

(AMENDED AND RE-STATED)

ARTICLES OF ASSOCIATION
OF
MALE' WATER & SEWERAGE COMPANY PRIVATE LIMITED

Adopted on 29th March 2010

Male'
Republic of Maldives



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18/04/2010

(AMENDED AND RE-STATED)

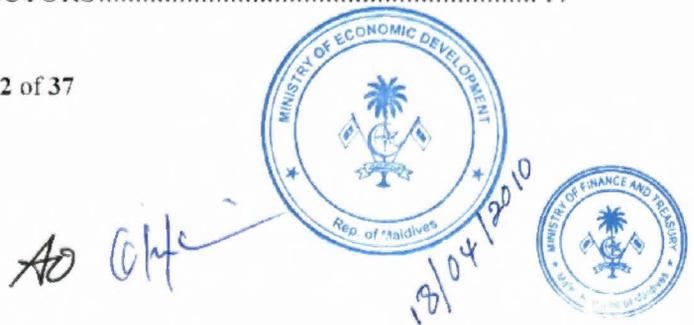
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AMENDED AND RE-STATED ARTICLES OF ASSOCIATION

1. The Company was first incorporated on 01st April 1995.
2. This Amended and Re-stated Articles of Association have been adopted by the present shareholders of the Company at an Extraordinary General Meeting of the Company held on 29th March 2010.

INTERPRETATIONS

3. In these Articles, unless the context shall otherwise require, the following words and expressions shall have the following meanings:-

“Act”	means the Companies Act of the Republic of Maldives (Law No. 10/96) including any legislative amendments or re-enactment thereof from time to time;
“Articles” or “Articles of Association”	means the Amended and Re-stated Articles of Association of the Company as amended from time to time;
“Board” or “Board of Directors”	means the Board of Directors of the Company;
“Auditor”	means the auditor of the Company from time to time.
“Certificate”	means the share certificate issued pursuant to these Articles;
“Company”	means the company incorporated under the Act in respect of which these Articles have been registered, namely Male’ Water & Sewerage Company Pvt. Ltd.
“Company Secretary”	means the company secretary of the Company or any other person appointed to perform the duties of the company secretary of the Company, including acting, assistant or deputy company secretary, duly appointed pursuant to these Articles;
“Director”	means a Director of the Company duly appointed pursuant to these Articles;
“GoM” or “Government”	means the Government of the Republic of Maldives;



This revised Articles was endorsed

on: 18/04/2010

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“Holder” in relation to shares	means the member whose name is entered in the Register of Members as the holder of the shares;
“HPT”	means Hitachi Plant Technologies, Ltd., Japan;
“Member” or “Shareholder”	means any person natural or legal who has become a shareholder of the Company and is duly entered in the Register of Members of the Company;
“Memorandum” or “Memorandum of Association”	means the Amended and Re-stated Memorandum of Association of the Company as amended from time to time;
“Office”	means the registered office of the Company;
“Resolution of Directors”	means a resolution approved at a duly convened and constituted meeting of the Board of Directors of the Company by the affirmative vote of the Directors present at the meeting and entitled to vote required for the matters resolved at the particular meeting of the Board of Directors; or a resolution consented to in writing by all Directors as provided in these Articles;
“Seal”	means the seal which has been duly adopted by the Board of Directors as the common seal of the Company;
“Share”	means a share in the capital of the Company designated as such and having such other rights and subject to the restrictions specified in the Articles with respect to such Shares;
“Special Resolution”	means a resolution adopted at a duly convened and constituted meeting of the Shareholders of the Company by the affirmative vote of such special majority, as required by the Act, of the Shareholders entitles to vote thereon.

4. The following rules of construction and interpretation shall apply in these Articles:-

- a) Unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Act but excluding any legislative modification thereof not in force when these Articles became binding on the Company.



- b) Except where the context otherwise requires, words denoting the singular only shall include the plural and vice versa, words denoting a gender include every gender and references to persons include bodies corporate and incorporated.
- c) The word “may” shall be construed as being permissive and the word “shall” be construed as imperative.
- d) The headings in these Articles and the table of contents are inserted for convenience only and shall be ignored in construing the language or meaning of the Articles.

GENERAL

- 5. Business of the Company shall be carried on and the Company shall be managed in accordance with laws and regulations of the Republic of Maldives and in accordance with the provisions of these Articles and Memorandum of Associations.
- 6. The Company is a private limited company and shall not sell shares to the public and;
 - a) the shares of the Company shall not be transferred otherwise than in accordance with the provisions of these Articles;
 - b) the number of shareholders of the Company is limited to fifty, provided that where two or more Shareholders hold one or more shares in the Company jointly, they shall for the purpose of these Articles be treated as a single member.
- 7. Except as required by law, no person shall be recognized by the Company as holding any share upon any trust and (except as otherwise provided by the Articles or by law) the Company shall not be bound by or recognize any interest in any share except an absolute right to the entirety thereof in the Holder.
- 8. The Company may at any time by a special resolution convert itself into a public company within the meaning and subject to the provisions of the Act.



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SHARE CAPITAL

9. The authorized share capital of the Company at the date of the adoption of these Articles shall be Rf. 320,000,000 (Maldivian Rufiyaa Three Hundred and Twenty Million) divided in to 320,000 (Three Hundred and Twenty Thousand) shares of Rf. 1,000 (Maldivian Rufiyaa One Thousand) each, with a paid up capital of Rf. 267,000,000 (Maldivian Rufiyaa Two Hundred and Sixty Seven Million).
10. The shares in the capital of the Company shall be issued for cash or other consideration.
11. Save as herein otherwise provided, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof, and accordingly shall not, except as ordered by a court of competent jurisdiction, or as by statute required, be bound to recognize any equitable or other claims to or interest in such share on the part of any other person.

