



## An Open Letter to ICD Utilities Shareholders;

As you know, on October 13th, Emera announced a proposed transaction to purchase all outstanding shares of ICD Utilities Limited that it does not own – subject to the approval of the majority of ICDU's minority shareholders. The offer of \$8.85/share that Emera has offered shareholders represents a 26% premium over the trading price of the shares of ICDU on the date the transaction was announced. As a result, Emera firmly believes that is a fair offer that represents good value for shareholders. To further manage shareholder interests, Emera is offering shareholders the option to either receive cash or receive the equivalent value of Emera depositary receipts (which represent an interest in the common shares of Emera) – or a combination of both cash and depositary receipts.

Like the shares of ICDU, the depositary receipts will be Bahamian securities and will be listed for trading on the Bahamas International Securities Exchange (BISX). Through this alternative, ICDU shareholders can elect to retain their investment in Grand Bahama Power Company indirectly while also benefiting from the performance of the other utilities and businesses that Emera owns. ICDU shareholders will have the opportunity to hold an interest in a geographically diverse energy company and benefit from the flexibility and diversity offered by the growth and success of Emera.

There have been statements in the media regarding the proposed transaction and some misinformation and mischaracterizations that should not be left to stand on the public record. The details of the proposal are available for review on the BISX website. We encourage shareholders to take the time to review the proposal so as to become familiar with the facts.

Media stories have reflected critics' views that there has been secrecy around the proposed transaction. In fact, Emera has been open and transparent about the transaction structure at every step. Our team openly engaged with regulators and independent directors on the ICDU board as is common with a transaction of this nature. All legal and regulatory requirements were followed and counsel was sought from local and international legal teams. Members of our team met in The Bahamas with the relevant regulatory bodies to address any questions and concerns with respect to the proposed transaction. Information on the proposal was mailed to every shareholder via their listed mailing address, notices were placed in the local newspapers and shareholder forums were hosted by senior executives in both Freeport and Nassau to engage with shareholders and answer their questions.

Also reflected in recent media stories are critics' misstatements that GBPC power rates will increase following the transaction. GBPC power rates will not increase if the proposed transaction is approved. As previously stated, this transaction will not impact the operations or management of GBPC. All-in electrical prices for GBPC customers have not increased in the past three years - in spite of the devastation of Hurricane Matthew - and barring another natural disaster, GBPC has committed to holding rates flat until at least 2022. This proposed transaction does not change that promise.

It is important that our stakeholders, shareholders and customers know that we are committed to doing what is best for Grand Bahama Island. A proposal has been made for shareholders to consider. For individuals to deem this proposal as a "hostile takeover" is inaccurate. Prior to its announcement, this transaction was supported by independent directors of the board of ICDU, based on the advice from their independent legal and financial advisors, and the proposal received the approval of the Bahamas Investment Authority. In addition, the Central Bank has provided its approval of the transaction in principle, subject to receipt of final documentation, and the Securities Commission has issued a letter of non-objection to the transaction. Moreover, Emera has made this proposal conditional upon the approval of the majority of the shareholders other than Emera.

Since establishing its presence in the Caribbean, Emera has worked hard for our customers and their communities. It has consistently taken steps to work towards rate stability for customers, improving reliability and making a positive economic contribution to the region. Emera is also committed to renewable development, and that will be a key area of focus moving forward. This proposal is further evidence of that commitment to Grand Bahama.

By way of the announcement on October 13, Emera made a proposal. Emera believes it is a fair proposal. Ultimately, it is shareholder democracy that will determine the outcome. Emera's commitment to Grand Bahama will not change as result of the proposal one way or the other.

For more information, please visit [bisxbahamas.com](http://bisxbahamas.com)