



*Below are the answers to some frequently asked questions surrounding Emera's offer to purchase the outstanding shares of Emera (Caribbean) Inc.*

**Question:** The take-over bid says that an application has been made to the Barbados Stock Exchange (BSE) to list the Depositary Receipts (DRs). Has the application been approved yet?

**Answer:** There is a meeting of the BSE Board on December 10<sup>th</sup>, following which we expect to receive confirmation of listing approval. We do not anticipate any issues with listing the DRs.

**Question:** How do I convert my DRs into the underlying Emera common shares?

**Answer:** There will be a form on the Barbados Central Securities Depository Inc. website that you will need to complete and submit along with an administrative fee. Once that is done, your DRs will be canceled and you will be issued Emera common shares.

**Question:** What happens if I convert my DRs to Emera common shares and end up with a fractional number of Emera common shares (i.e. the number of DRs I have is not evenly divisible by four)?

**Answer:** The number of Emera common shares you receive will be equal to the number of DRs you are converting divided by four, rounded down to the next whole number. If you are converting all of your DRs, any remaining DRs (there can only be three or less) will be purchased for cash at the prevailing price on the BSE and canceled.

**Question:** How soon after the Offer expiry will I get my cash or DRs?

**Answer:** We expect to begin taking up and paying for shares soon after the offer closes on December 15<sup>th</sup>, even if we decide to extend the Offer. Therefore, while we have up to 30 days to take up and pay and deliver DRs and cash after the Offer closes, for ECI shares tendered by the expiry date, we expect to have delivered the cash or DRs before Christmas.

**Question:** The Offer is conditional on having 90% of the shares you don't already own being tendered. What happens if you don't achieve that? Will you withdraw the Offer?

**Answer:** We expect to proceed with the Offer even if the 90% condition is not satisfied.

**Question:** If not all the ECI shares are tendered, does that mean that ECI shares will remain outstanding and continue trading on the BSE?

**Answer:** We expect to be able to acquire all outstanding ECI shares through a combination of shares tendered under the Offer and either the compulsory acquisition or subsequent acquisition transactions described in the takeover bid circular. Even if we didn't acquire all of the shares, the ECI shares might be delisted from BSE if they failed to meet the minimum listing requirements.

**Question:** How does dividend payment on the DRs work?

**Answer:** The dividend payment on the DRs is determined by taking the dividend declared on each Emera common share, dividing it by four and converting to Barbados dollars at the rate in effect on the record date. For most Barbados residents, the dividend will be subject to a 15% withholding tax imposed by Canada Revenue Agency, so that will be deducted in determining the dividend you can expect to receive.

**Question:** How does my vote count at an Emera annual or special meeting?

**Answer:** Emera meeting materials will be distributed to you via the Depositary, which will provide you with a voting form that you can complete and return to the Depositary. The Depositary will work with the Custodian to compile all the voting instructions received from DR holders and forward a proxy on the underlying Emera shares that reflects the combined voting intentions of the DR holders.

**Question:** Do you plan to issue new DRs in the future?

**Answer:** One of the advantages of the DRs is that they give Emera access to financial markets in Barbados to raise capital. It is something we will consider in the future when we are evaluating our capital needs but we have no current plans to do so.