

DATED _____ 2012

**(1) The Government of Bermuda by the Permanent Secretary
Responsible for Public Lands**

(2) The Bermuda Football Association

LEASE
of property known as
GYM FIELD, Gymnasium Road, in the Parish of Devonshire, DV 02
Bermuda

THIS LEASE is made on

2012

BETWEEN THE PERMANENT SECRETARY RESPONSIBLE FOR PUBLIC LANDS, whose office is situate at the Government Administration Building, 30 Parliament Street, Hamilton HM12 on behalf of the Government of Bermuda of the one part its successors and assigns on behalf of the Government of Bermuda (hereinafter called "the Landlord") and the THE BERMUDA FOOTBALL ASSOCIATION, whose registered address is Cedarpark Centre, #48 Cedar Avenue, Hamilton HM11 (hereinafter called "the Tenant") of the other part, to lease property known as GYM FIELD.

1. DEFINITIONS

In this lease, unless the context otherwise requires, the following terms and expressions have the following meanings:

Authorised Person	anyone deriving title from the Tenant, and anyone at the Property with the express or implied authority of the Tenant, or of such person so deriving title;
Authority	any statutory, public, other authority, and any court of law and any government department;
Base Rate	the base lending rate from time to time of the HSBC Bank or such other bank as the Landlord may nominate (or, if at any time during the Term base lending rate is abolished or no longer published, or cannot reasonably be ascertained, then such other comparable rate reasonably specified by the Landlord);
Basic Rent	A peppercorn of \$1.00 (one dollar);
Conduits	sewers, drains, pipes, wires, cables, ducts, gutters, optic fibres, channels, culverts and any other medium for the passage or transmission of soil, waste, water, gas, electricity, air, smoke, light, telecommunications and any other information, together with radiators, tanks and cisterns and all other ancillary fixings equipment and structures;
Contractual Term	a term of fifty years running from and including the 2 nd day of July 2012;
Insurance Rent	the gross cost to the Landlord in relation to its insuring of the Property in accordance with its covenants in this lease (including the cost of any professional valuation of the Property which may at any time be required by the Landlord in connection with the insurance);
Insured Risks	fire, storm, tempest, lightning, explosion, flood, earthquake, aircraft and other aerial devices and articles dropped there from (in time of peace), impact by road vehicles, riot, civil commotion, malicious damage, bursting and overflowing of water tanks, apparatus and pipes (but there is excluded such of those risks as cannot reasonably be insured against by the Landlord on satisfactory terms or as the Landlord's

insurers or underwriters have refused to insure against) and such other risks against which the Property is from time to time insured by the Landlord under the provisions of this lease;

Interest interest at 4% above Base Rate calculated on a daily basis during the period beginning on the first day on which the relevant sum is due and ending on the date on which the payment is made, whether before or after any judgment, and compounded on the usual quarter days;

Legal Obligation any obligation (whether to do or refrain from doing something) relating to the Property, or its occupation or use, or for the benefit of employees or visitors, which is imposed by any present or future statute or any statutory instrument, or regulation;

Licence to Develop the licence more fully described in Schedule 4;

Permitted Use the use of the Property for the purposes of an artificial football field and Technical Centre and any other ancillary uses provided such ancillary uses are not in contravention of any zoning laws or regulations.

Planning Act means the Development and Planning Act 1974;

Plant any plant, equipment or machinery from time to time in or serving the Property including without limitation any lifts, hoists, generators, boilers, and also equipment for air-conditioning, ventilation, heating, cooling, fire safety, communication, and security;

Property the property which is more fully described in Schedule 1;

Rent Date **Commencement** July 2nd 2012;

Term the Contractual Term together with any extension, holding-over or continuation of it;

2. **INTERPRETATION**

2.1 **General interpretation**

In this Lease:

- 2.1.1 covenants and obligations expressed to be made or assumed by a party comprising more than one person are made and are to be construed as made by all such persons jointly and severally;
- 2.1.2 covenants and obligations made or assumed by any party are binding on and enforceable against his or her personal representatives;
- 2.1.3 references to the Landlord includes the person or persons from time to time entitled to the reversion immediately expectant upon the determination of the Term, and references to the Tenant includes its successors in title and assigns in whom this lease is for the time being vested;
- 2.1.4 references to this lease include any licence, variation, addition, qualification or supplemental document relating to it made between the Landlord and the Tenant;
- 2.1.5 words denoting one gender include the other genders, and words denoting persons include firms and corporations and vice versa, and any reference to a company includes a limited liability partnership or other body corporate;
- 2.1.6 words importing the singular number include the plural and vice versa;
- 2.1.7 any obligation of the Tenant not to do, or omit to do anything includes an obligation not to allow that thing to be done or omitted to be done by an Authorised Person, and (unless the context otherwise requires) in any reference in this lease to an act, omission or default of the Tenant, the reference to the Tenant is to be construed as incorporating reference to any Authorised Person;
- 2.1.8 a reference to a statute or a statutory instrument includes any statute or statutory instrument amending, consolidating or replacing them respectively from time to time in force, and a reference to a statute includes statutory instruments and regulations made pursuant to it;
- 2.1.9 references to the determination of the Term include the ending of the tenancy created by this lease whether before, on, or after the expiry of the contractual term of it.

