

Rev: 05-July-2016

AMENDMENT AGREEMENT

AMD-CD0501001-0003

Number 3

THIS AMENDMENT AGREEMENT (the "Amendment") is made as of the 05 day of July, 2016

BETWEEN:

LABRADOR-ISLAND LINK LIMITED PARTNERSHIP, a limited partnership formed pursuant to the laws of the Province of Newfoundland and Labrador, represented by its general partner, Labrador-Island Link General Partner Corporation ("Company")

– and –

GRID SOLUTIONS CANADA ULC a corporation duly incorporated pursuant to the laws of the province of British Columbia ("Contractor").

WHEREAS Company and Contractor entered into a Supply and Install Agreement for converter stations at Soldiers Pond, Newfoundland, and Muskrat Falls, Labrador, and transition compounds for the Strait of Belle Isle power transmission line crossing (Agreement No. CD0501) as of March 31, 2014 (the "Original Agreement") in connection with the Muskrat Falls hydroelectric power development project (the "Project") as more fully described in the Original Agreement;

AND WHEREAS Company has enter into civil works contracts for the performance of civil works on the Project (each a "Civil Works Contract") with two civil works contractors (each a "Civil Works Contractor");

AND WHEREAS Company and Contractor entered into an amending agreement dated August 8, 2014 ("Amending Agreement No. 1");

AND WHEREAS Company and Contractor entered into an amending agreement dated September 2, 2015 ("Amending Agreement No. 2");

AND WHEREAS Company and Contractor wish to amend the Original Agreement as set out in this Amendment to address certain matters relating to the civil works;

NOW THEREFORE, the parties, each in consideration of the promises and agreements of the other, hereby agree as follows:

1. **Effective Date.** This Amendment shall be effective as of March 31, 2016.
2. **Definitions.** Capitalized terms used but not defined in this Amendment have the meanings given to them in the Original Agreement.
3. **Force and Effect of Original Agreement and Amending Agreements.** Except as expressly provided in this Amendment, the terms, conditions and definitions of the Original

Rev: 05-July-2016

Agreement, Amending Agreement No.1 and Amending Agreement No.2 remain in full force and effect.

4. **New Civil Works Articles.** The following new Articles shall be added to the Original Agreement at the locations indicated below:

(a) Immediately following Article 3.13, as new Article 3.14:

"3.14 Except for civil work for the Transition Compounds and civil work performed pursuant to contract packages CD0504-001 (awarded to H.J. O'Connell Construction Ltd) and CD0504-002 (awarded to Pomerleau Inc.), Contractor shall perform all construction for all Civil Works. For greater certainty, Exhibit 17 – Joint Cost Savings Initiative for Civil Works shall only apply to contract packages CD0504-001 and CD0504-002."

(b) Immediately following Article 26.14, as new Article 26.15:

"26.15 Subject to all Change Orders and Change Requests as of the effective date of this Amendment, the Parties agree not to add the following scope items (commonly referred to as packages 3, 4 and 5), in whole or any material part, to contract packages CD0504-001 and CD0504-002 including, but not limited to:

- Building fit-out for the Control Building and Valve Halls at Muskrat Falls and Soldiers Pond, roads, drainage, cable trenches, grounding, fencing, diesel generator, AC / DC Yards
- Notwithstanding the above, Company will consider adding minor works (related to interfaces such as electrical conduits and surface preparation) to contract packages CD0504-001 and CD0504-002 on a case by case basis provided Contractor submits justification in the form of a Change Order Authorization, in a timely manner, for Company review and Approval. Company will not be held liable for any costs or schedule impacts if Company decides such request is not applicable to minor works.

5. **Articles.** The Article 37.1 shall be deleted in its entirety and shall be replaced with the following:

For each Milestone specified in Exhibit 2 - Compensation being subject to liquidated damages, if Contractor fails to Deliver that part of the Work to achieve the Milestone within forty-five (45) days by the date specified, Contractor shall pay Company as liquidated damages the full amount stipulated in Exhibit 2 - Compensation for each calendar day, including any part thereof, of the delay of that Milestone commencing the forty-sixth (46th) day following the date the Milestone is achieved, unless the failure to achieve the Milestone is due to an event of Force Majeure, a Change affecting the Milestone or a Suspension Period

6. **Exhibit 1 – Scope of Work.** The following amendments are made to the Scope of Work Specification, document number ILK-SN-CD-8000-EL-SP-0001.01, in Exhibit 1 – Scope of Work in the Original Agreement:

(a) Section 1.2 is amended to add the following new paragraph immediately after the

first set of bullets:

“Notwithstanding anything to the contrary in this Scope of Work Specification and except for civil work for the Transition Compounds and civil work performed pursuant to contract packages CD0504-001 (awarded to H.J. O’Connell Construction Ltd) and CD0504-002 (awarded to Pomerleau Inc.), Contractor shall perform the construction for all Civil Works. For greater certainty, any reference to civil works contractors and specialized contractors for the civil works in this Scope of Work Specification and the technical documents and Drawings incorporated by reference by Appendices 1 to 4 herein, whether express or implied, shall be a reference to contractors for the Transition Compounds or for contract packages CD0504-001 and CD0504-002, as the case may be.”

- (b) The first paragraph in Section 2.0 is deleted in its entirety and replaced with the following:

“Subject to the allocation of responsibility for civil work for the Transition Compounds and civil works performed pursuant to contract packages CD0504-001 (awarded to H.J. O’Connell Construction Ltd) and CD0504-002 (awarded to Pomerleau Inc.), the Converter Stations and Transition Compounds shall be supplied as an EPC Turnkey Project, where Contractor has the total responsibility for the studies, design, engineering, manufacture, delivery, construction, installation, testing, commissioning, and warranty of the facilities: namely all the engineering, procurement and construction. This will provide fully-equipped facilities, ready for operation.”

