

**SNC • LAVALIN****Lower Churchill Project
SNC-LAVALIN INC.**
350 Torbay Road, Suite 2
St. John's, NL A1A 4E1Telephone: 709-752-3460
Fax: 709-752-3480

October 30, 2013

VIA FAXSIMILE: (709) 737-1985**SLI Reference No.:** 505573-0000-30CC-I-1444
LC Ref. No: S011-L010-200-170330-00219Mr. Paul Harrington
Project Manager
Nalcor Energy
Hydro Place, 500 Columbus Drive
P.O. Box 12800, St. John's, NL, A1B 0C9**Subject: Lower Churchill, Phase 1 Development
Agreement LC-G-002
Engineering, Procurement and Construction Management (EPCM) Services
AMENDMENT TO THE EPCM Contractor Designation - Notice**

Dear Mr. Harrington:

As explained in our letter dated October 8, 2013, on the basis of the actions taken by Nalcor since early 2012, SNC-Lavalin wishes to be officially detached from the designation of being the EPCM Contractor on the Lower Churchill Project.

As agreed at our recent meetings, following the effective date of the Amendment, the Agreement is no longer an EPCM Agreement but an agreement for Engineering and Support Services for Procurement and Construction Management.

During the meetings held on October 16, 2013, Mr. Clarence Hewitt had explained to our Mr. Bourbeau and Mr. Verhagen that Nalcor had removed from Nalcor's letterhead the designation of SNC-Lavalin being the EPCM contractor. We appreciate your cooperation in this initial action; however we believe that further actions are required by Nalcor in order to ensure our respective roles are clear to third parties.

As explained to Mr. Hewitt by Mr. Bourbeau, we do not expect Nalcor to re-issue every document without this designation; however we believe that a formal notice should be issued to each and every one of the project stakeholders including contractors, suppliers, agencies and authorities. We expect that this notice can be reasonably issued within the next 10 days and that Nalcor can be the official issuer of the notice.



Mr. Paul Harrington
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Please confirm if you plan to act in accordance with this request and should you wish to discuss this further, do not hesitate to contact Mr. Luc Bourbeau at the coordinates below.

- Email: luc.bourbeau@snclavalin.com or
- Telephone at: (514) 393-8000 ext. 56256

Sincerely,

SNC-LAVALIN INC.

A handwritten signature in blue ink, appearing to read 'Bernard Gagné', with a long horizontal line extending to the right.

Bernard Gagné
Acting Vice-President and General Manager

c.c.: Scott Thon, Luc Bourbeau