

TENANCY AGREEMENT

This Tenancy Agreement (hereafter called "the Agreement") is executed on this**day of****month** at

BETWEEN: Royal Insurance Corporation of Bhutan Limited, a company incorporated under the Companies Act of the Kingdom of Bhutan 2016, having its registered office at Norzin Lam, Building No. 16, Post Box No. 315, Thimphu (hereafter called "**the Owner**" which expression shall, unless excluded by or repugnant to the context otherwise, be deemed to mean and include its successors, administrators and permitted assigns);

AND: Mr./Mrs.....holding the Bhutanese National Citizenship Identity Card No.having his/her permanent address atvillage,Gewog, under Dzongkhag, and currently residing at Thimphu (hereafter called "**the Tenants**" which expression shall, unless excluded by or repugnant to the context otherwise, be deemed to mean and include its successors, administrators and permitted assigns;

WHEREAS the Owner desires to give on rent to the Tenant for purpose(s), the premises constituting a **Building** (Flat No)/**Land** owned by the Owner situated on Plot Number, Thram Numberat, under Dzongkhag (hereinafter called "the Property");

WHEREAS the Tenants accepts to take on rent the said property from the Owner;

AND WHEREAS the parties hereto, after due deliberations and discussions and the consequence thereof have reached an understanding, which they have decided to reduce into writing.

NOW THIS AGREEMENT WITNESSES and it is hereby mutually agreed by and between the parties:

Purpose, Term and Payment of Rent

1. The Owner grants and confers the said property on rent for the purpose of and that the Tenant shall use the property only for the purpose for which it was granted.
2. The Owner hereby grants and confers the said property to the Tenant on rent and on such terms and condition specified in this agreement.
3. The period of Tenancy for the said property shall be for a period of, commencing from to
4. The rent for the said property is agreed at **Nu**..... (Ngultrums.....) payable every month.
5. The rent as payable every month shall be paid by the Tenant to the Owner on or before the **fifth day** of the following month after the expiry of the

preceding month, failing which the Owner shall charge and the Tenant shall pay an interest @ **24% per annum** on the amount of rent payable for every day of default.

6. The Tenant shall deposit a sum of **Nu**.....
(Ngultrums.....)
.....
(equivalent to two months' rent/ additional security deposit) as security deposit on the execution of this agreement.
7. The security deposit shall be refunded or adjusted in accordance with the Tenancy Act of Bhutan 2015:
 - a. Upon expiry of the Tenancy Term; or
 - b. Upon termination of the Tenancy by the Owner or by the Tenant in accordance with this agreement.
8. In the event that the owner fails to refund the security deposit, the Owner shall pay the security amount with interest @ **24% per annum** on the security deposit payable to the Tenant.
9. The Owner shall not increase the rent before two years from the date of this Agreement, and the increment of rent shall not exceed 10% of the monthly rent. The Owner shall serve the Tenant a written notice of **three months** in advance for rent increment in the event that this Tenancy Agreement is renewed, and the Owner intends to increase the rent in accordance with this provision.

Usage Restrictions and Payment of Taxes and Charges

10. The Tenant shall not sublet the property in part or whole without the prior consent of the Owner and shall not use the space for the purpose of manufacturing or storing of any hazardous, illegal and inflammable goods, selling of meat items, unauthorized trading, illegal businesses.
11. In the event the Tenant is found subletting the said property, the Owner shall have the right to terminate the Tenancy Agreement immediately and forfeit the security deposit of the Tenant.
12. The Tenant shall not make any structural additions and alterations on the said property without prior written consent of the Owner.
13. The Tenant shall be at liberty to make at their own cost, only temporary and detachable partitions and fittings in the said property, upon prior consent of the Owner.
14. The Tenant shall pay for electric, telephone and other services according to the bills of the appropriate authorities. However, the Owner shall be responsible for payment of taxes in respect of the said property to the authorities concerned.
15. The Tenant shall permit the Owner or its agents to enter into the Property and the premises for inspection and carrying out repairs and maintenance at reasonable times as and when necessary with the prior consent or notice of the Tenant.

Termination and Renewal of the Lease Agreement

16. The Owner may terminate the Tenancy Agreement and reacquire the said property for its own occupation during the subsistence of Tenancy in accordance with the Tenancy Act.

- 17. The Tenant may terminate the Tenancy Agreement during the subsistence of the Tenancy in accordance with the Tenancy Act.
- 18. In case the Owner or Tenant wish to renew the Tenancy Agreement, either party may do so by giving two (2) months' prior notice in writing to the other party.

Governing Law, Jurisdiction and Dispute Resolution

- 19. This agreement shall be governed by and interpreted in accordance with the provisions of the Tenancy Act of Bhutan 2015 and other relevant laws of the Kingdom of Bhutan.
- 20. Any dispute arising out of and/or in connection with this lease agreement shall be settled or adjudicated in accordance with the provisions of the Tenancy Act of Bhutan, 2015 or other relevant laws of the country.
- 21. The Dispute Settlement Committee under the concerned local government and the Royal Courts of Justice shall have jurisdiction over any dispute that arises out this agreement.

In witness whereof, the Parties have executed and delivered it on the date set forth herein above.

Owner



(Authorized Signature)

Name:

Designation:

WITNESS:

Signature:

Name:

CID Card No. :

Contact No.:

Address:

Tenant



(Authorized Signature)

Name:

CID NO:

Contact No.:

Signature:

Name:

CID Card No. :

Contact No.:

Address: