



CUSTOMER SHARE PURCHASE PLAN

**OFFERING BROCHURE
& PARTICIPATION FORM**

CARIBBEAN UTILITIES COMPANY, LTD.

Caribbean Utilities Company, Ltd. (“CUC” or the “Company”) is an ordinary resident company duly incorporated and validly existing under the laws of the Cayman Islands with its registered office at P.O. Box 38, North Sound Road, Grand Cayman, KY1-1101. The Company operates a public electric utility on Grand Cayman, Cayman Islands. Further details pertaining to the Company and its business can be found at www.cuc-cayman.com.

The Class A Ordinary Shares of CUC (“Class A Shares”) are listed in United States dollars on The Toronto Stock Exchange (trading symbol: “CUP.U”).

Holders of Class A Shares are entitled to one vote per share at all meetings of the holders of Class A Shares. All Class A Shares are fully paid when issued and are non-assessable and rank equally in respect of dividend payments and winding-up or dissolution of the Company.

THE PLAN

The Customer Share Purchase Plan (the “Plan”) offers customers resident in Grand Cayman, Cayman Islands two convenient methods of investing in CUC:

1. Cash payments of not less than CI\$25.00 (US\$30.00) per purchase and up to a total of CI\$12,000 (US\$14,400) per year for the purchase of Class A Shares; and
2. Reinvestment of dividends in additional Class A Shares as long as the Class A Shares are retained in the Plan.

In both instances the Class A Shares are acquired from CUC at not more than 100% of the average market price calculated using the daily closing prices of CUC Class A Shares on The Toronto Stock Exchange over a specified period. Subscriptions to the CSPP are invested on the dividend payment date for Class A Shares following receipt of such payments by the Company (see ‘Investment Date’ for more details).

All administrative costs are borne by the Company and there is no brokerage commission for the Class A Shares acquired under the Plan.

ELIGIBLE CUSTOMERS

All CUC customers who are residents of Grand Cayman, Cayman Islands (“Customers” and each, a “Customer”) are eligible to participate in the Plan. A Customer is an individual or company that has an active electricity account with CUC in their own name.

HOW TO PARTICIPATE

To join the Plan, an eligible Customer must complete and sign a form provided by CUC for participation in the Plan (a “Customer Participation Form”), including an active postal address, and forward it along with the cash payment, bank draft or money order (payable to “Caribbean Utilities Company, Ltd.”) to CUC at the address indicated. Cash payments should be made in person at CUC’s cash office located on North Sound Road, Grand Cayman.

Further cash payment for additional purchases may be made any time. All payments must be accompanied by a Customer Participation Form properly completed, including an active postal address that matches the CUC account address for billing, and signed.

New Participants must also satisfy identity verification requirements.

IDENTITY VERIFICATION

To comply with the terms of the Proceeds of Crime (Money Laundering) and Terrorist Financing (Canada) Act, CUC's registrar and transfer agent, AST Trust Company (Canada) ("AST"), has established procedures to confirm the identity of individuals participating in the Plan. McGrath Tonner conduct this clearance service as Agent on behalf of AST for any new account holder.

A Customer must attend in person and present one piece of original personal ID at Samson & McGrath's offices at the address noted below to complete the necessary forms. There is no charge to the Customer for this service.

MCGRATH TONNER
*5th Floor Genesis Building,
Genesis Close
George Town
Grand Cayman KY1-1106,
Cayman Islands
Ph: (345) 949-2740*

THE INVESTMENT DATE

Participation in the Plan becomes effective when CUC receives the completed Customer Participation Form and the cash payment. However, cash payments received from Participants are **invested on the dividend payment date** for Class A Shares following receipt of such payments by the Company, if the payment is received at least five full business days prior thereto. Cash dividends on Class A Shares acquired and retained through the Plan are reinvested on the dividend payment date. No investor under the CSPP will receive cash dividends other than as a reinvestment in more shares.

Class A Shares' dividend payment dates for CUC are usually on the 15th of the months of March, June, September and December.

