true, upon delivery of written notice to the Partnership by the Collateral Agent, such period of extension shall terminate on the date specified in such written notice;

"**DBRS**" means DBRS Limited and its successors;

"**Debt for Borrowed Money**" means, with respect to any Person, without duplication, such Person's:

- (i) obligations for borrowed money;
- (ii) obligations under letters of credit or letters of guarantee or obligations to financial institutions who issued such letters of credit or letters of guarantee for the account of such Person;
- (iii) obligations under banker's acceptances, depository bills or depository notes (as these latter two expressions are defined in the *Depository Bills and Notes Act* (Canada));
- (iv) Purchase Money Obligations;
- (v) obligations evidenced by bonds, debentures or promissory notes;
- (vi) redeemable shares of its Capital Stock which are either redeemable at the option of the holder thereof, are redeemable at a fixed date or are redeemable during fixed intervals. The amount of Debt for Borrowed Money of any such Capital Stock shall be the maximum fixed redemption or repurchase price therefor;

- (vii) Attributable Debt with respect to Sale and Leaseback Transactions;
- (viii) the mark to market exposure of such Person under Derivative Instruments; and
- (ix) obligations under Guarantees with respect to obligations referred to in paragraphs (i) to (viii) inclusively;

"Debt Rateable Share" means:

- (i) prior to the date on which DER first becomes equal to 75%, 100%; and
- (ii) following the date on which DER first becomes equal to 75%:
 - (A) at all times prior to the LIL Construction Facility being fully disbursed, with respect to any Project Costs that are to be funded at any particular time, and in relation to which an Advance is to be made or, as the case may be, Additional Debt is to be incurred as permitted pursuant to the terms of the LIL Project Finance Documents, the percentage equal to the lesser of:
 - (1) 100%; and
 - (2) (a) 75%, plus (b) the difference, if any, between 75% and the DER at the date of calculation (without taking into account such Advance or Additional Debt, as the case may be, in the calculation of DER); and

unless, as a result of the calculations in part (A) of this definition, the Partnership is unable to fund such Debt Rateable Share in its entirety by reason of (a) the Available LIL Construction Facility being exhausted further to the Advance requested to fund such Debt Rateable Share and (b) the Partnership not proposing to incur Additional Debt in an amount sufficient to fund the remaining portion of such Debt Rateable Share (the "**Debt Funding Deficiency**"), in which case the percentage calculated above shall be reduced by a percentage equal to (x) the Debt Funding Deficiency, divided by (y) such Project Costs, minus the portion of the Aggregate Partnership Project Funding Account and Operating Account Balances and the Working Capital Reserve Account Balance used to fund such Project Costs, and multiplied by (z) 100;

- (B) at all times thereafter, with respect to any Project Costs that are to be funded at any particular time, and in relation to which Additional Debt is to be incurred as permitted pursuant to the terms of the LIL Project Finance Documents, the percentage equal to the lesser of:

- (I) the lesser of:
- (1) 100%; and
 - (2) (a) 75%, plus (b) the difference, if any, between 75% and the DER at the date of calculation (without taking into account such Additional Debt in the calculation of DER); and
- (II) the percentage resulting from the following calculation:

$$\frac{\text{the amount of Additional Debt proposed to be incurred to fund such Project Costs}}{\text{such Project Costs}} \times 100 ;$$

"Deemed Principal Repayments" means, with respect to any Additional Debt of the Partnership that, by its terms, is repayable in its entirety only at maturity, the amount of the deemed principal repayments calculated as a level dollar principal amortization over the term of such Additional Debt and fully amortizing the principal amount thereof with annual instalments, and shall apply to and be deemed to be required to be made by the Partnership;

"Demobilization Costs" means the costs required to complete work on all Demobilization List Items;

"Demobilization Costs Drawdown" means the single LIL Drawdown under the LIL Construction Facility to be made pursuant to the provisions of Section 7.5 of the LIL Project Finance Agreement, in an amount equal to the amount calculated pursuant to paragraph (xvi) of the definition of "Final Funding Request" with respect to the Funding Requirements relating to the Demobilization Costs, the whole subject to the LIL Available LIL Construction Facility at such time;

"Demobilization List Items" has the meaning ascribed to it in Section 10.20 of the LIL Project Finance Agreement;

"Demobilization Work" means the work, including incomplete or outstanding any Performance Testing, associated with the dismantling of facilities and associated environmental remedial work, disposal and disposition of tools, machinery, equipment and materials, removal of temporary systems, demobilization of personnel, close out of leases, payments of fees, licences, legal fees, close-out teams and offices, computers, support systems and personnel, information systems and information technology, performance testing personnel and equipment, final documentation close-out and transfer to operations in accordance with the provisions of the MSA.

"DER" means:

- (i) in connection with the incurrence test for Additional Debt contemplated in subsection 12.2.6 of the LIL Project Finance Agreement, (a) the sum of the principal amount of the LIL Loan, the principal amount of all

outstanding Additional Debt and the principal amount of all the Additional Debt proposed to be incurred, less the amount of the balance on deposit in the Sinking Fund Account, divided by (b) the sum of the total under clause (i)(a) of this definition plus the aggregate outstanding balance of the Capital Accounts of the Partnership and any equity proposed to be invested concurrently with the incurrence of the proposed Additional Debt, expressed as a percentage;

- (ii) for all other purposes, (a) the sum of the principal amount of the LIL Loan and the principal amount of all outstanding Additional Debt, less the amount of the balance on deposit in the Sinking Fund Account, divided by (b) the sum of the total under clause (ii)(a) of this definition and the aggregate outstanding balance of the Capital Accounts of the Partnership, expressed as a percentage;

"Derivative Instruments" means any "Swap Transaction" as defined in the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. and/or any agreement evidencing such transaction;

"Devco" means Lower Churchill Management Corporation, a NL corporation, and includes any successor thereto;

"Distribution Certificate" means the certificate to be issued by the Partnership pursuant to Section 11.4 of the LIL Project Finance Agreement, and which shall be in the form attached in Schedule "N";

"Distribution Conditions" means, as at any proposed Distribution Date, the following:

- (i) the LIL Compliance Certificate delivered pursuant to Section 11.1 or 11.2 of the LIL Project Finance Agreement on or immediately prior to such Distribution Date shall demonstrate, to the satisfaction of the Collateral Agent, that the Partnership achieved a Retrospective DSCR and a Prospective DSCR of at least 1.20:1;
- (ii) the DSRA is funded with an amount equal to the Minimum DSRA Requirement as at such Distribution Date; and
- (iii) no LIL Event of Default then exists;

"Distribution Date" means a Business Day after the sixth (6th) month following the first day of the Operating Period which can occur (i) no more frequently than once per quarter, (ii) no earlier than five (5) Business Days following the delivery to the Collateral Agent of a Distribution Certificate and (iii) in any particular month, only after the date on which the Collateral Agent, on behalf of the Intermediary Trust, is scheduled to receive payment of all amounts due and payable by the Partnership in respect of the LIL Loan during such month, including Sinking Fund Payments;

"Distribution Funds" means the amount, determined on a Distribution Date, of (i) cash in the Partnership Project Funding Account after application of all amounts in the Partnership Project Funding Account pursuant to paragraphs (a) to (i) of clause 8.1.2.2 of the LIL Project Finance Agreement and (ii) cash in the Partnership Distribution Reserve Account;

"Distributions" with respect to any Person, means:

- (i) the payment or declaration of any dividend or the making of any distribution of any kind or character (whether in cash or property, but expressly excluding any such distribution by way of the payment of dividends by the issuance of Capital Stock of such Person) in respect of any class of the Capital Stock of such Person or to the holders of any class of its Capital Stock;
- (ii) the purchase, redemption or other acquisition or retirement for value of any of its Capital Stock or of any options, warrants or rights to purchase or acquire shares of its Capital Stock;
- (iii) the payment of management fees, commission fees, guarantee fees and other fees or amounts to any holder of Capital Stock of such Person other than in accordance with or pursuant to the provisions of the Material Project Documents; and
- (iv) the setting aside of any funds for any of the foregoing purposes;

"DSCR" is the collective reference to Retrospective DSCR and Prospective DSCR;

"DSCR Consultation Period" has the meaning ascribed to it in Section 10.25 of the LIL Project Finance Agreement;

"DSRA" has the meaning ascribed to it in Section 8.3 of the LIL Project Finance Agreement;

"DSRA Drawdown" means the single LIL Drawdown under the LIL Construction Facility to be made pursuant to the provisions of Section 7.6 of the LIL Project Finance Agreement, in an amount equal to the amount calculated pursuant to paragraph (xiv) of the definition of "Final Funding Request" with respect to the Funding Requirements relating to the DSRA Drawdown, the whole subject to the LIL Available LIL Construction Facility at such time;

"DSRA Equity Commitment" means the commitment of Nalcor to invest in the Partnership, directly or through one or more of its Subsidiaries, in order to fund the Equity Rateable Share of the Minimum DSRA Requirement as at the Commissioning Date or as at the date of the DSRA Prefunding, as the case may be;

"DSRA Equity Contribution" means the amount invested by Nalcor in the Partnership, directly or through one or more of its Subsidiaries, under the DSRA Equity Commitment

together with the amounts paid from time to time to the Collateral Agent for deposit or deposited directly, as the case may be, in the DSRA by NL Crown pursuant to the provisions of the NL Crown Guarantee in connection with the DSRA Equity Commitment;

"**DSRA Prefunding**" has the meaning ascribed to it in Section 10.27 of the LIL Project Finance Agreement;

"**Easements**" means all easements, rights-of-way, rights in the nature of easements, rights of ownership, rights of first refusal or otherwise to acquire same, necessary for the development, maintenance or operation of the Project;

"**Effective Date**" means the date as of which financial information relating to the Project is being provided, it being understood that with respect to:

- (i) any Funding Request or the Final Funding Request, such date shall be the day immediately preceding the date of such Funding Request or Final Funding Request; and
- (ii) any Construction Report, such date shall be:
 - (a) with respect to the first Construction Report, (**A**) where the twentieth (20th) day of the month preceding the month during which such Construction Report is delivered is a Business Day, the Business Day immediately following the twentieth (20th) day of such month, and (**B**) where the twentieth (20th) day of the month preceding the month during which such Construction Report is delivered is not a Business Day, the second Business Day immediately following the twentieth (20th) day of such month, and
 - (b) with respect to every Construction Report thereafter, the first Business Day immediately following the date of delivery of the preceding Construction Report;

"**Eligible Project Costs**" means, as at any Effective Date, as determined by the Collateral Agent in consultation with the Partnership, the aggregate amount required by the Partnership to defray Project Costs incurred to and invoiced by such date or, as supported by supporting documentation for the relevant Funding Request or the Final Funding Request in the form attached as Schedule "CC" of the LIL Project Finance Agreement, expected to be incurred to and invoiced by the relevant LIL Drawdown Date with respect to work done and goods delivered prior to such dates or with respect to deposits on contracts and in each case with respect to which no previous Funding Request has been issued;

"**Emera Guarantee**" means the guarantee agreement to be entered into between Emera Incorporated and Canada pursuant to which Emera will provide certain guarantees in connection with the Maritime Link;

"**Emera LP**" means ENL Island Link Incorporated, a corporation incorporated pursuant to the laws of the Province of NL, and includes its successors;

"**Emera Sanction Resolution**" means the resolution of July 3, 2013 of the board of directors of Emera Incorporated for purposes of, *inter alia*, confirming, approving, authorizing and ratifying the sanction of the Maritime Link;

"**Enforcement Event**" means:

(i) each one of the LIL Events of Default set forth below:

1. a LIL Event of Default under Section 13.6 of the LIL Project Finance Agreement resulting from an Insolvency Event other than an Insolvency Event under clause (v) of the definition of "Insolvency Event";
2. a LIL Event of Default under Section 13.7 of the LIL Project Finance Agreement;
3. a LIL Event of Default under Section 13.10 of the LIL Project Finance Agreement;
4. a LIL Event of Default under Section 13.12 of the LIL Project Finance Agreement;
5. a LIL Event of Default under Section 13.19 of the LIL Project Finance Agreement, but only to the extent that it relates to the LIL Lease or the TFA;
6. a LIL Event of Default under Section 13.23 of the LIL Project Finance Agreement;
7. a LIL Event of Default under Section 13.27 of the LIL Project Finance Agreement, but only to the extent that the Muskrat/LTA Event of Default giving rise to such a LIL Event of Default has not triggered a concurrent Remedies Consultation Period (as defined in the Muskrat/LTA Master Definitions Agreement); or

(ii) a LIL Event of Default other than a LIL Event of Default described in clause (i) above, but, in the case of clause (ii), only to the extent that the Remedies Consultation Period relating to such LIL Event of Default has expired and such LIL Event of Default continues following such expiry of the Remedies Consultation Period.

"**Enforcement Proceeding**", with respect to any Person, refers to:

- (i) any right granted to such Person against another Person or the Assets of such other Person as a result of such first Person holding, directly or beneficially, Liens on the Assets of such other Person including: (a) the right to require the surrender of the Assets subject to such Liens; (b) the

right to exercise any power of sale over or to foreclose on the Assets subject to such Liens; (c) the right to appoint a receiver for such Person or its Assets; (d) the right to withdraw any authorization to collect accounts subject to such Liens; (e) the right to vote any Capital Stock subject to such Liens or to withdraw any power of attorney to vote any such Capital Stock; and (f) the right to take possession, administer, sell or lease any of the Assets subject to such Liens;

- (ii) the right to seize or request the seizure of the Assets of any other Person; and
- (iii) the right to institute or prosecute any judicial proceeding seeking injunctive relief, the appointment of a receiver, the sale of any Assets or for foreclosure;

"Environmental Law" means, with respect to any Person, any Applicable Law relating to the environment and to such Person or any of its Assets;

"Environmental Losses" has the meaning ascribed to it in Section 15.3 of the LIL Project Finance Agreement;

"EPCM" means the agreement for engineering, procurement and construction management services for the Project entered into effective as of February 1, 2011 between Nalcor and SNC Lavalin Inc., as assigned to Devco on or about November 29, 2013;

"Equity Agreements" refers collectively to the ESA and the ESG;

"Equity Contribution Release Conditions" means, during any period of time that Excluded Deposits are outstanding in any Partnership Project Account, either (i) where the LIL Construction Facility has not been fully disbursed, the Collateral Agent exercises its rights under subsection 14.2.1 and declares the LIL Construction Facility to be cancelled or terminated, or (ii) where the LIL Construction Facility has been fully disbursed and following the exercise by the Collateral Agent of any Right, Recourse and/or Remedy under Section 14.2, the GAA Finance Parties advise the Partnership that they have determined not to proceed to have Commissioning of the Project achieved;

"Equity Rateable Share" means at all times, with respect to any Project Costs that are to be funded at any particular time, the difference between 100% and the Debt Rateable Share applicable with respect to such Project Costs;

"ESA" means the equity support agreement to be entered into among Nalcor, Nalcor LP, the General Partner, the Partnership and the Collateral Agent;

"ESG" means the guarantee for the ESA to be entered into between NL Crown and the Collateral Agent.

