

at any meeting of the company except in case of a Resolution for winding up and if the preferential dividend be in arrears for more than six (6) months but shall be entitled to:

- (a) The profits of the company, which the directors shall from time to time determine to distribute, shall be applied first in payment of a preferential dividend on the preference shares.
 - (b) The repayment of capital on a winding-up or other return of Capital in priority to the ordinary shareholders.
 - (c) The right to repayment of any arrears or accruals of the fixed dividend on redeemable preference shares.
- (3) The 50,000 redeemable preference shares shall be issued as Redeemable Preference Shares with the right to a fixed cumulative preferential dividend at a rate of three percentage [3%] per annum on the capital for the time being paid up or credited as paid up thereon to be paid and subject to the provisions of Section 45A of the Companies Act. Redemption of such Redeemable Preference Shares shall be effected as follows:
- (a) At any time after the expiration of 24 months from the date of allotment of any such share the company may give notice to the Registered Holder thereof of its

intention to redeem the same at par, out of profits of the company.

- (b) Such notice shall be in writing and shall fix the date, time and place for such redemption. On the date and at the time and place so fixed the Registered Holder of such share shall be bound to deliver up to the company the certificate thereof for cancellation, and thereupon the company shall pay to him the redemption monies payable in respect of such shares.
- (4) Of the 1,000 ordinary shares of US\$100.00 each 300 shares was issued, allotted and are outstanding in the name of the said Harry Dole and 700 shares are unissued and remains in treasury. No further ordinary shares will be issued, allotted and or created by the Company while the Redeemable Preference Shares are outstanding.
- (5) The Company undertakes not to declare and pay any dividend on the ordinary shares of the Company in excess of the fixed three percentum (3%) per annum on the redeemable preference shares while the same remain outstanding PROVIDED that were it to declare dividend in excess of three (3%) percent on ordinary share, then it shall pay to the holders of Redeemable Preference Shares the equivalent amount in excess of the three (3%) fix rate on their shares.

(6) The 50,000 redeemable preference shares are intended to be subscribed issued and allotted in 50 units of 1,000 shares each for One Hundred Thousand United States Dollars (US\$100,000.00) per unit.

The project

(7) The company is the owner of a parcel of land comprising about [] acres situated on the Caribbean Sea, Caye Caulker Village Belize District of Belize on which it will build out, develop and complete a marina and yacht club with about 2,400 feet of bulk head ancillary to and separate from an adjacent real estate subdivision development.

(8) The probable value of the property is [] United States Dollars (US\$.00), the property is free and clear of all registered liens and encumbrances.

(9) The Subscription funds raised by the issue and allotment of the Redeemable Preference Shares shall be invested in the Project.

Agreement to subscribe

(10) The Subscriber(s) have agreed to subscribe for redeemable preference shares in the Company in 50 units of 1,000 share per unit at One Hundred Thousand United States Dollars (US\$100,000.00) per unit per the Subscription Form hereto as Annex I.

Exchange Control

(11) This Subscription Agreement is subject to the provisions of the Exchange Control Act and Exchange Control Regulations.

NOW IT IS HEREBY AGREED as follows:

**Subscription
and allotment**

1. The Subscriber(s) shall forthwith subscribe in cash at par for [] redeemable preference shares in the Company in 50 units of 1,000 at One Hundred Thousand United States Dollars (US\$100,000.00) per unit (hereinafter called “the said shares”) subject to the Memorandum and Articles of Association of the Company and the sole Director shall procure the Company to allot and issue the said shares to the Subscriber(s).

**Warranties
of director**

2. The sole Director hereby warrant to and covenant with the Subscriber(s) as follows:

Capital

- (a) That at the date hereof the authorized and issued share capital of the Company is as recited above;

**Balance sheet
and business plan**

- (b) The Company does not have an audited balance sheet, but the business plan provided to the Subscriber(s) previous hereto truly and accurately presents the financial expectation of the Company;

**Non-disposal of
assets**

- (c) That save in the ordinary course of business the Company has not disposed of any of its assets otherwise than in the ordinary course of business and pending completion will not do so;

Carrying on of business (d) That since its incorporation the business of the Company has been carried on in the ordinary and usual course and save as has prior hereto been disclosed to the Subscriber(s) no contracts other than normal contracts necessitated by day-to-day business have been entered into by the Company and that pending completion the said business will be so carried on and that without the written consent of the Subscribers no unusual or abnormal contracts will be entered into;

Compliance with law (e) That the Company has not knowingly done or omitted to do any act or thing in contravention or breach of any statute or regulation under the laws of Belize and it will not, pending completion, do any act or thing in breach of any such statute or regulation;

Returns (f) That all returns particulars resolutions and other documents required to be filed with or delivered on behalf of the Company to the Registrar of Companies pursuant to the Companies Act have been correctly and properly made filed and delivered and the Company is in good standing;

