

TRANSMITTAL LETTER

To: Qualification/Tax Lien Section
Division of Corporations

SUBJECT: COSTA ESMERALDA BEACH RESORT SA.
(Name of corporation - must include suffix) 00002465998-1
-03/24/98-01025-007
*****78.75 *****78.75

Dear Sir or Madam:

The enclosed "Application by Foreign Corporation for Authorization to Transact Business in Florida", "Certificate of Existence", and check are submitted to register the above referenced foreign corporation to transact business in Florida.

Please return all correspondence concerning this matter to the following:

THOMAS T. LAIN
(Name of Person)
COSTA ESMERALDA BEACH RESORT SA.
(Firm/Company)
36555 U.S. HWY 19 NORTH
(Address)
PALM HARBOR, FL 34684
(City/State/Zip)

FILED
90 MAR 21 PM 12:28
TALLAHASSEE, FLORIDA

Should you need to call someone concerning this matter, please call:

THOMAS T. LAIN at (813) 271-9669
(Name of Person) (Area Code & Daytime Telephone Number)

COURIER ADDRESS:

Qualification/Tax Lien Section
Division of Corporations
409 E. Gaines St.
Tallahassee, FL 32399

MAILING ADDRESS:

Qualification/Tax Lien Section
Division of Corporations
P.O. Box 6327
Tallahassee, FL 32314

APPLICATION BY FOREIGN CORPORATION FOR AUTHORIZATION TO TRANSACT
BUSINESS IN FLORIDA

IN COMPLIANCE WITH SECTION 607.1503, FLORIDA STATUTES, THE FOLLOWING IS SUBMITTED TO
REGISTER A FOREIGN CORPORATION TO TRANSACT BUSINESS IN THE STATE OF FLORIDA.

1. COSTA ESMERALDA BEACH RESORT SA.
(Name of corporation; must include the word "INCORPORATED", "COMPANY", "CORPORATION" or words or abbreviations of like import in language as will clearly indicate that it is a corporation instead of a natural person or partnership if not so contained in the name at present.)
2. DOMINICAN REPUBLIC 3. N/A
(State or country under the law of which it is incorporated) (FEI number, if applicable)
4. JUNE 1987 5. PERPETUAL
(Date of incorporation) (Duration: Year corp. will cease to exist or "perpetual")
6. MARCH 12, 1988
(Date first transacted business in Florida.) (SEE SECTIONS 607.1501, 607.1502 and 817.155, F.S.)
7. 36555 US HWY 19 NORTH
PALM HARBOR, FL 34684
(Current mailing address)
8. DIRECT DEVELOPMENT OF BEACH RESORT IN THE DOMINICAN REPUBLIC
(Purpose(s) of corporation authorized in home state or country to be carried out in state of Florida)
9. Name and street address of Florida registered agent: (P.O. Box or Mail Drop Box NOT acceptable)
- Name: CARLOS M. GARCIA M.D
- Office Address: 36555 US HWY 19 NORTH
PALM HARBOR, Florida, 34684
(Zip code)

10. Registered agent's acceptance:

Having been named as registered agent and to accept service of process for the above stated corporation at the place designated in this application, I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent.

Carlos M. Garcia M.D.
(Registered agent's signature)

11. Attached is a certificate of existence duly authenticated, not more than 90 days prior to delivery of this application to the Department of State, by the Secretary of State or other official having custody of corporate records in the jurisdiction under the law of which it is incorporated.

12. Names and addresses of officers and/or directors: (Street address ONLY - P.O. Box NOT acceptable)

A. DIRECTORS (Street address only - P.O. Box NOT acceptable)

Chairman: MARGARET ANNE KLEE

Address: 1946 SUSAN LANE
FT MITCHELL, KY 41011

Vice Chairman: CARLOS M. GARCIA MD.

Address: 8664 LONGWOOD DR.
LARGO, FL 33773

Director: JOHN T. LAIN

Address: 5128 CAREY RD
TAMPA, FL 33624.

Director: TRACY DYER

Address: 8664 LONGWOOD DR.
LARGO, FL 33773

B. OFFICERS (Street address only - P.O. Box NOT acceptable)

President: JOSE FRANCISCO MELGAREJO DE LEON

Address: CALLE RAFAEL PERELLO NO. #6
MONTE CRISTY, DOMINICAN REPUBLIC

Vice President: CARLOS M. GARCIA MD.