2.2 **CLAUSES, REFERENCES, CONTENTS AND HEADINGS**

- 2.2.1 The clause, paragraph and schedule headings are not to be taken into account in the construction and interpretation of this lease.
- 2.2.2 Any reference in this lease to a page, clause, or schedule (and to a paragraph within a schedule) which is not otherwise attributed is to be taken as a reference to a page, clause, or schedule (or paragraph within a schedule) of this lease.

2.3 **RIGHTS OF ENTRY**

- 2.3.1 References to any right of the Landlord to have access to the Property is to be construed as extending to any mortgagee of the Landlord and to all persons authorised by the Landlord and any mortgagee of the Landlord (including agents professional advisers contractors workmen and others).

2.3.2 Rights to enter the Property are (unless otherwise specified) to be exercised at reasonable times and after reasonable notice, but extend (if justified by the circumstances) to entry after a shorter period of notice or to entry without notice.

2.3.3 Any person exercising rights of entry conferred or reserved in this lease is to cause as little damage to the Property and as little inconvenience as possible and must make good any damage caused to the Property, but the Landlord will not be liable to the Tenant for any loss damage or claim arising from noise, dust, vibration, noxious fumes, odours, loss of trade, nuisance, or annoyance caused to the Tenant or to any other person in connection with the exercise of those rights.

2.4 **INDEMNITIES**

Indemnities given by the Tenant are to be construed as obligations to keep the Landlord or other specified persons indemnified against all losses, damages, costs, expenses, penalties, demands, claims, proceedings and liability of any kind (including all consequential fees, expenditure) arising as a result of the relevant act omission or default of the Tenant or an Authorised Person.

2.5 **SEVERANCE**

If any provision of this lease is held to be invalid or unenforceable then such provision is (so far as invalid or unenforceable) to be given no effect and is deemed not to be included in this lease but without invalidating any of the remaining provisions of this lease.

3. **DEMISE AND RENT**

The Landlord demises the Property to the Tenant for the Contractual Term, together with the rights set out in Schedule 2, but except and reserving as set out in Schedule 3 and subject to all rights easements quasi-easements restrictive covenants and liabilities affecting the Property the Tenant paying to the Landlord rent throughout the Term (and proportionately for any part of a year).

4. **TENANT'S COVENANTS**

The Tenant covenants with the Landlord to comply with the following provisions throughout the Term:

4.1 **RENTS**

To pay to the Landlord:

4.1.1 the Basic Rent (if demand) , without any deduction or set-off, at the times and in the manner stated and (if required by the Landlord at any time) to make any or all of such payments by bankers' standing order or direct debit;

4.1.2 the Insurance Rent;

4.1.3 on demand Interest which accrues in respect of any sums due (whether or not lawfully demanded) from the Tenant to the Landlord under this lease which remain unpaid for more than seven days after becoming due, and the Tenant will remain liable to pay such Interest notwithstanding that the

Landlord may have refused to accept payment of such sums so as not to waive any breach of covenant.

- 4.1.4 All other sums due from the Tenant to the Landlord at any time under the Lease.

4.2 **OUTGOINGS**

- 4.2.1 To pay and indemnify the Landlord against all charges, duties, assessments, impositions and outgoings of any sort which are payable at any time during the Term (whether by the owner or occupier of the Property) including charges for electricity, water, telecommunications and other services rendered to or consumed on the Property.
- 4.2.2 If at any time the Property is not separately assessed for the payments and outgoings set out in this clause, to pay to the Landlord on demand a fair proportion (to be conclusively determined by the Landlord) of any assessment which includes the Property.
- 4.2.3 Not without the consent of the Landlord (which is not to be unreasonably withheld or delayed) to agree with any Authority any rating or other assessment in respect of the Property and to consult with, and have due regard to the views of, the Landlord in all relevant negotiations.
- 4.2.4 To pay to the Landlord on demand a fair and proper proportion (to be conclusively determined by the Landlord) of the expense of cleaning, lighting, repairing, renewing, decorating, maintaining and rebuilding any walls, fences, gutters, drains, roads, ways, pavements and paths used by the Property in common with the owners, occupiers or users of any other property.

4.3 **DEVELOP, REPAIR AND DECORATION**

- 4.3.1 To develop in accordance with the Licence to Develop and keep the Property in good and substantial repair and condition (including design or construction defects) together with all improvements and additions to the Property and all Landlord's fixtures, fittings and appurtenances of whatever nature affixed or fastened to the Property (damage by the Insured Risks excepted, unless and to the extent that the policies of insurance in respect of the Insured Risks effected by the Landlord are vitiated or the policy monies are withheld by reason of any act, omission, neglect or default of the Tenant or an Authorised Person).
- 4.3.2 To keep the Property painted or otherwise appropriately decorated and (where appropriate to any part for its preservation and protection) treated to a high standard, and, not less than once in every period of three years and also in last three months of the Term (howsoever determined) to redecorate or suitably treat the Property to a high standard and to the Landlord's specification.

4.3.3 To clean the Property regularly and maintain it at all times in a clean and tidy condition and to clean the windows of the Property at least once a month.

