

162. IL-MINISTRU GHALL-INVESTIMENT, INDUSTRIJA U TEKNOLOĠIJA TA' L-INFORMAZZJONI jipproponi:-

Billi fit-18 ta' Jannar 1993 (Seduta Nru. 74) il-Kamra approvat Riżoluzzjoni taht il-provvediment tal-paragrafu (c) tas-subartikolu (1) ta' l-artikolu 3 ta' l-Att Nru. XXXIII ta' l-1976 dwar it-Trasferiment ta' Artijiet tal-Gvern, l-ghotja b'ċens temporanju ta' disgħa u disgħin (99) sena, il-Fortizza ta' Chambray u art adjaċenti fil-limiti ta' Ghajnsielem, Ghawdex, lill-*Fort Chambray Limited*, liema ghotja ngħatat permezz ta' kuntratt ippubblikat fit-13 ta' April, 1993 ;

U billi wara ntlahaq ftehim mill-gvern ma' intraprendituri godda, gie deciz li ċ-ċens li ngħata permezz tal-kuntratt ippubblikat fit-13 ta' April, 1993 jiġi terminat;

Għalhekk il-Gvern tar-Repubblika ta' Malta bi hsiebu jagħti b'ċens ġdid li jiskadi fit-12 ta' April, 2092 lill-*Fort Chambray Limited*, lill-*Forti Resort Hotel Limited* u lill-*Forti Development Limited* il-Fortizza u art adjaċenti kif inhuma deskritti aħjar fl-abbozz ta' ftehim imqiegħed fuq il-Mejda tal-Kamra, għaž-żmien, biċ-ċens u taht il-kundizzjonijiet li jinstabu fl-istess abbozz;

U billi hu maħsub fil-paragrafu (c) tas-subartikolu (1) ta' l-artikolu 3 ta' l-Att Nru. XXXIII ta' l-1976, dwar it-Trasferiment ta' Artijiet tal-Gvern li art li tkun proprjeta' tal-Gvern jew amministrata minnu tista' tiġi trasferita skond riżoluzzjoni speċjali tal-Kamra tad-Deputati li tkun fis-seħh fil-waqt tat-trasferiment;

U billi huwa xieraq li t-trasferiment fuq imsemmi jsir skond riżoluzzjoni speċjali tal-Kamra tad-Deputati;

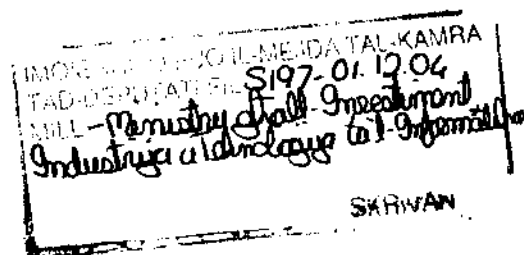
Għalhekk huwa b'dan riżolut li l-Fortizza ta' Chambray u l-art adjaċenti fil-limiti ta' Ghajnsielem, Ghawdex, kif deskritti aħjar fl-abbozz ta' ftehim li jinsab imqiegħed fuq il-Mejda tal-Kamra jiġu mogħtija b'ċens lill-*Fort Chambray Limited*, lill-*Forti Resort Hotel Limited* u lill-*Forti Development Limited* għal żmien, għall-iskop u skond il-pattijiet u kundizzjonijiet imsemmija fl-istess abbozz.

1.12.04

Rizoluzzjoni dwar Trasferiment Ta' Proprejeta'

lill-Fort Chambray Limited, Forti Resort Hotel Limited and Forti Development Limited

Ministru għall-Investment, Industrija u Teknologija ta' l-Infommazzjoni



RIZOLUZZJONI DWAR TRASFERIMENT TA' PROPRJETA'

IL-MINISTRU GHALL-INVESTIMENT, INDUSTRIJA U TEKNOLOGIJA TA' L-INFORMAZZJONI jipproponi din ir-Rizoluzzjoni:-

Billi fit-18 ta' Jannar 1993 (seduta Nru. 74) il-Kamra approvat Rizoluzzjoni taht il-provvediment tal-paragrafu (c) tas-subartikolu (1) ta' l-artikolu 3 ta' l-Att Nru. XXXIII tal-1976 dwar it-trasferiment ta' Artijiet tal-Gvern, l-ghotja b'cens temporanju ta' disgha u disghin (99) sena, il-Fortizza ta' Chambray u art adjacenti fil-limiti ta' Ghajnsielem, Ghawdex, lill-Fort Chambray Limited liema ghotja inghatat permezz tal-kuntratt ippublikat fit-13 ta' April 1993.

U billi wara li ntlahaq ftehim mill-gvern ma intraprendenti godda, gie deciz li c-cens li inghata permezz tal-kuntratt ippublikat fit-13 ta' April 1993 jigi itterminat;

Ghalhekk il-Gvern tar-Repubblika ta' Malta bi hsiebu jaghti b'cens gdid li jiskadi fit-12 ta' April 2092 lill-Fort Chambray Limited, lill-Forti Resort Hotel Limited u lill-Forti Development Limited il-Fortizza u art adjacenti kif inhuma deskritti ahjar fl-abbozz ta' ftehim imqieghed fuq il-Mejda tal-Kamra, ghaz-zmien, bic-cens u taht il-kundizzjonijiet li jinsabu fl-istess abbozz;

U billi huwa mahsub fil-paragrafu (c) tas-subartikolu (1) ta' l-artikolu 3 ta' l-Att Nru. XXXIII tal-1976 dwar it-Trasferiment ta' Artijiet tal-Gvern li art li tkun proprjeta' tal-Gvern jew amministrata minnu tista tigi trasferita skond rizoluzzjoni specjali tal-Kamra tad-Deputati li tkun fis-sehh fil-waqt tat-trasferiment;

U billi huwa xieraq li t-trasferiment fuq imsemmi jsir skond rizoluzzjoni specjali tal-Kamra tad-Deputati;

Ghalhekk huwa b'dan rizolut li l-Fortizza ta' Chambray u l-art adjacenti fil-limiti ta' Ghajnsielem, Ghawdex, kif deskritti ahjar fl-abbozz tal-ftehim li jinsab imqieghed fuq il-Mejda tal-Kamra jigu moghtija b'cens lill-Fort Chambray Limited, lill-Forti Resort Hotel Limited u lill-Forti Development Limited ghaz-zmien, ghall-iskop u skond il-pattijiet u kundizzjonijiet imsemmija fl-istess abbozz.



MINISTRU GHALL-INVESTIMENT, INDUSTRIJA U TEKNOLOGIJA TA' L-INFORMAZZJONI

22 / 11 / 04

_____ () of _____
()

Before me Doctor _____ Notary Public personally came and appeared:

_____ son of _____ and of _____
_____ nee' _____ born in _____
_____ and residing at _____ whose
identity card bears number _____ (M) duly authorised to appear
hereon on behalf of the Government of Malta in virtue of a minute
bearing date the ___ day of _____ on papers
marked Secretariat number _____ of the said year
_____ related papers marked Land _____ bar _____
later on referred to as the "Grantor".

