

MANOR HOUSE GENERAL RENTAL CONDITIONS

1. DEFINITIONS AND INTERPRETATION

1.1 Throughout this Sub-Lease following words shall have the meanings described below:

- (a) **working day:** any day from Monday to Friday (inclusive) which is not Christmas Day, Good Friday or any other Bank Holiday;
- (b) **Landlord:** includes the person for the time being entitled to the reversion immediately expectant on the determination of the Term;
- (c) **Tenant:** does not include the Tenant's successor in title;
- (d) **Head Lease:** the head lease granted by The Superior Landlord, under which the Landlord holds the Premises;
- (e) words importing one gender shall be construed as importing any other gender;
- (f) words importing the singular shall be construed as importing the plural and vice versa;
- (g) words importing persons shall be construed as importing a corporate body and/or a partnership and vice versa;
- (h) where any party comprises more than one person the obligations and liabilities of that party shall be joint and several liabilities of those persons;
- (i) unless expressly stated to the contrary, any reference to a specific statute includes any statutory extension or modification, amendment or re-enactment of that statute and any regulation or order made under that statute, and any general reference to a statute includes any regulation or order made under that statute;
- (j) save for the heading "Particulars", the clause headings do not form part of this Sub-Lease and shall not be taken into account in its construction or interpretation;
- (k) any reference to a clause or a condition or a paragraph or a schedule is to one so numbered;
- (l) any sum referred to in United States Dollars (US\$) is the equivalent of the same sum in Bermuda Dollars (BD\$) at the official exchange rate;
- (m) if the consent of the Landlord is required for any act or matter the consent of the Superior Landlord shall also be required if requisite;
- (n) reference to any right exercisable by the Landlord or any right exercisable by the Landlord in common with the Superior Landlord shall be construed as including (where appropriate) the exercise of such right:

- (i) by the Superior Landlord and all persons authorized by the Superior Landlord, and
 - (ii) in common with all others having a like right;
 - (o) definitions described in the Particulars are incorporated throughout this Sub-Lease.
- 1.2 The Tenant must pay the Rent monthly in advance, in cleared funds into the Landlord's Bank Account, on or before each Rent Day, in accordance with these Manor House General Rental Conditions.
- 1.3 The Landlord gives the Tenant the right to use the Furnishings/Contents for domestic purposes subject to these Manor House General Rental Conditions
- 1.4 The Landlord gives the Tenant full right and liberty for the Tenant and all persons authorised by the Tenant (in common with all other persons entitled to the like right) for all lawful purposes:
- (a) At all times with or without motor cars and other vehicles to go pass and repass along over and upon the driveways of Manor House estate;
 - (b) To use such of the footpaths ,gardens and grounds of Manor House estate subject only to such conditions as the Superior Landlord may reasonably impose having regard to the use of the estate as a residential development of good standing;
 - (c) During daylight hours to use the area common waterfront area of the estate adjoining Harrington Sound for access to boats of all kinds (not being commercial craft) and for the purpose of bathing in the ocean;
 - (d) The free and interrupted passage and running of water electricity gas and other utilities and soil and waste from and to the Premises through the sewer drains water courses cables pipes wires and apparatus which now are and may at any time hereafter be in under or passing through the Manor House estate or any part thereof;
 - (e) The benefit of the restrictions contained in the leases of other parts of Manor House estate granted or to be granted; and
 - (f) At all times to pass and repass over and along any stairs of the Manor House estate including the landings and corridors on which the Premises is situate for the purpose of going to and from the Premises.
- 1.5 There is excepted and reserved for the Landlord, the Superior Landlord and other tenants of the Manor House estate:
- (a) Power respectively with or without surveyors, agents, workmen and others at all reasonable times on notice (except in case of emergency) to enter the Premises for:
 - (i) the purpose of carrying out obligations of the Superior Landlord, or the Landlord (whether under the Head Lease or this Sub-Lease); or

- (ii) for exercising a right granted by the Superior Landlord to a tenant of the Manor House estate; and
- (b) Easements rights and privileges equivalent to those granted to the Tenant hereunder.