Address: 8664 LONGWOOD DR
LARGO, FL 33773.

Assistant Secretary: TRACY A. DYER. CEO JOHN T. LAIN

Address: 8664 LONGWOOD DR 5128 CAREY RD
LARGO, FL 33773 TAMPA, FL 33624

Assistant Treasurer: CATHY R. JUNG

Address: 13532 MAGNOLIA PARK CT.
WINDERMERE, FL 34786

NOTE: If necessary, you may attach an addendum to the application listing additional officers and/or directors.

13. (Signature of Chairman, Vice Chairman, or any officer listed in number 12 of the application)

14. CARLOS M. GARCIA M.D.
(Typed or printed name and capacity of person signing application)



República Dominicana
SECRETARÍA DE ESTADO DE FINANZAS
DIRECCIÓN GENERAL DE IMPUESTOS INTERNOS
SANTO DOMINGO, D.N.

OR No.

AUTORIZACIÓN PARA DEPOSITAR DOCUMENTOS
RELATIVOS A CONSTITUCIÓN Y MODIFICACIÓN
DE ESTATUTOS DE COMPAÑÍAS

Santo Domingo, D.N.

25 SEP 88

7125

SEÑORES
COSTA ESMERALDA BEACH RESORT S A
RNC: 1-88-81171-7
MONTECRISTI

Esta Dirección General, después de estudiar su solicitud y el expediente de que se trata, y vistas las disposiciones y disposiciones de la vigente Ley de Impuesto sobre Sucesiones y Donaciones, tiene a bien impartir por este medio, como al efecto imparte, la autorización prevista en el Artículo 36 Párrafo IV de la Ley No. 2569, reformado por la Ley No. 5458, del 23 de diciembre de 1960, para que la empresa cuyos datos figuran al pie de esta autorización pueda depositar en las Secretarías de la Cámara Civil y Comercial del Juzgado de Primera Instancia y del Juzgado de Paz en que proceda, los documentos conforme a lo prescrito por los Artículos 42 y 48 del Código de Comercio.

La presente autorización se otorga a reservas de efectuar las investigaciones de lugar.

RAZON SOCIAL: COSTA ESMERALDA BEACH RESORT S A

DOMICILIO SOCIAL: DUARTE

SECTOR: SAN FERNANDO

CIUDAD: MONTECRISTI

FECHA CIERRE: 31 DE DICIEMBRE

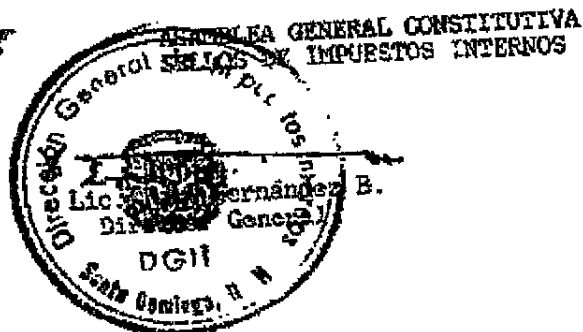
OBJETIVO SOCIAL: PROMOVER DISEÑAR CONSTRUYER Y ADMINISTRAR HOTELES TURÍSTICOS PARA DORES Y CUALQUIER OTRO TIPO DE INFRAESTRUCTURA TURÍSTICA

CAPITAL SUSC.: 1,200,000

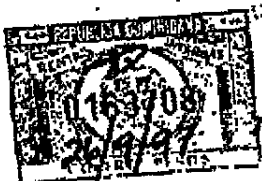
CAPITAL AUTORIZ.: 1,200,000

TIPO AUTORIZACIÓN: CONSTITUCIÓN

DOCUMENTOS: LISTA DE SUSCRIPTORES
ESTATUTOS



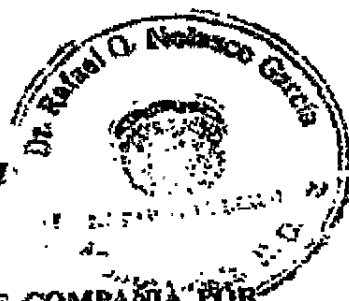
Sellos de I.I. por RD\$ 4.75
JHB/EPH/GMY/AC/ TRINIDAD



FILED

90 MAR 24 PM 12:28

TALLERES DE FOTOCOPIADO

Dr. Rafael O. Nolasco García**Notario Público**
Montecristi, R.D.

