

**ST. JAMES COURT
P.O BOX FL 586 – FLATTS**

**From: J.C GALBRUN, CHAIRMAN of the Board of Directors
URGENT**

August 7th, 2005

Ladies and Gentlemen,

DOCKING AND MOORING BOATS ALONG THE INLET WALKWAY

As you know, St. James Court owners and tenants enjoy a private boardwalk along the inlet through a lease negotiated and signed with the Bermuda Government in 1988 and expiring in March 2009. This lease was however granted on very restrictive terms since no docking or mooring is permitted “except on a very temporary basis”.

Given the new foreshore leasing conditions and valuations directives recently adopted by the Government, I initiated contacts with the Ministry of Works and Engineering a few weeks ago to explore and negotiate the financial terms and legal conditions applicable to our 21-year lease renewal in order to submit them to shareholders for their approval and to organize the funding of the fee they will be asking St. James Court to pay.

During my meeting last Friday with David Brown, Chief Surveyor of the Government (who drives by the property every day on his way to work), I was grilled on the reasons why several boats were caught moored to the walkway for more than three consecutive days a few weeks ago. I had to explain that one was there because his owner had been asked to vacate his berth at the Dinghy Club to leave room for the incoming Marion race boats, and the other was having an engine problem.

He said that the term “temporary docking and mooring” means, in his book, a Non-consecutive day at the most. In addition, he made clear that for the owners of St. James Court to keep the negotiations open for the renewal of the 21 –year lease at attractive terms, the current walkway lease must be fully complied with and enforced between now and it’s expiring date. Every violation by owners should be logged and sanctioned by the “association” and every docking trespasser should be logged and reported to the police.

THEREFORE, in order to prevent an early termination of the current lease(with the subsequent demolition of the walkway at our own costs) and an end to the ongoing negotiations, I AM URGING (i) the owners of boats living in St. James Court – whether owners or tenants – to refrain from mooring their boat for more than a non-consecutive day along the walkway, and (ii) every owner or tenant spotting property and docking trespassers to call the Property Manager – who will then deal with it and call the police. You may take a picture of any trespasser or their boat but do not attempt to personally show them the way out. Any such personal attempt and its potential subsequent civil and judicial liabilities will be entirely yours to assume.

I insist upon getting your critical cooperation in this matter, thank-you.