

Dated the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_ .

MILIRICH INVESTMENT LIMITED  
(as Registered Owner)

AND  
[ ]  
(as First Purchaser)

AND  
KOLOT PROPERTY SERVICES LIMITED  
(as Manager)

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**DEED OF MUTUAL COVENANT  
incorporating  
MANAGEMENT AGREEMENT**

in respect of

KOWLOON INLAND LOT NO.3372,  
KOWLOON INLAND LOT NO.2547, KOWLOON INLAND LOT  
NO.2455, KOWLOON INLAND LOT NO.2456 AND KOWLOON  
INLAND LOT NO.3070

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VINCENT T.K. CHEUNG, YAP & CO.  
SOLICITORS & NOTARIES  
11th Floor, Central Building,  
1-3 Pedder Street, Central,  
Hong Kong

Ref. No.: CC/FWWK/16003607  
DMC (20170712) (3)

THIS DEED OF MUTUAL COVENANT INCORPORATING MANAGEMENT AGREEMENT is made the                      day of                      20   .

BETWEEN

(1)            MILIRICH INVESTMENT LIMITED ( 美裕投資有限公司 ) whose office is situate at 11th Floor, Lai Sun Commercial Centre, 680 Cheung Sha Wan Road, Kowloon, Hong Kong (“the Registered Owner” which expression shall where the context so admits include its successors and assigns) of the first part;

(2)            [                      ] of [                      ] (“the First Purchaser” which expression shall where the context so admits include its successors and assigns or his executors administrators and assigns or such survivor of his her or their assigns) of the second part;

(3)            KOLOT PROPERTY SERVICES LIMITED ( 高樂服務有限公司 ) whose registered office is situate at [                      ] (“the DMC Manager” which expression shall where the context so admits include its successors and assigns ) of the third part.

## SECTION A

### RECITALS

WHEREAS:-

- |                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Title                | 1.            Immediately prior to the assignment to the First Purchaser hereinafter referred to, the Registered Owner was the registered owner and in possession of the Land which is held under the Government Grant.                                                                                                                                                                                                                                                                                                                   |
| Development          | 2.            The Registered Owner has developed or is in the course of developing the Land in accordance with the Approved Plans and has constructed or is in the course of constructing on the Land the Development.                                                                                                                                                                                                                                                                                                                    |
| Allocation of Shares | 3.            For the purpose of distribution and sale, the Land and the Development have been notionally divided into [     ] equal undivided shares which have been allocated as provided in the manner described in Part I of the First Schedule.                                                                                                                                                                                                                                                                                      |
| Assignment           | 4.            By an assignment bearing even date herewith executed immediately prior to this Deed and made between the Registered Owner of the one part and the First Purchaser of the other part, the Registered Owner assigned unto the First Purchaser the Premises.                                                                                                                                                                                                                                                                   |
| Purposes of Deed     | 5.            The parties hereto have agreed to enter into this Deed for the purposes of :-<br><br>(a)    defining and regulating the rights, interests and obligations of themselves and all subsequent Owners in respect of the Land and the Development;<br><br>(b)    making provisions for the maintenance and management of the Land and the Development; and<br><br>(c)    appointing Kolot Property Services Limited as the Manager to exercise the powers and perform the duties on its part for the period and on the terms and |

conditions herein contained.

**NOW THIS DEED WITNESSETH** that the parties hereto have agreed and **DO HEREBY COVENANT** with each other as follows to the intent that this Deed shall enure to the benefit of and shall bind each of them and their respective successors in title and Persons deriving title under or through them or any of them and all Persons who may hereafter during the Term become an Owner :-

## SECTION B

### DEFINITIONS

1. In this Deed the following words and expressions shall have the meanings ascribed to them except where the context otherwise requires:-

- “A/C Area” means each of the non-enclosed area located on the 2nd Floor for use of placing air-conditioning units;
- “A/C Platform” means each of the non-enclosed air-conditioner platform (whether or not attached to a Residential Unit) intended for use of placing air-conditioning units;
- “Advertising Signage Area” means such part of the external wall of the 1st Floor of the Development constructed or to be constructed for signage purposes in accordance with the Approved Plans as shown on the Elevation 1 Plan coloured brown and marked as "Advertising Signage" annexed to this Deed and certified as to the accuracy thereof by or on behalf of the Authorized Person;
- “Annual Meeting” means the annual general meeting of the Owners of the Development convened in accordance with Section G of this Deed;
- “Approved Plans” means the building plans and specifications for the construction of the Development approved by the Building Authority under reference No.BD 4001/16 as from time to time amended, modified and substituted;
- “Authorized Person” means Mr. Lai Siu Kin, Rembert of Lu Tang Lai Architects Limited and this expression shall include any other authorized person or persons as defined in Section 2(1) of the Buildings Ordinance (Chapter 123 of the Laws of Hong Kong) for the time being appointed by the Registered Owner in his place;
- “Balcony” means each of the non-enclosed balconies forming part of the Residential Unit intended for exclusive ownership by the relevant Owner of his Residential Unit as shown hatched black on the plans annexed to this Deed;
- “Building Rules” means the Building Rules and Fitting-Out Rules set out in Section K herein as varied or modified by the Manager from time to time;
- “Capital Fund” means the fund established and maintained by the Manager pursuant to Clause 2 of Section J hereof to meet the expenditure of a capital nature or expenditure of a kind not expected to be incurred annually and such

other expenses mentioned therein;

“Commercial  
Accommodation”

means such parts of the Development constructed or to be constructed for commercial purposes in accordance with the Approved Plans and includes, without limitation, (i) such part of the external walls of the Ground Floor and the 1st Floor as shown on the Elevation Plan(s) annexed to this Deed; (ii) certain parts, portions, spaces, and areas of the Ground Floor and the 1st Floor of the Development for commercial use (including, without limitation, the shops, the lavatories (and all facilities and equipment therein) and the ramps therein);

“Commercial Common Areas”

means those parts of the Land and the Development as shown on the Ground Floor Plan, the 1st Floor Plan and Elevation Plans annexed to this Deed and certified as to the accuracy thereof by or on behalf of the Authorized Person and thereon coloured violet and intended for the common use and benefit of the Owners and Occupiers of the Commercial Units including but not limited to gas valve cabinet, certain external walls of the Development (but excluding, for the avoidance of doubt, the Curtain Wall, the external walls forming part of the Development Common Areas and external walls forming part of the Residential Accommodation) and any other parts or spaces on or in the Land and the Development for the common use and benefit of the Owners and Occupiers of the Commercial Units and their visitors and not for the exclusive use or benefit of the Owner or Occupier of any individual Commercial Unit or his visitors **EXCLUDING** the Development Common Areas and the Residential Common Areas and **EXCLUDING** any part, space, area or facility the exclusive right and privilege to hold use, occupy and enjoy the same that belongs to any particular Owner **PROVIDED THAT**, where appropriate, if (a) any parts of the Development covered by paragraph (a) of the definition of “**common parts**” set out in Section 2 of the Ordinance and/or (b) any parts specified in the Schedule 1 to the Ordinance and included under paragraph (b) of the definition of “**common parts**” set out in Section 2 of the Ordinance, are also for the common use and benefit of all the Owners of the Commercial Units, such parts shall be deemed to have been included as, and shall form part of, the Commercial Common Areas;

“Commercial Common  
Facilities”

means all those installations and facilities of the Development (whether within or outside the Commercial Accommodation) used in common by or installed for the common use and benefit of the Owners and Occupiers of the Commercial Units and their visitors and not for the exclusive use or benefit of the Owner or Occupier of any individual Commercial Unit or his visitors including but not limited to:-

- (a) the wirings, cables, A/C ducts, gas provisions, plumbing and drainage services (if any) serving the Commercial Accommodation; and
- (b) other facilities and equipment installed for the common use and benefit of any of the Owners, Occupiers or visitors of the Commercial Units and not for the exclusive use and benefit of a particular Commercial Unit,

**EXCLUDING** the Development Common Facilities and the Residential Common Facilities and **EXCLUDING** any part, space, area or facility the exclusive right and privilege to hold use occupy and enjoy

the same belongs to any particular Owner;

- “Commercial Unit” means a Unit (together with all the windows (whether openable or non-openable), window frames of the unit, all the glass of windows of the unit (and in case of doubled glazed glass, the whole thereof) and all the vision panels of the unit (whether openable or non-openable), balustrade (if any), railing (if any), flat roof (if any) appurtenant thereto) intended for commercial use in the Commercial Accommodation to which Undivided Shares have been or will be allocated, and “Commercial Units” shall be construed accordingly;
- “Common Areas” means the Development Common Areas, the Commercial Common Areas, the Residential Common Areas and all those parts of the Development designated as common areas in any Sub-Deed of Mutual Covenant;
- “Common Facilities” means the Development Common Facilities, the Commercial Common Facilities and the Residential Common Facilities and such of the installations and facilities of the Development designated as common facilities in any Sub-Deed of Mutual Covenant;
- “Curtain Wall” means the curtain wall system erected as part of the external walls of the Development but does not include any openable windows of the Residential Units;
- “Deed” means this Deed of Mutual Covenant incorporating Management Agreement as amended or varied from time to time;
- “Development” means the entire development known as "NOVI (逸新)" constructed or to be constructed upon the Land comprising the Commercial Accommodation, the Residential Accommodation, the Common Areas and the Common Facilities;
- “Development Common Areas” means those parts of the Land and the Development as shown on the Ground Floor Plan, the 1st Floor Plan, the 2nd Floor Plan, the Roof Floor Plan, the Upper & Top Roof Floor Plan and the Elevation Plans annexed to this Deed and certified as to the accuracy thereof by or on behalf of the Authorized Person and thereon coloured yellow and intended for the common use and benefit of the Owners and Occupiers of the Units including, but not limited to, certain entrances, exits, passageways, stairways, staircases and ramps, lift lobby on the 1st Floor, lift shaft of Lift No.1 (“Lift No.1”) on the Ground Floor and the 1st Floor, caretaker’s office, hoistway for transformer, refuse storage and material recovery chamber, cable room, F.S. Control Centre, F.S. sprinkler inlet, water meter cabinet, telephone duct, cable duct, transformer room, switch room, sprinkler tank, sprinkler and F.S. pump room, F.S. upfeed pump room, telecommunications and broadcasting equipment room, potable and flushing pump room, F.G. sump tank for potable, F.G. sump tank for flushing, potable water pump room, potable water tank, F.G. flushing water tank, areas for installation of satellite dishes and/or TV antennae, emergency generator room, flat roof on the Top Roof Upper, the No.58 Party Wall, certain external walls of the Development (but excluding, for the avoidance of doubt, the external walls forming part of the Commercial Accommodation and external

walls and Curtain Wall forming part of the Residential Accommodation) and any other parts or spaces on or in the Land and the Development for the common benefit of the Owners and Occupiers of the Units and their visitors and not for the exclusive use or benefit of the Owner or Occupier of any individual Unit or his visitors **EXCLUDING** the Commercial Common Areas and the Residential Common Areas and **EXCLUDING** any part, space, area or facility the exclusive right and privilege to hold use, occupy and enjoy the same that belongs to any particular Owner **PROVIDED THAT**, where appropriate, if (a) any parts of the Development covered by paragraph (a) of the definition of “**common parts**” set out in Section 2 of the Ordinance and/or (b) any parts specified in the Schedule 1 to the Ordinance and included under paragraph (b) of the definition of “**common parts**” set out in Section 2 of the Ordinance, are also for the common use and benefit of all the Owners of the Units, such parts shall be deemed to have been included as, and shall form part of, the Development Common Areas;

“Development Common Facilities”

means all those installations and facilities of the Development installed for the common use and benefit of the Owners and Occupiers of the Development and their visitors and not for exclusive use or benefit of any particular Owner or Occupier or his visitor including but not limited to:-

- (a) such of the sewers, drains, water courses, pipes, gutters, wells (if any), aerials, wires and cables, telecommunications and other services facilities, whether ducted or otherwise which are or at any time may be in, under or over or passing through the Land and/or the Development, through which water, sewage, gas, electricity and any other services are supplied to the Development;
- (b) F.S. Control Centre, sprinkler inlet, transformer room, switch room, sprinkler & F.S. pump room, F.S. water tank, potable & flushing water pump room, emergency generator room, and the facilities and equipment therein for the common use and benefit of the Development;
- (c) metal gates, features and fences, louvres, lighting, mechanical ventilation/air-conditioning (if any) for the Development Common Areas; and
- (d) refuse collection equipment and facilities;

**EXCLUDING** the Commercial Common Facilities and the Residential Common Facilities and **EXCLUDING** any part, space, area or facility the exclusive right and privilege to hold use occupy and enjoy the same belongs to any particular Owner;

“F.R.R. Wall”

means the fire resistance rated walls built within and forming part of the Residential Units and are shown for the purpose of identification only on the floor plans annexed to this Deed and thereon coloured orange, the accuracy of such plans has been certified by or on behalf of the Authorized Person;

“Fire Safety Management Plan”

means the fire safety management plan and measures relating to Residential Unit(s) required to be implemented by the Buildings

	Department and set out in the Fifth Schedule hereto and any addition or variation thereto from time to time in accordance with the relevant requirements of the Buildings Department, the Fire Services Department or any other relevant government authority;
“Fire Services Installations”	means sprinkler heads, addressable smoke detectors with sound base and F.R.R. Wall for the Open Kitchens provided within and forming part of the Residential Units
“Fitting-Out Rules”	means any rules, regulations or procedures as the Manager may make or implement from time to time for the fitting-out, decoration and alteration of a Unit;
“Flat Roof”	means the areas adjoining to or above certain Units on the 1st Floor, 2nd Floor and the Roof held or intended to be held with a Unit;
“Government”	means the Government of Hong Kong;
“Government Grant”	means collectively the documents of title setting forth the rights and entitlements granted by the Government in respect of the Land more particularly described in the Fourth Schedule and under which the Land is held from the Government;
“Hong Kong” or “HKSAR”	means the Hong Kong Special Administrative Region of the People’s Republic of China;
“Insured Risks”	means loss or damage by or in consequence of fire, earthquake, landslip, subterranean fire, bursting or overflowing of water tanks, apparatus or pipes, riot or civil commotion, strikes, labour or political disturbances, the action of malicious persons, explosion (including explosion of boilers and other heating or ventilation apparatus), lightning, thunderbolt, storm, tempest, typhoon, floods, impact by any road vehicle, aircraft or other aerial device or articles dropped therefrom, accidental damage to underground pipes and cables, and such other risks as the Manager in its sole discretion may from time to time decide;
“Land”	means all those pieces or parcels of ground registered in the Land Registry as Kowloon Inland Lot No.3372, Kowloon Inland Lot No.2547, Kowloon Inland Lot No.2455, Kowloon Inland Lot No.2456 and Kowloon Inland Lot No.3070;
“Maintain” or “maintain”	means inspect, test, repair, uphold, support, rebuild, renew, upgrade, renovate, overhaul, pave, purge, scour, cleanse, empty, amend, keep, tend, replace, decorate and paint or such of the foregoing as maybe applicable in the circumstances and in the interest of good estate management and “maintenance” shall be construed accordingly;
“Maintenance Manual for the Works and Installations”	means a maintenance manual for the Works and Installations in respect of the Development compiled by the Registered Owner at its own costs;
“Management Charges”	means the monthly charges and other costs, charges, expenses and contributions necessarily and reasonably incurred in the management of the Development and calculated in accordance with the provisions of

Section J of this Deed;

- “Management Shares” means the management shares from time to time attributable to the Commercial Units and the Residential Units as set out in Part II of the First Schedule or as described in any Sub-Deed of Mutual Covenant for the purpose of fixing the amount to be contributed by the Owners to the management expenses of the Development;
- “Manager” means as the context requires:-
- (i) DMC Manager; or
  - (ii) such other Person, firm or company as may be appointed by the Owners pursuant to Section H of this Deed; or
  - (iii) the Owners’ Committee when undertaking the management of the Development itself in exercise of its powers on that behalf contained in Section F of this Deed;
- “Manager’s Remuneration” means the remuneration of the Manager for the performance of its duties in accordance with the provisions of this Deed;
- No.58 Party Wall means the party wall and columns erected between the Land and the premises known as Nos.58-60 Ki Lung Street;
- “Occupation Permit” means a temporary or permanent Occupation Permit issued by the Building Authority in respect of the Development or any part thereof;
- “Occupiers” means and includes any Person occupying or using a Unit with the consent, express or implied, of an Owner, including without prejudice to the generality thereof, any tenant, any member of the Owner’s or tenant’s family and any of the Owner’s or tenant’s servants, agents, invitees and licensees and/or visitors, and in the case of the Commercial Unit, also their tenants, employees, customers and suppliers;
- “Open Kitchen” means open kitchen provided within a Residential Unit and such open kitchen is for the purpose of identification only shown and demarcated by a black pecked line and marked “OPEN KIT.” on the plans annexed to this Deed;
- “Ordinance” means the Building Management Ordinance (Cap.344) (as amended from time to time or any other Ordinance replacing or re-enacting it);
- “Owner” means and includes each Person as defined in the Ordinance being the Person who for the time being appears from the records at the Land Registry to be the owner of an Undivided Share and every joint tenant or tenant in common of any such Undivided Share and where any such Undivided Share has been assigned or charged by way of mortgage or charge, the word “Owner” shall include a registered mortgagee or chargee in possession of such Undivided Share;
- “Owners’ Committee” means the Owners’ Committee formed pursuant to Section F of this Deed;



“Owners’ Corporation”	means a corporation of the Owners of the Development formed pursuant to the Ordinance;
“Party Wall”	means an internal wall which divides two Units;
“Person”	means and includes a natural person, a legal person, a body corporate or an unincorporated association or other judicial person, a partnership, a firm, a joint venture or a trust and that person’s legal personal representatives, permitted assigns and successors;
“Premises”	means all those [            ] Undivided Shares together with the sole and exclusive right and privilege to hold use occupy and enjoy all that [            ];
“Residential Accommodation”	means such parts of the Development constructed or to be constructed for residential purposes in accordance with the Approved Plans and includes, without limitation, the Residential Units;
“Residential Common Areas”	means those parts of the Land and the Development as shown on the Ground Floor Plan, the 1st Floor Plan, the 2nd Floor Plan, the 3rd-28th Floors Plan, the Roof Floor Plan, the Upper & Top Roof Floor Plan and the Elevation Plans annexed to this Deed and certified as to the accuracy thereof by or on behalf of the Authorized Person and thereon coloured green and intended for the common use and benefit of the Owners and Occupiers of the Residential Units including, but not limited to, lift lobbies on all floors (except the 1st Floor), lift pits, lift shafts (except that of Lift No.1 on the Ground Floor and the 1st Floor), staircases, exits, ramps, the external walls and parapet walls of the Residential Accommodation (but excluding the interior surface of such walls facing the Residential Units and the glass and metal parapets/balustrade/fences of the Balcony and the Utility Platform which form parts of the Residential Units), the Curtain Wall the entrance lobby on the Ground Floor, the architectural fins and features, pipes serving the Residential Accommodation, lift machine room, the A/C Areas and A/C Platforms of the Residential Units, electric meter cabinet, water meter cabinet, pipe duct, telephone duct and any other parts or spaces on or in the Land and the Development for the common use and benefit of the Owners and Occupiers of the Residential Units and their visitors and not for the exclusive use or benefit of the Owner or Occupier of any individual Residential Unit or his visitors <b>EXCLUDING</b> the Development Common Areas and Commercial Common Areas and <b>EXCLUDING</b> any part, space, area or facility the exclusive right and privilege to hold use, occupy and enjoy the same that belongs to any particular Owner <b>PROVIDED THAT</b> , where appropriate, if (a) any parts of the Development covered by paragraph (a) of the definition of “ <b>common parts</b> ” set out in Section 2 of the Ordinance and/or (b) any parts specified in the Schedule 1 to the Ordinance and included under paragraph (b) of the definition of “ <b>common parts</b> ” set out in Section 2 of the Ordinance, are also for the common use and benefit of all the Owners of the Residential Units, such parts shall be deemed to have been included as, and shall form part of, the Residential Common Areas;
“Residential Common Facilities”	means all those installations and facilities of the Development (whether within or outside the Residential Accommodation) used in common by

or installed for the common use and benefit of the Owners and Occupiers of the Residential Units and their visitors and not for the exclusive use or benefit of the Owner or Occupier of any individual Residential Unit or his visitors including but not limited to:-

