

Vendor:

HSBC Bank Bermuda Limited

and

Purchaser:

Government of Bermuda

SALE AND PURCHASE AGREEMENT

relating to

“Compass Point”, 9 Bermudiana Road, Pembroke, HM08, Bermuda

This is a legally binding agreement.

If you are in any doubt as to its terms please take legal advice before signing it.

SALE AND PURCHASE AGREEMENT

The Bermuda Bar Association General Conditions of Sale January 2026 are incorporated in this Agreement save where modified in accordance with the Special Conditions below.

1. THE PARTICULARS

The Agreement Date:

The Vendor: Name: HSBC Bank Bermuda Limited
Address: 37 Front Street, Hamilton, HM11, Bermuda
Telephone/Fax:
Nationality: local company incorporated in Bermuda pursuant to the Bank of Bermuda Act 1890 (as amended)

The Purchaser: Name: Government of Bermuda acting by and through the Minister of Public Works & Environment
Address: 3rd Floor, Government Administration Building, Hamilton, HM12, Bermuda
Telephone/Fax:
Nationality: Government of Bermuda

The Property: Tenure: Freehold

Parcel Numbers: PE-2741, PE-2743 and PE-2740

Address: "Compass Point", 9 Bermudiana Road, Pembroke, HM08
Lot 6 Gorham Road, Pembroke, HM08
Lot 5B Gorham Road, Pembroke, HM08

V.A.N.: 122746210
A.R.V. \$2,838,000
Grid Ref.: 546379, 132536

Details of Accommodation: Five-story office building with parking, basement

The Chattels: Four generators and a SMARDT rooftop chiller system located at the Property along with any other items on or at the Property at the Actual Completion Date.

The Purchase Price: US\$ 14,500,000.00

The Deposit: US\$ 1,450,000.00

The Balance: US\$ 13,050,000.00

The Completion Date: Thirty (30) days from the date of this Agreement or the 27th July 2026, whichever is first in time.

The Vendor's Attorneys: BeesMont Law Limited

The Purchaser's Attorneys: The Attorney General's Chambers, Global House, 4th Floor, 43 Church Street, Hamilton, HM12, Bermuda

The Stakeholder: The Vendor's Attorneys

Location of Title Deeds: The Land Title Registry Office for Bermuda

2. DEFINITIONS AND INTERPRETATION

In this Agreement, unless the context otherwise requires, the terms appearing in the Particulars shall have the meanings specified therein, and:

2.1 'Interest Rate' means seven per centum (7%) per annum;

2.2 'Completion Money' means the Balance as adjusted by all other sums payable by the Vendor and the Purchaser to each other pursuant to the provisions of this Agreement;

- 2.3 'Planning Act' means the Development and Planning Act 1974;
- 2.4 'Actual Completion Date' means the date upon which completion is deemed to have occurred, being the moment the Completion Money is credited as cleared funds to the Vendor's nominated bank account in accordance with the terms of this Agreement;;
- 2.5 'Working Day' means any day from Monday to Friday (inclusive) which is not Christmas Day, Good Friday or any other Public Holiday;
- 2.6 'Lease' includes sub-lease, tenancy and agreement for a lease or sub-lease;
- 2.7 'Notice to Complete' means a notice requiring completion of this Agreement in accordance with General Condition 14;
- 2.8 'Plan' means the plan prepared by Bermuda Realty Company Limited under reference LS7220B dated October 2022 a copy of which is annexed at the Second Schedule hereto;
- 2.9 "General Conditions" means the Bermuda Bar Association General Conditions of Sale January 2026 which shall apply to the Agreement and a copy of which are annexed at the First Schedule hereto;
- 2.10 "Basement Area" means the two (2) areas in the basement level of the building on the Property shown on the plan marked B annexed to the Basement Lease at the Fifth Schedule hereto.
- 2.11 expressions 'the Vendor', 'the Purchaser' and 'the Broker' include their respective successors in title and permitted assigns;
- 2.12 The Interpretation Act 1951 shall apply unless specifically varied herein;
- 2.13 where any party comprises more than one person the obligations and liabilities of that party under this Agreement shall be joint and several liabilities of those persons;
- 2.14 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;
- 2.15 the clause headings do not form part of this Agreement and shall not be taken into account in its construction or interpretation save for the headings "The Particulars", "The General Conditions" and "The Special Conditions";
- 2.16 any reference to a clause or a condition or a paragraph or a schedule is to one in this Agreement so numbered;
- 2.17 any sum referred to in this Agreement in United States Dollars (US\$) is the equivalent of the same sum in Bermuda Dollars (BD\$) at the official exchange rate;

3. AGREEMENT FOR SALE

The Vendor agrees to sell and the Purchaser agrees to buy the Property and the Chattels (if any) at the Purchase Price in accordance with the terms of this Agreement.