Doctor of Laws Michael Caruana, Director, son of the late Joseph and of Josephine nee' Debrincat born and residing in Victoria, Gozo, whose identity card bears number 27058(G) and _____, son of _____ and of _____ nee' _____, whose identity card bears number _____, acting jointly, who appear hereon for and on behalf of the following Limited Liability Companies, namely, "Fort Chambray Limited", duly incorporated under the Laws of Malta, having Company Registration number C 12056, having its registered office situated at The Trade Centre, San Gwann Industrial Estate, Birkirkara, Malta, "Forti Resort Hotel Limited", duly incorporated under the Laws of Malta, having Company Registration number C 17129 and "Forti Development Limited", duly incorporated under the Laws of Malta, having Company Registration number C 17128, both the said companies having their registered office situated at fifty seven, Republic Street, Victoria, Gozo, as duly authorised in virtue of the attached resolutions respectively marked documents "___", "___" and "___" later on individually referred to as "FCL", "FRHL" and "FDL" respectively, and collectively referred to as the "Emphyteuta" or the "Company"

Appearer Doctor of Laws Michael Caruana is also appearing hereon in his personal name and capacity as well as for and on behalf of his wife Carol Caruana, daughter of Manuel Saliba and Rose nee' Scicluna, born in Attard, Malta and residing in Victoria, Gozo, whose

identity card bears number 30871(M), on behalf of his brother Anton Caruana, born and residing in Victoria, Gozo, whose identity card bears number 47654(G) and his wife Anna Caruana, daughter of the late Louis Abela and Mary nee' Camilleri, born and residing in Victoria, Gozo, whose identity card bears number 36955(G), and on behalf of his other brother Frank Caruana, born in and residing at Victoria, Gozo, whose identity card bears number 26958(G) and his wife Pauline Caruana, daughter of the late Angelo Aquilina and Rita nee' Refalo, born and residing in Victoria, Gozo, whose identity card bears number 17161(G) as duly authorised by virtue of a power of attorney marked Document "___" later on referred to as "Doctor Michael Caruana proprio et nomine"

Appearer Doctor of Laws Michael Caruana is also appearing hereon for and on behalf of the Limited Liability Companies "Mary Rose Holdings Limited" duly incorporated under the Laws of Malta, having Company Registration number C 19133, "Castellar Investments Limited" duly incorporated under the Laws of Malta, having Company Registration number C 17127, and "Joseph Caruana & Company Limited", duly incorporated under the Laws of Malta, having Company Registration number C 5918, all the said companies having their registered office situated at fifty seven, Republic Street, Victoria, Gozo, as duly authorised in virtue of the attached resolutions marked documents "___", "___" and "___" respectively later on referred to as MRHL, CIL and JCCL respectively.

Appearer _____

also appearing hereon for and on behalf of the Limited Liability Company "Bastion Investments Limited" duly incorporated under the Laws of Malta, having Company Registration number C 17124, having its registered office situated at fifty seven, Republic Street, Victoria, Gozo, as duly authorised in virtue of the attached resolution marked document "___" later on referred to as BIL.

I, Notary undersigned have ascertained the identity of the parties hereto by their official documents.

Article One : Definitions

In virtue of this deed the Grantor, the Company, Doctor Michael Caruana proprio et nomine, Doctor of Laws Michael Caruana proprio and MRHL, BIL, CIL and JCCL hereby covenant and agree that the following words and expressions shall have the meanings hereby assigned to them, that is

to say:

"Company" shall include their successors and assignees.

"Other Areas" shall have the meaning assigned to it in Article Three (3).

"Dominus" shall be the Government of Malta acting through the Land Department.

"Emphyteuta" shall be the Company.

"Emphyteutical Grant" shall mean the temporary emphyteusis granted over the Emphyteutical Land by the Grantor to the Company by virtue of this deed.

"Emphyteutical Land" shall mean Fort Chambray and that part of the adjoining lands granted on temporary emphyteusis to the Company by virtue of this deed.

"Grantor" shall include its successors and assignees.

"Ground rent" means the ground rent payable by the Company to the Grantor.

"Hotel" shall include any building and operations of a Club-Hotel.

"Hotel Area" shall have the meaning assigned to in Article Three (3).

"Person" includes a company, partnership or other entity having legal personality.

"Residential Area" shall have the meaning assigned to it in Article Three (3).

"Residential Unit" shall mean the construction or constructions within the Residential Area or, as the case may be, within the Hotel Area, to be used as residential units.

"Works" shall mean the totality of the constructions, other permanent works, restoration, repairs and improvements as defined in Article Twelve (12) of this deed.

(2) The Annexes to this deed shall form an integral part thereof.

(3) The Article Headings in this deed shall not be deemed to be part thereof or be taken into consideration in the interpretation or construction thereof.

Article Two : Termination

In virtue of this deed the said _____ nomine and Fort Chambray Limited. are hereby for all intents and purposes of law terminating as from this day the emphyteutical concession made in virtue of a deed published by Notary Doctor Vincent Miceli on the thirteenth day of April of the year one thousand nine hundred and ninety three whereby the Government of Malta granted to Fort Chambray Limited . by title of temporary emphyteusis for a period of ninety nine years reckoned as from the thirteenth day of April of the year one thousand nine hundred and ninety three the immovables at Ghajnsielem, Gozo, consisting of (a) the Fort known as Fort Chambray including the outer fortifications without number and with the main entrance abutting on the road leading to Imgarr and bounded on all sides by Government property (b) a plot of land having an area of circa seven thousand four hundred and fifty two square metres and bounded on the South and East by Government property and on the North by a Public Road leading to Imgarr, as shown on the Plans attached to said deed dated thirteenth April one thousand nine hundred and ninety three and in consideration of the temporary annual ground rent of ten thousand Malta Liri (Lm10,000) payable yearly in advance and revisable every five years by ten per centum (10%), and under other conditions stipulated in the said emphyteutical deed, which deed was clarified by another deed published by Notary Doctor Vincent Miceli on the twenty second day of November of the year one thousand nine hundred and ninety five which deed is also being rescinded and terminated for all intents and purposes of law.

Fort Chambray Limited. is hereon paying to the Grantor, which accepts and tenders due receipt, the sum of _____ Malta Liri (Lm _____) representing arrears of ground-rent due under the said deed up to the date hereof.

The Grantor and Fort Chambray Limited. hereby waive any rights arising in their favour from the said deed by virtue of the termination thereof and furthermore they release each other from any obligations including penalties contemplated in the said deed.

The Grantor is hereon giving its consent to the total cancellation of note of hypothec and privilege number six thousand six hundred and seventy-four of the year one thousand nine hundred and ninety-three (6674/1993).