COMPULSA NOTARIAL DECLARACIÓN DE CONSTITUCIÓN DE COMPAÑÍA POR ACCIONES, AUTO AUTENTICO NUMERO 25 ()

En la ciudad de San Fernando de Montecristi, Municipio de Montecristi, Provincia de Montecristi, República Dominicana, a los VEINTICINCO (25) días del mes de AGOSTO del año de Mil Novecientos noventa y siete (1997), por ante mí, Dr. RAFAEL O. NOLASCO GARCIA, Notario público de los del número para el Municipio de Montecristi, asistido de los testigos instrumentales llamados al efecto, libre de tachas y aptos en derecho, señores DR. RAMÓN EMILIO HELENA CAMPOS, dominicano, Mayor de edad, Abogado, casado, cédula No.041-0002681-6, y DRA. WENDIS VICTORIA ALMONTE REYES, dominicana, mayor de edad, soltera, abogada, cédula 041-0012360-8, ambos domiciliados y residentes en la ciudad de Montecristi, compareció el señor LIC. JOSE FRANCISCO MELGAREJO DE LEON, Dominicano mayor de edad, casado, comerciante, portador de la cédula 041-0001226-1, domiciliado en Montecristi, República Dominicana, y me declaró lo que a continuación se consigna: PRIMERO: Que en fecha QUINCE (15) de AGOSTO de 1997, fueron redactados los Estatutos de la Compañía Por Acciones denominada COSTA ESMERALDA BEACH RESORT, S.A. SEGUNDO: Que en la Primera Asamblea General Constitutiva de Accionistas de fecha 25 de Agosto de 1997, fueron aprobados los Estatutos y fue designado el comisario de aportes. TERCERO: Que el Capital Social Autorizado de dicha sociedad comercial ha quedado establecido en la suma de UN MILLON, DOSCIENTOS MIL PESOS DOMINICANOS (RD\$1,200,000.00) dividido en Doce Mil (12,000) acciones de Cien (RD\$100.00) pesos cada una, de las cuales han sido pagadas, entre aportes en Naturaleza y en efectivo, la cantidad de Doce mil (12,000) por lo que, el Capital suscrito y Pagado actual ha quedado establecido en la suma de UN MILLON, DOSCIENTOS MIL PESOS DOMINICANOS (RD\$1,200,000.00) CUARTO: Que el domicilio social de la Compañía fue fijado en la ciudad de Montecristi, pero podrá establecer sucursales y oficinas en cualquier parte del territorio nacional y aún en el extranjero. QUINTO: Que su duración es por tiempo indefinido. SEXTO: Que sus principales objetivos serán dedicarse al diseño, construcción y administración de Hoteles, Resorts, paradores, y establecimientos relacionados con la actividad turística, así como la construcción de edificaciones, obras viales, puentes, aeropuertos, compra y venta de materiales de construcción y todo tipo de actos de lícito comercio. SEPTIMO: Que mediante recibo de Rentas Internas anexo a este acto, han quedado pagados los impuestos de capital y de registro, conforme la ley. Y para que así conste, de acuerdo con lo que dispone la ley que rige la materia, en la fecha arriba a indicada he procedido a levantar la presente acta, la cual, después de leída por mí al compareciente y en presencia de los testigos la firmaron, todos junto conmigo, Notario Público que certifico y doy fe.

Lic. José Francisco Melgarejo de León,
Declarante

...sigue el dorso...

Dr. Ramón E. Helena Campos
Testigo

Don. Wende V. Abnante Reyes
Testigo



Registrado en Montecristi el 16 de Sept.
30 bajo el No. 20
de Años 1936
El Director del Registro
[Signature]



COSTA ESMERALDA BEACH RESORT SA

ARTICLE I

Between Mr. _____ Jose Francisco Melgarejo de Leon, a Dominican, adult, married, business man, carrier of a personal identity and a voter card no. 041-0001226-1, residing in the street Raphael ____ #6, Monte Cristi, Dominican Republic, and Mrs. Margaret Ann Reynolds Klee, North American, adult, married, Social Security #401-32-1999, residing in 1946 Susan Lane, Covington, Kentucky, United States of American, the two people signed below, founding members, and the members who enter later, constitute a commercial society of the type of a company for stock which is named Costa Esmeralda Beach Resort S.A. which is governed by the laws of the Dominican Republic and these statutes and which will have a stamp with a logo in circular form which contains the following inscription, "Costa Esmeralda Beach Resorts S.A. Republica Dominicana.

