

Payment of the above liquidated damages will be in full satisfaction of Supplier's liability for delaying delivery.

6. DEFAULT

If Supplier breaches any material provision of this Purchase Order and after being notified by Buyer to remedy such breach, does not take any action to do so within a reasonable period of time from Buyer's notification, or if Supplier causes a delay in delivery of the goods under this Purchase Order lasting more than three (3) continuous months from the required delivery date FOB or becomes insolvent, enters voluntary or involuntary bankruptcy or receivership proceedings or makes an assignment for benefit of creditors, Buyer shall have the right in addition to any other rights or remedies it may have under this Purchase Order, to terminate this Purchase Order in whole or in part, for default by giving Supplier written notice, which may be delivered via telex or telecopier and confirmed. Upon default termination, Supplier shall be liable to Buyer for all costs in excess of the Purchase Order price, including all costs associated with obtaining replacement goods, reasonably incurred by Buyer in effecting completion of performance of the terminated portion of the Purchase Order, within the liability limits stated under Clause 25, such costs to be determined in accordance with generally accepted accounting procedures. Supplier shall comply with the time schedules specified in the Purchase Order and shall fulfill its delivery obligations accordingly. Supplier acknowledges and understands that the time of delivery of the goods FOB is critical to Buyer and to the successful completion of Buyer's project. Buyer's right to declare a default and terminate the Purchase Order and seek damages for default in the event of Supplier's failure to deliver the Goods within fourteen (14) months of the effective date of the Purchase Order shall be absolute and not subject to cure or remedy by Supplier.

7. PRICES

The prices on this Purchase Order are fixed and firm and not subject to escalation. In case, for reasons not imputable to the Supplier, Buyer decides to suspend the manufacturing of the equipment or prevent the shipment temporarily for a certain period of time, not lasting more than six months, the contract amount will be re-evaluated by applying an escalation formula of 0.5% for each month of extended shipment of the equipment.

In case the extension will exceed six months, the parties will meet to agree how to proceed.

8. NOTIFICATION FOR INSPECTION

The Supplier shall notify the Buyer and Engineer by telex or telecopier with confirmation at least 10 working days prior to required presence of the Buyer's and/or the Buyer's inspectors at the Supplier's and/or his subcontractor's worksite, indicating what test or inspection is to be undertaken in the presence of the Buyer's and/or the Buyer's inspector according to the specifications.

In case Buyer cannot inspect the material manufactured for reasons not attributable to Supplier's acts or omission, Supplier will consider, after its successful test, material accepted.

9. DRAWING AND DATA REQUIREMENTS

The following schedule for the delivery of drawings to the Engineer is agreed, based on the same scope of supply, same arrangement and same equipment as supplied by Turbotecnica to GPA for the Dededo Power Plant.

<u>Drawing Type</u>	<u>Guaranteed Receipt (Weeks after effective date)</u>
General Arrangement of Major Equipment	4 weeks
Complete Foundation Information -Major Eqpt including anchor bolts, loadings, embedments, and conduit	6 weeks
Detail Drawings of all equipment	7 weeks
Complete Foundation Information all eqpt	7 weeks
Subsystem flow diagrams	7 weeks
Piping connection diagrams	8 weeks
Electrical one line	4 weeks
Generator data sheets	4 weeks

Handwritten signature/initials
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Elementary diagrams	16 weeks
Location of all electrical devices	9 weeks
Rating data sheets of all electrical devices	10 weeks
Control logic schematics*	16 weeks
Instrument list devices	16 weeks

* EXCLUDED X SPEEDTRONIC CONTROL

10. MANUFACTURING PROGRAM PRODUCTION SCHEDULE; LIST OF SUPPLIERS AND SUBCONTRACTORS

The Supplier shall submit to Buyer and Engineer an overall initial manufacturing program/production schedule one month after the effective date of this Purchase Order, for review, approval and comment by Buyer and Engineer.

This schedule will detail all the major milestones and events, throughout the manufacturing period of the purchase order. Supplier shall also provide Buyer and Engineer with a list of the main suppliers and main subcontractors who will be providing goods or services to Supplier to facilitate manufacture of the Goods.

Once submitted, the schedule will then be used to monitor the progress of this Purchase Order. Any changes or alterations from the dates or milestones specified in the schedule will be communicated via the status report to the Buyer together with the consequences of such changes or alterations.

11. CONFIDENTIAL AND PROPRIETARY INFORMATION

The Supplier is hereby cautioned that all drawings, specifications or other data contained in this Purchase Order, are strictly confidential. The acceptance of this documentation by the Supplier shall indicate his agreement that no part of this documentation may be reproduced, published or advertised in any manner whatsoever, nor shall the information contained herein be divulged to any third party without the prior express written permission of the Buyer. All such data shall remain the property of the Buyer and shall be returned to the Buyer upon request.

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12 EXPEDITING

Buyer reserves the right to request and to receive any reasonable amount of information pertinent to this Purchase Order, including the identity of subcontractors and suppliers and their impact with regard to the delivery of this order.

In addition, the buyer, subject to the Terms and Conditions, reserves the right of access to ships and manufacturing facilities, providing due notice has been given, for the purpose of ascertaining whether or not satisfactory progress has been achieved.

13. SHIPPING INFORMATION

Packing

The Goods are to be packed for export shipment. The Buyer emphasizes the requirement for making a package for handling by forklift truck, with wings for easy slinging by lifting devices.

Six (6) months after the Purchase Order effective date, the Supplier is to give a description (with drawing) of how the inland transportation will be carried out in order to allow the Buyer to obtain necessary local transit permits.

Packing List

The Supplier is to provide a preliminary packing list three months after the effective date of this Purchase Order. The final packing list is to be provided one month before delivery of the Goods ex works.

Shipping Plan

The Supplier is to provide the shipping plan, with details of shipping points, transporters, forwarders, etc., one month before actual shipment.

14. PROCUREMENT CONTRACT

If the Supplier finds any discrepancies, ambiguities, or contradictions between various parts of the Purchase Order, or any errors or omissions, he shall immediately inform the Buyer/Engineer and confirm in writing. Any work performed after such discovery, until authorized by Buyer/Engineer, will be at the Supplier's risk and expense.

15. ACKNOWLEDGMENT

Supplier shall sign and return the "Acknowledgement" copy of this Purchase Order, accepting all terms and conditions under which it is issued. The acceptance copy shall be mailed to the Buyer.

16. INVOICING

Invoices, together with packing lists and original clean bills of lading, mate's receipt/carrier's receipt, properly identified with the Purchase Order number, item number and tag number, as well as a certificate of insurance showing the Goods to be insured against all risks for the replacement value of the goods are to be submitted to the Supplier's bank confirming the letter of credit.

All invoices must be in duplicate, invoices will be paid only in the currency specified herein, which shall be United States Dollars. Under no circumstances should currencies be converted or altered. Failure to comply with these instructions will result in non-payment of the invoice.

Down payment will be made by bank transfer/telex transfer direct to the Supplier's bank account. Balance of the Purchase Order amount will be paid through letter of credit according to Clause 2, Terms of Payment.

17. TECHNICAL FIELD SERVICE (INSTALLATION AND STARTUP)

The Supplier will provide technical direction coverage consisting of one or more field representatives as deemed necessary by the Supplier for the period defined below. The field representative shall perform the following:

- A. Participation in pre-installation meeting to provide the Buyer and his installation contractor with technical direction necessary for establishing the installation planning, scheduling, methods and responsibilities to be used and followed throughout the installation.
- B. Technical Direction of:
 - 1) Setting of the sole plates.
 - 2) Unloading and transferring the major equipment components from carrier at or adjacent to the site to the gas turbine foundation.

- 3) Installation and assembly of the Supplier-supplied equipment on suitable foundations furnished by the Buyer together with the Supplier-supplied piping and electrical connections from the equipment up to the points designated in Turbotecnica's drawings furnished to the Buyer. The field representative will follow the Buyer's schedule and periodically advise the Buyer's construction coordinator of progress in relation to schedule.
- C. Inspection of the assembly, clearance and alignment of all major parts. The field representative will report to the Buyer any material or workmanship found by him to be unsatisfactory.
- D. The period of Technical Supervision of Installation at the site shall commence on the date agreed upon by the parties for setting the sole plates and shall continue until the Technical Supervision, inspection, test and startup is complete (normally 72 hours after attaining full load), except for the times during which no installation work on the equipment is scheduled or performed by the Buyer.
- E. The price quoted includes 120 man days Technical Supervision services on straight time during the first 8 hours of each shift, 5 days per week, Monday through Friday.
- F. In the event the Buyer interrupts, extends, or accelerates the work, so as to require Technical Supervision service at times other than provided in (E.) above, the Supplier reserves the right to render additional billing as follows:
- 1) If the work schedule goes to overtime for purpose of accelerating the work, the overtime billing due the Supplier will be the premium portion of the Supplier's published rates in effect at the time the work is performed.
 - 2) If the work schedule is interrupted, or extended beyond that established in the pre-installation meeting, or if other services of the field representative are required not specifically provided for herein such as, but not limited to, using special equipment when handling the gas turbine during transit, storage, or installation, or when the service is required during delays caused by the Buyer or others, or when the service is required during periods when work on the equipment is being performed by a labor force of



less than adequate size and composition, such services will be billed at the Turbotecnica's current rates in effect at the time the work is performed.

- G. If additional Technical Supervisor services will be required by the Buyer in excess of what specified at point E. above, they will be rendered according to the Supplier's current rates in effect at the time the work is performed.

18. CORRESPONDENCE

All correspondence between the parties will be addressed as follows:

- Technical correspondence from the Supplier:

To: Stone & Webster
255 Summer St.
Boston, Massachusetts 02210
Attention: Al Ferrer

- Commercial correspondence from the Supplier:

To: MDI Guam Corporation
194 Hernan Cortes Ave.
Agana, Guam 96910
Attention: Brian Richardson

All the correspondence to the Supplier will be sent to the following address:

TURBOTECHNICA S.P.A.
Via Felice Matteucci 2.
50.100 - Firenze (Italy)

Attention: Enrico Bartoli

19. TITLE TO GOODS; RISK OF LOSS

Title to the Goods or to any relevant portion thereof, shall pass to the Buyer at the date the Goods, or any part thereof, is delivered FOB and relevant payment have been made.