Article Three : The Grant

In virtue of this deed the Grantor hereby grants by title of temporary emphyteusis from the date hereof until the twelfth (12th) day of April of the year two thousand and ninety-two (2092) to the Emphyteuta, which jointly and severally between them accept, by same title of temporary emphyteusis for the said period the immovables at Ghajnsielem, Gozo having an overall area of approximately ninety eight thousand five hundred and eighty-four square metres (98,584) and bounded on the North by Government property on the West by an unnamed road and on the South partly by Government property and partly by property of unknown owner/s and shown bordered in red on a Plan, including in it a Survey Sheet, and indicated as Property Division number two hundred and fifty four underscore two thousand and four, marked document "...” attached hereto for registration, and these immovables consist of the following:

(a) a hotel area including all improvements found thereon without name and number and having an area of circa ten thousand and twenty-one square metres and bounded on North East and West by area being granted and on the East and South by property of unknown person/s and bordered in yellow on Plan incorporating in it a Survey Sheet marked Property Division number two hundred and fifty four underscore two thousand and four hereto attached marked Document “_”, later on referred to as “the Hotel Area” and including the boundary wall, where it is the boundary of the emphyteutical grant.

(b) a residential area, including all improvements built thereon without name and number, having an area of circa forty-seven thousand three hundred and seventy square metres and bounded on the North, West and East by area granted and on the South by property of unknown owner/s and bordered in blue on a Plan, incorporating in it a Survey Sheet marked Property Division number two hundred and fifty four underscore two thousand and four hereto attached marked Document “_” such area including the immovable property known as Dar it-Tabib without number and with the main entrance abutting on an open space and bounded on sides by emphyteutical land, as shown coloured in pink on the said Land

Drawing, later on referred to as "the Residential Area" and including the boundary wall, where it is the boundary of the emphyteutical grant. Included also in this area are all the underground structures.

(c) other areas having a total area of circa forty one thousand one hundred and ninety-three square metres and bounded on North by Government property on the West by an unnamed road and on the East by Government property and bordered in green on a Plan incorporating in it a Survey Sheet marked as Property Division number two hundred and fifty four underscore two thousand and four attached marked Document "___", such areas including the immovable properties known as the Knights Barracks, without number and with the main entrance abutting on an open space forming part of the emphyteutical land and bounded on all sides by property being granted on emphyteusis, as shown coloured in cyan on the said Plan Property Division Number two hundred fifty-four underscore two thousand and four, the Knights Bakery without number and accessible from an open space forming part of the Emphyteutical Land bounded on all sides by property being granted on emphyteusis, as shown coloured in orange on the said Plan Property Division number two hundred and fifty four underscore two thousand and four, Il-Polverista, without number and with the main entrance abutting on an open space of the Emphyteutical Land and bounded on all sides by property being granted on emphyteusis, as shown coloured in magenta on the said Plan Property Division two hundred and fifty-four underscore two thousand and four and the Fortifications, without number and with the main entrance accessing the road leading to Imgarr and bounded on the North by Government property on the West by an unnamed road and on the East by Government property, as shown coloured in brown on the said Plan Property Division two hundred and fifty-four underscore two thousand and four, later on referred to as "the Other Areas".

The Hotel Area, the Residential Area, the Other Areas are later on collectively referred to as the Emphyteutical Land and are being transferred with all their rights and appurtenances, including all improvements existing thereon .

Article Four : The Ground rent Increases; Divisibility of Ground Rent

(1)The Emphyteutical Grant is hereby being effected for the annual and temporary ground rent of twelve thousand one hundred Malta Liri (Lm12,100) (hereinafter referred to as the "Ground rent") payable yearly

in advance and administratively sub-divided as follows:

- nine thousand six hundred and seventy-six Malta Liri (Lm9,676) over the Residential Area, out of which five hundred Malta Liri (LM500) are attributable to the underground structures referred to in paragraph letter (b) of Article three and the remaining nine thousand one hundred and seventy six Malta Liri (LM9176) are attributable to the Residential Units.
- one thousand four hundred and twenty-four Malta Liri (Lm1,424) over the Hotel Area; and
- one thousand Malta Liri (Lm1,000) over the Other Areas.

The Ground rent is revisable on the expiration of five (5) years from today and every five (5) years thereafter as hereunder stated. The first Ground rent is hereon being paid and receipt therefore is being given by the Grantor.

For the purposes of Article one thousand five hundred and two (1502) of the Civil Code (Chapter sixteen (16) of the laws of Malta), it is hereby declared and agreed by the parties that the administrative sub-division of the Ground rent as above-mentioned is substantially in proportion to the separate parts.

(2) On the expiration of five (5) years from today and at the end of each five (5) year period thereafter the pro tempore Ground rent shall be increased by ten per centum (10%).

(3) The temporary directum dominium and absolute ownership thereafter shall only be acquired by the emphyteuta in the manner provided in sub-article one (1) of Article Six (6) hereunder.

Article Five : Premium

(1) This Emphyteutical Grant is also being made and accepted against the payment of a premium of one million five hundred thousand Malta Liri (Lm1,500,000) out of which the Emphyteuta is paying hereon to the Grantor, which accepts, the sum of six hundred thousand Malta Liri (Lm600,000). The balance of the premium, that is, the sum of nine hundred thousand Malta Liri (Lm900,000) shall be paid by the Emphyteuta to the Grantor within twelve (12) months from today.

No interest shall be due by the Emphyteuta to the Grantor on the said balance of nine hundred thousand Malta Liri (Lm900,000) provided that

the said balance is paid by the Emphyteuta by due date. In the event that the Emphyteuta fails to pay the said balance by due date, interest at the rate of eight per centum per annum (8%) or such higher rate of interest allowed by Maltese Law shall be due by the Emphyteuta to the Grantor from the date of expiration of the said twelve (12) months up to the date of actual payment on the balance from time to time outstanding. In the event that the said balance of the premium or any part thereof or any eventual interest accruing thereon are not paid after they become due, the Grantor shall have the right to demand the rescission of this deed as provided in sub-article one (1) of Article Eight (8)

(2) It shall not be permitted for any acquirer of any part of the Emphyteutical Land, where applicable, nor for the Company to increase the Ground rent upon any future transfer of the whole or part thereof.

Article Six : Restriction on Transfer

(1) Subject to the provisions of paragraphs (a) to (c) of this Article, the Company shall not be entitled to sell, grant on sub-emphyteusis or otherwise lease, alienate or assign by any title whatsoever the Emphyteutical Land or any works thereon, or any of its rights or obligations, whether wholly or in part, to any person or company throughout the duration of the Emphyteutical Grant,

(a) provided that the Company shall, on completion of each of the two stages of the development of the Residential Area referred to in sub-article four (4) of Article Twelve (12), have the right to transfer the said completed individual Residential Units on condition that, following such completion but not later than the sale of each Residential Unit, the Company shall have purchased and acquired from the Grantor the directum dominium for the remaining period of the Emphyteutical Grant and the full ownership thereafter as provided in the said sub-article four (4) of Article Twelve (12).

Contemporaneously with the purchase and acquisition of the temporary directum dominium for the remaining period of the Emphyteutical Grant and the full ownership thereafter of the last Residential Unit comprised in the Residential Area, the Company shall purchase and acquire the temporary directum dominium of five hundred Malta Liri (LM500) (as the same may be increased in accordance with this deed) and the full ownership thereafter burdening the underground structures comprised in the Residential Area. Such purchase and acquisition shall be made by

capitalising the pro tempore ground rent at the rate of five per cent (5%).