REGISTER OF SHAREHOLDERS AND DIRECTORS

12. The Company Secretary shall maintain a register of the Shareholders of the Company and a register of its Directors:-
- a) the register of Shareholders must contain the names and addresses of the Shareholders, a statement of the Shares held by each Shareholder (including the numbers of Shares, the serial numbers of the Shares and the amount paid-up for such Shares), the date at which each person was entered in the register as a Shareholder, and the date at which any Shareholder ceased to be a Shareholder; and
- b) the register of Directors must contain the name, address, nationality, date of birth and business occupation together with any particulars of any other present or past Directorships held by the Director.

SHARE CERTIFICATE

13. Every member, upon becoming the Holder of any share, shall be entitled without payment to one certificate for all the shares held by him (and upon transferring a part of



his holding of shares, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the Directors may determine. Every certificate shall be sealed with the seal of the Company and shall specify the number and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon. The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint Holder shall be a sufficient delivery to all of them.

14. If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the Company in investigating evidence as the Directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery of the old certificate.

TRANSFER OF SHARES

15. Subject to any limitations in the Articles of Association, registered Shares in the Company may be transferred subject to the following rules:-
16. The right to transfer the share of the Company shall be and is restricted in the manner and to the extent as may be decided by the Board of Directors from time to time.
17. No shares of the Company can be transferred without a written approval of the Board of Directors. A transfer of shares includes transfer by sale and/or transmission in liquidation, bankruptcy and similar winding up procedures, voluntarily or involuntarily, subject to provisions of these Articles.
18. The instrument of transfer of a share may be in a form acceptable to the Board of Directors and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.
19. No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share.



20. Subject to any limitations in these Articles, the Company must on the application of the transferor or transferee of a validly completed share transfer enter in the Share register the name of the transferee of the Share.
21. The Company shall be entitled to retain any instrument of transfer which is registered.

ALTERATION OF SHARE CAPITAL

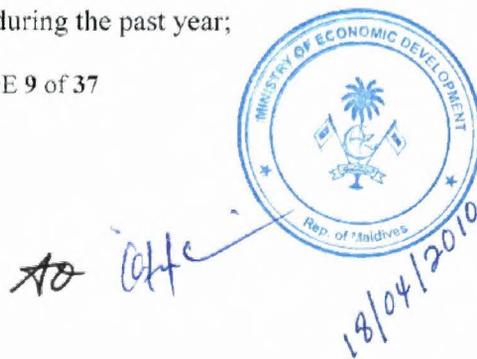
22. The Company may from time to time increase its capital by unanimous decision of the Board of Directors by the creation of new shares. Such increase to be of such amount, and to be divided into shares of such respective amounts, and with or without a right or preference whether in respect of dividend or payment of capital or both, or with such deferred rights to the original or other shares of the Company as the Company may, by the resolution requiring unanimous decision of the Board of Directors sanctioning the increase determine.

MANAGEMENT

23. The business of the Company shall include the several objects specified in the Memorandum of Associations and shall be carried on by or under the management or direction of the Board of Directors and subject only to control of General Meetings in accordance with these Articles.

MEETINGS OF SHAREHOLDERS

24. An Annual General Meeting of the Company shall be held at least once in every calendar year, no later than 120 days after the end of each financial year of the Company, at such time and at such place as may be determined by the Board.
25. In every Annual General Meeting the following agenda, inter alia, shall be included:-
- a) Consideration and approval of the report of the Auditors and the audited balance sheet and profit and loss account of the Company for the past year's operations;
 - b) Consideration and approval of the report of the Directors' annual report on the performance of the Company during the past year;



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- c) Appointment and removal of Directors, if and when the applicable law or these Articles require such appointment or removal to be on the agenda.
 - d) Declaration of dividends, if any; and
 - e) Appointment of Auditors and decision on their remuneration for the following year.
26. The Chairperson shall call for an Extraordinary General Meeting within 7 (seven) days of receiving a written request of any Shareholder.
27. The Chairperson of the Company shall also convene (and chair) General Meetings and shall further immediately do so at the written request of any Shareholder. Save for the matters in Article 65, in the case of an equality of votes, the Chairperson shall have a second or casting vote, provided always that the Government holds at least 51% of the Shares at the time.
28. Any proposed resolutions in connection with the matters specified in Article 65 shall be unanimously agreed to by all the Shareholders either in person or by their alternates or proxies.
29. Save for matters in connection with items specified in Article 28, decisions of the Shareholders at a General Meeting in respect of any matter shall be decided by:
- a) the affirmative vote(s) of Shareholder(s) representing the majority shareholding present and voting at any General Meeting; or
 - b) a resolution in writing, signed by a majority of the Shareholders for the time being entitled to vote or their corporate representatives authorized in writing, which resolution shall be valid and effective as if it had been passed at a General Meeting duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more Shareholders. All such resolutions passed shall be circulated to all the Shareholders. It is further



provided that no such resolution shall be valid unless it is circulated to all the Shareholders at their registered addresses.

NOTICE OF GENERAL MEETINGS

30. Notices convening General Meetings shall, unless otherwise unanimously agreed, be sent by telefax or e-mail and confirmed by simultaneously dispatched courier or registered air mail to each Shareholder no later than 4 (four) weeks before the General Meeting. Such notice shall include the agenda and specify place and date of the General Meeting. Any enclosures to the agenda must at least be specified in the telefax or e-mail and be forwarded with the confirmation letter sent by courier or registered air mail.
31. With the consent of all entitled to receive notice of a meeting or to attend and vote at any such meeting, a meeting may be convened by a shorter notice as the members may approve.