- (a) lighting, air-conditioning and mechanical ventilation (if any) for the Residential Common Areas;
- (b) television and wireless aerials, security system;
- (c) the lift shafts (except that of Lift No.1 on the Ground Floor and the 1st Floor); and
- (d) any other facilities and equipment installed for the common use and benefit of any of the Owners, Occupiers or visitors of the Residential Units and not for the use and benefit of a particular Residential Unit,

**EXCLUDING** the Development Common Facilities and Commercial Common Facilities and **EXCLUDING** any part, space, area or facility the exclusive right and privilege to hold use occupy and enjoy the same belongs to any particular Owner;

“Residential Unit”	means a Unit (together with all the windows (whether openable or non-openable but excluding those non-openable windows forming part of the Curtain Wall), window frames of the unit, all the glass of windows of the unit (and in case of doubled glazed glass, the whole thereof) and all the vision panels of the unit (whether openable or non-openable but excluding those vision panels forming part of the Curtain Wall), balustrade (if any), railing (if any), balcony (if any) and utility platform (if any) thereof, flat roof adjacent thereto (if any) and roof thereabove (if any) intended for residential use in the Residential Accommodation to which Undivided Shares have been or will be allocated, and “Residential Units” shall be construed accordingly;
“Roof”	means the main roof immediately above the top floor of the Development as shown on the Roof Floor Plan annexed to this Deed and certified as to the accuracy thereof by or on behalf of the Authorized Person;
“Shares” or “Undivided Shares”	means the [ ] equal undivided shares of and in the Land and the Development set out in Part I of the First Schedule, each a “Share” or an “Undivided Share”;
“Slope and Retaining Structures”	All slopes, slope treatment works, retaining walls and other structures (if any) within or outside the Land, the maintenance of which is the liability of the Owners under the Government Grant or this Deed;
“Slope and Retaining Wall Maintenance Guideline”	means the “Geoguide 5 - Guide to Slope Maintenance” issued by the Geotechnical Engineering Office (as amended or substituted from time to time);
“Sub-Deed of Mutual Covenant”	means any Sub-Deed of Mutual Covenant entered into between the co-owners of the Development in respect of any part of the Land and the Development;
“Term”	means the term of years created by the Government Grant as may be

extended by any legislation;

- “Unit” means any unit or any part, portion or space of the Development intended for the exclusive use occupation and enjoyment by an Owner thereof and to which Undivided Shares have been or will be allocated and, for avoidance of doubt, includes a Commercial Unit or a Residential Unit as the case may be;
- “Upper Roof” means the roof immediately above the Roof and comprises 1st Upper Roof, 2nd Upper Roof and Top Roof Upper as shown on the Upper & Top Roof Floor Plan annexed to this Deed and certified as to the accuracy thereof by or on behalf of the Authorized Person;
- “Utility Platform” means each of the non-enclosed utility platforms forming part of the Residential Unit intended for exclusive ownership by the relevant Owner of his Residential Unit as shown cross-hatched black on the plans annexed to this Deed;
- “Works and Installations” means all major works and installation in the Development (whether forming part of the Common Areas and Common Facilities or not) as at the date of this Deed as contained in the Fifth Schedule, which will require regular maintenance on a recurrent basis.

2. In this Deed (if the context so permits or requires) words or expressions importing the masculine gender shall include the feminine or neuter gender and vice versa and words importing the singular number only shall include the plural number and vice versa and reference to Clauses, Sub-clauses, Paragraphs and Schedules shall be references to clauses, sub-clauses, paragraphs and schedules of this Deed.

3. The index, headings and marginal notes in this Deed are included merely for ease of reference and shall not affect the interpretation or construction of the relevant clauses and paragraphs.

4. The rule known as the ejusdem generis rule shall not apply and accordingly general words introduced by the word “other” shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts matters or things and general words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words.

5. References to any specific Ordinance shall be deemed to refer to any modification, amendment or re-enactment thereof and any bye-laws, rules or regulations thereunder for the time being in force and shall include any legislation, ordinance, bye-laws, rules or regulations in substitution therefor.

SECTION C

RIGHTS OF OWNERS

- Rights attaching to each Share
1. Each Share shall during the residue of the Term and any renewal thereof subject to the covenants and terms contained in the Government Grant and this Deed be held by the Person or Persons from time to time entitled thereto together with:-
- (a) the full and exclusive right and privilege to hold, use and occupy the Unit designated opposite to such Share in the First Schedule and to receive rents and profits therefrom; and
  - (b) the benefit, insofar as applicable, of the easements, rights and privileges set out in Part I of the Second Schedule
- but subject to the exceptions and reservations set out in Part II of the Second Schedule.
- Rights of the Registered Owner
2. (a) The Registered Owner shall at all times hereafter during the residue of the Term and any renewal thereof subject to the covenants and terms contained in the Government Grant and this Deed have the full and exclusive right and privilege to hold, use, occupy and enjoy the whole of the Land and the Development together with the appurtenances thereto and the entire rents and profits thereof save only the Premises, the Common Areas and the Common Facilities.
- (b) The Registered Owner shall for as long as it remains the beneficial owner of any Share have the sole and absolute right in its absolute and unfettered discretion at any time or times and from time to time as it shall deem fit to do all or any of the acts or deeds and to exercise all or any of the rights set out in Part I of the Second Schedule.
- Rights of the First Purchaser
3. The First Purchaser shall at all times hereafter during the residue of the Term and any renewal thereof subject to the covenants and terms contained in the Government Grant and this Deed have the full and exclusive right and privilege to hold, use, occupy and enjoy the Premises together with the appurtenances thereto and the entire rents and profits thereof.
- Right to make additions etc.
4. Each Owner of a Unit shall have the right subject to the provisions of this Deed and the Building Rules to make or install in his own Unit at his own expense any additions, improvements, lights, fittings, fixtures or decorations which can be installed, fixed and removed without structural alteration or damage and without affecting the existing design or external appearance of the Development (including but not limited to finishes and colour of the external wall, windows and glazing, position of flue, aperture and material of balcony railings) and each such Owner shall have the right to remove the same at his own expense.
- Right of Owners to sell or lease
5. (a) Subject to the provisions of the Government Grant and Clause 9 of this Section C, each Owner shall have the full right and liberty without reference to the other Owner or Owners or other Person or Persons otherwise who may be interested in any Share or Shares in any way whatsoever and without the necessity of making such other Owners or such other Person a party to the transaction to sell, assign, mortgage, charge, lease, license or otherwise dispose of or deal with

his Share provided that any such transaction shall be expressly subject to the terms of this Deed and the Sub-Deed of Mutual Covenant (if any).

(b) Each Owner shall be responsible to the other Owners for the due performance and observance on the part of his tenant or lessee or licensee or occupier of the terms and conditions hereof.

Party Walls

6. A Party Wall (if any) shall be repaired and maintained as such by the Owners of the Units or the Flat Roofs which the Party Wall separates.

Advertising Signage Area

7. Subject to the provisions of the Government Grant (if applicable) and the written approval of the Manager (which approval shall not be unreasonably withheld), the Owner of the Advertising Signage Area shall have the exclusive right to erect, affix, install, paint or erect on the Advertising Signage Area or any part thereof any bill, notice, placard, poster, signage, advertisements (illuminated or otherwise), signboards, lighting fixtures, fixtures, installations and structures of similar kind ("the Signs") and to maintain, alter, renew, service, repair, replace and remove the same for advertising or any lawful purpose or to grant the right to do so to any person subject to the following conditions:

- (a) All necessary consents and permission from the relevant Government authorities shall first be obtained before commencement of any erection, fixing or installation works ("the Installation Works") and all relevant laws, regulations and rules in force in Hong Kong shall be complied with;
- (b) before carrying out any works in relation to the lighting space effect and keep at all times during the carrying out of such works comprehensive third party insurance cover in such amount and scope as shall be determined by the Manager or the Owners' Committee and with a reputable insurance company as shall be approved by the Manager and endorsing the respective interests of the Manager, all Owners of the Development and the Owners' Corporation (if formed);
- (c) The Installation Works shall not cause any damage to the Development or any part thereof or cause the maximum permitted loading weight of the relevant part of the external walls of the Development to be exceeded;
- (d) No unlawful or indecent advertising materials shall be displayed.
- (e) The Owner of the Advertising Signage Area shall at his own costs and expense paint, repair, replace, remove, maintain and keep in good clean and safe repair and conditions at all times the Advertising Signage Area and any part thereof, the Signs, and all erections, installations, fixtures or fittings thereto or thereon.
- (f) The Owner of the Advertising Signage Area shall in exercising the rights under this Clause 7, comply with all relevant laws, regulations and rules in force in Hong Kong.

Covenants of Owner

8. (a) Each Owner covenants with every other Owner to observe and perform and shall at all times be bound by the covenants, provisions, stipulations, agreements, restrictions, exceptions and reservations contained in Part II of the Second Schedule.

(b) All the Owners (including the Registered Owner) and the Manager hereby covenant with each other to comply with the terms and conditions of the Government Grant so long as they remain as the Owners and the Manager of the Development.

Exclusive use of the Land and Development not to be dealt with separately from the Shares

9. (a) The right to the exclusive use, occupation and enjoyment of any part of the Land or the Development shall not be sold, assigned, mortgaged, charged, leased or otherwise dealt with separately from the Shares with which the same is held Provided Always That the provisions of this Clause shall not extend to leases or tenancies or licences in respect of any part of the Land and/or the Development.

(b) The right to the exclusive use, occupation and enjoyment of the Flat Roof specifically assigned by the Registered Owner shall not be sold, assigned, mortgaged, charged, leased or otherwise dealt with separately from the Residential Unit with which such Flat Roof is held.

Assignment of Common Areas to Manager

10. Upon execution of this Deed, the Registered Owner shall assign the Common Areas and Common Facilities together with the Shares relating thereto to the Manager, without costs or consideration, for the general benefit of the Owners and upon such assignment such areas and facilities thereon shall be held by the Manager as trustee for all the Owners for the time being. The Manager shall assign the Common Areas and Common Facilities together with the Shares relating thereto free of costs or consideration to its successors as Manager on termination of its appointment and if the Manager shall be wound up, then the liquidator shall assign such Common Areas and Common Facilities together with the Shares relating thereto to the new Manager to hold as trustee as aforesaid Provided Always That nothing herein contained shall in any way fetter or diminish the rights, powers, authorities, entitlements, duties and obligations of the Manager contained in this Deed. If an Owners' Corporation is formed, it may require the Manager for the time being or the liquidator, as the case may be, in accordance with this Deed to assign the Common Areas and Common Facilities together with the Shares relating thereto and transfer the management responsibilities to it free of costs or consideration in which event the Owners' Corporation must hold them on trust for the benefit of all the Owners for the time being of the Shares.

## SECTION D

### ABATEMENT OF RIGHTS

- Damage necessitating rebuilding
1. In the event of the Development or any material part of it being damaged by fire, typhoon, earthquake, subsidence or other cause so as to render the same substantially unfit for use or habitation thereby necessitating the rebuilding, reinstatement, major repair, refurbishment and/or renovation thereof, the provisions of this Section D shall apply.
- Meeting to consider action to be taken
2. (a) The Owners of not less than seventy-five percent (75%) of the Shares allocated to such damaged part(s) (excluding the Shares allocated to the Common Areas and Common Facilities) may convene a meeting of the Owners in whom the exclusive use, occupation and enjoyment of such damaged part(s) of the Development is/are vested and affected, and decided by a resolution of not less than seventy-five percent (75%) majority of those present at the meeting whether or not to rebuild or reinstate the damaged part(s) of the Development.
- If resolution approved by majority of Owners affected all bound to carry it out
- (b) If at such meeting or any adjournment thereof, it is resolved to reinstate or rebuild the Development or such part or parts of the Development, each Owner of the Development or the part damaged (as the case may be) shall pay, in proportion to the Shares held by him, a proportion of the excess of the cost of rebuilding and reinstatement of the whole or that part of the Development so damaged, over and above any insurance monies received in respect of any policy of insurance and until paid such sums will become a charge upon his Shares and be recoverable as a debt. The provisions of Clause 6 of Section J of this Deed shall apply in respect thereof.
- Further meetings may be held
- (c) If necessary, further meetings may be held and resolutions may be put to all the Owners affected until a course of action or a scheme to put effect of such course of action are approved by resolutions passed thereat.
- Failing agreement to rebuild or reinstate, all Shares to be sold and proceeds etc. distributed
- (d) If within one (1) year of the date on which the damage was caused a majority of the Owners affected have not agreed by resolution or in writing upon a proper course of action or if it is resolved that by reason of insufficiency of insurance monies, changes in all relevant legislation rules and regulations for the time being in force in Hong Kong or any other circumstances whatsoever it is not practicable to reinstate and rebuild the Development or such part or parts of the Development, the Manager may in his absolute discretion call upon the Owners affected to assign to him free from incumbrances all the Shares allocated to the damaged part(s) and all rights and appurtenances thereto upon trust to sell them by public auction or otherwise at their absolute discretion subject to and with the benefit of this Deed and (subject to the deduction of any sums due to the Manager by any of the Owners affected and of any sums required to meet any claims ranking in priority to those of the Owners affected) distribute the net proceeds of the sale amongst the Owners affected pro rata according to the number of such Shares assigned by them respectively to the Manager, and each of the Owners affected shall within two (2) months of being called upon so to do assign to the Manager free from incumbrances upon trust as aforesaid all the Shares allocated to the damaged part(s) held by him, and the Manager shall as soon as the Shares allocated to the damaged part(s) have been so assigned to him proceed to sell the same and distribute the net proceeds of sale in the manner aforesaid. At the same time the Manager shall (subject to the deduction of any sums due to the Manager or of any sums ranking in priority to those of the Owners affected):-

- (i) distribute amongst the Owners affected all insurance monies received in respect of any policy of insurance on the damaged part(s) pro rata according to what were the insured values of their respective interests in the damaged part(s) as at the date of the damage to it/them; and
- (ii) return to each Owner affected the deposit paid by such Owner held by the Manager as security in accordance with the provisions of Clause 10(a)(i) of Section J of this Deed.

Provisions applicable to meetings

3. The following provisions shall apply to meetings convened under Clause 2 of this Section :-

(a) Notice of each of the meetings specifying the time and place of meeting shall be sent by the Manager to each Owner affected at least fourteen (14) days before the date of the meeting.

(b) Subject to sub-clause (c) below, the quorum for a meeting shall be the Owners of not less than seventy-five percent (75%) of the Shares allocated to the damaged part(s) (excluding the Shares allocated to the Common Areas and Common Facilities) present in person or by proxy.

(c) A meeting shall not start unless a quorum is present. If within half an hour from the time appointed for the meeting a quorum is not present the meeting shall stand adjourned to the same time and day in the next week and at the same place.

(d) The Owners present in such meeting shall choose one of them to be the Chairman of the meeting and he shall cause a record to be kept of the Persons present at the meeting and notes of the proceedings thereof.

(e) All matters arising at the meeting shall be decided by a resolution of the Owners of not less than seventy-five percent (75%) of those present at the meeting.

(f) At such meeting of Owners, each Owner presents in person or by proxy shall have one vote.

(g) If any Share is owned jointly by two or more Persons the vote in respect of that Share may be cast:-

- (i) by a proxy jointly appointed by the co-owners, or
- (ii) by one co-owner present in person appointed in writing by the other co-owners, or
- (iii) if no appointment has been made under (i) or (ii) above, then either personally or by proxy by one of the co-owners; and, in the case of any meeting where more than one of the co-owners seeks to cast a vote in respect of the Share, only the vote that is cast, in person or by proxy, by the co-owner whose name, in order of priority, stands highest in relation to that Share in the register kept at the Land Registry shall be treated as valid.



(h) If a registered mortgagee shall have appointed a receiver of a Share of an Owner affected, such mortgagee shall, to the exclusion of such Owner, be entitled to exercise the voting rights of such Owner either personally or by proxy.

(i) The votes of Owners affected or of mortgagees entitled to vote may be given either personally or by proxy.

(j) The instrument appointing a proxy shall be in the prescribed form set out in the Ordinance and shall be signed by the Owner or mortgagee, or if the Owner or mortgagee is a body corporate, shall be impressed with the seal or chop of that body corporate and signed by a Person authorized by that body corporate in that behalf.

(k) The appointment of a proxy or the appointment of a co-owner to vote on behalf of the other co-owners shall have no effect unless the instrument appointing the proxy or appointing the co-owner to vote is lodged with the Manager not less than forty-eight (48) hours before the time for the holding of the meeting for which the appointment has been made, or within such lesser time as the chairman shall allow.

(l) A resolution of not less than seventy-five percent (75%) majority of those present (in person or by proxy) passed at a meeting duly convened by the Owners of not less than seventy-five percent (75%) majority of the Shares allocated to the damaged part(s) (excluding the Shares allocated to the Common Areas and Common Facilities) shall be binding on all the Owners of the Development or (as the case may be) the relevant part(s) of the Development so affected Provided as follows:-

- (i) the notice convening the meeting shall specify the intention to propose a resolution concerning such matter;
- (ii) any resolution purported to be passed at such meeting concerning any other matter shall not be valid; and
- (iii) no resolution shall be valid if it is contrary to the provisions of the Government Grant, this Deed or any relevant Sub-Deed of Mutual Covenant.

(m) The accidental omission to give notice as aforesaid to any Owner shall not invalidate the meeting or any resolution passed thereat.

## SECTION E

### OBLIGATIONS OF OWNERS

- Owners to comply 1. The Owners shall at all times hereafter comply with and shall observe and perform the covenants, provisions, restrictions and prohibitions contained in:-
- (a) the Government Grant;
  - (b) this Deed; and
  - (c) the Building Rules.
- Owners to observe restrictive covenants 2. The Owner or Owners shall at all times hereafter be bound by and shall observe and perform the covenants, restrictions and prohibitions set out in the Third Schedule.
- Government rent 3. (a) The Owners shall at all times hereafter be liable for the payment of the Government rent in respect of the Land and the Development in proportion to the respective number of Management Shares for the time being vested in them.
- (b) Without prejudice to the Owners' ultimate liability under Clause 3(a) of this Section E, the Manager shall have the right prior to separate assessments being made in respect of the Land and the Development by the Government to pay the Government rent on behalf of the Owners of any part of the Development and to recover from them the amount thereof as part of the Management Charges.
- Rates and taxes 4. Subject to the provisions of Clause 3 of this Section E, all existing and future taxes, rates, assessments, property tax and outgoings of every description for the time being payable in respect of any Unit or of any other part of the Development the exclusive use, occupation and enjoyment of which has been assigned to any Owner shall be borne by the Owner thereof who shall pay them directly to the appropriate authority and the Owner shall indemnify the other Owners from and against all liability therefor.
- Utilities 5. Charges for the supply and consumption of water, electricity, gas and other utilities in connection with any Unit shall be paid directly to the appropriate utility company or authority by the Owner of such Unit and the Owner shall indemnify the other Owners from and against all liability therefor.
- Management Charges 6. Each Owner (except the Owner of the Common Areas) shall upon taking up the assignment of the Unit and the Shares relating thereto from the Registered Owner pay to the Manager the Management Charges in respect of the Unit owned by him, calculated in accordance with the provisions of Section J of this Deed. All outgoings including Management Charges up to and inclusive of the date of assignment of any Unit and the Shares relating thereto shall be borne by the Registered Owner.
- Repairs 7. Each Owner shall at his own expense keep the Unit of which he is for the time being the Owner and of any other part of the Development the exclusive use, occupation and enjoyment of which has been assigned to him, and the doors and windows thereof, and all the fixtures and fittings, plumbing, electrical and other installations therein in good and substantial repair and condition and shall preserve and maintain the same in a manner consistent with the preservation of the Land and the Development as a high quality residential/commercial estate.

