

Privacy Act Statement. The filing of this document is required by the Foreign Agents Registration Act of 1938, as amended, 22 U.S.C. § 611 *et seq.*, for the purposes of registration under the Act and public disclosure. Provision of the information requested is mandatory, and failure to provide this information is subject to the penalty and enforcement provisions established in Section 8 of the Act. Every registration statement, short form registration statement, supplemental statement, exhibit, amendment, copy of informational materials or other document or information filed with the Attorney General under this Act is a public record open to public examination, inspection and copying during the posted business hours of the Registration Unit in Washington, DC. Statements are also available online at the Registration Unit's webpage: <http://www.fara.gov/>. One copy of every such document, other than informational materials, is automatically provided to the Secretary of State pursuant to Section 6(b) of the Act, and copies of any and all documents are routinely made available to other agencies, departments and Congress pursuant to Section 6(c) of the Act. The Attorney General also transmits a semi-annual report to Congress on the Administration of the Act which lists the names of all agents registered under the Act and the foreign principals they represent. This report is available to the public in print and online at: <http://www.fara.gov/>.

Public Reporting Burden. Public reporting burden for this collection of information is estimated to average .49 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to Chief, Registration Unit, Counterespionage Section, National Security Division, U.S. Department of Justice, Washington, DC 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

*Furnish this exhibit for EACH foreign principal listed in an initial statement  
and for EACH additional foreign principal acquired subsequently.*

1. Name and address of registrant Lou Hammond & Associates, Inc. 39 East 51st Street New York, NY 10022	2. Registration No. 5935
--	-----------------------------

3. Name of foreign principal BERMUDA DEPARTMENT OF TOURISM	4. Principal address of foreign principal 675 Third Avenue - 20th floor New York, NY 10017
---	--

5. Indicate whether your foreign principal is one of the following:

Foreign government

Foreign political party

Foreign or domestic organization: If either, check one of the following:

<input type="checkbox"/> Partnership	<input type="checkbox"/> Committee
<input type="checkbox"/> Corporation	<input type="checkbox"/> Voluntary group
<input type="checkbox"/> Association	<input type="checkbox"/> Other (specify): _____

Individual-State nationality \_\_\_\_\_

NSD/CES/REGISTRATION UNIT  
2010 DEC 30 PM 12:42

6. If the foreign principal is a foreign government, state:

a) Branch or agency represented by the registrant  
Bermuda Department of Tourism

b) Name and title of official with whom registrant deals  
Ann Shutte, Director of Global Communications

7. If the foreign principal is a foreign political party, state:

a) Principal address

b) Name and title of official with whom registrant deals

c) Principal aim

8. If the foreign principal is not a foreign government or a foreign political party,

a) State the nature of the business or activity of this foreign principal.

b) Is this foreign principal

Supervised by a foreign government, foreign political party, or other foreign principal	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Owned by a foreign government, foreign political party, or other foreign principal	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Directed by a foreign government, foreign political party, or other foreign principal	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Controlled by a foreign government, foreign political party, or other foreign principal	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Financed by a foreign government, foreign political party, or other foreign principal	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Subsidized in part by a foreign government, foreign political party, or other foreign principal	Yes <input type="checkbox"/>	No <input type="checkbox"/>

9. Explain fully all items answered "Yes" in Item 8(b). *(If additional space is needed, a full insert page must be used.)*

PUBLIC RELATION SERVICES

MSD/CES/REGISTRATION UNIT  
2010 DEC 30 PM 12:42

10. If the foreign principal is an organization and is not owned or controlled by a foreign government, foreign political party or other foreign principal, state who owns and controls it.

Date of Exhibit A

12-28-10

Name and Title

Lou Rena Hammond, Chairman & Founder

Signature

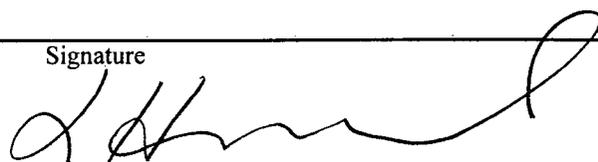


Exhibit B  
To Registration Statement  
Pursuant to the Foreign Agents Registration Act of 1938, as amended

**INSTRUCTIONS:** A registrant must furnish as an Exhibit B copies of each written agreement and the terms and conditions of each oral agreement with his foreign principal, including all modifications of such agreements, or, where no contract exists, a full statement of all the circumstances by reason of which the registrant is acting as an agent of a foreign principal. One original and two legible photocopies of this form shall be filed for each foreign principal named in the registration statement and must be signed by or on behalf of the registrant.

**Privacy Act Statement.** The filing of this document is required by the Foreign Agents Registration Act of 1938, as amended, 22 U.S.C. § 611 *et seq.*, for the purposes of registration under the Act and public disclosure. Provision of the information requested is mandatory, and failure to provide this information is subject to the penalty and enforcement provisions established in Section 8 of the Act. Every registration statement, short form registration statement, supplemental statement, exhibit, amendment, copy of informational materials or other document or information filed with the Attorney General under this Act is a public record open to public examination, inspection and copying during the posted business hours of the Registration Unit in Washington, DC. Statements are also available online at the Registration Unit's webpage: <http://www.fara.gov/>. One copy of every such document, other than informational materials, is automatically provided to the Secretary of State pursuant to Section 6(b) of the Act, and copies of any and all documents are routinely made available to other agencies, departments and Congress pursuant to Section 6(c) of the Act. The Attorney General also transmits a semi-annual report to Congress on the Administration of the Act which lists the names of all agents registered under the Act and the foreign principals they represent. This report is available to the public in print and online at: <http://www.fara.gov/>.

**Public Reporting Burden.** Public reporting burden for this collection of information is estimated to average .33 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to Chief, Registration Unit, Counterespionage Section, National Security Division, U.S. Department of Justice, Washington, DC 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

1. Name of Registrant Lou Hammond & Associates, Inc. 39 East 51st Street New York, NY 10022	2. Registration No. 5935
--	-----------------------------

3. Name of Foreign Principal BERMUDA DEPARTMENT OF TOURISM
---

NSD/DES/REGISTRATION UNIT  
2010 DEC 30 PM 12:42

Check Appropriate Boxes:

- 4.  The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach a copy of the contract to this exhibit.
- 5.  There is no formal written contract between the registrant and the foreign principal. The agreement with the above-named foreign principal has resulted from an exchange of correspondence. If this box is checked, attach a copy of all pertinent correspondence, including a copy of any initial proposal which has been adopted by reference in such correspondence.
- 6.  The agreement or understanding between the registrant and the foreign principal is the result of neither a formal written contract nor an exchange of correspondence between the parties. If this box is checked, give a complete description below of the terms and conditions of the oral agreement or understanding, its duration, the fees and expenses, if any, to be received.

7. Describe fully the nature and method of performance of the above indicated agreement or understanding.

PUBLIC RELATION SERVICES

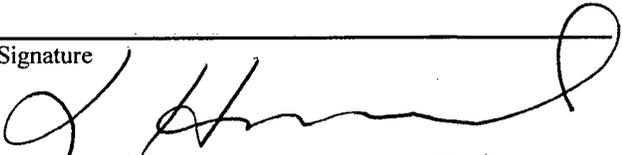
8. Describe fully the activities the registrant engages in or proposes to engage in on behalf of the above foreign principal.

PUBLIC RELATION SERVICES

9. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act and in the footnote below? Yes  No

If yes, describe all such political activities indicating, among other things, the relations, interests or policies to be influenced together with the means to be employed to achieve this purpose.

MSD/CES/REGISTRATION UNIT  
2010 DEC 30 PM 12:42

Date of Exhibit B 12-28-10	Name and Title Lou Rena Hammond, Chairman & Founder	Signature 
-------------------------------	--	---

Footnote: Political activity as defined in Section 1(o) of the Act means any activity which the person engaging in believes will, or that the person intends to, in any way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

February 3, 2010

Ms. Lou Rena Hammond  
Lou Hammond & Associates  
39 E. 51<sup>st</sup> Street  
New York, NY. 10022

Dear Ms. Hammond:

This letter shall serve as the Agreement (hereinafter referred to as "Agreement") made on 3<sup>rd</sup> of February, 2010 between the Bermuda Department of Tourism, acting on behalf of the Government of Bermuda, whose principal place of business is situated at 675 Third Avenue, 20<sup>th</sup> Floor, New York, NY 10017 (hereinafter referred to as "BDOT") and Lou Hammond & Associates, Inc., (hereinafter referred to as "LH&A"), for the provision of Public Relations Services (hereinafter referred to as "Services") for the period of April 1, 2010 to March 31, 2012. BDOT and LH&A may also be referred to as "Party" or together as "Parties" from time to time in this agreement.