The passing of title to the Goods, or to any part thereof, shall not in any way prejudice any of the Buyer's rights

hereunder. Supplier shall warrant clear and free title to all products delivered hereunder.

Risk of Loss to the goods shall remain with Supplier until delivery to the site, not unloaded.

20. SUPPLIER'S RESPONSIBILITY

Supplier is and shall be fully responsible for the design and construction of items on this order and for compliance with all applicable specifications and codes. If required by this order, Supplier shall submit drawings to Buyer for review as to layout, appearance, and the like. Buyer's review, approval, or action taken on the drawings, is for these limited purposes only and shall not relieve or discharge Supplier obligations of Supplier under this Purchase Order.

21 WARRANTY

21.1 PRIOR EXPERIENCE

Except as otherwise provided in the specifications, Supplier warrants that as to the items covered by this order, Supplier has had satisfactory prior experience with all of the materials of construction, the reliability of the engineering and the design used, the proven operability and efficiency of such items, and any other consideration that is pertinent to satisfactory performance of the items within the operating conditions specified. The above warranty applies to all items and all their component parts, accessories, and all combinations thereof.

21.2 MATERIALS WARRANTY

Supplier warrants to Buyer that all items, materials and work furnished under this order, whether manufactured or fabricated by Supplier or others, will be in accordance with Supplier's already proven written standards and applicable specifications, drawings, samples or other description referred to herein or given by Buyer to Supplier, be free from defects, and fit for the purposes specified herein. All work shall be done in a skilled manner and shall be of first class workmanship in every respect, and all items and materials shall be new.



21.3 PERFORMANCE WARRANTY

Supplier warrants that all items furnished will be of sufficient size and capacity and of proper materials to perform properly in the services and for the operating conditions specified herein. If modifications are made to correct a performance deficiency on power output or heat rate, site performance test shall be repeated within 30 days after notification by Supplier of readiness to retest.

21.4 WARRANTY REMEDIES; SECURITY

If within 24 months from date of shipment, or within 12 months from date first used as intended, whichever occurs first, Buyer discovers defects, errors, omissions, or breach of any warranty as to the items or materials supplied by Supplier, then Supplier shall promptly repair or replace without cost to Buyer the items or materials in questions. If Supplier fails after reasonable notice to proceed promptly with the repair or replacement of the defective items or materials, Buyer may repair or replace such items or materials and charge all related costs to the Supplier without voiding the warranties herein.

During the period of guarantee mentioned herein, Supplier shall be responsible for providing technical supervision personnel to direct all repairs, modifications or related warranty work. Buyer shall supply unskilled personnel to assist in disassembly of defective materials and assembling of the material sent for replacement. Buyer shall also provide lifting equipment. These personnel and services shall be rendered free of charge by Buyer.

Except as otherwise provided herein, Buyer shall make no modification or repair on the products without Supplier's written permission. In case Buyer made modification or repair without Supplier's written consent and without giving Supplier a reasonable chance to repair or replace the defective item, this shall release the Supplier from any contractual guarantee.

Supplier's guarantee does not include:



- A) The defects caused by temporary operating and/or continuous running conditions different from the operating conditions mentioned in the contract.
- B) The defects caused by improper operation or maintenance of the equipment by the Buyer.
- C) Parts normally subject to wear, parts whose life is shorter than the above warranty period.

No other guarantee is given by the Supplier except what is hereabove expressly mentioned.

The warranties expressed herein constitute the only warranties of the Supplier and no other warranties or conditions, statutory or otherwise shall be implied.

22. CHANGES

Supplier shall make no change in this order without Buyer's written consent. Buyer may alter order quantities and specifications at any time. If Buyer initiated changes affect price and or delivery, Supplier shall give Buyer written notice of the effect of such changes as soon as possible, or such other time as mutually agreed to by the parties but in no event later than three weeks from the date the change was proposed, and price and/or delivery will be appropriately adjusted.

23. ARBITRATION

The two parties agree they will make a good faith effort to insure that any dispute or controversy concerning the construction and/or application of this Purchase Order will be amicably resolved.

Any dispute or controversy arising under this Purchase Order that cannot be resolved will be submitted to Arbitration according to the Conciliation and Arbitration Rules of the International Chamber of Commerce by three arbitrators appointed in compliance with said rules.

The arbitrators will apply Guam law in resolving all disputes.

The arbitration will take place in Singapore.

The arbitration proceedings shall be in the English language and all the arbitrators shall be required to read and write



the English language. The decision and order of the arbitrators shall be in the English language.

It is agreed and understood that the arbitration award will be final, valid and binding on both parties without recourse to the court of Laws. However, if required, the award may be enforced through any court with jurisdiction in any country.

SP The arbitration panel shall ^{award} to the prevailing party all its arbitration associated costs and attorney's. *BR*

24. GOVERNING LAW

This Purchase Order shall be governed by the law of Guam, U.S.A.

25. LIMITATION OF LIABILITY

Notwithstanding any other provision in this order or any applicable statutory provisions, the Supplier shall not be liable to the Buyer for special or consequential damages or damages for loss of use profit arising directly or indirectly from any breach of this order, fundamental or otherwise or from any tortious acts or omissions of employees or agents of the Supplier and in no event shall the liability of the Supplier exceed 10% of the Purchase Order price.

26. ENTIRETY OF AGREEMENT

This order and its attachments and references contain the entire agreement between Buyer and supplier. Additional or new terms contained in this order which vary from Supplier's offer are deemed accepted by Supplier by shipment of any article or other commencement of performance hereunder. All previous proposals, offers, and other communications relative to this order, oral or written, are hereby superseded, except to the extent that they have been expressly incorporated into this order. No future waiver of or exception to any of the terms, conditions, and provisions of this order shall be considered valid unless specifically agreed to in writing.

27. FORCE MAJEURE

Supplier's shipping promise is stated in this order. If Supplier determines he cannot meet this shipping promise he must immediately notify Buyer by wire or phone. The Supplier shall not be liable for loss or damage due to delay in manufacture or delivery resulting from or due to acts of God,

BR

acts or omission of the Buyer, fires, floods, weather, strikes, lockouts, embargoes, wars, riots, or shipping delays of the major components of the Goods beyond Supplier's reasonably control and any delay resulting from any such cause shall extend delivery date to the extent caused thereby. The Buyer's receiving and acceptance of the product shall constitute a waiver of any claims for delay as a result of Force Majeure causes.

28. TAXES

Any kind of taxes/duties and fees on material and services required to be paid out of the country of origin of materials in connection with the execution of the Purchase Order will be at the Buyer's charge.

29. BONUS

As an incentive payment for early delivery, Buyer will pay to Supplier one-half (1/2) of one (1) percent (0.5%) on the value of the complete anticipated items for each full week that all the Goods are FOB prior to the required delivery date FOB of eleven (11) months from the effective date of the Purchase Order up to a maximum of one (1) and one-half percent (1 1/2%).

30. BANK GUARANTEE

Supplier will submit to Buyer the following bank guarantees.

A. ADVANCE PAYMENT GUARANTEE

An advance payment guarantee in the amount of fifteen percent (15%) of the Purchase Order price will be submitted to Buyer within six (6) months of the effective date of the Purchase Order. The bank guarantee shall remain in place up to the FOB shipment of the Goods.

In the event of partial or complete default of Supplier and a declaration of such default by Buyer as provided herein, Buyer shall submit to Buyer's bank the notice of default and all costs incurred in excess of the Purchase Order price, including all costs associated with obtaining replacement goods, reasonably incurred by Buyer in effecting completion of performance of the terminated portion of the Purchase Order, such costs to be determined in accordance with generally accepted

accounting procedures, and Buyer shall be allowed reimbursement by draw down on the bank guarantee. The above clause is to be included in the text of the bank guarantee.

B. WARRANTY GUARANTEE

To assure Supplier's warranty obligations under this Purchase Order, Supplier shall establish a bank guarantee which shall be in place no later than the date of delivery of the Goods and shall remain in effect until conclusion of the warranty period. The bank guarantee shall be in the amount of five percent (5%) of the Purchase Order price.

In the event Supplier fails after reasonable notice to proceed promptly with the repair or replacement of the defective items or materials as provided for herein and Buyer is required to repair or replace such items or materials, Buyer shall submit to Buyer's bank the notice of request to repair and evidence of Suppliers failure to make such repairs and Buyer shall be allowed reimbursement by draw down on the bank guarantee.

Handwritten signature or initials, possibly "P. H. R.", located in the lower right quadrant of the page.

S E C T I O N I I I

his
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All the technical requirements of the specification issued by Stone & Webster no. 17108-P101R and relevant amendment, attached to the Contract Agreement no. GPA-6-88 signed between Guam Power Authority and Turbotecnica on May 24, 1988 as well as the modifications agreed during the execution of Dededo job are considered to be applicable to the agreed Scope of Supply under Section I of the Purchase Order.

A handwritten signature in black ink, appearing to be 'L. H. Garcia' or similar, located on the right side of the page.

TWENTY-FIRST GUAM LEGISLATURE
1991 (FIRST) REGULAR SESSION

SEP 12 PM 5:08

Bill No. 617
Introduced By:

D. Parkinson
at the request of GPA 

AN ACT TO AUTHORIZE GUAM POWER
AUTHORITY TO ARRANGE FOR THE PURCHASE,
FINANCING AND DESIGN OF GENERATOR
CAPACITY.

1 BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:
2 Section 1. Guam Power Authority is hereby authorized
3 as a sole source procurement to purchase from Turbotecnica
4 a 23 Megawatt Combustion Turbine through sole source
5 procurement a combustion turbine for installation at the
6 site of the present Dededo Combustion Turbine at a price not
7 to exceed Ten Million Five Hundred Thousand Dollars
8 (\$10,500,000) to be negotiated by Guam Power Authority.
9 Section 2. Guam Power Authority is hereby exempted
10 from the Guam Procurement Law in the selection of the design
11 and engineering firm necessary for the construction and
12 installation of the combustion turbine.
13 Section 3. The Guam Power Authority is hereby
14 authorized to obtain a letter of credit, guaranteed by the
15 Government of Guam, in an amount up to Ten Million Five
16 Hundred Thousand Dollars (\$10,500,000), issued by a bank on
17 Guam, for purposes of ordering and guaranteeing payment for
18 the combustion turbine generator. The Government of Guam
19 shall guarantee, or in the alternative, be the principle
20 obligor, on a letter of credit not to exceed Ten Million
21 Five Hundred Thousand Dollars (\$10,500,000) for purposes of
22 purchasing said generator. All expenses and costs involved
23 in the issuance of the letter of credit shall be the
24 responsibility of the Guam Power Authority.