Works by Owners	<p>8. (a) The Owners shall apply for the Manager's consent to all matters which require such consent under the terms of this Deed and shall be bound by the Manager's decision and shall comply with any terms or conditions which the Manager may impose.</p> <p>(b) Any work, whether or not the Manager's consent is required for the same, shall in all respects fully comply with the Buildings Ordinance (Cap.123) and any regulations thereunder and with the requirements of any other relevant ordinances or competent authority and in carrying out such work, an Owner shall and shall cause his servants, agents, contractors and workmen to cooperate fully with the Manager and all servants, agents, contractors and workmen of the Manager and with other Owners, tenants or contractors carrying out work in the Development. An Owner, his servants, agents, contractors and workmen shall obey and comply with all reasonable instructions and directions which may be given by the Manager in connection with the carrying out of such work.</p> <p>(c) An Owner shall if required by the Manager pay on demand all administration costs, charges and expenses which may be reasonably incurred by the Manager in connection with any licence or consent required by these provisions. The Manager shall be entitled to charge and retain a reasonable administration fee for processing such consent.</p>
Owner to make good loss or damage	<p>9. Each Owner shall be responsible to the other Owners and Occupiers and the Manager for the acts and omissions of all Persons occupying any Unit of which he is the Owner or using the same with his consent, express or implied, and shall pay all costs, charges and expenses incurred in repairing or making good any loss or damage caused by the act, neglect or default of all such Persons. In the case of loss or damage caused by the act, neglect or default of all such Persons which the Manager is responsible to make good or repair, such costs, charges and expenses shall be recoverable by the Manager as herein provided and in the case of loss or damage caused by the act, neglect or default of all such Persons suffered by other Owners or Occupiers which the Manager is not responsible to repair or make good, such costs, charges and expenses together with all other damages recoverable by law shall be recoverable by the Person or Persons sustaining the loss or damage.</p>
Indemnity	<p>10. Each Owner shall be responsible for and shall indemnify the Manager and all other Owners and Occupiers against all actions, proceedings, claims and demands whatsoever arising out of or in respect of any loss or damage to any Person or property caused by or as the result of his own act or negligence or that of any Person occupying of Unit of which he is the Owner or using the same with his consent, express or implied or by, or through, or in any way owing to the overflow of water or escape of fire or other substances originating therefrom.</p>
No conversion of Common Areas	<p>11. (a) No Owner (including the Registered Owner) shall convert any of the Common Areas to its own use or for its own benefit unless the written approval of the Owners' Committee has been obtained. Any payment received for the approval must be credited to the Capital Fund.</p> <p>(b) No Owner (including the Registered Owner) shall have the right to convert or designate any of its own areas as Common Areas unless the approval by a resolution of Owners at an Owners' meeting convened under this Deed has been obtained. No Owner (including the Registered Owner) and no Manager shall have the right to re-convert or re-designate the Common Areas to its own use or benefit.</p>

Maintenance of works and installations

12. (a) A schedule of the Works and Installations prepared by the Registered Owner at its own cost is set out in the Fourth Schedule and marked "Schedule of Works and Installations".

(b) The Registered Owner shall compile for the reference of the Owners and the first Manager the Maintenance Manual for the Works and Installations setting out the following details:-

- (i) As-built record plans of the building and services installations together with the necessary technical information (such as specifications of materials and design standard) for maintenance of all facilities and equipment;
- (ii) All warranties and guarantees provided by contractors (together with the names of the companies providing the warranty and the contact telephone numbers) in respect of all facilities and equipment;
- (iii) Recommended maintenance strategy and procedures;
- (iv) A list of items of the Works and Installations requiring routine maintenance;
- (v) Recommended frequency of routine maintenance inspection;
- (vi) Checklist and typical inspection record sheets for routine maintenance inspection; and
- (vii) Recommended maintenance cycle of the Works and Installations.

(c) The Registered Owner shall deposit a full copy of the Maintenance Manual for the Works and Installations in the management office of the Development within one (1) month from the date of this Deed for inspection by all the Owners free of charge and taking copies at their own expense and on payment of reasonable charges. All charges received must be credited to the Capital Fund.

(d) The Owners shall at their expense inspect, maintain and carry out all necessary works for the maintenance of the Development and their own Units including the Works and Installations.

(e) All costs and expenses incidental to the preparing of the schedule of the Works and Installations as mentioned in sub-clause (a) above and the Maintenance Manual for the Works and Installations will be borne by the Registered Owner.

(f) The Owners may, by a resolution of Owners at an Owners' meeting convened under this Deed, amend and revise the schedule of the Works and Installations as mentioned in sub-clause (a) above and the Maintenance Manual for the Works and Installations as may be necessary (e.g. the addition of works and installations in the Development, the updating of maintenance strategies etc.), in which event the Manager must procure from a qualified professional or consultant the revised schedule and the revised Maintenance Manual for the

Works and Installations within such time as may be prescribed by the Owners in an Owners' meeting convened under this Deed.

(g) All costs incidental to the preparation of the revised schedule and the revised Maintenance Manual for the Works and Installations will be paid out of the Capital Fund.

(h) The Manager must deposit the revised Maintenance Manual for the Works and Installations in the management office within one (1) month from the date of its preparation for inspection by all Owners free of charge and taking copies at their own expense and on payment of reasonable charges. All charges received must be credited to the Capital Fund.

Maintenance of  
Slope and  
Retaining Structure

13. The Owners shall at their own costs and expenses maintain in good substantial repair and condition and carry out all works in respect of the Slope and Retaining Structures (if any) and in particular in accordance with the Slope and Retaining Wall Maintenance Guideline and the maintenance manual for the Slope and Retaining Structures prepared accordingly (if any) and all guidelines issued from time to time by the appropriate Government department regarding the maintenance of the Slope and Retaining Structures.

Fire Safety  
Management Plan

14. (a) Each Owner of a Residential Unit shall at their own costs and expenses maintain in good order and working condition the Fire Services Installations of his own Unit and shall observe and comply with the Fire Safety Management Plan and any guideline or direction to be issued or given by the Manager from time to time relating to the implementation of the Fire Safety Management Plan and shall cause his tenants and other occupants of his Unit to observe and comply with the same.

(b) No owner of a Residential Unit shall alter, demolish, remove, obstruct or relocate the Fire Service Installations of his own Unit.

(c) No Owner of a Residential Unit shall carry out any renovation works to the Fire Service Installations or any part thereof of his own Unit except with prior approval of the relevant authorities and the Manager and such renovation works shall comply with the Fire Safety Management Plan in all respects.

(d) Each Owner of a Residential Unit shall co-operate, co-ordinate with, facilitate and allow access for the Manager and the registered fire service installation contractors engaged or nominated by the Manager for the purpose of examining, inspecting and (if necessary) making good and rectifying the Fire Service Installations of his own Unit and shall not alter, demolish, remove, obstruct or relocate or do anything which may alter, damage or interfere with any such installations.

(e) No Owner of a Residential Unit shall remove or alter the F.R.R. Wall of his own Open Kitchen.

(f) Notwithstanding anything herein contained to the contrary, the Manager and the registered fire service installation contractors engaged by the Manager shall have the full authority and power (but without having any obligation) to enter with or without workmen equipment or materials at all reasonable times on reasonable notice (except in an emergency when no notice is

required) any Residential Unit to carry out regular testing, maintenance, reinstatement or rectification of the Fire Services Installations at that Owner's expense or to verify observance and compliance of provisions set out in this Clause 14. The expenses so incurred by the Manager or the registered fire service installation contractors shall be borne by the relevant Owner on demand.

## SECTION F

### OWNERS' COMMITTEE

Setting up of an Owners' Committee

1. As soon as possible after the date of this Deed but, in any event, not later than nine (9) months after the date of this Deed, the Manager shall convene a meeting of the Owners to establish an Owners' Committee and to elect a chairman thereof. The Owners' Committee shall consist of nine (9) members elected by the Owners, consisting of at least eight (8) Owners of the Residential Accommodation and one (1) Owner of the Commercial Accommodation Provided That if no representative is appointed by the Owner of the Commercial Accommodation, the Owners' Committee consisting of Owners of the Residential Accommodation solely may still be validly formed.

Functions of Owners' Committee

2. (a) The functions of the Owners' Committee shall be limited to the following:-

- (i) to represent the Owners in all dealings with the Manager;
- (ii) to discuss issues relating to the maintenance and management of the Common Areas and the Common Facilities and in respect of issues relating to any part of the Development where such issues affect the Development as a whole and to make known its views to the Manager;
- (iii) to exercise any statutory rights or duties given to it pursuant to the Ordinance;
- (iv) to exercise any power, discretion or duty given to it pursuant to this Deed;
- (v) in the event of the resignation or termination of the appointment of the Manager from time to time appointed pursuant to this Deed to call a meeting of Owners for the purpose either of incorporation of the Owners pursuant to the Ordinance or of approving the appointment of replacement Manager under this Deed;
- (vi) to review the draft annual management budget, annual management budget and revised management budget prepared by the Manager;
- (vii) to convene meetings of all the Owners; and
- (viii) to act as the Manager during such period when no Manager is appointed.

(b) No resolution of the Owners' Committee or Owners' meetings shall be in conflict with the provisions of this Deed or of any judgment or order of the Hong Kong courts.

Eligibility for appointment

3. The following Persons shall be eligible for membership of the Owners' Committee:-

- (a) Any Owner (including any one of two or more co-owners) and, in the

event of an Owner being a corporate body, any representative appointed by such Owner. The appointment of a representative by a corporate body shall be in writing addressed to the Owners' Committee and may be revoked and another appointment made at any time on notice in writing being given to the Owners' Committee.

(b) The husband or wife of any Owner or any adult member of the family of any Owner duly authorized by the Owner which authorization shall be in writing addressed to the Owners' Committee and may be revoked and another appointment made at any time on notice in writing being given to the Owners' Committee Provided That such husband, wife or adult member of the family resides in the Development.

Tenure of office

4. A member of the Owners' Committee shall retire from office at every alternate Annual Meeting following his appointment but shall be eligible for re-election but subject to this he shall hold office until:-

(a) he resigns by notice in writing to the Owners' Committee; or

(b) he ceases to be eligible under Clause 3 of this Section F; or

(c) he becomes bankrupt or insolvent or enters into a composition with his creditors or is convicted of a criminal offence other than a summary offence not involving his honesty or integrity; or

(d) he becomes incapacitated by physical or mental illness or death; or

(e) he is removed from office by ordinary resolution of a duly convened meeting of the Owners; or

(f) he has defaulted in paying his contribution towards the Management Charges; or

(g) he fails to observe and perform the provisions of this Deed; or

(h) he resides abroad.

And in any of the events provided for in this Clause 4, the Manager shall convene a meeting of the Owners to fill the casual vacancy thereby created.

Meeting of  
Owners'  
Committee  
Notice

5. A meeting of the Owners' Committee may be convened at any time by the chairman or any two (2) members of the Owners' Committee.

6. (a) The Person or Persons convening the meeting of the Owners' Committee shall, at least seven (7) days before the date of the meeting, give notice of the meeting to each member of the Owners' Committee.

(b) The notice of meeting referred to in sub-clause (a) above shall specify the date, time and place of the meeting and the resolutions (if any) that are to be proposed at the meeting.

(c) The notice of meeting referred to in sub-clause (a) above may be given:-



- (i) by delivering it personally to the member of the Owners' Committee; or
- (ii) by sending it by post to the member of the Owners' Committee at his last known address; or
- (iii) by leaving it at the member's Unit or depositing it in the letter box for that Unit.

Quorum 7. The quorum at a meeting of the Owners' Committee shall be fifty percent (50%) of the members of the Owners' Committee (rounded up to the nearest whole number) or 3 such members, whichever is greater. If within half an hour for the time appointed for the meeting a quorum is not present, the meeting shall be dissolved.

Chairman 8. A meeting of the Owners' Committee shall be presided over by the chairman or in the absence of the chairman, a member of the Owners' Committee appointed as chairman for that meeting.

Power of Owners' Committee 9. (a) The Owners' Committee shall have full power to make rules and regulations governing:-

- (i) the convening, conduct and procedure of meetings of the Owners' Committee and any sub-committee thereof;
- (ii) the establishment, appointment and constitution of sub-committee of the Owners' Committee;
- (iii) the conduct of the ballot for the election or re-election of Owners as members of the Owners' Committee; and
- (iv) all other matters to regulate the meetings of the Owners, the Owners' Committee and any sub-committee thereof and to facilitate the transaction of business thereat,

Provided That no such rules or regulations shall be contrary to or inconsistent with the provisions of the Ordinance, this Deed or any Sub-Deed of Mutual Covenant.

(b) The procedure at meetings of the Owners' Committee shall be as is determined by the Owner's Committee.

Passing resolution 10. The following provisions shall apply in all meetings of the Owners' Committee:-

- (a) subject to sub-clause (c) below, all resolutions passed by a simple majority of votes at such meeting shall be binding on all the Owners but no such resolution shall be valid if it concerns any other matter not being the subjects contained in the notice convening the meeting or if it is contrary to the provisions of this Deed or any Sub-Deed of Mutual Covenant;
- (b) at a meeting of the Owners' Committee, each member present shall have one vote on a question before the committee; and;

- (c) if there is an equality of votes the chairman shall have, in addition to a deliberative vote, a casting vote.

Manager to be invited

11. The Owners' Committee shall at its discretion invite the Manager to any meeting concerned by giving the Manager at least seven (7) days' notice in writing of the date, time and place of the meeting and the matters to be discussed Provided That the Manager attending such meeting shall not be counted in quorum and shall not have any voting rights.

No liability of the Owners' Committee

12. The Owners' Committee and the members thereof shall not be liable to the Owners or any of them or to any Person or Persons whomsoever whether claiming through, under or in trust for any Owner or otherwise, for or in respect of any act, deed, matter or thing done or omitted in pursuance or in purported pursuance of the provisions of this Deed or any Sub-Deed of Mutual Covenant not being anything involving criminal liability or dishonesty or gross negligence by or on the part of any or all of the members of Owners' Committee, and the Owners shall fully and effectually indemnify the Owners' Committee from and against all actions, proceedings, claims and demands whatsoever arising directly or indirectly out of or in connection with any act, deed, matter or thing done or omitted as aforesaid which does not involve criminal liability, dishonesty or gross negligence on the part of the Owners' Committee or the members thereof and all costs and expenses in connection therewith.

No remuneration

13. No remuneration shall be payable to the Owners' Committee or any member thereof but such members shall be entitled to be reimbursed for all out-of-pocket expenses necessarily incurred in carrying out their duties.

Keeping and inspection of records and minutes

14. (a) The Manager shall send a secretary upon request of the Owners' Committee to the meetings of the Owners' Committee, who shall cause a record of the Persons present at such meetings and of the proceedings thereof to be kept.

(b) The Owners' Committee shall cause to be kept records and minutes of:-

- (i) the appointment and vacation of appointments of all its members and all changes therein;
- (ii) all resolutions and notes of proceedings of the Owners' Committee; and
- (iii) the members present at all meetings.

(c) Such records and minutes shall be kept in such place as the Owners' Committee may from time to time determine and shall be open to inspection by any Owner on reasonable notice being given and such Owner shall also be entitled to extracts thereof on paying reasonable charges therefor. All charges received must be credited to the Capital Fund.

Formation of sub-committees

15. Nothing herein contained shall prevent the Owners' Committee from forming sub-committees for the recreation and/or welfare of the Owners of the Residential Accommodation or to co-opt members who are not members of the Owners' Committee to serve on such sub-committees.

SECTION G

MEETING OF OWNERS

Meetings of Owners

1. From time to time as occasion may require there shall be meetings of the Owners for the time being of the Shares to discuss and decide on matters concerning the Development and in regard to such meetings the following provisions shall apply:-

(a) the first meeting of Owners shall be convened by the Manager as soon as possible but, in any event, not later than nine (9) months after the date of this Deed (and further and subsequent meetings may be convened by the Manager if required), the business of which meeting shall include the appointment of a chairman and the members of the Owners' Committee or the appointment of a management committee for the purpose of forming the Owners' Corporation under the Ordinance; and

(b) a meeting of Owners may be convened (i) by the Owners' Committee or (ii) by the Manager or (iii) by an Owner appointed to convene such a meeting by the Owners of not less than five percent (5%) of the Shares in aggregate in the Development (excluding the Shares allocated to the Common Areas and Common Facilities).

Annual Meeting

2. On such meeting, to be known as the Annual Meeting, shall be held as soon as practicable after the end of each financial year (as defined by Clause 3 of Section J of this Deed) for the purposes of receiving the Manager's report, electing a chairman and the members of the Owners' Committee (subject to Clause 1 of Section F of this Deed) and in accordance with the provisions on that behalf contained in Section F of this Deed and transacting any other business of which due notice is given in the notice convening such meeting.

Notice

3. The procedure of a meeting of Owners shall be as is determined by the Owners. The Person or Persons convening the meeting of the Owners shall, at least 14 days before the date of the meeting, give notice of the meeting to each Owner. Such notice of meeting shall specify the date, the time and place of meeting and the resolutions (if any) that are to be proposed at the meeting, and such notice may be given (i) by delivering it personally to the Owner, (ii) by sending it by post to the Owner at his last known address, or (iii) by leaving it at the Owner's Unit or depositing it in the letter box for that Unit.

Quorum

4. The quorum at a meeting of Owners shall be ten percent (10%) of the Owners.

For the purposes of this clause, the reference to "ten percent (10%) of the Owners" shall:-

(a) be construed as a reference to ten percent (10%) of the number of Persons who are Owners without regard to their ownership of any particular percentage of the total number of Shares into which the Development is divided; and

(b) not be construed as the Owners of ten percent (10%) of the Shares in aggregate.

- Chairman 5. A meeting of owners shall be presided over by the chairman of the Owners' Committee or if the meeting is convened under Clause 1(b)(ii) or (iii) of this Section G, the Person convening the meeting .
- Minutes 6. The chairman shall cause a record to be kept of the Persons present at the meeting and the proceedings thereof.
- Voting 7. (a) At a meeting of Owners, an Owner shall have one vote in respect of each Share that he owns and he may cast a vote personally or by proxy.
- (b) Where two (2) or more Persons are the co-owners of a Share, the vote in respect of the Share may be cast:-
- (i) by a proxy jointly appointed by the co-owners; or
- (ii) by a Person appointed by the co-owners from amongst themselves; or
- (iii) if no appointment has been made under sub-clauses (i) and (ii) hereof, either by one of the co-owners personally or by a proxy appointed by one of the co-owners.
- (c) Where two (2) or more Persons are the co-owners of a Share and more than one of the co-owners seeks to cast a vote in respect of the Share, only the vote that is cast, whether personally or by proxy, by the co-owner whose name, in order of priority, stands highest in relation to that Share in the register kept at the Land Registry shall be treated as valid.
- (d) If there is an equality of votes, the Person presiding over the meeting shall have, in addition to a deliberative vote, a casting vote.
- (e) In no circumstances shall more than one vote be cast in respect of each Share.
- (f) Votes may be given either personally or by proxy and in regard to the election, re-election, removal from office of a member of the Owners' Committee or of the chairman of the meeting, votes shall be if so demanded by any Owner cast by means of a secret ballot supervised by the Manager.
- (g) (i) An instrument appointing a proxy shall be in the form set out in Form 1 in Schedule 1A to the Ordinance and shall be signed by the Owner; or if the Owner is a body corporate shall, notwithstanding anything to the contrary in its constitution, be impressed with the seal or chop of the body corporate and signed by a Person authorized by the body corporate in that behalf; and
- (ii) The instrument appointing a proxy shall be lodged with the chairman of the Owners' Committee or, if the meeting is convened under Clause 1(b)(ii) or (iii) of this Section G, the Person convening the meeting at least forty-eight (48) hours before the time for the holding of the meeting.
- (h) A proxy appointed by an Owner to attend and vote on behalf of the

Owner shall, for the purposes of the meeting, be treated as being the Owner present at the meeting.

Resolutions  
binding on Owners

8. Save as otherwise herein provided any resolution on any matter concerning the Development passed by a simple majority of votes at a duly convened meeting by the Owners present in person or by proxy and voting in proportion to number of Shares held at such meeting shall be binding on all the Owners of the Development Provided as follows:-

(a) The notice convening the meeting shall have been duly given and shall have specified the intention to propose a resolution or resolutions concerning such matters.

(b) No resolution purporting to be passed at such meeting concerning any matter not mentioned in such notice shall be valid.

(c) A resolution may be passed as to the manner in which the powers hereby conferred on the Manager are to be exercised or carried out but no such resolution shall be valid to the extent that it purports to take away or abrogate or prevent the exercise of any of the powers and duties of the Manager conferred on the Manager under this Deed.

