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Rec. No.: L010-S011-200-170331-00112

September 14, 2011

SNC-Lavalin Inc.
272 Torbay Road
St. John's, NL A1A 4E1

Attention: Mr. Normand Bechard

**Subject: Lower Churchill Phase 1 Development
Agreement LC-G-002
Engineering, Procurement and Construction Management (EPCM) Services**

First Aid Training

Dear Normand:

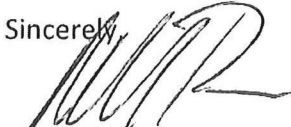
Nalcor is in receipt of SNC Lavalin Inc. (SNC) Letter No. S011-L010-200-170330-00094 regarding First Aid training. We note your concurrence that the costs of this training are included in the office overhead rate and are not a separate Reimbursable Cost under the Agreement.

Further, as subsequently discussed and confirmed with N. Gillis, the training course extended over a two day period. Therefore, the total amount of time that will be deducted from the applicable weekly time report and SLI's corresponding June invoice is ninety six (96) hours.

Regarding your request to have a clear definition of what training costs are included in the office overhead rate, Nalcor is in general agreement with the types of training included in your proposed list, however, the list is not exhaustive. To be considered as a Reimbursable Cost, any future training must be pre-approved by Nalcor. Any training not included in the above noted list will be considered on a case by case basis.

If you have any further questions regarding this issue, please contact the undersigned or Clarence Hewitt.

Sincerely,



Ron Power
Project Manager – Generation / Island Link

CH/ch