4.3.4 To keep the perimeter fencing in good and tenable repair.

4.4 **PERMIT ENTRY**

4.4.1 To permit the Landlord and its agents and all persons authorised by them with or without workmen appliances and equipment at all reasonable times to enter upon the Property for any of the following purposes:

- (a) to ascertain whether or not the covenants of this lease have been observed and performed;
- (b) to examine the state of repair and condition of the Property, and its energy efficiency, and (where necessary in order to do so) to open up floors and other parts of the Property;
- (c) to take a schedule of the Landlord's fixtures and fittings and any Plant in the Property;
- (d) for any other purpose connected with the interest of the Landlord in the Property;
- (e) to exercise any of the rights herein excepted and reserved;

without payment of compensation for any nuisance, annoyance, inconvenience or damage caused to the Tenant, but subject to the Landlord (or other person so entering) exercising such right in a reasonable manner and making good any damage caused to the Property without unreasonable delay.

4.4.2 If during such an inspection any breach of covenant is found for which the Tenant is liable then, upon notice by the Landlord to the Tenant, and to the reasonable satisfaction of the Landlord, to execute all repairs, works, replacements or removals required within two months (or sooner if necessary) after the service of such notice. If the Tenant defaults, the Landlord may enter upon the Property (with all necessary workmen, appliances and equipment) and execute such repairs, works, replacements or removals, and all expenses so incurred by the Landlord must be repaid by the Tenant to the Landlord forthwith on demand with Interest from the date of expenditure until the date they are paid by the Tenant to the Landlord (such expenses and Interest to be recoverable as if they were rent in arrear).

4.5 **ALTERATIONS**

4.5.1 Not to make any alterations additions, or improvements affecting the exterior or structure of the Property, nor to change the external appearance of the Property, nor to unite the Property with any other property, nor to demolish the Property or any part of it other than those agreed by the Landlord and contained in the Licence to Develop.

4.5.2 Not to make any other alterations or additions to the Property [other than to any demountable partitioning]: without the Landlord's prior written consent [such consent not to be unreasonably withheld or delayed];

- (a) except in accordance with the plans and specifications of the proposed alterations or additions previously supplied to the Landlord in triplicate and approved in writing by the Landlord; and
- (b) subject to the Tenant entering into such covenants and obligations as the Landlord requires relating to the carrying out of the alterations or additions.

4.5.3 In relation to any alterations or additions to the Property permitted by the Landlord under this clause:

- (a) to carry out the alterations or additions in a good and workmanlike manner, and with good quality materials, and to the entire satisfaction of the Landlord;
- (b) to ensure that Conduits and Plant within, or forming part of the Property, are not damaged or interfered with;
- (c) at its own expense, before the determination of the Term, (unless required not to do so by the Landlord) to restore the Property to the condition it was in before the execution of the alterations or additions, and to make good all consequential damage to the entire satisfaction of the Landlord;
- (d) to provide that the Landlord and the Tenant enter into a bond with the Tenant's contractors, so that, in the event that, should the Tenant for whatever reason fail to complete the works set out in the Licence for Develop attached at Schedule 4 the Landlord can step in and enforce the completion of the works

4.5.4 Not to make any alterations or additions to the electrical installations in the Property without the Landlord's prior consent [(such not to be unreasonably withheld)] and then only in accordance with the terms and conditions for the time being laid down by the Institution of Electrical Engineers and the regulations of the electricity supply authority.

4.6 **USE**

4.6.1 Not to use the Property for any purpose other than the Permitted Use.

4.6.2 Not to:

- (a) sleep or reside at the Property nor use the Property for any purpose or do anything there which is illegal, immoral, hazardous, noisy, noxious, dangerous, or offensive, or which may be or become a nuisance to or cause damage or annoyance to the Landlord or any other person or property, or which might be harmful to the Property;
- (b) enter into with any person (other than the Landlord), nor require from any person, a covenant which has the effect of restricting the use of the Property further than it is already restricted by this lease;
- (c) overload the structure of the Property;
- (d) use the Conduits beyond their capacity or in a manner which may block or damage them and in particular will not permit oil, grease or other deleterious substance or fluid of a poisonous or noxious nature to enter any drain or sewer, nor pollute the waters of any stream or river, nor stop up or obstruct any drain or sewer;

- (e) do anything which interferes with any heating cooling or ventilation equipment in the Property or which imposes an additional load on any such equipment, or which adversely impacts upon the energy efficiency of the Property;
- (f) bring into or store at the Property anything which is or may become hazardous, dangerous, or inflammable;
- (g) leave the Property continuously unoccupied for more than one month without notifying the Landlord and providing such security arrangements as the Landlord and its insurers may require; nor
- (h) install or use in or on the Property any machinery or apparatus causing noise or vibration that can be heard or felt outside the Property or that may cause damage;

4.6.3 Not to unreasonably withhold or refuse consent to all current users of the football field to continue to use the football field.

4.6.4 Not to unreasonably withhold or refuse consent to CedarBridge Academy, and the youth and women's football teams that already use the football field to continue to use the football field. .

