

**From:** Paul McCarthy  
**To:** [David Steele](#); [Michael Kennedy](#); [Kirsten Tisdale](#); [Paul Hickey](#); [Malcolm Bairstow](#); [Tim Calver](#); [David Leather](#); [Neal Argent](#); [Sam Wolyniec](#); [Richard Noble](#); [Emiliano Mancini](#); [Thieu Hue Lam](#); [Robert Spasyouti](#); [Melanie Brooks](#); [Johna Thompson](#); [Debbie Abbott](#); [Vangie Johnson](#); [Joanne Thomas](#); [Chris Sotiriou](#)  
**Subject:** ACTION REQUIRED: Muskrat Falls Ring Fence Procedures Agreement  
**Date:** Monday, January 18, 2016 1:15:10 PM  
**Attachments:** [image001.gif](#)  
[GNL Muskrat Falls Review Ring Fence Procedures - FINAL.pdf](#)  
**Importance:** High

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Hi Everyone,

You have been identified as a member of the Government of NL – Muskrat Falls Review Client Team. Our client acceptance process has determined that the client team are required to comply with EY’s ring fence procedures.

I have attached the Ring Fence Procedures memo, which outlines the procedures and requires execution by each team member. Execution and compliance by each team member is critical to the engagement.

For the following individuals, no follow up action is required. I will coordinate (or already have) your signature in person, in the St. John’s office:

1. David Steele
2. Michael Kennedy
3. Paul Hickey
4. Tim Calver
5. David Leather
6. Sam Wolyniec
7. Richard Noble
8. Emiliano Mancini
9. Thieu Hue Lam
10. Robert Spasyouti
11. Melanie Brooks
12. Johna Thompson
13. Debbie Abbott

For the following individuals, please print off the final page (Schedule C) of the memo, sign and return to me via scan/email:

1. Malcolm Bairstow
2. Kirsten Tisdale
3. Neal Argent
4. Vangie Johnson
5. Joanne Thomas
6. Chris Sotiriou

Please let me know if you have any questions or concerns regarding the procedures and their compliance.

Regards,

Paul



**Paul McCarthy, CPA, CA** | Manager | Transaction Advisory Services

Ernst & Young LLP

Fortis Place, 5 Springdale Street, Suite 800, St. John's, NL A1E 0E4, Canada

Direct: +1 709 570 8293 | Cell: +1 709 765 1200 | [paul.mccarthy@ca.ey.com](mailto:paul.mccarthy@ca.ey.com)

Fax: +1 709 726 0345

Website: <http://www.ey.com/ca>



Ernst & Young LLP  
Chartered Accountants  
Ernst & Young Tower  
222 Bay Street, P.O. Box 251  
Toronto, Ontario M5K 1J7

Tel: 416 864 1234  
Fax: 416 864 1174  
ey.com/ca

## Internal Memorandum – Private and Confidential

To: Individuals Listed on Schedule A (the “Client Team”)

15 January 2016

cc:

From: Michael Kennedy, Partner / David Steele, Partner

### **Ring-Fence Procedures – Muskrat Falls Oversight Committee Review of Project Cost and Schedule Forecast and Related Risk**

Ernst & Young LLP (“EY”) has been engaged to provide Her Majesty In Right of Newfoundland and Labrador as represented by the Executive Council (“Client”) with an assessment of the Muskrat Falls Project’s cost and schedule forecast, and to identify opportunities to address any material or critical risks in relation to such project.

The procedures listed below shall be followed to ensure that there is no transfer of information between the Client Team and other EY personnel who have provided (or may be asked to provide) services to EY clients that are (or may become) directly or indirectly involved in the engagement.