2. **TENANT OBLIGATIONS**

The Tenant covenants with the Landlord as described throughout clause 2 and additionally the Tenant separately covenants with the Superior Landlord as described in clauses 2.4 to 2.17 (inclusive) and any reference to "Landlord" shall be deemed to be a reference to the Superior Landlord accordingly.

2.1 **Deposit/Rent/Expenses/Interest**

To pay:

- (a) the Landlord immediately, if not already paid, the Tenant's Stamp Duty Portion and Deposit;
- (b) the Landlord the Rent, at the times and in the manner specified and not to exercise, or seek to exercise any right or claim to withhold rent, or any right or claim to legal or equitable set off;
- (c) and indemnify the Landlord against any sum expended in remedying any breach of the Tenant's obligations;
- (d) if specified in the Particulars as "Utilities Payable By: Tenant" and indemnify the Landlord against all utilities supplied to the Premises from time to time, including but not limited to electricity, alarm systems, telephone and electronic communications, water, sewage systems, waste disposal, gas, cable, internet and other utility charges;
- (e) if specified in the Particulars as "Land Tax Payable By: Tenant" and indemnify the Landlord against Land Tax assessed on the Premises from time to time;
- (f) if specified in the Particulars as "Service Charges Payable By: Tenant", the Landlord's portion of maintenance expenses (as assessed in accordance with the Head Lease), which shall be paid quarterly in advance (in accordance with the Head Lease); and
- (g) the Landlord interest on the Rent, or other sum due from time to time and which is not paid within fourteen (14) days of the date on which payment is due; whether or not formally demanded, from the date when due to the date of payment, whether before or after any judgement at a rate equal to seven per cent per annum.

2.2 **Cleaning/Repair/Redecorations**

- (a) To keep the Premises in good repair and properly cleaned including but not limited to:
 - (i) all glass in the windows and doors;

- (ii) all the Landlord's fixtures and fittings;
- (iii) all sash cords, shutters, locks, hinges, fastenings and other internal fittings;
- (iv) all non-structural interior walls, interior plaster work, tiling and other surfaces to floors, ceilings and walls; and
- (v) the cisterns, tanks, wires, ducts and conduits within the Premises (whether or not below the surface of the floors, within the walls or above the ceilings) which exclusively serve the Premises.

For the purposes of clause 2.2 (a) "good repair" shall mean maintaining the Premises in a comparable condition to that which exists on the day the Term starts (reasonable wear and tear excepted).

- (b) To have any curtains, tie backs and carpets (if any) in the Premises cleaned by reputable cleaners as and when necessary.
- (c) To have any curtains, tie backs and carpets (if any) in the Premises cleaned by reputable cleaners not less than 14 days before the expiration or determination of the later of the Term or any renewal term; or (at the option of the Landlord) to reimburse the Landlord for the costs associated with completing such cleaning.
- (d) To keep the interior of the Premises in a good state of decorative condition and at least up to the standard pertaining when the Tenant took possession reasonable wear and tear excepted.
- (e) Prior to the later of determination of the Term or any renewal term to repaint the interior walls and woodwork of the Premises to a professional standard; or (at the option of the Landlord) to reimburse the Landlord for the costs associated with completing such works.

2.3 Furnishings/Contents

- (a) To take due and proper care of the Furnishings/Contents, and keep them clean and in good repair (the Tenant acknowledging that on the day the Term starts the Furnishings/Contents are clean and in good repair) and preserved from injury and from deterioration, other than by reasonable use and wear.
- (b) To leave Furnishings/Contents in the same place as found at the date the Term started.
- (c) To replace any Furnishings/Contents with similar items of at least equal value which may be found to be missing, or destroyed, or so damaged, as to be incapable of being restored to former condition; or at the option of the Landlord to pay the Landlord the value of any missing, damaged or destroyed.

2.4 Inspections and Repair

To permit the Landlord and/or the Superior Landlord and duly authorized agents with or without workmen and others upon giving 48 hours' previous notice (or in the case of emergency without notice) and at the end of the Term to enter the Premises at all reasonable times:

- (a) to inspect the state of repair and decoration of the Premises or any part of them;
- (b) to inspect the Furnishings/Contents;
- (c) to carry out any repair or alteration which may be necessary during the Term pursuant to the law, or to any Landlord and/or the Superior Landlord repairing obligation;
- (d) to complete any repair, alteration or improvement to the Premises or the electric wiring gas or water pipes or drains in or under the Premises or to paint the Premises;
- (e) to execute all work necessary for remedying any breach by the Tenant of any covenant or agreement contained herein regarding repair, maintenance or decoration; and
- (f) to make any necessary repairs or alterations to the Premises.

2.5 Notice to Repair

To comply as soon as possible with any notice, which may be given by the Landlord and/or the Superior Landlord to the Tenant, with respect to any breach of an obligation of the Tenant.

2.6 Alterations or Additions

Not to make or permit to be made any alterations or additions to the Premises.

2.7 Insurance

Not to do anything or suffer or permit anything to be done as a result of which any policy of insurance effected by the Landlord, or the Superior Landlord, on the Premises may become void or voidable, or as a result of which the rate of premium on any such policy may be increased and to make good to the Landlord all loss or damage sustained by the Landlord and/or the Superior Landlord consequent on any breach of this provision.

2.8 Notices from Competent Authorities

Upon receipt from a competent authority of any notice, order or direction affecting or likely to affect the Premises, whether served directly on the Tenant, or other person whatsoever:

- (a) to comply with the notice, order or direction at the Tenant's expense so far as he is required to do so by the notice, order or direction or the statute, regulations or other instrument under which it is issued; provided that such notice, order or direction is a result of some act of the Tenant:

- (i) not permitted under this Sub-Lease,
 - (ii) some omission to act required by this Sub-Lease; and
- (b) to deliver to the Landlord, as soon as possible, a copy of such notice, order or direction.

2.9 Premises Unoccupied

To notify the Landlord, if the Premises will be unoccupied, for more than 14 consecutive days.

2.10 Use & Occupation

- (a) Not at any time to use or occupy or permit to be used or occupied the Premises otherwise than as a single private residence in the occupation of one family and their occasional guests. Provided that at no time are the Premises to be occupied, on a continuous basis, by more than the "Maximum Number of Occupants", as stated in the Particulars.
- (b) Not to carry on in the Premises any trade business manufacture profession or occupation whatsoever.
- (c) Not to do or permit or suffer to be done on the Premises any act or thing which may be or become a nuisance to the Landlord and/or the Superior Landlord or the owners tenants or occupiers of any other unit on the Manor House estate, or on any adjoining or neighbouring Premises; or which may deteriorate, or tend to deteriorate the value of them or any part thereof.

2.11 Transfer Etc.

Not to assign, transfer, or underlet the Premises, or any part of the Premises and not to share possession of the Premises (or any part).

2.12 Refuse

To place all refuse in proper receptacles provided by the Landlord or the Superior Landlord and to ensure that the refuse is made available for regular collection by Government and other appropriate refuse collection services.

2.13 Display

- (a) Not to affix or exhibit on the outside of the Premises or display anywhere on the Premises any placard sign notice or board or advertisement.
- (b) Not to permanently stop up darken or obstruct any windows or light benefiting the Premises.

2.14 Common Areas

Not to obstruct the Common Areas or cause or permit them to be obstructed and to pay the cost of making good any damage at any time done by the Tenant or any person claiming through

the Tenant or his servants agents or licensees to any part of the Estate or to the person or Premises of the tenants or the occupiers of any other units on the Estate.

2.15 Restrictions for Good of Neighbours

To observe and perform the following rules and regulations:

- (a) No Tenant shall give lessons in music singing or dancing and no piano or other musical instrument gramophone or other mechanical instrument radio loud speaking singing or any noise whatsoever shall be played used operated or permitted at such hours or ins such manner as shall reasonably be objected to by any of the occupiers of any adjoining or adjacent Premises or by the Superior Landlord;
- (b) If the Premises are over another property, the Tenant will keep the floors of the living/dining room, the bedrooms and the passages covered with felt and carpet to within at the most one foot of each wall, except while the same shall be removed for cleaning, repairing, decorating, or for some temporary purpose;
- (c) No Tenant shall throw or permit to be thrown anything whether of a liquid, or solid nature, from any part of the Premises;
- (d) Not more than one cat or small dog shall be kept and no Tenant shall keep any bird, cat, small dog, pet, or any animal in the Premises or on any part of the Manor House estate after reasonable objection is made by an occupier of any adjacent property and the Tenant shall be responsible for cleaning of common areas which may be fouled by his animal;
- (e) No clothes shall be hung up on or from, nor carpets rugs mats or clothes be shaken from any windows or balcony and no clothes shall be hung out in any part of the Premises, or the Manor House estate, other than such part thereof as may be specifically reserved for such purpose;
- (f) No Tenant shall keep any plants on the exterior windowsills or place thereon ornaments or other thing which might impair alter or mar the uniformity or appearance of the Manor House estate;
- (g) No Tenant shall in any way encumber or interfere with the access to or egress from or place or leave rubbish upon any part of the Manor House estate used in common with other tenants thereof (other than such part thereof as is specifically reserved for such purpose), nor allow any car, cycle, perambulator, cart, bath chair, invalid carriage, or other vehicle, or thing, or any goods, or package belonging to the Tenant or the Tenant's servants agents or invitees to be placed or remain upon any part of the Manor House estate used in common with the other tenants (other than such part thereof as is specifically reserved for such purpose).
- (h) No Tenant shall use the Premises or permit the same to be used for any purpose of an illegal nature;

- (i) No Tenant shall fix a radio or television serial to the exterior of the Premises, or to any other part of the Manor House estate without the permission of the Superior Landlord;
- (j) No Tenant shall make or allow any person or child under his control to make any undue noise in or about the Premises or any part of the Manor House estate and common waterfront area or to play on any such part, except in areas designated by the Superior Landlord for such purposes.
- (k) No Tenant shall permit any water or liquid to soak through the floors of the Premises and in the event of such happening he will, without prejudice to the Superior Landlord's rights, immediately rectify and make good all damage and injury to Premises so affected;
- (l) In the event of any services which pass through other parts of the units of which the Premises form part requiring attention the person on whose behalf such attention is required may himself or by his workmen have access to such other parts of the said units as may be strictly necessary for that purpose and he will be responsible for ensuring that no unnecessary inconvenience is caused and that any damage done is made good in satisfactory manner and at his expense; and
- (m) Such other regulations that the Superior Landlord may, from time to time, make.

2.16 Access to View

To permit the Landlord or his agent upon giving 48 hours previous notice to the Tenant, to enter the Premises at reasonable times of the day, to view the Premises with potential purchasers and new tenants.

2.17 Yield up

At the expiration or sooner determination of the Term quietly to yield up unto the Landlord the Premises and the Furnishings/Contents in accordance with the terms of this Sub-Lease with all fixtures and fittings (other than the Tenant's fittings and chattels) which now or at any time during the Term shall be added thereto well and substantially repaired and with all locks and keys and fastenings complete.

3. LANDLORD OBLIGATIONS

The Landlord covenants with the Tenant as described in this clause 3.

3.1 Quiet Enjoyment

The Tenant paying the Rents hereby reserved and observing and performing the several covenants and stipulations on his part herein contained shall hold and enjoy the Premises throughout the Term without interruption by the Landlord or any person claiming under the Landlord.