(d) A resolution may be passed to dismiss the Manager by giving to the Manager not less three (3) calendar months' notice in writing but no such resolution shall be valid unless such resolution is passed by the Owners of not less than fifty per cent (50%) of the total number of Shares in the Development (excluding the Shares allocated to the Common Areas and Common Facilities).

(e) No resolution shall be valid to the extent that it is in conflict with or contrary to any order, ruling or judgment of the Hong Kong courts.

(f) No resolution shall be contrary to any relevant mandatory provision of any statute of Hong Kong.

(g) No resolution shall be valid to the extent that it purports to alter or amend the provisions of or is otherwise contrary to this Deed or any Sub-Deed of Mutual Covenant.

Special resolutions

9. Without prejudice to anything herein contained, no resolution in respect of any of the matters hereinafter referred to shall be valid unless such resolution is passed by the Owners of not less than seventy-five percent (75%) of the total number of Shares in the Development (excluding the Share allocated to the Common Areas and Common Facilities) namely:-

(a) Upon the expiration of the Term to which the Owners are entitled under and by virtue of the Government Grant or in the event of the Government taking any action by way of earlier re-entry thereunder in such circumstances that the Owners for the time being may be entitled to a renewal or extension or re-grant thereof or to a new lease term upon such terms and conditions as the Government shall offer, whether and in what manner to pay any premium, rent or other charges and expenses payable in respect thereof and generally any other matter relating to the continuance or renewal of the Government Grant as aforesaid.

(b) A resolution to rebuild or redevelop the Development or any part

thereof otherwise than in accordance with Section D of this Deed.

Resolutions in writing

10. Without affecting the provisions herein contained requiring certain matters to be decided only by resolution passed by the Owners holding not less than seventy-five percent (75%) or fifty percent (50%) (as the case may be) of the total number of Shares in the Development (excluding the Shares allocated to the Common Areas and Common Facilities), a resolution in writing signed by Owners who in the aggregate have vested in them for the time being more than seventy-five percent (75%) or fifty percent (50%) (as the case may be) of the total number of Shares in the Development (excluding the Shares allocated to the Common Areas and Common Facilities) shall be as valid and effectual as if it had been passed at a duly convened meeting of such Owners.

Accidental omission of notice

11. The accidental omission to give notice as aforesaid to any Owner shall not invalidate the proceedings at any meeting or any resolution passed thereat.

Shares of Common Areas not carry right

12. For the purpose of this Section G, the Shares of and in the Land held in respect of the Common Areas and Common Facilities shall not carry any liability to pay charges under this Deed or any voting right at any meetings whether under this Deed, the Ordinance or otherwise nor shall be taken into account for the purpose of calculating the quorum of any meetings.

## SECTION H

### APPOINTMENT AND REMUNERATION OF THE MANAGER

- Appointment of the Manager
1. (a) The parties hereto have agreed that the DMC Manager shall be appointed and the DMC Manager hereby accepts appointment as the Manager of the Development who shall have the authority to act for and on behalf of all Owners subject to the provisions of the Ordinance and on the terms and conditions set out in this Deed.
- (b) Subject to the provisions of the Ordinance, such appointment shall be for an initial period commencing on the date of this Deed in respect of the Development and expiring two (2) years after the date of this Deed (“the initial period”) and shall thereafter continue until and unless such appointment is terminated pursuant to Clause 2 of this Section H .
- (c) If and when the said appointment of the DMC Manager or the appointment of such other Person, firm or company as herein provided is terminated, the Owners, acting through the Owners’ Committee in accordance with the provisions on that behalf contained in Section F of this Deed, may appoint such other Person, firm or company as they may decide to be the Manager.
- (d) Each Owner hereby appoints the Manager to act as attorney for and on behalf of each Owner in respect of any matters concerning the Common Areas and the Common Facilities as authorized under the provisions of this Deed and to enforce all provisions of this Deed.
- (e) The Manager shall be responsible and accountable to the Owners for the time being of the Shares and the Development acting collectively or through the Owners’ Committee but not to Owners individually.
- Termination of appointment
2. (a) The Manager may terminate its appointment at any time by giving notice of termination in writing under sub-clause (b) below.
- (b) No resignation of the Manager shall take effect unless he has previously given not less than 3 months’ notice in writing of his intention to resign by sending such notice to the Owners’ Committee or where there is no Owners’ Committee by giving such a notice to each of the Owners and by displaying such notice in a prominent place in the Development (such notice may be given by delivering it personally to the Owner or by sending it by post to the Owner at his last known address or by leaving it at his Unit or depositing it in the letter box for that Unit).
- (c) Prior to the Owners’ Corporation being formed, the Owners’ Committee may at any time terminate the appointment of the Manager without compensation by a resolution passed by a majority of the votes of the Owners voting either personally or by proxy in an Owner’s meeting convened under this Deed and supported by the Owners of not less than 50% of the Shares in aggregate (excluding the Shares allocated to the Common Areas and Common Facilities) and by giving 3 months’ notice in writing to the Manager.
- (d) When an Owners' Corporation has been formed and subject to Sub-clause (g) below, at a general meeting convened for the purpose, the Owners’ Corporation may, by a resolution passed by a majority of the votes of the Owners

voting either personally or by proxy and supported by the Owners of not less than 50% of the Shares in aggregate (excluding the Shares allocated to the Common Areas and Common Facilities) determinate by notice the appointment of the DMC Manager without compensation.

(e) A resolution under sub-clause (d) above shall have effect only if:-

- (i) the notice of termination of appointment is in writing;
- (ii) provision is made in the resolution for a period of not less than 3 months notice or, in lieu of notice, provision is made for an agreement to be made with the DMC Manager for the payment to him of a sum equal to the amount of remuneration which would have accrued to him during that period;
- (iii) the notice is accompanied by a copy of the resolution terminating the appointment of the DMC Manager; and
- (iv) the notice and the copy of the resolution is given to the DMC Manager within 14 days after the date of the meeting.

(f) The notice and the copy of the resolution referred to in sub-clause (e) above may be given:-

- (i) by delivering them personally to the DMC Manager; or
- (ii) by sending them by post to the DMC Manager at his last known address.

(g) For the purposes of sub-clause (d) above:-

- (i) only the Owners of Undivided Shares who pay or who are liable to pay contribution towards the Management Charges relating to those Shares shall be entitled to vote; and
- (ii) the reference in sub-clause (d) to "the Owners of not less than fifty per cent (50%) of the Undivided Shares in the aggregate" shall be construed as a reference to the Owners of not less than fifty per cent (50%) of the Undivided Shares in the aggregate who are entitled to vote.

(h) If a contract for the appointment of the Manager other than the DMC Manager contains no provision for the termination of the Manager's appointment, sub-clauses (d), (e), (f) and (g) above shall apply to the termination of the Manager's appointment as they apply to the termination of the DMC manager's appointment.

(i) Sub-clause (h) above operates without prejudice to any other power there may be in a contract for the appointment of a Manager other than the DMC Manager to terminate the appointment of the Manager.

(j) If a notice to terminate the Manager's appointment is given under Clauses 2(d) to 2(g) above:-



- (i) no appointment of a new Manager shall take effect unless the appointment is approved by a resolution of the Owners' Committee (if any); and
- (ii) if no such appointment is approved under sub-clause (j)(i) above by the time the notice expires, the Owners' Corporation may appoint another Manager and, if it does so, the Owners' Corporation shall have exclusive power to appoint any subsequent Manager.

(k) If any person has given an undertaking in writing to, or has entered into an agreement with, the Government to manage or be responsible for the management of the Development, and the Owners' Corporation has appointed a Manager under sub-clause (j)(ii) above, the Owners' Corporation shall be deemed to have given to that person an instrument of indemnity under which the Owners' Corporation shall be liable to indemnify that person in respect of any act or omission by the Manager appointed under that sub-clause that may otherwise render that person liable for a breach of that undertaking or agreement.

(l) This Clause is subject to any notice relating to the Development that may be published by the Secretary for Home Affairs under Section 34E(4) of the Ordinance but does not apply to any single manager referred to in that Section.

Delivery of books and bank accounts

3. (a) Subject to sub-clause (b) below, if the Manager's appointment ends for any reason, he shall, as soon as practicable after his appointment ends, and in any event within fourteen (14) days of the date his appointment ends, deliver to the Owners' Committee (if any) or the Manager appointed in his place any movable property in respect of the control, management and administration of the Development that is under his control or in his custody or possession, and that belongs to the Owners' Corporation (if any) or the Owners.

(b) If the Manager's appointment ends for any reason, he shall within two (2) months of the date his appointment ends :-

- (i) prepare an income and expenditure account for the period beginning with the commencement of the financial year in which his appointment ends and ending on the date his appointment ended and a balance sheet as at the date his appointment ended and shall arrange for that account and balance sheet to be audited by an accountant or by some other independent auditor specified in a resolution of the Owners' Committee (if any) or, in the absence of any such specification, by such accountant or other independent auditor as may be chosen by the Manager; and
- (ii) deliver to the Owners' Committee (if any) or the Manager appointed in its place any books or records of accounts, papers, documents, and other records which are required for the purposes of sub-clause (b)(i) above and have not been delivered under sub-clause (a) above.

The Manager's Remuneration

4. (a) The Manager shall be entitled to charge a monthly fee as Manager's Remuneration. Such fee shall be payable in advance on the first day of each calendar month by way of deduction from the Management Charges collected as

provided in this Deed.

(b) The annual Manager's Remuneration for the performance of its duties hereunder shall be ten percent (10%) of the total annual expenditure necessarily and reasonably incurred in the course of proper and efficient management of the Development and calculated in accordance with Section J of this Deed (excluding the Manager's Remuneration and any capital expenditure or expenditure drawn out of the Capital Fund) Provided That by a resolution of owners at an Owners' meeting convened under this Deed, any capital expenditure which is an expenditure of a kind not incurred annually or expenditure drawn out of the Capital Fund may be included for calculating the Manager's Remuneration at the rate in this Clause 4(b) or at such lower rate as the Owners may consider appropriate and shall be payable by way of equal monthly payments in advance, incurred in the management of the Land and the Development. The percentage of total annual expenditure against which the Manager's Remuneration being calculated may be varied by a majority resolution passed at a meeting of the Owners convened under this Deed.

(c) The Manager's Remuneration as aforesaid shall be the net remuneration of the Manager for its services as Manager and shall not include the costs, expenses, salary and fees for any staff, consultants, professionals, facilities, accountancy services or other professional supervision for the Land and the Development and all disbursements and out of pocket expenses properly incurred in the course of carrying out its duties hereunder which said costs, expenses, salary, fees and disbursements shall form part of the management expenses.

Sub-contracting by  
the Manager

5. Subject to Clause 1(c) of this Section H, the Manager may employ agents, contractors or sub-managers (including professional property management companies) to carry out management works Provided That the Manager shall not transfer or assign its rights or obligations under this Deed to any such agents or contractors and the Manager shall at all times be responsible for the management and control of the Development and the Land (including any part thereof) .

Manager as Agent

6. Subject to the provisions of the Ordinance, the Manager is appointed to act as agent for and on behalf of all the Owners duly authorized in accordance with the provisions of this Deed in respect of any matter concerning the Development Common Areas, the Commercial Common Areas, the Residential Common Areas, the Development Common Facilities, the Commercial Common Facilities and the Residential Common Facilities.

Owners'  
Corporation

7. Notwithstanding anything contained in this Deed, during the existence of an Owners' Corporation in respect of the Development under the Ordinance as may be amended, varied or modified from time to time or any replacement legislation thereto, the general meeting of the Owners' Corporation shall take the place of the meeting of Owners under this Deed and the management committee of the Owners' Corporation (which shall be constituted and elected in accordance with Section F of this Deed) shall take the place of the Owners' Committee under this Deed.

Manager as Owner

8. Where the Manager is at any time also an Owner of a Unit the Manager shall be obliged in its capacity as Owner to observe and perform the terms and conditions of this Deed in the same way as all other Owners and shall be entitled to exercise the same powers as all other Owners.

## SECTION I

### POWERS AND DUTIES OF THE MANAGER

Authority and  
duties of the  
Manager

1. (a) Subject as provided in this Deed, the Manager shall have full authority to do all such acts and things as may be necessary or requisite for the management of the Land and the Development and anything reasonably incidental thereto.
- (b) Without in any way limiting the generality of the foregoing, the Manager shall have the following powers and duties, namely:-
  - (i) To enter into contracts and to engage, employ and dismiss solicitors, architects, accountants, consultants, caretakers, contractors, security guards, watchmen, cleaners, attendants, gardeners and such other staff and professional advisers as may be required for the proper management of the Development.
  - (ii) To demand and receive from each Owner in accordance with the provisions of Section J of this Deed the Management Charges which shall without prejudice to any other remedy available hereunder be recoverable by the Manager by civil action and the defaulting Owner shall not be entitled to dispute the right of the Manager aforesaid to sue and recover unpaid Management Charges.
  - (iii) To pay the Government rent in respect of the Development on the Owners' behalf prior to separate assessment being made in respect of the Units by the Government.
  - (iv) Unless otherwise directed by the Owners' Corporation, to keep the Development insured:-
    - (01) in the full new reinstatement value thereof against loss or damage of or to the buildings and other structures comprised within the Common Areas and Common Facilities by the Insured Risks;
    - (02) against third party and Occupiers' liability;
    - (03) against employers' liability in respect of the staff and/or the Manager's employees engaged in the management of the Development; and
    - (04) against other risks the Manager deems appropriate with a reputable insurance company or companies in the name of the Manager for and on behalf of itself as manager and the Owners for the time being according to their respective interests and, in respect of (02) and (03) above, with such limit or limits of indemnity as the Manager shall deem fit and to take out and update the requisite policies and to pay all premiums required to keep such policies in force.
  - (v) To make suitable arrangements for the supply of fresh and

flushing water and electricity and any other utilities or services to or for the Development but the Manager shall be under no liability if at any time such supply is suspended temporarily.

- (vi) To repair, maintain, clean, paint or otherwise treat or decorate as appropriate, the structure and fabric of any buildings and other structures erected on or in the Development and the external elevations thereof and shall make good any damage caused thereby, and to replace any glass that may be broken in any doors or windows of the Common Areas, the responsibility for doing any of which is not, under the terms of this Deed, allocated to any Owner and to carry out any works to the Development which the Manager consider necessary for the enhancement, improvement or renovation of the Development.
- (vii) To keep the Common Areas in a clean and sanitary state and condition.
- (viii) To arrange for the cleaning and lighting and ventilation of the Common Areas.
- (ix) To maintain and keep in good working order the Common Facilities and to replace or renew any parts that may need replacement or renewal.
- (x) To maintain the fire protection and fire fighting systems, sprinkler systems, equipment and apparatus upon the Development and to comply with all requirements of the Fire Services Department and generally so far as may be possible at all times to maintain the Development safe from fire.
- (xi) To provide such security guards, watchmen and caretakers and to provide and maintain such security systems, equipment and apparatus as the Manager deem necessary and generally so far as may be possible at all times to maintain security on and in the Development and the Land.
- (xii) To prevent any Person from altering or injuring any part of the structure or fabric or external appearance of the Development and to remove any structure or installation, plant or equipment, aerial or any other fixture, sign or advertisement or any other thing whatsoever which is illegal or contravenes the terms of this Deed and the Government Grant and to demand and receive from the Owner by whom such thing as aforesaid was erected or installed the costs and expenses of such removal and the making good of any damages caused thereby.
- (xiii) To prevent any Person from overloading the floors or lifts or electrical installations of or in the Development.
- (xiv) To prevent obstruction of any of the Common Areas and such other open areas within the Land and to remove any hawker from time to time carrying on business on or in the Land and the Development.

- (xv) To prevent any decaying, noisome, noxious, excrementitious or other refuse matter from being deposited on or in the Development or any part thereof (other than at the refuse collection points provided for such purpose) and to remove any refuse and arrange for its disposal at regular intervals and to provide, operate and maintain either on or off site refuse collection facilities to the satisfaction of the Director of Food and Environmental Hygiene.
- (xvi) To use its best endeavours to prevent, take action and remedy any breach by any Person on or in the Development of any provisions of the Government Grant and in the event of such a breach coming to its notice forthwith to convene a meeting of the Owners in accordance with the provisions of Section G of this Deed.
- (xvii) To liaise with the relevant Government bodies or authorities or any utility companies on matters concerning the Development and to ensure that the interests of the Owners and Occupiers thereof are not unduly jeopardized by any public works and to make known their needs.
- (xviii) To appoint solicitors with authority to accept service of proceedings on behalf of all the Owners for the time being of the part or parts of the Development affected for the purpose of Order 10 Rule 1 of the Rules of the High Court (or any provisions amending or in substitution for the same) or otherwise.
- (xix) To do all things which the Manager shall in its absolute discretion deem necessary or desirable for the purposes of maintaining and improving all facilities and services in or on the Development and the Land for the better enjoyment or use thereof by the Owners and Occupiers and their licensees.
- (xx) To give or refuse its consent or approval to anything which requires its consent or approval pursuant to this Deed and to impose conditions or additional conditions relating thereto and the giving or refusing of such consent or approval and the imposing of such conditions (including payment of a reasonable administrative fee to the Manager) shall be final and conclusive and binding on the Owners Provided That the grant of any consent or approval by the Manager shall not relieve an Owner from obtaining all necessary governmental consents and the fee received thereof shall be credited to the Capital Fund for the benefit of all Owners.
- (xxi) To enforce the due observance and performance of the terms and conditions of this Deed and the Building Rules by the Owners and Occupiers and to take action in respect of any breach thereof including entry upon a Unit to remedy any breach at the expense of the defaulting Owner following the expiration of a reasonable notice requiring an Owner to remedy

that breach and the commencement, conduct and defence of legal proceedings and the registration and enforcement of charges as herein mentioned Provided that the Manager shall under no circumstances interrupt the supply of electricity, water, gas, telecommunications or other utilities to any Unit or prevent access to the Unit by reason of the Owner of that Unit failing to pay any fees or to comply with any other provisions under this Deed.

- (xxii) To pay and discharge out of all monies so collected pursuant to the provisions of this Deed all outgoings relating to the management of the Development and the Land or incurred by the Manager hereunder.
- (xxiii) To make, revoke or amend the Building Rules regulating the use, operation and maintenance of the Development and the Land and the services, facilities or amenities thereof and the conduct of Persons, occupying, using or visiting the same subject however to the approval of the Owners' Committee (only after it has been formed). Such Building Rules once approved by the Owners' Committee shall be exhibited in a prominent place in the Development and shall remain in force until revoked or amended as aforesaid. Such Building Rules not being inconsistent with the provisions of this Deed, the Ordinance or the terms and conditions of the Government Grant shall be binding on all Owners, their Occupiers, servants, agents and licensees and all Persons claiming through or under any Owner.
- (xxiv) To convene such meetings of the Owners of the Development and the Land as may be necessary or requisite and to act as secretary to keep the minutes of such meetings if the Owners shall fail to appoint a secretary for the purpose of such meetings.
- (xxv) To commence, conduct, carry on and defend legal and other proceedings touching and concerning the Development and the Land as a whole or the management thereof all in the name of the Manager.
- (xxvi) To make rules to protect the environment of the Development and to implement waste reduction and recycling measures with reference to guidelines on property management issued from time to time by the Director of Environmental Protection and to organize activities as the Manager may consider appropriate on a regular basis to promote the environmental awareness of the Owners and the Occupiers of the Development.
- (xxvii) To enter into contracts with provider(s) of the telecommunications network for the installation, provision of aerial broadcast distribution or telecommunications network facilities and contracts for the provision of broadcast distribution network or telecommunications network services in respect of the Development subject to the following

conditions:-

- (01) the term of the contract will not exceed 3 years;
  - (02) the right to be granted under the contract must be non-exclusive and must provide for sharing the use of the facilities and network with other service providers; and
  - (03) no Owner is required to make any payment in any form attributable to the installation or provision of the facilities or services, unless he is a subscriber to the relevant service.
- (xxviii) To engage suitable qualified personnel to inspect, keep and maintain in good substantial repair and condition and carry out any necessary works in respect of the Slope and Retaining Structures (if any) in compliance with the Government Grant and in particular in accordance with the Slope and Retaining Wall Maintenance Guideline and the maintenance manual for the Slope and Retaining Structures (if any) and all guidelines issued from time to time by the appropriate Government department regarding the maintenance of the Slope and Retaining Structures (if any). For this purpose, the Manager shall have the right to demand from the Owners, and the Owners shall be liable to pay, such contributions to all costs lawfully incurred or to be incurred in carrying out such maintenance and repair and any other works in respect of the Slope and Retaining Structures (if any) by way of a lump sum or instalments or otherwise as the Manager shall decide but without prejudice to the Manager's right to apply the general or any parts of the management expenses as the Manager may deem fit towards payment of the costs or any part thereof Provided that the Manager shall not be made personally liable for carrying out any such requirements of the Government Grant which shall remain the responsibility of the Owners if, having used all reasonable endeavours, the Manager has not been able to collect the costs of the required works from all Owners. For the purpose of this Clause, the Manager shall include any Owners' Committee and the Owners' Corporation.
- (xxix) To implement the Fire Safety Management Plan and issue any guideline or direction from time to time relating to its implementation, and where the Manager considers necessary, to enter with or without workmen equipment or materials at all reasonable times on reasonable notice (except in an emergency when no notice is required) any Residential Unit to carry out regular testing, maintenance, reinstatement or rectification of the Fire Services Installations at that Owner's expense or to verify observance and compliance of provisions set out in Clause 15 of Section E of this Deed.
- (xxx) To operate, install, move, and have access to, over and/or on the Flat Roofs, Roof, Upper Roof or parapet walls or balustrades of Flat Roofs or Roof (whether forming part of a Unit or otherwise) the gondola and/or any davit arm, other equipment

or device of management (collectively referred to as the “Building Maintenance Unit” which expression shall include all brackets, hinges, posts or other related equipment) to service, cleanse, enhance, maintain, repair, renovate, improve and/or replace any exterior part of the Development, and on prior reasonable notice for the Manager, its servants, agents, contractors and persons duly authorized to enter upon the Flat Roofs, Roof or Upper Roof for the purposes of operating, installing, keeping, repairing, storing and/or parking the Building Maintenance Unit.