"**Event of Default**" means a FV Event of Default, an IT Event of Default, a LIL Event of Default and a GAA Event of Default;

"**Excise Tax Act**" means the *Excise Tax Act* (Canada);

"**Excluded Deposits**" is, at any time, the collective reference to any amount deposited into any Partnership Project Account that represents a Base Equity Contribution, a Contingency Equity Contribution or a DSRA Equity Contribution, including, without limitation, any amounts on deposit in the Cost Overrun Escrow Account, the release of which for purposes of funding Project Costs cannot be made in accordance with Section 2.9 of the ESA and Section 2.4 of the ESG;

"**Expropriation Event**" means any compulsory transfer or taking by condemnation, expropriation, eminent domain or exercise of a similar power, or transfer under threat of such compulsory transfer or taking, of any part of the Assets of a Person by any Governmental Authority;

"**Federal Environmental Assessment**" means the approval from His Excellency the Governor General in Council, on the recommendation of the Minister of Natural Resources, pursuant to subsection 37(1.3) of the *Canadian Environmental Assessment Act* (Canada) that Canada take the course of action under paragraph 37(1)(a) of the *Canadian Environmental Assessment Act* (Canada), with respect to the Project, on the basis that the Project is likely to cause significant adverse environmental effects that can be justified in the circumstances;

"**Federal Loan Guarantee**" means the guarantee agreement to be executed by Canada in favour of the Indenture Trustee with respect to, *inter alia*, the payment obligations of the Funding Vehicle under the MTI, each Supplemental Indenture and the FV Bonds and the Underlying Pledge Bond Documents;

"**Final Eligible Project Costs**" means the Eligible Project Costs remaining unpaid as at the Effective Date of the Final Funding Request, other than the Minimum DSRA Requirement, the Punch List Costs and the Demobilization Costs;

"**Final Funding Rateable Share**" means, in respect of the funding of each of the DSRA, the Punch List Costs Account, the Demobilization Costs Account and the Final Eligible Project Costs on the Commissioning Date, the rateable share of the aggregate amount of Funding Requirements requested pursuant to the Final Funding Request attributable to such funding;

"**Final Funding Request**" means a request, substantially in the form of Schedule "O" of the LIL Project Finance Agreement, addressed by the Partnership to the Collateral Agent and the Independent Engineer, specifying:

- (i) the Final Eligible Project Costs;
- (ii) the Punch List Costs;

- (iii) the Demobilization Costs;
- (iv) that no LIL Event of Default has occurred and is continuing;
- (v) for purposes of funding the Funding Requirements necessary in connection with the funding of the Final Eligible Project Costs on the Commissioning Date, the Final Funding Rateable Share of the Aggregate Account Balances attributable to such funding of the Final Eligible Project Costs;
- (vi) for purposes of funding the Funding Requirements necessary in connection with the funding of the DSRA up to the Minimum DSRA Requirement on the Commissioning Date, the Final Funding Rateable Share of the Aggregate Account Balances attributable to such funding of the DSRA;
- (vii) for purposes of funding the Funding Requirements necessary in connection with the funding of the Punch List Costs Account on the Commissioning Date, the Final Funding Rateable Share of the Aggregate Account Balances attributable to such funding of the Punch List Costs Account;
- (viii) for purposes of funding the Funding Requirements necessary in connection with the funding of the Demobilization Costs Account on the Commissioning Date, the Final Funding Rateable Share of the Aggregate Account Balances attributable to such funding of the Demobilization Costs Account;
- (ix) for purposes of funding the Funding Requirements necessary in connection with the funding of the Final Eligible Project Costs on the Commissioning Date, **(a)** the aggregate amount to be invested under the Available Base Equity Commitment or the Contingency Equity Commitment, as the case may be, and representing the Equity Rateable Share of the difference between the Funding Requirements necessary in connection with the funding of the Final Eligible Project Costs on the Commissioning Date and the portion of the Aggregate Account Balances calculated in paragraph (v) of this definition, minus **(b)** the Final Funding Rateable Share of the amount determined in clause (iii) of the definition of Funding Requirements attributable to such funding of the Final Eligible Project Costs, provided, however, that if the result of such calculation is negative, such amount shall be deemed to be nil;
- (x) for purposes of funding the Funding Requirements necessary in connection with the funding of the DSRA up to the Minimum DSRA Requirement on the Commissioning Date, **(a)** the aggregate amount to be invested under the DSRA Equity Commitment and representing the Equity Rateable Share of the difference between the Funding Requirements

necessary in connection with the funding of the DSRA on the Commissioning Date and the portion of the Aggregate Account Balances calculated in paragraph (vi) of this definition, minus **(b)** the Final Funding Rateable Share of the amount determined in clause (iii) of the definition of Funding Requirements attributable to such funding of the DSRA, provided, however, that if the result of such calculation is negative, such amount shall be deemed to be nil;

- (xi) for purposes of funding the Funding Requirements necessary in connection with the funding of the Punch List Costs Account on the Commissioning Date, **(a)** the aggregate amount to be invested under the Available Base Equity Commitment or the Contingency Equity Commitment, as the case may be, and representing the Equity Rateable Share of the difference between the Funding Requirements necessary in connection with the funding of the Punch List Costs Account on the Commissioning Date and the portion of the Aggregate Account Balances calculated in paragraph (vii) of this definition, minus **(b)** the Final Funding Rateable Share of the amount determined in clause (iii) of the definition of Funding Requirements attributable to such funding of the Punch List Costs Account, provided, however, that if the result of such calculation is negative, such amount shall be deemed to be nil;
- (xii) for purposes of funding the Funding Requirements necessary in connection with the funding of the Demobilization Costs Account on the Commissioning Date, **(a)** the aggregate amount to be invested under the Available Base Equity Commitment or the Contingency Equity Commitment, as the case may be, and representing the Equity Rateable Share of the difference between the Funding Requirements necessary in connection with the funding of the Demobilization Costs Account on the Commissioning Date and the portion of the Aggregate Account Balances calculated in paragraph (viii) of this definition, minus **(b)** the Final Funding Rateable Share of the amount determined in clause (iii) of the definition of Funding Requirements attributable to such funding of the Demobilization Costs Account, provided, however, that if the result of such calculation is negative, such amount shall be deemed to be nil;
- (xiii) for purposes of funding the Funding Requirements necessary in connection with the funding of the Final Eligible Project Costs on the Commissioning Date, the aggregate amount requested to be Advanced under the LIL Construction Facility and representing the Debt Rateable Share of the difference between the Funding Requirements necessary in connection with the funding of the Final Eligible Project Costs on the Commissioning Date and the portion of the Aggregate Account Balances calculated in paragraph (v) of this definition, provided, however, that if the result of such calculation is negative, such amount shall be deemed to be nil;

- (xiv) for purposes of funding the Funding Requirements necessary in connection with the funding of the DSRA up to the Minimum DSRA Requirement on the Commissioning Date, the aggregate amount requested to be Advanced under the LIL Construction Facility and representing the Debt Rateable Share of the difference between the Funding Requirements necessary in connection with the funding of the DSRA on the Commissioning Date and the portion of the Aggregate Account Balances calculated in paragraph (vi) of this definition, provided, however, that if the result of such calculation is negative, such amount shall be deemed to be nil;
- (xv) for purposes of funding the Funding Requirements necessary in connection with the funding of the Punch List Costs Account on the Commissioning Date, the aggregate amount requested to be Advanced under the LIL Construction Facility and representing the Debt Rateable Share of the difference between the Funding Requirements necessary in connection with the funding of the Punch List Costs Account on the Commissioning Date and the portion of the Aggregate Account Balances calculated in paragraph (vii) of this definition, provided, however, that if the result of such calculation is negative, such amount shall be deemed to be nil;
- (xvi) for purposes of funding the Funding Requirements necessary in connection with the funding of the Demobilization Costs Account on the Commissioning Date, the aggregate amount requested to be Advanced under the LIL Construction Facility and representing the Debt Rateable Share of the difference between the Funding Requirements necessary in connection with the funding of the Demobilization Costs Account on the Commissioning Date and the portion of the Aggregate Account Balances calculated in paragraph (viii) of this definition, provided, however, that if the result of such calculation is negative, such amount shall be deemed to be nil;
- (xvii) for purposes of the prefunding of the Sinking Fund Account pursuant to Section 2.9 of the LIL Project Finance Agreement, the Aggregate Account Balances, minus the amounts thereof applied as per the foregoing paragraphs of this definition;
- (xviii) a reconciliation of amounts disbursed from the Partnership Project Operating Account to amounts set forth and approved in any Funding Request provided during the prior month;
- (xix) Soft Costs incurred as at the Effective Date of the Construction Report delivered in the same month as the Final Funding Request by major expense category and compared as against the original Project Budget;

"Financial Statements" means, with respect to any Person, for any period, all prepared in accordance with GAAP, the balance sheet of such Person as at the end of such period and the related statements of income, retained earnings, shareholders' or partners' equity and cash flows for such period, setting forth in each case, in comparative form, the figures for the corresponding period of the previous fiscal quarter or for the previous fiscal year, as the case may be;

"Financing Structure" has the meaning ascribed to it from time to time in the recitals to the Collateral Agency Agreement;

"First LIL Drawdown Conditions Precedent" has the meaning ascribed thereto in Section 7.2 to the LIL Project Finance Agreement;

"Fiscal Agent" means the Indenture Trustee, the depositaries of the FV Funds or FV Accounts required under the MTI or any sub-account thereof, any Paying Agent, or any or all of them as the context may require;

"Fiscal and Paying Agency Agreement" means the fiscal and paying agency agreement entered into among the FV, the Indenture Trustee and The Toronto-Dominion Bank, as Fiscal Agent and Paying Agent;

"Force Majeure" has the meaning ascribed thereto in the LIL Lease;

"Fraudulent Conveyances Law" means the *Fraudulent Conveyances Act* (NL), or any other like, equivalent or analogous legislation of any jurisdiction, domestic or foreign;

"Fund" means any fund, reserve fund or account required to be established pursuant to the MTI;

"Funding Duties" means the FV Trust Activities with respect to (i) the borrowing of money and the issuance of FV Bonds from time to time pursuant to the MTI and the other Funding Transaction Documents in a manner that enables the Funding Vehicle to lend money to the Intermediary Trust and meet all its obligations as direct secured lender to the Intermediary Trust pursuant to the Project Finance Documents, (ii) the performance of all obligations and the exercise of all rights of the Funding Vehicle under the Funding Transaction Documents and Guarantee Transaction Documents, (iii) subject to fulfilling the Funding Duty Requirement, the execution of all Funding Transaction Documents and Guarantee Transaction Documents on behalf of the Funding Vehicle, and (iv) all matters incidental or ancillary to the activities described in clauses (i), (ii) and (iii) of this definition including the matters contemplated in Sections 3.1 and 3.4 of the Collateral Agency Agreement, in each case acting in accordance with the instructions of the Funding Vehicle and Canada, each acting reasonably;

"Funding Duty Requirement" has the meaning ascribed to it from time to time in Section 4.1 of the Collateral Agency Agreement;

"Funding Request" means a request, substantially in the form of Schedule "P" of the LIL Project Finance Agreement, addressed by the Partnership to the Collateral Agent and the Independent Engineer, specifying:

- (i) the amount of Eligible Project Costs remaining unpaid as at the Effective Date thereof;
- (ii) the Permitted Investments made with the funds in the LIL Project Accounts;
- (iii) that no LIL Event of Default has occurred and is continuing;
- (iv) for purposes of funding the Funding Requirements, the Aggregate Partnership Project Funding Account and Operating Account Balances as at the Effective Date;
- (v) for purposes of funding the Funding Requirements, (a) the aggregate amount to be invested under either the Available Base Equity Commitment or the Contingency Equity Commitment, as the case may be, and representing the Equity Rateable Share of the difference between the Funding Requirements and the Aggregate Partnership Project Funding Account and Operating Account Balances as at the Effective Date, minus (b) the amount determined in clause (iii) of the definition of Funding Requirements;
- (vi) for purposes of funding the Funding Requirements, the aggregate amount requested to be Advanced under the LIL Construction Facility and representing the Debt Rateable Share of the difference between the Funding Requirements and the Aggregate Partnership Project Funding Account and Operating Account Balances as at the Effective Date;
- (vii) a reconciliation of amounts disbursed from the Partnership Project Operating Account to amounts set forth and approved in any Funding Request provided during the prior month;
- (viii) Soft Costs incurred as at the Effective Date of the Construction Report delivered in the same month as the relevant Funding Request by major expense category and compared as against the original Project Budget;

"Funding Requirements" means, as at any date, as determined by the Collateral Agent, the aggregate of:

- (i) the Eligible Project Costs as at the Effective Date of the Funding Request or Final Funding Request;
- (ii) if at the Effective Date of the Funding Request pertaining to such Funding Requirements, the amount on deposit in the Working Capital Reserve Account is less than the Minimum WCR Requirement, the amount of such

difference provided, however, that where the conditions precedent set forth in Section 7.9 of the LIL Project Finance Agreement apply to the relevant LIL Drawdown, the amount determined under this paragraph (ii) shall be deemed to be nil; and

- (iii) if at any time following the Effective Date of the Funding Request immediately preceding such Funding Request or Final Funding Request, as the case may be, an equity Investment contemplated in paragraph 7.8.1.2 of the LIL Project Finance Agreement has been made, the amount of such equity Investment;

"Funding Transaction Documents" means the agreements entered into from time to time with respect to such portion of the FV Trust Activities as pertains to the borrowings to be made by or for the benefit of the Funding Vehicle for purposes of onlending to the Intermediary Trust and the Partnership pursuant to the Project Finance Documents, including the MTI, the FV Bonds, any other loan and debt documents and any security documents executed by the Funding Vehicle in order to secure its obligations under the foregoing;

"Funding Vehicle" means Labrador - Island Link Funding Trust, a trust formed under the Laws of NL pursuant to the FV Declaration of Trust;

"Funding Vehicle Project Costs and Expenses" means costs and expenses due and payable by the Funding Vehicle to its advisors in connection with the Funding Transaction Documents or the IT Project Finance Documents, including the Independent Engineer and legal advisors including all reasonable costs and expenses incurred by the Funding Vehicle under any Enforcement Proceedings instituted pursuant to any of the Funding Transaction Documents or the IT Project Finance Documents;

"Future LIL Assets and Rights" means such of the LIL Assets and Rights that will be acquired by the Partnership following the Closing Date as and when required in order to proceed with construction of the Project in accordance with the Project Schedule, and includes the SOBI Lease;

"FV Account" means any fund, reserve fund or account required to be established pursuant to the MTI;

"FV Bond" means any evidence of indebtedness of the Funding Vehicle authenticated and delivered by the Indenture Trustee under and pursuant to the MTI and each Supplemental Indenture, whether such evidence of indebtedness is a FV Obligation Bond or a FV Pledge Bond thereunder;

"FV Bond Acceleration Date" means the date on which the FV Bonds are called for payment as a result of the FV Bonds being accelerated pursuant to the MTI and the Supplemental Indentures;

"FV Bondholder" or **"holder"** or words of similar import, when used with reference to a FV Bond, means any Person who is, at the relevant time, the Person whose name is

entered in the FV Bond Registers as the holder of such FV Bond, including any Person in whose name a FV Pledge Bond is registered as trustee, security holder or in a fiduciary capacity;

"FV Bond Make-Whole Amount" means the aggregate make-whole amount or premium that would be payable by the Funding Vehicle on the FV Bond Redemption Date or the FV Bond Acceleration Date, as the case may be, pursuant to the MTI and the Supplemental Indentures in respect of the FV Bonds being all redeemed or accelerated at such time prior to their stated maturity;

"FV Bond Redemption Date" means the redemption date under the MTI and the Supplemental Indentures;

"FV Bond Registers" means, collectively, the one or more registers of FV Bondholders which the Indenture Trustee is required to maintain pursuant to Section 3.3 of the MTI;

"FV Bond - Series A" means the FV Bonds designated as "Series A Bonds" pursuant to a Supplemental Indenture;

"FV Bond - Series A Interest Rate" means the interest rate per annum applicable to the FV Bond - Series A pursuant to the MTI and the relevant Supplemental Indenture;

"FV Bond - Series B" means the FV Bonds designated as "Series B Bonds" pursuant to a Supplemental Indenture;

"FV Bond - Series B Interest Rate" means the interest rate per annum applicable to the FV Bond - Series B pursuant to the MTI and the relevant Supplemental Indenture;

"FV Bond - Series C" means the FV Bonds designated as "Series C Bonds" pursuant to a Supplemental Indenture;

"FV Bond - Series C Interest Rate" means the interest rate per annum applicable to the FV Bond - Series C pursuant to the MTI and the relevant Supplemental Indenture;

"FV Collateral Trust Deed" means the collateral trust deed executed by the Funding Vehicle in favour of the FV Security Trustee and dated on or about the date hereof;

"FV Consultants" means the Insurance Consultant, the Independent Engineer, FV Counsel and any other experts, advisors or professionals retained or appointed from time to time to advise the GAA Finance Parties;

"FV Counsel" means McInnes Cooper and any successor thereof;

"FV Declaration of Trust" means the declaration of trust dated as of November 1, 2013 made by BNY Trust Company of Canada, as Issuer Trustee for the Funding Vehicle as amended, supplemented, restated or otherwise changed from time to time;

"FV Event of Default" means the **"Event of Default"** as defined in the MTI;

"FV Obligation Bond" means a FV Bond issued as direct evidence of the Indebtedness of the Funding Vehicle to the holder thereof;

"FV Payment" means any payment of principal, interest, fees or other amounts payable by the Funding Vehicle on a FV Bond, in accordance with its terms and the terms of the applicable Supplemental Indenture, or under any other Funding Transaction Document;

"FV Payment Account" means account number 58003-5230416 of the Funding Vehicle maintained at the Collateral Agent's Office for purposes of payments to be made to it initially by the Intermediary Trust and following the Assignment, by the Partnership, and payments to be made by the Funding Vehicle to the Fiscal Agents;

"FV Payment Date" means one (1) Business Day prior to any date on which a FV Payment is payable by the Funding Vehicle;