3.2 Head Lease Etc.

- (a) To pay the rent reserved by the Head Lease, together with the service charge and the insurance rent and all other sums payable by the Landlord (as tenant), in accordance with the Head Lease.
- (b) To observe and perform the covenants and conditions on the part of the Landlord (as tenant), contained in the Head Lease and to indemnify and keep the Tenant indemnified, from and against all actions proceedings claims damages costs expenses or losses, arising from any breach non-observance or non-performance thereof. Provided such indemnification shall not extend to any sum expressed to be payable by the Tenant or for any actions proceedings claims damages costs expenses or losses, arising from any Tenant breach non-observance or non-performance of this Sub-Lease.

3.3 Consents

At the cost of the Tenant, to take all reasonable steps to obtain the consent of the Superior Landlord whenever the Tenant makes application for any consent required under this Sub-Lease, if the consent of both the Landlord and the Superior Landlord is required by virtue of this Sub-Lease.

3.4 Repair/Maintenance

Within a reasonable time to cause the Superior Landlord to carry out the repair and maintenance obligations set out in the Head Lease and to pay any maintenance due to the Superior Landlord in respect of such repairs.

3.5 Outgoings

Except to the extent the Tenant is liable under this Sub-Lease, to pay all taxes and charges in respect of the Premises and which are payable under The Land Valuation and Tax Act 1967 or any Act for the time being amending or replacing the same or under any other future statute or regulation pursuant to which the same are imposed upon the owner or occupier of the Premises.

4. PROVISOS & DECLARATIONS

The parties agree as described in this clause 4.

4.1 Forfeiture

In the event:

- (a) the Rent or any other payment due under the terms hereof being in arrears for the period of fourteen (14) days whether demanded or not;

- (b) any covenant on the part of the Tenant herein contained shall not be performed or observed within 30 days following the date upon which the Tenant receives notice requesting remedial action; or
- (c) the Tenant shall enter into liquidation whether voluntary or compulsory (except by way of reconstruction or amalgamation) or not being a company shall become bankrupt or have a receiving order made against him or suffer distress or execution to be levied on his goods; then and in any such case it shall be lawful for the Landlord to re-enter upon the Premises or any part thereof in the name of the whole and thereupon this demise shall absolutely cease and determine but without prejudice to the right of action by the Landlord against the Tenant in respect of any antecedent breach by the Tenant of his covenants and assignments herein contained.

4.2 Suspension of Rent

In the event that the Premises is damaged by a risk for which they are insured in accordance with the Head Lease so as to be unfit for habitation and use (otherwise than as a result of negligence or wilful default on the part of the Tenant) then the Rent reserved or a fair portion thereof according to the nature and extent of the damage sustained shall be suspended until the Premises is again rendered fit for habitation and use.

4.3 Liability

The Landlord shall not be liable to the Tenant or to any other person for any loss or damage which may at any time during the Term be occasioned or suffered by the Tenant or such other person or to the Premises or to any goods or Premises of the Tenant or any other person unless the same shall have occurred as a direct result of a wilful or negligent act or default on the part of the Landlord or his agents or employees.

4.4 Service of Notice to Repair

After any inspection of the Premises the Landlord may serve upon the Tenant a notice:

- (a) specifying any repairs which the Landlord considers need to be done or any defect, decay or want of repair found in breach of the covenants and agreements contained herein; and
- (b) requiring the Tenant to execute the specified repairs or remedy the defect, decay or want of repair immediately; and if the Tenant does not proceed diligently with the execution of the repairs within 21 days after service of the notice requiring them, the Landlord and/or the Superior Landlord may (but without prejudice to any other right or remedy) enter the Premises on 48 hours' notice with all necessary workmen and appliances and execute the repairs and the cost of the repairs (including reasonable out-of-pocket legal costs incurred by the Landlord and his agents incidental to the preparation and service of the above notice) shall be a debt due from the Tenant to the Landlord immediately recoverable by action.