- (c) The first paragraph in Section 2.3 is deleted in its entirety and replaced with the following:

“Contractor shall provide all the necessary civil and building design at all sites, including calculation reports and drawings, as a result of detailed designing of the Converter Stations and Transition Compounds.”

7. **Exhibit 2 – Compensation.** The following amendments are made to Exhibit 2 – Compensation:

- (a) The first paragraph in Section 10.1 in Exhibit 2 – Compensation in the Original Agreement is deleted in its entirety and replaced with the following:

“If Contractor fails to achieve Milestone item 10 by the date specified for such Milestone in Exhibit 9 – Schedule and/or fails to achieve Milestone item 6 within forty-five (45) days following the date specified for such Milestone in Exhibit 9 – Schedule, Contractor shall pay Company as liquidated damages the full amount stipulated for that Milestone for each day, including any part thereof, of the delay of that Milestone commencing the forty-sixth (46th) day following the date specified for such Milestone in Exhibit 9 - Schedule to the date the Milestone is achieved, subject to the liability limit referred to in Article 37.3 of this Agreement, unless the failure to achieve the Milestone is due to an event of Force Majeure, a Change affecting the Milestone or a Suspension Period.

Item 6 – Contractor completion of static checks – all sites	CA \$100,000.00
Item 10 – Contractor Substantial Completion	CA \$150,000.00”

Rev: 05-July-2016

- (b) Appendix A1- Schedule of Price Breakdown, as amended in Amendment No.1, is further amended to add immediately after Line Item 6.01, the items shown on Schedule 1 to this Amendment and to revise the totals as a result.
 - (c) Appendix A2 – Milestone Payment Schedule, as amended in Amendment No.1, is further amended to add immediately after Line Item 6.01 the items shown on Schedule 2 to this Amendment and to revise the totals as a result.
8. **Exhibit 17 – Joint Cost Savings Initiative for Civil Works.** The following amendments are made to Exhibit 17 – Cost Savings Initiative for Civil Works in the Original Agreement:
- (a) The following shall be added immediately after the first paragraph in Section 1.0:

“Except for civil work for the Transition Compounds and civil works being performed pursuant to contract packages CD0504-001 (awarded to H.J. O’Connell Construction Ltd) and CD0504-002 (awarded to Pomerleau Inc.), Contractor shall perform all construction for all Civil Works. For greater certainty, this Exhibit 17 shall only apply to contract packages CD0504-001 and CD0504-002.”
 - (b) In Section 1.2, the words and numbers “of 10% from 25%” and those in brackets in the second paragraph are deleted and not replaced.
 - (c) In Section 1.2, the words and numbers “target CAN\$20,000,000” are deleted and not replaced.
 - (d) In Section 3.4 and at the bottom of Schedule 1, the Civil Works Baseline amount of “CAN\$107,305,708.00” is deleted and replaced by “CAN\$44,535,076.16” in both locations.
 - (e) Section 4 is deleted in its entirety and replaced with:

“The work that comprises the Civil Works Baseline dollar amount is the scope of work and quantities in contract packages CD0504-001 and CD0504-002.”
 - (f) Section 5 is deleted in its entirety and replaced with:

“Contractor shall be responsible for all other Work that does not form part of contract packages CD0504-001 and CD0504-002 and civil work for the Transition Compounds.”

Rev: 05-July-2016

EXECUTED AS AN AMENDMENT AGREEMENT on the 05 day of July, 2016:

For and on behalf of **LABRADOR-ISLAND LINK LIMITED PARTNERSHIP**, by its general partner
Labrador-Island Link General Partner Corporation



Signature of Authorized Representative



Signature of Authorized Representative


PAT HUSSEY

Name of Authorized Representative

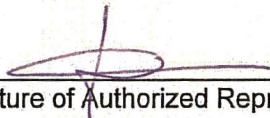
Paul Power

Name of Authorized Representative

For and on behalf of **GRID SOLUTIONS CANADA ULC**



Signature of Authorized Representative



Signature of Authorized Representative

Olivier Ruiz

Name of Authorized Representative

DUY DEVILLIERS

Name of Authorized Representative

(20232249.1)

AMENDMENT 3 – SCHEDULE 1

Appendix A1 – Schedule of Price Breakdown (CAD)

Line Item	Site	Category	Unit	Quantity	Person Hours	Engineering & Procurement (CAD)	Construction /Installation (CAD)	Total (CAD)
7.0	SP	Balance of Civil Works	LS	1		0	29,803,266.57	29,803,266.57
7.1	MF	Balance of Civil Works	LS	1		0	33,027,137.27	33,027,137.27

AMENDMENT 3 – SCHEDULE 2

Appendix A2 - Milestone Payment Schedule

Line Item	Site	Value (CAD)	Value (GBP)	Value (EUR)	Value (USD)	Description	Payment Schedule	Criteria
7.0	SP	29,803,226.57	0	0	0	Balance of civil works	Payable monthly on achieved progress of civil works as Approved by Company	Payment on achieved progress (percent complete) as Approved by Company
7.1	MF	33,027,137.27	0	0	0	Balance of civil works	Payable monthly on achieved progress of civil works as Approved by Company	Payment on achieved progress (percent complete) as Approved by Company