ADMINISTRATION

AST will maintain an account for each participant. A statement of account will be sent by mail to each Participant quarterly following each Class A Ordinary Share dividend payment date.

WITHDRAWAL FROM THE PLAN

Participants may withdraw from the Plan by giving written notice to CUC or AST.

CAUTION

The foregoing constitutes only a summary of some of the features of the Plan. The terms and conditions are described in full in this brochure and a Customer should read them carefully before signing the Customer Participation Form.

If any interpretation of the Customer Share Purchase Plan is required, the text of the section entitled “Terms and Conditions” shall govern.

USE OF PROCEEDS

The net proceeds to CUC from the sale of Class A Shares under the Plan will be the total of all cash payments and dividends invested by Participants under the Plan. The proceeds as and when received by CUC will be used for working capital purposes.

FINANCIAL DISCLOSURE

Audited financial statements are produced annually and distributed to all shareholders. Unaudited financial statements are prepared and distributed each intervening three (3) month period or quarter. A copy of the latest annual report and of the latest quarterly report are available upon request from CUC or under the Investor Information section of the Company website www.cuc-cayman.com.

As a publicly-traded company, CUC is required to make full, true and plain disclosure of all material facts relating to the Class A Shares of CUC and report any material change on a timely basis with the appropriate securities commissions and similar regulatory authorities in each of the Provinces of Canada (other than Quebec). All such disclosure documents (excluding confidential reports) filed with such commissions or authorities from time to time are publicly-available and deemed to be incorporated in this brochure by reference.

A copy of any such document is available upon request from CUC. No securities commission or similar authority in Canada has in any way passed upon the merits of the Class A Shares of CUC.

TAX CONSIDERATIONS

CUC has been advised that, under the laws of the of the Cayman Islands, no income tax or withholding tax will be applicable in the Cayman Islands to holders of Class A Shares. There are also no currency controls in the Cayman Islands.

This summary is of a general nature and it is not intended to be nor should it be construed to be legal or tax advice to any particular investor and no representation with respect to the income tax consequences to any particular investor is made hereby.

Customers wishing to participate in the Plan should consult their own tax advisors if they are in doubt as to their tax position.

NOTICES

All notices, questions and other communications concerning the Plan should be addressed to:
Customer Share Purchase Plan:

Caribbean Utilities Company, Ltd.
P.O. Box 38
Grand Cayman KY1-1101
Cayman Islands
Ph: 345 949-5200

OR

AST Trust Company (Canada)
P.O. Box 4229
Station A
Toronto, Ontario
Canada M5W 0G1
Ph: 1-800-387-0825

TERMS AND CONDITIONS

CUC is offering Customers resident in Grand Cayman, Cayman Islands the opportunity to purchase, through the Plan, Class A Shares. This offer is valid only to Customers legally resident in Grand Cayman, Cayman Islands.

ELIGIBILITY

For the purpose of the Plan, a resident is a person with mailing address in Grand Cayman and a Customer is a person **who is party to the contract with CUC for the supply of electricity**. Every Customer is eligible to become a participant in the Plan (a "Participant"). No other persons are eligible to participate in the Plan.

PARTICIPATION

To become a Participant, a Customer must complete a Customer Participation Form and forward it to CUC together with the cash payment. New Participants must attend in person and present one piece of original personal ID at the McGrath Tonner offices noted below to complete the necessary forms to satisfy Identity Verification Requirements. There is no charge to the Customer for this service.

MCGRATH TONNER
5th Floor Genesis Building,
Genesis Close
George Town
Grand Cayman KY1-1106,
Cayman Islands
Ph: (345) 949-2740

PAYMENTS

A Participant may make cash payments or payments by bank draft or money order to CUC to be used to purchase Class A Shares for the Participant's account on the next dividend payment date for Class A Shares following, by at least five full business days, the receipt by CUC of the payment (the "Investment Date"). Non-cash payments should be made payable to "Caribbean Utilities Company, Ltd." and cannot be less than CI\$25.00 (US\$30.00) per remittance nor exceed and aggregate of CI\$12,000 (US\$14,400) for any Participant in any calendar year. Payments in cash should be made in person at CUC's cash office located on North Sound Road, Grand Cayman.