BERMUDA

## 1 The Services

- 1.1 LH&A shall develop and execute Public Relations Services to include, but not limited to the management of a 24 hour-a-day News Bureau; Press Kit Development and Dissemination; Press Releases; Media Mailing and Contact Lists; Computer Addendum; Computerized Editorial Calendar; Media Interviews; Group Press Trips; Individual Press Trips; Non-sponsored Visitor Outreach Programme Photo and Videotape File Management; Marketing Support; Partner Outreach and all other Public Relations Services, as set out in Exhibit A;
- 1.2 LH&A shall be responsible for the effective, efficient and professional delivery of all Services either by itself or any affiliates or associates which LH&A may engage as subcontractors.

REGISTRATION UNIT  
DEC 30 PM 12:43

## **2. Staffing and Supervision**

- 2.1 LH&A shall secure at their own expense all personnel required in performing the Services under this Agreement. Such personnel shall not be employees of or have any contractual relationship with BDOT. All of the Services required hereunder shall be performed by LH&A or under their supervision, and all personnel engaged in the work shall be fully qualified to perform such Services;
- 2.2 BDOT shall be responsible for obtaining all work permits as required by the laws and regulations of the Government of Bermuda for the performance of duties and responsibilities in accordance with this Agreement in the Islands of Bermuda;
- 2.3 During the continuance of this Agreement LH&A shall unless prevented by unavoidable circumstances diligently and faithfully use their best endeavours with all appropriate skill and ability in carrying out and performing the Services for the Government upon but not limited by the terms and conditions contained in this Agreement.

## **3 Operating Procedures**

- 3.1 LH&A will obtain BDOT's written approval before making commitments of Services. If occasional circumstances necessitate that advance approvals be oral, LH&A will obtain subsequent written confirmations as promptly as practicable; and
- 3.2 It is understood that BDOT reserves the right to modify, revise, or cancel any plans, schedules, or work, and in the event BDOT notifies LH&A that BDOT wishes to do so, LH&A will take steps as promptly as practicable to give effect to BDOT's instructions. In connection with any such action, BDOT agrees to pay LH&A according to the terms of this Agreement for any work done, including any Agreements and commitments LH&A is unable to cancel, and to reimburse LH&A for any cancellation penalties incurred.

## **4 Compensation and Payment Schedule**

- 4.1 BDOT agrees to provide LH&A with a budget not to exceed One Millions dollars (\$1,000,000) (See Exhibit B) for this Agreement. This budget represents BDOT's compensation and other costs paid to LH&A's to be expended on behalf of BDOT.

- 4.1.1 As part of the above mentioned budget, BDOT shall pay LH&A for the performance of its Services by a **Public Relation Service Fee**, of Five Hundred and Four Thousand dollars (\$504,000), which will be billed in arrears by twelve monthly instalments of Forty Two thousand dollars (\$42,000). Invoices for the fee will be rendered on the first day of each month and shall become payable net thirty (30) days after the receipt of the invoice; and
- 4.1.2 In addition, BDOT shall reimburse LH&A's **Expenses** for all activities listed in Exhibit A. This Expense shall not exceed an amount of Four Hundred and Ninety Six Thousand dollars (\$496,000) incurred on behalf of BDOT.
- 4.2 Expenses shall become payable on a monthly basis upon receipt of vouchers or other evidence supporting the payment or incurrence of such expenses;
- 4.3 Expenses shall include staff travel, press trips, (airfare, lodging, meals, ground transportation, and miscellaneous expenses) clipping service, printing, word processing photocopying, postage, taxis, long distance calls and messenger services. A detailed list of the expenses shall be approved by BDOT in advance;
- 4.4 Claims for payment of out of pocket expenses shall be made monthly in arrears and shall be accompanied by the appropriate vouchers, receipts or other evidence supporting the payment or incurrence of such expenses;
- 4.5 BDOT agrees to pay all invoices within thirty (30) days after the receipt of the invoice unless disputed in writing;
- 4.6 All dollar amounts stated in this Agreement are in United States Dollars. All payments made pursuant to this Agreement shall be paid in United States Dollars;
- 4.7 BDOT shall not be responsible for any payments over and above that stated in section 4.1 unless otherwise agreed to in advance by both Parties;
- 4.8 All payments and fees made to the LH&A under this Agreement shall be made payable by cheque to Lou Hammond & Associates, Inc.; and
- 4.9 BDOT acknowledges and agrees to all payment set forth under Section 4 and its subsections and that failure to pay shall be deemed a material breach of this Agreement.