ARTICLE II

The official address of this company is established in the City of _____ de Monte Cristi, a city, a municipality and a province of Monte Cristi, Dominican Republic, but the company can establish offices, branches or divisions and dependencies or annexes in whatever part of the national territory and in other countries in foreign locations and even change its principal address.

ARTICLE III

The principal objectives of the company will be the following:

1. In its principal manner the objectives are to promote, design, construct and administrate hotels, cabanas, rest stops, and any other type of tourist infrastructure.
2. The design, construction, administration and maintenance of buildings,

condominiums, road construction or highway maintenance, docks or piers, or landing piers, jetties, quays, wharfs, airports, commercial ships or vessels, industrial warehouses, physical structures in general.

3. To buy and sell equipment and vehicles related to the tourist activity or of the same area of construction.

4. To promote, install and administer all genre, all types of related business with the physical activity of investments in general will be of the character of the type commercial, industrial, movable or immovable.

5. Buying and selling of immovables, development of urban projects and tourist projects.

6. Buying and selling of materials of construction, establishment of commercial centers and whatever other related business with the principal activity.

7. To realize, to perform, to execute all types of commercial operations or financial operations which will be connected or not connected with the principal ends of the company and in consequence if obtained loans, obtain mortgage loans.

8. The buying and selling, the changing of hands, or changing ownership, to rent and finally to obtain, possess and dispose of movable property.

9. To realize all the operations or execute all of the operations of legal business which will not be prohibited by the law and by these statutes.

For official purposes and to facilitate the completion of the business objectives, the company will establish internal divisions for the direction of specialized areas.

ARTICLE IV

The company is established for an indefinite time. It will cease to exist when the General Assembly of shareholders reunite in an extraordinary assembly as they so decide with the affirmative vote of at least three-quarters parts of the shares subscribed and paid. Equally it will proceed to be liquidated if more than three-quarters parts of the capital subscribed for and paid is lost.

ARTICLE V

The capital is fixed in the quantity of One Million Two Hundred Thousand Dominican pesos (RD 1,200,000 currency) divided in 12,000 shares of 100 pesos each.

(There is no Article VI)

ARTICLE VII

These shares can be paid in cash, in securities and bonds, by the subscribing members. In this last case, the assembly general designates commissioners to evaluate the contributions and present their conclusions to the assembly for their final approval.

ARTICLE VIII

The shares will be issued in virtue of payment of the totality of their underwritten value. These can be issued with the qualification of to the bearer. The transfer of the shares will be made to simple endorsement of the credited certificate which will be sent in writing to the secretary to make an entry in a special registry.

1. The founding members Mr. _____ Jose Francisco Melgarejo de Leon, and Margaret Ann Reynolds Klee, will have at their disposal in the quantity of 500 shares each of capital stock of this company with the classification of preferred stock will be given the capacity

or capability of control of this commercial society without importance of the number of shares that form the capital. In equal way they will enjoy the benefits attributed by the Dominican law to this type of shares of stock.

2. No assignment or transfer of shares will be recognized as valid nor opposable to the company without having been mediated through observance of the formalities stipulated in this Article.

ARTICLE IX

The payment of these shares in the creative formation of the company will be confirmed through a receipt issued by the founding member designated later in these statutes. But such receipts will be substituted by final or permanent certificates of shares which will be issued within three months of the final constitution or final assembly of this society. This certificate will express or will show the name of the company, the order number, the class of the share of stock, the date of its issuance, the quantity of shares which are represented, the value of each, and will be signed by the president and the secretary and will carry the official stamp. After the final constitution of the company, the payment of the shares will be confirmed by receipt issued by the later functionary or by the acceptance by the assembly of shareholders of whichever contributions.

ARTICLE X

The acquisition of one or more shares of this company implies on the part of its owner its conformity to be submitted to the dispositions or the arrangements of these statutes and the resolutions of the counsel of directors and of the general assembly of shareholders. Therefore neither the shareholders nor their heirs, creditors nor any type of assignee and that also means

executor or trustee will have the right to intervene in the negotiations of the business and cannot fix the official company stamp over the goods, assets, effects or documents of this company.