"FV Pledge" means, in respect of a FV Bond, a pledge, deposit or delivery of such FV Bond or other agreement between the Funding Vehicle and a FV Bondholder in respect of such FV Bond, in each case made in accordance with Section 4.1 of the MTI;

"FV Pledge Bond" means a FV Bond which is subject to a FV Pledge;

"FV Proceeds Account" means account number 58003-5230408 of the Funding Vehicle maintained at the Collateral Agent's Office for purposes of receiving the proceeds of all FV Bonds issued by it;

"FV Security Trustee" means Computershare Trust Company of Canada, a trust company, in its capacity as security trustee under certain GAA Security Documents;

"FV Trust Activities" means the activities of the Funding Vehicle permitted under the FV Declaration of Trust;

"FV Trust Property" means as of any particular time, any and all assets of the Funding Vehicle and any and all property, real, personal or otherwise, tangible or intangible, movable or immovable which has been transferred, conveyed or paid to, or acquired or originated by, the Funding Vehicle including all of the rights, title and interest of the Funding Vehicle in and to the Consolidated Transaction Documents, including all income, earnings, profits and gains therefrom, and all proceeds deriving therefrom or related thereto and which at such time is owned or held by the Funding Vehicle;

"GAA" means the guarantee assurance agreement dated as of the date hereof, 2013 entered into among, *inter alios*, Canada, the Collateral Agent, the Funding Vehicle, the Intermediary Trust, the Credit Parties;

"GAA Duties" means performing all duties and functions required of the Collateral Agent pursuant to the GAA and the other Guarantee Transaction Documents including performing the Funding Duties and Project Financing Duties, providing the reports, advice, confirmations and certificates to Canada and including the matters contemplated in Sections 3.3 and 3.4 of the Collateral Agency Agreement, acting reasonably in

accordance with the Collateral Agent Standard and the instructions of Canada, acting reasonably;

"GAA Event of Default" means any of the events described in Section 4.01 of the GAA;

"GAA Finance Parties" means (i) in reference to the LIL Project Finance Documents, the Intermediary Trust and the Funding Vehicle, in their capacity as lenders under the Project Finance Documents, and Canada in accordance with the provisions of the GAA, provided, however, that upon the Assignment by the Intermediary Trust contemplated in Section 2.6 of the IT Project Finance Agreement, the Intermediary Trust will no longer be a GAA Finance Party, (ii) in reference to the IT Project Finance Documents, the Funding Vehicle, in its capacity as lender under the IT Project Finance Documents, and Canada in accordance with the provisions of the GAA, and (iii) in reference to the Funding Transaction Documents, Canada in accordance with the GAA;

"GAA Security Documents" means the security documents executed by the Funding Vehicle pursuant to the terms of the GAA;

"GAAP" means generally accepted accounting principles as defined by the Canadian Institute of Chartered Accountants or its successors, as amended or replaced by international financial reporting standards or as otherwise amended from time to time;

"General Partner" means Labrador - Island Link General Partner Corporation, a NL corporation, in its capacity as general partner of the Partnership, and includes any successor thereto in such capacity;

"GIA" means the generator interconnection agreement to be entered into among NLH, Muskrat and Labrador Transco;

"Good Utility Practice" means those project management, design, procurement, construction, operation, maintenance, repair, removal and disposal practices, methods and acts that are engaged in by a significant portion of the electric utility industry in Canada during the relevant time period, or any other practices, methods or acts that, in the exercise of reasonable judgment in light of the facts known at the time a decision is made, could have been expected to accomplish a desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be the optimum practice, method, or act to the exclusion of others, but rather to be a spectrum of acceptable practices, methods or acts generally accepted in such electric utility industry for the project management, design, procurement, construction, operation, maintenance, repair, removal and disposal of electric utility facilities in Canada. Notwithstanding the foregoing references to the electric utility industry in Canada, in respect solely of Good Utility Practice regarding subsea HVdc transmission cables, the standards referenced shall be the internationally recognized standards for such practices, methods and acts generally accepted with respect to subsea HVdc transmission cables. Good Utility Practice shall not be determined after the fact in light of the results achieved by the practices, methods or acts undertaken but rather shall be determined based upon the consistency of the practices, methods or acts

when undertaken with the standard set forth in the first two sentences of this definition at such time;

"Governmental Authority" means, in relation to any Person, property, transaction or event, any **(i)** federal, provincial, state, territorial, municipal or local governmental body (whether administrative, legislative, executive or otherwise), **(ii)** agency, authority, commission, instrumentality, regulatory body, court or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, **(iii)** court, arbitrator, commission or body exercising judicial, quasi-judicial, administrative or similar functions, **(iv)** private regulatory entity, self-regulatory organization or other similar Person, or **(v)** other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange, in each case having jurisdiction over such Person, property, transaction or event;

"Guarantees" means, with respect to any Person, any Indebtedness of another Person which such guaranteeing Person has guaranteed or in respect of which such guaranteeing Person is liable, contingently or otherwise, including liable by way of agreement to purchase property or services, to provide funds for payment, to supply funds to or otherwise invest in such other Person, or otherwise, in all cases to assure a creditor of such other Person against loss, other than endorsements for collection or deposit in the ordinary course of business. Furthermore, **"Guarantee"** and **"Guaranteeing"** shall have correlative meanings. For the purposes of determining compliance with various provisions in any Project Finance Document or Guarantee Transaction Document relating to Guarantees, the amount of any Guarantee shall be deemed to be the lesser of **(i)** an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee is made (for greater clarity where such primary obligation is to be incurred pursuant to a revolving credit facility, the amount of the aggregate commitments under such a facility shall constitute the stated amount of the primary obligation) and **(ii)** the maximum amount for which such guaranteeing Person may be liable pursuant to the terms of the instrument embodying such Guarantee, unless such primary obligation and the maximum amount for which such guaranteeing Person may be liable are not stated or determinable, in which case the amount of such Guarantee shall be deemed to be such guaranteeing Person's maximum reasonably anticipated liability in respect thereof as reasonably determined by the Collateral Agent in good faith;

"Guarantee Transaction Documents" or **"GAA Transaction Documents"** means the agreements entered into from time to time with respect to such portion of the FV Trust Activities as pertains to the contractual arrangements between, *inter alia*, Canada and the Funding Vehicle in connection with the issuance of the Federal Loan Guarantee, including the Federal Loan Guarantee, the GAA, the Collateral Agency Agreement and the GAA Security Documents;

"Hard Costs" means all of the project management, design, procurement, construction, acquisition and other similar costs identified in the Project Budget, including, without duplication:

- (i) the cost of designing, equipping, procuring, constructing, Commissioning, starting up and testing the Project;
- (ii) the cost of acquiring any of the LIL Assets and Rights;
- (iii) real and personal property taxes (but excluding recoverable ad valorem taxes and Sales Taxes) and insurance premiums payable with respect to the Project during the Construction Period;
- (iv) initial working capital requirements of the Project as set forth in the Project Budget;
- (v) the costs of acquiring Authorizations for the Project;
- (vi) the cost of establishing a spare parts inventory specifically for execution of the Project;
- (vii) amounts spent out of the contingency allowances set forth in the Project Budget;
- (viii) all amounts payable under Material Project Documents relating to the construction of the Project, as well as any other agreements with any other contractors supplying goods or services to the Project;
- (ix) the cost of funding the Demobilization Costs;

"Hazardous Material" means any contaminant, pollutant, toxic substances, hazardous material, residual material, waste, dangerous goods, hazardous substances or other similar terms as such terms are defined in any Environmental Law;

"Holder" means "holder" as defined in the *Muskrat Falls Project Land Use and Expropriation Act* (NL);

"HST" means all amounts exigible pursuant to Part IX of the Excise Tax Act, including, for greater certainty, the Taxes commonly referred to as the goods and services tax (GST) and the harmonized sales tax (HST);

"IE Contract" means the agreement number LC-PM-082 for independent engineer and operating and maintenance services dated as of August 27, 2012 entered into between Nalcor and the Independent Engineer, as assigned to the Partnership on or about November 29, 2013;

"IGA" means the intergovernmental agreement to be entered into between NL Crown and Canada in connection with the Project, the MF Plant and the LTA;

"Income on Prepaid Rent" has the meaning ascribed thereto in the LIL LP Agreement;

"Indebtedness" includes, without duplication, for any Person:

- (i) obligations representing the deferred purchase price of property or services;
- (ii) obligations, whether or not assumed, secured by Liens on, or payable out of the proceeds or production from, property owned by such Person;
- (iii) Debt for Borrowed Money of such Person;
- (iv) any obligation described above or any Guarantee, the payment of which is secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien upon or in any Assets of such Person, even though such Person has not assumed or become liable for the payment of such Indebtedness; and
- (v) obligations under Guarantees;

"Indemnified Parties" means the Collateral Agent, the GAA Finance Parties, each of their Affiliates as well as their respective directors, officers, employees, advisors, representatives and agents;

"Indenture Trustee" means Computershare Trust Company of Canada, a trust company, and includes any successor thereto;

"Independent Engineer" means MWH Canada Inc. and any successor thereof and any other engineering consultants appointed from time to time for the Project, with the consent of the Partnership by the Collateral Agent or any other Person from time to time to advise the GAA Finance Parties in replacement thereof, it being understood that only one engineering consultant or firm can occupy this role at any one time;

"Independent Engineer's Confirmation" means a certificate from the Independent Engineer substantially in the form of the one attached as Schedule "Q" of the LIL Project Finance Agreement, addressed to the Collateral Agent in connection with any Construction Report and/or Funding Request or Final Funding Request;

"Initial Cost Overrun Instalment Payment" has the meaning ascribed thereto in paragraph 10.28.2.1 of the LIL Project Finance Agreement;

"Initial Material Project Documents" means the contracts, agreements and Authorizations described or referred to in Part II of Schedule "B" of the LIL Project Finance Agreement;

"Insolvency Event" means, in relation to any Person, the occurrence of one or more of the following:

- (i) an order is made, or an effective resolution passed, for the winding-up, liquidation or dissolution of such Person;
- (ii) such Person voluntarily institutes proceedings for its winding up, liquidation or dissolution, or to authorize or enter into an arrangement under the *Corporations Act* (NL) or similar legislation in any other jurisdiction affecting any of its creditors, or takes action to become bankrupt, or consents to the filing of a bankruptcy application against it, or files an assignment, a proposal, a notice of intention to make a proposal, an application, or answer or consent seeking reorganization, readjustment, arrangement, composition, protection from creditors, or similar relief under any bankruptcy or insolvency law or any other similar Applicable Law, including the *Bankruptcy and Insolvency Act* (Canada) and the *Companies' Creditors Arrangement Act* (Canada), or consents to the filing of any such application for a bankruptcy order, or consents to the appointment of an interim receiver, receiver, monitor, liquidator, restructuring officer or, trustee in bankruptcy of all or substantially all of the property of such Person or makes an assignment for the benefit of creditors, or admits in writing its inability to pay its debts generally as they come due or commits any other act of bankruptcy or insolvency, or suspends or threatens to suspend transaction of its usual business, or any action is taken by such Person in furtherance of any of the foregoing;
- (iii) a court having jurisdiction enters a judgment or order adjudging such Person a bankrupt or an insolvent person, or approving as properly filed an application or motion seeking an arrangement under the *Corporations Act* (NL) or similar legislation in any other jurisdiction affecting any of its creditors or seeking reorganization, readjustment, arrangement, composition, protection from creditors, or similar relief under any bankruptcy or insolvency law or any other similar Applicable Law, or an order of a court having jurisdiction for the appointment of an interim receiver, receiver, monitor, liquidator, restructuring officer or, trustee in bankruptcy of all or substantially all of the undertaking or property of such Person, or for the winding up, liquidation or dissolution of its affairs, is entered and such order is not contested and the effect thereof stayed, or any material part of the property of such Person is sequestered or attached and is not returned to the possession of such Person or released from such attachment within 30 days thereafter;
- (iv) any proceeding or application is commenced respecting such Person without its consent or acquiescence pursuant to any Applicable Law relating to bankruptcy, insolvency, reorganization of debts, winding up, liquidation or dissolution, and such proceeding or application (i) results in a bankruptcy order or the entry of an order for relief and a period of 30

days has elapsed since the issuance of such order without such order having been reversed or set aside or (ii) is not dismissed, discharged, stayed or restrained in each case within 30 days of the commencement of such proceeding or application; or

- (v) such Person has ceased paying its current obligations in the ordinary course of business as they generally become due;

"Insolvency Law" means the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-Up and Restructuring Act* (Canada) and any plan of arrangement law or any corporations statute permitting a corporation to propose a compromise or an arrangement with respect to creditors or any class of creditors of the corporation or any other like, equivalent or analogous laws of any jurisdiction, domestic or foreign;

"Insolvency Proceeding" refers to any proceeding relating to or arising in connection with or as a result of an Insolvency Event, including:

- (i) an assignment for the benefit of creditors, the filing of an application for a bankruptcy order, a proposal or a notice of intention under the *Bankruptcy and Insolvency Act* (Canada) or the *Companies' Creditors Arrangement Act* (Canada) or any other similar Law of any other jurisdiction;
- (ii) the adjudication of any Person as insolvent or bankrupt;
- (iii) the petition or application to any tribunal for any receiver, trustee, liquidator or sequestrator of any Person or for any portion of such Person's property; or
- (iv) anything analogous or having a substantially similar effect to any of the events specified above happens under the Law of any other applicable jurisdiction;

"Insurance Consultant" means Moore McNeil, LLC;

"Intellectual Property Rights" has the meaning ascribed to it from time to time in the LIL Lease;

"Intermediary Trust" means LIL Construction Project Trust, a trust formed under the Laws of NL pursuant to the IT Declaration of Trust;

"Intermediary Trust Activities" means the activities of the Intermediary Trust permitted under the IT Declaration of Trust;

"Intermediary Trust Guarantee" means the Guarantee granted by the Partnership and Opco in favour of the Funding Vehicle with respect to the obligations of the Intermediary Trust under the IT Project Finance Agreement;

"Intermediary Trust Payment Account" has the meaning ascribed thereto in Section 8.2 of the IT Project Finance Agreement;

"Intermediary Trust Proceeds Account" has the meaning ascribed thereto in Section 8.1 of the IT Project Finance Agreement;

"Intermediary Trust Proceeds Account Balance" means, as at any time, the amount standing to the credit of the Intermediary Trust Proceeds Account at such time including, for greater certainty, any IT Income on Account Balances deriving therefrom;

"Intermediary Trust Project Costs and Expenses" means costs and expenses due and payable by the Intermediary Trust to its advisors in connection with the IT Project Finance Documents or the LIL Project Finance Documents, including the Independent Engineer and legal advisors including all reasonable costs and expenses incurred by the Intermediary Trust under any Enforcement Proceedings instituted pursuant to any of the IT Project Finance Documents or the LIL Project Finance Documents;

"Investment" means any loan, advance (other than commission, travel and similar advances to officers and employees made in the ordinary course of business), extension of credit (other than accounts receivable arising in the ordinary course of business) or contribution of capital to any other Person or any acquisition of Capital Stock, deposit accounts, certificates of deposit, mutual funds, bonds, notes, debentures or other securities of any other Person or any structured notes, and **"Invest"** and **"Invested"** shall have the correlative meaning;

"Island Interconnected System" has the meaning ascribed to it from time to time in the LIL Lease;

"Issuer Trustee" means BNY Trust Company of Canada, in its capacity as trustee of the Funding Vehicle, and includes any successor thereto in such capacity;

"IT Accounts" refers collectively to the Intermediary Trust Proceeds Account and the Intermediary Trust Payment Account;

"IT Administration Agreement" means the administration agreement to be entered into among the Intermediary Trust, the IT Administrator, Canada and the Partnership;

"IT Administrator" means the Person that will act as administrator to the Intermediary Trust pursuant to the terms of the IT Administration Agreement;

"IT Advance" means any amount of money advanced or to be advanced (as the context requires) to the Intermediary Trust pursuant to the IT Project Finance Agreement;

"IT Affected Funds" has the meaning ascribed to it in Section 15.2 of the IT Project Finance Agreement;

"IT Applicable Interest Rate" means (i) with respect to interest payable on the IT Tranche A Construction Loan, the FV Bond - Series A Interest Rate; (ii) with respect

to interest payable on the IT Tranche B Construction Loan, the FV Bond - Series B Interest Rate; and (iii) with respect to interest payable on the IT Tranche C Construction Loan, the FV Bond - Series C Interest Rate;

"IT Assignment Agreement" means the assignment agreement substantially in the form attached to the IT Project Finance Agreement as Schedule "G", to be entered into among the Funding Vehicle, the Intermediary Trust and the other Obligors on or about the Scheduled Assignment Date and evidencing the Assignment;