4. THE SPECIAL CONDITIONS

4.1 Conflict

Where there is a conflict between these Special Conditions and the General Conditions of this Agreement, the Special Conditions prevail.

4.2 Vendor's Title and Encumbrances

- 4.2.1 The Property is registered with Absolute Title at the Land Title Registry Office ("LTRO") under parcel numbers PE-2741, PE-2743 and PE-2740 and a copy of the LTRO land register reports dated 4 May 2026 for parcel numbers PE-2741 and PE-2743 and dated 7 May 2026 for parcel number PE-2740 (together the "Title Reports") are annexed at the Second Schedule to this agreement.
- 4.2.2 The Purchaser is deemed to have full knowledge of the title as per the Title Reports and is not entitled to raise any objection, enquiry or requisition in relation to them, save for any matters arising out of pre-completion searches.
- 4.2.3 Lot 5B forming part of the Property is sold subject to the covenants contained in the conveyance dated the 22nd day of March 1967 ("Hideaway Covenants") referred to on the land register report for parcel number PE-2740 and a copy of the said conveyance is annexed at the Fourth Schedule hereto.
- 4.2.4 The Vendor has no knowledge if the rights contained in the conveyance dated 25 January 1965 (referred to on the land register report for parcel number PE-2743) in favour of Lot 6 (forming part of the Property) to use the cesspit referred to therein are or can be exercised and no representations or warranties whatsoever are given in this regard.

4.3 **Capacity of Vendor**

The Vendor holds title to the Property as beneficial owner and will transfer in such capacity.

4.4 **Possession**

The Property is sold with vacant possession on completion except and subject to the Basement Lease (as defined in Special Condition 4.18).

4.5 **Boundary Survey**

4.5.1 The Vendor, at its own expense, arranged for the boundaries of the Property to be surveyed and staked by Bermuda Realty Company Limited (“BRCL”). A copy of the BRCL report dated 2nd November 2022 including plan LS7220B dated October 2022 (“BRCL Report”) is annexed at the Third Schedule hereto.

4.5.2 The Purchaser acknowledges that it is aware of and accepts the contents of the BRCL Report and will raise no requisitions of the Vendor in regards thereto and agrees to proceed with the purchase of the Property on the basis of the BRCL Report.

4.5.3 To the best of the Vendor’s knowledge it has not received or given any objections, notices or any other communications (oral or written) in respect of the encroachments referred to in the BRCL Report.

4.6 **Disclaimer**

Notwithstanding the provisions of General Condition 18, the Purchaser admits that:

4.6.1 he enters into this Agreement solely as a result of his own inspection of the Property and the Chattels, if any, and on the basis of the terms of this Agreement and not in reliance upon any representation or warranty either written or oral or implied made by or on behalf of the Vendor or the Broker.

4.6.2 this Agreement contains the entire agreement between the parties.

4.7 **Condition of Property**

The Property and the Chattels are sold as is, where is and the Purchaser shall accept the Property and the Chattels in the physical state of repair and condition as shall exist on the Actual Completion Date and conditions 5.3 and 8 of the General Conditions are excluded from this Agreement.

4.8 **Nominated Account & Payment Method**

All payments to be made by the Purchaser to the Vendor under this Agreement, including the Deposit and the Balance of the Purchase Price, shall be made as cleared funds via electronic transfer to the following nominated account:

Bank:	
Account Name:	
Account Number:	
Type of Account:	
Swift/BIC:	

4.9 **Deposit & Nominated Account:**

(a) General Condition 1 is hereby deleted. Upon the execution of this Agreement by all parties, the Purchaser shall remit the Deposit to the Stakeholder as cleared funds via electronic transfer to the nominated account detailed in Clause 4.8.