ARTICLE XI

Each share gives the right in the joint ownership of the business assets and in the division of the profits, the benefits, in a part proportional to the number of shares subscribed to and paid for.

ARTICLE XII

The shares are indivisible with respect to the company which only recognizes one owner for each share. Therefore indivisible joint owners of a share must be represented by a proxy.

ARTICLE XIII

In case of the loss of any share certificate, the owner of the same to obtain the issuance of a new certificate must notify the company by the action of a deputy and must insert in a periodical of national circulation which is published in the head office or headquarters of the business address or in the nearest city during two consecutive weeks to give notice of the loss. At the conclusion of the two weeks if there is no valid opposition, the new certificate will be issued to substitute for the one lost.

If there is opposition, the company will not deliver the certificate until the opposition is finally resolved between the opponents and the owner whether by amicable agreement or by court decree or by final judgment of a competent court.

ARTICLE XIV

The Board of Directors

The direction and administration of the company will be under the control of a Board of

Directors elected by the general assembly and composed of five members, namely, a president, a vice-president treasurer, a secretary and two committee members.

ARTICLE XV

The members of the Board of Directors will be elected for a period of one, two or more years at the judgment of the general assembly and can be re-elected at the end of their term. Also regarding these officers, the assembly designates a commissioner of account whose functions will be established later.

ARTICLE XVI

In case of death, judicial prohibition or interdiction, or incapacity of any of the members of the board of directors, these will be substituted with a proper board member for the period of time for which the one elected before had remaining in his office. These will continue in their positions until the holding of the next general ordinary assembly and the next annual ordinary general assembly or non-annual ordinary general assembly convoked or convened to that effect by the commissioner or by the majority of shareholders who will be established further on in this document.

ARTICLE XVII

To exercise functions inside the board of directors, it will not be necessary to be a shareholder of the company. These functions can be paid or gratuitous in conformity with whatever is determined by decision of the proper board.

ARTICLE XVIII

The board of directors can delegate all of its authority in the person of the president or another member of the board or other person not a shareholder with the purpose of facilitating

the negotiations of the company, the business of the company, which member must give an account of his actions both before the proper board as well as before the general assembly.

ARTICLE XIX

The board of directors will have the following powers and authority.

1. To represent the company in its internal and external life specifically with respect to the shareholders as much as with respect to the three.
2. To formulate the internal regulations of the company necessary for business purposes.
3. To appoint and dismiss the employees and workers, agents, representatives of the company and to set their remuneration.
4. To receive and pay for completely or in total in capital and interest and accessories and present all kinds of receipt.
5. To deposit securities, pieces and documents in whatever entity, public or private, and to withdraw them.
6. To resolve all of the purchases, sales, transfers, mortgages, anti-crisis contracts, privileges, consignments, commissions, discounts and in general of all of the commercial and financial operations of the company.
7. To negotiate, perform, authorize and underwrite all classes of contracts, arrangements or agreements and orders.
8. To take and give in rent all classes of assets both movable and immovable that is real estate under the conditions that are deemed convenient.
9. To grant credit and effect advances with regard to profits or considering profits.

10. To open and maintain checking accounts and deposit accounts in banking entities in the country of origin or in a foreign country. To make all classes of deposits or withdrawals of the resources of the funds.

11. To draw, sign and deduct or discount checks, draft transfers, promissory notes, bills of exchange or any other negotiable documents. The checks drawn on the company must have the signature of the president and of the vice-president treasurer or the person in which is delegated this authority.

12. To award and receive whatever mortgage, security deposit or other guarantee.

13. To acquire and transfer whatever class of assets, movable or immovable.

14. To arrange and endorse all classes of insurance contracts for mutual guarantee with or without solidarity.

15. Exercise all of the judicial actions representing the company as a plaintiff or defendant or intervenor. Use the resources, quit, appoint and dismiss lawyers and determine their salary, repossess movable or immovable assets, real estate or movable assets, and/or waive the right to repossess.

16. Convoke the general assemblies.

17. Submit to the general assemblies all the questions that are deemed relevant to the interest of the company.

18. Execute all of the decisions of the general assemblies.

ARTICLE XX

The board of directors or the person delegated responds only to the faithful execution of his mandate and doesn't get personal obligation nor solidaria as a group in relation to business obligations.