Gvhibit "D"

1 Section 4. Guam Power Authority is hereby granted a
2 conditional use permit to install a second 23 megawatt
3 combustion turbine, together with related auxiliary
4 equipment, in Dededo at the site of the present Dededo
5 Combustion Turbine.

21-009\gpagenca.bil\mli

TWENTY-FIRST GUAM LEGISLATURE
1991 (FIRST) REGULAR SESSION

Bill No. 677
Introduced By:
Substitute Version 01/02/92-1

D. Parkinson
at the request of GPA

John Parkinson

AN ACT TO AUTHORIZE GUAM POWER
AUTHORITY TO ARRANGE FOR THE PURCHASE,
FINANCING AND DESIGN OF GENERATOR
CAPACITY.

1 BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:

2
3 Section 1. Guam Power Authority is hereby [authorized
4 as] given authority for sole source procurement to purchase
5 from Turbotecnica a 23-megawatt combustion turbine, as
6 described in and on the terms and conditions contained in
7 attachment A of the Amendment to Purchase Order and New
8 Purchase Order dated 3 December, 1991 between MDI
9 Corporation and Turbotecnica, for installation in the
10 island-wide power system at a price not to exceed
11 \$9,500,000.00 U.S. Dollars, subject to final approval by the
12 Public Utilities Commission. If not disapproved or modified
13 by the Public Utilities Commission by 5:00 p.m. on January
14 29, 1992, said sole source procurement shall be deemed
15 approved.
16

17 Section 2. Guam Power Authority is hereby exempted
18 from the Guam Procurement Law in the selection of the design
19 and engineering firm necessary for the construction and
20 installation of the combustion turbine, provided that the

1 Public Utilities Commission shall approve or disapprove [~~the~~
 2 ~~selection--and~~] the contract therefore, looking at price,
 3 reasonableness, and whether local firms and other interested
 4 firms were given a fair opportunity to submit proposals and
 5 have those proposals objectively considered. At the very
 6 least, GPA shall, at least 7 calendar [~~14~~] days before
 7 closing the requests for proposals, FAX requests for
 8 proposals to all Guam engineering firms and to substantially
 9 all other engineering firms who have, anytime during the
 10 last two years, submitted bids or proposals to GPA for
 11 similar services or shown an interest therein to GPA. In
 12 the alternative, GPA may select the Engineering firm in
 13 accordance with the Guam Procurement Law without PUC
 14 approval.

15
 16 Section 3. The Guam Power Authority is hereby
 17 authorized to incur new debt, as may be specifically
 18 authorized by the Public Utilities Commission, that may be
 19 used only for the following:

20
 21 (1) purchase the combustion turbine generator including
 22 any associated shipping and letter of credit
 23 arrangement, and

24
 25 (2) pay for design, construction, and other related
 26 costs to install the generator, [~~an~~] including, but not
 27 limited to, related site preparation, building, fuel
 28 facilities, system interface, and

29
 30 (3) pay interest costs and related lender fees on the
 31 debt during the design and construction period.

32
 33 The debt may be guaranteed by the Government of Guam. The
 34 amount of the debt shall be as set by the Public Utilities
 35 Commission, not to exceed [~~\$25,000,000~~] \$26,000,000. All
 36 interest on the debt and all costs of financing and all

1 costs for the letter of credit shall be capitalized so there
2 are no associated demands on GPA cash and no impact on rates
3 until construction and installation of the new generator is
4 complete and the new generator is on line and providing
5 power, revenue and benefits to GPA and the people of Guam.
6 This new debt is considered to be an interim debt which is
7 designed to ensure timely completion of the project. The
8 term of this interim debt shall be 36 months during which
9 period long term financing to pay off this debt shall be
10 obtained by the Guam Power Authority. The interim debt
11 terms shall allow for an early payoff with no pre-payment
12 penalty after 6 months, and the interest rate thereon shall
13 not exceed a reasonable rate to Guam Power Authority (taking
14 into account taxability to the lender of the interest), not
15 to exceed an annual actual percentage rate of 10%. The
16 appropriateness, terms, conditions, fees, and interest rates
17 of the debt shall be approved by the Public Utilities
18 Commission. All expenses and costs involved in the
19 origination of the debt and in the issuance of the letter of
20 credit shall be the responsibility of the Guam Power
21 Authority, to be paid from the proceeds of said debt.

22
23 Section 4. Guam Power Authority is hereby granted a
24 conditional use permit to install a second 23 megawatt
25 combustion turbine, together with related auxiliary
26 equipment, in Dededo at the site of the present Dededo
27 Combustion Turbine.

28
29 Section 5. Legislative Intent. The Public Utilities
30 Commission is requested to act rapidly[7] in its decision
31 making process in giving approvals or disapprovals as
32 required by this act or as required to implement new
33 generation facilities.

34

Port-A brand
Fax Transmittal Memo 7672

To Sam Hill
Company Office of Senator Don Parkinson
Location

No. of Pages 7 Today's Date 1/6/92 Time
From Felix Dungca, Jr. Territorial Planner
Company DLM Division of Land Planning
Location Maite Dept. Charge

Fax # 477-5795 Telephone # 472-3423/4 Fax # 472-9539 Telephone # 475-5200

Comments Your request
Re: Miyama Hills (Guam) Inc. projects
Original Disposition: Destroy Return Call for pickup

~~Department of Land Planning~~
GOVERNMENT OF GUAM
AGANA, GUAM 96910

NOTICE OF ACTION

October 3, 1990

(DRTB):

TO: Manenggon Hills c/o Miyama Hills (Guam), Inc.

The Territorial Planning Commission, at its meeting on September 18, 1990

- | | |
|--|--|
| <input type="checkbox"/> / Approved | <input type="checkbox"/> / Denied |
| <input checked="" type="checkbox"/> / Approved with Conditions | <input type="checkbox"/> / Tabled |
| your request on Lot no. <u>177-4-INEW, Tract 251, Yona</u> for | |
| <input checked="" type="checkbox"/> / Change of Zone (Including PUD) *** Amendment | <input type="checkbox"/> / Subdivision |
| <input type="checkbox"/> / Zone Variance | <input checked="" type="checkbox"/> / Tentative Subd. Approval |
| <input type="checkbox"/> / Conditional Use | <input type="checkbox"/> / Final Approval |
| <input type="checkbox"/> / PUD Amendment | <input type="checkbox"/> / Resubdivision |
| <input type="checkbox"/> / Preliminary PUD Prior to Public Hearing | <input type="checkbox"/> / Subdivision Definition |
| <input type="checkbox"/> / Determination of Policy Definition | <input checked="" type="checkbox"/> / Miscellaneous: |

not ends Permit Amendment

Please submit this form with necessary plans to the appropriate agency. If request was tabled, approved with conditions, or involved clarification, please see the conditions below for further

NOTATION: Zone Change Amendment and Wetlands Permit Amendment to preserve almost 100 acres of wetlands on the project site; that the project name shall be referred to as "Manenggon Hills" rather than "Miyama Hills"; increase in open space; 50± single-family

CONDITIONS: units, 200± duplexes, 0 townhouse units, and 2150± proposed condominium units; a 200-room hotel with an additional 20 townhouse units, shopping areas, a medical facility, a chapel, a display of Guam culture and history, a car rental facility, and various maintenance and utility buildings; recreational facilities; and commercial uses; and a Tentative Subdivision Approval Amendment to create 912 lots in a "PD" (Planned Development) District.

(Conditions on Page 2 of 5 through 5 of 5)

cc: Building Permits Section, DPW - **ATTENTION: JESUS NINETA**
****NOTE:** Approval by The TPC of a Zone Change does not constitute final approval but rather a recommendation to The Governor for his approval. Notification will be sent upon action taken by The Governor.

TERRITORIAL LAND USE COMMISSION
TLUC MEETING OF September 19, 1990, Tuesday
Lot no. 177-4-1NEW, Tract 2511, Yona
MANENGGON HILLS c/o MIYAMA (GUAM), INC.

LL

CONDITIONS: The Commission approved the application, based on the following conditions:

Planning Staff,
Department of
Land Management

- 1) applicant must comply with The DRC Permitting Agencies' requirements and conditions, recommended by The Development Review Committee;
- 2) applicant must submit Progress Report, upon completion of each phase of construction, to The Chief Planner, Department of Land Management;
- 3) a proposed Right-of-Way adjacent to the project be delineated and reserved for future connection between Route 17 and Cero-Macajna Road (Referenced to Document no. 413622 and TLUC Notice of Action dated May 7, 1990);
- 4) Tentative Subdivision will be submitted for review and approval by Land Management in increments; the Final Subdivision approval will be in four (4) increments, referenced to the construction phases and scheduling requirements;

Department of
Public Works

- 5) that the developer contributes their fair share to the improvement of the Pulantat Road Improvement, shown as the secondary access road;
- 6) that the developer provide all excess clay material with a permeability co-efficient of 1×10^{-7} to the Ordod landfill reaping;
- 7) that the developer continue to investigate the option to connect to the Route 10/Route 4 Intersection and participate in the costs for connection if the roadway connector is constructed;

Guam
Environmental
Agency

- 8) the applicant must prepare detailed Erosion Control Plans and implement innovative erosion control techniques for sediment control and erosion control problems;
- 9) the applicant must prepare and implement a Water Quality Monitoring Plan for the drainage basin to verify compliance with S-1 surface water quality;
- 10) continue to negotiate with Guam EPA and other local/federal agencies on the design of the sewage treatment plant and the effluent quality and method of disposal. Issuance of

Quality Standards;

- 11) provide computer modeling information regarding water quality within the proposed lake as influenced by pesticide and fertilizer residuals in stormwater and from sewage effluent;
- 12) "The Bureau has no major objections to the above requests provided the developer meets all the conditions imposed by the various government agencies in regard to the Infrastructure (i.e., water; power; sewer; roads; etc.), subdivision requirements, parks, conservation areas

Bureau
of Planning

Bureau of Planning (Continued)