## 5 Tax

- 5.1 LH&A shall provide proof of its registration with the Tax Commissioner to determine their liability for payroll taxes in accordance with the Payroll Tax Act 1995 and Social Insurance, if any.

## 6 Term, Termination and Renewal

- 6.1 This Agreement will take effect on April 1, 2010 or the date of full execution by both Parties and will continue until March 31, 2012 or until all obligations under this Agreement have been satisfied, unless terminated earlier pursuant to the terms and conditions hereof;
- 6.2 Without prejudice to any other rights or remedies that either Party may have, either Party may terminate this Agreement by providing ninety (90) days prior written notice to the other;
- 6.3 Either Party hereto may terminate this Agreement if:
- 6.3.1 The other Party fails to observe or perform any provision of this Agreement and fails to remedy such breach within thirty (30) days after written notice thereof has been given to the Party in breach;
- 6.3.2 If either Party breach any provision of this Agreement in any respect and such breach continues for a period of thirty (30) days. Neither Party shall be liable to the other for any loss, damage or expense claimed or suffered by either which is not the result of the other Party's breach;
- 6.3.3 If either Party shall (i) make an assignment for the benefit of a creditor; (ii) be adjudicated bankrupt, (iii) file a voluntary petition in bankruptcy or a voluntary petition or an answer seeking reorganization, arrangement, readjustment of its debts or for any other relief under Title 11 of the United States Code, as amended or any successor or other federal or state insolvency law ("Bankruptcy Law"); (iv) have filed against it an involuntary petition in bankruptcy, which petition is not discharged within thirty (30) days; or (v) apply for or permit the appointment of a receiver or trustee for its assets or (vi) be deemed to be unable to pay its debts;
- 6.3.4 If either Party, being a firm or partnership, (i) is dissolved or in any case, (ii) commits any act of bankruptcy or has a receiving order made against it or (iii) makes or negotiates for any composition or arrangement with or assignment for the benefit of its creditors;
- 6.3.5 Any of the representations or warranties made in this Agreement shall prove to be untrue or inaccurate in any material respect;

6.3.6 The performance of either Party's obligation shall expose LH&A or BDOT its parent, subsidiaries and affiliated companies, and their respective directors, officers, employees, agents, successors and assigns, to civil or criminal proceedings of any kind.

6.4 Upon the event of termination of this Agreement notwithstanding the foregoing, the Parties further agree that under this Section;

6.4.1 LH&A shall immediately refund BDOT a mutually agreed amount of the **Public Relations Service Fees** paid by BDOT and any money that has been paid by BDOT towards **Expenses** that have not been committed to being paid to a third Party pursuant to a legally binding Agreement; and

6.4.2 BDOT shall immediately reimburse LH&A for any money that LH&A has paid for **Expenses** pursuant to a legally binding Agreement that have not been otherwise reimbursed to LH&A;

6.4.3 BDOT shall not look to any of LH&A affiliated companies for any reimbursement of money if that money has been already used or committed to being used, pursuant to a legally binding Agreement, to pay for the Services provided hereunder by LH&A or third Party;

6.4.4 Upon payment by BDOT of all indebtedness due to LH&A, LH&A will within seven (7) days after termination, ship or deliver to BDOT (or if BDOT prefers, to any successor agency), at BDOT's expense, all materials belonging to BDOT that are in the possession or control of LH&A;

6.4.5 LH&A will within seven (7) days after termination, transfer to BDOT, and BDOT will accept, all rights and obligations under existing Agreements or commitments entered into by LH&A (whether as principal or agent) on behalf of BDOT and with its approval, except that any non-transferable Agreement or commitment will be carried to completion by LH&A, and paid for in accordance with the terms of this Agreement by BDOT, unless some other mutually-acceptable approach is agreed to in writing.

6.5 The respective rights and responsibilities of BDOT and LH&A will continue in force during the notice period, including the ordering and billing by LH&A of space and time in media and the receipt by LH&A of any fees earned (regardless of whether the advertising runs during or after the notice period or whether it is created or placed by LH&A or someone else). Termination of LH&A appointment will be effective at the end of the notice period.

## **7 Indemnification**

- 7.1 LH&A shall indemnify, defend and hold harmless BDOT from and against any and all claims, damages, liabilities, losses, government proceedings and costs and expenses, including reasonable attorneys' fees and costs of arbitration/suit, arising out of any alleged or actual breach by LH&A of this Agreement or the material breach of any warranty or representation made by LH&A or any act or omission by LH&A in the performance of this Agreement or fulfilling the purposes hereof;
- 7.2 Notwithstanding anything to the contrary contained herein, LH&A shall not under any circumstances be liable for consequential, incidental, punitive, special, exemplary or indirect damages, or lost profits in connection with claims by any Party, regardless of the form of the action, or whether in Agreement or tort; and
- 7.3 Each Party shall give the other prompt written notice of any claim or suit possibly coming within the purview of any indemnity set forth in this Agreement. At the option of the Party from which indemnification is requested, said Party may assume the defence of any such claim or litigation, in which event the Party requesting indemnification shall cooperate fully in the defence thereof. If the Party from which indemnification is requested assumes the handling, settlement or defence of any such claim or litigation, said Party's obligation with respect thereto shall be limited to holding the Party requesting indemnification harmless from any judgment paid on account of such claim or litigation, or any settlement which is made or approved in connection therewith by the Party from which indemnification is requested.

## **8 Representations & Warranties**

- 8.1 BDOT represents and warrants to LH&A that:

8.1.1 It has the full right and legal authority to enter into and fully perform its obligations and duties under this Agreement in accordance with the terms and conditions hereunder without violating the rights of any third Party. It has not and will not at any time during the Term of this Agreement enter into any Agreement or commitment with any third Party that will prevent or interfere with the full and complete performance of its obligations hereunder, or with LH&A's full exercise and enjoyment of its rights hereunder;

8.1.2 It shall be fully responsible for making all required payments set forth in this Agreement in a timely manner, and that its failure to do so shall constitute a material breach of this Agreement;

8.1.3 The execution, delivery and performance of this Agreement does not conflict or result in the breach or termination of any provision of or constitute a default under any Agreement or other undertaking binding on BDOT;

8.1.4 No suit, action or arbitration or legal, administrative or other proceeding is pending against BDOT that shall affect the validity or enforceability of this Agreement or the ability of either Party to fulfil its obligations under this Agreement; and

8.1.5 That it will facilitate communications and relationships with the necessary representatives from the governmental community, including without limitation, assisting LH&A in securing the necessary work permits.

8.2 LH&A represents and warrants to BDOT that;

8.2.1 It has the full right and legal authority to enter into and fully perform its obligations and duties under this Agreement in accordance with the terms and conditions hereunder without violating the rights of any third Party;

8.2.2 It has not and will not at any time during the Term of this Agreement enter into any Agreement or commitment with any third Party that will prevent or interfere with the full and complete performance of its obligations hereunder, or with BDOT's full exercise and enjoyment of its rights hereunder;

8.2.3 During the term of this Agreement it will not engage or be interested either directly or indirectly in providing for a county, state or province services of a kind provided for in this Agreement to any other beach destinations located within the Caribbean islands, Mexico and the Eastern Continental U.S.