"IT Blocked Account Agreement" means the blocked account agreement to be entered into among The Toronto-Dominion Bank, as account holder, the IT Security Trustee, the Intermediary Trust, as debtor, and the Collateral Agent;

"IT Collateral Trust Deed" has the meaning ascribed to it in paragraph 6.1.1.1 of the IT Project Finance Agreement;

"IT Construction Loan" refers collectively to the IT Tranche A Construction Loan, IT Tranche B Construction Loan and IT Tranche C Construction Loan;

"IT Declaration of Trust" means the declaration of trust dated as of November 25, 2013 made by BNY Trust Company of Canada, as IT Trustee, for the Intermediary Trust, as amended, supplemented, restated or otherwise changed from time to time;

"IT Disgorged Amount" has the meaning ascribed thereto in Section 5.15 of the IT Project Finance Agreement;

"IT Drawdown" means the single IT Advance made under the IT Project Finance Agreement;

"IT Drawdown Conditions Precedent" has the meaning ascribed to it in Section 7.2 of the IT Project Finance Agreement;

"IT Drawdown Date" means the day on which the IT Drawdown is made;

"IT Draw Request" means a notice, substantially in the form of the one attached as Schedule "F" of the IT Project Finance Agreement, issued by the Intermediary Trust to the Collateral Agent in connection with the IT Drawdown requested by the Intermediary Trust under the IT Project Finance Agreement;

"IT Due Date" means, with respect to any payment due by the Intermediary Trust under any IT Project Finance Document, the date on which such payment is required to be made by the Intermediary Trust pursuant to the provisions of that IT Project Finance Document (without taking into account any grace period granted to the Intermediary Trust to cure any failure to pay) and, where any amount is payable on demand made by the Collateral Agent, the date that the Collateral Agent makes such a demand;

"IT Event of Default" means any of the events described in Article 13 of the IT Project Finance Agreement;

"IT Facility" means the credit facility which the Funding Vehicle has agreed to make available to the Intermediary Trust in three (3) IT Tranches (namely IT Tranche A, IT Tranche B and IT Tranche C) pursuant to the IT Project Finance Agreement;

"IT Final Funds Release" means the final IT Funds Release of all of the Intermediary Trust Proceeds Account Balance in order to permit the Intermediary Trust to fund the Punch List Costs LIL Drawdown, the Demobilization Costs LIL Drawdown and the DSRA LIL Drawdown and the Advance referred to in subsection 2.9.2 of the LIL Project Finance Agreement;

"IT Funding Period" means the period commencing on the Closing Date and terminating on the earlier of:

- (i) the Scheduled IT Assignment Date;
- (ii) the date that the IT Facility is terminated and cancelled in its entirety under the provisions of Section 14.2 of the IT Project Finance Agreement; and
- (iii) the date of any other cancellation of the IT Facility in its entirety;

"IT Funds Release" means a release of all or a portion of the Intermediary Trust Proceeds Account Balance in an amount equal to the lesser of (A) the Intermediary Trust Proceeds Account Balance and (B) the amount requested by the Partnership in the LIL Draw Request to which such IT Funds Release relates;

"IT Funds Release Date" means any day on which a IT Funds Release occurs;

"IT Guaranteed Obligations" has the meaning ascribed thereto in Section 5.1 of the IT Project Finance Agreement;

"IT Guarantors" refers collectively to the Partnership and Opco acting jointly and severally as Guarantors;

"IT Income on Account Balances" means, with respect to any IT Account, any interest or other income earned by the Intermediary Trust from investment of any sums on deposit in such IT Account, including any interest or other income earned on the re-investment of such interest or other income so earned;

"IT Initial Conditions Precedent" has the meaning ascribed thereto in Section 7.1 of the IT Project Finance Agreement;

"IT Interest Payment Date" refers to (i) with respect to interest payable on the IT Tranche A Construction Loan, each date which is two (2) Business Days prior to each interest payment date in respect of the FV Bond - Series A, pursuant to the MTI and the relevant Supplemental Indenture, (ii) with respect to interest payable on the IT Tranche B Construction Loan, each date which is two (2) Business Days prior to each interest payment date in respect of the FV Bond - Series B, pursuant to the MTI and the relevant

Supplemental Indenture, and (iii) with respect to interest payable on the IT Tranche C Construction Loan, each date which is two (2) Business Days prior to each interest payment date in respect of the FV Bond - Series C, pursuant to the MTI and the relevant Supplemental Indenture;

"**IT Loan**" refers collectively to the IT Tranche A Loan, IT Tranche B Loan and IT Tranche C Loan;

"**IT Loan Acceleration**" means any acceleration of the IT Loan made pursuant to Section 2.7 of the IT Project Finance Agreement;

"**IT Loss Event**" has the meaning ascribed to it in Section 15.2 of the IT Project Finance Agreement;

"**IT Make-Whole Amount**" means, with respect to any IT Voluntary Prepayment or IT Loan Acceleration, as the case may be, an amount equal to the FV Bond Make-Whole Amount required to be paid by the Funding Vehicle on the FV Bond Voluntary Prepayment Date or the FV Bond Redemption Date, as the case may be;

"**IT Payment**" means any payment of principal, interest, fees or other amounts payable by the Intermediary Trust to the Funding Vehicle under the IT Project Finance Agreement;

"**IT Payment Demand**" has the meaning ascribed thereto in Section 5.3 of the IT Project Finance Agreement;

"**IT Project Finance Agreement**" means the financing agreement dated as of the date hereof entered into among the Intermediary Trust, as borrower, the Funding Vehicle, as lender, the Partnership and Opco, as Guarantors, and the Collateral Agent;

"**IT Project Finance Documents**" refers collectively to the IT Project Finance Agreement, the IT Security Documents, the Collateral Agency Agreement and each document, instrument or agreement, including any security agreement, entered into by or between the Funding Vehicle, the Intermediary Trust, the Partnership, Opco and the Collateral Agent or any other Person in connection with the Funding Vehicle lending funds to the Intermediary Trust or which is supplemental to the IT Project Finance Agreement;

"**IT Project Financing Duties**" means the FV Trust Activities with respect to (i) the lending of money obtained pursuant to the Funding Transaction Documents from time to time, to the Intermediary Trust as direct secured lender pursuant to the IT Project Finance Documents, (ii) the performance of all obligations and the exercise of all rights of the Funding Vehicle, in its capacity as secured lender under the IT Project Finance Documents, and (iii) all matters incidental or ancillary to the activities described in clauses (i) and (ii) of this definition including the matters contemplated in Sections 3.2, 3.4 and 3.5 of the Collateral Agency Agreement, in each case acting in accordance with the instructions of the Funding Vehicle and Canada, each acting reasonably;

"**IT Secured Obligations**" refers collectively to all the obligations of the Obligors under the IT Project Finance Documents, including the obligation of the Intermediary Trust to repay the IT Loans upon the terms and conditions provided for under the IT Project Finance Agreement and the IT Guaranteed Obligations;

"**IT Security Documents**" is the collective reference to the agreements and documents referred to in Article 6 of the IT Project Finance Agreement;

"**IT Security Trustee**" means Computershare Trust Company of Canada, a trust company, in its capacity as security trustee under certain IT Security Documents;

"**IT Tranche**" refers to any of IT Tranche A, IT Tranche B or IT Tranche C of the IT Facility;

"**IT Tranche A**" means the IT Tranche of the IT Facility referred to as such in Article 2 of the IT Project Finance Agreement;

"**IT Tranche A Loan**" means the aggregate of the IT Tranche A Construction Loan together with any other amount of principal, interest, fees and other amounts and interest on arrears of interest, fees and other amounts, in each case, due and payable by the Intermediary Trust in respect of the IT Tranche A of the IT Facility;

"**IT Tranche A Construction Loan**" means, as at any time, the aggregate of the principal amount of the IT Advance then outstanding under the IT Tranche A of the IT Facility;

"**IT Tranche B**" means the IT Tranche of the IT Facility referred to as such in Article 2 of the IT Project Finance Agreement;

"**IT Tranche B Loan**" means the aggregate of the IT Tranche B Construction Loan together with any other amount of principal, interest, fees and other amounts and interest on arrears of interest, fees and other amounts, in each case, due and payable by the Intermediary Trust in respect of the IT Tranche B of the IT Facility;

"**IT Tranche B Construction Loan**" means, as at any time, the aggregate of the principal amount of the IT Advance then outstanding under the IT Tranche B of the IT Facility;

"**IT Tranche C**" means the IT Tranche of the IT Facility referred to as such in Article 2 of the IT Project Finance Agreement;

"**IT Tranche C Loan**" means the aggregate of the IT Tranche C Construction Loan together with any other amount of principal, interest, fees and other amounts and interest on arrears of interest, fees and other amounts, in each case, due and payable by the Intermediary Trust in respect of the IT Tranche C of the IT Facility;

"IT Tranche C Construction Loan" means, as at any time, the aggregate of the principal amount of the IT Advance then outstanding under the IT Tranche C of the IT Facility;

"IT Trustee" means BNY Trust Company of Canada, a trust company, in its capacity as trustee of the Intermediary Trust, and includes any successor thereto in such capacity;

"IT Voluntary Prepayment" means any voluntary prepayment of the IT Construction Loan made in accordance with Section 2.7 of the IT Project Finance Agreement;

"IT Voluntary Prepayment Date" means the date which is two (2) Business Days prior to the FV Bond Redemption Date;

"IT Voluntary Prepayment Notice" means a notice, substantially in the form of the one attached as Schedule "F" of the IT Project Finance Agreement, issued by the Intermediary Trust to the Collateral Agent in connection with any voluntary prepayment of the IT Project Finance Loan under the IT Project Finance Agreement;

"Knowledge" means in the case of any Obligor, as applicable, the actual knowledge of any of the executive officers of such Obligor and **"Know"** and **"Known"** shall have correlative meanings;

"Labrador Transco" means Labrador Transmission Corporation, a NL corporation, and includes any successor thereto;

"Law" means any international treaty, any domestic or foreign constitution or any federal, provincial, territorial, state, municipal, county or local statute, law, ordinance, code, rule, regulation or order (including any consent, decree or administrative order) or any directive, guideline, policy or Authorization of any Governmental Authority;

"LCP" means the Project together with the "Projects" as such term is defined in the Muskrat/LTA Project Finance Documents;

"Lead Arranger" means, collectively, TD Securities Inc. and Goldman, Sachs & Co., in their capacities as the lead arrangers with respect to the Funding Transaction Documents;

"Lien" means (i) any right of set-off or combination of accounts intended to secure the payment or performance of an obligation, (ii) any interest in property securing an obligation owed to, or a claim by, a Person other than the owner (which for the purposes hereof shall include a possessor under a title retention agreement and a lessee under a Capital Lease or in a Sale and Leaseback Transaction), including by way of mortgage, pledge, charge, lien, assignment by way of security, hypothecation, security interest, hire purchase agreement, conditional sale agreement, deposit arrangement, deemed trust, title retention, Capital Lease, discount, factoring or securitization arrangement, deemed trust, on recourse terms, (iii) any preference, priority, adverse claim, levy, execution, seizure, attachment, garnishment or other encumbrance which binds property, and (iv) any agreement to grant any of the foregoing rights or interests;

"**LIL Affected Funds**" has the meaning ascribed to it in Section 15.2 of the LIL Project Finance Agreement;

"**LIL Assets Agreement**" means the agreement entered into as of November 29, 2013 between the Partnership and Opco relating, among other things, to the lease, assignment and licence, as applicable, of the LIL Assets and Rights by the Partnership to Opco, and the assumption by Opco of the operation and maintenance of the LIL Assets and Rights;

"**LIL Assets and Rights**" has the meaning ascribed to it from time to time in the LIL Lease;

"**LIL Collateral Trust Deed**" has the meaning ascribed to it in subsection 6.1.1 of the LIL Project Finance Agreement;

"**LIL Compliance Certificate**" means a certificate, substantially in the form of the one attached as Schedule "R" of the LIL Project Finance Agreement, signed by a Responsible Officer of the General Partner in his capacity as an officer of the General Partner and without personal liability:

- (i) setting forth the calculations required to establish the Retrospective DSCR and the Prospective DSCR, provided, however, that no such calculations shall be provided in any LIL Compliance Certificate delivered during the Construction Period;
- (ii) attesting that all of the terms, covenants and conditions of the LIL Project Finance Agreement and each of the other LIL Project Finance Documents to be performed or complied with by the Credit Parties at or prior to the date thereof have been performed or complied with;
- (iii) attesting that no LIL Event of Default has occurred and is continuing on the date thereof; and
- (iv) attesting that, to the Knowledge of said officer, except as otherwise disclosed to the Collateral Agent in writing, the representations and warranties set forth in Article 9 of the LIL Project Finance Agreement are still true and correct in all material respects as of the date of such certificate (except in the case of representations stated to be as of a specific date) with the same force and effect as if made at and as of such date;

"**LIL Construction Facility**" means the credit facility which the Intermediary Trust has agreed to make available to the Partnership in three (3) Tranches (namely Tranche A, Tranche B and Tranche C) pursuant to the LIL Project Finance Agreement;

"**LIL Construction Loan**" refers collectively to the Tranche A Construction Loan, Tranche B Construction Loan and Tranche C Construction Loan;

"LIL Disgorged Amount" has the meaning ascribed thereto in Section 5.15 of the LIL Project Finance Agreement;

"LIL Draw Request" means a notice, substantially in the form of the one attached as Schedule "S" of the LIL Project Finance Agreement, issued by the Partnership to the Collateral Agent in connection with any LIL Drawdown requested by the Partnership under the LIL Project Finance Agreement;

"LIL Drawdown" an Advance under the LIL Construction Facility;

"LIL Drawdown Date" means any day on which a LIL Drawdown is made, provided, however, that (i) in the case of each LIL Drawdown made pursuant to a Funding Request or Final Funding Request, as the case may be, delivered other than in May or November, the LIL Drawdown Date shall occur on the first (1st) Business Day of the month that immediately follows the month during which delivery of such Funding Request or Final Funding Request, as the case may be, occurred and (ii) in the case of each LIL Drawdown made pursuant to a Funding Request or Final Funding Request, as the case may be, delivered in May or November, the LIL Drawdown Date shall occur on the second to last Business Day of the month during which delivery of such Funding Request or Final Funding Request, as the case may be, occurred;

"LIL Due Date" means, with respect to any payment due by the Partnership under any LIL Project Finance Document, the date on which such payment is required to be made by the Partnership pursuant to the provisions of that LIL Project Finance Document (without taking into account any grace period granted to the Partnership to cure any failure to pay) and, where any amount is payable on demand made by the Collateral Agent, the date that the Collateral Agent makes such a demand;

"LIL Event of Default" means any of the events described in Article 13 of the LIL Project Finance Agreement;

"LIL Guaranteed Obligations" has the meaning ascribed thereto in Section 5.1 of the LIL Project Finance Agreement;

"LIL Income on Account Balances" means, with respect to any LIL Project Account, any interest or other income earned by the Partnership from investment of any sums on deposit in such LIL Project Account, including any interest or other income earned on the re-investment of such interest or other income so earned;

"LIL Indemnified Parties" means the Collateral Agent, the GAA Finance Parties, each of their Affiliates as well as their respective directors, officers, employees, advisors, representatives and agents;

"LIL Indicative Credit Ratings" refers collectively to (i) the letter dated November 27, 2012 addressed to Nalcor by Moody's confirming a "Aa3" indicative credit rating for the "MF/LTA Debt and LIL Debt" referred to therein, (ii) the letters dated November 27, 2012 addressed to Nalcor by DBRS confirming a "A(low)" indicative credit rating for the "MF<A issuer" and "LIL issuer" referred to in such

letters, and (iii) the report of S&P dated November 23, 2012 confirming a "A or A+ Stable" indicative credit rating for the "Nalcor SPVs" referred to therein;

"**LIL Initial Conditions Precedent**" has the meaning ascribed to such expression in Section 7.1 of the LIL Project Finance Agreement;

"**LIL Interest Payment Date**" refers to (i) with respect to interest payable on the Tranche A Construction Loan, each date which is two (2) Business Days prior to each interest payment date in respect of the FV Bond - Series A, pursuant to the MTI and the relevant Supplemental Indenture, (ii) with respect to interest payable on the Tranche B Construction Loan, each date which is two (2) Business Days prior to each interest payment date in respect of the FV Bond - Series B, pursuant to the MTI and the relevant Supplemental Indenture, and (iii) with respect to interest payable on the Tranche C Construction Loan, each date which is two (2) Business Days prior to each interest payment date in respect of the FV Bond - Series C, pursuant to the MTI and the relevant Supplemental Indenture;