***Violation of the procedures set out in this memorandum will result in sanctions, up to and including dismissal. If you have any questions with respect to these procedures, please contact your Client Team leader or Diane Osak, Associate Director of Conflict Management, Risk Management Group.***

1. Members of the Client Team shall not communicate or otherwise disclose any information relating to the Client or the engagement (the “Client Information”) to anyone other than members of the Client Team, unless such communication or disclosure is specifically authorized by the Client Team Leader. Additionally, members of the Client Team shall not access any EY files, servers or information relating to the entities listed in Schedule B (“Major Contractors”).
2. Access to any and all computer files relating to the Client Information shall be restricted to the Client Team.
3. EY’s files relating to the Client Information shall be segregated from the regular file system and shall be maintained in designated, locked locations.

4. Prospective members of the Client Team will review the Major Contractors listed in Schedule B and confirm that they (i) have not performed services for Major Contractors in respect of the Muskrat Falls Project, (ii) will not perform services for Major Contractors in respect of the Muskrat Falls Project (without the consent of all parties involved), and (iii) shall sign t the undertaking attached hereto as Schedule C prior to becoming members of the Client Team.
5. Members of the Client Team who request other partners and staff members, including executive assistants, clerks or students to join the Client Team are responsible for (i) confirming (by making the appropriate enquiries) that such person has not performed services for Major Contractors in respect of the Muskrat Falls Project; and (ii) ensuring that such person signs the undertaking attached hereto as Schedule C.
6. In the event that members of the Client Team wish to access expertise from industry or other experts who are partners, associates or employees of EY or its affiliated entities, then unless such experts agree to be bound by the obligations of confidentiality contained herein and sign the attached undertaking, such experts should not be provided with any information particular to the Client or Major Contractors in respect of the Muskrat Falls Project. Provided that this provision is complied with, the Client Team shall be at liberty to consult with such experts to obtain general advice in respect of an industry or other matter related to this engagement.
7. The principles contained in paragraph 6 above shall also apply when the Client Team seeks to access industry or other information through EY's Centre for Business Knowledge or other knowledge centres, whether affiliated with EY or not.

***Each recipient must review this memorandum carefully and sign a copy of the attached Undertaking confirming that he or she shall adhere to the provisions contained herein. Undertakings, with an attached copy of this memorandum, must be returned to me, as soon as possible.***

**SCHEDULE A – THE CLIENT TEAM**

1. David Steele
2. Michael Kennedy
3. Kirsten Tisdale
4. Paul Hickey
5. Malcolm Bairstow
6. Tim Calver
7. David Leather
8. Neal Argent
9. Sam Wolyniec
10. Richard Noble
11. Emiliano Mancini
12. Thieu Hue Lam
13. Paul McCarthy
14. Robert Spasyouti
15. Melanie Brooks
16. Johna Thompson
17. Debbie Abbott
18. Vangie Johnson
19. Joanne Thomas
20. Chris Sotiriou

**SCHEDULE B – THE MAJOR CONTRACTORS**

1. Astaldi Canada Inc.
2. Andritz Hydro Canada Inc.
3. Alstom Grid Canada Inc.
4. Alstom Renewable Power Canada Inc.
5. Valard Construction LP
6. Nexans Norway AS
7. Barnard Pennecon Limited Partnership
8. SNC-Lavalin Inc.
9. ABB Inc.
10. Gilbert Newfoundland and Labrador Contracting Ltd.
11. H.J. O'Connell Construction Limited
12. IKC-ONE Earthworks Construction
13. Johnson's Construction Ltd.
14. General Cable Company Ltd.
15. Jyoti Americas LLC
16. Liannu Limited Partnership
17. Labrador Catering Limited Partnership

**SCHEDULE C – THE UNDERTAKING****UNDERTAKING**

*(To be signed by each member of the Client Team)*

THE UNDERSIGNED hereby acknowledges receipt of a memorandum describing the confidentiality arrangements which apply to Ernst & Young LLP in respect of its engagement described in the said memorandum, a copy of which is attached hereto, and undertakes to observe all of the terms and conditions therein described as they relate to the undersigned's role in such engagement.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

***Please return to Paul McCarthy via scan/email ([paul.mccarthy@ca.ey.com](mailto:paul.mccarthy@ca.ey.com)), after signing.***