



Fees Paid.	\$150
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IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. 199



IN THE MATTER OF SPAININVEST LIMITED

AND

IN THE MATTER OF THE COMPANIES LAW (2003 REVISION)

PETITION

To the Grand Court of the Cayman Islands

The Humble Petition of Spaininvest Limited showeth as follows:-

1. Your Petitioner, Spaininvest Limited the above named company (the "Company") was incorporated on 3<sup>rd</sup> September, 1990 under the Companies Law as an exempted company limited by shares under the name of Spaininvest Limited.
2. The registered office of the Company is situated at the offices of Julius Baer Trust Company (Cayman) Ltd, Windward III Safehaven Corporate Centre, P.O. Box 1100 G.T., Grand Cayman, Cayman Islands.
3. The objects for which the Company was formed are unrestricted and are without limitation. The Company has the full power and authority to do and carryout any and all acts exercisable by any natural person or body corporate or any other legal entity in any part of the world in any capacity whatsoever.
4. At formation, the original capital of the Company was US\$100,000,000 divided into 50,000,000 Class "A" Ordinary Shares of US\$1.00 each and 50,000,000 Class "B" Ordinary Shares of US\$1.00 each.

5. Since its incorporation, the Company has conducted its business as an investment company.
6. Of the 100,000,000 shares that comprise the authorized capital 50,000,000 Class "A" Ordinary Shares and 50,000,000 Class "B" Ordinary Shares have been issued and are paid up to the extent of US\$1.00 per share.
7. As a result of losses from various real estate investments the Company has sustained accumulated losses of US\$97,371,521.55 which is lost or unrepresented by available assets. Accordingly, by special resolutions of the Company duly passed in accordance with section 14 of the Companies Law (2003 Revision) at an extraordinary general meeting thereof held on 28<sup>th</sup> November 2003 it was resolved:-

1. THAT the capital of the Company which is currently US\$100,000,000.00 divided into 50,000,000 Class "A" Ordinary Shares of US\$1.000 and 50,000,000 Class "B" Ordinary Shares of US\$1.00 which have been issued and are fully paid up be reduced to US\$3,000,000.00 divided into 50,000,000 ordinary shares of US\$0.03 and 50,000,000 Class "B" Ordinary Shares of US\$0.03 each.
2. THAT, forthwith upon the reduction of the Company's capital specified in the resolution above taking effect, clause 6 of the Company's Memorandum and Articles of Association be altered to read as follows:

"The share capital of the Company is US\$3,000,000.00 divided into 50,000,000 Class "A" Ordinary Shares of a nominal or par value of US\$0.03 each and 50,000,000 Class "B" Ordinary Shares of US\$0.03 each".

Provided always that the Company shall have power to increase or reduce such capital, and to issue any part of its capital, original or increased with or without any preference, priority or special privilege, or subject to any postponement or rights, or to any conditions or restrictions; and so that, unless the conditions of issue shall otherwise expressly declare, every issue of shares, whether declared to be preference or otherwise, shall be subject to the power hereinbefore contained."

8. The form of minute proposed to be registered is as follows:-

"The capital of SPAININVEST Limited was by virtue of a special resolution of the said company and with the sanction of an order of the Grand Court of the Cayman Islands dated            day of            2004 reduced from US\$100,000,000.00 divided into 50,000,000 Class A Ordinary shares of US\$1.00 and 50,000,000 Class "B" Ordinary Shares of US\$1.00 each to US\$3,000,000.00 divided into 50,000,000 Class "A" Ordinary Shares of US\$0.03 each and 50,000,000 Class "B" Ordinary Shares of US\$0.03 each. At the date of the registration of this minute and such order (and prior to such registration), 100,000,000 of the said shares have been issued and are fully paid up to the extent of US\$1.00 per share.

The capital of the Company is accordingly, on the registration of this minute and such order, US\$3,000,000.00 divided into 50,000,000 Class "A" Ordinary Shares of US\$0.03 each and 50,000,000 Class "B" Ordinary Shares of US\$0.03 each".

9. Your Petitioner, the Company, therefore humbly prays as follows:-

1. that the reduction of the Company's capital proposed to be effected by the resolutions set forth in paragraph 7 of this Petition may be confirmed and that the minute set forth in paragraph 8 of this Petition may be approved by the Court.
2. that, to this end, all necessary inquiries and directions may be and given;
3. that such other order may be made in the premises as to the Court shall seem just.

AND your Petitioner will ever pray, etc.

NOTE: It is not intended to serve this Petition on any person.

Dated this <sup>th</sup> 20 day of April 2004

Nelson & Co

Nelson & Co.

Attorneys-at-Law for the Petitioner herein

Take notice that this Petition will be heard by a Judge of the Grand Court sitting in the Court House, George Town, Grand Cayman on the \_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock in the \_\_\_\_\_ noon.

This Petition is filed by Nelson & Co., Attorneys-at-Law for the Petitioner herein whose address for service is 4<sup>th</sup> Floor West Wind Building, P.O. Box 2075, George Town, Grand Cayman, Cayman Islands