

Commonwealth of Puerto Rico



Department of State

I, GLORIA I. SILVA DE DIAZ, Assistant Secretary of State of the Commonwealth of-----

Puerto Rico do hereby Certify, That from the records of this Department it appears that-----

-----PDM UTILITY CORPORATION-----

is a non-profit corporation organized under the laws of Puerto Rico. on June 8, 1973 at 3:20 p.m., file number 6851.---

In Witness Whereof I have hereunto set my hand and affixed the Great Seal of the Commonwealth of Puerto Rico, at the City of San Juan, this fifteenth day of June, A. D., nineteen hundred and sixty-seventy-three.-



Gloria I. Silva de Díaz
Assistant Secretary of State

By:

Jorge Colón Soto
Jorge Colón Soto
Chief Corporation Division
ac



CERTIFICATE OF INCORPORATION
OF
P D M UTILITY CORPORATION

We, the undersigned, have organized a non-profit corporation under the General Corporation Law of the Commonwealth of Puerto Rico, Act No. 3, approved January 9, 1956, as amended, and hereby certify to the following articles of incorporation for such corporation:

FIRST

The name of the Corporation is P D M Utility Corporation.

SECOND

The location of the principal place of business of the corporation in the Commonwealth is Suite 920 Chase Manhattan Bank Building, Hato Rey, San Juan, Puerto Rico. The resident agent of the corporation is José A. Ledesma, whose address is the same as that given for the principal place of business of the corporation.

THIRD

The corporation will have perpetual existence.

FOURTH

The corporation is not organized for pecuniary profit nor shall it have any power to issue certificates of stock or declare dividends, and no part of its net earnings shall inure to the benefit of any stockholder, director, or individual.

FIFTH

The purposes for which the corporation is formed are to provide and ensure, on a non profit basis, water and sewer services to all subscribers in general and specifically to those subscribers requesting such services within the geographical boundaries of the Palmas del Mar Development, a residential tourism resort community with an area of approximately 3000 cuerdas located within the Municipalities of Humacao and Yabucoa, Commonwealth of Puerto Rico

SIXTH

The Corporation shall be authorized and empowered to:

1. To own, construct, cause to be constructed, purchase or otherwise acquire, rent, operate, hold licences and franchises, maintain, repair, lease, mortgage, buy, sell or otherwise dispose of, water, waterworks, water distributing systems, dams, reservoirs, water towers, waterways, easements, rights of way, settling basins, filtering, purifying, distilling, pumping plants, plants and systems of sewage and waste treatment of any kind whatsoever.

2. To purchase, lease or otherwise acquire to hold, invest in, own, use, develop, maintain, manage and operate, and to sell, transfer, lease, assigns, convey, mortgage, exchange or otherwise turn to account or dispose of, build, construct, develop, subdivide, and otherwise deal in and with such real property or interests thereon, developed or undeveloped, including buildings, whether located within the Commonwealth of Puerto Rico or elsewhere, as may be necessary or convenient in connection with the business of the Corporation, and within the limits permitted by law, and personal property, tangible or intangible, without limitation; and shall in all respects be subject to the provisions of Section 14 of Article VI of the Constitution of the Commonwealth of Puerto Rico.

3. To engage in any one or more other businesses or transactions which the Board of Directors of this Corporation may from time to time authorize or approve, whether related or unrelated to the business described herein.

4. To borrow money for any of the purposes of the Corporation, from time to time, and without limit as to amount; and on such terms and conditions and at such rate of interest as the Corporation may determine, on a secured or unsecured basis, and to give notes, debentures, bonds and other negotiable or non-negotiable instruments of the Corporation therefor; to enter into other obligations on behalf of and for the purpose of the Corporation; and to mortgage, pledge or otherwise encumber all or any of the real and personal property of the Corporation to secure such notes, debentures, bonds, instruments or other obligations.

5. To merge into, or consolidate with, and to enter into agreements and cooperative relations, not in contravention of law, with any association or corporation; organized under or with reference to the laws of the Commonwealth of Puerto Rico or any other jurisdiction in connection with any business, object, purpose or power of the Corporation.