4.6.5 The charges to other users for the football field and the Technical Centre shall not be unreasonable.

4.7 **LEGAL OBLIGATIONS**

4.7.1 At its own cost, to observe and perform all Legal Obligations relating to the Property, or to its use of it.

4.7.2 If the Tenant receives from an Authority formal notice of a Legal Obligation then forthwith to produce a copy to the Landlord and to make such objection to or representation against it as the Landlord may reasonably require.

4.7.3 Where a Legal Obligation requires the carrying out of works then, so far as that Legal Obligation permits, to comply with the provisions of this lease in relation to such works, and to carry out the works with good quality materials and in a good and workmanlike manner to the reasonable satisfaction of the Landlord, and to complete them before the determination of the Term whether or not those works are otherwise required to be carried out by that time.

4.7.4 If and when called upon to do so, to produce to the Landlord all plans, documents and other evidence which the Landlord may require in order to satisfy itself that these requirements have been complied with.

4.8 **PLANNING**

4.8.1 Not to apply for planning consent under the Development and Planning Act without the prior written consent of the Landlord and to indemnify the Landlord against all charges payable in respect of any such application and against anything which may become payable in consequence of any planning consent.

4.8.2 If a planning consent is granted to the Tenant then the Tenant will immediately supply a copy to the Landlord and if the consent has been

granted with modifications, conditions or restrictions to which the Landlord objects then before implementing the consent the Tenant will take such action as the Landlord requires (including making an appeal where necessary) to secure their removal.

4.8.3 Unless the Landlord directs otherwise, to carry out before the determination of the Term any works required to be carried out as a condition of any planning permission implemented by or on behalf of the Tenant or by any person deriving right or title through the Tenant (whether or not those works are otherwise required to be carried out by that time). Any works to be carried out as a result of obtaining planning permission are to be carried out in compliance with all other covenants in this lease.

4.8.4 If the Tenant receives any compensation in respect of its interest under this lease as a result of any restriction placed upon the use of the Property under any legislation (including but not limited to the (Development Planning Act), then to pay the Landlord a just and equitable proportion of such compensation on the determination of the Term, and if that proportion is not agreed by the Landlord and Tenant it is to be determined by Arbitration.

4.8.5 To give the Landlord a copy of every drawing, application, notice, consent or licence which the Tenant may submit or receive in connection with any application for planning consent under the preceding provisions of this clause.

4.9 **SIGNS, MASTS ETC.**

4.9.1 Not to fix any sign, hoarding, showcase, signboard, bill, plate, fascia, poster or advertisement to the exterior of the Property except for a non-illuminated non-moving sign which specifies the name of the Tenant or any permitted under-tenant or occupier and the business carried on at the Property and which is to be of a size and colour approved by the Landlord (acting reasonably), and to remove any such sign on the determination of the Term (unless requested not to do so by the Landlord).

4.9.2 Not to erect or permit the erection of any pole or mast or any television or radio aerials on the exterior of any part of the Property or in or upon the Property without the prior written consent of the Landlord (such consent not to be unreasonably withheld or delayed).

4.10 **EASEMENTS AND ENCROACHMENTS**

4.10.1 To preserve all rights of light and other easements belonging to the Property and not to give any acknowledgement that they are enjoyed by consent nor to do or to omit anything which might subject the Property to any new easements, and to notify the Landlord without any delay of any encroachment which might have that effect.

4.10.2 Not to assert any claim to light or air and not to encroach over any adjacent or neighbouring land or building.

4.11 **NOTICES RECEIVED**

Forthwith on receipt of any notice or communication affecting or which may affect the Property to:

- 4.11.1 give a copy to the Landlord; and
- 4.11.2 at the request and cost of the Landlord make, or join with the Landlord in making, objections and representations against the notice and taking all steps in relation to it as the Landlord (acting reasonably) deems fit.

4.12 **COSTS**

To pay the Landlord on demand, and on a full indemnity basis, all costs expenses losses and liabilities incurred by the Landlord in contemplation of or as a result of or in connection with:

- 4.12.1 any breach by the Tenant of any of its covenants or obligations in this lease and/or the enforcement (carried out, attempted, or contemplated) of those covenants and obligations by the Landlord;
- 4.12.2 any application for Landlord's consent, whether or not it is granted, including any case in which the application is withdrawn;
- 4.12.3 the preparation and service of any notice and the conduct of any proceedings even if forfeiture is avoided otherwise than by relief granted by the court;
- 4.12.4 the preparation and service of any notice of any schedule of dilapidations, whether served before or after the determination of the Term;
- 4.12.5 putting the Property in the state in which they should have been left on the determination of the Term as required by this lease.

4.13 **INDEMNITY**

To indemnify the Landlord for a sum of not less than \$2,000.000 (2 Million dollars) against:

- 4.13.1 any liability resulting from the use or occupation of the Property; or to any third party and against all actions, costs, claims, demands and liability whatsoever in respect to injury or damages to person and/or property
- 4.13.2 any liability resulting from the state of repair or condition of the Property;
- 4.13.3 any act, neglect, default or omission of the Tenant or an Authorised Person; and
- 4.13.4 any breach of any covenant or other provision of this lease to be observed or performed by the Tenant.
- 4.13.5 To keep and maintain a public liability insurance policy with an insurance company of repute for a minimum of \$2 million and to produce to the Landlord on the Landlord's request a copy of such policies together with a Receipt for the premium hereof.

