

**Caribbean Utilities Company, Ltd.
Board of Directors Code of Ethics
Adopted January 30, 2004**

Caribbean Utilities Company, Ltd. (the “Company”) is committed to conducting its business in accordance with the highest standards of business ethics and applicable laws, rules and regulations. Accordingly, the Board of Directors (the “Board”) of the Company has adopted this Code of Ethics (the “Code”) for directors of the Company (“Directors”). The Code is intended to focus the Board and each Director on areas of ethical risk, provide guidance to Directors to help them recognize and deal with ethical issues and provide mechanisms to report unethical conduct. Each Director must comply with the letter and spirit of this Code.

No code or policy can anticipate every situation that may arise. This Code is intended to serve as a source of guiding principles for the Board. Directors are encouraged to bring questions about particular circumstances that may implicate one or more of the provisions of this Code to the attention of the Chairman of the Nominating and Corporate Governance Committee, who may consult with inside or outside legal counsel as appropriate.

This Code is not intended to change or interpret any Cayman Islands law or regulation, including the Companies Law (2003 Revision) (and any amendment or other statutory modification thereof), or any Canadian or other applicable law or regulation, or the Memorandum and Articles of Association of the Company. This Code is subject to modification from time to time by the Board.

Nothing in this Code is intended to create, or should be construed as creating, any responsibility or liability of the members of the Board, except to the extent otherwise provided under the applicable laws of the Cayman Islands, which shall continue to set the legal standard for conduct of the members of the Board. Under Cayman Islands law, directors have certain duties, as agents of a company, of care, diligence and skill and also a fiduciary duty to act in the best interests of the company.

Directors who also serve as officers of the Company should read this Code in conjunction with the Business Ethics Policy implemented for management and staff of the Company.

1. Conflict of Interest

A “conflict of interest” occurs when a Director's private or personal interest or duty to a third party conflicts in any way, whether directly or indirectly, or appears to conflict, with the interest of the Company as a whole. Directors should avoid actual or potential conflicts of interest with the Company. Furthermore, a Director must not act in a third party's interest to the detriment of the Company's interests. Any situation that involves, or may reasonably be expected to involve, a Director's conflict of interest with the Company must be disclosed immediately by the Director to the Chairman of the Nominating and Corporate Governance Committee and the Chairman of the Board. The

Director must declare the nature of his interest and disclose the material facts as to the Director's interest. All conflict of interest questions relating to Directors shall be resolved by the Board of Directors or the Nominating and Corporate Governance Committee. Directors involved in actual or potential conflict of interest situations with a matter before the Board shall absent themselves from the discussion or decision and shall not vote in respect of the matter.

This Code does not attempt to describe all possible conflicts of interest which could develop. However, the following conflicts of interest are prohibited: (i) when a Director, or a member of his or her family, receives improper personal benefits as a result of his or her position as a Director of the Company; and (ii) loans to, or guarantees of the obligations of, a Director, or a member of his or her family. In addition, some of the more common conflicts from which Directors must refrain are set out below.

A. Relationship of Company with Third Parties

Directors should not engage in any conduct or activities that disrupt or impair the Company's relationship with any persons or entity with which the Company has or proposes to enter into a business or contractual relationship.

B. Compensation from Non-Company Sources

Directors may not accept compensation, in any form, for services performed for the Company from any source other than the Company.

C. Gifts

Directors and members of their families may not offer, give or receive gifts from persons or entities who deal with the Company in those cases where any such gift is being made in order to influence the Directors' actions as members of the Board, or where acceptance of the gifts could create the appearance of a conflict of interest.

2. Corporate Opportunities

Directors owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises and to act bona fide in the interests of the Company. Directors shall not: (a) take for themselves personally business or investment opportunities that are discovered through the use of corporate property, information or the Director's position and that reasonably could be expected to be of interest to the Company (provided, however, a Director may pursue such an opportunity with the prior approval of the Board or the Nominating and Corporate Governance Committee (by a vote of the disinterested Directors) if the Company determines not to pursue such opportunity); (b) use the Company's property, information, or position for personal gain; or (c) compete with the Company.

3. Confidentiality

Directors must maintain the confidentiality of information entrusted to them by the Company or its customers, and any other confidential information about the Company that comes to them, from whatever source, in their capacity as Director, except when disclosure is authorized or required by applicable laws or regulations. Confidential information includes all non-public information that might be harmful to the Company or its customers, if disclosed.

In addition, Directors are prohibited from using or attempting to use “inside” Company information for their own personal use or advantage, or providing or “tipping” it to others.

4. Protection and Proper Use of Company Assets

Directors must protect the Company's assets and ensure their efficient use. Theft, carelessness and waste of assets have a direct impact on the Company's profitability. All Company assets should be used for legitimate business purposes.

5. Fair Dealing

Directors shall endeavor to deal fairly with the Company's customers, suppliers and employees. Directors shall not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.

6. Compliance with Laws, Rules and Regulations

Directors shall comply with all laws, rules and regulations applicable to the Company, including insider-trading laws. Transactions in Company securities by Directors are governed by the Company's Insider Trading Policy.

7. Waivers of This Code of Ethics

Any waiver of this Code may be made only by the Board and must be promptly disclosed to the Company's shareholders and as required by applicable laws and regulations. The Board does not intend to grant waivers of this Code for any Director.

8. Encouraging the Reporting of Any Illegal or Unethical Behavior

The Board promotes ethical behavior and (a) encourages employees to talk to supervisors, managers and other appropriate personnel when in doubt about the best course of action in a particular situation; (b) encourages employees to report violations of laws, rules, regulations or the Company's Business Ethics Policy to appropriate personnel; and (c) will not permit retaliation for reports made in good faith.

9. Failure to Comply: Compliance Procedures

A failure by any Director to comply with the laws or regulations governing the Company's business, this Code or any other Company policy or requirement may result in disciplinary action and, if warranted, legal proceedings.

Directors should communicate and report, in person or writing, any known or suspected violations of this Code promptly to the Chairman of the Nominating and Corporate Governance Committee and the Chairman of the Board. The Company shall not allow any retaliation against a Director who acts in good faith in reporting any such violations. Violations (known or suspected) will be investigated by or at the direction of the Board or the Nominating and Corporate Governance Committee, and appropriate action will be taken in the event of any violations of this Code. This Code shall not alter legal rights and obligations of the Company with respect to its employees, including "at will" employment arrangements.

ACKNOWLEDGEMENT

I have received and read the Code of Ethics for the Board of Directors of Caribbean Utilities Company, Ltd. (the "Code"). I agree to comply with the standards contained in the Code and related policies applicable to me.

Signature

Name

Date