(b) provided further that the Company shall be entitled to transfer the Hotel Area to third parties under the conditions referred to in this deed if the Company opts to use the Hotel Area for Hotel development but only after the Hotel shall have been completed and the Company shall have purchased and acquired from the Grantor the directum dominium for the remaining period of the Emphyteutical Grant and the full ownership thereafter as provided in sub-article two (2) of Article Twelve (12);

(c) provided further that in the event that the Company obtains the Malta Environment and Planning Authority permits to use the Hotel Area for the construction of Residential Units, the Company shall, on completion of all the Residential Units including any underground structures, have the right to transfer the said Residential Units including again any underground structures on condition that, following such completion but not later than the sale of each Residential Unit and any underground structures, the Company shall have purchased and acquired from the Grantor the directum dominium for the remaining period of the Emphyteutical Grant and the full ownership thereafter as provided in sub-article three (3) of Article Twelve (12).

For the purposes of paragraphs (a) to (c) of this Article, completion shall have the same meaning assigned to in sub-articles four (4), two (2) and three (3) of Article Twelve (12) respectively.

Provided further that the Company shall, on completion of the developments referred to in (a) to (c) of this Article and after having purchased and acquired from the Grantor the directum dominium for the remaining period of the Emphyteutical Grant and the full ownership thereafter of the Residential Units, the underground structures referred to in sub-article (a) and (c) of Article three, Hotel or the other specific project referred to in sub-article one (1) of Article Twelve (12), be entitled to transfer the dominium utile in respect of the Other Areas as a whole, to any person or company, for the remaining period of the Emphyteutical Grant, on condition that:-

(a) the annual and temporary ground-rent imposed by the Company on the transferee shall be that referred to in sub-article one (1) of Article Four (4) and that it be increased only in terms of this deed,

(b) the purpose for which the Other Areas will be used is to be stated

and will be covered by Malta Environment and Planning Authority permits, and

(c) the Company shall, prior to transferring the Other Areas, have procured the consent in writing of the Grantor, who may impose any conditions on the transferee that it may deem appropriate, including but not limited to requesting the transferee to procure the issue of an irrevocable on demand bank guarantee or any other security as the Grantor shall, at its own discretion determine, in favour of the Grantor, on such terms and conditions as the Grantor shall deem fit, and this to guarantee the transferee's obligations under this deed.

(2) The Grantor shall, upon the sale or other alienation of the utile dominium in respect of the Other Areas, be entitled to a payment of a laudemium equivalent to the amount of ground-rent due for one (1) year then burdening the Other Areas.

(3) The Company shall be responsible for the management and maintenance of the Other Areas including the Knights Barracks, Knights Bakery, Il-Polverista and the Fortifications as well as the roads, all common parts, utilities and amenities of the Emphyteutical Land throughout the duration of this deed. Provided that the Company shall, in so far as the roads, all common parts, utilities and amenities of the Residential Units and the Hotel Area (irrespective of whether it is used as a Hotel or for any other purpose) are concerned, be bound, upon the transfer of any Residential Unit or the Hotel Area to a third party in terms of this deed, to transfer the ownership of the roads adjoining the property transferred and to adequately impose an obligation upon such third party to consistently manage, maintain and upkeep as may be necessary the said roads, common parts, utilities and amenities and to similarly impose such obligation onto its successors in title. The Company shall remain jointly and severally liable with the transferees of the said properties in respect of all obligations referred to in this sub-article three (3) of Article Six (6). For the avoidance of doubt, the Grantor shall not be responsible for the management and maintenance of the said roads, common parts and amenities notwithstanding that the Company shall, in terms of this deed, have purchased and acquired the directum dominium for the remaining period of the Emphyteutical Grant and the full ownership thereafter of such Residential Units and the Hotel Area, if this is the case.

(4) Subject to the provisions of sub-article one (1) of this Article, the Grantor undertakes to acknowledge any alienee to whom part of the

Emphyteutical Land may have been transferred and to make such reductions as may be necessary by virtue of the provisions of Article Ten (10) hereunder.

Article Seven : Share Transfers

(1) Doctor of Laws Michael Caruana proprio et nomine shall at all times remain the ultimate beneficial owner of FCL, FRHL and FDL and shall retain control of the said companies unless they obtain the prior written consent of the Grantor or until completion of all developments of the Emphyteutical Land. For this purpose Doctor Michael Caruana proprio et nomine undertakes to ensure that no share transfers shall be effected within FCL, FRHL, FDL, MRHL, BIL, CIL and JCCL, which would have the effect of stultifying the undertakings referred to in this sub-article one. The provisions of this sub-article one shall not apply to transfers causa mortis.

For the avoidance of doubt, it is hereby declared that MRHL, BIL, CIL and JCCL's interest in this deed is solely in connection with the provisions of this Article Seven (7).

Article Eight : Dissolution of Emphyteutical Grant by Grantor

(1) Subject to the provisions of Article one thousand five hundred and nineteen (1519) of the Civil Code (Chapter Sixteen (16) of the Revised Edition of the Laws of Malta) and subject to the provisions of Article Twenty-Three (23) of this deed (Force Majeure) but without prejudice to the provisions of sub-articles three (3), four (4) and five (5) of Article Twelve (12) and sub-article two (2) of this Article, the Grantor shall have the right to dissolve the Emphyteutical Grant in the event of any breach by the Emphyteuta of any of its obligations emanating from this deed; provided that the Grantor shall only be entitled to demand such dissolution after it shall have notified the Emphyteuta of such breach by means of a judicial letter and the Emphyteuta shall have failed to remedy such breach within sixty (60) days from the date of service of such judicial letter.

For the purposes of this clause a judicial letter served on curators in terms of Maltese Law shall be considered to be proper service on the Company in case of absence from Malta of its judicial representatives.

(2) On dissolution of the Emphyteutical Grant or any part thereof, on

any of the grounds contemplated in this deed or on any grounds contemplated by law, the Emphyteutical Land together with any buildings, works or other improvements that may have been erected thereon shall revert to the Grantor and the Company and its successors in title shall have no right to any compensation in respect of any improvements made, whatever their nature or value or any other compensation for any other cause or reason. This shall not apply in respect of those parts of the Emphyteutical Land in respect of which the directum dominium for the remaining period of the Emphyteutical Grant and the full ownership thereafter shall have been acquired in terms of this deed.

Article Nine : Expiration of Emphyteutical Grant

On termination of this Emphyteutical Grant by the lapse of time the Emphyteuta shall hand over to the Grantor the Emphyteutical Land together with any buildings, works or other improvements that may have been erected thereon in a good state of repair according to law, and the Emphyteuta shall have no right to any compensation in respect of any improvements made, whatever their nature or value or any other compensation for any other cause or reason. This shall not apply in respect of those parts of the Emphyteutical Land in respect of which the directum dominium for the remaining period of the Emphyteutical Grant and the full ownership thereafter shall have been acquired in terms of this deed.

Article Ten : Security for Fulfillment of Obligations

(1) In warranty of all the obligations undertaken hereon by the Company in pursuance of this deed, the Company grants the Grantor a first ranking general hypothec over all its property present and future in favour of the Grantor who accepts and who reserves also in its favour the special privilege to which the Grantor is entitled by law, for the payment of the Ground rent and for the performance by the Company of its obligations.