(b) The Deposit held by the Stakeholder will be placed in a trust account. The amount of interest earned (if any) is subject to local bank interest rates on the nominated account during the period of time the Deposit is held.

4.10 **Deed of Transfer:**

General Condition 11.1 is deleted.

(a) **Drafting & Undertaking:** No later than **Fourteen (14) days prior to the Completion Date**, the Purchaser’s Attorneys shall deliver to the Vendor’s Attorneys:

- i. The draft Transfer Deed Form R1 and a Bill of Sale (if required) (together the “Documents”) for approval; and
- ii. A signed written undertaking to hold the executed Documents to the Vendor’s order and not to release, act on, stamp, or register the same until the Balance of the Purchase Price has been

credited as cleared funds to the Vendor's nominated account (as provided in Clause 4.8) in the form annexed at the Sixth Schedule hereto (“**Undertaking**”).

(b) **Execution & Escrow:** Following approval of the drafts, the Vendor shall execute the Documents and deliver the same (or arrange the same to be delivered) to the Purchaser’s Attorneys no later than Seven (7) days prior to the Completion Date to be held by the Purchaser’s Attorneys in escrow in accordance with the Undertaking.

4.11 **Land Tax & Corporation of Hamilton Taxes**

As a pre-requisite to Completion and no later than seven (7) days prior to the Completion Date, the Vendor shall provide the Purchaser’s Attorney with proof of up-to-date payments of Government Land Tax and Corporation of Hamilton Property Taxes. In the alternative, should such proof not be provided within the specified timeframe, the Vendor shall provide proof of the outstanding costs for the said Land Tax and Property Taxes (as applicable) as at the Completion Date and same shall be deducted from the Balance and the Vendor hereby irrevocably authorizes the Purchaser to deduct same from the Balance and make payments to the Tax Commissioner and the Corporation of Hamilton. For the avoidance of doubt condition 12 of the General Conditions still applies so that such expenses will be apportioned on Completion.

4.12 **Completion Mechanism**

General Conditions 13.1, 13.3, 13.4, and 15.2 are hereby deleted.

(a) **Method of Completion:** Completion shall be effected remotely via the delivery of the fully executed Documents into escrow as set out in **Clause 4.10**, in exchange for the payment of the Completion Money by electronic wire transfer to the account nominated in **Clause 4.8** on the Completion Date. No physical attendance at the offices of the Vendor’s Attorneys shall be required.

(b) **Objective Receipt:** For the purposes of this Agreement and the discharge of the Purchaser’s Attorneys’ Undertaking, subject to condition 13.2 of the General Conditions completion is deemed to have occurred on the the Actual Completion Date, at which point the Purchaser’s Attorneys shall be entitled to release the Documents from escrow.

(c) **Fully Executed Documents:** The Purchaser’s Attorneys shall within thirty (30) days of the Actual Completion Date supply to the Vendor’s Attorneys a copy of the fully executed Documents stamped by the Tax Commissioner.

(d) the Vendor shall be entitled to the income from the Property until the Actual Completion Date.

4.13 **Purchaser’s Failure to Comply with Notice to Complete**

General Condition 15.3.1(a) is hereby amended such that if the Vendor rescinds this Agreement due to the Purchaser’s default, the Vendor’s right of forfeiture shall be limited as follows:

(a) The Vendor may forfeit and keep a sum equal to Twenty-Five percent (25%) of the Deposit **ONLY**, being **Three Hundred and Sixty-Two Thousand Five Hundred United States Dollars (US\$362,500.00)**, together with any interest accrued on that specific portion; and

(b) The Vendor shall return the remaining Seventy-Five percent (75%) of the Deposit, being **One Million and Eighty-Seven Thousand Five Hundred United States Dollars (US\$1,087,500.00)**, together with the balance of any accrued interest to the Purchaser within **fourteen (14) days** of the date of the rescission notice.