Payment by bank draft or money order may be made in person or mailed to CUC. A Customer Participation Form should accompany each payment.

AUTOMATIC DIVIDEND REINVESTMENT

All dividends payable on Class A Shares recorded for participation in the Plan, including Class A Shares acquired and retained under the Plan, will be used by CUC to purchase additional Class A Shares for the Participant's account on the Investment Date.

SHARE PURCHASE AND PRICE OF CLASS A SHARES

On the Investment Date, CUC will use all allowable cash payments received from each Participant pursuant to the Plan, and all of the cash dividends on Class A Shares recorded in the Participant's account, to purchase Class A Shares for the Participant's account.

At the discretion of the Company, Class A Shares required to satisfy the requirements of the Plan will be obtained from treasury at the average market price as set out below, or from the open market. In the event that the trading price of the Class A Shares is at or below the 20-day average market price, the Plan requirements may be fulfilled (to the extent possible) through the market purchases (and any remaining balance will be issued from treasury). Provided there has been trading of the Ordinary Shares (trading symbol: "CUP.U") on The Toronto Stock Exchange for at least ten days of the twenty days preceding the date as of which the average market price is being determined, the average market price is determined as an amount equal to the simple average of the closing price of the Class A Shares for each of the business days on which there was a closing price falling not more than twenty days before that date. Where there has been trading of Class A Shares on The Toronto Stock Exchange for fewer than ten days of the twenty days preceding the date as of which the average market price is being determined, the average market price shall be the weighted average of all Class A Shares traded on each of the business days on which there was a closing price falling not more than twenty days preceding the date as of which the average market price is being determined.

RIGHTS OFFERING

If the Company makes available to its registered holders of Class A Shares any right to subscribe for additional shares or other securities, rights certificates will be forwarded to Participants in the Plan in proportion to the number of whole Class A Shares being held for them. Such rights will not be made available for any fraction of a share held for a Participant.

STOCK DIVIDENDS AND STOCK SPLITS

Any stock dividends and any Class A Shares resulting from a consolidation or subdivision of Class A Shares will be credited to the account of each Participant based on the whole and fractional Class A Shares held therein.

ACCOUNT

CUC's Registrar and Transfer Agent, AST Trust Company (Canada) ("AST"), will maintain a customer share purchase account for each Participant. A statement of account will be mailed to

each Participant by AST as soon as practicable after each *Investment Date*. Each statement will indicate changes on the account over the relevant period including:

- (a) the amount of any cash payments from the Participant received by CUC and reported to AST;
- (b) the number of Class A Shares withdrawn from the account;
- (c) the dividends received by CUC in respect of Class A Shares recorded in the account; and
- (d) the number of additional Class A Shares purchased for the account.

REGISTRATION AND SHARE CERTIFICATES

All whole and fractional Class A Shares purchased and retained under the Plan will be registered in the name of AST as the Plan administrator for the benefit of the Participants.

Certificates for Class A Shares purchased under the Plan will be provided upon termination of participation in the Plan following a written request to AST from the Participant.

Upon the issuance of certificates, the Class A Shares they represent will be removed from the Participant's account under the Plan. Certificates for the whole Class A Shares held in the Participant's account will be issued and registered in the name of the Participant or in the name of such other person as the Participant may designate in writing to AST. Payment by cheque will be made for any fraction of a Class A Ordinary Share in the account of such Participant, based on the average market price determined for the preceding Class A Ordinary Share dividend payment date.

TERMINATION OF PARTICIPATION

Participation in the Plan may be terminated by AST upon receipt of written notice of (i) the death of the Participant, (ii) a change of address of a Participant from a local to an overseas address; or (iii) a termination of the Participant's contract for supply of electricity.

