



Labrador-Island Link Limited Partnership
Lower Churchill Project
350 Torbay Road Plaza, Suite No. 2
St. John's, NL
Canada A1A 4E1

To the attention of Mr. Darren DeBourke

Date: 20-Oct-2016

Grid Solutions Canada ULC

O/Ref: LTR-CD0501-AG-LILLP-0300

Y/Ref: LTR-CD0501-LILLP-AG-0332 dated 16-Oct-2016 & LTR-CD0501-LILLP-AG-0337
dated 20-Oct-2016

1400, Industrielle
La Prairie, Quebec
ISR 5Z5 CANADA

Agreement No: CD0501 – Converter Stations and Transition Compounds

Subject: Recurrent protests at Muskrat Falls Worksite

Dear M. DeBourke,

T 450 659 8921
F 450 659 3371
www.gea1stom.com

Contractor acknowledges receipt of Company's notifications quoted above that a Force Majeure Event occurred on 16-Oct-2016 and 20-Oct-2016 at Muskrat Falls Construction Site, where local population protestors have blocked access to the Construction site preventing Contractor and its subcontractors from performance of its civil works construction activities on CD0501-001 HVdc and CD0502-001 – AC Substation. Contractor clarifies that this event is beyond the control and fault of the Contractor.

For matter of clarity, Contractor disagrees that blocked access to the Site is a Force Majeure event. Indeed, as previously highlighted by Contractor, the local population's resentment against Company has been increasing for some time, has not been appropriately managed by Company and is adversely impacting Contractor's execution of the Work as per the Agreement.

At this juncture, and as a direct result of same, Contractor is carrying out limited Site activity. Upon resolution by Company of this issue Contractor will assess the cost and schedule impact due to above stated such events and revert to Company with all the supporting details of the Impact for compensation in accordance with Article 26 of the Contract.

Finally, please note that this letter is made without waiving and with the express reservation of Contractor's additional rights and remedies, in law or in equity, under applicable contracts or otherwise, including the right to seek a Change Order when all impacts are known.



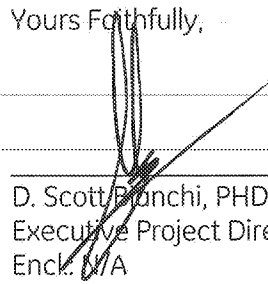
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Contractor remains at Company's disposal for any further clarification.

Yours Faithfully,

po



D. Scott Bianchi, PHD, PE
Executive Project Director / Contractor Representative
Encl. WA