## 9 Miscellaneous

9.1 LH&A shall obtain all necessary releases, licenses, permits or other authorizations to use photographs, copyright materials, art work or any other proprietary or rights belonging to third Parties obtained by LH&A for use in performing Services for BDOT;

9.2 LH&A shall perform all Services hereunder as an Independent Contractor, and nothing contained herein shall be deemed to create any association, partnership, joint venture, or relationship of principal and agent or master and servant between the Parties hereto or any of their affiliates or subsidiaries, or to provide either Party with the right, power or authority, whether expressed or implied, to create any such duty or obligation on behalf of the other Party;

- 9.3 LH&A agrees that any work prepared by LH&A under this Agreement shall be considered "work for hire" unless otherwise specified. BDOT shall have ownership of all materials, written documents, website designs, data, content, images, templates and ideas embodied therein resulting from the service provided by LH&A under this Agreement; and
- 9.4 LH&A shall not talk or correspond with the media or politicians of Bermuda without the express written permission of BDOT.

## **10 Insurance**

- 10.1 During the Term of this Agreement, LH&A shall at all times maintain in force such policies of insurance with reputable insurers or underwriters approved by BDOT which shall name BDOT as additional insured. Expense of premium will be deemed to be a normal operating expense. It is agreed that BDOT and the Accountant General's Office will review the policy or policies to ensure that the terms and conditions satisfy the requirements under this Agreement. Copies of said polices should be sent to the attention of William Griffith, Director of Tourism, 43 Global House, Church Street, Hamilton HM12, Bermuda; and
- 10.2 LH&A shall prior to the commencement of the Agreement or during the Term and thereafter upon any renewal of the Agreement supply the Accountant General with copies of all insurance policies, cover notes, premium receipts and other documents as necessary.

## **11 Ownership and Confidentiality**

- 11.1 The Parties hereto agree to maintain in confidentially and not disclose to anyone (except either Party's authorized agents and legal and financial representatives) the terms and conditions of this Agreement except to the extent that proposed disclosure of any specific terms or conditions hereof by either Party is authorized in advance by the other Party;
- 11.2 To the extent permitted by each Party, it is further agreed that the transference of any documents and other materials (including magnetic tapes, disks or other storage media) embodying any confidential information from one Party to the other Party and/or developed in accordance with the terms of this Agreement shall be the sole property of BDOT;
- 11.3 LH&A assigns to BDOT the entire copyright throughout the world and all other rights of a like nature subsisting or conferred in respect of any report prepared by

LH&A and delivered to BDOT pursuant to this Agreement and the ownership of the same shall vest in BDOT;

- 11.4 Each Party shall protect all such confidential information from unauthorized disclosure with the same degree of care, but no less than reasonable care, as the owning Party uses to protect its own confidential and proprietary business information;
- 11.5 LH&A agrees not to talk or correspond with the local media, politicians or fraternity concerning its services provided hereunder or the terms and conditions of this Agreement without the express written permission of BDOT;
- 11.6 LH&A further agrees that all employees working for LH&A agree, as a condition of employment with LH&A, to respect and maintain the confidentiality of materials connected with this Agreement. All data submitted relating to the BDOT study shall be completely confidential and shall not be used in conjunction with any other Assignments;
- 11.7 LH&A agrees that all materials / information collected and reports produced shall remain the sole property of the BDOT;
- 11.8 LH&A acknowledges its responsibility both during and after the term of its appointment, to use all reasonable efforts to preserve the confidentiality of any proprietary information or data developed by LH&A for and on behalf of BDOT or disclosed by BDOT to LH&A. No copies of the data or report will be made or distributed to any Party other than BDOT;
- 11.9 LH&A obligations as set forth in this paragraph shall not extend to any information or data in the public domain other than by breach of this Agreement on the part of LH&A, rightfully received from a third Party without any obligation of confidentiality, rightfully known to LH&A without any limitation on use or disclosure prior to its receipt from BDOT, or generally made available to third Parties by BDOT without restriction of disclosure;
- 11.10 LH&A will safeguard BDOT materials in its possession, and will be financially responsible for their loss, damage or destruction, where such loss, damage or destruction is due to LH&A's negligence; and
- 11.11 LH&A shall assign to BDOT the entire copyright throughout the world and all other rights of a like nature subsisting or conferred in respect of any report prepared by LH&A and delivered to BDOT pursuant to this Agreement and the ownership of the same shall vest in BDOT.