ARTICLE XXI

The board of directors will meet in session at least one time each month in the days and times that are decided. If it is necessary to meet on dates unanticipated, they will be convoked by the president through the means of a circular search to that effect.

ARTICLE XXII

The president presides over the sessions of the board and of the general assemblies and must sign together with the secretary the official documents of the company in case that the functions of the board having been delegated to one person in which case can be signed by that in his capacity as general administrator.

ARTICLE XXIII

In addition to the attributes which the general assembly, the board of directors or the president appoints, the secretary will have the following:

1. To write up and conserve in good order in the address of the company in the main office the acts of the sessions of the general assemblies of the board of directors as well as whatever other documents of the company and with the official seal.
2. To legalize with his signature together with the president the share certificates, the copies of the acts of sessions and whatever other document is required.
3. To keep track of the registry of the shares of stock.

hold all the years in a predetermined date to proceed the report of the board of directors, determine the state of profit and loss, designate the members of the board of directors and in a general sense refer to the relative decisions, to the acts, actions of administration or the interpretation of the statutes. The ordinary but not annual will be those that are convoked to treat issues or deal with issues not discussed in previous meetings but not to make decisions proper to the extraordinary assembly. The extraordinary assembly will be that in which decisions fall in the area of the modification of the present statutes and for the dissolution and liquidation of the company.

ARTICLE XXVII

The holding of the meeting for the entire assembly must be preceded by a convocation made by a letter sent to all of the shareholders and properly signed and/or by a publication in a periodical of national circulation at least fifteen days before the date of the same. Nevertheless all of the assembly will be valid without necessity of announcement or time limit deadline if the unanimity of the shareholders is found to be present or represented. In this last case in the act of the report of the session must be pointed out that it was found that totality of the shareholders were present and that those present renounced or nullified the convocation and the term the deadline. Equally the assembly can be convoked by the commissioner in those cases stipulated by these statutes. Each shareholder has the right to assist in the sessions of the assemblies whether they be ordinary or extraordinary. Equally must be signed the name of the shareholders who prepare the secretary for such purposes. When a person who has power of attorney is present at the meeting, they must present the power duly legalized by the Republic.

ARTICLE XXVIII

The assembly general, the ordinary general assembly, has reconvened obligatorily each year on January 30th of each year at 4:00 in the afternoon in the home office the main address without necessity of informing the shareholders with the object of receiving the report of the president of the board and of the commissioner of accounts relative to the balance of the business accounts. In the case that annual meeting cannot be held on that date, the 30th of January, the president will convoke later in the third week of February of the same year. The assemblies are held in the main office of the company but the president can convoke for reasons worthy of consideration the holding of the same in a distinct place of a business establishment in which case the convoking must be made with a term of time before of twenty days at least .

ARTICLE XXIX

To be regularly constituted and validly deliberate the ordinary general assembly must be composed of the majority of the business capital that is half plus one, 51 % If less than 51 % in the first session can be convoked as many times as necessary until obtaining the required quorum. The decisions of this assembly are taken by the majority of votes of the shareholders present.

ARTICLE XXX

The assembly general extraordinary to be regularly constituted and validly deliberate must be composed of two-thirds parts of the social capital. The decisions of this assembly will be valid only when they will be approved by 75 % of the members present.

ARTICLE XXXI

The secretary will carry a list of the shareholders present in which listed in addition to

the general things listed the quantity of shares and the quantity of votes that correspond. Each share gives the right to one vote with the exception of the general constituted assembly in which no shareholder no matter how many votes he possesses can use more than ten votes.

ARTICLE XXXII

Equally the secretary must carry a report of the sessions of the general assemblies and the book set aside for the effect and send a certified copy duly signed by him and by the president and affixed with the seal.

ARTICLE XXXIII

The ordinary general assemblies are enough to determine all the questions that exceed the authority of the board of directors consequently corresponding principally,

1. To know the report of the president of the board about the annual actions and over the business of the company.
2. To hear the report of the commissioner of accounts about the financial situation of the company the balance of the accounts.
3. To discuss, approve, amend or reject such accounts, to examine the reports of action and to give credit.
4. To declare whether to proceed or not with the division of the dividends and determine the date of their distribution.
5. To elect the members of the board of directors for the business period and (unintelligible) and to confer to them the authority necessary in the case that their resulting powers are insufficient.
6. To deliberate and come to a conclusion over the interpretation of the social or

ARTICLE XXXVII

The business year begins the first day of January and ends the 31st of December of each year. By exception the first business year will cover the time between the date of the final constitution of the company and the 31st of December of the year 1998.