4.14 YIELD UP

- 4.14.1 On the determination of the Term to yield up the Property to the Landlord with vacant possession and in a state of repair, condition and decoration which is in accordance with the proper performance of the Tenant's covenants in this lease, and to deliver to Landlord the keys to the Property, and the original Lease and documents relating to the Property.
- 4.14.2 Immediately before the determination of the Term to remove all tenant's and trade fixtures and (unless required not to do so by the Landlord) to remove all signs and all alterations, additions or improvements made to the Property during the Term and to make good all damage caused to the Property as a result.
- 4.14.3 If on the determination of the Term the Property is not left in the state required by this lease then to pay to the Landlord on demand an amount equivalent to the Basic Rent which would have been payable under this lease had there been no determination in respect of the period from the date of the determination of the Term and ending on the earlier of the date by which the Landlord puts or might reasonably have put the Property into the state in which it should have been left, and the date on which the Landlord becomes entitled to receive the full rent on a re-letting of the Property (after the expiry of any rent free periods or other rental concessions).

4.15 DEALINGS WITH THE PROPERTY

- 4.15.1 Not to assign, under-let, mortgage, charge or part with possession of part only of the Property.
- 4.15.2 Not to part with possession or share occupation of the whole or any part of the Property or allow another person to occupy the whole or any part of the Property (except by way of an assignment or under-letting expressly permitted by clauses [4.16 and 4.17]), and not to grant any licences to use or occupy the whole or any part of the Property.

4.16 ASSIGNMENT

- 4.16.1 Not to assign the whole of the Property without having obtained the Landlord's prior written consent, the Tenant agrees that the Landlord may refuse consent in any of the circumstances specified in clauses [4.16.3 and 4.16.4] and may impose any of the conditions specified in clause [4.16.5].
- 4.16.2 The Tenant agrees that clauses [4.16.2 to 4.16.5] (inclusive) operate without prejudice to the right of the Landlord to withhold its consent on any other ground or grounds (where such withholding of consent would be reasonable) or to impose any further condition or conditions upon the grant of consent (where the imposition of such condition or conditions would be reasonable).
- 4.16.3 The Tenant agrees that the Landlord is entitled to refuse consent if the proposed assignee or any of its proposed guarantors:
 - (a) is a member of the same group of companies as the person who is the Tenant at the time of the application (or any former tenant who has not been released); or

(b) is a body corporate which is not incorporated in Bermuda ; and

4.16.4 The Tenant agrees that the Landlord is entitled to refuse consent where in the Landlord's reasonable opinion any of the following circumstances exist:

- (a) the proposed assignee is not of sufficient financial standing to enable it to comply with the Tenant's covenants in this lease; or
- (b) the effect of the proposed assignment would be to diminish the value of the Landlord's reversionary interest in the Property or its interest in any adjoining or adjacent land of the Landlord.

4.16.5 The Tenant agrees that the Landlord is entitled as a condition of granting consent to assign to require all or any of the following:

- (a) that the assignee pays to the Landlord as security a rent deposit in the sum of 6 months' rent at the rate prevailing at the date of Tenant's application to be held by the Landlord on terms reasonably required by the Landlord.

4.17 **UNDER-LETTING**

4.17.1 Not to under-let the whole or part of the Property without having:

- (a) complied with the requirements of this clause; and
- (b) obtained the Landlord's prior written consent (such consent not to be unreasonably withheld).

4.17.2 In relation to every under-lease:

- (a) to procure that the under-tenant covenants directly with the Landlord to perform and observe the covenants and conditions in this lease (other than the covenant to pay the Basic Rent) and the covenants on the part of the under-tenant in the under-lease;
- (b) to grant the under-lease without giving or receiving any fine, premium or other capital consideration, and without allowing any rent free period or other financial inducement to the prospective under-tenant other than one that is usual in the market at the time;
- (c) to grant the under-lease at a rent which is both approved by the Landlord [(such approval not to be unreasonably withheld)] and equal to the the Basic Rent then payable under this lease

4.17.3 Not to grant such an under-lease except in a form approved by the Landlord [(such approval is not to be unreasonably withheld)] and to ensure (in addition to any other requirements of the Landlord) that the under-lease provides:

- (a) that there are to be no further under-lettings of the under-let Property; and

4.17.4 To enforce compliance with the provisions of the under-lease by every under-tenant and not at any time to waive any breach of the covenants or conditions on the part of the under-tenant.

4.18 PRODUCE ASSIGNMENTS AND DETAILS OF LETTING

- 4.18.1 To give notice to the Landlord's solicitors within 28 days after the date of any assignment, under-lease, mortgage, charge, assent, transfer, or other devolution of any interest under this lease, and to produce to them a certified copy of the deed or any document giving effect to any of those matters and to pay their proper charges for the registration of such notice.
- 4.18.2 Immediately after a request by the Landlord, to give details to the Landlord of the full names and addresses of everyone in occupation of the Property together with full details of the areas occupied any rents payable and the terms of occupation.