Department of Agriculture

Department of Commerce

Chamorro Language Commission

Public Utility Agency of Guam

- 13) historical and archaeological sites, proposed erosion protection plans, proposed dam, wetlands, and all other environmental concerns or issues;
- 14) revegetate with native grasses and trees;
- 15) maintain existing forested areas as shown on the master plan;
- 16) Install erosion control fences prior to grading and maintain a 10' buffer of existing vegetation uphill of fences to aid in sediment/silt trapping;
- 17) (prior to TLUC decision) that the applicant provide a thorough analysis regarding housing accommodations for all workers hired during construction and post-construction periods; this analysis should include impacts of import employment to local employment and local housing demands;
- 18) (prior to TLUC decision) that all governmental and nongovernmental concerns be adequately addressed;
- 19) "Commerce has consulted with the applicant and has agreed that the applicant can submit the housing impact analysis after TLUC's decision on the subject project rather than Commerce's initial request that the applicant submit the analysis prior to TLUC's decision. Note that this agreement between the Department of Commerce and Miyama Guam, Inc., is conducted in good faith as documented on the attached memo." (September 11, 1990 Memo from Mr. Brian J. Richardson, Project Coordinator to Mr. Dan Guerrero, Department of Commerce);
- 20) that the proposed development be named "Manenggon Hills" and that signs should indicate both, "Manenggon Hills", as well as "Okso Manenggon" (See Condition 36);
- 21) to preserve almost all 90 acres of wetlands on the project site;
- 22) that the project name shall be referred to as "Manenggon Hills" rather than "Miyama Hills" (See Condition 36)
- 23) increase in open space;
- 24) 50± single-family units, 800± duplexes, 0 townhouse units, and 21501 proposed condominium units totalling 3,000 units; a conference facility, a chapel, a display of Guam culture and history, a theater, restaurants, tennis and golf clubhouses, a small train and depot, a car rental facility, and various maintenance and utility buildings, recreational facilities, and commercial uses;
- 25) the developer must construct a 2-million-gallon reservoir on the developer's property to provide 2-day's water supply for Manenggon Hills area and the surrounding residents of Pulantat, Yona, Manenggon, Ordot, and Chalan Pago; the developer, also, has agreed that they may actually build a storage reservoir larger than 2-million gallons in order to

- ... emergency supply of water for the project
and the surrounding areas;
- 26) the developer must construct and install water transmission lines approximately 12" x 16,000 LF from the proposed Chaot Booster Pump Station in the Municipality of Yona to handle water distribution services to all affected areas;
 - 27) developer must construct and install 3 booster pumps equipped with generators on station at Chaot and upgrade the Pago Pump Station to pump water from the northern

In addition to meeting the requirements of P.L. 19-47, the developer should also abide with other assessment or conditions as required by PUAG; such conditions may require the installation of waterlines, sewerlines, and associated facilities to accommodate the proposed development; because of the magnitude of the Manenggon Hills Project and its enormous requirements for water and sewer services as well as the resulting direct/indirect impact that this project will have on the present and future development of the

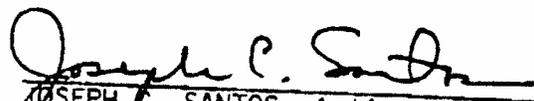
Public Utility Agency of Guam (Continued)

Department of Parks and Recreation

TLUC additional conditions

- of the surrounding areas, The Agency has absolutely no choice but to require developer to meet all the conditions stipulated above; the developer should understand that in the event this project is approved by TLUC, such approval will not waive any of the above requirements set forth by PUAG as conditions for approval; PUAG reserves the right not to approve the Construction Permit and/or Occupancy Permit(s) should any of the conditions mentioned above are not met;
- 30) regarding the preservation and mitigation of the cultural resources within the development, there is a Memorandum of Agreement (MOA) between DPR and the developer; this MOA is satisfactory to meet DPR's historic preservation concerns; the MOA is also under review by the Army Corps of Engineers and the advisory Council on Historic Preservation for use in the federal historic preservation reviews that apply;
 - *31) reasonable public access to resource areas and facilities within the project area will be provided; this will be developed in coordination with DPR;
 - 32) proposed park areas will be designed following DPR's Guidelines and Standards for subdivisions and planned unit developments;
 - 33) designated conservation areas will be agreed upon jointly by the developer, DPR, Guam Environmental Protection Agency, and the Division of Aquatic and Wildlife Resources; the developer should continue consultation with DPR regarding these matters;
 - 34) applicant reserve, at least, 15% of the housing units for sale to local residents;
 - 35) applicant pursue and come to an agreement with The Guam Fire Department to meet the needs of the development's residents;
 - 36) change the name, "Marenggon Hills," to a name of local/indigenous character; and
 - 37) provide a Progress Report every 6 months.


 R. L.G. CASTRO, Executive Secretary to
 The TLUC


 JOSEPH C. SANTOS, Acting Chief Planner

TERRITORIAL PLANNING COMMISSION
DEPARTMENT OF LAND MANAGEMENT
GOVERNMENT OF GUAM
AGANA, GUAM 96910

Handwritten signature and date: Aug 13, 89

NOTICE OF ACTION

August 16, 1989

(DATE)

TO: Miyama Hills Subdivision c/o Juan Tenorio and Associates, Inc.

The Territorial Planning Commission, at its meeting on July 27, 1989

 / Approved / Denied
XX / Approved with Conditions / Tabled

your request on Lot no. 177-4-1-NEW, Yona for a

 / Change of Zone (Including PUD) *** / Subdivision
 / Zone Variance / Tentative Approval
 / Conditional Use / Final Approval
 / PUD Amendment / Resubdivision
 / Preliminary PUD Prior to Public Hearing / Subdivision Definition
 / Determination of Policy Definition XX / Miscellaneous Tentative Subdivision Approval

Please submit this form with necessary plans to the appropriate agency. If request was tabled, approved with conditions, or involved clarification, please see the conditions below for further details.

NOTATION: Tentative Subdivision Approval to create approximately 1,300 lots in a "PD" (Planned Development) District.

CONDITIONS: The Commission approved the application, based on the following:
LAS
1) conditions of the applicable Government agencies be complied;
2) submit street name plan;
3) change name of project to reflect local character of geographic area;
4) increase sidewalk width to 6 feet;

circulation plan with cross-roads on streets must be submitted with "signing plan";

- 6) Status of Improvement Plans for Route 4 intersection and Dero Road;

(Continued on back)

cc: Building Permits Section, DPW - ATTENTION: JESUS NINETE
**NOTE: Approval by The TPC of a Zone Change does not constitute final approval but rather a recommendation to The Governor for his approval. Notification will be sent upon action taken by The Governor.

- 7) road maintenance, after dedication to GovGuam, will be continued for 5 years;
- 8) an Annual Status Report must be filed with The TPC until completion of the entire project;
- 9) incremental map be submitted; copies, also, to be provided to Department of Parks and Recreation;
- 10) water system installed before sale of units.

 8/17/89
 L.G. CASTRO, Executive Secretary


 FELIX C. BENAVENTE, Chief Planner

[Faint, mostly illegible text and markings, possibly bleed-through or administrative notes.]

PUAG
(Continued)

- acquirer to Yona and surrounding vicinities for the benefit of all affected areas;
- 28) the developer must and has agreed to voluntarily contribute \$7 million into the Island Sewer and Infrastructure Development Fund to help pay for the design and construction of a surface water source capable of supporting the immediate project and other developments, the surrounding vicinities that are a direct or indirect result of the Manenggon Hills Project; specification for the design, construction, and location of a surface water source shall be determined by PUAG in coordination with the Guam Environmental Protection Agency, the Army Corps of Engineers, and the Division of Aquatic and Wildlife; please note that this \$7 million represents only a percentage of the total estimated amount required to pay for the feasibility study, design, and construction of a surface water source in southern Guam; PUAG intends to assess other developers in southern Guam to fund for the balance of the surface water source development project; the developer has offered that the \$7 million will be paid in five (5) incremental payments during each given time a Building Permit is obtained in phases; PUAG's condition for approval is that the exact amount and period of incremental payment will be negotiated between PUAG and the developer;
- 29) the developer must, at his own expense, construct and maintain an on-site sewage treatment plant and disposal facility;
- the above conditions for approval is in compliance with Public Law 19-47; pending the approval and implementation of the water and sewer development charge schedule, subject law authorizes PUAG to collect such funds from willing developers for specific infrastructural projects in order that current construction timetables may be met by such developers;
- in this case, the developer has voluntarily agreed to provide such financial contribution before the impact fee is established; P.L. 19-47 mandates that the developer shall still be subject to assessment when the schedule is established; however the assessment will only be that the portion which is the difference between the amount already provided and the amount as shown on the approved fee schedule; said law further stipulates that "should the amount contributed be greater than the approved fee schedule, the developer shall be compensated the difference through an abatement of gross receipts tax equal to the differential";
- the above infrastructure requirements set forth by PUAG are based on careful assessment of the Islandwide water and wastewater systems and the potential demands imposed by Miyama's project; based on this detail assessment, PUAG believes that the Manenggon Hills Project will have significant short-term and long-term impacts on not only The Agency's capability to deliver water, but also, on

BEFORE THE GUAM ECONOMIC DEVELOPMENT AUTHORITY

Qualifying Certificate Application - Miyama Guam Inc.

My name is Robert Steffy. With me here tonight is Mr. Haruo Abe, Managing Director of Miyama Guam Inc. and other individuals who represent the developer and Sumitomo Construction Company. We represent Miyama Guam Inc. in its plans to develop world class resort and recreational facilities on Guam. The project consists of two segments. One segment will consist of a hotel facility in Tumon between the Guam Reef Hotel and the Guam Hotel Okura. The other segment will be located in Yona on a project site of approximately 5.2 million square meters. The components of the project as explained in the application are summarized on Schedule A which is attached to this testimony. Most of the components listed are not available on Guam presently, and no other facility on Guam has the variety in one location.

All land acquisitions relative to the project have been completed with the exception of an access road in Chalan Pago. Access to the resort complex will be through route 4 past the Chalan Pago / Ordot commissioners office, and possibly in the Windward Hills area near the Takayama Golf Course if arrangements with the Government of Guam and private land owners can be worked out.

The project will employ approximately 1500 employees at completion, with an estimated annual payroll of \$27,000,000. Approximately 90% of the employees will be local residents, all of whom will be trained on site at the facility in

conjunction with the University of Guam and Guam Community College. The developer is at present working with Government of Guam officials to develop means of attracting Guamanian employees locally and from the mainland and other employees from the Micronesian area.

The developer has initiated meetings with officials of the Department of Parks & Recreation to allow the people of Guam to fully utilize the recreational facilities available on the project site. One proposal under consideration is the use of the athletic facilities for organized competition at nominal or no charge to the people of Guam.

The intent of having two major facilities in one project is to allow tourists to Guam to have the opportunity to experience the ocean related facilities at the Tumon location and the recreational facilities at Yona in one package.

Included in the application filed with GEDA, is a Master Plan which I would like to review briefly. Mr. Miyata of Sumitomo Construction Company also has large drawings which will better show the components of the project.

Tourism in Guam has reached a saturation point without further construction to meet the demand. Guam has instituted positive infrastructure changes to help alleviate the growth problems, but additional assistance from the private sector is needed to achieve economic independence. As we on Guam

move away from dependence on the U.S. Government, tourism becomes more and more important. A severe obstacle to Guam's continued prosperity in tourism is the limited ability to accommodate growing demand for qualified facilities. If this situation does not improve in the future, we can assume that Guam will gradually lose its attraction as a tour destination. Recreational facilities and other tourist attractions must be provided locally to allow the tourist industry to stabilize and attract a broader range of tourists. Applicant is in a position to offer a broad range of recreational and other facilities badly needed on Guam.

Guam will substantially benefit from the project set out in this application in several ways. The new facilities discussed in other sections of this study are massive. The estimated payroll alone without regard to the multiplier effect is tremendous. The income taxes paid by the construction workers alone for this project will reach into the millions of dollars. The location of the major segment of this project may be the most important to Guam. This project will be the largest development to date on Guam. In addition, the development will not be in the Tumon Tamuning area, and will most probably lead to the expanded development of the southern end of the Island. Upon completion of the project, Miyama Guam Inc. will turn over to the Government of Guam the road from its property line in Ordot to the project site. Miyama Guam Inc. is working with PUAG to develop public water resources

to benefit the southern part of Guam. A convention center is badly needed in Guam and one with a 3,000 person capacity is planned for the Miyama Hills project. The majority of all infrastructure needed by the development will be paid in total by the developer. Tourist facilities previously not available in Guam will no doubt increase the popularity of Guam as a tourist destination.

The benefit to Miyama Guam Inc. is obvious. The tax rebates requested will allow for a larger development through the reinvestment of profits. The developer is assuming the full responsibility of operating the resort project as proposed herein with its own capital and financial resources. Miyama Guam Inc. will undertake the investment described herein if the requested benefits are obtained.

Schedule A

Benefits to Guam

1. Development of the largest resort/recreational facility on island in an area away from Tumon.
2. The two major components of the project will contain the following:
 - 2 Hotels with a total of 582 rooms
 - 3,000 residential units that when not used by the owners will form the basis of a hotel rental pool
 - The hotels will include: first class restaurants, coffee shops, athletic gyms, meeting facilities, banquet facilities, pools, tennis courts, parking, and other related facilities
 - Golf courses with clubhouse, lockers, etc. 27 holes designed by Jack Nicklas 18 holes designed by Arnold Palmer
 - Village center including markets, stores, bank, gas station, medical facilities, laundry, etc.
 - Convention center with capacity for 3,000 people
 - Swimming club - 50 meter olympic pool, diving pool, restaurant, lockers, other facilities
 - Tennis club - 2 center courts, 18 practice courts, lights for night play, restaurant, lockers, other facilities
 - Bowling facility - 36 lanes, restaurant, lockers
 - Baseball stadium with lights, larger than the Paseo field with lockers, food concessions, others
 - Multipurpose field for softball, soccer, etc.
 - Treehouse village - "Robinson Crusoe" hotel accommodations built in trees
 - School site - property available on site to be used free by Gov. Guam for future school site
 - Paintball field - Recreational use
 - Horse stables and trails

- Water Amusement park
 - Lake with wave making machine
 - Water slides
 - Scuba pools
 - Latte park picnic area
 - Lake for fishing and water recreation
 - Chapel for religious services
 - Aviary and botanical gardens
 - Train
3. Employment for approximately 1500 persons.
 4. Educational programs developed with the University of Guam.
 5. The potential for a road to be built between Chalan Pago/Ordot and Windward Hills.
 6. All infrastructure to be paid for by developers.
 7. Developers are working with the Department of Parks & Recreation to have the championships for major sports on island at the development.
 8. Potential development of businesses to service the resort.

Schedule B

Income benefits to the Government of Guam

1. \$10,000,000. estimated income tax to be paid on the sale of the land to be used in the project.
2. \$5,500,000. estimated annual income tax on the annual salaries paid to employees of the project.
3. \$100,000,000. estimated gross receipts tax to be paid during the construction phase of the project.
4. Millions of dollars annually in gross receipts, hotel occupancy, admissions and other local taxes from the operation of the project.
5. The economic benefits of \$27,000,000. annual payroll.

UNANIMOUS CONSENT TO THE ADOPTION
OF A RESOLUTION BY THE DIRECTORS
OF MIYAMA GUAM INC.

RECEIVED

MAY 15 1989

Preamble

We, the undersigned, being all of the directors of Miyama Guam Inc., a Guam corporation (the "Corporation"), desiring to adopt a resolution by the unanimous consent of all directors, do hereby severally CONSENT to and AGREE to the adoption of the following resolution:

REGULATORY DIVISION
Dept of Revenue & Taxation
Government of Guam

"Change in the Corporation's secretary

WHEREAS, §4.05 and §4.06 of the Bylaws of the Corporation delegate to the Board the power to remove and replace the officers of the Corporation; and

WHEREAS, it is deemed to be in the best interests of this Corporation that the secretary of the Corporation be replaced; now, therefore, be it

RESOLVED, that Andrew M. Gayle be removed as secretary of the Corporation, and that Robert J. Steffy a resident of Guam, is hereby elected to replace him, effective immediately; and be it further

RESOLVED, that the new secretary of the Corporation, be and he is hereby empowered, authorized and directed in the name and on behalf of the Corporation execute, deliver, and file any and all certificates, forms, authorizations, certifications, documents, or other written instruments or papers, make all appropriate minute book entries, and take such further action as may be necessary or advisable to carry out the intent and purpose of this resolution."

Resolution to be filed with corporate records

§2. The undersigned direct that this resolution be filed with the minutes of the proceedings of the Board.

Authorization

§3. This waiver and consent is executed pursuant to §310 of the Code and §3.11 of Article Three of the Bylaws which authorize the taking of such action by the Board by the unanimous written consent of the directors.

Execution

EXECUTED as of this 8TH day of MAY, 1989.

Yusuke Miyama
YUSUKE MIYAMA, director,

Tadashi Taniguchi
TADASHI TANIGUCHI, director,

Takanori Nagamine
TAKANORI NAGAMINE, director.

CORP71:57611-01

RECEIVED

UNANIMOUS CONSENT TO THE ADOPTION
OF A RESOLUTION BY THE DIRECTORS
OF MIYAMA GUAM INC.

MAY 15 1989

REGULATORY DIVISION
Dept. of Commerce & Trade
Government of Guam

Preamble

We, the undersigned, being all of the directors of Miyama Guam Inc., a Guam corporation (the "Corporation"), desiring to adopt a resolution by the unanimous consent of all directors, do hereby severally CONSENT to and AGREE to the adoption of the following resolution:

Vacancy in the Board of Directors

WHEREAS, §3.05 of the Bylaws of the Corporation delegate to the Board the power to fill a vacancy in the Board of Directors; and

WHEREAS, it is deemed to be in the best interests of this Corporation that a new director be elected; now, therefore, be it

RESOLVED, that Haruo Abe is elected to the Board of Directors

Resolution to be filed with corporate records

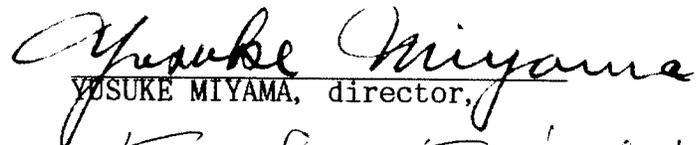
§2. The undersigned direct that this resolution be filed with the minutes of the proceedings of the Board.

Authorization

§3. This waiver and consent is executed pursuant to §320 of the Code and §3.11 of Article Three of the Bylaws which authorize the taking of such action by the Board by the unanimous written consent of the directors.

Execution

EXECUTED as of this 8th day of May, 1989.


YUSUKE MIYAMA, director.


TADASHI TANIGUCHI, director.


TAKANORI NAGAMINE, director.

ASSIGNMENT AND TRANSFER OF STOCK
INTERESTS AND RESIGNATION

RECEIVED

MAY 15 1989

RECORDS DIVISION
Miyama Guam

FOR VALUE RECEIVED, I, Takanori Nagamine, do hereby sell, assign and transfer to Haruo Abe one (1) share of the capital stock of Miyama Guam, Inc. standing in the name of the undersigned on the books of said corporation, and do hereby irrevocably constitute and appoint the secretary of the corporation attorney to transfer the said stock on the books of said corporation, with full power of substitution in the premises.

I further tender my resignation as director of the corporation.

Dated this 10th day of May, 1989.

Takanori Nagamine
TAKANORI NAGAMINE

CERTIFICATE OF AMENDMENT TO THE
ARTICLES OF INCORPORATION
OF
MIYAMA GUAM INC.

RECEIVED

FEB 21 1989

Certificate by officers

We, the undersigned president, secretary, ^{REVENUE DIVISION} ^{Excise & Taxation} ^{Department of Education} and all of the members of the board of directors of Miyama Guam Inc., a corporation organized and existing under and by virtue of the laws of Guam (the "Corporation"), do hereby CERTIFY that the articles of incorporation of the Corporation attached hereto are a true and correct copy thereof as duly amended by the unanimous vote of the members of its board of directors and the unanimous consent of all of its shareholders pursuant to a written consent executed by all the directors and shareholders, all pursuant to §360 of the Civil Code of Guam.

Execution

WITNESS our hands as of this 10th day of January, 1989.

