

EXHIBIT 14
PERFORMANCE SECURITY

TS
CM

(date of issue)

To: Labrador Transmission Corporation
 c/o General Partner – Labrador-Island Link General Partner Corporation
 500 Columbus Drive
 St. John's, NL, Canada A1B 0M1
 AND
 Labrador Island Link Limited Partnership
 500 Columbus Drive, St John's, NL A1B 0C9

From: *(ISSUING BANK)*
(address)

Subject: Our Irrevocable Standby Letter of Credit - Performance Number *(#)*

WHEREAS ALSTOM Grid Canada Inc. having its office at *(address of Contractor)* (hereinafter referred to as the "Applicant"), has signed a contract bearing the effective date of *(insert date)*, and reference number *(insert number)* with Labrador-Island Link Limited Partnership having its head office at 500 Columbus Drive, St. John's, NL A1B 0C9 and Labrador Transmission Corporation having its head office at *(insert address)* (hereinafter referred to as the "Beneficiaries"), for *(insert contract description)* (hereinafter referred to as the "Contract");

WHEREAS under Article 7 of the Contract, the Applicant is required to provide to the Beneficiaries an Irrevocable Standby Letter of Credit - Performance in the amount of *(insert)* % of the Contract Price, which amount being *(insert)* Dollars (*\$******) to secure the performance of its obligations under the Contract;

We, *(name and address of bank)* (hereinafter referred to as the "Bank"), for the account of the Applicant, hereby issue in favor of the Beneficiaries our transferable Irrevocable Standby Letter of Credit – Performance in the amount of *(insert)* Dollars (*\$*****) (hereinafter referred to as the "Credit"). We hereby irrevocably and unconditionally undertake to pay to the Beneficiaries at sight, without protest or notification, and without inquiring any further proof or conditions, and without consideration for any objections or protests which the Applicant may make, any sum or sums not exceeding the aggregate sum of *(insert)* Dollars (*\$*****), free of all imposts, taxes, duties, charges, fees, withholdings and/or deductions whatsoever both present and future, of any nature whatsoever and by whomsoever imposed, and without set-off or counterclaim, upon presentation to the Bank of (I) a demand in writing purportedly signed by two (2) authorized officers of each Beneficiary against this Credit, provided the demand is in the form set out in Exhibit "A" hereto, which forms an integral part of this Credit, and (II) the original of this Standby Letter of Credit, and that such demand is made no later than on the *(insert)* day of *(insert month, year)* (hereinafter referred to as the "Expiry Date") or any new expiry date (as defined below). Only the Beneficiaries jointly or a transferee may make drawings under this Credit.

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This Credit shall be automatically extended for one (1) year periods from the Expiry Date or from any subsequent expiry date (hereinafter referred to as "New Expiry Date") successively, unless the bank sends by express courier to each Beneficiary at the above-mentioned addresses, with a copy to the Applicant, a written notice at least sixty (60) days prior to the Expiry Date or a New Expiry Date, stating that the Bank elects not to extend this Credit for any such additional period. In the event the Bank elects not to extend the Expiry Date or any New Expiry Date of this Credit, then the Bank hereby unconditionally and irrevocably undertakes to pay to the Beneficiaries the total amount then outstanding under this Credit upon presentation to the Bank by the Beneficiaries, within the thirty (30) period immediately prior to the Expiry Date or the New Expiry Date, of (I) a demand for payment stating that the Bank has elected not to extend this Credit and that the Beneficiaries are therefore entitled to such payment, provided the demand is in the form set out in Exhibit "B" attached hereto, which forms an integral part of this Credit and (II) the original of this Standby Letter of Credit.

Notwithstanding the foregoing, in no event will this Credit extend beyond *(insert date)* (hereinafter referred to as the "Final Expiry Date").

This Credit may be automatically reduced by a certificate issued by the Beneficiaries to the Bank stating the amount of reduction applicable to this Credit and presented to the Bank by the Applicant or the Beneficiaries.

The terms of this Credit set forth in full the terms of our undertaking and this undertaking is not in any way modified, amended or amplified by reference to any document, instrument referred to in this Credit, or in which this Credit is referred to, or to which this Credit is related, and any such reference does not incorporate by reference any document, instrument or agreement.

Partial drawings are authorized. All costs related to this Credit are for the account of the Applicant.