5. LANDLORD'S COVENANT

- 5.1 The Landlord covenants with the Tenant that, subject to the Tenant paying the Basic Rent and other sums due under this lease and complying with its covenants, the Tenant may peaceably and quietly hold and enjoy the Property without any interruption or disturbance by the Landlord or by any person claiming under or in trust for the Landlord.
- 5.2 The Landlord covenants with the Tenant to enter into the Licence to Develop as set out in Schedule 4.

6. INSURANCE

6.1 Landlord's insuring obligations

- 6.1.1 The Landlord covenants with the Tenant subject to clause 6.1.2 to keep the Property (excluding tenant's fixtures and fittings) insured against:
- (a) damage or destruction by the Insured Risks in a sum equal to the full reinstatement cost of the Property (taking into account estimated increases in building costs);
 - (b) an appropriate sum for professionals' fees, demolition and site clearance costs,
 - (c) the Landlord may but shall not be obliged to insure against loss of Basic Rent;
 - (d) the Landlord's liability to third parties.
- 6.1.2 The Landlord's insuring and other related obligations are subject to the availability of insurance cover on reasonable commercial terms, and to the excesses and limitations imposed by the insurers, and to the Tenant paying the Insurance Rent and will cease to be enforceable if the insurance effected becomes void or voidable owing to any act, neglect, omission or default of the Tenant or an Authorised Person.
- 6.1.3 Any commission paid by the insurers belongs to the Landlord absolutely.
- 6.1.4 The Landlord covenants with the Tenant:
- (a) at the request and cost of the Tenant to produce to the Tenant (but not more frequently than once in any period of twelve months) full details of the Landlord's insurance of the Property and evidence of payment of the current year's premium, and to notify the Tenant in writing of any material changes in the terms of cover;

- (b) to use reasonable endeavours to have the interest of the Tenant noted on the Landlord's insurance of the Property either specifically, or by way of a general provision deeming tenants' interests to be noted.

6.2 Reinstatement

- 6.2.1 The Landlord covenants with the Tenant that (subject to clause 6.2.2 and clause 6.5) if the Property is destroyed or damaged by any of the Insured Risks the Landlord will expend all the insurance proceeds received (except for any in respect of loss of rent, fees or liability to third parties) in rebuilding or repairing the Property with all due speed, and after all requisite consents and approvals have been obtained, but subject to and in compliance with all the applicable statutory provisions and regulations and to the provisions of such consents and approvals.
- 6.2.2 The Landlord is not obliged to repair or rebuild if the insurance has been prejudiced or the policy money wholly or partly withheld as a result of any act or default of the Tenant or an Authorised Person, or if prevented from doing so by any matter beyond its control, in which case any policy money will belong to the Landlord absolutely.
- 6.2.3 On any reinstatement following the occurrence of an Insured Risk the Landlord is not obliged to reinstate tenant's fixtures and fittings, nor to rebuild in accordance with the previous plans, elevations and specifications, but only to restore to the Tenant accommodation substantially equivalent to the Property and its access, amenities and services as previously existed.

6.3 TENANT'S OBLIGATIONS REGARDING INSURANCE POLICIES

The Tenant covenants with the Landlord throughout the Term:

- 6.3.1 not to do anything which causes any policy of insurance on the Property to become void or voidable or which may cause the premiums on the Property or on any adjoining or adjacent land of the Landlord to be increased;
- 6.3.2 that if owing to the act or default of the Tenant or an Authorised Person the premiums on the Property or on any adjoining or adjacent land of the Landlord are increased then on demand to pay and indemnify the Landlord against all such increased premiums;
- 6.3.3 that if a claim is made under the Landlord's insurance policy then the Tenant will pay to the Landlord on demand the amount of any excess required to be borne by the insured;
- 6.3.4 that if the Property is destroyed or damaged, and owing to the act or default of the Tenant or an Authorised Person the insurance money is wholly or partly withheld, then the Tenant will immediately pay to the Landlord the whole or (as appropriate) the irrecoverable portion of the cost of completing the rebuilding and reinstating the Property, including professional fees and all incidental costs and expenses;
- 6.3.5 to comply with all the requirements and reasonable recommendations of the Landlord's insurers;

6.3.6 not without the Landlord's prior consent to effect any insurance of the Property except for the plate glass and third party risks, but without prejudice to that prohibition if at any time the Tenant is entitled to the benefit of any insurance on the Property then immediately to apply all the proceeds in making good the loss or damage in respect of which they have been received; and

6.3.7 to keep in force insurance, in respect of the Property and for the benefit of the Landlord as well as the Tenant, against liability to third parties for injury to or death of any person or damage to any property in such sum and on such terms as the Landlord (acting reasonably) approves.

6.4 **RENT SUSPENSION**

If the Property is destroyed or damaged by any of the Insured Risks so as to render the Property unfit for occupation and use then, provided that no insurance effected by the Landlord has been prejudiced and that no policy money has been withheld owing to any act or default of the Tenant or an Authorised Person, the Basic Rent or a fair proportion of it according to the nature and extent of the damage will be suspended until the Property has been rebuilt or reinstated or (if shorter) until a period of three years from the date of the damage or destruction has expired. Any dispute about the extent proportion or period of such suspension is to be determined by the Arbitrator.