## 12 Records and Audits

- 12.1 LH&A shall keep full, accurate and detailed records of all expenditure and liabilities incurred for the period of the Agreement; and
- 12.2 The Government of Bermuda and its authorized representatives shall have the right to inspect and audit the books, payrolls, accounts and records of LH&A and make transcripts there from, during regular office hours or at mutually agreed times, with respect to any matter related to this Agreement.

### **13 Severability**

- 13.1 If any provision of this Agreement should be held to be invalid in any way or unenforceable, the remaining terms and provisions of this Agreement shall remain in full force and effect and such invalid, illegal or unenforceable term or provision shall be deemed modified to the limited extent required to permit its enforcement in a manner closely approximating the intention of the Parties as expressed herein.

### **14 Dispute Resolution**

- 14.1 Any grievance arising out of or in connection with this Agreement shall be referred to mediation and the parties hereto agree first to try in good faith to settle the dispute by mediation before resorting to arbitration.
- 14.2 The Mediator shall be appointed by agreement between the parties or, in default of agreement, appointed by the Bermuda Branch of the Chartered Institute of Arbitrators, London, UK, or the Bermuda Bar Association in that order of priority. The Mediator shall determine the procedure and the rules for the mediation.
- 14.3 Any grievance arising out of or in connection with this Agreement not resolved in the mediation process shall be referred to and determined by a sole arbitrator unless specific performance is being sought by one of the parties. The parties shall endeavour to appoint a single arbitrator by agreement failing which the appointment provisions of the Arbitration Act 1986 shall apply and the decision of the arbitrator shall be final and binding upon the parties hereto. The arbitrator shall determine the procedure and the rules for the arbitration.

### **15 Force Majeure**

- 15.1 Notwithstanding any other provision of this Agreement, no default, delay or failure to perform on the part of either Party shall be considered a breach of this

Agreement if such default, delay or failure to perform is shown to be due entirely to causes beyond the reasonable control of the Party charged with such responsibility and renders such Party's performance hereunder impossible or that renders either Party unable to fully perform as required hereunder including, but not limited to causes such as fire, casualty, strikes, lock-outs, or other labour disputes, riots, civil disturbances, actions or inaction of Government authorities, epidemics, wars, (whether nuclear, biological, chemical or not), hostilities (whether war be declared or not) terrorist incidents, embargoes, storms, floods, fires, earthquakes, hurricanes acts of God, or a public enemy, computer downtime or the default of a common carrier and the Minister of Tourism shall in his/her absolute discretion determine what is a "cause beyond the reasonable control" of the Party concerned and in the public interest (hereinafter called the "Force Majeure Event");

- 15.2 If either Party is prevented from performing any of its Services under this Agreement due to the Force Majeure Event lasting for a period in excess of seven (7) days, either Party may terminate this Agreement and shall notify the other Party of the fact in writing within ten (10) days of termination hereunder;
- 15.3 If the Agreement is terminated in this way, LH&A shall refund a mutually agreed upon amount of consideration paid by BDOT pursuant to the terms of this Agreement which BDOT has already paid for any unperformed Services under this Agreement;
- 15.4 Notwithstanding the foregoing, the Parties further agree that in the event of termination under this Section, BDOT shall not look to LH&A or any of its affiliated companies for any reimbursement of money if that money has been already used or committed to being used, pursuant to legally binding Agreement, to pay for the services provided hereunder by LH&A or a third Party; and
- 15.5 The Parties agree that the "Term, Renewal and Termination" clause referred to in the above hereof shall apply in the event of Force Majeure.

## **16 Retention/Security**

- 16.1 BDOT shall have the right to retain the final payment for a period of up to ninety (90) days following delivery of final service or the date of termination of this Agreement, whichever is later. Such period being allowed to ascertain whether or not full compliance with the terms of this Agreement has been achieved.