(2) It is agreed that for the purposes of the registration of the hypothec and the privilege, the security shall be registered for a value of three million nine hundred thousand Malta Liri (Lm3,900,000). The said securities shall be reduced as follows, such however that they shall not be reduced below five hundred thousand Malta Liri (Lm500,000):

(a) by nine hundred thousand Malta Liri (Lm900,000) upon payment of the balance of the premium referred to in Article Five (5);

(b) by a pro rata sum per Residential Unit depending on the number of Residential Units authorised by the Malta Environment and Planning Authority of two million three hundred and sixty thousand Malta Liri (Lm2,360,000) as the whole sum representing the whole number of Residential Units ; and

(c) by one hundred and forty thousand Malta Liri (Lm140,000) upon completion of the Hotel or, if the Company is given a permit by the Malta Environment and Planning Authority to use the Hotel Area for the construction thereon of the Residential Units, by a pro rata sum per Residential Unit depending on the number of Residential Units and any underground structures authorised by the Malta Environment and Planning Authority of one hundred and forty thousand Malta Liri (Lm140,000) as the whole sum representing the whole number of Residential Units and any underground structures.

Provided that the reductions referred to in paragraphs (b) and (c) of this sub-article two (2) shall only be effected when the Company shall have purchased and acquired from the Grantor the directum dominium for the remaining period of the Emphyteutical Grant and the full ownership thereafter as provided in sub-articles four (4), two (2) and three (3) of Article Twelve (12) respectively.

(3) The Grantor binds the Company not to encumber the undeveloped Emphyteutical Land or any undeveloped part thereof by means of any hypothec or special privilege without the prior written consent of the Grantor.

Article Eleven : Charges in respect of Land Ownership

All burdens, taxes, rates, impositions or other charges whatsoever in respect of the land ownership which are or in future shall be payable shall during the continuance of the Emphyteutical Grant and in the cases where the temporary directum dominium and absolute ownership thereafter has been transferred be paid by the Company or by its successors in title.

Article Twelve: Constructions, Permanent Works and Improvements

The Hotel Area

(1) (a) For a period of one year from the execution of this deed, the Company shall determine whether it intends to construct on the Hotel Area a Hotel with all normal amenities or to apply for the issue of Malta Environment and Planning Authority permits for the construction thereon of any other specific project which is approved also by the Grantor; Provided that if such specific project is the construction of Residential Units, the Grantor's approval shall not be required.

Prior to the expiration of the said one year period, the Company shall inform the Grantor of its intention whether to construct on the Hotel Area a Hotel or any other specific project as aforesaid, by sending a letter by registered mail to the Commissioner of Lands. In the event that the Company, notwithstanding it shall have notified the Grantor of its intention to construct any other specific project, decides to construct a Hotel in lieu of such other specific project, then the Company shall immediately upon taking such decision inform the Grantor thereof, by sending a letter by registered mail to the Commissioner of Land.

(b) In the event that the Company, during such one year period, does not intend to construct a Hotel, then it shall forthwith apply for the issue of Malta Environment and Planning Authority permits for the construction thereon of any other specific project as aforesaid. In the event that such permits are not issued within four years from the expiration of the said one year period, and the Company during such four year period does not commence the construction of a Hotel in lieu of such other specific project as may be permitted by the competent authorities, then in such case the Company shall ensure that at the expiration of the said four year period, and throughout the remaining period of the Emphyteutical Grant, the Hotel Area is not left in a dilapidated state. This is without prejudice to the Company's right to construct a Hotel or to construct any other specific project as aforesaid throughout the remaining period of the Emphyteutical Grant.

For the avoidance of doubt, in the event that the Company shall have commenced construction on the Hotel Area of a Hotel or shall have procured the permits from Malta Environment and Planning Authority for the construction thereon of any other specific project and shall have commenced construction of such other specific project within the aforementioned four year period, then in such case the obligation of the Company not to leave the Hotel Area in a dilapidated state shall not be

applicable.

(2) In the event of the construction of a Hotel the Company undertakes and binds itself upon completion thereof to purchase and acquire from the Grantor who undertakes to sell and transfer the directum dominium for the remaining period of the Emphyteutical Grant and the full ownership thereafter, by the payment of a sum equivalent to the amount of the Ground rent then current capitalised at the rate of five per centum (5%).

For the purposes of this sub-article two (2), completion shall mean the date when the construction of the Hotel and its amenities are completed in all respects and is capable of being operated as a Hotel in terms of the permit issued by the competent authorities. Such completion shall be certified by an architect appointed by the Grantor.

(3) In the event that the Company obtains the Malta Environment and Planning Authority permits to use the Hotel Area for any other specific project as is referred to in sub-article one (1) of this Article, the Company undertakes and binds itself upon completion thereof to purchase and acquire from the Grantor who undertakes to sell and transfer the directum dominium for the remaining period of the Emphyteutical Grant and the full ownership thereafter, by the payment of a sum equivalent to the amount of the Ground rent then current capitalised at the rate of five per centum (5%).

In the event that the specific project referred to in sub-article one (1) of this Articles is the construction of Residential Units, the Company shall upon their completion apportion the Ground rent burdening the Hotel Area proportionately to the individual Residential Units and any underground structures. Following such completion but not later than the sale of each individual Residential Unit, the Company shall purchase and acquire from the Grantor the directum dominium for the remaining period of the Emphyteutical Grant and the full ownership thereafter by the payment of a sum equivalent to the amount of the Ground rent then current capitalised at the rate of five per centum (5%).

For the purposes of this sub-article three (3), completion shall mean:

(a) if such special project is the construction of Residential Units, the finishing of the external parts of all the Residential Units, of all common parts of all the Residential Units (including external apertures),

communication of essential services in respect of each individual Residential Unit and of the doors leading to each Residential Unit, as well as of all common areas relating to all the Residential Units and the finishing of all works necessary to render ready for use the underground structures referred to in paragraph (a) of Article three. Such completion shall be certified by an architect appointed by the Grantor, and

(b) if such specific project shall not be the construction of Residential Units, completion shall be the date certified by an architect appointed by the Grantor signifying that such project is ready for use.

The Hotel or as the case may be the other specific project referred to in sub-article three (3) on the Hotel Area shall be completed as afore-stated by not later than:

(a) two (2) years from the date of issue of permits by the Malta Environment and Planning Authority if the Hotel Area is used for the implementation of any other specific project referred to in sub-article one (1) of this Article Twelve (12), and

(b) five (5) years from the date the Grantor is duly notified of the Company's decision to construct a Hotel on the Hotel site or when the construction works commence whichever is the earlier.

In default of completion by the afore-stated dates, the Company shall be liable to pay to the Grantor a penalty for the mere delay of one hundred Malta Liri (Lm100) for each day during which the default continues. The imposition of such penalty shall be without prejudice to any other right or remedy competent to the Grantor including but not being limited to the right of demanding rescission of the Emphyteutical Grant in accordance with Article Eight (8) except for those Residential Units acquired by third parties in respect of which the directum dominium for the remaining period of the Emphyteutical Grant and the full ownership thereafter would have already been purchased.

The Residential Area (including Dar it-Tabib)

(4) The Company shall complete the Residential Area in two (2) phases:

- Phase One shall be the area shown in orange on the attached plan "Property Division two hundred and fifty-four underscore two thousand

and four underscore one" marked Document having an area of fourteen thousand one hundred and sixty-two square metres and shall be completed by not later than one (1) year from the date of issue of the relative Malta Environment and Planning Authority permit;

- Phase Two shall be the area shown in blue on the attached plan "Property Division two hundred and fifty-four underscore two thousand and four underscore one" marked Document having an area of thirty-three thousand two hundred and eight square metres and shall be completed by not later than three (3) years from the date of issue of the relative Malta Environment and Planning Authority permits.

For the purposes of this sub-article four completion shall mean the finishing of the external parts of all the Residential Units, of all common parts of all the Residential Units, (including external apertures), communication of essential services in respect of each Residential Unit, and of the doors leading to each Residential Unit, as well as of all common areas relating to all the Residential Units and the finishing of all works necessary to render ready for use the underground structures referred to in paragraph (b) of Article three. Such completion shall be certified by an architect appointed by the Grantor.

On completion of each phase of the development of the Residential Area, the Company shall apportion the Ground rent burdening the Residential Area (excluding the five hundred Malta Liri burdening the said underground structures) proportionately to the individual Residential Units

Following such completion but not later than the sale of each Residential Unit, the Company shall purchase and acquire the directum dominium for the remaining period of the Emphyteutical Grant and the full ownership thereafter by the payment of a sum equivalent to the amount of the applicable temporary Ground rent capitalised at the rate of five per centum (5%) per Residential Unit to the Grantor. The Company shall also purchase and acquire the directum dominium for the remaining period of the Emphyteutical Grant and the full ownership thereafter burdening the underground structures referred to in paragraph (b) of Article three at the time and in the manner specified in paragraph (a) of Article six.

Should the Company fail to complete the development of the Residential Area within the time agreed in this sub-article four (4), the Company shall be liable to pay to the Grantor a penalty for the mere delay of one

hundred Malta Liri (Lm100) for each day during which the default continues. The imposition of such penalty shall be without prejudice to any other right or remedy competent to the Grantor including but not limited to the right of demanding rescission of the whole Emphyteutical Grant in accordance with Article Eight (8).

The Other Areas (including the Knights Barracks, Knights Bakery, Il-Polverista and the Fortifications)

(5) The Company shall complete the Other Areas in accordance with Malta Environment and Planning Authority permit number PA stroke three nine four one stroke ninety-three (PA/3941/93) or in accordance with the relative Malta Environment and Planning Authority permits that may be in force from time to time in two (2) phases:

- The Other Areas bordered in magenta on the attached plan "Property Division two hundred and fifty-four underscore two thousand and four underscore one" marked Document having an area of two thousand three hundred and six square metres " shall be completed by not later than one (1) year from the issue of the relative Malta Environment and Planning Authority permits;
- The Knights Barracks and the other parts bordered in green on the attached Plan Property Division two hundred and fifty-four underscore two thousand and four underscore one" having an area of thirty eight thousand eight hundred and eighty-seven square metres shall be completed by not later than two (2) years from the issue of the relative Malta Environment and Planning Authority permits.

In default of completion of the Works within the completion dates afore-stated, the Company shall be liable to pay to the Grantor a penalty for the mere delay of one hundred Malta Liri (Lm100) for each day during which the default continues. The imposition of such penalty shall be without prejudice to any other right or remedy competent to the Grantor including but not limited to the right of demanding rescission of the total Emphyteutical grant as provided in Article Eight (8).

The Knights Barracks shall be used for commercial activities in accordance with Malta Environment and Planning Authority permit number PA stroke three nine four one stroke ninety-three (PA/3941/93) or in accordance with the relative Malta Environment and Planning Authority permits that may be in force from time to time.

Article Thirteen : Operating Permits

The Company undertakes, at the appropriate time, to apply for the necessary operating permits from the relevant Government authorities for the Emphyteutical Land for purposes compatible with the project, in the light of the planned operations and to pursue such application with due diligence.

Article Fourteen : Compliance with Statutory Requirements

(1) The Company shall, in all matters arising in the performance of its obligations under Article Twelve (12) (Constructions, Permanent Works, Improvements) of this deed, comply with and give all notices required by any law, regulations, instrument, direction or order made or given under any law in force in Malta from time to time with regard to the Works or the rules of any statutory authority which has any jurisdiction with regard to the Works.

(2) The Company shall bear the cost of any fees or charges involved in complying with the statutory requirements referred to in sub-article one (1) of this Article.

(3) All taxes, duties, customs duties and other charges whatever the nature hereinafter collectively referred to as charges payable in any country including Malta in connection with the performance of the Company's obligations under this deed shall be borne by the Company.

Article Fifteen : Reactivation of Malta Environment and Planning Authority Permits

(1) The Company undertakes and binds itself to apply for the re-activation of all Malta Environment and Planning Authority permits which are presently suspended and/or expired. Specifically, the Company undertakes and binds itself to apply to the Malta Environment and Planning Authority within thirty (30) days from today to re-activate permit number PA stroke three nine four one stroke ninety-three (PA/3941/93) covering the entire development of the Emphyteutical Land as the said permit may have been subsequently amended by applications approved by the Malta Environment and Planning Authority by re-submitting the original plans (amended and approved as afore-stated) for the development of the Emphyteutical Land (which had

already been approved by the Malta Environmental Planning Authority) and, for the purposes of such re-activation, with absolutely no variations thereon. The Company undertakes and binds itself to pursue such application expeditiously and with due diligence.

The Company declares that it has paid the sum of one hundred thousand Malta Liri (Lm100,000) as a deposit with the Malta Environment and Planning Authority, the relative receipt of which is hereto attached marked document “___”, to enable the withdrawal of all the stop and/or enforcement notices in connection with the development of the Emphyteutical Land and undertakes and binds itself to expeditiously commence the Works necessary in order to procure the withdrawal of the said stop and/or enforcement notices.

If in pursuance of sub-article one (1) of Article Twelve (12), the Company opts not to use the Hotel Area for the construction of a Hotel, the Company shall, without delay, within the period of time therein referred to, submit a full development application to the Malta Environment and Planning Authority with all plans required for a valid application for another specific project and shall pursue such application expeditiously and with due diligence.

Failure by the Company to strictly comply with all the conditions referred to in this sub-article one (1) shall entitle the Grantor to demand the rescission of the Emphyteutical Grant as provided in Article Eight (8).

(2) The Grantor undertakes and binds itself to use its best endeavours to ensure the expeditious issue from the competent authorities of such permits above referred to.

Article Sixteen : Repair and Maintenance

(1) The Company declares that it is fully aware of the considerable architectural and historical importance of the Fortifications and will consequently ensure to use its best endeavours to ensure that no damage is caused thereto, to conserve them and, where applicable, to restore them in accordance with applicable local requirements.