Subject always to the provisions of this Deed, the Manager shall have the full right and privilege at all times to extend, maintain, operate, move the Building Maintenance Unit and have access to, over and/or into or partly into the portion of airspace above the Flat Roofs or Roof or the parapet walls or balustrades of the Flat Roofs or Roof as may be determined by the Manager to service, cleanse, enhance, maintain, repair, renovate, decorate, improve and/or replace any part of any exterior of the Development, and to remain temporarily over and/or on the said airspace for such period as may be necessary for the purpose of inspecting, servicing, cleansing, enhancing, maintaining, repairing, renovating, decorating, improving and/or replacing all or any part of the Common Areas and the Common Facilities provided that the use and enjoyment by the Owner of the Unit shall not be materially adversely affected or prejudiced thereby.

(c) The Manager shall have the right with or without workman upon reasonable notice (except in case of emergency) to enter upon any part of the Land or any of the Units (but only with the consent of the Owner of such Unit) for the purpose of effecting necessary repairs and/or maintenance and/or replacement or abating any hazard or nuisance which does or may affect the Common Areas or other Owners Provided That the Manager shall ensure that the least disturbance is caused and shall be liable for and shall at its own expense make good any damage caused by the negligent, wilful or criminal acts of the Manager or of the Manager’s staff, employees, agents or contractors to the relevant Unit and reinstate the same causing the least disturbance.

The Manager to control Common Areas etc.

2. The Common Areas and the Common Facilities shall be under the control and possession of the Manager. The Manager shall have power to provide within such areas such plants, fixtures, fittings, furniture and other equipment as he may consider appropriate and will have the same power to amend, repair, replace and maintain all such facilities as he has in respect of the Development and the Land.

The Manager’s decision binding

3. All acts and decisions of the Manager arrived at in accordance with the provisions of this Deed in respect of any of the matters aforesaid shall be binding in all respects on all the Owners.

Contracts entered into by Manager

4. (a) Subject to sub-clauses (b) and (c) below, the Manager or the Owners’ Committee shall not, in any financial year, enter into any contract for the procurement of any supplies, goods or services the value of which exceeds or is likely to exceed HK\$200,000.00 or of such other amount as the Secretary for Home Affairs may specify by notice in the Gazette unless:-



- (i) the supplies, goods or services are procured by invitation to tender; and
- (ii) the procurement complies with such standards and guidelines as may be specified in a Code of Practice referred to in Section 20A(1) of the Ordinance

(b) Subject to sub-clause (c) below, the Manager or the Owners' Committee shall not enter into any contract for the procurement of any supplies, goods or services the value of which exceeds or is likely to exceed a sum which is equivalent to twenty percent (20%) of the annual budget or such other percentage as the Secretary for Home Affairs may specify by notice in the Government Gazette unless:-

(i) if there is an Owners' Corporation:-

- (1) the supplies, goods or services are procured by invitation to tender;
- (2) the procurement complies with the code of Practice referred to in Section 20A(1) of the Ordinance; and
- (3) whether a tender submitted for the purpose is accepted or not is decided by a resolution of the Owners passed at a general meeting of the Owners' Corporation, and the contract is entered into with the successful tenderer; or

(ii) if there is no Owners' Corporation:-

- (1) the supplies, goods or services are procured by invitation to tender;
- (2) the procurement complies with the code of Practice referred to in Section 20A(1) of the Ordinance; and
- (3) whether a tender submitted for the purpose is accepted or not is decided by a resolution of the Owners passed at a meeting of the Owners convened and conducted in accordance with this Deed, and the contract is entered into with the successful tenderer.

(c) Sub-clauses (a) and (b) above do not apply to any supplies, goods or services which but for this sub-clause would be required to be procured by invitation to tender (referred to in this sub-clause as "relevant supplies, goods or services"):-

(i) where there is an Owners' Corporation, if:-

- (1) the relevant supplies, goods or services are of the same type as any supplies, goods or services which are for the time being supplied to the Owners' Corporation by a supplier; and
- (2) the Owners' Corporation decides by a resolution of the

Owners passed at a general meeting of the Owners' Corporation that the relevant supplies, goods or services shall be procured from that supplier on such terms and conditions as specified in the resolution, instead of by invitation to tender; or

(ii) where there is no Owners' Corporation, if:-

- (1) the relevant supplies, goods or services are of the same type as any supplies, goods or services which are for the time being supplied to the Owners by a supplier; and
- (2) the Owners decide by a resolution of the Owners passed at a meeting of the Owners convened and conducted in accordance with this Deed that the relevant supplies, goods or services shall be procured from that supplier on such terms and conditions as specified in the resolution, instead of by invitation to tender.

(d) Except with the prior approval by a resolution of an Owners' meeting convened under this Deed, the Manager shall not, in any financial year, enter into any contract that involves sums in excess of ten percent (10%) of the then current annual budget or revised budget (as the case may be), for that financial year which relates to the improvement to facilities or services in the Development.

Discretion of the  
Manager

5. The Manager shall have the discretion to:-

(a) perform any of its duties, obligations and responsibilities or exercise any of its rights and powers and discretions hereunder (including instituting legal proceedings) under its own name or by or through its employees or agents or sub-contractors or in the name of the Owners;

(b) refrain from the exercise of any right or power vested in the Manager other than the obligation to manage and maintain the Common Areas and the Common Facilities;

(c) refrain from doing anything which would or might be, in the opinion of the Manager, contrary to any law or governmental directive or any instrument, unprofessional, immoral or inappropriate or which might render the Manager liable to any Person and to do anything which in its absolute discretion the Manager may consider necessary to comply with any law or government directive;

(d) refrain from taking any step or further step required or requested by the Owners' Committee or the Owners until the Manager has been fully indemnified and/or secured to its satisfaction against any or all costs and expenses (including legal costs) or liabilities which the Manager may sustain or incur as a result of complying with such requirement or request; and

(e) obtain and pay (at the cost and expense of the Owners) reasonable expenses for such legal or other expert advice or services as the Manager consider necessary or desirable and rely on any such advice without any liability for any loss or damage whatsoever and howsoever arising.

Protection of the  
Manager

6. Neither the Manager nor any of its employees, agents or sub-contractors shall be liable to the Owners' Committee or any Owner or any Person whomsoever whether claiming through, under or in trust for the Owners' Committee or any Owner or otherwise except any act or omission involving criminal liability, dishonesty or negligence by or on the part of the Manager or its employees, agents or sub-contractors:-

(a) for or in respect of any act, matter or thing done or omitted in pursuance or in purported pursuance of the provisions of this Deed or any instruction from the Owners' Committee or the Owners;

(b) for or in respect of any loss or damage to Person or property caused by or through or in any way owing to any defect in or breakdown of the lifts, fire and security services equipment, the Common Facilities, heat ventilation and air-conditioning plant and other facilities (if any) of or in the Land and the Development;

(c) for or in respect of any loss or damage to Person or property caused by or through or in any way owing to any failure, malfunction, explosion or suspension of the electricity or water supply to the Land and the Development or any part thereof;

(d) for or in respect of any loss or damage to Person or property caused by or through or in any way owing to fire or the overflow or leakage of water from anywhere within the Land and the Development or the influx of rainwater or other substances into, or the activity of termites, rats or other vermin in any of the buildings erected on or in the Land and the Development; and

(e) for the security or safekeeping of the Land and the Development or any Persons or contents therein.

Owners to  
indemnify the  
Manager

7. The Owners shall fully and effectually indemnify the Manager from and against all actions, proceedings, claims and demands whatsoever arising directly or indirectly out of or in connection with the management of the Development or anything mentioned in Clause 6 of this Section I and all costs and expenses (including legal costs) in connection therewith save that the protection afforded by this Clause shall not extend to anything involving criminal liability or any wilful act, neglect, misconduct or dishonesty by or on the part of the Manager or its employees, agents or sub-contractors.

Communication  
among Owners

8. The Manager shall consult (either generally or in any particular case) the Owners' Corporation (if any) at a general meeting of the Owners' Corporation and adopt the approach decided by the Owners' Corporation on the channels of communication among the Owners on any business relating to the management of the Development.

## SECTION J

### MANAGEMENT CHARGES

Costs to be borne  
by all the Owners

1. The costs, charges and expenses necessarily and reasonably incurred in the management of the Land and the Development shall include but shall not be limited to those next following, and shall be paid by all the Owners of the Development in the manner herein provided:-

(a) Government rent of the Land payable under the Government Grant (subject to the provisions of Clause 3 of Section E of this Deed);

(b) the premiums payable for the insurance of the Development against the Insured Risks, third party and property owners' liability, employers' liability and other risks the Manager deem appropriate;

(c) charges for the supply and consumption of water, electricity and other utilities to in and for, and any similar charges serving the Common Facilities and charges, assessments, impositions and outgoings payable in respect of the Common Areas;

(d) the costs of repairing, maintaining, cleaning, painting, improving and otherwise treating and decorating the structure and external elevations of the Development and any buildings and other structures erected on or in the Development, or any part or parts thereof, and of replacing broken glass in any doors or windows therein, the responsibility for any of which is not under the terms of this Deed allocated to any Owner or group of Owners;

(e) the costs of any necessary demolition works or works the Manager consider necessary for the rebuilding, improvement, enhancement or renovation of the Development;

(f) the costs of maintaining and keeping in good repair and condition the Common Areas;

(g) the costs of cleaning and lighting the Common Areas;

(h) the costs of landscaping the Common Areas (if any);

(i) the costs of maintaining and operating the Common Facilities;

(j) the costs of operating and maintaining the fire protection and fire-fighting systems, equipment and apparatus;

(k) the costs of operating and maintaining the security systems equipment and apparatus and the remuneration and related expenses for the provision of security guard services for the Development and the Land;

(l) the costs of operating and maintaining the heat ventilation and air-conditioning systems equipment and apparatus;

(m) the costs of maintaining the roads, pedestrian ways or paths and areas as specified in the Government Grant or this Deed;

(n) the costs of purchasing or hiring all plant, equipment, apparatus or machinery necessary for the proper performance by the Manager of its powers and duties under this Deed and used solely for the benefit of the Development;

(o) all fees costs and expenses incurred by the Manager for procuring inspection, maintenance and repair of any slope structure, retaining walls, supports, foundations or subterranean caverns or other structures, whether on the Land or on adjoining land, in accordance with the Slopes and Retaining Wall Maintenance Guidelines;

(p) remuneration for all management staff, caretakers, security guards, watchmen, cleaners, attendants and such other staff as may be required for the proper management of the Development;

(q) the costs of refuse collection, storage and disposal in respect of the Development and the Common Areas;

(r) the costs of pest control and environment control and protection in respect of the Common Areas;

(s) the costs of decorating the exterior walls and entrances of the Development during Christmas, Chinese New Year and other festivities;

(t) all reasonable professional fees and costs necessarily incurred by the Manager in carrying out the services provided by this Deed including:-

(i) fees and costs of estate management consultants, surveyors, rating surveyors, valuers, architects, engineers and others engaged in connection with the management, maintenance and improvement of the Development and/or any part or parts thereof;

(ii) solicitors and other legal fees and costs; and

(iii) fees and costs of accountants, auditors and/or any other consultants engaged in connection with the accounts or the Manager's statements;

(u) a reasonable sum for contingencies;

(v) the Manager's Remuneration;

(w) the costs incurred in connection with the implementation of the Fire Safety Management Plan; and

(x) any other costs, charges, and expenses properly incurred by the Manager in the performance of any duty or in the exercise of any power hereunder or under any Sub-Deed of Mutual Covenant but such costs, charges and expenses shall exclude costs, charges and expenses of a capital nature or of a kind not expected to be incurred annually relating to the Development including but not limited to expenses for the renovation, improvement and repair of the Common Areas, the purchase, setting up, improvement, replacement and addition of installations, systems, equipment and apparatus within the Common Areas and the

Common Facilities and the costs of the relevant investigation works and professional services which shall be payable out of the Capital Fund hereinafter mentioned.

Capital Fund

2. (a) The Manager shall establish and maintain a Capital Fund to provide for expenditure of a kind not expected by him to be incurred annually which shall comprise the following parts:-

- (i) Contributions by the Owners of the Residential Accommodation for the purposes of meeting major works of a capital nature or of a kind not expected to be incurred annually in respect of the Residential Common Areas, the Residential Common Facilities, the Development Common Areas and the Development Common Facilities; and
- (ii) Contributions by the Owners of the Commercial Accommodation for the purposes of meeting major works of a capital nature or of a kind not expected to be incurred annually in respect of the Commercial Common Areas, the Commercial Common Facilities, the Development Common Areas and the Development Common Facilities.

(b) Subject to Clause 10 of this Section J, each Owner covenants with the other Owners to make further periodic contributions to the Capital Fund . The amount to be contributed in each financial year and the time when those contributions will be payable will be determined by a resolution of Owners at an Owners' meeting convened under this Deed. If there is an Owners' Corporation, the Owners' Corporation shall determine, by a resolution of the Owners, the amount to be contributed to the Capital Fund by the Owners in any financial year, and the time when those contributions shall be payable.

(c) The Manager shall open and maintain at a bank within the meaning of Section 2 of the Banking Ordinance (Cap 155) an interest-bearing bank account, the title of which shall refer to the Capital Fund for the Development and shall use that account exclusively for the purposes referred to in sub-clause (a) above.

(d) Without prejudice to the generality of sub-clause (c) above, if there is an Owners' Corporation, the Manager shall open and maintain one or more segregated interest-bearing accounts, each of which shall be designed as a trust account or client account, for holding money received by him from or on behalf of the Owners' Corporation in respect of the Capital Fund.

(e) The Manager shall display a document showing evidence of any account opened and maintained under sub-clauses (c) or (d) above in a prominent place in the Development .

(f) The Manager shall without delay pay all money received by him in respect of the Capital Fund into the account opened and maintained under sub-clause (c) above or, if there is an Owners' Corporation, the account or accounts opened and maintained under sub-clause (d) above .

(g) Except in a situation considered by the Manager to be an emergency, no money shall be paid out of the Capital Fund unless it is for a purpose approved

by a resolution of the Owners' Committee (if any).

(h) The Manager must not use the Capital Fund for the payment of any outstanding management expenses arising from or in connection with the day-to-day management of the Development.

(i) The Capital Fund shall be held by the Manager as trustee for all Owners, to provide for expenditure of a capital nature or of a kind not expected to be incurred annually which includes, but is not limited to, expense for renovation, improvement and repair of the Common Areas and Common Facilities, the purchase, setting up, replacement, improvement and addition of installations, systems, equipment, tools, plant and machineries in the Common Areas and Common Facilities and the costs of the relevant investigation works and professional services.

Financial year

3. (a) For all budgeting and accounting purposes in respect of the Development, there shall be established a financial year which shall begin on the 1st day of January and end on the 31st day of December of that year, save that the first such financial year shall begin on the date of this Deed and end on the 31st December next following.

(b) Subject to Clause 9(h) of this Section, the Manager shall have the right from time to time to vary the financial year upon giving notice in writing to the Owners' Committee.

Determination of Management Charges

4. (a) Subject to sub-clauses (c), (e), (f) and (h) below, the total amount of Management Charges payable by the Owners during any period of 12 months adopted by the Manager as the financial year in respect of the management of the Development shall be the total proposed expenditure during that year as specified by the Manager in accordance with sub-clause (b) below.

(b) In respect of each financial year, the Manager shall :-

- (i) prepare a draft budget setting out the proposed expenditure during the financial year;
- (ii) send a copy of the draft budget to the Owners' Committee or, where there is no Owners' Committee, display a copy of the draft budget in a prominent place in the Development and cause it to remain so displayed for at least seven (7) consecutive days;
- (iii) send or display, as the case may be, with the copy of the draft budget a notice inviting each Owner to send his comments on the draft budget to the Manager within a period of 14 days from the date the draft budget was sent or first displayed;
- (iv) after the end of that period, prepare a budget specifying the total proposed expenditure during the financial year; and
- (v) send a copy of the budget to the Owners' Committee or, where there is no Owners' Committee, display a copy of the budget in a prominent place in the Development and cause it to remain so displayed for at least seven (7) consecutive days.

(c) Where in respect of a financial year, the Manager has not complied with sub-clause (b) above before the start of that financial year, the total amount of the Management Charges for that year shall:-

- (i) until it has so complied, be deemed to be the same as the total amount of Management Charges (if any) for the previous financial year; and
- (ii) when it has so complied, be the total proposed expenditure specified in the budget for that financial year, and the amount that the Owners shall contribute towards the Management Charges shall be calculated and adjusted accordingly.

(d) Where a budget has been sent or displayed in accordance with sub-clause (b)(v) above and the Manager wishes to revise it, he shall follow the same procedures in respect of the revised budget as applied to the draft budget and budget by virtue of sub-clause (b) above.

(e) Where a revised budget is sent or displayed in accordance with sub-clause (d) above, the total amount of the Management Charges for that financial year shall be the total expenditure or proposed expenditure specified in the revised budget and the amount that the Owners shall contribute towards the Management Charges shall be calculated and adjusted accordingly.

(f) If there is an Owners' Corporation and, within a period of one (1) month from the date that a budget or revised budget for a financial year is sent or first displayed in accordance with sub-clauses (b) or (d) above, the Owners' Corporation decides, by a resolution of the Owners, to reject the budget or revised budget, as the case may be, the total amount of Management Charges for the financial year shall, until another budget or revised budget is sent or displayed in accordance with sub-clauses (b) or (d) above and is not so rejected under this sub-clause, be deemed to be the same as the total amount of Management Charges (if any) for the previous financial year, together with an amount not exceeding ten percent (10%) of that total amount as the Manager may determine.

(g) If any Owner requests in writing the Manager to supply him with a copy of any draft budget, budget or revised budget, the Manager shall, on payment of a reasonable copying charge, supply a copy to that Person.

(h) For the purposes of this Clause, "expenditure" includes all costs, charges and expenses for the proper management and maintenance of the Land and the Development to be borne by the Owners, including the remuneration of the Manager.

(i) The draft budgets or budgets prepared by the Manager pursuant to this Clause shall contain the following parts:-

- (i) a development management budget which shall show the proposed expenditure for the management and maintenance of the Development Common Areas and the Development Common Facilities as a whole and the Manager's Remuneration calculated in accordance with Clause 4 of Section H of this Deed;



- (ii) a residential management budget which shall show the proposed expenditure for management and maintenance of the Residential Common Areas and the Residential Common Facilities including the contribution to the Capital Fund and the Manager's Remuneration calculated in accordance with Clause 4 of Section H of this Deed in respect thereof (excluding expenditure attributable to the Commercial Accommodation); and
- (iii) a commercial management budget which shall show the proposed expenditure for management and maintenance of the Commercial Common Areas and the Commercial Common Facilities including the contribution to the Capital Fund and the Manager's Remuneration calculated in accordance with Clause 4 of Section H of this Deed in respect thereof (excluding expenditure attributable to the Residential Accommodation).