"**LIL Land Area**" has the meaning ascribed to it from time to time in the LIL Lease;

"**LIL Lease**" means the agreement entered into as of November 29, 2013 between the Partnership and Opco (and NLH for certain limited purposes) by which the LIL Assets and Rights are to be leased, assigned or licenced, as applicable, by the Partnership to Opco;

"**LIL Loan**" refers collectively to the Tranche A Loan, Tranche B Loan and Tranche C Loan;

"**LIL Loan Acceleration**" means any acceleration of the LIL Loan made pursuant to Section 14.2 of the LIL Project Finance Agreement;

"**LIL Loss Event**" has the meaning ascribed to it in Section 15.2 of the LIL Project Finance Agreement;

"**LIL LP Agreement**" means the limited partnership agreement dated July 31, 2012 establishing the Partnership entered into between the General Partner, as general partner, and Nalcor LP, as limited partner;

"**LIL Make-Whole Amount**" means, with respect to any LIL Voluntary Prepayment or LIL Loan Acceleration, as the case may be, occurring: (i) at any time during the Construction Period, an amount equal to the FV Bond Make-Whole Amount required to be paid by the Funding Vehicle on the FV Bond Redemption Date or the FV Bond Acceleration Date, as the case may be; and (ii) at any time during the Operating Period, an amount equal to the FV Bond Make-Whole Amount required to be paid by the Funding Vehicle on the FV Bond Redemption Date or the FV Bond Acceleration Date, as the case may be;

"**LIL Opco Guarantee**" means the Guarantee of Opco pursuant to the provisions of Article 5 of the LIL Project Finance Agreement;

"**LIL Parties**" means collectively the Contributing Parties, the GP and the Partnership;

"**LIL Payment**" means any payment of principal, interest, fees, Sinking Fund Payments or other amounts payable by the Partnership under the LIL Project Finance Agreement;

"**LIL Payment Demand**" has the meaning ascribed thereto in Section 5.3 of the LIL Project Finance Agreement;

"**LIL Project Accounts**" refers collectively to the Partnership Project Funding Account, the Opco Project Funding Account, the Partnership Project Operating Account, the Opco Project Operating Account, the DSRA, the Prepaid Rent Reserve Account, the Partnership Distribution Reserve Account, the Opco Distribution Reserve Account, the Partnership Demobilization Costs Account, the Opco Demobilization Costs Account, the Partnership Punch List Costs Account, the Opco Punch List Costs Account, the Partnership Insurance Reserve Account, the Opco Insurance Reserve Account, the Working Capital Reserve Account, the Sinking Fund Account, the Prepaid Debt Service Escrow Account and the Cost Overrun Escrow Account;

"**LIL Project Description**" has the meaning ascribed to it from time to time in the LIL Lease;

"**LIL Project Finance Agreement**" means the financing agreement dated as of the date hereof entered into among the Partnership, as borrower, the Intermediary Trust, as lender, Opco and the General Partner, as Credit Parties, and the Collateral Agent;

"**LIL Project Finance Documents**" means the LIL Project Finance Agreement, the LIL Security Documents, the Equity Agreements, the Collateral Agency Agreement and each document, instrument or agreement entered into by or between the Intermediary Trust, the Partnership, Opco, the Collateral Agent or any other Person in connection with the Intermediary Trust lending funds to the Partnership or which is supplemental to the LIL Project Finance Agreement but expressly excludes the Material Project Documents;

"**LIL Project Financing Duties**" means the Intermediary Trust Activities with respect to (i) the lending of money obtained pursuant to the IT Project Finance Documents from time to time, to the Partnership as direct secured lender pursuant to the LIL Project Finance Documents, (ii) the performance of all obligations and the exercise of all rights of the Intermediary Trust, in its capacity as secured lender under the LIL Project Finance Documents, and (iii) all matters incidental or ancillary to the activities described in clauses (i) and (ii) of this definition including the matters contemplated in Sections 3.2 and 3.4 of the Collateral Agency Agreement, in each case acting in accordance with the instructions of the Intermediary Trust, the Funding Vehicle and Canada, each acting reasonably;

"**LIL Real Property Interests**" has the meaning ascribed thereto in the LIL Assets Agreement;

"**LIL Remedies Agreement**" means an agreement entered into as of November 29, 2013 between the Partnership, Opco and NLH setting forth certain specific remedies associated with the TFA and the LIL Lease;

"**LIL Secured Obligations**" refers collectively to all the obligations of the Credit Parties under the LIL Project Finance Documents, including the obligation of the Partnership to repay the LIL Loan upon the terms and conditions provided for under the LIL Project Finance Agreement;

"**LIL Security Documents**" is the collective reference to the agreements and documents referred to in Article 6 of the LIL Project Finance Agreement;

"**LIL Security Trustee**" means Computershare Trust Company of Canada, a trust company, in its capacity as security trustee under certain LIL Security Documents;

"**LIL Stand-By Fee**" has the meaning ascribed to it in Section 3.2.1 of the LIL Project Finance Agreement;

"**LIL Voluntary Prepayment**" means any voluntary prepayment of the LIL Loan made in accordance with Section 2.7 of the LIL Project Finance Agreement;

"**LIL Voluntary Prepayment Date**" means the date which is two (2) Business Days prior to the FV Bond Redemption Date;

"**LIL Voluntary Prepayment Notice**" means a notice, substantially in the form of the one attached as Schedule "W" of the LIL Project Finance Agreement, issued by the Partnership to the Collateral Agent in connection with any voluntary prepayment of the LIL Loan under the LIL Project Finance Agreement;

"**Limited Partners**" means Nalcor LP and Emera LP, as limited partners of the Partnership, and "**Limited Partner**" refers to any one thereof, as the context requires;

"**Limited Partnership Units**" refers collectively to all of the units of the Partnership issued and outstanding and held by the General Partner, Nalcor LP and Emera LP;

"**LTA**" has the meaning ascribed to it from time to time in the LIL Lease;

"**LTAMP**" has the meaning ascribed to it from time to time in the LIL Lease;

"**Maritime Link**" has the meaning ascribed to it from time to time in the LIL Lease;

"**Material Adverse Effect**" means:

- (i) any material adverse change in the Assets or financial condition, of the Credit Parties taken as a whole;
- (ii) any material impairment in the ability of the Credit Parties to fulfill any payment covenant or obligation to the Intermediary Trust and the

Collateral Agent under the LIL Project Finance Documents or to any Material Project Participant under the Material Project Documents; and

- (iii) any material impairment of the Rights, Recourses and/or Remedies of the Collateral Agent or any of the GAA Finance Parties under the LIL Security Documents;

"Material Project Documents" refers collectively to the Initial Material Project Documents and the Additional Material Project Documents;

"Material Project Participants" means (i) the Partnership; (ii) Opco; and (iii) each other Person party to a Material Project Document or an Additional Material Project Document;

"MF Plant" has the meaning ascribed to it from time to time in the LIL Lease;

"Minimum DSRA Requirement", with respect to any Minimum DSRA Requirement Fixing Date, has the meaning ascribed thereto in Schedule "T" of the LIL Project Finance Agreement;

"Minimum DSRA Requirement Fixing Date" means each of the dates identified in Schedule "T" as constituting a Minimum DSRA Requirement Fixing Date;

"Minimum WCR Requirement" means \$75,000,000;

"Moody's" means Moody's Investors Service, Inc. and its successors;

"MSA" means the management and support services agreement to be entered into prior to Commissioning among a wholly-owned subsidiary of Nalcor, Opco and the Partnership;

"MTI" means the master trust indenture to be entered into between the Funding Vehicle and the Indenture Trustee;

"Muskrat" means Muskrat Falls Corporation, a NL corporation, and includes any successor thereto;

"Muskrat/LTA Collateral Agency Agreement" means the collateral agency agreement dated as of November 29, 2013 entered into among, *inter alia*, the Muskrat/LTA Collateral Agent, Canada, the Muskrat/LTA Funding Vehicle, Muskrat and Labrador Transco;

"Muskrat/LTA Collateral Agent" means The Toronto-Dominion Bank, in its capacity as collateral agent under the Muskrat/LTA Collateral Agency Agreement;

"Muskrat/LTA Event of Default" means any of the events described in Article 13 of the Muskrat/LTA Project Finance Agreement;

"**Muskrat/LTA Funding Vehicle**" has the meaning ascribed to "Funding Vehicle" in the Muskrat/LTA Master Definitions Agreement;

"**Muskrat/LTA Initial Conditions Precedent**" has the meaning ascribed thereto in Section 7.1 of the Muskrat/LTA Project Finance Agreement;

"**Muskrat/LTA Master Definitions Agreement**" means the master definitions agreement entered into among The Toronto-Dominion Bank, as collateral agent, TD Securities Inc. and Goldman, Sachs & Co., as lead arrangers, Muskrat Fall / Labrador Transmission Assets Funding Trust, as lender, Nalcor, Her Majesty The Queen in Right of the Province of Newfoundland and Labrador, Muskrat, as an obligor, and Labrador Transco, as an obligor;

"**Muskrat/LTA Project Finance Agreement**" means the financing agreement dated as of November 29, 2013 entered into between Muskrat and LTA, as borrowers, and Muskrat/LTA Funding Vehicle, as lender, and the Muskrat/LTA Collateral Agent;

"**Nalcor**" means Nalcor Energy, a body corporate existing pursuant to the *Energy Corporation Act* (NL), in its own right and not as an agent of NL Crown, and includes any successor thereto;

"**Nalcor Base Equity Contribution**" has the meaning ascribed to it in subsection 2.3.1 of the ESA;

"**Nalcor Contingency Equity Contribution**" has the meaning ascribed thereto in subsection 2.4.1 of the ESA;

"**Nalcor Contribution**" as the context requires, refers to any one of the Nalcor Base Equity Contribution, Nalcor Contingency Equity Contribution and Nalcor DSRA Equity Contribution;

"**Nalcor DSRA Equity Contribution**" has the meaning ascribed thereto in subsection 2.5.1 of the ESA;

"**Nalcor LP**" means Labrador - Island Link Holding Corporation, a NL corporation, and includes any successor thereto;

"**Nalcor LP Base Equity Contribution**" has the meaning ascribed to it in subsection 2.3.2 of the ESA;

"**Nalcor LP Contingency Equity Contribution**" has the meaning ascribed thereto in subsection 2.4.2 of the ESA;

"**Nalcor LP Contribution**" as the context requires, refers to any one of the Nalcor LP Base Equity Contribution, Nalcor LP Contingency Equity Contribution and Nalcor LP DSRA Equity Contribution;

"**Nalcor LP DSRA Equity Contribution**" has the meaning ascribed thereto in subsection 2.5.2 of the ESA;

"**Nalcor Sanction Resolution**" refers collectively to (i) the sanction resolution of the board of directors of Nalcor of December 5, 2012 with respect to, *inter alia*, the Project, (ii) the sanction resolution of the board of directors of Nalcor of March 22, 2013 with respect to, *inter alia*, the Project and (iii) the sanction resolution of the board of directors of the General Partner of April 11, 2013 with respect to the Project,

"**NEFA**" means the Nalcor Equity Funding Agreement dated as of November 29, 2013 and entered among Nalcor LP, the GP and the Partnership;

"**NL**" means the Province of Newfoundland and Labrador;

"**NL Crown**" means Her Majesty in right of NL;

"**NL Crown Contribution**" means any payment to the Collateral Agent for deposit to the Partnership Project Funding Account or the DSRA, as the case may be (or any direct deposit in the Partnership Project Funding Account or DSRA, as the case may be) required to be made by NL Crown pursuant to Section 2.3 of the ESG;

"**NL Crown Guarantee**" means the guarantee for the ESA entered into as of November 29, 2013 between NL Crown and the Collateral Agent;

"**NL Crown Payment Demand**" means a notice, substantially in the form of the one attached as Schedule "A", Schedule "B" or Schedule "C", as the case may be, to the ESG issued by the Collateral Agent to NL Crown under the provisions of Section 2.3 of the ESG;

"**NL Guaranteed Obligations**" means, collectively, (i) the obligation of Nalcor to pay to Nalcor LP all amounts required to be so paid by Nalcor under and pursuant to the ESA and (ii) the obligation of Nalcor LP to pay to the Partnership all amounts required to be so paid by it under and pursuant to the ESA;

"**NLH**" means Newfoundland and Labrador Hydro, a body corporate existing pursuant to the *Hydro Corporation Act, 2007* (NL), in its own right and not as agent of NL Crown, and includes any successor thereto;

"**NL Payment Conditions**" has the meaning ascribed to it in Section 2.4 of the ESG;

"**Notice**" means a communication required or contemplated to be given by any party to any Project Finance Document or Guarantee Transactions Document to any of the other parties thereto in accordance with the provisions thereof;

"**NS**" means the Province of Nova Scotia;

"**NS IGA**" means the intergovernmental agreement to be entered into between NS and Canada in connection with the Maritime Link;

"**O&M Activities**" has the meaning ascribed to it from time to time in the LIL Lease;

"**O&M Budget**" has the meaning ascribed to it from time to time in the LIL Lease;

"**Obligors**" means each of the Intermediary Trust, the Partnership, the General Partner and Opco, in its capacity as a borrower or guarantor or other designated credit party under the Project Finance Documents;

"**Obligors' Counsel**" means Fasken Martineau DuMoulin LLP and McInnes Cooper LLP and each additional or replacement firm of solicitors of recognized national standing as the Obligors may select from time to time;

"**Obligors' Real Property Counsel**" means McInnes Cooper LLP and each additional or replacement firm of solicitors of recognized national standing as the Partnership may select from time to time;

"**Opco**" means Labrador – Island Link Operating Corporation, a NL corporation, and includes any successor thereto;

"**Opco Accounts**" refers collectively to the Opco Project Funding Account, the Opco Project Operating Account, the Opco Distribution Reserve Account, the Opco Demobilization Costs Account, the Opco Punch List Costs Account and the Opco Insurance Reserve Account;

"**Opco Demobilization Costs Account**" has the meaning ascribed thereto in Section 8.16 of the LIL Project Finance Agreement;

"**Opco Distribution Reserve Account**" has the meaning ascribed thereto in Section 8.13 of the LIL Project Finance Agreement;

"**Opco Insurance Reserve Account**" has the meaning ascribed thereto in Section 8.14 of the LIL Project Finance Agreement;

"**Opco Project Funding Account**" has the meaning ascribed thereto in Section 8.11 of the LIL Project Finance Agreement;

"**Opco Project Operating Account**" has the meaning ascribed thereto in Section 8.12 of the LIL Project Finance Agreement;

"**Opco Punch List Costs Account**" has the meaning ascribed thereto in Section 8.15 of the LIL Project Finance Agreement;

"**Opco Step-In Agreement**" means the step-in agreement relating to Opco in the form attached as Schedule 5 to the TFA;

"Operating Period" means the period commencing on the Commissioning Date and terminating on the earlier of:

- (i) the fortieth (40th) anniversary of the Closing Date;
- (ii) the date that the LIL Construction Facility is terminated and cancelled in its entirety under the provisions of Section 14.2 of the LIL Project Finance Agreement; and
- (iii) the date of any other cancellation of the LIL Construction Facility in its entirety;

"Operating Report" has the meaning ascribed to it in subsection 11.1.3 of the LIL Project Finance Agreement;

"Operating Year" has the meaning ascribed to it in the LIL Lease;

"Organizational Documents" means, with respect to any Person, that Person's articles of incorporation, articles of association or other charter documents, by-laws, unanimous shareholder agreement, partnership agreement, and any and all other similar formative agreement, documents and instruments integral to that Person's existence;

"Other Project Costs" means the Project Costs other than Project Costs comprised of the fees, costs and expenses forming part of the Various Agent Costs and Expenses, the Canada Costs and Expenses, the Funding Vehicle Project Costs and Expenses and the Intermediary Trust Project Costs and Expenses;

"Partner" means the General Partner, Nalcor LP, Emera LP or any other limited partner of the Partnership from time to time and **"Partners"** means all such Persons;

"Partnership" means Labrador - Island Link Limited Partnership, a limited partnership formed under the *Limited Partnership Act* (NL) pursuant to the LIL LP Agreement and includes any successor thereto;

"Partnership Demobilization Costs Account" has the meaning ascribed thereto in Section 8.8 of the LIL Project Finance Agreement;

"Partnership Distribution Reserve Account" has the meaning ascribed thereto in Section 8.5 of the LIL Project Finance Agreement;

"Partnership Insurance Reserve Account" has the meaning ascribed thereto in Section 8.6 of the LIL Project Finance Agreement;