In consequence the first ordinary general assembly will be held the 30th of the January of 1999.

ARTICLE XXXVIII

Each semester will be realized a profit and loss state of the situation of the company which must be laid on the table or set out at the disposition of the commissioner of accounts. At the end of each year must be carried and a general inventory of the profits and losses. The inventory, the balance and the state of accounts will be set out also at the disposition of the commissioner of accounts forty days before the date of the ordinary general assembly.

ARTICLE XXXIX

In each inventory the president of the company will have a depreciation account which will have the assets that constitute the social patrimony of the business inheritance and will make amortizations that were in place. In the same manner must be taken into consideration the appreciation that can be made acquiring property, acquiring real estate for the ends of the corresponding place.

ARTICLE XL

Of the net profits obtained annually will be separated in the first place 5% for the constitution of a legal reserve fund. Will not be necessary to separate this percentage when the fund of reserve achieves 10% of the capital subscribed and paid for.

ARTICLE XLI

In case of loss of three-quarters parts of the business capital, the president of the company or whoever takes his place will be obligated to promote or get together an extraordinary assembly of shareholders with the object of deciding whether to continue or dissolve the same.

ARTICLE XLII

In case of the dissolution the extraordinary general assembly will regulate the method of liquidation and will designate one or more persons to carry it out. If the assembly does not designate the president will assume the representation and will act in accordance with the law. In all cases he or the liquidators will act in conformance with the legal arrangements in force at the moment of producing the process of liquidation. After paying totally and finally all of the debts of business charges, the assets remaining will be employed to reimburse primarily the sums in free capital and not amortized that the shares of stock represent. The rest will be divided in equal parts between the shareholders.

ARTICLE XLIII

All of the questions that can be answered during the course of the company or of its liquidation will be between the shareholders and the company or between the shareholders and themselves. By reason of the business negotiations will be submitted in conformity with the law to the competent tribunal of the place of the business establishment in which the shareholders will make an election of a location and any other judicial proceedings. Lacking the election of a residence or of a head office address, the location and other judicial acts will be given notice in the office of the secretary of the civil camera that corresponds to the business, the home office. No shareholder can attempt an action against the society or its representatives without

d. That having approved the final statutes and confirmed the payment of the fiscal taxes elected the members of the board of directors and declared definitively constituted the same.

e. These assemblies if more than one are necessary will be convoked by one of the founding members.

ARTICLE XLVI

The shareholder _____ Jose Francisco Melgarejo de Leon has the authority to receive the contributions in cash and to issue received a valid receipt to the subscribers of shares.

ARTICLE XLVII

The charges and the expenses of the constitution of the company will be charged to a special account named expenses of constitution and will amortized in the course of the first business year.

ARTICLE XLVIII

The shareholder _____ Jose Francisco Melgarejo de Leon will have power necessary to make deposits and to publish and publication established by the law. These statutes have been written down to allow the good functioning of the company Costa Esmeralda Beach Resort by Mr. _____ Jose Francisco Melgarejo de Leon and Margaret Ann Reynolds Klee with the general information or data mentioned above and have been subscribed in six originals of the same type, one for the social box, one for the notary before whom is made the declaration of constitution and another for to pay taxes, another for deposit in the general direction of taxes concerning rent, one for deposit in the office of the secretary of the civil and commercial rooms

or court of the first court of the judicial of Monte Cristi and one for deposit in the secretary of the court of justice of the peace of the municipality of Monte Cristi signed by the founding member on the last page and initialed in all the other pages. In Monte Cristi, the Dominican Republic, and on the 15th day of the month of August of the year 1997 signed by _____ Jose Francisco Melgarejo de Leon and to be signed by Margaret Ann Reynolds Klee, a founding member.



Lic. José Francisco Melgarejo de León
Socio Fundador



Margaret Anne Reynolds Klee
Margaret Anne Reynolds Klee
Socia Fundadora

(Última página de los Estatutos Sociales de la Compañía "COSTA ESMERALDA BEACH RESORT, S.A.")

Word COSTA ESMERALDA.DOC