For the avoidance of doubt, it is expressly agreed and declared that each part of the above budgets shall be treated as completely separate and independent to the intent that any surplus or deficit in one account shall not be taken into account in any other account(s).

Payment of  
Management  
Charges

5. The Owners shall contribute towards the Management Charges in the following manner:-

(a) all Owners of Units in the Development shall contribute to the expenses of the development management budget as and when the same become due and payable in the proportion that the Management Shares attributable to the Units owned by them bears to the total Management Shares for the Development;

(b) the Owners of the Residential Units shall contribute to the expenses of the residential management budget as and when the same become due and payable in the proportion that the Management Shares attributable to the Residential Units owned by them bears to the total Management Shares allocated to the Residential Accommodation;

(c) the Owners of the Commercial Units shall contribute to the expenses of the commercial management budget as and when the same become due and payable in the proportion that the Management Shares attributable to the Commercial Units owned by them bears to the total Management Shares allocated to the Commercial Accommodation;

(d) where any expenditure for the management and maintenance of the Development and the Lot shall in the opinion of the Manager be specifically referable to or is being expended for a particular Unit or group of Units and no Owner of any other Unit shall receive any material benefit therefrom, the full amount shall be excluded from the annual budget and shall be paid by the Owner(s) of that particular Unit or group of Units on demand in the manner set out in sub-clause (e) below; and

(e) the Manager shall on or before the first day of each calendar month render to each of the Owners by sending to its respective Unit or to such other address as an Owner may from time to time in writing advise to the Manager

either by post or by depositing in the letter box of that unit or by hand a written notification showing the amount of the Management Charge payable by such Owner Provided That where in the Manager's opinion any expenditure has been incurred solely for the benefit of an Owner or a group of Owners the Manager may charge that Owner or those Owners in such proportion as he may determine and, for the avoidance of doubt, it is hereby expressly provided that the Registered Owner's liability to make the aforesaid payments shall in no way be reduced by reason of the fact that any of the Units remains unsold Provided Further That all outgoings including Management Charges and any Government rent up to and inclusive of the date of assignment of a Unit shall be paid by the Registered Owner.

Failure by an  
Owner to make  
payment

6. (a) If any Owner fails to pay any sums as above provided within thirty (30) days of demand, the Manager shall have the right without prejudice to any other right or remedy hereunder to:-

- (i) charge interest calculated at the rate of two percent (2%) per annum above the prime rate from time to time specified by the Hongkong and Shanghai Banking Corporation Ltd. on the amount unpaid for each period of thirty (30) days or any part thereof for which it remains unpaid (such interest to be calculated from the due date and not thirty (30) days thereafter); and
- (ii) impose a collection charge of such sum not exceeding ten percent (10%) of the amount due on any Owner failing to pay such sum due as above provided to cover the cost (other than legal costs of proceedings as hereinafter mentioned) of the extra work occasioned by the default.

(b) If any Owner shall fail to make any payment as above and such payment constitutes part of the Management Charges within thirty (30) days after written notification from the Manager calling upon him so to do the Manager shall be at liberty to discontinue providing management service to the Owner who fails to make such payment and the Unit owned by such Owner until all amounts unpaid together with interest thereon and the cost of collection and legal costs and expenses as hereinafter provided have been settled by such Owner.

(c) If default shall be made as aforesaid any sum payable by the defaulting Owner together with interest thereon as provided in sub-clause (a) hereof and all costs and expenses which may be incurred in recovering the same and in registering the charge hereinafter referred to, shall be charged on the Share or Shares of the defaulting Owner and the Manager shall be entitled to register a memorial of such charge at the Land Registry against the Share or Shares of the defaulting Owner and to apply to the court for an order for the sale of the defaulting Owner's Share or Shares of and in the Land and the Development together with the right to the exclusive use, occupation and enjoyment of the Unit held therewith.

(d) All amounts which become payable by any Owner in accordance with the provisions of this Deed together with interest thereon as aforesaid and the said collection charge and all damages claimed for breach of any of the provisions of this Deed and all other expenses incurred in or in connection with recovering or attempting to recover the same shall be recoverable by civil action at the suit of the

Manager (and the claim in any such action may include a claim for the costs of the Manager in such action on a solicitor and own client basis and such defaulting Owner shall in addition to the amount claimed in such action be liable for such costs). In any such action the Manager shall conclusively be deemed to be acting as the agent for and on behalf of the other Owners as a whole and no Owner sued under the provisions of this Deed shall raise or be entitled to raise any defence of want of authority or take objection to the right of the Manager as plaintiff to sue or to recover such amounts as may be found to be due.

Miscellaneous income

7. Any miscellaneous income or payment received by the Manager from or in respect of the Development, not being for the defrayment of any specific expense shall form part of the Capital Fund and be dealt with in accordance with Clause 2 of this Section J. Miscellaneous income shall for the purpose of this Section J include, without prejudice to the generality of the foregoing:-

(a) any interest on Owners' deposits referred to in Clause 10 of this Section J;

(b) any damages and legal costs for the breach, non-observance or non-performance of the terms and conditions of this Deed recovered by the Manager in any legal proceedings brought by them in exercise of its power on that behalf contained in Clause 6(d) of this Section J of this Deed;

(c) any sum or charges or expenses received from the Owner in respect of the issuing of any licence or consent by the Manager as required by the provisions of this Deed (whose consent shall not be unreasonably withheld) Provided That such sum or charges or expenses shall be a reasonable administration fee for processing and issuing such licence or consent; and

(d) any interest and collection charges received under Clause 6(a) of this Section J.

Surplus income

8. Any surplus of income over expenditure shown in the audited accounts for any financial year shall at the Manager's discretion, either be applied towards the payment of future costs, charges and expenses in respect of the management of the Development thereafter to become due, or be transferred to the Capital Fund referred to in Clause 2(a) of this Section J and in either case shall be taken into account when calculating the relevant budget for the following financial year.

The Manager to keep accounts

9. (a) The Manager shall maintain proper books or records of account and other financial records and shall keep all bills, invoices, vouchers, receipts and other documents referred to in those books and records for at least 6 years.

(b) Within one (1) month after each consecutive period of three (3) months, or such shorter period as the Manager may select, the Manager shall prepare a summary of income and expenditure and a balance sheet in respect of that period, display a copy of the summary and balance sheet in a prominent place in the Development, and cause it to remain so displayed for at least seven (7) consecutive days.

(c) Within two (2) months after the end of each financial year, the Manager shall prepare an income and expenditure account and balance sheet for that financial year, display a copy of the income and expenditure account and

balance sheet in a prominent place of the Development, and cause it to remain so displayed for at least seven (7) consecutive days.

(d) Each income and expenditure account and balance sheet shall include details of the Capital Fund referred to in Clause 2(a) of this Section J and an estimate of the time when there will be a need to draw on that fund, and the amount of money that will be then needed.

(e) The Manager shall:-

- (i) permit such Owner, at any reasonable time, to inspect the books or records of account and any income and expenditure account or balance sheet; and
- (ii) on payment of a reasonable copying charge, supply any Owner with a copy of any record or document requested by him.

(f) Prior to the formation of the Owners' Corporation, if the Owners at an Owners' meeting convened under this Deed decide, by a resolution of the Owners, that any income and expenditure account and balance sheet for a financial year should be audited by an independent auditor of their choice, the Manager shall without delay arrange for such an audit to be carried out by that auditor.

(g) If there is an Owners' Corporation and the Owners' Corporation decides, by a resolution of the Owners, that any income and expenditure account and balance sheet should be audited by an accountant or by some other independent auditor as may be specified in that resolution, the Manager shall without delay arrange for such an audit to be carried out by that person and:-

- (i) permit such Owner, at any reasonable time, to inspect the audited income and expenditure account and balance sheet and the report made by the accountant or auditor in respect of the income and expenditure account and balance sheet; and
- (ii) on payment of a reasonable copying charge, supply any Owner with a copy of the audited income and expenditure account and balance sheet, or the report made by the accountant or auditor in respect of the income and expenditure account and balance sheet, or both, as requested by the Owner.

(h) The financial year may not be changed more than once in every five (5) years, unless that change is previously approved by a resolution of the Owners' Committee (if any).

Owners' deposits  
and advance  
payments

10. (a) Except where the Registered Owner has made payments in accordance with Clause 10(b) of this Section J, each purchaser from the Registered Owner of a Share or Shares shall on completion of his purchase and before taking occupation pay and contribute to the Manager the following deposits and advance payments as security against his liabilities under this Deed:-

- (i) in respect of his obligation to contribute to Management Charges a sum equivalent to two (2) months' first year's budgeted Management Charges as deposit which shall be

transferable but non-interest bearing and not refundable (except under the circumstances pursuant to Clause 2(d) (ii) of Section D) upon notification of change of ownership by the outgoing Owner to the Manager pursuant to Clause 2(a) of Section L;

- (ii) in respect of his obligation to contribute to the Capital Fund to be established pursuant to Clause 2 of this Section J a sum equivalent to two (2) months' first year's budgeted Management Charges which sum shall be non-refundable and non-transferable;
- (iii) (as far as the purchasers of the Residential Units and Commercial Units are concerned) a sum not exceeding one (1) month's first year's budgeted Management Charges which sum(s) shall not be refundable or transferable for the collection and removal of debris during the fitting-out period Provided That any monies paid as debris collection and removal charges but not used shall be paid into the Capital Fund;
- (iv) in respect of his obligation to make advance payment of Management Charges under Clause 5 of this Section J, a sum equivalent to two (2) months' Management Charges which advance payment shall be credited to the account maintained pursuant to Clause 12 of this Section J; and
- (v) such sum as the Manager may reasonably determine for payment of deposit of water, electricity and other utilities supply to the Common Areas and the Common Facilities which shall be transferable but non-interest bearing and not refundable upon notification of change of ownership by the outgoing Owner to the Manager pursuant to Clause 2(a) of Section L.

(b) The Registered Owner shall make the initial contributions to the Management Charges deposit, Capital Fund, debris collection and removal charges and deposits for utilities supply to Common Areas if the Registered Owner remains the Owner of those Shares allocated to the Units in the Development the construction of which has been completed and which remain unsold three (3) months after (i) the execution of this Deed or (ii) the date when the Registered Owner is in a position validly to assign those Shares, whichever is the later.

(c) All outgoings in respect of a Unit including Management Charges and Government rent up to and inclusive of the date of assignment of the Units must be paid by the Registered Owner. An Owner must not be required to make any payment or reimburse the Registered Owner for these outgoings.

(d) In the event of any increase in the Owner's monthly Management Charges, the Owner shall forthwith pay to the Manager a further sum to the intent that the said Management Charges deposit and Capital Fund shall respectively be made up to a sum equivalent to two (2) months' current Management Charges. The said Management Charges deposit and Capital Fund shall not be set off against any payment to be made under this Deed.

(e) The Manager shall place all such Management Charges deposit and

Capital Fund in interest bearing bank accounts opened by the Manager with a licensed bank in Hong Kong the titles of which shall respectively refer to the Management Charges Deposits and the Capital Fund and the same shall be held in trust for all the Owners.

Change of ownership

11. (a) Any Person ceasing to be the Owner of any Share shall in respect of the Share or Shares of which he ceases to be the Owner thereupon cease to have any interest in the funds provided for in Clauses 2, 5, 7, 8 and 10 of this Section J held by the Manager to the intent that all such funds shall be held for such Owner's successor in title and applied for the management of the Land and the Development as herein provided irrespective of changes in ownership. Upon the expiry of the Term or the rights and obligations hereunder being released as provided in Section D of this Deed the said funds shall be divided between the Owners at that time in proportion to their respective number of Management Shares immediately prior to such release or expiry.

(b) All Persons prior to acquiring any Unit shall first ascertain from the Manager that there are no outstanding Management Charges due in respect thereof. If there are outstanding Management Charges, the new Owner and the outgoing Owner shall become jointly and severally liable to pay the same. The Manager shall have the right of election to pursue both or either of the new Owner and the outgoing Owner for payment of any outstanding Management Charges.

Manager to maintain bank account

12. (a) The Manager shall open and maintain an interest-bearing account and shall use that accounts exclusively in respect of the management of the Development.

(b) Without prejudice to the generality of sub-clause (a) above, if there is an Owners' Corporation, the Manager shall open and maintain one or more segregated interest-bearing accounts, each of which shall be designated as a trust account or client account, for holding money received by him from or on behalf of the Owners' Corporation in respect of the management of the Development.

(c) The Manager shall display a document showing evidence of any account opened and maintained under sub-clauses (a) or (b) above in a prominent place in the Development.

(d) Subject to sub-clauses (e) and (f) below, the Manager shall without delay pay all money received by him in respect of the management of the Development into the account opened and maintained under sub-clause (a) above and the same shall be held on trust for all the Owners, or if there is an Owners' Corporation, the account or accounts opened and maintained under sub-clause (b) above.

(e) Subject to sub-clause (f) below, the Manager may, out of money received by him in respect of the management of the Development, retain or pay into current account a reasonable amount to cover expenditure of a minor nature, but that amount shall not exceed such figure as is determined from time to time by a resolution of the Owners' Committee (if any).

(f) The retention of a reasonable amount of money under sub-clause (e) above or the payment of that amount into a current account in accordance with that sub-clause and any other arrangement for dealing with money received by the Manager shall be subject to such conditions as may be approved by a resolution of

the Owners' Committee (if any).

(g) Any reference in this Clause to an account is a reference to an account opened with a bank within the meaning of Section 2 of the Banking Ordinance (Cap 155), the title of which refers to the respective management of the Development.

## SECTION K

### BUILDING RULES AND FITTING-OUT RULES

- Building Rules binding 1. For the benefit of the Owners and the Occupiers for the time being of the Units there shall be Building Rules and Fitting-Out Rules regulating the decoration and fitting-out of the Units, use, occupation, maintenance and environmental control and implementation of waste reduction and recycling measures (with reference to guidelines on property management issued from time to time by the Director of Environmental Protection) of the Development and of any of the Common Areas (including the recreational facilities) and the conduct of Persons occupying, visiting or using the same and such Building Rules and/or Fitting-Out Rules shall be binding on the Owners and their tenants, licensees, servants and agents.
- Deposits for works 2. The Manager shall be entitled to collect from any Owner or occupant of a Unit prior to commencement of any works in connection with the repair or alteration of that Unit a deposit as security for any damages or losses as may be caused to the remainder of the Development. The amount of any such deposit shall be determined by the Manager depending upon the nature of the works to be carried out. All such deposits shall be held by the Manager in a separate account and shall be refunded without interest to the Owner or Occupier within thirty (30) days of completion of the works subject to the Manager's right to deduct from that deposit any sum necessary to compensate for all damage or loss caused by the works or the Owner or Occupier or their contractors to the remainder of the Development but without prejudice to the Manager's right to claim for compensation suffered in excess of the amount of the deposit.
- Amendment of Building Rules 3. The Manager shall from time to time make, revoke and amend Building Rules and Fitting-Out Rules with the prior approval of the Owners' Committee or the Owners' Corporation, if formed.
- Building Rules to be posted on notice boards 4. Copies of the Building Rules and Fitting-Out Rules from time to time in force shall be posted on the public notice boards in the Development.
- Conflict 5. Such Building Rules and Fitting-Out Rules shall be supplementary to the terms and conditions contained in this Deed and any Sub-Deed of Mutual Covenant and shall not in any way derogate from such terms and conditions. In the event of conflict between such Building Rules or Fitting-Out Rules and such terms and conditions, the latter shall prevail.
- Exclusion of liability 6. The Manager shall not be liable for any loss or damage however caused arising from any non-enforcement of such Building Rules or Fitting-Out Rules or non-observance thereof by any third party.



## SECTION L

### MISCELLANEOUS PROVISIONS

- Service of notices
1. (a) All notices or demands required to be served hereunder shall be sufficiently served if addressed to the party intended to receive the same and sent by prepaid post to or left at the Unit of which the party to be served is the Owner or by depositing in the letter box of such Unit notwithstanding that such party shall not personally occupy such Unit Provided That where notice is to be given to an Owner who is a mortgagee, such notice shall be served on the mortgagee, if a company, at its last known place of business or, if an individual at his last known residence in Hong Kong.
- (b) All notices required to be given to the Manager shall be properly served if sent by prepaid post to or left at its registered office or the management office of the Development or such other address as may be notified by the Manager from time to time.
- (c) All notices required to be given to the Owners' Committee shall be properly served if sent by prepaid post to or left with the Chairman of the Owners' Committee at his usual residential address.
- (d) All non-resident Owners shall provide the Manager with an address (and/or the name and address in Hong Kong of the Person authorized by him) within Hong Kong for service of process and notices to be given pursuant to this Deed.
- Covenants to run with the Land
2. The mutual covenants herein contained are intended to be annexed to and shall run with the Land and each and every Share therein and shall be enforceable by and against the Owner for the time being of any such Share both as to the benefit and burden of such covenants, and any Ordinance or other statutory enactment for the time being in force concerning the enforcement of mutual covenants relating to land or buildings shall apply to this Deed Provided However That:-
- (a) each Owner on ceasing to be the Owner of any Share shall notify the Manager of such cessation and of the name and address of the new Owner and notwithstanding the provisions of sub-clause (b) of this Clause and without prejudice to the liability of the new Owners who shall be liable for all sums due and payable and performance and observance of the terms and conditions by the Owner from whom he purchased under the terms of this Deed, each such Owner shall remain liable for all sums payable in accordance with the provisions of this Deed and for the observance and performance of the terms and conditions hereof up to the date on which such notice is received by the Manager or, if later, the date they cease to be an Owner; and
- (b) subject to sub-clause (a) of this Clause, no Person shall be liable under any of the covenants or provisions of this Deed in respect of any Share after ceasing to be the Owner thereof save and except in respect of any breach, non-observance or non-performance by such Person of any such covenant or provision prior to his ceasing to be the Owner thereof.
- Action by Owner(s)
3. Notwithstanding the powers conferred on the Manager by this Deed, any one or more Owners shall be entitled to take action to enforce the provisions of

this Deed and, if at any time no Manager is appointed or acting hereunder or any Manager so appointed or acting refuse or fail to enforce any of the provisions of this Deed, any one or more Owners appointed by resolution passed pursuant to Section G of this Deed shall be entitled to sue any defaulting Owner on behalf of himself or themselves and all other Owners and the provisions of this Clause shall apply mutatis mutandis to any action or proceeding brought by such Owner or Owners and to the recovering of any cost, damages or other monies awarded therein.

Chinese  
Translation

4. (a) Within one (1) month of the date of this Deed, the Registered Owner shall at its own expense cause a direct translation in Chinese of this Deed to be made and shall deposit a copy of this Deed and the Chinese translation in the management office of the Development for inspection free of costs by all Owners and for taking of copies by the Owners on payment of reasonable copying charges. All charges received must be credited to the Capital Fund. In the event of a dispute as to the effect of the Chinese translation and the English document, the English version is to prevail.

(b) The Registered Owner shall deposit a full copy of the maintenance manual for the Slope and Retaining Structures (if any) in the management office within one month of the date of this Deed for inspection by all Owners free of charge and taking copies on payment of a reasonable charge all of which shall be credited to the Capital Fund.

Schedules 7 and 8  
to the Ordinance

5. The Registered Owner shall deposit a copy of Schedules 7 and 8 to the Ordinance (English and Chinese versions) in the management office of the Development for reference by all Owners free of costs and for taking copies at their own expense and upon payment of a reasonable charge. All charges received must be credited to the Capital Fund.

Common Areas  
Plan

6. The Manager shall keep and make available for inspection by the Owners plans of the Land and the Development with all the Common Areas shown thereon and certified as to their accuracy by or on behalf of the Authorized Person at the management office of the Development during normal office hours free of costs and charges.

Building  
Management  
Ordinance

7. Nothing in this Deed shall prejudice or in any way be construed or constructed so as to contravene or prejudice or exclude the operation of the provisions of the Ordinance and the schedules thereto. No provisions contained in this Deed shall in any way be in contravention or in breach of any terms and conditions set out in the Government Grant.