4.14 **Refund of Deposit on Vendor Default**

General Condition 15.4 is hereby amended such that if the Purchaser rescinds this Agreement following the Vendor’s failure to comply with a Notice to Complete:

(a) The Vendor shall (by and through the Stakeholder) refund the entire Deposit, being **One Million Four Hundred and Fifty Thousand Dollars (\$1,450,000.00)**, together with any interest accrued thereon, to the Purchaser;

(b) Such refund shall be paid as cleared funds to the Purchaser’s Attorney's account within **seven (7) days** of the date of the notice of rescission; and

(c) The refund of the Deposit and interest shall be without prejudice to any other legal remedies available to the Purchaser, including the right to claim for damages or seek specific performance of this Agreement.

4.15 **Dispute Resolution**

If a dispute (of any kind whatsoever) arises between the parties hereto in connection with or arising out of this Agreement, the parties shall first attempt to settle the dispute by direct, amicable negotiation as follows:

(i) A negotiation is deemed initiated as of the date of receipt of a written notice by one party from the other requesting such negotiation.

(ii) If the dispute is not successfully settled within **thirty (30) days** after the date of initiation of negotiation (or within such longer period as the parties may mutually agree), the parties shall, within **seven (7) days** thereafter, jointly appoint a certified mediator to conduct a mediation. **This procedure shall be private, confidential and without prejudice.** The parties shall share the cost of the mediation equally.

(iii) If the parties fail to agree upon the appointment of a mediator within the period, then, within **seven (7) days** of expiration of this period, either party shall request the appointment of a mediator and a date for mediation by the **Bermuda Conflict Resolution Institute**.

(iv) The dispute resolution mechanism set out in sub-clauses (i) to (iii) is a **condition precedent** to the commencement of any further proceedings. Neither party may refer a dispute to Arbitration under **Clause 17** of the General Conditions, nor commence legal proceedings in the Supreme Court of Bermuda (where specific performance is sought), until the mediator has advised the parties in writing of the failure of the mediation as per sub-clause (v).

(v) If the dispute is not resolved within **seven (7) days** after the mediation, the mediator shall advise the parties in writing of the failure of the mediation. Only upon receipt of this written notice may a party proceed to:

(a) **Arbitration**, in accordance with the provisions of **Clause 17** of the General Conditions; or

(b) **The Supreme Court of Bermuda**, solely in instances where specific performance is being sought in accordance with **Clause 17.1** of the General Conditions.

4.16 **Facsimile Copies**

It is agreed that this Agreement may be signed and delivered in facsimile form and that facsimile copies of this agreement bearing the duly attested signatures of the parties hereto will be binding. It is further agreed that this Agreement may be executed in two or more counterparts, each of which together shall be deemed an original, but all of which together shall constitute one and the same instrument. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

4.17 **Deed of Transfer**

The Deed of Transfer of the Property to the Purchaser shall contain a covenant on the part of the Purchaser pursuant to Condition 11.2 of the General Conditions in respect of the Hideaway Covenants. The Vendor represents and warrants that it is not aware of any actual or alleged breach of the Hideaway Covenants and has not received or given any objections, notices or any other communications (oral or written) in respect of the Hideaway Covenants.

4.18 **Leaseback**

The Purchaser shall on the Actual Completion Date grant to the Vendor a lease of the Basement Area (the "**Basement Lease**"). The Basement Lease shall be in the form attached to this Agreement at the Fifth Schedule hereto or in such other form as the Vendor and the Purchaser may agree (acting reasonably).

4.19 **Broker's Commission**

Upon completion of this Agreement the Vendor shall pay the sales commission due to Rego Sotheby's International Realty.

THE FIRST SCHEDULE

The General Conditions

THE SECOND SCHEDULE

The Title Reports

THE THIRD SCHEDULE

BRCL Report

THE FOURTH SCHEDULE

Hideaway Covenants

THE FIFTH SCHEDULE

Basement Lease

THE SIXTH SCHEDULE

Undertaking

DRAFT

AS WITNESS the hands of the parties hereto the day and year first above written


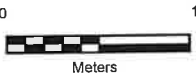
SIGNED for and on behalf of the Vendor in)
the presence of:)
)
) HSBC Bank Bermuda Limited
Signature of Witness:)
Name of Witness:)
Address of Witness:)
)
Occupation of Witness:)