Without prejudice to the generality of the foregoing, the Company undertakes to maintain the Fortifications at least in the state they are in on the date hereof for the duration of the Emphyteutical Grant.

Provided that the Company's obligations to make restoration works in respect of the Fortifications shall be limited to a maximum capital investment of two hundred thousand Malta Liri (Lm200,000).

It is stated for the avoidance of doubt that unless otherwise provided in this deed the obligation to maintain the Emphyteutical Land as provided in the Civil Code shall remain unprejudiced.

(2) The Company shall, during the period of the Emphyteutical Grant, at its own cost, fully restore and maintain the Knights Barracks, the Knights Bakery and Il-Polverista as well as any other historical sites within the Emphyteutical Land except for the Fortifications.

(3) The Grantor shall be absolutely under no obligation to repair or maintain any part of the Emphyteutical Land granted by this deed. Specifically but without prejudice to the foregoing the Grantor shall have no responsibility whatsoever in the event that the cause of such repairs or maintenance arises from land subsidence not comprised in the Emphyteutical Land due to the configuration of the land underlying the Emphyteutical Land.

Article Seventeen : Statutory Obligations on Owners of Buildings

The Company shall be bound to comply with and to carry out any obligation or duty imposed by law on the owners of buildings or lands and the Grantor shall not be bound to contribute to the expense required for the compliance with or carrying out of any such obligation or duty whatever may be the amount of such expense and whatever may be the remaining period of the Emphyteutical Grant when such obligation or duty falls due to be complied with or carried out.

Article Eighteen : Access

(1) The Grantor reserves the right for its architects and any other person duly authorised by it at all reasonable times during the day to enter upon the Emphyteutical Land and any part thereof for the purpose of ascertaining that the provisions of this deed are being duly complied with and for the purpose of performing any of its obligations under this deed. Representatives of the competent authorities shall have access to the site in order to inspect the Works throughout the construction period.

(2) The Company shall, at reasonable times, permit the public to

have access on foot to areas marked for such purpose shown coloured in cyan along passages marked dashed cyan, on the plan hereto attached "Property Division two hundred and fifty-four underscore two thousand and four underscore two" marked document , subject to such regulations as may from time to time be agreed upon between the Grantor and the Company paying regard to security, privacy and maintenance of the property and the Residential Units.

Article Nineteen : Insurance

(1) The Company shall at all times during the period of the Emphyteutical Grant at its sole expense, insure or cause to be insured in accordance with normal practice the Works against loss or damage by fire, storm, tempest, lightning, flood, earthquake and aircraft or anything dropped therefrom for the full value thereof. The Company shall furnish to the Grantor at its request satisfactory evidence of all insurance cover obtained by it pursuant to this Article and the regular maintenance of such cover, and that the interest of the Government as Dominus be noted thereon.

(2) In the case of destruction or damage to the subject matter of the insurance by any of the risks insured against, the insurance money received by the Company shall be laid out in rebuilding, repairing or otherwise replacing or reinstating the same in accordance with original state of same or in such manner as the Grantor and the Company shall agree. Money received in respect of the loss of the Company's profits shall be paid to the Company.

Article Twenty : Excavations

(1) The Company shall not make any excavation in search of water on the Emphyteutical Land without the prior written consent of the competent authorities.

(2) The Grantor hereby consents to excavations which are necessary in connection with the installation of drainage and other utilities on the Emphyteutical Land as well as for projected swimming pools and underground car parks.

Article Twenty-One : Antiquarian or Archeological Discoveries

(1) The Company shall give immediate notice to the Director of

Museums of the discovery of any objects or monuments of local antiquarian or archaeological importance on the Emphyteutical Land. Any such finds (in which expression shall be comprised all old remains, such as caves, tombs, wells, stonewalls, pottery, coins, bones and other objects of a similar nature) shall become 'ipso facto' the property of the Government of Malta.

(2) On obtaining information of any such discoveries, the Director of Museums shall have the right of access to any part of the Emphyteutical Land to which the finds purport to relate for the purpose of causing the latter to be inspected by any person delegated for the purpose and, on ascertaining the existence of such finds, the Grantor shall have the right to rescind the Emphyteutical Grant in respect only of the area where archaeological remains are or may be found and the Ground rent, shall be accordingly reduced in proportion to the area of the land taken over by the Grantor.

Article Twenty-Two : Quiet and Peaceful Possession and Responsibility for Dues relating to Utility Services

Despite the rescission of the emphyteutical grant referred to in Article Two (2) of this deed, the Company shall, in view of the Emphyteutical Grant, effectively continue to retain possession of the Emphyteutical Land and shall continue to be exclusively responsible for all dues relating to water, electricity, telephone and all other services provided to or for the said property. Similarly, the Company shall continue to be exclusively responsible for all dues relating to the aforesaid Emphyteutical Land including, but not limited to, all costs for labour and supplies, architect fees, fees for licences, permits and other authorisations as well as for all liability which it may have given rise to as a result of its own act or omission during such time when it was and is in possession of the aforesaid property.

Further to the above, it is hereby declared and agreed that the Company shall continue to be exclusively responsible for the construction of and improvements made to buildings on the Emphyteutical Land effected prior to the Emphyteutical Grant, as well as for compliance with the relative building permits.

The Grantor warrants that the Emphyteutical Land is free and unencumbered and not subject to any rights whatsoever in favour of third parties other than as stated by this deed.

The Grantor warrants the quiet and peaceful possession of the Emphyteutical Land hereby granted.

Article Twenty-Three : Force Majeure

(1) Neither party shall be liable for failure to perform any of its obligations under this deed, other than that relating to the payment of Ground rent, when such failure arises by reason of Force Majeure.

(2) For the purpose of this Article, Force Majeure shall mean circumstances beyond the control of the party claiming Force Majeure, and shall include but shall not be limited to Acts of God, war, fire, flood, explosion, sabotage, accident, embargo, riot, civil commotion, and third party labour disputes which directly affect the continuation of the Works.

(3) A party seeking relief under this Article, shall as soon as practicable after the cause of Force Majeure and its effects upon his ability to perform become known to it, give notice to the other party of such cause of Force Majeure and its effects on its ability to perform. Notice shall also be given when the ground of relief ceases.

(4) The ground of relief takes effect from the time of the cause of Force Majeure if it can be established on objective grounds or, if not, from the time the abovementioned notice of relief is given.

(5) A ground of relief under this Article relieves the failing party from damages, penalties and other contractual sanctions.

Further it extends the time for the performance of the obligation by such period corresponding to the period during which the cause and effects of Force Majeure continues.

Article Twenty-Four : Hotel Standard

In the event that the Company opts to construct a Hotel at the Hotel Area, then the Company undertakes to utilise and maintain the Hotel and related services in accordance with the standards set out by the Malta Tourism Authority in respect of four (4) or five (5) star hotels or their equivalent (or of a higher standard if the Company so desires) as may be determined by the competent authorities from time to time.

Article Twenty-Five : Arbitration and Applicable Law

The parties agree that any dispute, controversy or claim, which may arise out of or in relation to this Emphyteutical Grant, or the breach, termination or invalidity thereof shall be referred to arbitration in terms of part four (IV) (Domestic Arbitration), of the Arbitration Act, Chapter three hundred and eighty seven (Cap. 387) of the Laws of Malta.

This deed shall be governed by and construed in accordance with Maltese Law.

Article Twenty-Six : Civil Code (Chapter Sixteen (16) of the Revised Edition of the Laws of Malta)

Subject to the provisions of this deed, the Emphyteutical Grant shall be governed by the provisions of the Civil Code of Malta (Chapter Sixteen (16) of the Revised Edition of the Laws of Malta) relating to emphyteusis.

Article Twenty-Seven : Notices

Any notice required or permitted to be given in terms of this deed, shall be in writing and may, unless otherwise stipulated in this deed, be served personally or by registered mail, return receipt requested. Such notices shall be effective upon delivery.

Article Twenty-Eight : Costs

All Notarial fees and expenses as well as Duty on Documents payable upon publication of this deed shall be at the charge of the Company. Each party shall be responsible for the payment of the fees of its own advisors.

FINAL PROVISIONS

The acquiring Company declares that it qualifies in such a way as to acquire the property above being transferred without the necessity of a permit for the acquisition of immovable property by non-residents in view of the fact that :

Not less than seventy five per cent (75%) of the share holding in the said Company and not less than seventy five per cent (75%) of the controlling shares of the said Company belong to European Union Citizens who have

resided continuously in Malta for at least five years during their lifetime and that all directors are also European Union Citizens who have resided continuously in Malta for at least five years during their lifetime. This declaration is being made after due explanation of its import according to Law by the undersigned Notary.

For the purposes of the Land Registry Act (Chapter Two Hundred and Ninety Six (296) of the Laws of Malta), it is hereby declared that the immovables transferred in virtue of this deed

For the purposes of the Duty on Documents and Transfers Act of the year one thousand nine hundred and ninety three (1993) [Chapter Three Hundred and Sixty Four (364) of the Laws of Malta] I the undersigned Notary declare that

For the purposes of the Income Tax Management Act of the year one thousand nine hundred and ninety four (1994) [Chapter One Hundred and Twenty Three (123) of the Laws of Malta] I the undersigned Notary do hereby declare that no Provisional Capital Gains Tax is due by the Government as Government is exempt from the payment of Capital Gains Tax. No provisional Gains Tax is due on the termination of the deeds referred to in Article Two.

In view that the documents exceed five in number a list of same is being attached hereto for registration marked document ' _____ '

This transfer has been approved by Parliament on the at Parliamentary sitting number

This deed has been done, read and published after I, the undersigned Notary, explained the contents hereof to the parties hereto according to law in Malta _____

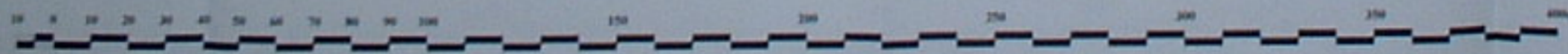
**FORT CHAMBRAY
l/o GHAJNSIELEM**



Site Plan
S.S. 3686 3687

Scale 1:1000
Map Ref. 36317
66876

- Red Extent of Emphyteutical Land - Area: 98,584 m²
- Magenta Other Areas (Phase 1) - Area: 2,308 m²
- Green Other Areas (Phase 2) - Area: 30,987 m²
- Orange Residential Area (Phase 1) - Area: 14,162 m²
- Blue Residential Area (Phase 2) - Area: 33,208 m²
- Yellow Hotel Area - Area: 10,021 m²



Scale 1:1000

INTERPRETED FROM PLANS SUBMITTED BY ARCHITECTURE PROJECT - SEPTEMBER 2004

GOVERNMENT PROPERTY DIVISION ESTATE MANAGEMENT DEPARTMENT	
LOCALITY: GHAJNSIELEM	
P.D. No: 254_2004_1	SCALE: 1:1000
FILE: L 1982/1	DRAWN BY: [Signature]
(sgt. S. Scott)	CHECKED BY: [Signature]
SACE	Director Estate Management
DATE: 19/11/2004	DATE: 19/11/2004

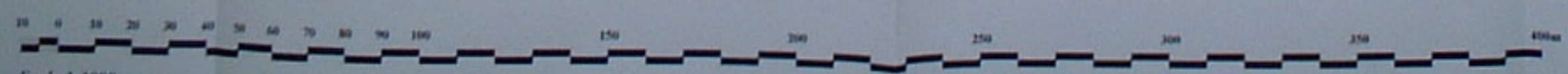
**FORT CHAMBRAY
I/o GHAJNSIELEM**



Site Plan
S.S. 3686 3687

Scale 1:2500
Map Ref. 36317
66876

- Red Extent of Emphyteutical Land - Area: 96,564 m²
- Green Other Areas - Area: 41,193 m²
- Blue Residential Area - Area: 47,370 m²
- Yellow Hotel Area - Area: 10,021 m²
- Cyan Knights' Barracks
- Orange Knights' Bakery
- Magenta Polverista
- Pink Dar it-Tabib
- Fortifications



Scale 1:1000
DRAFT FROM PLANS SUBMITTED BY ARCHITECTURE PROJECT - SEPTEMBER 2004

**GOVERNMENT PROPERTY DIVISION
ESTATE MANAGEMENT DEPARTMENT**

LOCALITY: GHAJNSIELEM

P.D. No: 254_2004	SCALE 1:1000
FILE: 1.1982/11	DESIGNED BY: SCOTTAS
(sgt. S. Scotto)	(sgt. J. Caruana)
DATE: 19/11/2004	DATE: 19/11/2004

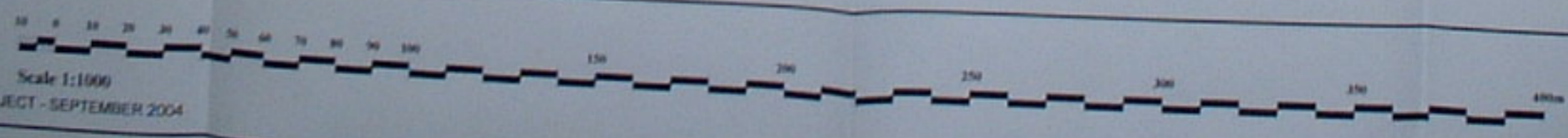
**FORT CHAMBRAY
I/o GHAINSIEM**



Site Plan
S.S. 3686 3687

Scale 1:2500
Map Ref. 36317
86876

- Red Extent of Emphyteutical Land - Area: 98,564 m²
- Cyan Area for Public Access
- Public Passage



Scale 1:1000

INTERPRETED FROM PLANS SUBMITTED BY ARCHITECTURE PROJECT - SEPTEMBER 2004

GOVERNMENT PROPERTY DIVISION ESTATE MANAGEMENT DEPARTMENT	
LOCALITY: GHAINSIEM	
P.D. No: 254_2004_2	SCALE 1:1000
FILE: L 1982/II	DESIGNED BY: [unclear]
(sgt. S. Scotto)	(sgt. J. Caruana)
ARCE	Director Estate Management
DATE: 19/1/2004	DATE: 19/1/2004