THE FIRST SCHEDULE

Part I

ALLOCATION OF UNDIVIDED SHARES

(A) RESIDENTIAL ACCOMMODATION

<u>Units</u>	<u>No. of Units</u>	<u>No. of Undivided Shares per Unit</u>	<u>Sub-Total</u>
Flat A on 2nd Floor with Flat Roof	1	39	39
Flat B on 2nd Floor with Flat Roof	1	16	16
Flat C on 2nd Floor with Flat Roof	1	16	16
Flat D on 2nd Floor with Flat Roof	1	16	16
Flat E on 2nd Floor with Flat Roof	1	16	16
Flat F on 2nd Floor with Flat Roof	1	36	36
Flat A on 3rd - 27th Floor with Balcony and Utility Platform	21	29	609
Flat B on 3rd - 27th Floor with Balcony	21	17	357
Flat C on 3rd - 27th Floor with Balcony	21	17	357
Flat D on 3rd - 27th Floor with Balcony	21	17	357
Flat E on 3rd - 27th Floor with Balcony	21	17	357
Flat F on 3rd - 27th Floor with Balcony and Utility Platform	21	21	441
Flat A on 28th Floor with Roof, Balcony and Utility Platform	1	32	32
Flat B on 28th Floor with Roof and Balcony	1	18	18
Flat C on 28th Floor with Roof and Balcony	1	18	18
Flat D on 28th Floor with Roof and Balcony	1	18	18
Flat E on 28th Floor with Roof and Balcony	1	18	18
Flat F on 28th Floor with Roof, Balcony and Utility Platform	1	23	23
	<hr/>		<hr/>
	138		2744

(B) COMMERCIAL ACCOMMODATION

Shop 1 - Ground Floor	77
Shop 1 - First Floor	121
Shop 2	80
Shop 3	76
Shop 4	89
	<hr/>
	443

(C) ADVERTISING SIGNAGE AREA

9

(D) COMMON AREAS AND COMMON FACILITIES

Total = (A) + (B) + (C) + (D) 3210

Note : Floor numberings of 4/F , 13/F , 14/F and 24/F are omitted

THE FIRST SCHEDULE

Part II

ALLOCATION OF MANAGEMENT SHARES

(A) RESIDENTIAL ACCOMMODATION

<u>Units</u>	<u>No. of Units</u>	<u>No. of Management Shares per Unit</u>	<u>Sub-Total</u>
Flat A on 2nd Floor with Flat Roof	1	39	39
Flat B on 2nd Floor with Flat Roof	1	16	16
Flat C on 2nd Floor with Flat Roof	1	16	16
Flat D on 2nd Floor with Flat Roof	1	16	16
Flat E on 2nd Floor with Flat Roof	1	16	16
Flat F on 2nd Floor with Flat Roof	1	36	36
Flat A on 3rd - 27th Floor with Balcony and Utility Platform	21	29	609
Flat B on 3rd - 27th Floor with Balcony	21	17	357
Flat C on 3rd - 27th Floor with Balcony	21	17	357
Flat D on 3rd - 27th Floor with Balcony	21	17	357
Flat E on 3rd - 27th Floor with Balcony	21	17	357
Flat F on 3rd - 27th Floor with Balcony and Utility Platform	21	21	441
Flat A on 28th Floor with Roof, Balcony and Utility Platform	1	32	32
Flat B on 28th Floor with Roof and Balcony	1	18	18
Flat C on 28th Floor with Roof and Balcony	1	18	18
Flat D on 28th Floor with Roof and Balcony	1	18	18
Flat E on 28th Floor with Roof and Balcony	1	18	18
Flat F on 28th Floor with Roof, Balcony and Utility Platform	1	23	23
	<hr/> 138		<hr/> 2744

(B) COMMERCIAL ACCOMMODATION

Shop 1 - Ground Floor	77
Shop 1 - First Floor	121
Shop 2	80
Shop 3	76
Shop 4	89
	<hr/> 443

(C) ADVERTISING SIGNAGE AREA

9

Total = (A) + (B) + (C) : 3196

Note : Floor numberings of 4/F , 13/F , 14/F and 24/F are omitted

## THE SECOND SCHEDULE

### Part I

#### RIGHTS AND EASEMENTS

##### 1. Rights and Easements applicable to all Owners of the Development

- |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Right to pass                        | (a) Full right and liberty for the Owner for the time being, his servants, agents, licensees, tenants and lawful occupants (in common with the Manager and all other Persons having the like right) but subject always to the provisions of the Government Grant, this Deed, the Sub-Deed of Mutual Covenant (if any), the Building Rules and the rights of the Manager and the Registered Owner as provided in this Deed:-<br><br>(i) of a Share to use, to go, pass and repass over and along and upon the Development Common Areas and the Development Common Facilities;<br><br>(ii) of a Residential Unit to use, to go, pass and repass over and along and upon the Residential Common Areas and the Residential Common Facilities and<br><br>(iii) of a Commercial Unit to use, to go, pass and repass over and along and upon the Commercial Common Areas and the Commercial Common Facilities.<br><br>for all purposes connected with the proper use and enjoyment of his Unit. |
| Right to support                     | (b) The right to subjacent and lateral support and to shelter and protection from the other portions of the Land and the Development.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Right of running water and utilities | (c) The right to free and uninterrupted passage and running of water, sewage, gas, electricity, air-conditioning, ventilation, telephone and other services from and to each Unit through the sewers, gutters, drains, water courses, pipes, ducts, wires, cables and other conducting media which now are or may at any time during the Term be in, under or passing through the Land and the Development or any part or parts thereof and serving the Unit.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Right to enter                       | (d) The right for the Owner or Occupier for the time being of each Unit with or without servants, workmen and others at all reasonable times on written notice (except in case of emergency) to enter into and upon the other parts of the Development for the purpose of carrying out any work necessary for the maintenance and repair of such Unit or any Party Wall forming part of it, such work not being the responsibility of the Manager and which cannot be practically carried out without such access, causing as little disturbance as possible and making good any damage caused thereby.                                                                                                                                                                                                                                                                                                                                                                                  |
| Other easements                      | (e) All other easements, rights and privileges belonging or appertaining to the Land and the Development or any part thereof.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

##### 2. Rights and Easements applicable to Owners of Units in the Residential Accommodation

Right to use the A/C Areas and A/C Platforms      The right for the Owner and Occupier for the time being of each Unit in the Residential Accommodation, to use the designated A/C Areas and A/C Platform(s) for placing air-conditioning units, provided that (1) such use shall not be in contravention of the Approved Plans and/or the Buildings Ordinance (Cap.123); (2) the Owner shall not place any air-conditioning unit(s) which exceed the floor loading of the A/C Areas and/or A/C Platforms thereon; (3) the Owner shall at his own costs and expenses make good any damage done to the A/C Areas and/or A/C Platforms; and (4) the location and method of placing the air-conditioning units shall be subject to prior approval of the Manager.

3. Rights and Easements applicable to Owner(s) of Unit(s) of the Commercial Accommodation

Right to erect signs, etc.      (a) Subject to the restrictions and prohibitions as set out in Clause 1(b) of the Third Schedule hereto and the prior written approval of the relevant government department(s) (if required) and the Manager, the Owner and occupier for the time being of a Unit of the Commercial Accommodation may, in accordance with the conditions imposed, exhibit, install, affix and paint signs, signboards, advertisements (illuminated or otherwise), decorations, masts and other structures, facilities, fixtures on the shop fronts of the Commercial Accommodation as shown on the Elevation Plan(s) annexed to this Deed.

Right to use the entrance lobby & Lift No.1      (b) The right for the Owner and Occupier for time being, his agents, tenants and licensees (in common with all other Persons having the like right) of a Commercial Unit on the 1st Floor who suffer from physical disabilities which render him unable to access the 1st Floor without using the lifts of the Development and person(s) accompanying such persons with disabilities to go pass and repass over and along and use the entrance lobby on the Ground Floor and Lift No.1 of the Development (which entrance lobby and Lift No.1 form part of the Residential Common Areas and Residential Common Facilities) solely for the purpose of accessing the Commercial Unit on the 1st Floor but not further or otherwise.

(c) The right for the Owner and Occupier for the time being, his agents, tenants and licensees (in common with all other Persons having the like right) of a Commercial Unit on the 1st Floor, to go pass and repass over and along and use the entrance lobby on the Ground Floor and the fireman lift of the Development (which entrance lobby and Lift No.1 form part of the Residential Common Areas and Residential Common Facilities) in the event of fire or other emergency but not further or otherwise.

4. Rights and Easements applicable to Owner of the Advertising Signage Area

Without limiting the generality of Clause 5(h) and Clause 1(d) of this Schedule and in addition to the above rights and privileges, the Owner(s) of the Advertising Signage Area shall have the full right and liberty (**SUBJECT ALWAYS TO** the provisions of the Government Grant, this Deed, the Building Rules and the rights of the Manager and the Registered Owner provided in this Deed) to enter with or without workmen at all reasonable times on prior written reasonable notice (except in the case of emergency) into all parts of the Development including the Common Areas and the Common Facilities or any Unit (subject to having given prior reasonable notice to Owner(s) of the Unit(s) affected thereby (except in case of emergency)) for the purposes of affixing, erecting, repairing or maintaining the Advertising Signage Area and/or any structures, facilities, equipment, signs, sign boards, advertisements, decorations, masts or fixtures as may from time to time be constructed, erected, exhibited, installed, affixed or painted thereon (subject to having obtained the

relevant Government authority's and Manager's approval (if required) thereto including, without limiting the generality of the foregoing, to erect or place on the external walls or any flat roof (if any) forming the Common Areas or any Unit (or any part(s) thereof) scaffolding and/or other structure or equipment necessary for the aforesaid purposes, and the right to license or otherwise permit or grant the aforesaid rights so to do to any other person on such terms as the Owner of the Advertising Signage Area or any part thereof may deem fit, PROVIDED that such Owner shall not cause or permit or suffer to be done any act or thing which may be or become a nuisance or annoyance to or cause damage to the other Owners or occupiers for the time being or any other part of the Development.

5. Rights and Easements applicable to the Registered Owner

- |                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Rights of access to complete the Land and the Development | (a) The Registered Owner shall have the exclusive and unrestricted right and privilege with contractors, servants, agents, workmen or other Persons authorized at all reasonable time, on reasonable written notice, to enter into and upon any part of the Land and the Development (save and except those parts of the Land and the Development the sole and exclusive right to the use enjoyment and occupation of which have been assigned or otherwise disposed of to an Owner) with all necessary tools, equipment, plant and materials for the purpose of (i) completing or commissioning the construction of any part of the Land and the Development (save and except those parts as aforesaid) and making good and rectifying any defects therein; and (ii) carrying out any works in under on or over the Land and the Development (save and except those parts as aforesaid) as it shall require from time to time. The Registered Owner in pursuance of any such works shall notify the Owners in writing as to the areas or parts of the Land and the Development (save and except those parts as aforesaid) which the Owners may not use while such works are being carried out Provided That the carrying out of such works shall not interfere with the exclusive use and enjoyment of or prevent the access to or egress from any Unit of the Owners and that any damages resulted from such works shall be made good by the Registered Owner at its expense. |
| Right to change name and numbering                        | (b) The Registered Owner shall have the exclusive right and privilege to change the name of the Development or any part thereof and/or to change the description of any building in the Development and/or to change the numbering of any building in the Development provided that prior approval of the Owners' Committee or the Owners' Corporation (if formed) is required.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Sub-Deed of Mutual Covenant                               | (c) The Registered Owner shall have the right without the necessity of making every Owner entitled to the exclusive use occupation and enjoyment of any Unit outside the part or parts of the Development in question a party thereto to enter into a Sub-Deed of Mutual Covenant or Sub-Deeds of Mutual Covenant in respect of any part of the Development for the purpose of making further provisions for the management, maintenance and servicing of that part of the Development for which it is made and its equipment, services and apparatus and for the purpose of further defining and regulating the rights, interests and obligations of the Owners thereof Provided Always That their rights and interests shall not be adversely affected and such Sub-Deed of Mutual Covenant or Sub-Deeds of Mutual Covenant shall not conflict with the provisions of this Deed and shall be subject to the approval of the Director of Lands, unless otherwise waived.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Modification of Government Grant                          | (d) Subject to the prior written approval by a resolution of the Owners at an Owners' meeting convened under this Deed, the Registered Owner shall have the right to apply to the Government for the variation(s) or modification(s) or                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

addition(s) of any of the terms and conditions of the Government Grant and to agree to any terms and conditions for such variation(s) or modification(s) or addition(s) in the name of the Registered Owner without the necessity of joining the Owners as a party to the said application(s) and any documentation relating to such variation(s) or modification(s) or addition(s) to the intent that the Registered Owner alone shall have the right and power to execute any such documentation Provided That (i) any benefit, concession, payment, compensation and/or other money, whether monetary or otherwise, paid and/or acquired shall be paid and/or received by all Owners or the Owners concerned; (ii) such rights shall be included in the first and all subsequent assignments of the Units to purchasers and (iii) such variation(s) or modification(s) shall not adversely affect or prejudice the exclusive use occupation and enjoyment of the Units of other Owners or impede or restrict the access to or from such Units.

Amendments to building plans

(e) The Registered Owner shall have the right and privilege to alter, amend, vary or add to the Approved Plans and/or the building plans existing at the date hereof or alter the user of any part of the Development and/or the Land which have not been sold or assigned by the Registered Owner without the concurrence or approval of any Owner or other Person having an interest in the Development but nothing herein contained shall absolve the Registered Owner from the requirements of obtaining the prior written consent of the Director of Lands pursuant to the Government Grant. No such alteration, amendment, variation or addition shall give to the Owners any right of action against the Registered Owner nor adversely or materially affect an Owner's rights and interests nor prejudice or interfere with the use occupation and enjoyment of the Units by the Owners.

Right to surrender dedicate or assign to Government by the Registered Owner

(f) The Registered Owner shall have the exclusive and unrestricted right and privilege to carve out, surrender, dedicate or assign any part or parts of the Development vested in the Registered Owner to the public or the government without the necessity of joining in other Owners Provided That in making such carving out, surrender, dedication or assignment the Registered Owner shall not interfere with an Owner's right to hold use occupy and enjoy any part of the Development which he owns nor adversely or materially affect an Owner's rights and interests in relation thereto or impede or restrict the access to or from his Unit and Provided Further That no Owner except the Registered Owner shall have any claim for whatsoever consideration or benefit (if any) from the Government as a result of such surrender, dedication or assignment.

Right to designate Common Areas

(g) The Registered Owner shall have the exclusive right and privilege to designate any part of the Development (not forming part of a Unit) to be Development, Residential or Commercial Common Areas from time to time and to amend, vary, alter, add to, modify or substitute any part of the Common Areas and Common Facilities Provided That such designation, amendment, variation, alteration, addition, modification or substitution shall have first been approved by a resolution of Owners at an Owner's meeting convened under this Deed and the use and enjoyment of the Units by the Owners shall not be adversely affected and no such designation, amendment, variation, alternation, addition, modification or substitution shall give to the Owners any right of action against the Registered Owner Provided Always That any payment received for the approval shall be credited to the Capital Fund of the Development. Where there is a dispute on whether an area is to be regarded as Development Common Areas, Residential Common Areas or Commercial Common Areas or whether a facility is to be regarded as part of the Development Common Facilities, Residential Common Facilities or Commercial Common Facilities, the decision of the Manager made in



consultation with the Owners' Committee shall be final and binding on all Owners save and except mistakes and errors.

Right to install in or affix to or use part of the Common Areas and Common Facilities

(h) The Registered Owner shall have the exclusive and unrestricted right to construct, affix, maintain, alter, repair, service, replace, renew and remove any one or more chimneys, flues, pipes, masts, conduits, plant, machinery, equipment, lightning conductors and lightning fixtures, systems for broadcast transmission and reception, information distribution and communication, including, without limitation, communal aerial broadcast and distribution systems, microwave distribution systems, cable and wireless communications systems, telecommunications transmission, reception and transponder systems, aerials, dishes, antennae, transmitters, transponders, receivers, tuners and the ancillary equipment and connections thereto and other fixtures or structures of whatsoever kind on any part or parts of the Common Areas and Common Facilities and such other areas within the Land and the Development the exclusive right to hold, use, occupy and enjoy which are owned by the Registered Owner and the right to enter into and upon any part of the Development other than those parts of which the exclusive rights to use have been assigned to individual Owners with or without workmen and equipment at all reasonable times on giving prior reasonable written notice (except in the case of emergency) for any or all of the purposes aforesaid and to license or otherwise permit or grant the right so to do to any other Person on such terms as the Registered Owner may deem fit and for this purpose to negotiate and enter into contracts, leases or licence agreements with such Person for the installation, operation, management and maintenance of such aforementioned systems on such terms as the Registered Owner may deem fit and to have the exclusive and unrestricted right to assign such contract, lease or licence agreement to the Manager or to the Owners' Committee (if formed) for the benefit of the Owners with (in so far as is possible) power for the Manager or the Owners' Committee (as the case may be) to further assign the same to its successors Provided That the prior written approval of a resolution of the Owners in an Owners' meeting under this Deed shall be required for the exercise of any of the aforesaid rights save and except where such fixtures signs and advertisements are affixed on any part(s) of the Land or the Development the exclusive right of which to hold, use, occupy and enjoy are owned by the Registered Owner and Provided Always That such installation shall not unreasonably affect the enjoyment of the Development by the Owners or Occupiers. All costs and expenses incurred in respect of the aforesaid shall be borne by the Registered Owner and Provided That the Registered Owner shall ensure that the least disturbance is caused and shall make good any damage caused by exercising these rights and Provided Also That any consideration received thereof so far as the Common Areas and Common Facilities are concerned shall be credited to the Capital Fund for the benefit of all Owners.

Right to allocate or reallocate or amend Undivided Shares

(i) The Registered Owner shall have the right to allocate or reallocate or amend in any way the Undivided Shares and/or the Management Shares allocated or to be allocated to the Land and the Development or any part thereof as set out in this Deed. No such allocation, reallocation or amendment shall prejudice or interfere with the use occupation and enjoyment of the Units by the other Owners nor affect the Undivided Shares and Management Shares allocated to such Units.

Right to enter into deed of grant of right of way

(j) Subject to the prior written approval by a resolution of the Owners at an Owners' meeting convened under this Deed, the Registered Owner shall have the sole and exclusive right to enter into any deed(s) of grant of right of way (whether as grantor or grantee), deed(s) of mutual grant of right of way and/or deed(s) of

release of right of way (whether as grantor or grantee) and/or deed of surrender on such terms and conditions as the Registered Owner may think fit without the consent or reference to other Owners Provided That the exercise of such right shall not contravene the provisions of the Government Grant and shall not interfere with an Owner's right to hold, use, occupy and enjoy the part of the Estate which he owns nor impede access to his Unit and payment received thereof shall be credited to the Capital Fund.

- Right to assign  
Undivided Shares
- (k) The Registered Owner shall have the exclusive and unrestricted right and privilege to assign the Undivided Shares relating to the Common Areas and Common Facilities or any part thereof to the Manager free of cost or consideration to be held on trust for all the Owners subject to this Deed. The Manager shall hold such Undivided Shares as trustees for all Owners for the time being.
- No contravention  
of terms and  
conditions
- (l) Notwithstanding the provisions of Clause 5(a) of Part I of the Second Schedule above, the rights and privileges herein reserved by the Registered Owner shall not in any way contravene the terms covenants and conditions of the Government Grant, this Deed and any relevant Sub-Deed of Mutual Covenant and shall not impede or obstruct any Owner or his Occupiers reasonable access to his Unit.
- Appointment of  
attorney
- (m) For the purposes of carrying out any of the rights contained in Clause 5 of Part I of the Second Schedule, each Owner shall be deemed to have appointed the Registered Owner irrevocably as his attorney with full right power and authority to do all acts deeds matters and things and to execute sign and seal and as their act and deed deliver such deed or deeds and to sign such document or documents as may be necessary.