Outstanding contracts (g) Save for the Acquisition Agreements, at the date hereof there is not outstanding any business contract between the Company and any other person the determination of

which can make the Company liable to pay damages or compensation and that pending completion no such contract will be entered into by the Company;

Hire purchase transaction

(h) That at the date hereof the Company is not in the course of acquiring, has not acquired and, pending completion, will not acquire or agree to acquire any assets on hire purchase credit sale or deferred payment terms;

Commitments for capital expenditure

(i) That since its incorporation the Company has not save as disclosed to the subscriber(s) incurred any for capital expenditure such as would fall to be disclosed in its account to be made up at the end of its current financial year;

Guarantees

(j) That at the date hereof the Company has not given any guarantees which are outstanding that it is not under any liability to give any guarantees and that pending completion no guarantee will be given by the Company;

Mortgages

(k) At the date hereof there are no mortgages charges or other incumbrances on or over the whole or any part of the assets of the Company and pending completion no such mortgages charges or other incumbrances will be created given or granted;

- Dividends** (l) That since its incorporation no dividend bonus or other distribution has been declared paid or made on any shares in the capital of the Company and pending completion no such dividend bonus or distribution will be so declared paid or made;
- Litigation** (m) That since its incorporation the Company is not engaged in any litigation or arbitration and the director is not aware of any facts likely to give rise to any litigation or arbitration;
- Service agreements** (n) That there are no existing service agreements or contracts between the Company and any of its officers and employees and pending completion the Company will not enter into any service agreement or contract;
- Directors' fees and pension** (o) The person who is a director of the Company have not been paid and will not be paid or become entitled to any remuneration and the Company is not under any obligation to pay pensions superannuation allowances or the like to any past or present directors officers or employees or their dependents;
- No loans made** (p) That the Company has not made or given or agreed to make or give since its incorporation and pending completion, will not make or give any such loan or

advance otherwise than the allotment of the shares contemplated herein;

Disclosure

- (q) That the Director has disclosed to the Subscriber(s) all material facts known to him relating to the business and financial plan of the Company;

Completion of subscription

- 3. Completion of the said subscription shall take place as follows
 - (a) The Subscribers shall deliver to the Director a form of application for one or more units of shares and shall pay to the sole Director on behalf of the Company, the full amount of the consideration by wire transfer to his non-interest bearing account.
 - (b) The entire 50,000 redeemable preference shares need not be fully and completely subscribed in order for the Company to deploy same in the Project.
 - (c) On subscription of part or all 50,000 redeemable preference shares the Directors shall procure the allotment and issue by the Company to the Subscriber(s) of the said shares and shall deliver to the Subscriber(s) the certificate for the said shares.

Continuance

- 4. ALL covenants warranties representatives indemnities and other obligations of whatever kind given made or undertaken by the Director under this Agreement shall (except for any obligations full performed on completion) continue in full force

and effect notwithstanding the completion of the subscription
hereby agreed to be made

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seal the
day and year first before written.

SIGNED SEALED and DELIVERED by) _____
the Director in the presence of) Harry Dole

Witness

SIGNED SEALED and DELIVERED by) _____
the Subscribers in the presence of) Subscriber(s)

Witness

WE, BARROW & WILLIAMS LLP of No. 84 Albert Street, Belize City, Belize, Attorney-at-Law hereby certify that this document was prepared and drawn by us in our office as Solicitors for one of the parties concerned therein.

Barrow & Williams LLP

Per: _____

ANNEX 1

NORTH SHORE OF CAYE CAULKER LIMITED.
(" the Company")

Subscription Form

For 50,000 Redeemable Preference Shares in 50 Units of 1,000 Shares each
at US\$100,000.00 per Unit

TO: North Shore of Caye Caulker Limited
c/o Mr. Harry Dole
Caye Caulker
Belize District of Belize

Name of Subscribers:

Address of Subscribers:

Telephone: _____

Fax: _____

E-Mail: _____

I/We offer to purchase and subscribe in North shore of Caye Caulker Limited. for [] unit(s) of redeemable preference shares at US\$100,000.00 per unit. Having paid to Harry Dole as agent of the Company, the sum of US\$_____ being payment for unit(s) of shares, I/We request that you allot to me/us the shares in the above company, and I/We hereby agree to accept the same upon the terms of the foregoing agreement subject to the Articles of Incorporation and by-laws of the company and I/We authorize you to place my/our name upon the Register of Members in respect of the shares which will be allotted to me/us.

Dated the [] day of [] [] [] .

Subscriber(s)

Execution Version

NORTH SHORE OF CAYE CAULKER LIMITED

Receipt for Payment upon Application

[] _____ []

RECEIVED from _____ for account of North Shore of
Caye Caulker Limited the sum of US\$ _____ being payment of
unit(s) of redeemable preference shares in the company.

US\$

Harry Dole

This receipt should be retained to be exchanged with the allotment letter for the share certificate when ready, of which notice will be given.