**17 Waiver**

17.1 No waiver by either Party whether express or implied of any provision of this Agreement or of any breach or default of either Party shall constitute a continuing waiver or a waiver of any other provision of this Agreement unless made in writing and signed by the Party against whom the waiver would otherwise be enforced;

**18 Notices**

18.1 Any notice to be served on either of the Parties by the other shall be sent by prepaid recorded delivery or registered mail (postage prepaid and return receipt requested) or overnight delivery to the address as set forth below, unless notification of a change of address is given in writing. Notice may be sent by confirmed facsimile transmission, or by electronic mail (but a hard copy must also be mailed), and shall be deemed to have been received by the addressee within seven (7) days of posting or twenty-four (24) hours if sent by facsimile transmission, or by electronic mail, to the correct facsimile number or electronic mail number of the addressee. Notice shall be deemed given when mailed and faxed to the following:

If to BDOT: C. Ann Shutte  
Director of Global Operations  
Bermuda Department of Tourism  
675 Third Avenue, 20<sup>th</sup> Floor  
New York, NY 10017  
Email: ashutte@bermudatourism.com  
Fax: (212) 983-5289

If to LH&A: Lou Rena Hammond  
Chairman and Founder  
Lou Hammond & Associates, Inc.  
39 East 51<sup>st</sup> Street  
New York, NY. 10022  
Email: lha@lhammond.com  
Fax: 212-891-0200

**19 Change of Address**

19.1 Each of the Parties shall give notice to the other of the changes or acquisition of any address or telephone or similar number at the earliest opportunity, but in any event within forty-eight (48) hours of such change or acquisition.

**20 Non-assignment**

20.1 This Agreement and any of the rights, interests or obligations hereunder cannot be assigned by the LH&A or LH&A's subcontractors, subsidiaries, divisions, affiliates or other related entities without the consent of BDOT. Any assignment under this provision shall not relieve the assignor of its obligations under this Agreement.

**22 Entire Agreement**

22.1 This Agreement constitutes the entire Agreement between the Parties regarding the subject matter hereof, and supersedes and replaces all Agreements, arrangements and understandings relating to the subject matter hereof, whether reduced to writing or not, that may have preceded this Agreement.

**22 Governing Law**

22.1 This Agreement shall be governed by and construed in accordance with the law for the time being of Bermuda;

**23 Titles and Paragraph Headings**

23.1 Title and paragraph headings contained in this Agreement are for convenient reference and do not constitute part of this Agreement;

**24 Relationship of the Parties**

24.1 Nothing herein shall be construed to create a joint venture or partnership by or between LH&A and BDOT so as to make either Party hereto an agent or partner of the other. Neither Party shall become liable or bound by any representation,

act, omission or Agreement of the other, which is contrary to the provisions of this Agreement.

## **25 Amendments**

25.1 No amendment or modification of this Agreement or any provision of this Agreement shall be effective unless in writing and signed by both Parties.

## **26 Assignment of Responsibilities**

26.1 LH&A shall provide for an Account Executive who will liaise with the officer assigned by BDOT with responsibility for the execution of the terms of this Agreement;

26.2 BDOT shall assign the Manager of Communications, with responsibility for the management of this Agreement on its behalf;

## **27 Survival**

27.1 The following provisions of 7 (Indemnification), 8 (Representations & Warranties) and 11 (Ownership and Confidentiality), shall survive the expiration or earlier termination of this Agreement.

## **28 Default in Performance**

28.1 The Director of Tourism may investigate each case where LH&A appears to have failed to perform the services in accordance with the provisions of this Agreement;

28.2 Where the Director of Tourism is satisfied that in any particular case the LH&A has failed to perform the services completely in accordance with the provisions of this Agreement, she shall be entitled to instruct LH&A to remedy the failure in order to comply fully with this Agreement within such reasonable period as the Director of Tourism may determine.

IN WITNESS WHEREOF, BDOT and LH&A have executed this Agreement on the \_\_\_\_\_ day of \_\_\_\_\_, 2010.

Signed by William Griffith, )  
the Director of Tourism )  
on behalf of the Government )  
of Bermuda in the presence of: )

Witness Name:

Witness Address:

Signed by Lou Rena Hammond )  
Chairman and Founder )  
on behalf of )  
Lou Hammond & Associates, Inc. )  
in the presence of : )

Witness Name:

Witness Address:

NSD/CES/REGISTRATION UNIT  
2010 DEC 30 PM 12:42