## THE SECOND SCHEDULE

### Part II

#### EXCEPTIONS AND RESERVATIONS

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| Rights of other Owners                     | 1. Easements, rights and privileges equivalent to those set forth in Clauses 1(b), (c) and (d) of Part I of this Second Schedule in favour of all other Owners.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Other easements                            | 2. Reserving unto the owners for the time being of No.58-60 Ki Lung Street (in common with all other Persons having the like right) to use the No.58 Party Wall, so far such right is subsisting.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Rights of the Manager/the Registered Owner | <p>3. (a) Full right and privilege for the Manager, with or without surveyors, workmen and others, at all reasonable times on reasonable written notice (except in case of emergency) to enter on and into each and every part of the Land and the Development (including each Unit) for the purposes of inspecting, rebuilding, repairing, renewing, maintaining, cleaning, painting or decorating the structure of the Development, the Common Areas and the Common Facilities or any part or parts thereof, or any Unit in respect of which the Owner shall be in default of its obligations to repair and maintain or for the exercise and carrying out of any of its powers and duties under the provisions of this Deed causing as little disturbance as is reasonably practicable and making good any damage caused thereby and Provided That if any damage caused to any Owner is due to the negligent, wilful or criminal acts of the Manager, employees or contractors, the Manager shall be responsible to make good such damage at his own costs and expenses.</p> <p>(b) The right for the Manager, its servants, agents, workmen, contractors and Persons duly authorized at all reasonable times on prior reasonable written notice (except in case of emergency) to gain access to and enter upon any flat roof forming part or parts of any Unit or Units and to remain there for such period as may be necessary for the purpose of inspecting, rebuilding, repairing, renewing, maintaining (excluding decorating), cleaning or painting all or any part of the Common Areas and the Common Facilities in or upon such flat roof or to which access is gained via such flat roof and, on a temporary basis, to erect, place or store on any such flat roof any scaffolding or other plant, equipment or materials necessary for the purpose of any aforesaid works for so long as such works are being carried on Provided That the Manager shall ensure that the least disturbance as is reasonably practicable is caused and the Manager shall repair at its own costs and expenses any damage caused thereby and the Manager shall be liable for the negligent, wilful or criminal acts of the Manager and its servants agents workmen contractors and other Persons duly authorized by the Manager.</p> <p>(c) Subject to the prior approval of the Owners' Committee the right for the Manager to authorize by way of licence, the use of the Common Areas and the Common facilities for the installation of telecommunications system and equipment and other communication device and equipment on terms and conditions as he deems fit Provided Always That the prior approval of the relevant Government authorities concerned (if necessary) is obtained and all licence fees and other income received by the Manager shall be applied in accordance with Clause 7 of Section J of this Deed.</p> <p>(d) The rights for the Manager to install, affix or operate on the Upper</p> |

Roof systems for broadcast transmission and reception, including without limitation to aerials, dishes, antennae, transmitters, transponders, receivers, tuners and the ancillary equipment and connections thereto.

(e) The rights for the Manager for itself, its licensees or other third parties to install or affix chimneys, flues, pipes or any other structures or facilities on or within the Common Areas Provided That the written approval by a resolution of Owners at an Owners' meeting convened under this Deed is obtained prior to the exercise of such rights and that such installation shall not unreasonably affect the enjoyment of the Development by the Owners and the Occupiers and that any consideration received for granting such rights shall be credited to the Capital Fund for the benefit of all Owners.

(f) The rights for the Registered Owner and/or the Manager to construct or install or maintain or repair pipes, ducts, wires, sewers, gutters, drains and cables serving any Unit or Units or the Development as a whole in, on, under or passing through the Flat Roofs, the Roof or any part or parts thereof.

## THE THIRD SCHEDULE

### RESTRICTIONS AND PROHIBITIONS

Not to make  
external alterations  
or additions

1. NOT to:-

(a) make or permit or suffer to be made any external or structural alteration or addition whatsoever which will affect the structural integrity of the Development or which may exceed the loading constraints of the structures in the Development or which will interfere with or affect the rights of other Owners to any building, or other structure erected on or in the Development;

(b) make or permit or suffer to be made any alterations to the existing design or external appearance of the facade (including but not limited to finishes and colour of the external wall, curtain wall, window and glazing, position of flue aperture, material of balcony railings, etc) or elevations of any building or other structure erected on or in the Development;

(c) erect or build or permit or suffer to be erected or built on the Flat Roof or any part thereof of any building or other structure erected on or in the Development, any structure whatsoever whether of a temporary or permanent nature;

(d) install or erect or permit or suffer to be installed or erected any air-conditioning unit or ventilation unit or plant or any radio or television aerial or satellite dish or any sunshade or awning or cloths drying rack or religious icon or any other fixture whatsoever on or over the Flat Roof or any part thereof or through or over any window or through or on any external wall of the Development (except in the case of air-conditioning units in the apertures provided for them in the Units in the Residential Accommodation);

(e) make or permit or suffer to be made any alterations to any installation or fixture so as to affect or be likely to affect the supply of water, electricity or other utility or service to the Land and the Development;

(f) install or repair electrical wiring from the switch rooms to any part or parts of the Development and such works shall be carried out by the Manager or any contractor appointed by the Manager at the expense of the Owner or Owners and in such manner as the Manager shall in its absolute discretion think fit;

(g) erect, affix or place or cause or permit or suffer to be erected, affixed or placed any sign or other structure whatsoever whether of a permanent or temporary nature on the Flat Roof or any part thereof without the prior written consent of the Manager and the Manager shall have the right to enter to remove anything erected or affixed or placed thereon in contravention of this provision at the cost and expenses of the Owner who erected or affixed or placed the same or permitted or suffered the erection or affixing or placing of the same;

(h) do any works or any changes to the Residential Unit which includes the Balcony and/or Utility Platform and/or so as to enclose the Balcony or Utility Platform or the covered areas underneath them and/or of such Residential Unit as approved and built under the Approved Plans;

(i) cause, permit, suffer or allow any Balcony or Utility Platform and the covered areas beneath them forming part of a Unit to be enclosed above safe parapet height by any material of whatsoever kind or nature other than as under the Approved Plans and in particular no fences, awnings, grilles or any structures or things shall be installed, exhibited, affixed, erected or attached on or to any of the Balcony or Utility Platform and to keep and maintain any Balcony or Utility Platform forming part of a Unit in the design and layout as approved under the Approved Plans and in good and substantial repair and condition at the expenses of the Owner of the Unit;

(j) alter the design and location of the Balcony or Utility Platform as approved and built under the Approved Plans in any way;

(k) use the Balcony and/or the Utility Platform in contravention of the Occupation Permit and such other Ordinances bye-laws and Government regulations of the HKSAR;

(l) erect or permit or suffer to be erected any radio, television or telecommunications aerial or advertising sign or store or permit or suffer to be stored any utensils or other articles upon the Balcony and/or the Utility Platform; and

(m) keep hang or exhibit or permit or suffer to be kept hung or exhibited any washing cloth, clothing or any unsightly objects in the Balcony and/or the Utility Platform.

Not to make  
internal alterations  
or additions

2. (a) Not to make any unauthorized or alleged unauthorized alteration to a Unit.

(b) Where any fitting-out works or alterations to a Unit require any alteration to Common Facilities, including, but not limited to, the sprinkler system, heat ventilation and air-conditioning system and plumbing and drainage, then the Owner shall employ at its cost only the contractor nominated by the Manager for the purpose of carrying out those works.

(c) Not to sub-divide or partition any Residential Unit or other part of the Development (except the Commercial Unit) of which he is entitled to the sole and exclusive use, occupation and enjoyment into separate units.

(d) Not to convert any of the Common Areas to his/its own use or for his/its benefit unless the approval of the Owners' Committee has been obtained.

(e) No Owner (including the Registered Owner) will have the right to convert or designate any of his own areas (that is areas to which he is entitled to exclusive use occupation and enjoyment) as Common Areas unless approval by a resolution of Owners at an Owners' meeting convened under this Deed has been obtained. No Owner (including the Registered Owner) and no Manager will have the right to re-convert or re-designate the Common Areas to his or its own use or benefit.

Not to damage  
Common Areas  
and Common  
Facilities

3. (a) Not to damage, injure, deface or alter, or permit or suffer to be damaged, injured, defaced or altered any part of the structure, fabric, fittings, mail boxes or decorative features of the Common Areas or the Common Facilities including any trees, plants or shrubs in or about the Land and the Development.

(b) Not to damage or interfere with or permit or suffer to be damaged or interfered with the Common Facilities.

(c) Not to erect religious icons in the Common Areas.

(d) Not to conduct religious activities, bonfires, burning of incense or religious offerings in the Common Areas.

Not to vitiate insurance

4. Not to do or permit or suffer to be done anything whereby any insurance of the Land and the Development or any part thereof may be rendered void or voidable or whereby the premium for any such insurance may be liable to be increased and each Owner shall indemnify the other Owners against any increased or additional premium which by reason of his act or default may be required for effecting or keeping up such insurance and in the event of the Development or any part or parts thereof being damaged or destroyed by any of the Insured Risks at any time and the insurance money under any insurance against such Insured Risks effected thereon being wholly or partially irrecoverable by reason solely or in part of his act or default then and in every such case such Owner shall forthwith pay to the other Owners the whole or (as the case may require) a fair proportion of the cost of completely rebuilding or reinstating the same.

Not to breach Government Grant

5. Not to do or permit or suffer to be done any act, deed, matter or thing whatsoever which amounts to a breach of any of the terms and conditions of the Government Grant and each Owner shall keep the other Owners indemnified against any such breach.

Not to breach Ordinance etc.

6. Not to do or cause or permit or suffer to be done any act or thing which may be contrary to any relevant Ordinance, Regulation or bye-law.

User

7. (a) Not to use or permit or suffer to be used any Commercial Unit other than for commercial purposes.

(b) Not to use or permit or suffer to be used any Residential Unit other than for residential purposes.

(c) Not to use or permit or suffer to be used any Unit for the purpose of mahjong school, funeral parlour, coffin shop or as a boarding house, dance hall, music hall or for any other noisome and noxious trade or business

(d) Not to use any Unit for any offensive trade as prescribed from time to time by Section 48 of the Public Health and Municipal Services Ordinance (Cap.132) nor permit the storage of any hazardous, combustible, unlawful or explosive goods or substance or any "dangerous" or "prohibited" goods within the meaning of the Dangerous Goods Ordinance (Cap. 295).

User of the Roof and Upper Roof

8. No Owner shall use such parts of the Roof (unless otherwise specifically included in an assignment of a Residential Unit) or the Upper Roof forming part of the Common Areas except for the purposes of escape only in the event of fire or emergency. No Owner shall obstruct the access to the Roof (except such parts specifically included in an assignment of a Residential Unit) or the Upper Roof which shall at all times remain unobstructed. In case the access is being obstructed the Manager shall have the power to restore the access to such condition so as to comply with the Fire Service Regulations or other relevant Government regulations at the expenses of the Owner in default.

Not to use for illegal or immoral purposes	9. Not to use or permit or suffer to be used any Unit for gambling or for any illegal or immoral purpose.
Not to cause nuisance	10. (a) Not to do or cause or permit or suffer to be done any act or thing which may be or become a nuisance or annoyance to or cause damage to the other Owners and Occupiers of the Land and the Development.  (b) Not to conduct activities which affect the general security of the Development.
Not to exhibit signs	11. Subject to the rights of the Registered Owner, the Owner of the Advertising Signage Area under this Deed, not to exhibit any advertising signage in or upon any Unit or other part of the Development, except for Owners of the Commercial Units who may exhibit advertising sign(s) in or upon their Unit(s) with the prior written consent of the Manager and in accordance with the provisions of this Deed.
Not to misuse lavatories	12. Not to use or permit or suffer to be used any water closet or other water apparatus on or in the Land and the Development (including those within an Unit) for any purpose other than that for which they are intended and not to throw or permit or suffer to be thrown into any water closet pan, urinal, basin, sink or other lavatory fitting any foreign or deleterious substance of any kind and to pay the Manager on demand the cost of any breakage, blockage or damage resulting from a breach of this provision.
Not to interfere with fire protection or security systems	13. Not to do or permit or suffer to be done any act or thing which will damage or interfere with or affect the operating of any fire protection or fire fighting system, equipment or apparatus or any security system, equipment or apparatus or any part or parts thereof and each Owner shall keep the other Owners indemnified against all loss, damages, claims and demands sustained by them as a result of any act or thing done or permitted or suffered to be done by the Owner as aforesaid.
Not to contravene fire regulations	14. Not to erect, affix, install or attach or permit or suffer to be erected, affixed, installed or attached in or on or at the door or doors or entrance or entrances or any staircase or floor of the Units or in or on or at any of the exits therefrom any metal grille or shutter or gate that might in any way contravene the regulations from time to time in force of the Fire Services Department or other competent authority concerned, nor in any other respect to contravene the said regulations.
Not to obstruct Common Areas	15. (a) Not to use or cause or permit or suffer the use of any of the Common Areas for the purpose of hanging or placing or storing any article or thing thereon or therein and not to permit any Person to use the same for loitering or eating.  (b) Not to encumber or obstruct or permit or suffer to be encumbered or obstructed with any boxes, dustbins, packaging goods, rubbish, chattels or other obstruction of any kind or nature any of the Common Areas and the Manager shall be entitled without notice and at the Owner's expense to remove and dispose of as he sees fit any such material aforesaid and the Manager shall not thereby incur any liability to the Owner or any other Person whomsoever and each and every Owner hereby agrees to keep the Manager indemnified against all losses, claims, damages or expenses of and against the Manager in respect thereof.
Floor Loading	16. Not to place on any part of the floors of any Unit any machinery goods or



merchandise which may cause the maximum floor loading-bearing capacity thereof to be exceeded and in the event of breach of this covenant, the Owner shall make good any damage caused thereby to that part of the Development or any fixtures and fittings therein Provided That the making good of such damage as aforesaid shall be without prejudice to any further right which may be exercised by the Manager by virtue of such breach.

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| Offensive Odours                                                | 17. Not to cause or permit any offensive or unusual odours to be produced upon, permeate through or emanate from the part of the Land and the Development owned by him and not to allow any garbage or waste food to accumulate on such part or other part of the Land and the Development Provided That the Manager's opinion on whether any odour is offensive or unusual is conclusive and binding on the Owner.                                                                           |
| Excessive Noise                                                 | 18. Not to produce or permit or suffer to be produced any music or noise (including sound produced by broadcasting or any apparatus or equipment capable of producing, reproducing, receiving or recording sound) or vibration or other acts or things in or on the part of the Land and the Development owned by the Owner so as to cause a nuisance to other users of the Land and the Development.                                                                                         |
| Not to misuse lifts                                             | 19. Not to use the lifts in the Development other than for transportation of Persons and small light goods or articles.                                                                                                                                                                                                                                                                                                                                                                       |
| Not to partition                                                | 20. Not at any time to exercise or attempt to exercise any statutory or common law right to partition the Land and the Development save as otherwise provided in this Deed.                                                                                                                                                                                                                                                                                                                   |
| Keeping of pets                                                 | 21. Except with the Manager's consent, no bird or animal, other than a reasonable and usual number of normal household pets, shall be kept or harboured in any part of the Development PROVIDED THAT this Clause shall not apply to trained guide dogs on leash for the visually impaired persons and livestock, fish, poultry or other animal for business being carried on in the Commercial Units. In any event no dogs shall be permitted in the Common Areas unless carried or on leash. |
| No clothing to be hung outside                                  | 22. No clothing or laundry shall be hung outside any part of the Development or within any Unit or Units or exits or door or window or bay window or balcony (if any) which may be visible from the exterior of the Development.                                                                                                                                                                                                                                                              |
| Not to throw out any refuse                                     | 23. Not to throw out or discard or permit or suffer to be thrown out or discarded from the Residential Unit any refuse, rubbish, litter or other article or thing whatsoever except using the services or facilities provided for the disposal thereof.                                                                                                                                                                                                                                       |
| Not to interfere the operation of the Building Maintenance Unit | 24. No Owner shall do or permit or suffer to be done by his agents, tenants or Occupiers any act, deed, matter or thing or place any items in the Flat Roof or the Roof or the parapet walls or balustrades of the Flat Roof or the Roof which in any way interferes with or affects or which is likely to interfere with or affect the operation of the Building Maintenance Unit by the Manager at any time in the course of the management and/or the maintenance of the Development.      |
| Notice to the Manager                                           | 25. All complaints touching or concerning any part of the Land or the Development shall be made in writing to the Manager.                                                                                                                                                                                                                                                                                                                                                                    |

THE FOURTH SCHEDULE

GOVERNMENT GRANT

- (A) A new Government Lease was deemed to have been granted under and by virtue of the provisions of the Government Leases Ordinance (Cap.40) for a further term of 75 years commencing from the 20th day of July 2006 immediately upon the expiration of the original term of 75 years created by the old Government Lease, particulars of which are as follows :-
- (a) Date : the 27th day of October 1937
  - (b) Parties : King George VI of the one part and Wong King Kwan of the other part
  - (c) Term : 75 years commencing from the 20th day of July 1931 with a right of renewal for one further term of 75 years
  - (d) Lot Number : Kowloon Inland Lot No.3372
- (B) A new Government Lease was deemed to have been granted under and by virtue of the provisions of the Government Leases Ordinance (Cap.40) for the further term of 75 years commencing from the 20th day of July 2006 immediately upon the expiration of the original term of 75 years created by the old Government Lease, particulars of which are as follows :-
- (a) Date : the 27th day of October 1937
  - (b) Parties : King George VI of the one part and Wong King Kwan of the other part
  - (c) Term : 75 years commencing from the 20th day of July 1931 with a right of renewal for one further term of 75 years
  - (d) Lot Number : Kowloon Inland Lot No.2547
- (C) A new Government Lease was deemed to have been granted under and by virtue of the provisions of the Government Leases Ordinance (Cap.40) for a further term of 75 years commencing from the 21st day of March 2006 immediately upon the expiration of the original term of 75 years created by the old Government Lease, particulars of which are as follows :-
- (a) Date : the 22nd day of March 1934
  - (b) Parties : King George V of the one part and Fung Hon of the other part
  - (c) Term : 75 years commencing from the 21st day of March 1931 with a right of renewal for one further term of 75 years
  - (d) Lot Number : Kowloon Inland Lot No.2455
- (D) A new Government Lease was deemed to have been granted under and by virtue of the provisions of the Government Leases Ordinance (Cap.40) for a further term of 75 years commencing from the 21st day of March 2006 immediately upon the expiration of the original term of 75 years created by the old Government Lease, particulars of which are as follows :-

- (a) Date : the 22nd day of March 1934
- (b) Parties : King George V of the one part and Fung Hon of the other part
- (c) Term : 75 years commencing from the 21st day of March 1931 with a right of renewal for one further term of 75 years
- (d) Lot Number : Kowloon Inland Lot No.2456

(E) A new Government Lease was deemed to have been granted under and by virtue of the provisions of the Government Leases Ordinance (Cap.40) for a further term of 75 years commencing from the 21st day of March 2006 immediately upon the expiration of the original term of 75 years created by the old Government Lease, particulars of which are as follows :-

- (a) Date : the 22nd day of March 1934
- (b) Parties : King George V of the one part and Fung Hon of the other part
- (c) Term : 75 years commencing from the 21st day of March 1931 with a right of renewal for one further term of 75 years.
- (d) Lot Number : Kowloon Inland Lot No.3070

## THE FIFTH SCHEDULE

### SCHEDULE OF WORKS AND INSTALLATIONS

- (i) structural elements;
- (ii) external wall finishes and roofing materials;
- (iii) fire safety elements;
- (iv) the slope structures (if applicable);
- (v) plumbing system;
- (vi) drainage system;
- (vii) fire services installations and equipment;
- (viii) electrical wiring system;
- (ix) lift installations;
- (x) gas supply system;
- (xi) curtain wall and window installations;
- (xii) central air-conditioning (if any);
- (xiii) ventilation system; and
- (xiv) Other major items as from time to time be added or revised

THE SIXTH SCHEDULE

FIRE SAFETY MANAGEMENT PLAN

(As per copy Fire Safety Management Plan attached hereto)

IN WITNESS whereof the parties hereto have duly executed this Deed the day and year first above written.

SEALED with the Common Seal of the )  
Registered Owner and SIGNED by )  
)  
)  
whose signature(s) is/are verified by: )

SIGNED SEALED AND DELIVERED by )  
the First Purchaser (Holder of [Hong Kong )  
Identity Card No. ]/[ ] )  
in the presence of : )

SEALED with the Common Seal of the )  
DMC Manager and SIGNED by )  
)  
duly authorized by its Board of Directors )  
whose signature(s) is/are verified by: )