Yusuke Miyama

YUSUKE MIYAMA,
president-director,

Tadashi Taniguchi

TADASHI TANIGUCHI, director,

Takanori Nagamine

TAKANORI NAGAMINE, director.

COUNTERSIGNED:

Andrew M. Gayle

ANDREW M. GAYLE, secretary.

ARTICLES OF INCORPORATION
OF
MIYAMA GUAM INC.
(Amended as of January 10, 1989)

and
SWORN STATEMENT OF TREASURER

GAYLE & TEKER,
Agana Bay Building,
220 East Marine Drive,
Agana, Guam.

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ARTICLES OF INCORPORATION

OF

MIYAMA GUAM INC.

TO ALL TO WHOM THESE PRESENTS MAY COME, GREETING:

Preamble

KNOW YE, that we, the undersigned, desiring to become incorporated as a corporation under and in accordance with the laws of Guam, and to obtain the benefits conferred by said laws upon corporations, do hereby mutually agree upon and enter into the following articles of incorporation.

ARTICLE ONE

CORPORATE NAME

§1.01. *Name.* The name of the corporation shall be:

"MIYAMA GUAM INC."

ARTICLE TWO

PRINCIPAL OFFICE

§2.01. *Agana office.* The place of the principal office of the corporation shall be in the city of Agana, municipality of Agana, Guam, and there may be such subordinate or branch offices in such place or places within or without Guam as may be deemed necessary or requisite by the board of directors to transact the business of the corporation, such branch or subordinate offices to be held in the charge of such person or persons as may be appointed by the board of directors.

ARTICLE THREE

PURPOSES AND POWERS

§3.01. *Purposes.* This corporation is formed for the principal purpose of engaging in the general development business and related enterprises within Guam, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, the Republic of Belau, the Republic of the Marshal Islands, any other territory or state of the United States, or elsewhere in the world, and

W
G.M.
G.T.
G.N.

to that end:

3.01.01. *Develop property.* To purchase, lease, or otherwise acquire, for cash or on terms of credit, real estate in Guam, or elsewhere, to erect thereon apartments, including condominium or cooperative apartments, hotels or other buildings, and to sell, lease or otherwise dispose of same; to own, lease and operate in Guam and elsewhere one (1) or more apartment buildings, condominiums, cooperatives, hotels, and all adjuncts and accessories thereto, including restaurants, shopping arcades, barrooms, barbershops, baths, news and cigar stores, roof gardens, and to furnish amusement therefor; to do and perform any and all things for the pleasure, comfort, convenience and amusement of tenants or co-owners of said buildings; to promote immigration and travel to Guam; to own the stocks and bonds of other corporations and particularly of corporations engaged in buying, selling, and leasing real estate and apartment and hotel buildings and in operating the same.

3.01.02. *Hotel development.* To engage generally in the hotel business and related businesses; to plan, design, and construct buildings for hotel purposes and to buy, sell, and acquire the same; to operate, conduct, and carry on the hotel business with the accommodations necessary or desirable to accomplish such purposes; to conduct and carry on the business of providing meals, food and beverages, including alcoholic beverages, for the general public, and buying and selling any and all other things necessary or desirable in connection with the operation of a hotel business; and to undertake and carry on any business transaction or operation commonly undertaken or carried on by hotel operators and generally to institute, enter into, assist, promote, and participate in any such business or operation.

3.01.03. *Land development.* To acquire lands and any right, title or interest therein by purchase, lease, exchange, hire, gift, devise or in any other lawful manner; to build, erect and construct on any lands at any time owned by this corporation or in which it has any interest or on any other lands, dwelling houses, hotels, hospitals, manufacturing plants, golf courses, tennis courts, clubhouses, farm houses and any and all other buildings, structures, plants, improvements, machinery, ways and works suitable for any residential, commercial, or any other lawful purpose or purposes and to maintain and operate the same for hire or otherwise; to subdivide, lay out and pave roads, clear for cultivation and farm, plant, cultivate, beautify, and otherwise improve any lands at any time owned by this corporation or in which it has any interest, or any lands owned by

others; to sell, lease, rent, let, give, contract in any lawful way or manner with reference to and otherwise dispose of any lands, improved or unimproved, at any time owned by this corporation or in which it has or may have any interest; to buy, sell and in any lawful way or manner deal innn lands as owner on its own account for profit or for the account of or as agent or broker for others for commissions or other compensation or reward.

3.01.04. *Alcoholic beverages.* To engage in the on-sale dispensing of alcoholic beverages and food, operating as a bar and restaurant, and generally to purchase or otherwise acquire restaurants and taverns, and to own, hold lease, rent, or sell such business or businesses.

3.01.05. *Sell goods.* To buy, sell, trade, manufacture, deal in, and deal with goods, wares, and merchandise of every kind and nature, and to carry on such business as wholesalers, retailers, importers and exporters; to acquire all such merchandise, supplies, materials, and other articles as shall be necessary or incidental to such business.

3.01.06. *Travel agency.* To engage in, conduct, promote, advertise and carry on a travel service business, including arranging, planning and booking of worldwide passenger transportation, making reservations at hotels and resorts, making land arrangements for tours and local transportation and conducting tours, on a commission basis or on a buy, sell or charter basis.

3.01.07. *Resorts.* To purchase, or establish and operate a resort and recreational facilities, park, hotels, cottages and restaurants for the convenience and entertainment of the public, and to provide and operate in connection therewith a boat landing, furnish boats and motors for sale, lease or rental, grocery stores, swimming docks, sporting goods stores, and related services.

3.01.08. *Investments.* To transact the business of investing on behalf of itself or others, any part of its capital and such additional funds as it may obtain, or any interest therein, either as tenant in common or otherwise, and selling or otherwise disposing of the same, or any part thereof, or interest therein.

3.01.09. *Market information.* To acquire, preserve and coordinate information on markets, developing potentials, opportunities, resources, businesses, industries and their needs, and to provide facilities for trade and the exchange of products, services,

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ideas and statistical business information between companies and individuals in and between communities and trade center throughout Guam, and other territories, states and nations in the free world, when and as authorized by law.

3.01.10. *Sale of tourist goods.* To merchandise, sell, offer for sale, and distribute at wholesale and retail, gifts, souvenirs and other tourist goods of all kinds and descriptions, large and small, including jewelry of all kinds and for all purposes, and to generally deal in tourist-related items.

3.01.11. *General retail.* To establish, purchase, lease as lessee, or otherwise acquire, to own, operate, and maintain, and to sell, mortgage, deed in trust, lease as lessor, and otherwise dispose of retail stores or departments therein; to buy, sell, trade, manufacture, deal in, and deal with goods, wares, and merchandise of every kind and nature, and to carry on such business as wholesalers, retailers, importers, and exporters; to acquire all such merchandise, supplies, materials, and other articles as shall be necessary or incidental to such business; and to have any and all powers above set forth as fully as natural persons, whether as principals, agents, trustees, or otherwise.

3.01.12. *Concessions.* To operate concessions, to buy, sell and deal in products and other articles customarily dealt in by concessions, and to carry on any trade, acquire, purchase, hold, own, rent, lease, sell, exchange, mortgage, improve, cultivate, develop, and otherwise deal in and dispose of any and all property, real and personal of every description, incidental to or capable of being used in connection with the businesses described in this §3.01, or any of them.

3.01.13. *Import-export.* To export from and import into Guam, and from and into any and all foreign countries, as principal or agent, merchandise of every kind and nature, and to purchase, sell, and deal in and with merchandise of every kind or nature for exportation from, and importation into, Guam, to and from all countries foreign thereto, and for exportation from, and importation into, any foreign country, to and from any other country foreign thereto, and to purchase and sell domestic merchandise in domestic markets and foreign merchandise in foreign markets, and to do a general foreign and domestic exporting and importing business.

3.01.14. *All things necessary.* To these ends, this corporation is formed to do any and all of the things hereinafter set forth as fully and to the

same extent as natural persons might or could do in any part of the world, either as principal or agent, either alone or in association with other corporations, firms or individuals, or by organization of subsidiary corporations, and to do all and everything necessary, suitable, and proper for the accomplishment of any of its purposes or pertaining thereto.

§3.02. *Additional purposes.* This corporation shall have as additional purposes:

3.02.01. *Borrowing and lending money.*
To borrow and lend money and negotiate loans; to draw, accept, endorse, buy and sell promissory notes, bonds, stocks, debentures, coupons, and other securities; to issue on commission, subscribe for, take, acquire, hold, sell, exchange, and deal in shares, stocks, bonds, obligations and securities of any government, authority or company; to form, promote, subsidize and assist companies, syndicates or partnerships of all kinds, and to finance and refinance the same.

3.02.02. *Buying and selling property.*
To purchase, subscribe for, repossess, foreclose upon or otherwise acquire and own, hold, use, sell, assign, transfer, mortgage, pledge, exchange, or otherwise dispose of real and personal property of every kind and description, including shares of stock, bonds, debentures, notes, evidences of indebtedness, and other securities, contracts, or obligations of any corporation or corporations, association or associations, domestic or foreign, and to pay therefor in whole or in part, in cash or by exchanging therefor stocks, bonds, or other evidences of indebtedness or securities of this or any other corporation, and while the owner or holder of any such real or personal property, stocks, bonds, debentures, notes, evidences of indebtedness or other securities, contracts or obligations, to receive, collect and dispose of interest, possess and exercise in respect thereof, all the rights, powers, and privileges of ownership, including all voting powers on any stock so owned. To aid either by loans or by guaranty of securities or in any other manner, any corporation, domestic or foreign, any shares of stock, or any bonds, debentures, evidences of indebtedness or other securities whereof are held by this corporation or in which it shall have any interest, and to do any acts designed to protect, preserve, improve, or enhance the value of any property at any time held or controlled by this corporation or in which it at that time may be interested. To enter into, make, perform and carry out contracts of any kind for any lawful purpose with any persons, firms, associations or corporations. To purchase, acquire, lease, own, and enjoy any and all such other property, real and personal, as may

be reasonably necessary for the carrying on of the business of the corporation.