PROCEEDINGS AT THE GENERAL MEETING

32. The quorum for a General Meeting shall consist of Shareholders entitled to or representing more than 85% (eighty-five percent) of the Issued Share Capital of the Company, each present personally or by its alternate or by audio or audio-visual conference or represented by proxy, attorney or corporate representative appointed pursuant to the Articles of Association of the Company. For the avoidance of doubt, a Shareholder shall be entitled to be represented at a General Meeting by a proxy who does not necessarily have to be a Shareholder of the Company. The Shareholder or his proxy may be accompanied by one adviser who may speak at the General Meeting on behalf of the Shareholder.
33. If within 30 (thirty) minutes of the time appointed for the meeting, a quorum is not present, the General Meeting shall be adjourned to 1 (one) week later at the same time and place or to a different day, time or place as the Shareholders present may determine, provided that not less than 3 (three) calendar days' written notice shall be given to all Shareholders of the adjournment.



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34. Any Shareholder who is entitled but unable to attend and vote at a general meeting may appoint another person, whether a Shareholder of the Company or not, to attend, speak and vote as his proxy.
35. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the revocation of the proxy, provided no intimation in writing of the death or revocation of proxy shall have been received at the office or by the Chairperson of the meeting before the vote is given.
36. The Chairperson of the Board shall be entitled to take the chair at every General Meeting. If at any General Meeting the Chairperson is not present within half an hour after the time appointed for holding such meeting or is unable to be present due to illness or any other cause or is unwilling to act as Chairperson, the members present may choose any one of them to act as the Chairperson of the meeting.
37. No business shall be discussed at any general meeting except the election of a chairperson, whilst the chair is vacant.
38. Minutes of all resolutions and proceedings of the General Meeting shall be recorded in the books provided for the said purpose. Minutes of the meeting shall be distributed to the members within 2 (two) weeks after the date of the meeting in question.

VOTES OF MEMBERS

39. Subject to any rights or restrictions under the Act or attached to any Share:
- a) voting at all General Meetings shall be by a show of hands or unless a poll is demanded by Members representing not less than 10% of shares of the Company subject (a) of this Article.
 - b) in the case of voting on a show of hands every member shall be entitled to one vote;
 - c) in the case of a poll, every member entitled to vote present in person or by proxy shall have one vote for every share held by him.

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CORPORATIONS ACTING BY REPRESENTATIVES

40. A representative of a corporation which is a member of the Company duly authorized may vote as if he is a member of the Company. The production at the meetings of a copy of such resolution duly signed by two Director of such cooperation and certified by the Company Secretary of that corporation as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the validity of his appointment.

BOARD OF DIRECTORS

41. The Company shall have a Board of Directors comprising a minimum of 7 (seven), and a maximum of 10 (ten) Members.
42. Each Shareholder shall be entitled to appoint up to the number of Directors that is proportionate to its Shareholding Percentage.
43. The Directors as at the adoption of these Articles are:
1. Ms. Neeza Imad, GoM.
 2. Mr. Mohamed Ahmed Didi, GoM.
 3. Ms. Aishath Nasheeda, GoM.
 4. Mr. Mohamed Rasheed, GoM.
 5. Mr. Akihiko Ogawa, HPT
44. The Company may, by Special Resolution from time to time increase or reduce the number of Directors subject to limitations in these Articles. The Board of Directors shall in accordance with the provisions in these Articles periodically review the size and composition of the Board and make recommendations to the general meetings, particularly in the event of any substantial reduction in the proportion of Shares held by the Government.

QUALIFICATIONS OF DIRECTORS

45. All Directors shall possess the following minimum pre-qualifications:-
- a) the Director should possess reasonable understanding and knowledge of water and sewerage services, provision of social infrastructure on commercial basis,



investments and business environment generally and market and other risks faced by the Company;

- b) the Director should possess the highest personal and professional ethics, integrity and values, and be committed to representing the long-term interests of all the shareholders of the Company;
- c) the Director should not be prohibited by law or by a court of law from, or disqualified from holding the position of Director of a company;
- d) the Director should not have been declared bankrupt or have any continuing decreed debt in the Maldives or in any other country;
- e) the Director should not have been convicted of theft, fraud, embezzlement, financial impropriety or breach of trust or any other offence which would potentially negatively impact his or her duties as Director;
- f) the Director should not have been a Director or majority shareholder in a public or private company which has been declared bankrupt or insolvent during a period of three years immediately proceeding the date of nomination or which has an unpaid decreed debt continuing for a period exceeding one year.
- g) the Director should not be directly or indirectly interested in any contract or proposed contract with the Company which the Board of Directors deems to be prejudicial to his holding the position of Director of the Company,
- h) the Director should not be a Government official who heads a Government ministry, department or holds a cabinet position.
- i) the Director should be at least 30 years of age.



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DIRECTORS APPOINTMENT

46. Any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director by the relevant Shareholder having the right to so appointment, replacement or removal of Directors.
47. The Board may appoint one or more of its member to any executive office in the Company and may enter into an agreement or arrangement with any Director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a Director. Any such appointment agreement or arrangement may be made upon such terms as the Directors determine and they may remunerate any such Director for his services as it thinks fit. Any appointment of a Director to an executive office shall terminate if he ceases to be a Director.
48. The Directors may further delegate any of their powers to any committee consisting of one or more Directors and (if thought fit) one or more other persons but a majority of the members of the committee shall be Directors. No resolution of the committee shall be effective unless a majority of those present when it is passed are Directors. They may also delegate to any of their powers to the Managing Director or any other Director (whether holding any other executive office or not) such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the Directors may impose and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee shall be governed by the Articles regulating the proceedings of Directors so far as they are capable of applying.

TERMINATION OF DIRECTORS APPOINTMENT

49. The office of a Director shall be vacated if:-
- a) the Director ceases to be a Director by virtue of any provision of law or he becomes prohibited by law from, or is disqualified from, being a Director of the Company; or



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- b) the Director or a Company in which he holds controlling Shares becomes bankrupt or makes any arrangement or compensation with his creditors generally; or
- c) the Director dies; or
- d) the Director resigns his office by notice to the Company; or
- e) the Director is directly or indirectly interested in any contract or proposed contract with the Company and (i) fails to declare the nature of his interest to the Directors or (ii) having declared his interest, refuses to withdraw from any meeting where such contract or proposal is being discussed;
- f) the Director ceases to possess any of the minimum pre-qualifications required for the position of Director as provided in these Articles.

DIRECTORS INTERESTS

50. Subject to the provisions of these Articles, provided that he has disclosed in writing to the Directors the nature and extent of any material interests of his, a Director notwithstanding his office:-

- a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is interested in;
- b) may be a Director of or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested in;
- c) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit; and



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- d) may act by himself or his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as though he were not a Director of the Company.

CONFLICTS OF INTEREST

51. For the purposes of Article 50:-

- a) a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement with a specified person or class of persons shall be deemed to be sufficient disclosure of his interest in any such transaction or arrangement, and
- b) An interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest.

REMUNERATION AND EXPENSES OF DIRECTORS

52. Fees and remuneration to Directors shall be approved by the Company in General Meeting by majority vote.

53. The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at:

- a) meetings of directors or committees of directors;
- b) general meetings; or
- c) otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

54. For the purposes of Article 52, "remuneration" includes any arrangements in connection with a pension, allowance or gratuity paid, or to be paid, to or in respect of any person who has been a director of the company or any of its subsidiaries.



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GENERAL POWERS OF DIRECTORS

55. The business of the Company shall be managed by the Board of Directors who may exercise all such powers and do all such acts, deeds and things the Company is by its Memorandum of Association and these Articles or otherwise authorized to exercise or by any law directed or required to be exercised by the Company in General Meeting, but subject always to the Memorandum of Association and these Articles and to any directions given by ordinary or special resolutions of Shareholders in accordance with these Articles. No alteration of the Memorandum or Articles and no such direction shall invalidate any prior act of the Directors that would have been valid if that alteration had not been made or that decision had not been given. The powers given by this Article shall not be limited by any special power given to the Directors by these Articles and a meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors.

SPECIFIC POWERS OF DIRECTORS

56. Without prejudice to the general powers conferred by Article 57 and the other powers conferred by these Articles and so as not in any way to limit or restrict any or all those powers, it is hereby expressly declared that the Board shall have the following powers:

- a) To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire at such price and generally on such terms and conditions as the Board think fit;
- b) At the discretion of the Board to pay for any property or rights acquired by or services rendered to the Company either wholly or partly in cash, or in Shares, bonds, debentures or other securities of the Company as may be agreed upon;
- c) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as the Board may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company either separately or conjointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the and to sell, assign, surrender or discontinue any policies of insurance effected in pursuance of this power;



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- d) To open accounts with any bank or bankers or with any company, firm or individual and to pay money into and draw money from any such account from time to time as the Board may think fit;
- e) To secure the fulfillment of any contracts or engagement entered into the Company by mortgage or charge of all or any of the property of the Company or in such other manner as the Board think fit;
- f) To attach to any shares to be issued as the consideration or part of the consideration for any property acquired by the Company, or in payment for service rendered to the Company, such conditions as to the transfer thereof as the Board think fit.
- g) To accept from any Member, on such terms and conditions as shall be agreed, a surrender of his Shares or stock or any part thereof;
- h) To appoint any person or persons, whether incorporated or not, to accept and hold in trust for the Company any property belonging to the Company or in which it is interested, or for any other purposes and to execute and do all such acts and things as may be required in relation to any such trust and to provide for the remuneration of such trustee or trustees;
- i) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due or of any claims or demands by or against the Company;
- j) To refer any claim or demand by or against the Company to arbitration and observe and perform the awards;
- k) To act on behalf of the Company in all matters relating to bankruptcy and insolvency;
- l) To make and give receipts, releases and other discharges for moneys payable to the Company for the claims and demands of the Company;



- m) To determine from time to time who shall be entitled to sign on behalf the Company, the bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents;
- n) To invest and deal with any of the money of the Company not immediately required for the purpose thereof; upon such securities and in such manner as the Board may think fit and from time to time to vary or realize such investments;
- o) To execute in the name and on behalf of the Company in favor of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property, present and future, as the Board think fit, and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed on;
- p) To provide for the welfare of the employees or ex-employees of the Company by grants of money, pensions, allowances, bonuses or other payments or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards hospitals, schools and other welfare institutions as the Board shall think fit;
- q) To subscribe or guarantee money for any national, charitable, benevolent, public, general or useful object or for any exhibition or to any institution, club, society or funds;
- r) To appoint and at the discretion of the Board remove or suspend managers, secretaries, officers, clerks, employees, advisors and consultants for permanent, temporary or special services as the Board may from time to time think fit, and to determine their powers and duties and fix their salaries, emoluments and remuneration and require security in such instances and to such amounts as the Board may think fit; and also without prejudice to the aforesaid, from time to time to provide for the management and transaction of the affairs of the Company in such manner as the Board think fit;



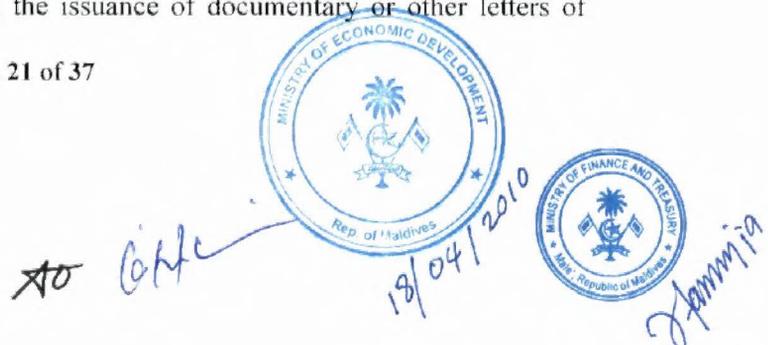
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- s) At any time and from time to time by power of attorney to appoint any person or persons to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretion, not exceeding those vested in or exercisable by the Board under these Articles and for such period and subject to such conditions as the Board may from time to time think fit;
- t) Generally subject to the provisions of the law and these Articles to delegate the powers, authorities and discretion vested in the Board to any person including the officers and employees of the Company;
- u) To enter into all such negotiations and contracts and rescind and vary such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as the Board may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company;
- v) To make rules consistent with the law and these Articles to provide for all or any matters for which provision may be necessary or convenient for the purpose of giving effect to the provisions of these Articles, the business, functions, management and affairs of the Company;

BORROWING POWERS

- 57. The Directors may by resolution of the Board of Directors exercise all the powers of the Company to borrow or raise money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party (including any shareholder), and/or to incur any other liabilities or indebtedness (whether present, future, actual or contingent).
- 58. Without prejudice to the generality of the foregoing and without limitation, the Directors may:-
 - a) exercise such powers to borrow through overdrafts, loans, advances, acceptances, discounting facilities, foreign exchange and/or precious metals dealing facilities (whether on the case of foreign exchange or precious metal, spot, forward, allocated or any combination), the issuance of documentary or other letters of



credit, bonds, guarantees, indemnities or other similar instruments or any other forms of credit without limitation (and whether with or without security) and to sign, Seal, execute, deliver and enter into all agreements required in connection with the above; and

b) sign any document creating a mortgage, charge, encumbrance or other security interest over and/or contractual arrangement relating to any or all of the assets of the Company, and to sign any guarantee of the performance of obligations or contracts of every kind by any third party.

59. The Board shall cause a proper register to be kept of all mortgages, debentures and charges specifically affecting the property of the Company and shall cause the requirements of any Law in that behalf to be duly complied with.

PROCEEDINGS OF THE BOARD

60. The Board shall hold at least 2 (two) meetings within a year.

61. Subject to the provisions of these Articles, the Board of Directors may regulate their proceedings as they think fit.

62. All meetings of the Board shall be presided over by the Chairperson of the Board, but if in any meeting the Chairperson is not present within half an hour of the time appointed for holding the said meeting or unable to chair the meeting for any reason, then the Directors present shall elect one of the Directors to act as the Chairperson of the meeting.

63. The following rules shall apply in respect of meetings of Directors:-

a) The Company Secretary shall convene meetings of the Board of Directors and shall immediately do so at the written request of any member of the Board of Directors.

b) The Directors of the Company may meet at such times and in places as the Directors may determine to be necessary or desirable.



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- c) Meetings of the Board of Directors shall be called by telefax or e-mail and confirmed by simultaneously dispatched courier or registered air mail with 2 (two) weeks' notice, save that shorter notice may be given subject to the agreement of all Directors. Such notice shall include the agenda and specify place and date of the meeting. Any enclosures to the agenda must at least be specified in the telefax or e-mail and be forwarded with the confirmation letter sent by courier or registered air mail.
- d) The quorum for all Board Meetings shall be a majority of the Directors for the time being, each present personally or by his alternate or proxy, or by audio or audio-visual conference provided that the HPT Director appointed under the Articles (or an agreed alternate) is in attendance. For the avoidance of doubt, where there are 7 (seven) Directors, the number of Directors constituting a quorum shall be 4 (four) including the HPT Director specified above. Each Director or his alternate or proxy may be accompanied at the Board Meeting by one adviser, who may speak on behalf of the Director, but does not have the right to vote.
- e) If a quorum is not present within half an hour of the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned, the meeting shall be adjourned to a different day, time or place as the Directors present may determine, provided that not less than 2 (two) calendar days' written notice shall be given to all Directors of the adjournment.
- f) Any Director who is entitled but unable to attend and vote at a Board Meeting may appoint in writing another person, whether a Director of the Company or not, to attend, speak and vote as his alternate or proxy.
- g) Each Director or alternate Director or proxy may be accompanied at meetings of the Board of Directors by one advisor, who may speak on behalf of the Director, but who does not have the right to vote.
- h) All acts done by a meeting of Directors, or of a committee of Directors, or by a person acting as Director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Director or that any of them



were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote except in the circumstances described in (i) below.

- i) A Director may not participate in proceedings where any transaction, arrangement or proposed transaction or arrangement, in which he has an interest (whether or not disclosed in accordance with these Articles), is being discussed and shall immediately withdraw from such meeting upon realization of the potential conflict. If he does not withdraw from any meeting of the Directors at which any such transaction or arrangement or proposed transaction or arrangement is placed before the Directors for consideration, the Chairperson shall immediately adjourn the meeting to a later date or defer the matter to another meeting to be held at a later date.
- j) Where proposals are under consideration concerning the appointment of two or more Directors to offices or employment with the Company or any body corporate in which the Company is interested, the proposals may be divided and considered in relation to each Director separately and each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.
- k) Minutes of the meetings of the Board of Directors shall be distributed to the Shareholders within 2 (two) weeks after the date of the Board Meeting in question.

DECISIONS OF THE BOARD

64. Save for matters set out in Article 65 hereof, decisions of the Board in respect of any matter shall be decided by:-

- a) the affirmative votes of a majority of the Directors present and voting at any Board Meeting; or



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- b) a resolution in writing, approved by a majority of the Board for the time being entitled to receive notice of a Board Meeting, which resolution shall be valid and effective as if it had been passed at a Board Meeting duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more Directors. All such resolutions passed shall be circulated to all Directors.
65. The following matters require the presence of or approval in writing by all the members of the Board of Directors either in person or by their alternates or proxies and no resolution on these matters shall be passed, unless unanimously agreed to by all the members of the Board of Directors.
- (a) Approval and adoption of the Company's annual budget; or
- (b) Extensions or significant reductions in the activities of the Company. For the avoidance of doubt, any investments of more than US\$ 10 million shall be considered as an extension of the activities of the Company, and any reduction in the activities of the Company, which may amount to more than US\$ 10 million, shall be considered as a significant reduction of the activities of the Company; or
- (c) Granting of or creating any fixed or floating charge, debenture, lien, mortgage, encumbrance or other security for the whole or any part of the Business, undertaking, property or assets (tangible or intangible) of the Company, unless created in the ordinary course of business of the Company; or
- (d) Selling, transferring, leasing, exchanging or otherwise disposing of all or substantially all of the Company's assets, undertakings or business, except in the orderly liquidation and winding up of the business of the Company upon its duly authorised dissolution; or
- (e) Recommendation for the Establishment of subsidiaries or mergers or acquisitions with any other company; or



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- (f) Borrowing or issuing of any debt by the Company of an amount of more than US\$ 3 million. However, in case of borrowing or issuing a debt for the following purpose, US\$ 10 million shall be applied instead of US\$ 3 million; or For the purpose of building new water treatment facilities in the following region pursuant to the terms of the 35 year exclusive operating license.
- Addu Atoll,
 - Fuvahmulah,
 - H. Dh.Kulhudhuffushi,
 - Hulhumale’,
 - K. Maafushi and
 - K. Thilafushi
- (g) Recommendation of any form of financial restructuring or filing a petition or consent to a petition seeking reorganisation, arrangement, adjustment or other relief on behalf of the Company of its debts under any applicable law relating to bankruptcy or insolvency; or
- (h) Investing in any other entity of more than US\$ 3 million; or
- (i) Granting of any credits, financing or pre-payments that are not in accordance with ordinary Company policy and/or transactions inconsistent with business principles normal and acceptable in the field of Business of the Company; or
- (j) Recommendation of any amendments to the Memorandum of Association or the Articles of Association of the Company; or
- (k) Appointment and/or removal of the Managing Director; or
- (l) Recommendation of revision of tariffs; or

66. Save for the matters in Article 65, in the case of an equality of votes, the Chairperson shall have a second or casting vote, provided always that the Government holds at least 51% of the Shares at the time.



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OFFICERS OF THE COMPANY

67. The officers of the Company consist of the following:-

- a) Chairperson of the Board of Directors appointed in accordance with Article 71 below;
- b) Directors appointed in accordance with Articles;
- c) Managing Director appointed in accordance with Articles,
- d) Company Secretary appointed in accordance with Articles; and
- e) such other officers as may from time to time be appointed by the Board of Directors.

68. The officers may perform such duties as shall be prescribed at the time of their appointment subject to any modification in such duties as may be prescribed thereafter by the Board of Directors or by the shareholders, but, in the absence of any specific allocation of duties, it shall be the responsibility of:-

- a) the Chairperson of the Board of Directors to preside at meetings of Directors and shareholders;
- b) the Managing Director to manage the day to day affairs of the Company; and
- c) the Company Secretary to maintain the share register, minute books and records (other than financial records) of the Company and to ensure compliance with all procedural requirements imposed on the Company by applicable law.

69. Subject to Article 52, the emoluments of all officers shall be fixed by resolution of Directors.

70. The officers of the Company shall hold office until their successors are duly appointed, but any Officer appointed by the Directors may be removed subject to the terms of their appointment.



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CHAIRPERSON OF THE BOARD OF DIRECTORS

71. The Chairperson of the Board shall be nominated from among the GoM Directors on the Board and shall be appointed at a Board Meeting. The Chairperson shall not hold any other office or position in the Company.

MANAGING DIRECTOR

72. The Board of Directors shall appoint from among the Directors a Managing Director of the Company upon such terms and conditions and on such remuneration as determined by the Board.

73. The day to day affairs of the Company shall be managed by the Managing Director, subject to the directions of the Board, and who shall be the Chief Executive Officer of the Company.

74. The Managing Director shall have the right to vote at Board Meetings like any other Director.

75. Subject to the Articles, the Board may delegate from time to time all or any of their powers and authorities which are conferred on them under the Articles, to the Managing Director, and he shall exercise all such powers and do all such acts, deeds and things in connection with the performance of his duties subject to the terms of his appointment.

