

NOTICE OF PROPOSED CHANGE IN CONTROL OF BAKER'S BAY UTILITY LTD.

PURSUANT TO SECTION 96(2) OF THE NATURAL GAS ACT, 2024

OBJECTIVES AND OVERVIEW OF THE CONSULTATION

1. On 30 June 2026, the Utilities Regulation and Competition Authority ('URCA') received a Notification of a Transaction ('the Transaction') from Baker's Bay Utility Ltd. ('BBUL' or 'the Licensee') in accordance with section 92 of the Natural Gas Act, 2024 (NGA). The Notification advised that Baker's Bay Investors, LLC and Discovery Baker's Bay Investors, LLC (jointly 'the Seller') have by a Membership Interest Purchase Agreement agreed to sell their membership interests (94.74% and 5.26% respectively) in Baker's Bay Associates, LLC ('BBA') to members of Baker's Bay Golf and Ocean Club ('the Club') in Great Guana Cay, Abaco, Bahamas. The members of the Club (collectively referred to as 'the Acquirer') are homeowners within the Club. The Transaction will result in the members of the Club acquiring control of 100% of BBA and as a result, 100% control of BBUL. The Seller joins with and supports the application of the Acquirer. The Acquirer and the Seller are jointly and collectively referred to as 'the Parties'.
2. In accordance with section 96(2) of the NGA, URCA is providing an opportunity for interested parties to review the proposed Transaction and submit their views.

DETAILS OF THE TRANSACTION

3. On 12 June 2026, URCA issued a Liquefied Natural Gas (LNG) Importer Licence (Commercial Only – subject to self-use restriction) NILCO-26-01 and an LNG Terminal Operator Licence (self-use restriction) NTOL-26-01 to BBUL. Both licences have an expiration date of 12 June 2041.
4. On 30 June 2026, BBUL applied to URCA for the members of the Club to purchase 100% of the ownership of BBUL from Baker's Bay Investors, LLC and Discovery Baker's Bay Investors, LLC. Baker's Bay Investors, LLC currently holds 94.74% and Discovery Baker's Bay Investors, LLC currently holds 5.26% in Baker's Bay Associates, LLC which is the entity that owns and controls all the Baker's Bay companies affiliated with the Club including BBUL. The sale contemplated in the Transaction will place Baker's Bay Club Limited at the top of the Baker's Bay Group corporate structure. Presently, there are 384 members who hold their respective

membership interests in Baker's Bay Club Limited. The 384 members will have equal interest in Baker's Bay Club Limited presided over by a Board of Directors.

5. Baker's Bay Club Limited is a company duly incorporated by the laws of the Commonwealth of The Bahamas.
6. As the members of the Club will become the beneficial owner and voting controller of more than 30% of the voting shares of BBUL, the Transaction would constitute a 'change in control' of BBUL within the meaning of section 93(1)(b) of the NGA.

ISSUES TO BE DETERMINED BY URCA

7. The questions to be determined by URCA in relation to a change in control are set out in section 94 of the NGA. These questions are whether the proposed change in control of BBUL;
 - a. **would have, or is likely to have, the effect of substantially lessening competition in a market in The Bahamas; and**
 - b. **whether the change of control would have an effect, or would be likely to have an effect, contrary to the public interest.**
8. For a further explanation of the approach to be used by URCA, interested persons should be guided by URCA's *Competition Guidelines* (URCA 05/2024), specifically Section 4 Ex-ante Merger Control. A copy of the document is available at the following link: <https://urcabahamas.bs/wp-content/uploads/2026/05/URCA-Final-Competition-Guidelines-3-May-2024.pdf>.

INVITATION FOR COMMENTS

9. Under section 96(2)(a), before forming any opinion or issuing its adjudication on the proposed change in control, URCA is required to give interested persons a reasonable opportunity to make representations and shall consider any such representations made. URCA considers that all members of the public should be considered 'interested persons' for the purposes of this proposed change in control.

10. Having notified the Parties that URCA intends to provide such interested persons a reasonable opportunity to make representations prior to issuing its adjudication in this matter, URCA hereby invites all interested persons to submit written representations regarding the change in control by no later than 5:00 p.m. on **Monday, 10 August 2026** in order to ensure that such representations may be considered, analysed and incorporated into URCA's deliberations.
11. Interested persons should submit written representations regarding the proposed change in control for consideration to URCA, either:
 - a. by hand, to the office of URCA situated at Frederick House, Frederick Street, Nassau, Bahamas; or
 - b. by email, to info@urcabahamas.bs.
12. URCA will only consider representations that relate to the matters upon which URCA is empowered to adjudicate, that is, whether the Transaction is likely to lessen competition or be contrary to the public interest, as set out in section 94 of the NGA.