3.02.03. *Buying and selling securities.* To purchase, hold, pledge, transfer, sell, or otherwise dispose of or deal in, the shares of the capital stock, bonds, debentures, notes or other securities or evidences of indebtedness of any corporation, to receive, collect and dispose of dividends, interest or other income on any such securities held by it, and do any and all acts and things tending to increase the value of said corporation; to issue bonds and secure the same by pledge or deed of trust of or upon any part of such securities or other property held or owned by the corporation and to sell or pledge such bonds for proper corporate purposes and in the promotion of its corporate business; to purchase, receive, hold and dispose of any securities of any person or corporations, whether such securities shall be bonds, mortgages, debentures, notes, shares of capital stock or otherwise, and in respect to any such securities, to exercise any and all rights and privileges of ownership thereof, and generally to act as investment brokers, agents or principals.

3.02.04. *Promoting.* To carry on and undertake any business undertaking, transaction or operation commonly carried on or undertaken by capitalists, promoters, financiers, concessionaires, contractors, brokers, and commission merchants and any other incidental business which may seem to the corporation convenient to carry on in connection with the above, or calculated directly or indirectly to enhance the value of or render profitable any of the corporation's property or rights.

3.02.05. *Improving land.* To purchase, improve, develop, lease, exchange, sell, dispose of, and otherwise deal in and turn to account, real estate; to purchase, lease, build, construct, erect, occupy, and manage buildings of every kind and character whatsoever, to finance the purchase, improvement, development and construction of land and buildings belonging to or to be acquired by this corporation, or any other person, firm or corporation.

3.02.06. *Doing all things necessary or proper.* To do everything necessary, proper, advisable, or convenient for the accomplishment of any of the purposes, or the attainment of any of the objects, or the furtherance of any of the powers herein set forth, either alone or in association with others, and incidental or pertaining to, or growing out of, or connected with, its business or powers; *provided*, the same be not inconsis-

tent with the laws of Guam.

§3.03. *Powers.* In furtherance of the foregoing purposes, the corporation shall also have the following powers, that is to say:

3.03.01. *Lend money.* To lend and advance money or to give credit, with or without security, to such persons, firms, or corporations and on such terms as may be thought fit; and if with security, then upon mortgages, deeds of trust, pledges, or other hypothecations or liens upon real, personal or mixed property, or any right or interest therein or thereto.

3.03.02. *Corporate succession.* To have succession by its corporate name.

3.03.03. *Suits.* To sue and be sued in any court.

3.03.04. *Seal.* To adopt and use a corporate seal, and alter the same at its pleasure.

3.03.05. *Agents.* To appoint any such subordinate officers and agents as the business of the corporation shall require.

3.03.06. *Bylaws.* To make and adopt and from time to time amend or repeal bylaws not inconsistent with any existing law for the management of its operations and properties, the election and removal of its officers, the regulation of its affairs and the transfer of its stock and for all other purposes permitted by law.

3.03.07. *Real and personal property.* To buy, take leases of, foreclose or repossess or otherwise acquire, hold, own, use, improve, develop, cultivate, grant, bargain, sell, convey, lease, exchange, mortgage, transfer or otherwise dispose of, and in every manner deal in and with real or personal property and any and all interest and rights and privileges therein, as the purposes of the corporation may require.

3.03.08. *Other businesses.* To purchase the business, goodwill and all other property of any individual, firm or corporation, as a going concern, and to assume all its debts, contracts and obligations; *provided*, said business is incidental to the business of the corporation and is authorized by the powers herein contained.

3.03.09. *Borrow money.* To borrow money or otherwise incur indebtedness (which may be in excess of

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its capital stock), with or without security and to secure any indebtedness by deed of trust, mortgage, pledge, hypothecation or other lien upon all or any part of the real or personal property of the corporation and to execute bonds, promissory notes, bills of exchange, debentures, and other obligations or evidences of indebtedness of all kinds, whether secured or unsecured.

3.03.10. *Purchase securities.* To purchase, take, receive, subscribe for, or otherwise acquire, own, hold, vote, use, employ, sell, mortgage, lend, pledge, or otherwise dispose of, and otherwise use and deal in and with shares or other interests in, or obligations of, other domestic or foreign corporations, associations, partnerships, or individuals, or direct or indirect obligations of the United States or of any government, state, territory, possession, governmental district or municipality or any instrumentality thereof, and while the owner or holder of the same to possess and exercise in respect thereof any and all the rights, powers and privileges of individual holders or owners, including the right to vote thereon.

3.03.11. *Purchase own shares.* To purchase, take, receive, or otherwise acquire, hold, own, pledge, transfer, or otherwise dispose of its own shares of capital stock; *provided*, that it shall not purchase its own shares of capital stock when to do so would cause any impairment of its capital; and *provided*, further, that shares of its own capital stock belonging to it shall not be voted upon, directly or indirectly.

3.03.12. *Issue notes.* To draw, make, accept, endorse, assign, discount, execute and issue all such bills of exchange, bills of lading, promissory notes, stock and other warrants, and other instruments to be assignable, negotiable or transferrable by delivery or to order, or otherwise, as the business of the corporation shall require.

3.03.13. *Promotion of businesses.* To promote or to aid in any manner financially or otherwise any corporation or association and for this purpose to enter into plans of reorganization or readjustment and to guarantee the whole or any part of the indebtedness and obligations of any such other corporation or association and the payment of dividends on its stock, and to do any other act or thing designed to protect, preserve, improve, or enhance the value of such stock or obligations.

3.03.14. *Promotion of charities.* To promote, assist, subscribe, or contribute to any association, organization, society, company, institution or

object, charitable or otherwise, calculated to benefit the corporation or any person in its employ or having dealings with the corporation, or deemed to be for the common or public welfare, including the erection, operation and maintenance or the aiding and assisting of hospitals, surgeries, clinics and laboratories.

3.03.15. *Mergers.* To become a party to effect a merger or consolidation with another corporation or other corporations, and to enter into agreements and relationships not in contravention of law with any person, firm or corporation.

3.03.16. *Surety.* To become surety for or guarantee any dividends, bonds, stocks, contracts, debts, or other obligations or undertakings of any other person, firm, or corporation, and to convey, transfer or assign by way of pledge or mortgage all or any of the corporation's property or rights, both present and future, to secure the debts or obligations, present or future, of such person, firm, or corporation and on such terms and conditions as the corporation may determine.

3.03.17. *Tax benefits.* To apply for and receive tax benefits, rebates, abatements, credits and moratoriums as authorized by the laws of Guam or other jurisdictions in which the corporation is engaged in business.

3.03.18. *Agency.* To do all or any of the above things in any part of the world, directly or indirectly, and as principal, agent, factor, contractor, or otherwise, and by or through trustees, agents, or otherwise, and either alone or in conjunction with others.

§3.04. *Construction of purposes and powers.* The purposes specified herein shall be construed both as purposes and powers and shall be in nowise limited or restricted by reference to, or inference from, the terms of any other clause in this or any other article, but the purposes and powers specified in each of the clauses herein shall be regarded as independent purposes and powers, and the enumeration of specific purposes and powers shall not be construed to limit or restrict in any manner the meaning of general terms or of the general powers of the corporation; nor shall the expression of one thing be deemed to exclude another, although it be of like nature not expressed.

ARTICLE FOUR

CAPITAL STOCK

§4.01. *Capital.* The capital stock of the cor-

poration shall be One Hundred Million Dollars (\$100,000,000) divided into one hundred thousand (100,000) shares of the par value of One Thousand Dollars (\$1,000) each, all with equal rights, powers, and privileges. (Amended as of January 10, 1989)

§4.02. *Assessments.* No assessments or calls shall be made upon fully paid shares of any class.

§4.03. *Consideration for shares.* The board of directors is authorized to determine the consideration and the terms and conditions on which shares may be issued, and what portion, if any, is to be paid-in surplus, *subject* to the applicable provisions of these articles and the provisions of law.

§4.04. *Additional classes.* The corporation shall have power from time to time to create an additional class or additional classes of stock, with such preference, voting powers, restrictions and qualifications thereon as shall be fixed in the resolution authorizing the issuance thereof in accordance with law. The board of directors is authorized to determine the terms and conditions upon which, and the persons to whom authorized unissued shares may be sold.

ARTICLE FIVE

OFFICERS AND DIRECTORS

§5.01. *Officers.* The officers of the corporation shall be a president, one (1) or more vice presidents, a secretary or secretaries, and a treasurer. The corporation may have such additional officers as may be determined in accordance with the bylaws from time to time. The officers shall have the powers, perform the duties and be appointed as may be determined in accordance with the bylaws. If provided by the bylaws, any person may hold two (2) or more offices of the corporation *except* the offices of the president and secretary.

§5.02. *Board of directors.* The board of directors shall consist of such number of persons, not less than three (3) nor more than seven (7), as shall be determined in accordance with the bylaws from time to time.

§5.03. *Qualification and election.* The officers of the corporation, *except* the president, need not be stockholders of the corporation, but the directors and the president must be. The directors shall be elected or appointed in the manner provided by the bylaws.

§5.04. *Vacancies.* Any vacancy among the officers or board of directors shall be filled by the board of

directors for the unexpired term thereof.

§5.05. *First directors.* The persons who are the first directors of the corporation, their residences and addresses are as follows:

<i>Name:</i>	<i>Residence:</i>	<i>Addresses:</i>
Yasuke Miyama,	Shinmachi 4-11-5, Hoya-shi, Tokyo, Japan.	2-1-19, Arai, Nakano-ku, Tokyo 165, Japan.
Takanori Nagamine,	Beruzo Jiyugaoka, 20-C, Nakane 1-23-12, Meguro-ku, Tokyo, Japan,	2-1-19, Arai, Nakano-ku, Tokyo 165, Japan.
Tadashi Taniguchi,	Toyogami 15-5, Kashiwa-shi, Chiba-ken, Japan.	2-1-19, Arai, Nakano-ku, Tokyo 165, Japan.