4.5 **Non-Bermudian Tenant**

If the Tenant is a non-Bermudian, who is employed in Bermuda under an employment contract which is subject to a work permit issued by the Minister responsible for Immigration, it is hereby agreed that if the Tenant is required during the Term to give up ordinary residence in Bermuda as a result of:

- (a) the expiry or revocation of his work permit, without expectation of either the renewal of the same, or the grant of a new work permit, within three months of such expiry or revocation;
- (b) the expiry, or the termination by his employer, of his employment contract, without expectation of either the renewal of such contract, or his securing a new employment contract with his former or another employer in Bermuda, within one month of such expiry or termination;
- (c) being required by his employer to relocate overseas;
- (d) the loss of his work permit for any other reason; or
- (e) the revocation of his spouse's permission to reside in Bermuda;

then the Tenant may terminate this Sub Lease by giving to the Landlord not less than 90 days' notice indicating the reason therefor, together with supporting documentation.

4.6 **Option to Renew**

If the Tenant wishes to take a further sub-lease of the Premises following the expiration of the Term and shall not less than three months and not more than six months before the expiration of the Term give notice thereof to the Landlord and if there shall not at the time of such notice be any breach or non-observance of any covenant term or condition on the part of the Tenant under this Sub-Lease, then the Landlord and the Tenant shall (subject to the prior written consent of the Superior Landlord) enter into a new sub-lease for a further term equal to the Term of this Sub-Lease to commence on (and including) the day immediately following the expiration of the Term, which said new sub-lease shall be at the same rent and otherwise upon the same terms and conditions as this Sub-Lease, save and except for this present covenant for renewal.

4.7 **Deposit**

- (a) The Deposit having been paid to the Landlord, shall be held by the Landlord until the expiration of the Term (or any renewal term if appropriate), as security towards the Tenant's liability for any sum payable by the Tenant with respect to:
 - (i) the Landlord, or to the Superior Landlord, under this Sub-Lease;
 - (ii) electricity, alarm systems, telephone and electronic communications, water, sewage systems, waste disposal, gas, cable, internet and other utility charges;

- (iii) dilapidations; and
- (iv) any sum expended by the Landlord and/or the Superior Landlord in remedying any breach of the Tenant's covenants or obligations hereunder.
- (b) Subject the provisions of clause 4.7 (a), to return to the Tenant as soon as shall be practicable after the expiration of the Term, the Deposit or any balance, not retained by the Landlord.
- (c) Nothing contained in this Sub-Lease shall prevent the Landlord from claiming an amount in excess of the Deposit, to make good any breach of a Tenant obligation, to the Landlord.
- (d) Interest (if any) earned on the Deposit, shall be retained by the Landlord.

4.8 Special Conditions Prevail

The Special Conditions are deemed incorporated into this Sub-Lease and in the event of any conflict between the Manor House General Rental Conditions and the Special Conditions, then the Special conditions shall prevail.

4.9 Service of Notices

- (a) Any notice under this Sub-Lease shall be in writing and may be served upon either party by:
 - (i) delivering it to the other by hand to the recipient (in which event it shall be deemed to have been served on the date of such delivery);
 - (ii) sending it by post to the Landlord at his last known address, or to the Tenant at the Premises; or
 - (iii) electronic communication to the Landlord via the Landlord's Email Address and to the Tenant via the Tenant's Email Address.
- (b) A notice sent by post shall be deemed to have been served not later than the fifth working day following the day on which it was posted.
- (c) A notice sent electronically shall be deemed to have been served on the day upon which it is sent.

4.10 Governing Law

This Sub-Lease shall be governed and construed in all respects by and in accordance with the laws of the Islands of Bermuda and the Bermuda Courts shall have exclusive jurisdiction over any claims or disputes arising hereunder and this Sub-Lease may be modified or varied only by a deed executed by all parties hereto.