6. To draw, make, accept, endorse, discount, execute, and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures, and other negotiable or transferable instruments and evidences of indebtedness, whether secured by mortgage or otherwise, as well as to secure the same by mortgage or otherwise, so far as may be permitted by the laws of Puerto Rico.

7. To carry out all or any of the foregoing objects and purposes as principal or agent, to the extent now or hereafter permitted by the laws of the Commonwealth of Puerto Rico; and in connection therewith to make or enter into such deeds or contracts with any persons, firms, associations, corporations, government department, political subdivision, agency or instrumentality thereof, and to do such acts and things and to exercise such powers, as a natural person could lawfully make, enter into, do or exercise.

8. To do any and all such further acts and things and to exercise any and all such further powers as may be necessary, appropriate, or desirable for the accomplishment, carrying out

for attainment of all or any of the foregoing purposes or objects herein enumerated, or designed directly or indirectly to promote the interest of the Corporation or to enhance the value of its properties; and in general, to do any and all things and exercise any and all powers, rights, and privileges which a corporation may now or hereafter be organized to do or to exercise under the laws of the Commonwealth of Puerto Rico.

The foregoing objects and purposes shall, except where otherwise expressed, be in no way limited or restricted by reference to, or inference from, the terms of any other clause of this or any other Article of this Certificate of Incorporation, and shall each be regarded as independent, and construed as powers as well as objects and purposes. The Corporation shall be authorized to exercise and enjoy all of the powers, rights and privileges granted to or conferred upon, corporations of a similar character by the laws of the Commonwealth of Puerto Rico now or hereafter in force, and the enumeration of the foregoing powers shall not be deemed to exclude or waive any powers, rights or privileges so granted or conferred. However, all the powers, rights and privileges granted to the Corporation, including those above listed by way of illustration, shall be always understood to be subject to the limitation that the Corporation shall not operate or exist for pecuniary profit.

SEVENTH

The Corporation shall have no capital stock, and shall be composed of members rather than stockholders.

EIGHTH

The conditions and regulations of membership in the Corporation shall be determined and fixed by the by-laws of the Corporation.

The Board of Directors of the Corporation is fully empowered to approve or amend the By-Laws of the Corporation, repeal or modify said By-Laws or amendments thereto, and to, by reference to other specific public documents, incorporate functions, purposes and conditions, not contradictory to what is herein stated, for the operation of the Corporation business.

NINTH

The names and places of residence of each of the incorporators are as follows:

<u>NAME</u>	<u>ADDRESS</u>
1. José Sauri	Suite 920, Chase Manhattan Bank Bldg., San Juan, Puerto Rico
2. Elsa B. Hunt	Suite 920, Chase Manhattan Bank Bldg., San Juan, Puerto Rico
3. Marjorie Rivera	Suite 920, Chase Manhattan Bank Bldg., San Juan, Puerto Rico

IN TESTIMONY WHEREOF, we the undersigned, being all the incorporators of the corporation mentioned above, hereby certify under oath that the facts herein expressed are all true.

In San Juan, Puerto Rico this 8th day of JUNIO of 1973.

José E. Sauri
José Sauri

Elsa B. Hunt
Elsa B. Hunt

Marjorie Rivera
Marjorie Rivera

Affidavit No. 621

Sworn to and subscribed before me by José Sauri of legal age, married, resident of San Juan, P.R.; Elsa B. Hunt of legal age, married, resident of San Juan, P.R. and Marjorie Rivera, of legal age, married resident of San Juan, P.R. all of whom are to me known. In San Juan, Puerto Rico this 8th day of JUNIO of 1973.

Leidesma Viviani
Notary Public



The seal is circular with a cross in the center. The text around the cross reads "LEIDESMA VIVIANI" at the top, "NOTARY PUBLIC" in the middle, and "PUERTO RICO" at the bottom. The year "1954" is visible on the left side of the seal.