6.5 **TERMINATION AFTER DAMAGE**

6.5.1 If the Property is destroyed or damaged so as to render it unfit for occupation or use then, without prejudice to any right of action or remedy of either party in respect of any earlier breach:

- (a) the Landlord may, in the circumstances set out in clause 6.5.2, terminate this lease by giving notice to the Tenant within three years of the destruction or damage;
- (b) either the Landlord or the Tenant may terminate this lease by giving to the other not less than three months' notice if the reinstatement of the Property has not been completed so as to render the Property fit again for occupation and use after the expiration of the period of two years and nine months from the date of the destruction or damage, such notice to be given at any time after the expiration of that period;

and on termination any insurance money payable shall be divided between the Landlord and Tenant according to the value at the date of the damage or destruction of their respective interest in the demised Property (to be determined in default of agreement by arbitrator In accordance with the Arbitration Act 1986)

6.5.2 In any of the following cases the Landlord may terminate:

- (a) when reinstatement is prevented for reasons beyond the control of the Landlord including (but not limited to) the circumstance that consents necessary for reinstatement are not forthcoming either at all or within a reasonable period after they are requested or on terms unsatisfactory to the Landlord; or
- (b) when in the Landlord's opinion reinstatement is impractical or uneconomic; or

- (c) where the damage or destruction occurs within the last three years of the contractual term of this lease and in the Landlord's opinion reinstatement will not be practicable before the expiry of it; or
- (d) the Landlord's insurance has been prejudiced or any policy money has been wholly or partly withheld owing to an act or default of the Tenant or an Authorised Person.

7. FORFEITURE

7.1 Right to forfeit

The Landlord may forfeit this lease by re-entering the whole or any part of the Property:

7.1.1 whenever any of the sums reserved as rent by this lease is left unpaid for more than 14 days (whether or not formally demanded); and

7.1.2 In any of the other circumstances specified in the next clause;

but re-entry does not prejudice any rights of the Landlord in respect of any previous breaches of covenant by the Tenant.

7.2 Forfeiture triggers

The circumstances referred to in the preceding clause are whenever either the Tenant:

7.2.1 has not complied with any of the terms of this lease; or

7.2.2 ceases to carry on its business or suffers distress or execution to be levied on its goods; or

7.2.3 becomes insolvent or unable to pay its debts as they fall due; or

7.2.4 enters into any deed or scheme of arrangement or composition with its creditors or any application or proposal is made for a voluntary arrangement in respect of either of them

7.2.5 if an individual, and, if more than one, any of them is adjudicated bankrupt or an interim receiver of his property is appointed or he dies; or

7.2.6 if a body corporate and, if more than one, any of them has a receiver or manager appointed (including an administrative receiver), or a resolution or determination to wind-up is passed or made in relation to it, or a provisional liquidator is appointed in relation to it, or goes into liquidation (unless the liquidation has the Landlord's approval and is solely for the purpose of amalgamation or reconstruction when solvent); or

7.2.7 if a body corporate and, if more than one, any of them has an application for an administration order made, or a notice of appointment of an administrator filed at court, or an administration order made in respect of it.

8. GENERAL PROVISOS

8.1 Notices

8.1.1 All applications, notifications, consents, approvals and notices under this lease must be in writing.

8.1.2 Unless the receiving party acknowledges receipt, a notice is valid only if it is given by hand, sent by special or recorded delivery, or sent by fax (provided in the case of sending by fax, the fax is properly addressed and transmitted, as evidenced by a fax delivery report) and served:

- (a) at its registered office where the receiving party the Tenant is a company incorporated in Bermuda ; or
- (b) where the receiving party is the Tenant, at the Property; or
- (c) where the receiving party is the Landlord, at that party's address shown in this lease, or at an address specified in a notice given by that party to the other parties.

8.1.3 Unless it is returned through the postal service undelivered, a notice sent by special delivery or recorded delivery is to be treated as served on the third working day after posting, whenever (and whether or not) it is received.

8.1.4 A notice sent by fax is to be treated as served on the day on which it is sent unless the fax is sent after 4.00pm, or sent on a day that is not a working day, in which case service is on the next working day.

9. For the purposes of this clause a working day is any day which is not a Saturday or Sunday, Christmas Day, Good Friday or a public holiday.

10. GOVERNING LAW AND ARBITRATION

10.1 This lease shall be governed by and construed in accordance with the laws of Bermuda.

10.2 If any questions or difference shall arise between the parties hereto in relation to this lease it shall be referred to arbitration under the provisions of the Arbitration Act 1986.

10.3 This clause shall not apply in the event that the question or difference pertains to a matter of legal construction.

10.4 Disputes as to rights

Any dispute between the Tenant and any other occupier of any adjoining or adjacent land of the Landlord, which relates to any easement or right in favour of, or affecting, the Property, or to party or other walls separating the Property from any other property, or to any other matter arising out of this lease, must (where the Landlord is not a party) be referred to the Landlord and will be determined by the Landlord.