COMPANY SECRETARY

76. The Board of Directors shall appoint a Company Secretary for such term, at such remuneration and upon such conditions as the Board may think fit, and any company secretary so appointed may be removed by them.

MINUTES AND RECORD KEEPING

77. The Company Secretary shall cause minutes to be made in books provided for the purpose. Without prejudice to the generality of the foregoing the Company Secretary shall maintain minutes of:-



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- a) all meetings of the Directors; and
 - b) all proceedings at all meetings of the Shareholders of the Company.
78. All such minutes shall be distributed to the Directors within 2 (two) weeks of the meeting in question and shall, after approval, be signed by the Chairperson of the meeting or by the person who shall preside as the Chairperson at the next succeeding meeting.
79. The Company Secretary shall cause the following corporate records to be kept:-
- a) Registers of shareholders, Directors, managers, company secretaries and auditors as required by applicable laws and regulations;
 - b) copies of all resolutions consented to by Directors, Shareholders, committees of Directors, committees of officers and committees of Shareholders; and
 - c) such other accounts and records as the Directors consider necessary or desirable in order to reflect the financial position of the Company.

ANNUAL RETURNS

80. To the extent required by law, the Company shall file necessary returns with the relevant Government authority.

THE SEAL

81. The Board shall provide for the safe custody of the Seal. The Seal shall only be used by the authority of the Directors. The Directors may determine who shall sign any instrument to which the Seal is affixed and unless otherwise so determined it shall be signed by two Directors.

DIVIDENDS AND RESERVES

82. The following rules shall apply in respect of dividends of the Company and reserves:-



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- a) The Company may in General Meeting, declare dividends in accordance with the respective rights of the Shareholders, but no dividend shall exceed the amount recommended by the Directors.
- b) At least 65% of the net profit of the Company shall be declared as dividend and distributed to the Shareholders.
- c) The Directors may from time to time pay to the members such interim dividends if it appears to them that they are justified by the profits of the Company available for distribution.
- d) Subject to the Articles, the Board of Directors shall, before declaring any dividend, set aside out of profits of the Company such sum as they think proper as a reserve fund provided that until a minimum reserve fund amounts to 10% (ten percent) of the paid-up share capital of the Company, 10% (ten percent) of the profit for the year shall be allocated to the reserve fund and shall be so declared by the Board of Directors of the Company
- e) Except as otherwise provided by the rights attached to Shares, all dividends shall be declared and paid according to the amounts paid up on the Shares on which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.
- f) A general meeting declaring a dividend may, upon the recommendation of the Directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the Directors may settle the same and in particular may fix the value for distribution of any assets and may determine that cash shall be paid to any Member upon the basis of the value so fixed in order to adjust the rights of shareholders and may vest any assets in trustees.



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- g) Any dividend or other moneys payable in respect of a share may be paid by cheque drawn on a bank located in any jurisdiction sent by post or by any other means approved by the Directors, to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death, or bankruptcy of the shareholder, to the registered address of the one of those person who is first named in the register of shareholders or to such person and to such address as the person or persons entitled may in writing direct (and in default of which direction to that one of the persons jointly so entitled as the Directors shall in their absolute discretion determine). Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct, and payment of the cheque shall be a good discharge to the Company. Any joint shareholder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share.
- h) The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.
- i) No dividend or other moneys payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share.

CAPITALIZATION OF PROFITS

83. The Directors may with the authority of an ordinary resolution of shareholders of the Company, upon the recommendation of the Directors, resolve that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that such sum be set free for distribution amongst the shareholders who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any Shares held by such shareholders respectively or paying up in full un-issued Shares or debentures of the Company to be allotted and distributed credited, as fully paid up to and



amongst such shareholders in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such resolution.

ACCOUNTS

84. The financial year of the Company shall be the calendar year and shall end on 31 December.

85. Pursuant to the relevant provisions of the Act, the Board shall cause true accounts to be kept of:

(a) all sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure take place.

(b) all sales and purchases of property, goods and services by the Company;
and

(c) a record of the assets, liabilities and obligations of the Company, and generally of all its commercial, financial and other affairs, transactions and engagements and of all other matters necessary for showing the true financial state and condition of the Company and the books of accounts shall be kept at the Office or such other place or places as the Board think fit and shall be open to inspection by the Directors during business hours.

86. Each Shareholder or its designated representative shall, upon reasonable notice to the Managing Director, have access to all of the books, records and other documents of the Company during reasonable business hours, and may inspect and copy any of them at its own expense. Each Shareholder or its designated representative shall be entitled to visit the Company upon reasonable notice to the Managing Director. The Board shall cooperate and procure the cooperation with each of the Shareholders and their representatives in the conduct of any inspection or audit of the books and records of the Company, the costs of such inspection or audit to be borne by such Shareholder.



87. Once at least in every calendar year the Board shall lay before the Company in the Annual General meeting a profit and loss account for the period since the preceding account or in the case of first account since incorporation of the Company and a balance sheet containing a summary of the assets and liabilities of the Company and every such balance sheet shall be accompanied by a report to be attached thereto of the Directors as to the state and the condition of the Company.
88. The balance sheet and the profit and loss account shall be signed by at least two Directors and the auditors report shall be attached to the balance sheet and the profit and loss account. A copy of such balance sheet and of the profit and loss account so audited together with a copy of the Auditor's report shall be sent to each member within two weeks following the Annual General Meeting every year.