"Partnership Project Accounts" refers collectively to the Partnership Project Funding Account, the Partnership Project Operating Account, the DSRA, the Prepaid Rent Reserve Account, the Partnership Distribution Reserve Account, the Partnership Demobilization Costs Account, the Partnership Punch List Costs Account, the Partnership Insurance Reserve Account, the Working Capital Reserve Account, the

Sinking Fund Account, the Prepaid Debt Service Escrow Account and the Cost Overrun Escrow Account;

"Partnership Project Funding Account" has the meaning ascribed thereto in Section 8.1 of the LIL Project Finance Agreement;

"Partnership Project Operating Account" has the meaning ascribed thereto in Section 8.2 of the LIL Project Finance Agreement;

"Partnership Punch List Costs Account" has the meaning ascribed thereto in Section 8.7 of the LIL Project Finance Agreement;

"Partnership Step-In Agreement" means the step-in agreement relating to the Partnership in the form attached as Schedule 5 to the LIL Assets Agreement;

"Paying Agent" means any bank or trust company or other Person designated as a paying agent for a Series of FV Bonds in any Supplemental Indenture and its successors or permitted assigns, or its successor appointed in the manner provided in the MTI or in such Supplemental Indenture;

"PDMA" means, collectively, (i) the amended and restated project development and management agreement dated as of November 29, 2013, entered into between the Partnership, Opco and Devco, and (ii) the project coordination and interface agreement dated as of November 29, 2013, entered into among the Partnership, Opco, Devco, Muskrat and Labrador Transco;

"Pension Plan" means any plan, program, arrangement or understanding that provides pension or retirement benefits (whether or not registered under any applicable pension benefits or Tax Laws in Canada), including post-retirement employee benefits, which is maintained or contributed to (or to which there is or may be an obligation to contribute) by a Credit Party in respect of any individual's employment with such Credit Party in Canada or a province or territory thereof;

"Performance Testing" means a physical test of the commissioned equipment, system or part of system to demonstrate that the measured performance characteristics met the specified requirements as contained within specific supplier guaranteed performance specifications or, in the case of a complete system, the overall performance and ranges of performance specified in the Basis of Design;

"Permitted Encumbrances" means, with respect to any Obligor, as at any time, any one or more of the following:

- (i) Statutory Prior Liens; provided that, the Statutory Prior Claims secured thereby are not yet delinquent (taking into account any relevant grace periods);
- (ii) liens for assessments or governmental charges or levies which are not delinquent (taking into account any relevant grace periods) or, if overdue,

the validity or amount of which is being contested diligently and in good faith by appropriate proceedings and in respect of which adequate reserves in accordance with GAAP have been recorded on the balance sheet of such Person;

- (iii) construction, mechanics', carriers, warehousemen's, storage, repairers' and materialmen's Liens but only if the obligations secured by such Liens are not due and delinquent and no Lien has been registered against title to any Assets of such Person or if a Lien has been registered, same is being defended diligently and in good faith by appropriate proceedings and in respect of which adequate reserves in accordance with GAAP have been recorded on the balance sheet of such Person;
- (iv) easements, encroachments, rights of way, servitudes, licences, reservations, covenants, restrictive covenants or other similar rights in land granted to or reserved by other Persons, rights of way for sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real properties, which easements, encroachments, rights of way, servitudes, licences, reservations, covenants, restrictive covenants, other similar rights and restrictions do not, in the aggregate, materially impair the conduct of the business of such Person;
- (v) the reservations, limitations, provisos and conditions, if any, expressed in any original grants from the Crown in right of Canada or any province or territory thereof;
- (vi) title defects or irregularities which are of a minor nature and which do not in the aggregate materially detract from the value of the assets of such Person encumbered thereby or materially interfere with the use thereof in the operation of the business of such Person;
- (vii) Liens, charges or other security interests given to a public utility or any Governmental Authority when required by such utility or other authority; provided that, such Liens do not in the aggregate materially detract from the value of the assets of such Person, or materially interfere with the use thereof in the operation of the business of such Person;
- (viii) servicing agreements, development agreements, site plan agreements, facilities sharing agreements, cost sharing agreements and other similar agreements with Governmental Authorities pertaining to the use or development of any of the assets of such Person; provided that, same have been, are, and continue to be complied with in all material respects, including any obligations to deliver letters of credit and other security as required;

- (ix) applicable municipal and other governmental restrictions, including municipal by-laws and regulations, affecting the use of land or the nature of any structures which may be erected thereon; provided that, such restrictions have been, are, and continue to be complied with;
- (x) Liens arising from court or arbitral proceedings; provided that, the claims secured thereby are being contested diligently and in good faith by such Person, execution thereon has been stayed and continues to be stayed and such Liens do not, in the aggregate, impair the use of any assets of such Person in the conduct of business;
- (xi) deposits of cash securities in connection with any appeal, review or contestation of any security or Lien, or any matter giving rise to any security or Lien, described in paragraph (ix) above;
- (xii) any agreement or arrangement pursuant to which such Person pledges cash to any insurer, guarantor or third party contractor, made in the ordinary course of business to secure the performance of bids, tenders, contracts (other than contracts of debt), leases, customs duties and other similar obligations;
- (xiii) Liens arising solely by virtue of any statutory or common law provision relating to banker's liens, rights of combination of accounts or similar rights in the ordinary course of conducting day-to-day banking business in relation to deposit accounts or other funds maintained with a creditor depository institution (collectively, "**Banker's Liens**"); provided that, such Banker's Liens (a) do not relate to any deposit account that is a dedicated cash collateral account which is subject to restrictions against access by the depositor or account holder, (b) do not relate to any deposit account intended by the depositor or account holder to provide collateral to the depository institution, and (c) in respect of the Partnership only, are not intended directly or indirectly to secure the payment or performance of Indebtedness or any other obligation other than Additional Debt;
- (xiv) in respect of any Credit Party only, any Lien in favour or for the benefit of the Intermediary Trust, the Collateral Agent or the LIL Security Trustee securing the LIL Secured Obligations;
- (xv) in respect of the Intermediary Trust only, any Lien in favour or for the benefit of the Funding Vehicle, the Collateral Agent or the IT Security Trustee securing the IT Secured Obligations;
- (xvi) in respect of any Credit Party only, any Lien securing Purchase Money Obligations permitted to be outstanding under subsection 12.2.5 of the LIL Project Finance Agreement; provided that, each such Lien only affects the property with respect to which the Purchase Money Obligation it secures was incurred;

- (xvii) in respect of the Partnership only, Liens securing Additional Debt permitted to be outstanding under subsection 12.2.6 of the LIL Project Finance Agreement;
- (xviii) exceptions and qualifications in Sections 4, 5, 6, 7, 8 and 15 of the *Lands Act* (NL);
- (xix) in the case of the Partnership following the coming into effect of the LIL Lease, the LIL Lease;
- (xx) in respect of any Credit Party only, any Lien in favour or for the benefit of the Intermediary Trust and the Collateral Agent securing the IT Secured Obligations;
- (xxi) the subordinated Liens provided for in, or pursuant to, the LIL Lease or the LIL Remedies Agreement, if any; and
- (xxii) permits issued pursuant to Section 55(4) of the *Muskrat Falls Project Land Use and Expropriation Act* (NL);

"Permitted Investments" means book based securities, negotiable instruments, investments or securities that evidence:

- (i) obligations issued or fully guaranteed by the Government of Canada;
- (ii) obligations issued or fully guaranteed by any Province of Canada which has a long term debt rating of "A+" or better by S&P, "A (high)" or better by DBRS or "A1" or better by Moody's, and has such rating from at least two of the Rating Agencies;
- (iii) demand deposits of depository institutions, term deposits of depository institutions or certificates of deposit of depository institutions, in each case where any such depository institution is either **(a)** one of the five largest (by assets) Canadian Schedule I Banks or **(b)** is a depository institution that has a combined capital and surplus of at least CDN\$1 billion, has a short term debt rating of "A 1+" or better by S&P or "R-1 (middle)" or better by DBRS and is regulated by the Office of the Superintendent of Financial Institutions (Canada);
- (iv) deposits with and notes or bankers' acceptances issued or accepted by any depository institution described in (ii) above;
- (v) money market funds which have a rating of "AAA m" or better by S&P or "R-1 (middle)" or better by DBRS or have otherwise been approved in writing by the Collateral Agent; and
- (vi) any other investments approved in writing by the Collateral Agent;

"**Person**" means an individual, corporation, estate, partnership, trust, joint venture, other legal entity, unincorporated association or Governmental Authority;

"**PPA**" means the power purchase agreement entered into as of November 29, 2013 between NLH and Muskrat relating, among other things, to the sale and delivery of energy from the MF Plant;

"**PPSA**" means the *Personal Property Security Act* (NL);

"**Prepaid Debt Service Escrow Account**" has the meaning ascribed thereto in Section 8.17 of the LIL Project Finance Agreement;

"**Prepaid Rent**" shall have, for purposes of any reference thereto in connection with any period of time occurring during the Construction Period, the meaning ascribed thereto in the LIL Assets Agreement, and, for purposes of any reference thereto in connection with any period of time occurring during the Operating Period, the meaning ascribed thereto in the LIL Lease;

"**Prepaid Rent Reserve Account**" has the meaning ascribed thereto in Section 8.4 of the LIL Project Finance Agreement;

"**Principal Indemnity Claims**" has the meaning ascribed to it from time to time in Section 5.16 of the Collateral Agency Agreement;

"**Principal Indemnified Parties**" means the GAA Finance Parties, the Obligors and their respective Affiliates, directors, officers, employees, advisors, representatives and agents;

"**Proceeding**" means any action, suit, inquiry, investigation, arbitration or dispute settlement procedure, or any court, administrative, regulatory or similar proceeding (whether civil, quasi-criminal or criminal);

"**Proceeds of Realization**" refers to any and all monies received, collected, generated or that arose from the exercise of any Rights, Remedies and/or Recourses including any monies involved in any operation of set-off;

"**Project**" means the equipment and facilities comprising a HVdc transmission line, and all related components including converter stations, synchronous condensers, and terminal, telecommunications and switchyard equipment, constructed between the LTA and the Island Interconnected System including:

- (i) foundations, underground services, subsea services, roads, buildings, erections and structures, whether temporary or permanent;
- (ii) all other facilities, fixtures, appurtenances and tangible personal property including inventories of any nature whatsoever contained on or attaching to the transmission lines; and

- (iii) all mechanical, electrical and other systems and other technology installed under or upon any of the foregoing;

all real or personal property leased or owned by the Partnership and used in connection with such HVdc transmission line, all to be constructed in accordance with the LIL Project Description;

"Project Budget" refers to the budget of Project Costs set forth in Schedule "U" of the LIL Project Finance Agreement;

"Project Costs" means collectively, without duplication, the Hard Costs and the Soft Cost and all other costs, fees and expenses relating to the development, construction and closing of financing of the Project, including the capital costs of any structures, and all financial, legal and consulting fees, costs and expenses, including any bonus payable to any Material Project Participant under any Material Project Document and the fees, costs and expenses forming part of the Various Agent Costs and Expenses, the Canada Project Costs and Expenses, the Funding Vehicle Project Costs and Expenses and the Intermediary Trust Project Costs and Expenses, all as described in the Project Budget, whether such Project Costs are incurred by Nalcor prior to the Closing Date or by the Partnership at any time

"Project Finance Documents" refers collectively to the IT Project Finance Documents and the LIL Project Finance Documents;

"Project Financing Duties" means the IT Project Financing Duties and the LIL Project Financing Duties;

"Project Financing Duty Requirement" has the meaning ascribed to it from time to time in Section 4.2 of the Collateral Agency Agreement;

"Project Plans" refers collectively to the plans, specifications, drawings, philosophies, design data, purchase order and contract drawings and documents which refer to the Project, produced by various Persons, including the Partnership, suppliers, engineering consultants and contractors, general and construction contractors, commissioning and startup specialists for the purpose of the development of the Project;

"Project Schedule" means the schedule for construction and Commissioning of the Project as set forth in Schedule "V" of the LIL Project Finance Agreement;

"Prospective Debt Service Coverage Ratio" or **"Prospective DSCR"** means, as at any date of calculation thereof, the Base Cash Flow of the Partnership for the period of twelve (12) calendar months immediately following the date of calculation, divided by:

- (i) where the calculation is being made during the Operating Period for the purposes of subsection 12.2.6 of the LIL Project Finance Agreement in connection with any determination of whether the Partnership may incur Additional Debt, Total Debt Service for the same period, calculated on a rolling basis and including therein the Additional Debt proposed to be

incurred as if such Additional Debt had been incurred on the first day of such period; and

- (ii) where the calculation is being made for any other purpose, Total Debt Service for such period;

"Provincial Environmental Assessment" means the Labrador-Island Transmission Link Undertaking Release Order (O.C. 2013-222) issued with respect to the Project under the *Environmental Protection Act*, SNL 2002, c.E14.2, s. 67(3)(a);

"Punch List Costs" means the costs required to complete work on all Punch List Items;

"Punch List Costs Drawdown" means the single LIL Drawdown under the LIL Construction Facility to be made pursuant to the provisions of Section 7.4 of the LIL Project Finance Agreement, in an amount equal to the amount calculated pursuant to paragraph (xv) of the definition of "Final Funding Request" with respect to the Funding Requirements relating to the Punch List Costs, the whole subject to the LIL Available LIL Construction Facility at such time;

"Punch List Items" has the meaning ascribed to it in Section 10.20 of the LIL Project Finance Agreement;

"Purchase Money Obligation" means, with respect to any Person, any indebtedness assumed as part of, or issued or incurred in respect of, the cost of acquisition, including by way of conditional sales contract or leasing by way of a Capital Lease of any property (including shares of Capital Stock) or of the cost of construction, improvement or extension of any property acquired, constructed, improved or extended or leased by way of a Capital Lease, which indebtedness existed at the time of acquisition, construction, improvement or extension or was created, issued, incurred, assumed or Guaranteed contemporaneously with the acquisition, construction, improvement or extension or leasing by way of a Capital Lease or within ninety (90) days after the Commissioning thereof and includes any extension, renewal or refinancing of any such indebtedness if the amount thereof outstanding on the date of such extension, renewal or refinancing is not increased, it being expressly understood that Purchase Money Obligation shall not include any trade payables incurred in the ordinary course of business and for the purpose of carrying on same or any Indebtedness incurred in connection with any Sale and Leaseback Transaction;

"Rating Agency" means any of S&P, Moody's and DBRS and its respective successors or, if such rating agencies or their successors do not remain in operation in Canada, such nationally recognized statistical rating agency or other comparable Person designated by the Partnership;

"Realization Costs" refers collectively to:

- (i) all costs and expenses incident to the exercise of Rights, Remedies and/or Recourses including reasonable fees and out-of-pocket expenses of counsel, accountants and other professionals, escrow fees, recording fees,

broker's fees, any fees, costs and expenses incurred in connection with any sale or foreclosure of any property or asset, and all applicable transfer taxes that may be imposed by reason of any such sale or foreclosure and the delivery of any and all instruments in connection therewith;

- (ii) any claim or debt, in principal, interest, fees and other amounts which, notwithstanding the provisions of any Project Finance Document, by Law is payable by preference over the LIL Secured Obligations or the IT Secured Obligations, as the case may be; and
- (iii) the fees, costs and expenses of the Funding Vehicle, the Collateral Agent and the Intermediary Trust exercising Rights, Remedies and/or Recourses, including any indemnity paid to any thereof;

"Redemption Date" means, with respect to any FV Bonds to be redeemed, in whole or in part, the date (which will be a Business Day) specified in the notice of redemption as the date on which such FV Bonds will be redeemed or, in the case of a redemption pursuant to Section 12.2 of the MTI, the date specified in writing to the Funding Vehicle by the Indenture Trustee;

"Redemption Notice" has the meaning ascribed to it in Section 3.5.1 of the Collateral Agency Agreement;

"Redemption Price" means, with respect to any FV Bonds to be redeemed, in whole or in part, in any particular circumstance, the redemption price applicable to such FV Bonds in such circumstance that is specified in the Supplemental Indenture creating such FV Bonds;

"Registration" means any notice to or filing, publication, recording or registration with any Governmental Authority having jurisdiction with respect to any specified Person, transaction or event, or any of such Person's Assets;

"Release" shall mean (i) when used as a verb, release, spill, leak, emit, deposit, discharge, leach, migrate, dump, issue, empty, place, seep, exhaust, abandon, bury, incinerate or dispose into the environment and (ii) when used as a noun, has a correlative meaning;

"Remedies Consultation Period" has the meaning ascribed to it in Section 14.1 of the LIL Project Finance Agreement;