10.5 Tenant's goods left in the Property

If the Tenant fails to remove any of its belongings from the Property within seven days after the determination of the Term then:

10.5.1 the Landlord may sell such property as the agent of the Tenant and the Tenant will indemnify the Landlord against any liability to any third party whose property is sold by the Landlord in the mistaken belief held in good faith (which is to be presumed unless the contrary is proved) that such property belonged to the Tenant; and

10.5.2 If the Tenant claims the sale proceeds within six months after the determination of the Term, the Landlord will pay or account to the Tenant on demand for the sale proceeds (but not any interest on them) less any costs of storage and sale reasonably incurred by the Landlord, but otherwise the Landlord may retain the sale proceeds absolutely.

10.6 Delegation of Landlord's powers

The Landlord may delegate any power or right to determine any matter to its surveyor who may be the surveyor appointed to collect the rent.

10.7 Limitation on Landlord's liability

10.7.1 The Landlord is not liable to the Tenant or to any other person for any accident, loss or damage caused to the Tenant, or any other person, or to the Property, or to any goods or property of the Tenant, or of any other person occurring as a result of:

- (a) any act neglect default or omission of any kind on the part of any person (other than the Landlord its servants agents or invitees); or
- (b) any fire or leakage or overflow from any pipes taps mains cisterns or other appliances in or near the Property; or
- (c) any defect in the Property.

10.7.2 The Landlord is not liable to any person who is not a party to this lease to perform any of the covenants in this lease (whether express or implied) insofar as such covenants impose obligations going beyond the common duty of care imposed

10.8 No planning warranties

Nothing in this lease or in any consent granted by the Landlord under this lease constitutes any warranty by the Landlord that the Property is authorised under the Development and Planning Act 1974 or otherwise for use for any specific purpose.

10.9 Landlord's consent

Nothing in this lease is to be construed as implying that the consent or approval of any Superior Landlord or mortgagee will not be unreasonably withheld, and whenever the consent or approval of any Superior Landlord or mortgagee is requested but refused then it is reasonable for the Landlord to withhold consent or approval.

10.10 No implied easements

Except for such rights expressly granted to the Tenant in Schedule 2, this lease does not operate to create or convey in favour of the Tenant any rights, privileges or easements over any other property, and to that extent any rights implied by section 7 and 8 of the Conveyancing Act 1983 are excluded.

10.11 **Third party rights**

Save as expressly provided none of the provisions of this lease are intended to or will operate to confer any benefit on a person who is not named as a party to this lease.

10.12 **Waiver**

The demand for and/or acceptance of rent by the Landlord or its agents shall not constitute a waiver of any breach of the covenants on the part of the Tenant or of the Landlord's remedies for their non-performance or non-observance.

10.13 **Compensation**

Any statutory right of the Tenant to claim compensation from the Landlord whether on vacating the Property or otherwise, is excluded to the extent that the law allows.

EXECUTED as a deed and delivered on the date shown at the beginning of it.

SCHEDULE 1

The Property

The Property known as Gym Field, ALL that land known as the Gym Field, Gymnasium Road, Devonshire, DV02, Bermuda comprising acre 3.14 Acres (1.27 Hectares) or thereabouts as outlined in red on the attached plan being Drawing no. 5510/046/394 File no. 31/106 dated April 2012. including all additions and improvements made to it, and all Conduits and Plant exclusively serving it.

At the date of execution of this Lease, the Tenant had under three previous leases, installed or constructed, at the Tenant's own expense, the following:

1. A synthetic surface full size football field with sub-surface drainage;
2. A building containing a utility space and a storage space;
3. Floodlights on four light poles to provide lighting for the field;
4. Perimeter fencing around various areas of the Property.

SCHEDULE 2

Rights Granted

The Tenant shall have the right to free and uninterrupted passage and running of electrical, telephone and other lines of services or supply to the property across any land remaining in the possession of the Landlord subject to the reasonable requests of the Landlord as to the positioning of such lines.

SCHEDULE 3

Exceptions and Reservations

The rights reserved to the Landlord are, where appropriate, reserved for the benefit of, and are exercisable by the Landlord and all persons authorised by the Landlord and are set out in the following paragraphs of this schedule.

The rights reserved are as follows:

1. The right to carry out works to any adjacent or adjoining land of the Landlord, and to use all and any such land in any manner, and to consent to others doing so, whether or not the access of light and air to the Property, or any other amenity from time to time enjoyed by them, is affected in any way (but not so as to interfere with any rights expressly granted in schedule 2 unless required to do so by a Legal Obligation).
2. The right to connect to and use all Conduits from time to time within or forming part of the Property.
3. The right to enter the Property for any of the purposes specified in this lease.
4. The right to build, rebuild, alter, or demolish in any manner any buildings or erections on any adjacent or adjoining land of the Landlord; and to sell or let such land for any purpose or otherwise deal with it, whether or not the light or air to the Property is in any case diminished or any other liberty right or easement enjoyed by the Property is diminished or prejudicially affected as a result.
5. All rights of light, air, support, shelter and protection and all other easements, quasi-easements rights and benefits belonging to, enjoyed or intended to be enjoyed by the other parts of the Property.

SCHEDULE 4
Licence to Develop
Attached

EXECUTED as a **DEED** by)
The Permanent Secretary)
Responsible For Public Lands)
in the presence of:)

Signature of witness:

Name:

Address:

EXECUTED as a **DEED** by)
Larry Mussenden on behalf **of the**)
Bermuda Football Association)
)
)
)

Signature of Witness:

Name:

Address: