

HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR

and

HER MAJESTY IN RIGHT OF NOVA SCOTIA

and

NALCOR ENERGY

and

EMERA INC.

PROJECT OVERSIGHT AGREEMENT

December 17, 2012

THIS PROJECT OVERSIGHT AGREEMENT (the "Agreement") is made effective the 17th day of December, 2012 (the "Effective Date")

BETWEEN:

HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR, as represented by the Minister of Natural Resources and the Minister for Intergovernmental and Aboriginal Affairs ("NL")

- and -

HER MAJESTY IN RIGHT OF NOVA SCOTIA, as represented by the Minister of Energy ("NS")

- and -

NALCOR ENERGY, a body corporate existing pursuant to the *Energy Corporation Act* being Chapter E-11.01 of the *Statutes of Newfoundland and Labrador, 2007*, solely in its own right and not as agent of the NL Crown ("Nalcor")

- and -

EMERA INC., a company incorporated under the laws of the Province of Nova Scotia ("Emera")

(individually referred to as a "Party" and collectively referred to as the "Parties")

WHEREAS:

- A. Nalcor and Emera entered into a Term Sheet dated November 18, 2010 confirming their common understanding of the purpose, process and timing for the supply and delivery of power and energy from the Province of Newfoundland and Labrador to the Province of Nova Scotia, other Canadian provinces and New England;
- B. Nalcor and Emera entered into the Formal Agreements contemplated by the Term Sheet on July 31, 2012;
- C. Nalcor and Emera now wish to Sanction the Maritime Link, and Nalcor wishes to sanction the Labrador-Island Link, the Labrador Transmission Assets and the Muskrat Falls Plant; and