The Beneficiaries may transfer its rights under this Credit in their entirety (but not in part) to any transferee. Transfer of the Beneficiaries' rights under this Credit to any such transferee shall be effected only upon the presentation to us of this Credit accompanied by a transfer letter in the form attached hereto as Exhibit C, and the original of this Standby Letter of Credit, including any amendments.. Upon such transfer, the transferee shall have no further rights to transfer this Credit. Payment of the Bank's usual transfer fee shall be for the account of the Applicant, provided that the Bank shall effect the transfer upon receipt of the Beneficiaries' instructions notwithstanding the non-payment or late payment of such fees.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision) of the International Chamber of Commerce (ICC Publication no. 600) and for matters not covered by the Uniform Customs and Practice for Documentary Credits (2007 Revision) of the International Chamber of Commerce, (ICC Publication no. 600) it shall be governed by and interpreted in accordance with the laws of the Province of Newfoundland and Labrador and the laws of Canada, applicable therein.

(NAME OF BANK)

per: _____

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EXHIBIT "A" on Beneficiary letterhead

(date)

To: (full name & address of the issuing bank)

From: (full name & address of Beneficiaries)

Subject: This is the form of demand specified in the Irrevocable Standby Letter of Credit - Performance number (number) issued on the (date) by (name of the issuing bank)

Dear Sirs,

We, the undersigned, being the Beneficiaries under the above captioned Irrevocable Standby Letter of Credit – Performance (hereinafter referred to as the "Credit") issued by (name and address of the issuing bank) on the instructions of (name of the Contractor) the Applicant, hereby request you to pay to us on receipt by you of the present demand the amount of (currency and amount in figures and letters).

We state and declare:

that the Applicant is an Insolvent Party as defined in Contract number (insert), or is a Defaulting Party as defined in Contract number (insert) and has failed to rectify or taken reasonable steps to rectify the default or breach;

and

that the Beneficiaries have sent by facsimile at (insert fax number) and by express courier to the Applicant, attention of (insert name) a written notice of default, specifying the nature of default, at least fifteen (15) working days prior to this demand and a copy of such written notice of default is attached;

that as a result thereof, we have become entitled under the terms of the Contract number (insert) to be paid the amount claimed above;

and

that said amount has not otherwise been paid to us, whether directly or indirectly, by or on behalf of the Applicant.

(signature/name/ title of Beneficiary X 2) (signature/name/title of Beneficiary X 2)

per: _____
Name: _____
Title: _____

per: _____
Name: _____
Title: _____

EXHIBIT "B" on Beneficiary letterhead

This is the form of demand specified in Irrevocable Standby Letter of Credit – Performance number [#] issued on the [date], by [name of the issuing bank]

[date]

To: (ISSUING BANK'S NAME)
(address)

From: (Beneficiaries NAMES)
(address)

Subject: This is the demand specified in Irrevocable Standby Letter of Credit – Performance number [#] issued on the [date], by [name of the issuing bank]

Dear Sirs,

We, the undersigned, being the Beneficiaries under the above captioned Irrevocable Standby Letter of Credit – Performance issued by [issuing bank's name and address] on the instructions of [Contractor's name] (the "Applicant"), hereby request you to pay to us on receipt by you of the present demand the amount of [currency and amount in figures and letters] only.

We state and declare:

that the Beneficiaries have been notified by the Bank of its election not to extend the Credit; and

that as of the date of the present demand for payment the Applicant has not provided the Beneficiaries with a satisfactory substitute irrevocable standby letter of credit – performance or alternate satisfactory security.

[Signature/ name/title of Beneficiary X 2]

[Signature/name/title of Beneficiary X 2]

per: _____
Name: _____
Title: _____

per: _____
Name: _____
Title: _____

cc to the Applicant

**EXHIBIT "C"
TO LETTER OF CREDIT**

FORM FOR FULL TRANSFER OF LETTER OF CREDIT ON BENEFICIARY LETTERHEAD

_____, 20__

Name and Address of Issuing Bank:

Re: standby letter of credit no. _____

Gentlemen:

For value received, the undersigned beneficiaries hereby transfer to **[name and address of Transferee]** all rights of the undersigned beneficiaries to draw under the above standby letter of credit in its entirety.

By this transfer, all rights of the undersigned beneficiaries in such letter of credit are transferred to the transferee and the transferee shall have the sole right as beneficiary thereof, including the sole right relating to any Amendments whether increase or extensions or other amendments and whether now existing or hereafter made, all amendments are to be advised direct to the transferee without necessity of any consent or notice to the undersigned Beneficiaries.

The original of such letter of credit is returned herewith together with any and all amendments, and we ask you to endorse the transfer on the reverse side of the original letter of credit, and forward it directly to the transferee with your customary notice of transfer.

Signatures authenticated yours very truly,

(name of beneficiary)

(name of beneficiary)

(signatures of beneficiary)

(signatures of beneficiary)

(name of bank)

(name of bank)

(signature of bank)

(signature of bank)