"Rent" shall have, for purposes of any reference thereto in connection with any period of time occurring during the Construction Period, the meaning ascribed thereto in the LIL Assets Agreement, and, for purposes of any reference thereto in connection with any period of time occurring during the Operating Period, the meaning ascribed thereto in the LIL Lease;

"Rent Attributable to Debt Service" means any portion of Rent intended to be used for purposes of funding the debt service obligations of the Partnership;

"Repair Conditions" means, in respect of any event giving rise to any insurance proceeds:

- (i) no LIL Event of Default has occurred and is continuing other than a LIL Event of Default resulting solely from such damage or destruction;
- (ii) the Partnership and the Independent Engineer certify, and the Collateral Agent determines in its judgment, that repair or restoration of the Project is technically and economically feasible and that a sufficient amount of funds is or will be available to the Partnership to make such repairs and restorations;
- (iii) the Collateral Agent determines that after repair and restoration the Project will be able to continue to service the LIL Loan and pay all other amounts due to the Intermediary Trust by the Partnership under the LIL Project Finance Agreement, as and when due; and
- (iv) no material Authorization is necessary to proceed with the repair and restoration and no material amendment to the LIL Project Finance Agreement or any of the LIL Project Finance Documents and no other instrument, is necessary for the purpose of effecting the repairs or restorations or subjecting the repairs or restorations to the Liens of the LIL Security Documents or, if any such amendment or instrument is necessary, the Partnership will be able to obtain same as and when required;

"Replacement Obligor" means, with respect to any Person party to a Material Project Document (other than the Partnership or Opco), any other Person satisfactory to the Collateral Agent, who, pursuant to any definitive agreement or definitive guarantee satisfactory to the Collateral Agent, assumes the obligations of such first Person or enters into a new contract on terms and conditions no less favourable to the Partnership and Opco, as the case may be, than those which such first Person being replaced is obligated to provide pursuant to the applicable Material Project Document;

"Required Base Equity Contribution Date" has the meaning ascribed to it in subsection 2.3.1 of the ESA;

"Required Contingency Equity Contribution Date" has the meaning ascribed to it in subsection 2.4.1 of the ESA;

"Required Contribution Date" as the context requires, refers to any one of the Required Base Equity Contribution Date, Required Contingency Equity Contribution Date and Required DSRA Equity Contribution Date;

"Required DSRA Equity Contribution Date" has the meaning ascribed to it in subsection 2.5.1 of the ESA;

"Requisite Instructions" has the meaning ascribed to it from time to time in Section 4.3 of the Collateral Agency Agreement;

"Responsible Officer" means the president, the chief executive officer, the chief financial officer, a vice-president, the treasurer, the corporate controller, the corporate secretary and the assistant corporate secretary of such Person, provided that, with respect to the Project, it shall mean any of the foregoing officers of such Person or such other person duly authorized by resolution from time to time to execute any document relating to the Project;

"Retrospective Debt Service Coverage Ratio" or **"Retrospective DSCR"** means, as at any date of calculation thereof, the Base Cash Flow of the Partnership for the period of the then most recently completed twelve (12) calendar months divided by Total Debt Service for the same period, calculated on a rolling basis. When calculating the Retrospective DSCR prior to the completion of twelve (12) full calendar months commencing after the Commissioning Date, the completed months that commenced after such date and ended on or prior to the date of calculation are to be taken into account;

"Rights, Remedies and/or Recourses" with respect to any Person, refers to any personal action, provisional measure, any other real or personal right, whether same is exercised under the terms of any security or any other recourse whatsoever and including:

- (i) the right to accelerate any Indebtedness owed to such Person or to demand payment of any Indebtedness payable on demand or to demand payment under any Guarantee;
- (ii) the right to institute or prosecute any litigation;
- (iii) the right to set-off;
- (iv) the right to initiate or prosecute Insolvency Proceedings or Enforcement Proceedings; and
- (v) the exercise of the rights of a creditor under any Insolvency Proceeding.

"S&P" means Standard & Poor's Rating Service and its successors;

"Sale and Leaseback Transaction" means, with respect to any Person, any transaction or series of transactions whereby such Person sells, transfers or otherwise disposes of any of its Assets to another Person and within one (1) year of such sale, transfer or other disposition such Person leases or rents, as lessee, the same Assets under a lease, the term of which (including the initial term and any period for which the lease may be renewed or extended) exceeds two (2) years;

"**Sales Taxes**" means sales, transfer, turnover or value added taxes of any nature or kind, including the HST and federal, state and provincial sales and excise taxes;

"**Scheduled Assignment Date**" has the meaning ascribed to it in Section 13.1 of the IT Project Finance Agreement;

"**Scheduled IT Assignment Date**" has the meaning ascribed to it in Section 2.6.

"**Security Documents**" refers collectively to the GAA Security Documents, the IT Security Documents and the LIL Security Documents;

"**Security Trustee**" means Computershare Trust Company of Canada, in its capacity as LIL Security Trustee, IT Security Trustee, and FV Security Trustee;

"**Senior Secured Bond**" means any Senior Secured Bond issued pursuant to the LIL Collateral Trust Deeds, the IT Collateral Trust Deed and the FV Collateral Trust Deed;

"**Senior Secured Bondholder**" means a person registered as a holder of any of the Senior Secured Bonds;

"**Series**" or "**Series of FV Bonds**" means all of the FV Bonds issued pursuant to or governed by a Supplemental Indenture and designated as a Series therein;

"**Service Life**" has the meaning ascribed to it from time to time in the TFA;

"**Sinking Fund Account**" has the meaning ascribed thereto in Section 8.10 of the LIL Project Finance Agreement;

"**Sinking Fund Deposit Date**" refers to each date referred to as such in Schedule "Y" of the LIL Project Finance Agreement;

"**Sinking Fund Payment**" has the meaning ascribed to it in Section 2.8 of the LIL Project Finance Agreement;

"**SOBI Lease**" means the lease agreement to be entered into in connection with the Strait of Belle Isle among Canada, NL Crown, NS, the Partnership, as lessee, and Opco;

"**Soft Costs**" means all of the financing, administrative and other similar costs identified in the Project Budget, including, without duplication:

- (i) interest payable on the LIL Loan or Additional Debt and financing-related fees and costs, in each case incurred in connection with the LIL Loan or Additional Debt, provided, however, that, if the amortization of the LIL Construction Loan has commenced prior to the Commissioning Date, any Sinking Fund Payment that needs to be made;
- (ii) all general and administrative costs of the Partnership attributable to the Project as well as those of each of the Intermediary Trust and the Funding

Vehicle, and more particularly the payments required to be made by the Administrator under the terms of the Administration Agreement and the IT Administrator under the terms of the IT Administration Agreement;

- (iii) all principal, interest, financing fees and related costs incurred in connection with Purchase Money Obligations and Capital Leases, in each case incurred in connection with the Project;
- (iv) the cost of funding the DSRA with the then applicable Minimum DSRA Requirement, by the Commissioning Date;

"Statutory Easement" has the meaning attributed to it by, and grants to a Holder the rights set forth in, the *Muskrat Falls Project Land Use and Expropriation Act* (NL) and includes, for certainty, any property or assets located upon, constructed, erected or affixed to the land encumbered by a Statutory Easement by or on behalf of the Holder of it;

"Statutory Prior Claims" relative to any Person, means, claims for unpaid wages, vacation pay, worker's compensation, unemployment insurance premiums, pension plan contributions, employee or non-resident withholding Tax, unremitted Sales Taxes (net of applicable input tax credits, in the case of goods and services, value-added and similar taxes), customs duties, realty taxes (including utility charges and business taxes which are collectable like realty taxes) or similar statutory obligations secured by a Lien on such Person's Assets;

"Statutory Prior Liens" means the Liens securing Statutory Prior Claims;

"Subsidiary" means, with respect to any Person, any Person (i) which is Controlled, directly or indirectly by such first Person or (ii) a majority of whose Voting Capital Stock, on a fully diluted basis, is owned directly or indirectly, beneficially or otherwise, by such first Person;

"Supplemental Indenture" means an indenture supplemental to the MTI entered into by the Funding Vehicle and the Indenture Trustee in accordance with the terms of Section 10.1 of the MTI;

"Sustaining Activities" has the meaning ascribed to it from time to time in the LIL Lease;

"Sustaining Costs" has the meaning ascribed to it from time to time in the LIL Lease;

"Tax" or **"Taxes"** means any tax, fee, levy, rental, duty, charge, royalty or similar charge including, for greater certainty, any federal, state, provincial, municipal, local, aboriginal, foreign or any other assessment, governmental charge, imposition or tariff (other than tariff charges) wherever imposed, assessed or collected, and whether based on or measured by gross receipts, income, profits, sales, use and occupation or otherwise, and including any income tax, capital gains tax, payroll tax, fuel tax, capital tax, Sales Taxes, value added tax, sales tax, withholding tax, property tax, business tax, ad valorem tax,

transfer tax, franchise tax or excise tax, together with all interest, penalties, fines or additions imposed, assessed or collected with respect to any such amounts;

"Termination Date" means the date that Commissioning is achieved under the LIL Project Finance Documents;

"TFA" means an agreement entered into on or about November 29, 2013 into among NLH, Opco and the Partnership relating, among other things, to the recovery from NLH of costs of the Project incurred by Opco and the Partnership;

"TFA Payment" has the meaning ascribed to it from time to time in the TFA;

"Total Debt Service" means, for the Partnership, for any period, all interest and stand-by fee payments, Sinking Fund Payments and scheduled principal payments required to be made on the LIL Loan and on all Additional Debt of the Partnership, provided, however, that:

- (i) if any such Additional Debt is only repayable in its entirety at maturity, the amount of Deemed Principal Repayments for such period shall be included in Total Debt Service; and
- (ii) for purposes of the Prospective Debt Service Coverage Ratio and the Retrospective Debt Service Coverage Ratio, where the period includes the maturity of any Tranche, there shall be excluded from the calculation of Total Debt Service the principal amount payable or, as the case may be, paid on such maturity date;

"Tranche" refers to any of Tranche A, Tranche B or Tranche C of the LIL Construction Facility;

"Tranche A" means the Tranche of the LIL Construction Facility referred to as such in Article 2 of the LIL Project Finance Agreement;

"Tranche A Commitment" has the meaning ascribed to it in Section 2.3 of the LIL Project Finance Agreement;

"Tranche A Construction Loan" means, as at any time, the aggregate of the principal amount of Advances then outstanding under Tranche A of the LIL Construction Facility;

"Tranche A Loan" means the aggregate of the Tranche A Construction Loan together with any other amount of principal, interest, fees and other amounts and interest on arrears of interest, fees and other amounts, in each case, due and payable by the Partnership in respect of Tranche A of the LIL Construction Facility;

"Tranche A Maturity Date" means the date which is two (2) Business Days prior to the maturity date of the FV Bond - Series A, pursuant to the MTI and the relevant Supplemental Indenture;

"**Tranche B**" means the Tranche of the LIL Construction Facility referred to as such in Article 2 of the LIL Project Finance Agreement;

"**Tranche B Commitment**" has the meaning ascribed to it in Section 2.3 of the LIL Project Finance Agreement;

"**Tranche B Construction Loan**" means, as at any time, the aggregate of the principal amount of Advances then outstanding under Tranche B of the LIL Construction Facility;

"**Tranche B Loan**" means the aggregate of the Tranche B Construction Loan together with any other amount of principal, interest, fees and other amounts and interest on arrears of interest, fees and other amounts, in each case, due and payable by the Partnership in respect of Tranche B of the LIL Construction Facility;

"**Tranche B Maturity Date**" means the date which is two (2) Business Days prior to the maturity date of the FV Bond - Series B, pursuant to the MTI and the relevant Supplemental Indenture;

"**Tranche C**" means the Tranche of the LIL Construction Facility referred to as such in Article 2 of the LIL Project Finance Agreement;

"**Tranche C Commitment**" has the meaning ascribed to it in Section 2.3 of the LIL Project Finance Agreement;

"**Tranche C Construction Loan**" means, as at any time, the aggregate of the principal amount of Advances then outstanding under Tranche C of the LIL Construction Facility;

"**Tranche C Loan**" means the aggregate of the Tranche C Construction Loan together with any other amount of principal, interest, fees and other amounts and interest on arrears of interest, fees and other amounts, in each case, due and payable by the Partnership in respect of Tranche C of the LIL Construction Facility;

"**Tranche C Maturity Date**" means the date which is two (2) Business Days prior to the maturity date of the FV Bond - Series C, pursuant to the MTI and the relevant Supplemental Indenture;

"**Trust Certificate**" means, in respect of the Funding Vehicle, a certificate in writing signed by any officer of the Issuer Trustee and conforming *mutatis mutandis* to Section 16.17 of the MTI;

"**Underlying Pledge Bond Documents**" means, collectively, all agreements, deeds, instruments and documents evidencing Indebtedness secured under any FV Pledge of a FV Pledge Bond;

"**Underwriting Agreement**" means the underwriting agreement to be entered into among the Lead Arranger, the Funding Vehicle, the Partnership and Nalcor;

"Various Agent Costs and Expenses" means (i) the reasonable fees, costs and expenses due and payable, as well as any indemnity obligations due and payable, by the Partnership or Opco to the Collateral Agent, the Intermediary Trust or the LIL Security Trustee pursuant to the LIL Project Finance Documents, (ii) without duplication, the reasonable fees, costs and expenses due and payable, as well as any indemnity obligations due and payable, by the Intermediary Trust or the Partnership, as the case may be, to the Collateral Agent, the IT Administrator, Funding Vehicle or the IT Security Trustee pursuant to the IT Project Finance Documents, and (iii) without duplication, the fees, costs and expenses due and payable, as well as any indemnity obligations due and payable, by the Funding Vehicle or the Partnership, as the case may be, to the Issuer Trustee, the Collateral Agent, the Administrator, the Lead Arranger, the Indenture Trustee or the Fiscal Agent pursuant to the Funding Transaction Documents (including, in each case, the financial, legal and consulting fees, costs and expenses), provided, however, that such fees, costs and expenses in respect of the Lead Arranger shall be limited to the fees, costs and expenses incurred from the acceptance by the Funding Vehicle of the Commitment Letter until the Closing Date, including, for greater certainty, the lead arranger fees payable by the Partnership pursuant to the Commitment Letter and the Underwriting Agreement;

"Voting Capital Stock" means Capital Stock of a Person which carries voting rights or the right to Control such Person generally provided that Capital Stock which carries the right to vote or Control conditionally upon the happening of an event shall not be considered Voting Capital Stock until the occurrence of such event and then only during the continuance of such event;

"WCR Release" means a release of funds from the Working Capital Reserve Account for purposes of funding Eligible Project Costs, the whole in accordance with Section 7.8 or 7.9 of the LIL Project Finance Agreement;

"WCR Release and Equity Funding Notice" means a notice, substantially in the form of the one attached as Schedule "X" of the LIL Project Finance Agreement, issued by the Partnership pursuant to Section 7.8 or 7.9 of the LIL Project Finance Agreement;

"WCR Release Date" means a day on which a WC Release is effected;

"Working Capital Reserve Account" has the meaning ascribed thereto in Section 8.9 of the LIL Project Finance Agreement;

"Working Capital Reserve Account Balance" means, as at the Effective Date of the Final Funding Request, the aggregate of the balance on deposit at such time in the Working Capital Reserve Account including, for greater certainty, any LIL Income on Account Balances deriving therefrom;

"Written Order", "Written Request, Written Direction" and **"Written Consent"** of the Funding Vehicle will mean a written order, request or consent signed in the name of the Funding Vehicle by a senior officer of the Issuer Trustee;

1.2 **Recitals**

The recitals of this Agreement shall form an integral part hereof, as if at length recited herein.

1.3 **Headings, etc**

The division of this Agreement into recitals, Articles, Sections, subsections, Schedules, paragraphs, subparagraphs and clauses and the insertion of headings and titles are for the convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "**Master Definitions Agreement**", "**this Master Definitions Agreement**", "**this Agreement**", "**herein**", "**hereof**", "**hereto**", "**hereunder**" and similar expressions refer to this Agreement and not to any particular recital, Article, Section, subsection, Schedule, paragraph, subparagraph, clause or other portion of this Agreement.

1.4 **Severability**

If any provision of this Agreement is determined pursuant to a final judgment to be invalid, illegal or unenforceable in any jurisdiction, the parties hereto agree to the fullest extent they may effectively do so that (i) the validity, legality and enforceability in every other jurisdiction of such provision shall not in any way be affected or impaired thereby and (ii) the validity, legality and enforceability in such jurisdiction of the remaining provisions hereof shall not in any way be affected or impaired thereby. The parties hereto shall change this Agreement to replace any invalid or unenforceable provision contained in this Agreement with a valid and enforceable provision which has the commercial effect as close as possible to that of the invalid and unenforceable provision, to the extent permitted by Applicable Law.