Where notice of termination received after a dividend record date for Class A Shares, but before the payment of the dividend, it will not become effective until after the payment of such dividend. Otherwise termination will be effective upon receipt of the notice by AST.

Where a Participant has not made cash payment (not inclusive of any dividends reinvested under the CSPP) in the previous twenty-four months, CUC may terminate that Participant's participation in the Plan.

Upon suspension or termination of the Plan by CUC, participation by all Participants will terminate. Any cash payment received prior to termination of participation but not invested in Class A Shares will be returned to the Participant upon such termination.

Upon termination of participation, the Participant will receive a certificate for the whole Class A Shares held in the Participant's account together with a payment for any fraction of a Class A Ordinary Share in the account of such Participant, based on the average market price determined for the preceding Class A Ordinary Share dividend payment date.

SHARE VOTING

The Class A Shares held by AST for Participants representing fractional interests in Class A Shares will not be voted. Whole Class A Shares held by AST for Participant's account will be voted in accordance with the Participant's instructions. Class A Shares held under the Plan for which instructions are not received will not be voted.

RESPONSIBILITIES OF CUC AND AST TRUST

Neither AST nor CUC shall be liable under the Plan, except in the case of willful misconduct, for any act or for any omission to act including, without limitation, any claims of liability with respect to the price at which Class A Shares are purchased for the Participant's account.

Participants should recognize that AST nor CUC can assure a profit or protect against a loss on the Class A Shares purchased under the Plan.

AMENDMENT, MODIFICATION, SUSPENSION OR TERMINATION OF THE PLAN

CUC reserves the right to amend, modify, suspend or terminate the Plan at any time. Such action shall have no retroactive effect that would prejudice the interest of Participants. Participants will be sent written notice of any such amendments, modification, suspension or termination.



**CARIBBEAN UTILITIES COMPANY, LTD.
CUSTOMER SHARE PURCHASE PLAN**

CUSTOMER PARTICIPATION INITIAL FORM

Name and Address of the Customer (type or print)

Name: _____
(First, Middle, Surname)

CUC Account #: _____ - _____

Address in Grand Cayman: _____ KY _____ - _____
(P.O. Box #)

Daytime Telephone #: _____

THE CUSTOMER HAS RECEIVED A COPY OF THE OFFERING BROCHURE DESCRIBING THE CUSTOMER SHARE PURCHASE PLAN (the "Plan").

Accompanying this form is a cash payment, bank draft or money order in the amount of CI\$ or US\$ (delete as applicable) \$_____ (cannot be less than CI\$25.00 /US\$30.00 per purchase or more than CI\$12,000/US\$14,400 per calendar year) as a cash payment under the Plan. CUC is directed to invest such cash payment in the purchase of Class A Shares of CUC for the Customer's account in accordance with the terms and conditions of the Plan.

PLEASE DO NOT MAIL CASH, CASH PAYMENTS SHOULD BE MADE PAYABLE IN PERSON AT CUC'S CASH OFFICE ON 457 NORTH SOUND ROAD, GRAND CAYMAN.

Signature: _____

Date: _____

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FOR OFFICE USE ONLY: CI\$ _____ X 1.2 = US\$ _____

CHECKED BY: _____

DATE: _____ 20__



**CARIBBEAN UTILITIES COMPANY, LTD.
CUSTOMER SHARE PURCHASE PLAN**

REPEAT PARTICIPATION APPLICATION FORM

CUSTOMER NAME(S): _____

CUSTOMER PHONE #: _____

P.O. BOX ADDRESS: _____ **KY -** _____

CUC ELECTRICITY A/C#: _____ - _____

PAYMENT AMOUNT: _____ **US\$/CI\$/DRAFT**

CUSTOMER'S SIGNATURE: _____

RECEIVED BY CUC: _____

DATE: _____, **20** _____

FOR OFFICE USE ONLY:

CI\$	X 1.2 = US
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FOR OFFICE USE ONLY: CI\$ _____ X 1.2 = US\$ _____

CHECKED BY: _____

DATE: _____ 20 _____