§5.06. *Powers of directors.* All the powers and authority of the corporation shall be vested in and may be exercised by the board of directors, except as otherwise provided by law, or in these articles of incorporation, and, in furtherance and not in limitation of said general powers, the board of directors shall have the power to: (i) Acquire and dispose of property; (ii) appoint a general manager, branch managers, and such other managers, officers or agents of the corporation as in its judgment this business may require, and to confer upon and to delegate to them, by power of attorney or otherwise, such power and authority as it shall determine; (iii) fix the salaries or compensation of any or all of its officers, agents and employees, and in its discretion, require security of any of them for the faithful performance of any of their duties; (iv) declare dividends in accordance with law when it shall deem it expedient; (v) make rules and regulations not inconsistent with law or these articles of incorporation or the bylaws for the transaction of business; (vi) instruct the officers or agents of the corporation with respect to, and to authorize the voting of stock (vii) incur such indebtedness as may be deemed necessary, which indebtedness may exceed the amount of the corporation's capital stock; (viii) create such committees (including, but not limited to, an executive committee or committees) and designate and confer upon such committees such powers and authority as may by resolution be set forth for the purpose of carrying on or exercising any of the powers of the corporation; (ix) create and set aside reserve funds for any purpose; (x) invest any funds of the corporation in such securities or other property as to it may seem proper; (xi) remove or

suspend any officer; and (xii) generally, do any and every lawful act necessary or proper to carry out and into effect the powers, purposes and objects of this corporation.

§5.07. *Conflicts of interest.* A director of the corporation shall not, in the absence of fraud, be disqualified by his office from dealing or contracting with the corporation either as a vendor, purchaser or otherwise, nor, in the absence of fraud, shall any transaction or contract of the corporation be void or voidable or affected by reason of the fact that any director, or any firm of which any director is a member, or any corporation of which any director is an officer, director or stockholder, is in any way interested in such transaction or contract; *provided*, that at the meeting of the board of directors or of a committee thereof having authority in the premises, authorizing or confirming said contract or transaction, the existence of an interest of such director, firm or corporation is disclosed or is known and there shall be present a quorum of the board of directors or of the directors constituting such committee, and such contract or transaction shall be approved by a majority of such quorum, which majority may include the director so interested or connected. A general notice spread upon the minutes of a meeting of the board or of any committee thereof that a director is a director, member, officer or stockholder of any firm or corporation, and is to be regarded as interested in any subsequent transaction with such firm or corporation, shall be a sufficient disclosure under the foregoing provision, and after such general notice it shall not be necessary to give any special notice relating to any particular transaction with such firm or corporation. Nor shall any director, nor any firm of which any director is an officer, director or stockholder, be liable to account to the corporation for any profit realized from or through any transaction or contract of the corporation authorized, confirmed or approved as aforesaid by reason of the fact that such director or any firm of which he is a member or any corporation of which he is a stockholder, director or officer, was interested in such transaction or contract. Directors so interested may be counted when present at meetings of the board of directors or of such committee for the purpose of determining the existence of a quorum. Any contract, transaction or act of the corporation or of the board of directors or of any committee thereof (whether or not authorized, confirmed or approved as hereinbefore provided) which shall be ratified by a majority in interest of the capital stock entitled to vote, at any annual meeting, or any special meeting called for such purpose, shall be as valid and as binding as though ratified by every stockholder of the corporation. Any director of the cor-

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poration may be counted in determining the existence of a quorum at a meeting to consider any contract or transaction between the corporation and any subsidiary, parent or other affiliated corporation of which he is also a director or officer and may vote upon any such contract or transaction, which shall not be invalid or otherwise affected by reason of his presence or his vote.

ARTICLE SIX

SUCCESSION

§6.01. *Fifty year term.* The corporation shall have succession by its corporate name for the term of fifty (50) years, and as thereafter extended in the manner provided by law, and shall have all the powers herein enumerated or implied herefrom and the powers now provided (or which may be hereafter provided) by law for incorporated companies.

ARTICLE SEVEN

SERVICE OF PROCESS

§7.01. *Legal service.* Service of legal process may be made upon the corporation in the manner provided by law.

ARTICLE EIGHT

LIMITATION OF LIABILITY

§8.01. *Stockholders' liability.* No stockholder shall be liable for the debts of the corporation beyond the amount which may be due or unpaid upon any share or shares of stock of the corporation owned or subscribed by him.

ARTICLE NINE

INCORPORATORS

§9.01. *Names, residences and subscriptions.* The names and residences of the incorporators, who are the persons subscribing to the capital stock of this corporation, the amount of stock subscribed, the amount subscribed by each, and the sum paid by each on his subscription, are as follows:

<i>Name and residence:</i>	<i>Amount subscribed:</i>	<i>Amount paid:</i>
Yusuke Miyama, Tokyo, Japan.	1 share.	\$1,000.

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or

Takanori Nagamine, Tokyo, Japan,	1 share,	\$1,000.
Tadashi Taniguchi, Tokyo, Japan,	1 share,	\$1,000.
Miyama Co., Ltd., Tokyo, Japan,	997 shares,	\$247,000.

for a total of one thousand (1,000) shares subscribed and Two Hundred Fifty Thousand Dollars (\$250,000) in cash, or property of equivalent value, paid in.

EXECUTION

IN WITNESS WHEREOF, the directors hereinbefore named have hereunto set their hands this 6th day of ~~December, 1987.~~

January, 1988

or
Y.M
T.T
T.T

Yusuke Miyama
YUSUKE MIYAMA.

Takanori Nagamine
TAKANORI NAGAMINE.

Tadashi Taniguchi
TADASHI TANIGUCHI.

JAPAN,)
City of Tokyo, (ss.:
Embassy of the United States of America.)

I, _____, Vice Consul of the United States of America, in and for Tokyo, Japan, duly commissioned and qualified, do hereby certify that on this ____ day of December, 1987, before me personally appeared YUSUKE MIYAMA, TAKANORI NAGAMINE and TADASHI TANIGUCHI, to me personally known, and known to me to be the individuals described in, whose names are subscribed to the annexed articles of incorporation, and duly acknowledged to me that they executed the same; and that the same was executed freely and voluntarily for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

Vice Consul of the United States of America, duly commissioned and qualified.

Y.M
T.T
T.T

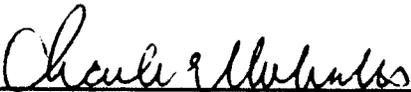
ACKNOWLEDGEMENT CERTIFICATE

JAPAN)
)
CITY OF TOKYO) SS:
)
EMBASSY OF)
THE UNITED STATES OF AMERICA)

I certify that on this day the individual named below
appeared before me and acknowledged to me that the
attached instrument was executed freely and voluntarily.

* * * Yusuke MIYAMA, Takanori NAGAMINE and
Tadashi TANIGUCHI * * *

Name of Individual



Signature of Consular Officer

Charles E. Robertson, III

=Vice Consul of the United States of America

January 6, 1988

Date

This document consists of 14 pages,
each initialled by the affiant/grantor.

TKY/GCS/11/85

SWORN STATEMENT OF THE TREASURER
OF
MIYAMA GUAM INC.

JAPAN,)
City of Tokyo, (ss.:
Embassy of the United States of America.)

Preamble

KNOW YE, that I, the undersigned, duly elected, qualified and acting treasurer of MIYAMA GUAM INC. (the "Corporation"), being first duly sworn, do hereby CERTIFY as follows:

§1. *Incorporators and capital.* I was duly elected as acting treasurer of the Corporation at a meeting of the subscribers to the Corporation held on the 28 day of December, 1987, at the law offices of Gayle & Teker, in Agana, Guam; the total number of authorized shares of the capital stock of the Corporation is Five Million Dollars (\$5,000,000) divided into five thousand (5,000) shares of common stock of the par value of One Thousand Dollars (\$1,000) each; twenty percentum (20%) of the capital stock of the Corporation has been subscribed and twenty-five percentum (25%) of said subscription has been paid to me for the benefit and to the credit of the Corporation in the following manner, to wit:

<i>Name:</i>	<i>Amount subscribed:</i>	<i>Amount paid:</i>
Yusuke Miyama,	1 share,	\$1,000.
Takanori Nagamine,	1 share,	\$1,000.
Tadashi Taniguchi,	1 share,	\$1,000.
Miyama Co., Ltd.,	997 shares,	\$247,000.

for a total of one thousand (1,000) shares subscribed and Two Hundred Fifty Thousand Dollars (\$250,000) in lawful money of the United States, or property of equivalent value, paid in.

§2. *Secretary.* At said meeting, Andrew M. Gayle, a citizen of the United States and resident of Guam, was duly elected secretary of the Corporation.

Execution

IN WITNESS WHEREOF, I have hereunto set my hand
this 6th day of ~~December, 1987.~~

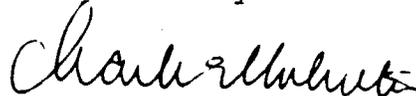
January, 1988


Takanori Nagamine
 TAKANORI NAGAMINE.

JAPAN)
CITY OF TOKYO) SS:
EMBASSY OF THE UNITED STATES OF AMERICA)

Subscribed and sworn to before me
this sixth day of
 January A.D. 1988

by TAKANORI NAGAMINE only.



Charles E. Robertson, III
Consul of the United States of America
duly commissioned and qualified

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REGULATORY DIVISION
Dept of Revenue & Taxation
Government of Guam

BYLAWS
OF
MIYAMA GUAM INC.

Gayle & Teker,
Agana Bay Building,
220 East Marine Drive,
Agana, Guam 96910.

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BYLAWS

OF

MIYAMA GUAM INC.

ARTICLE ONE

OFFICES

§1.01. *Principal office.* The principal office for the transaction of business of this corporation is located at the *Agana Bay* Building, on Marine Drive, in East Agana, Guam. The board of directors has full power and authority to change the principal office from one location to another in Guam by noting the changed address and the effective date below:

_____ Dated: _____, 19__.

_____ Dated: _____, 19__.

_____ Dated: _____, 19__.

§1.02. *Other offices.* Branch or subordinate offices may at any time be established by the board of directors at any place of places where the corporation is qualified to do business.

ARTICLE TWO

SHAREHOLDERS' MEETINGS

§2.01. *Place of meetings.* All meetings of the shareholders shall be held at the office of the corporation in Guam as may be designed for that purpose from time to time by the board of directors.

§2.02. *Annual meetings.* The annual meeting of shareholders shall be held upon a date to be selected by the president of the corporation and established by written notice given to all stockholders at least ten (10) days but no more than fifty (50) days prior to the date of the meeting. At each such meeting the directors for the ensuing year shall be elected, reports of the affairs of the corporation shall be considered, and any other business may be transacted which is within the powers of the shareholders.

§2.03. *Special meetings.* Special meetings of the shareholders for any purpose or purposes whatsoever, except for the election of directors, may be called at any