

COMMERCIAL PROPOSAL CLARIFICATION FORM

SNC • LAVALIN

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| Date: | 14-05 2013 | Package No. Bidder's Proposal. No. | 505573-CH0007 | Package Title: | Construction of Intake and Powerhouse, Spillway and Transition Dams |
| Bidder: | Astaldi Canada Inc. | | | Clarification Set No. 05 | |

| Date DD-MM-2013 | SLI Comments/Questions | Bidder Answer / Response | SLI Status Comment |
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| 6 14-05-2013 | <p>LABOUR PROVISION ACTION PLAN</p> <p>1. Has the Bidder conducted a Labour Availability Study with respect to the critical trades: carpenters, concrete workers, reinforcing steel workers equipment operators and labourers?</p> | <p>Astaldi has not felt the need to protect themselves from any non-availability of qualified personnel in Canada because the Client in various occasions declared that the Muskrat Falls project is of key importance and there will be many resources eager to participate.</p> <p>Astaldi has prepared a brief Labour Availability analysis regarding most trades in Canada and more specifically in Newfoundland and Labrador. This analysis is based upon the experience and advice of Consultants and Subcontractors who have worked with us on this topic. We have estimated the following percentages:</p> <p>Distributed by Province: (on total work force) From Labrador/Newfoundland 60% From Nova Scotia/Brunswick 23% From Quebec 9% From Ontario 5% From Alberta 3%</p> <p>Distributed by Trades: (on total per trade) Labourers 95% Carpenters/ Concrete 47% Re-steel workers 39% Equip. operators 41% Teamsters 56% Others 81%</p> <p>For further details please refer to attached document which illustrates our Labour Availability needs that was used to calculate the estimate of travel allowance for Trades Labour.</p> | |

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| | 2. For each of these critical trades or occupations: | | |
| | 2.1 What percentage of your requirements do you foresee drawing from Newfoundland and Labrador (NL)? | See above | |
| | 2.2 What is the risk level of not filling your requirements in NL (High, medium, low or some other measure)? | The probability of not fulfilling the abovementioned requirements is considered to be low. Astaldi does however believe that there may be a labour availability risk during the peak period of the project (summer/winter 2014). The probability is potentially high. | |
| | 2.3 What is the risk level of not filling your requirements from the rest of Canada? | The probability of not fulfilling the abovementioned requirements from the rest of Canada is low. Once again, the peak period may cause more issues and thus must be managed well. | |
| | 3. If you have not conducted a Labour Availability Study, what process was followed and / or what information was relied upon when formulating the assessment of risk under point 2? | Astaldi based its analysis on experience and know how coming from Consultants and Subcontractors that will be involved in the project from the start. Astaldi has confirmed its opinion while participating at specific meetings organized by the Client and by gathering information available on the internet and mass media. | |

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| | <p>4. Prior to the start of construction and during construction, what steps will be taken or processes put in place to monitor availability of the trades or classifications, both in NL and Canada?</p> | <p>Prior to the start-up of construction Astaldi will provide the Trades Union of Labrador/Newfoundland with the list of necessary Trades Labour divided by trade and indicating the monthly requirement for the whole Project. This list will be obtained from the labour availability document mentioned above. Trades Unions should answer in due time about the real Trades Labour Availability and promptly inform Astaldi about lack of labour availability or labour skill, if any, in Labrador/Newfoundland in order to enable us to immediately start the research/recruitment with the trades Unions of other provinces, already alerted, as per Availability Plan shown in answer 1.</p> <p>We are confident that the extensive cooperation established with Local Firms and Subcontractors will help to minimise the impact of an eventual Labour shortage in Labrador/Newfoundland that could be higher than foreseen.</p> <p>The Labour availability and recruitment will be done by working with various employment agencies, specialized in the construction manpower. We could also utilize official Canadian recruitment channels, like Service Canada and create an internet site like that developed by Nalcor for the Muskrat Falls Project.</p> | |
| | <p>5. Describe your hiring plan to obtain workers in Canada, if the required numbers of a trade exceed the availability in NL.</p> | <p>Please see answer 4</p> | |

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| | <p>6. In the event of a labour shortage of critical trades occupations across Canada, what specific areas of the U.S. would workers be accessed from or if not in the U.S. what countries?</p> | <p>In the event that the Trades Unions are not able to guarantee though out Canada the recruitment of the necessary Trades Labour within the required time, Astaldi will then intervene putting into place its worldwide experience in recruitment. In fact, Astaldi is able select qualified personnel in over 80 projects currently in progress worldwide (ie. USA, Central and South America, Europe, Italy and Middle East). The Total Number of Employees actually working in Astaldi's Projects are approximately 9500 employees.</p> | |
| | <p>7. What experience do you have in utilizing temporary foreign workers and what timeframe would it take to process an application and access temporary foreign workers?</p> | <p>If deemed necessary to utilize Temporary Foreign Workers their access timeframe is estimated to be from one month up to 3 months depending upon which country they are originally from. Needless to say, we have recently acquired a Canadian Company Teq which is headquarter in Montreal, Quebec. Fortunately, we now have experts that deal with all these issues from within the Country. Contacts/agreements with specific Legal and Consultant Firms have been considered strategic since the beginning and hence a task force of Managers/Supervisors has already been identified, quantified and are alerted, ready to start up activities.</p> | |