1.5 **Governing Law**

This Agreement will be construed in accordance with the Laws of NL and the federal Laws of Canada applicable therein and will be treated in all respects as a NL contract. All Proceedings arising hereunder shall be determined exclusively by a court of competent jurisdiction in NL, subject to any right of appeal to the Supreme Court of Canada and the parties hereby attorn to the jurisdiction of such courts.

1.6 **Time of the Essence**

Time shall in all respects be of the essence of this Agreement.

1.7 Extended Meanings

In each Project Finance Document and Guarantee Transaction Document, unless a clear contrary intention appears, the following words and expressions shall be given the extended meanings set out opposite them:

- 1.7.1 "**asset**" means any undertaking, business, property (real, personal or mixed, tangible or intangible) or other asset;
- 1.7.2 "**cancel**" means cancel, surrender, repudiate, disclaim, terminate or suspend;
- 1.7.3 "**change**" means change, modify, alter, amend, supplement, restate, extend, renew, compromise, novate, replace, terminate, release, discharge, cancel, suspend or waive;
- 1.7.4 "**claim**" means claim, claim over, cross-claim, counter-claim, defence, demand, liability, proceeding, judgment, order or award of any court, other Governmental Authority, arbitrator or other alternative dispute resolution authority;
- 1.7.5 "**final judgment**" means a judgment, order, declaration or award of a court, other Governmental Authority, arbitrator or other alternative dispute resolution authority of competent jurisdiction from which no appeal may be made or from which all rights of appeal have expired or been exhausted;
- 1.7.6 "**include**" means include without limitation, and such term shall not be construed to limit any word or statement which it follows to the specific items or matters immediately following it or similar terms or matters;
- 1.7.7 "**losses and expenses**" means losses, costs, expenses, damages, penalties and judgments and awards of any court or other Governmental Authority, arbitrator, mediator or other alternative dispute resolution authority, including any applicable awarded costs, and legal fees and disbursements on a full indemnity basis;
- 1.7.8 "**paid in full**" and "**repaid in full**" in relation to any payment obligation owing to any person (in this Section 1.7.8, the "**obligee**") - permanent, indefeasible and irrevocable payment in cash (or other freely available funds transfer as may be expressly provided for in the applicable document creating or evidencing such payment obligation) to the applicable obligee in full of such payment obligation in accordance with the express provisions of the applicable document creating or evidencing such payment obligation, without regard to any compromise, reduction or disallowance of all or any item or part thereof by virtue of the application of any bankruptcy, insolvency, fraudulent conveyance, assignment, preference or other similar such laws, any law affecting creditors' rights generally or general principles of equity, and, if applicable, the cancellation or expiry of any commitment of the obligee to lend or otherwise extend credit;

- 1.7.9 "**receiver**" means a privately appointed or court appointed receiver or receiver and manager, interim receiver, liquidator, trustee in bankruptcy, administrator, administrative receiver and any other like or similar official;
- 1.7.10 "**rights**" means rights, titles, benefits, interests, powers, authorities, discretions, privileges, immunities and remedies (actual or contingent, direct or indirect, matured or unmatured, now existing or arising hereafter), whether arising by agreement or statute, at law, in equity or otherwise;
- 1.7.11 "**set-off**" means any right or obligation of set-off, compensation, offset, combination of accounts, netting, retention, withholding, reduction, abatement, deduction, counter-claim, cross-claim or any similar right or obligation, or (as the context requires) any exercise of any such right or performance of such obligation; and
- 1.7.12 "**written**" and "**in writing**" shall be construed as an original writing, a pdf or facsimile copy of a writing or an e-mail.

1.8 **References to Agreements**

Each reference in each Project Finance Document and Guarantee Transaction Document to any agreement (including this Agreement and any other defined term that is an agreement) shall be construed so as to include such agreement (including all attached schedules, appendices and exhibits) and each change made to it at or before the time in question.

1.9 **References to Statutes**

Each reference in each Project Finance Document and Guarantee Transaction Document to any code, statute, regulation, official interpretation, directive or other legislative enactment of any Canadian or foreign jurisdiction (including any political subdivision thereof) shall be construed so as to include such code, statute, regulation, official interpretation, directive or enactment and each amendment, reenactment, reissuance or replacement thereof made at or before the time in question.

1.10 **Grammatical Variations**

In each Project Finance Document and Guarantee Transaction Document, unless a clear contrary intention appears, (i) words and expressions (including words and expressions (capitalized or not) defined, given extended meanings or incorporated by reference therein) in the singular include the plural and vice versa (the necessary changes being made to fit the context), (ii) words in one gender include all genders and (iii) grammatical variations of words and expressions (capitalized or not) which are defined, given extended meanings or incorporated by reference therein shall be construed in like manner.

1.11 Non-Business Days

Whenever any payment to be made under a Project Finance Document or Guarantee Transaction Document is required to be made or any other action to be taken thereunder is required to be taken on a day other than a Business Day, such payment will be made or such other action will be taken on the next following Business Day. Any payment made after 1:00 p.m. (St. John's, NL standard time) on a Business Day will be deemed to be made on the next following Business Day.

1.12 Computation of Time Periods

In each Project Finance Document and Guarantee Transaction Document, with respect to the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "**from**" means "**from and including**" and the words "**to**" and "**until**" mean "**to but excluding**".

1.13 Accounting Terms; GAAP

1.13.1 Unless a clear contrary intention appears in a Project Finance Document or Guarantee Transaction Document, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time. For purposes of the calculation of DER and DSCR, such ratios shall be calculated in accordance with the definitions hereof and not in accordance with GAAP, it being understood that the definition of "Capital Account" shall be calculated as provided for in the LIL Project Finance Agreement. All calculations for the purposes of determining compliance with any financial ratios and financial covenants contained in any Project Finance Document or Guarantee Transaction Document shall be made on a basis consistent with GAAP used in the preparation of the first Financial Statements of the Obligors delivered under the Project Finance Agreement. Any financial ratios required to be maintained by the Partnership pursuant to any Project Finance Document or Guarantee Transaction Document shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed in any Project Finance Document or Guarantee Transaction Document and rounding the result up or down to the nearest number (with a round-up if there is no nearest number) to the number of places by which such ratio is expressed therein.

1.13.2 The parties hereto agree that if at any time there is a material change to GAAP, then the Partnership and the Collateral Agent shall use commercially reasonable efforts to negotiate in good faith amendments to the provisions of the applicable Project Finance Document or Guarantee Transaction Document, as the case may be, that are affected by such material change with the intent of having the respective positions of the Partnership and the Collateral Agent after such material change conform as nearly as possible to their respective positions immediately prior to the implementation of such

material change; provided, however, that until any such amendments shall have been agreed upon, the terms, conditions and undertakings of the applicable Project Finance Document or Guarantee Transaction Document shall be interpreted and applied as if such material change did not apply to the Partnership and the accounting principles applicable to the Partnership immediately prior to the implementation of such material change shall continue to apply to the Partnership for the purpose of determining if the Partnership complies with the financial covenants of the applicable Project Finance Document or Guarantee Transaction Document and the Partnership shall continue to provide Financial Statements under the applicable Project Finance Document or Guarantee Transaction Document prepared in accordance with such accounting principles.

ARTICLE 2

MISCELLANEOUS

2.1 Amendments

This Agreement may be changed from time to time by all of the parties hereto.

2.2 Provision Regarding Liability of Issuer Trustee

The Issuer Trustee has entered into this Agreement in its capacity as trustee of the Funding Vehicle. Any and all of the representations, warranties, undertakings, covenants, indemnities, agreements and other obligations made on the part of the Issuer Trustee herein are made and intended not as personal representations, warranties, undertakings, covenants, indemnities, agreements and other obligations by the Issuer Trustee or for the purpose or with the intention of binding the Issuer Trustee in its personal capacity, but are made and intended for the purpose of binding only the Assets of the Funding Vehicle. No Assets of the Issuer Trustee, whether owned beneficially by it in its personal capacity or otherwise (other than the Assets of the Funding Vehicle), will be subject to levy, execution or other enforcement procedures with regard to any of the representations, warranties, undertakings, covenants, indemnities, agreements and other obligations of the Funding Vehicle or the Issuer Trustee under this Agreement or any of the other documents accessory hereto. No recourse may be had or taken, directly or indirectly against the Issuer Trustee in its personal capacity, any beneficiary of the Funding Vehicle or any Affiliate, shareholder, officer, director, employee or agent of the Issuer Trustee or any predecessor or successor of the Issuer Trustee, with regard to the representations, warranties, undertakings, covenants, indemnities, agreements and other obligations of the Funding Vehicle or the Issuer Trustee under this Agreement and the documents accessory hereto.

2.3 Provisions Regarding Liability of IT Trustee

The IT Trustee has entered into this Agreement in its capacity as trustee of the Intermediary Trust. Any and all of the representations, warranties, undertakings,

covenants, indemnities, agreements and other obligations made on the part of the IT Trustee herein and therein are made and intended not as personal representations, warranties, undertakings, covenants, indemnities, agreements and other obligations by the IT Trustee or for the purpose or with the intention of binding the IT Trustee in its personal capacity, but are made and intended for the purpose of binding only the Assets of the Intermediary Trust. No Assets of the IT Trustee, whether owned beneficially by it in its personal capacity or otherwise (other than the Assets of the Intermediary Trust), will be subject to levy, execution or other enforcement procedures with regard to any of the representations, warranties, undertakings, covenants, indemnities, agreements and other obligations of the Intermediary Trust or the IT Trustee under this Agreement or any of the documents accessory hereto. No recourse may be had or taken, directly or indirectly against the IT Trustee in its personal capacity, any beneficiary of the Intermediary Trust or any Affiliate, shareholder, officer, director, employee or agent of the IT Trustee or any predecessor or successor of the IT Trustee, with regard to the representations, warranties, undertakings, covenants, indemnities, agreements and other obligations of the Intermediary Trust or the IT Trustee under this Agreement and the documents accessory hereto.

2.4 **Successors and Assigns**

This Agreement shall be binding upon and shall enure to the benefit of the parties hereto and their respective successors and assigns, provided that no party hereto shall assign any of its rights or obligations hereunder without the prior written consent of each of the other parties hereto.

2.5 **Further Assurances**

The parties hereto agree to execute and deliver such further and other documents and perform and cause to be performed such further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement and every part thereof.

2.6 **Execution in Counterparts**

This Agreement may be executed in counterparts, each of which shall be deemed to be an original and which together shall constitute one and the same agreement.

2.7 **Provisions Regarding NL Crown**

NL Crown has entered into this Agreement with respect to the Project Finance Documents to which it is a party and the agreements contemplated thereby and definitions which appear in such agreements (“the NL Crown Definitions”), and by entering into this Agreement expresses no view as to the accuracy or suitability of any definitions which appear herein other than the NL Crown Definitions which it hereby approves and adopts.

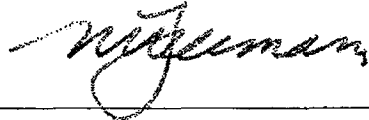
2.8 **Benefit of this Agreement to Canada**

The parties acknowledge and agree that notwithstanding that it has not executed this Agreement, Canada shall benefit therefrom to the same extent as if it were a party hereto for all purposes of the Project Finance Documents to which it is a party.

MASTER DEFINITIONS AGREEMENT (LIL) -- SIGNATURE PAGE

IN WITNESS WHEREOF the parties have executed this Master Definitions Agreement.

THE TORONTO-DOMINION BANK,
as Collateral Agent



By: _____

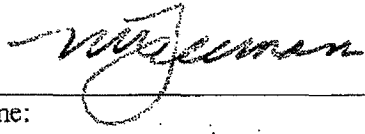
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Title: _____

By: _____

Name: _____
Title: _____

MASTER DEFINITIONS AGREEMENT (LIL) – SIGNATURE PAGE

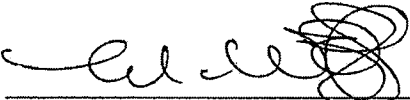
THE TORONTO-DOMINION BANK,
as Paying Agent

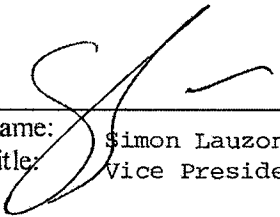
By: 
Name:
Title:

By: _____
Name:
Title:

MASTER DEFINITIONS AGREEMENT (LIL) – SIGNATURE PAGE

TD SECURITIES INC.,
as Lead Arranger

By: 
Name: Michael Wolff
Title: Managing Director

By: 
Name: Simon Lauzon
Title: Vice President

MASTER DEFINITIONS AGREEMENT (LIL) - SIGNATURE PAGE

GOLDMAN, SACHS & CO.,
as Lead Arranger

By: 
Name: _____
Title:

By: _____
Name:
Title:

MASTER DEFINITIONS AGREEMENT (LIL) – SIGNATURE PAGE

**BNY TRUST COMPANY OF
CANADA, as trustee of
LABRADOR - ISLAND LINK
FUNDING TRUST,
herein acting and represented by THE
TORONTO-DOMINION BANK,
as Collateral Agent**

By: 
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

MASTER DEFINITIONS AGREEMENT (LIL) - SIGNATURE PAGE


**COMPUTERSHARE TRUST
COMPANY OF CANADA,**
as LIL Security Trustee, IT Security
Trustee and FV Security Trustee

By: 
Name: Sean Pigott
Title: Corporate Trust Officer

By: 
Name: Raji Sivalingam
Title: Associate Trust Officer

MASTER DEFINITIONS AGREEMENT (LIL) – SIGNATURE PAGE

**BNY TRUST COMPANY OF
CANADA, as trustee of LIL
CONSTRUCTION PROJECT TRUST,
as a GAA Finance Party and an Obligor,
herein acting and represented by THE
TORONTO-DOMINION BANK, as
Collateral Agent**


By: 
Name: William A. Brennan
Title: Vice President, Loan Syndications - Agency

By: _____
Name:
Title:

MASTER DEFINITIONS AGREEMENT (LIL) – SIGNATURE PAGE


NALCOR ENERGY, as a Contributing
Party

By: 
Name:
Title:

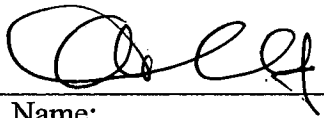
By: 
Name:
Title:

MASTER DEFINITIONS AGREEMENT (LIL) – SIGNATURE PAGE

**LABRADOR - ISLAND LINK
HOLDING CORPORATION,**
as a Contributing Party

By: 

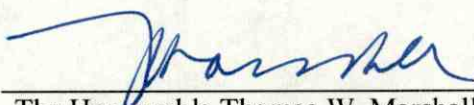
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Title:

By: 

Name:
Title:

MASTER DEFINITIONS AGREEMENT (LIL) – SIGNATURE PAGE

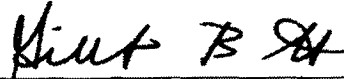
**HER MAJESTY THE QUEEN IN
RIGHT OF THE PROVINCE OF
NEWFOUNDLAND AND
LABRADOR, as represented by the
Minister of Finance, as Guarantor of the
Contributing Parties**


By: 

The Honourable Thomas W. Marshall,
Q.C., Minister of Finance

MASTER DEFINITIONS AGREEMENT (LIL) – SIGNATURE PAGE


**LABRADOR - ISLAND LINK
LIMITED PARTNERSHIP, by its
general partner,
LABRADOR - ISLAND LINK
GENERAL PARTNER
CORPORATION,
as an Obligor**

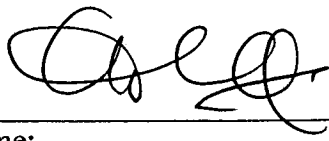
By: 
Name:
Title:

By: 
Name:
Title:

MASTER DEFINITIONS AGREEMENT (LIL) – SIGNATURE PAGE

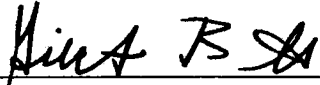
**LABRADOR-ISLAND LINK
OPERATING CORPORATION,**
as an Obligor


By: 
Name:
Title:

By: 
Name:
Title:

MASTER DEFINITIONS AGREEMENT (LIL) - SIGNATURE PAGE

**LABRADOR - ISLAND LINK
GENERAL PARTNER
CORPORATION,**
as an Obligor

By: 
Name:
Title:

By: 
Name:
Title: