

August 15th 2013

PricewaterhouseCoopers
Bishop's Court Hill
P.O. Box 111
Bridgetown
BARBADOS

Dear Sirs

Please be advised that the following ordinary resolution will be proposed as an ordinary resolution at a special meeting of the shareholders of the company scheduled for 11:00am on Friday September 13th at the Fort Young Hotel on Victoria Street:

RESOLUTION

BE IT RESOLVED THAT PricewaterhouseCoopers is hereby removed as auditors of the company and BE IT FURTHER RESOLVED THAT Ernst and Young be appointed as auditors of the company in their place and stead for the remainder of their term at such remuneration as may be fixed by the directors and the directors are hereby authorised to fix such remuneration.

The grounds for removal are as follows:

On May 19th 2013, the company received notification from the St. Lucia office of PricewaterhouseCoopers (PWC) that they were in preliminary discussions with the PWC Eastern Caribbean firm, of which they were partners, concerning their separation from the grouping to move to Grant Thornton – another international audit firm. The company's audit is conducted by the St. Lucia office of PWC. They informed then that the PWC Eastern Caribbean firm would continue to operate with offices in Barbados, Antigua, and St. Kitts. They also indicated that the separation was amicable.

The board of directors was informed of the circumstances and at the Annual General Meeting of shareholders held on May 22nd 2013, shareholders were also informed of the matter and were put on notice that a special shareholders' meeting may be convened to deal with the change.

On June 25th 2013 the company received a letter from PWC in St. Lucia confirming that effective July 1st 2013, the St. Lucia, St. Kitts and Antigua offices would no longer be affiliated with PricewaterhouseCoopers but would change affiliation to Grant Thornton. PWC Eastern Caribbean now consists of only the Barbados office.

The company has no disagreement with PWC and recognizes that over the past years PWC has provided creditable service to the company. However, this change at PWC has made it necessary for the company to review its options for auditor and decide on what would serve the best interest of the company.

Ernst and Young (E&Y) is currently the auditor for the Emera group of companies of which Domlec is a part. With E&Y as auditor, Emera would be able to ensure the same audit process for the entire group of companies and instruct them on the areas to be focused on in order to meet Emera's deadlines. This would streamline the Group's year end audit exercise. If another firm was appointed as Domlec's auditor, E&Y would have to perform an independent review of the working papers of that auditor in January after the end of the financial year. The Accounts Department would be tasked with yet another set of schedules and deadlines to comply with. This would be time consuming and could lead to delays in the presentation of the final accounts. In these circumstances it would be in the best interest of the company to appoint E&Y as auditors.

Management sought a proposal from E&Y and submitted the same to the audit committee for consideration. At a meeting of the audit committee held on August 8th 2013, the committee reviewed the proposal and noted that the terms and conditions are comparable to that which existed with PWC. Most significantly however, the fee structure is more beneficial to the company as it stipulates a fixed value for the services which it covers.

After review, the audit committee recommended that the above stated Resolution be put to the shareholders for their approval at a special shareholders' meeting. The recommendation of the audit committee was approved by the Board of Directors on August 14th 2013.

Pursuant to section 170 of the Companies Act 1994 you are entitled to be heard on the resolution at the aforesaid meeting and may submit representations in writing made by you (not exceeding a reasonable length) to be sent to all members of the company to whom notice of the meeting is sent. If you wish representations to be so sent together with the Notice convening the meeting may I receive them not later than August 22nd 2013 otherwise you may have these representations read at the meeting.

Sincerely

A handwritten signature in cursive script that reads "Ellise Darwton". The signature is written in black ink and is positioned to the right of the word "Sincerely".

Ellise Darwton
Company Secretary