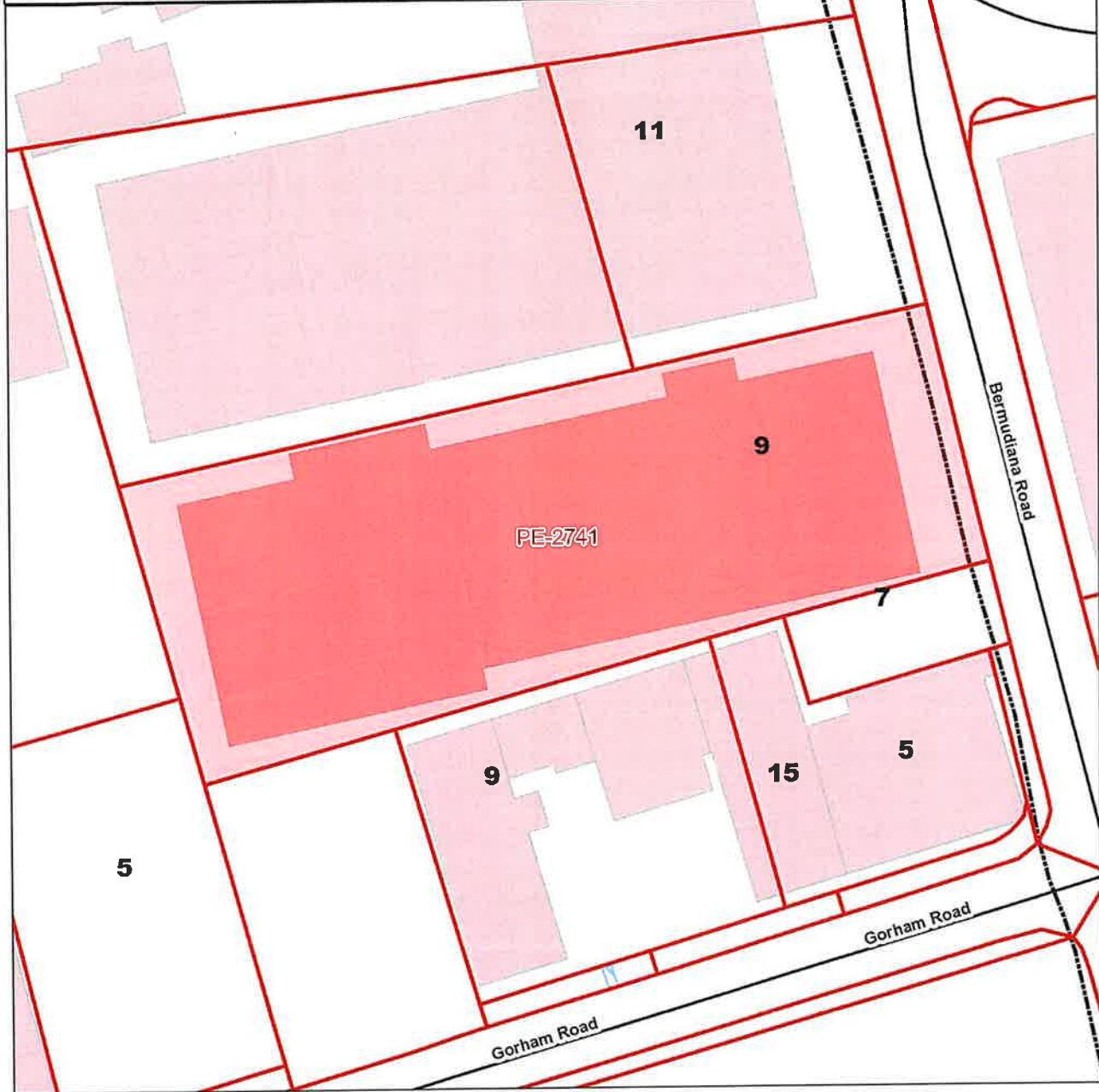
SIGNED for and on behalf of the Vendor in)
the presence of:)
) HSBC Bank Bermuda Limited
Signature of Witness:)
Name of Witness:)
Address of Witness:)
)
Occupation of Witness:)