AUDIT

89. The Company shall in every Annual General Meeting appoint an Auditor being a chartered Accountant or certified public accountant approved by the Auditor General to hold office until the next Annual General Meeting.
90. Once at least in every year the accounts of the Company shall be balanced and audited and the correctness of the profit and loss account and balance sheet ascertained by the Auditor appointed by the Company.
91. The Shareholders or the Board of Directors may request the Auditor appointed by the Company to attend any General Meeting and make statements or explanations on which there have been accounts have been examined or reported by them.
92. The remuneration of any auditor appointed by the Directors shall be fixed by the Company at the annual general meeting at which such appointment shall be made, or in such manner as such meeting may determine.
93. The auditors of the Company shall be furnished with a list of all books kept by the Company and shall at all times have the right of access to the books and accounts and vouchers of the Company and shall be entitled to require from the Directors and officers



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of the Company such information and explanations as may be necessary for the performance of his duties.

94. Every account when audited and approved by the General Meeting shall be conclusive, except as regards any error discovered therein within three months after the approval thereof. Whenever any such error is discovered within that period, the account shall forthwith be corrected and henceforth shall be conclusive.

INDEMNITY

95. Except as otherwise provided in this Article and Article 98, the Company shall indemnify any Director or senior officer and may indemnify any employee of the Company who was or is a party or is threatened to be made a party to a threatened, pending, or completed action, suit or proceeding (whether civil, criminal, administrative, or investigative and whether formal or informal) other than an action by or in the right of the Company where such person acted in bad faith, with wilful misconduct or gross recklessness or negligence to the detriment of the Company. Except as otherwise provided in this Article, the Company shall indemnify its Directors against expenses, including, attorney fees, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by a Director in connection with an action, suit or proceeding relating to acts or omissions of that Director regarding the items set forth in this Articles of Association.
96. In this context, the following rules shall apply:-
- (a) The termination of any proceedings by any judgment, order, settlement or conviction shall not, by itself, create a presumption that the person did act in bad faith, with wilful misconduct or gross recklessness or negligence to the detriment of the Company or that the person had reasonable cause to believe that his conduct was unlawful.
- (b) If a person to be indemnified has been successful in defense of any proceedings where there is no further right of appeal referred to above, the person is entitled to be indemnified against including legal fees, and against all judgments, fine and



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amounts paid in settlement and reasonably incurred by the person in connection with the proceedings.

- (c) The Company may purchase and maintain insurance in relation to any person who is or was a Director, an officer or a liquidator of the Company, against any liability asserted against the person and incurred by the person in that capacity, whether or not the Company has or would have had the power to indemnify the person against the liability as provided in these Articles.

WINDING UP

97. The Company may only be wound up if either:-

- (a) the unanimous decision of the Board of Directors by resolution and confirmed by special resolution of shareholders decides to do so; or
- (b) if a competent Court of Law orders the winding up of the Company.

98. If the Company is wound up, the liquidator may, with the sanction of a special resolution of shareholders of the Company and any other sanction required by the Act, divide among the shareholders the whole or any part of the assets of the Company. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the shareholders as he with the like sanction determines, but no shareholder shall be compelled to accept any assets in respect of which there is a liability.

NOTICES

99. The following rules shall apply in respect of notices served pursuant to these Articles:-

- (a) Any notice to be given to or by any person pursuant to the Articles shall be in writing unless stated otherwise.
- (b) Any notice given by or on behalf of any person to the Company may be given by leaving the same at or by sending the same by post to the office or such other place as the Directors may appoint.



- (c) Notices convening General Meetings and Board Meetings shall be in accordance with these Articles of Association.

AMENDMENT OF ARTICLES OF ASSOCIATION

100. The Articles of Association and the Memorandum of Association of the Company may be altered or amended only by unanimous decision of the Board of Directors, approved by the members in an Extraordinary General Meeting with prior approval from the Registrar of Companies of the Republic of Maldives.

PRIORITY OF SHAREHOLDERS AGREEMENT

101. Notwithstanding anything contained in these Articles, if there is any conflict or inconsistency between the provisions of these Articles and the provisions of the Shareholders Agreement between the undersigned Shareholders, the provisions of such Shareholders Agreement shall prevail. The Company and the Board of Directors shall adhere and give effect to the provisions of the Shareholders Agreement signed by the below-listed shareholders dated 14th March 2010.

ADOPTION

102. WE, being the Shareholders of the Company confirm that these Amended and Restated Articles of Association of the Company have been duly adopted by the Shareholders in Extraordinary General Meeting and accordingly the persons whose names and addresses are entered in the Company's Register of Members are desirous of continuing the existence of the Company in pursuance of the Amended and Restated Memorandum of Association and these Articles.



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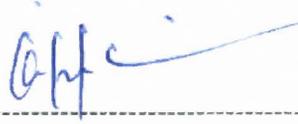
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Dated this 29th Day of March 2010

- 1 The Government of the Republic of Maldives
Represented by:
The Ministry of Finance & Treasury
Ameene Magu,
Male',
Republic of Maldives



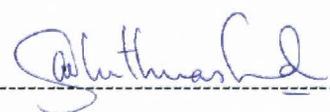


- 2 Hitachi Plant Technologies, Ltd.
5-2, Higashi-Ikebukuro 4-Chome,
Toshima-ku, Tokyo 170-8466,
Japan





WITNESS to the above signatures:

- | | Name | Signature |
|----|-------------------|---|
| 1. | Aishath Nasheedha | 
----- |
| 2. | Mohamed Rasheed | 
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