SIGNED for and on behalf of the Purchaser)
by The Hon. Jache Adams, JP, MP,)
Minister of Public Works and Environment) Government of Bermuda
in the presence of:)
)
Signature of Witness:)
Name of Witness:)
Address of Witness:)
)
Occupation of Witness:)

Stamp Duty

Exempt

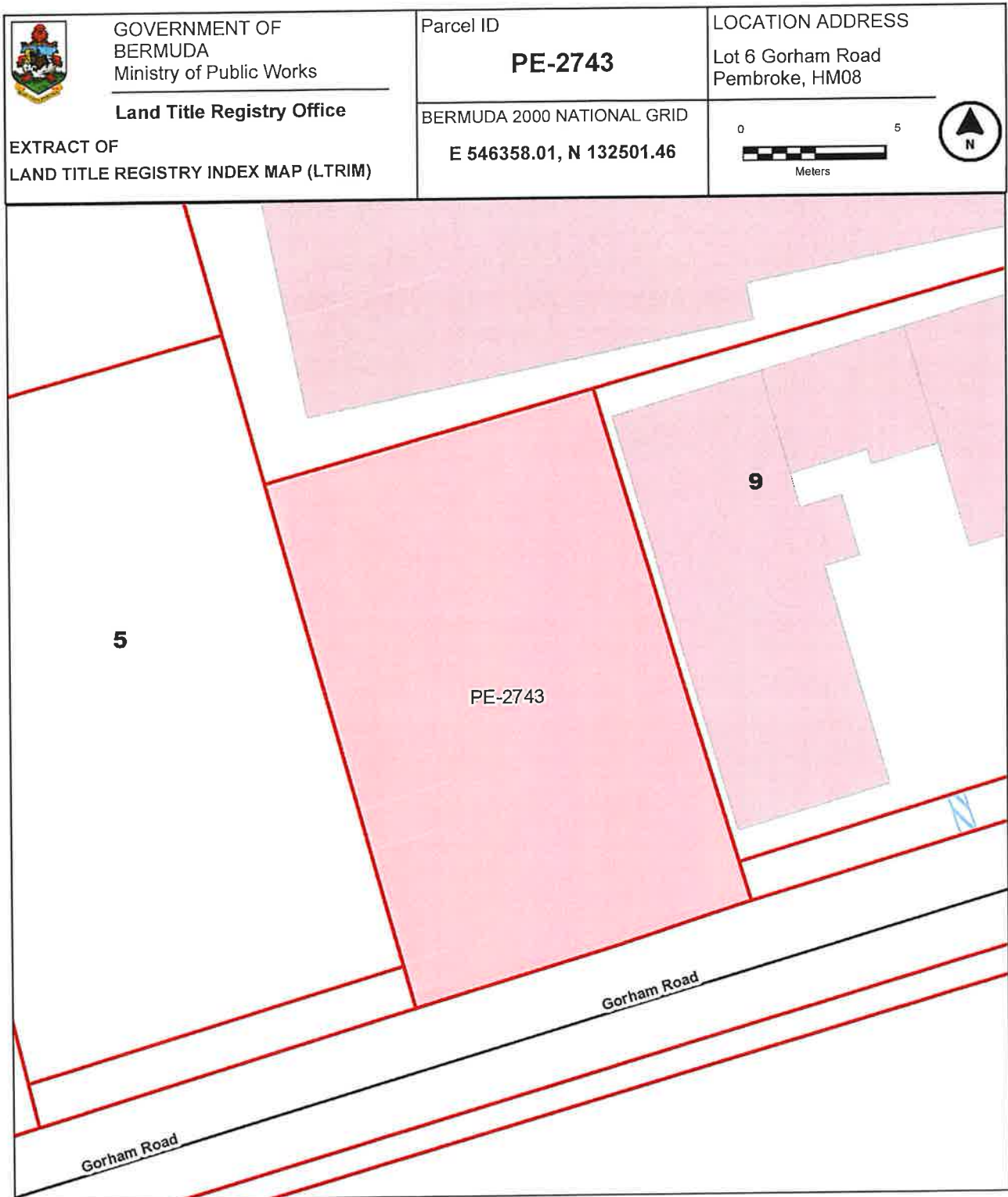
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	BERMUDA 2000 NATIONAL GRID E 546376.97, N 132535.5	 0 11 Meters



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