

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

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**RICH UNITED LIMITED**  
榮特有限公司

and

[•]

and

[•]

and

**THE HONGKONG AND SHANGHAI BANKING  
CORPORATION LIMITED**

---

**DEED OF MUTUAL COVENANT AND  
MANAGEMENT AGREEMENT**

of

**INLAND LOT NO. 8755**

---

**MAYER | BROWN**  
好士打

TCTW/WKWC/RYIU/22704852

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## THIS DEED OF MUTUAL COVENANT AND MANAGEMENT AGREEMENT

made the                      day of    20

### BETWEEN:-

- (1) **RICH UNITED LIMITED 榮特有限公司** whose registered office is situate at Suite 3201, 32/F., Skyline Tower, 39 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong (hereinafter called the "**First Owner**" which expression shall where the context so admits include its successors and assigns) of the first part;
- (2) **[●]** (hereinafter called the "**First Assignee**" which expression shall where the context so admits include his executors, administrators and assigns) of the second part;
- (3) **[●]** (hereinafter called the "**DMC Manager**" which expression shall where the context so admits include its successors appointed in accordance with the provisions herein) of the third part; and
- (4) **THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED**, whose registered office is situate at 1 Queen's Road Central, Central, Hong Kong (the "**Lender**" which expression shall where the context so admits include its successors and assigns) of the fourth part.

### WHEREAS:-

- (A) Immediately prior to the Assignment to the First Assignee hereinafter referred to the First Owner is the registered owner and is in possession of the Land (as hereinafter defined) held under the Government Grant (as hereinafter defined).
- (B) The First Owner has developed the Land in accordance with the Government Grant and the Building Plans (as hereinafter defined).
- (C) For the purposes of sale, the Land and the Development (as hereinafter defined) have been notionally divided into 3,216th equal Undivided Shares (as hereinafter defined) which have been allocated as provided in the FIRST SCHEDULE hereto.
- (D) The First Owner has already obtained the Certificate of Compliance and is entitled to assign or otherwise dispose of Undivided Shares together with the right to the exclusive use and occupation of a part or parts of the Development.
- (E) By a [partial release / release] bearing even date but executed immediately prior to the Assignment hereinafter referred to, inter alia, the First Assignee's Unit (as hereinafter defined) was released/reassigned by the Lender to the First Owner freed and absolutely discharged and released from the Mortgage (as hereinafter defined).
- (F) By an Assignment bearing even date herewith and made between the First Owner of the one part and the First Assignee of the other part and for the consideration therein expressed the First Owner assigned unto the First Assignee All Those **[●]** equal undivided 3,216th parts or shares of and in the Land and the Development Together

with the sole and exclusive right to hold use occupy and enjoy [●] of the Development (the "**First Assignee's Unit**") Subject to and with the benefit of the Government Grant.

- (G) The parties hereto have agreed to enter into these presents for the purpose of making provisions for the management, maintenance, repair, renovation, insurance and service of the Land and the Development and the Common Areas and Facilities (as hereinafter defined) therein and for the purpose of defining and regulating the rights, interests and obligations of the Owners (as hereinafter defined) in respect thereof and to provide for apportionment of the expenses of such management, maintenance, repair, renovation, insurance and service to be borne by the Owners.
- (H) The Director of Lands has given his approval to this Deed in accordance with Condition No.(7)(a) of the Schedule to the Government Grant.

**NOW THIS DEED WITNESSETH** as follows:-

## **SECTION I**

### **1. Definitions and Interpretation**

- 1.1 In this Deed the following expressions shall have the following meanings except where the context otherwise permits or requires:-

**"Accessible Parking Space"**

means the parking space provided under Condition No. (15)(b)(i) of the Schedule to the Government Grant and intended for the parking of motor vehicles by disabled persons as defined in the Road Traffic Ordinance, any regulations made thereunder and any amending legislation, which for the purposes of identification only is shown and coloured **Orange** and marked "V1" on the DMC Plans;

**"accountant"**

means a certified public accountant (practising) within the meaning of the Professional Accountants Ordinance (Cap. 50, Laws of Hong Kong);

**"Authority"**

means the Secretary for Home and Youth Affairs;

**"Authorized Person"**

means Mr. Ng Kwok Fai of LWK & Partners (HK) Limited, and any other replacement authorized person for the time being appointed by the First Owner under Section 4(1)(a) or (2) of the Buildings Ordinance (Cap. 123 of the laws of Hong Kong) as a co-ordinator of building works for the Development;

**"Brown Area"**

means "the Brown Area" as defined in Clause 2 and referred to in Clause 4(25) of the Government Grant and shown coloured brown on the plan annexed thereto;

**"Building Management Ordinance"**

means the Building Management Ordinance (Cap. 344, Laws of Hong Kong);

**"Building Plans"**

means the general building plans and specifications in respect of the Development or in respect of any part or parts of the Development prepared by the Authorized Person and approved by the Building Authority under reference no. BD 2/2008/18 and includes any amendments thereto as approved by the Building Authority;

**"Capital Expenditure"**

means expenditure of a capital nature or of a kind not expected to be incurred annually;

**"Certificate of Compliance"**

means the certificate or letter from the Director of Lands certifying that the terms and conditions of the Government Grant have been complied with to his satisfaction in relation to the whole of the Land;

**"Common Areas and Facilities"**

means and includes:-

- (a) (i) the Accessible Parking Space, architectural fins, automatic meter reading room, check water meter cabinet, driveways, electrical room, electric vehicle charger meter room, fence wall and retaining wall (excluding such part of the fence wall and retaining wall forming part of a House), flushing water pump room, fire hydrant, fire services control centre, fire services water pump room, fire services water tank, planters, hose reel, telecommunication duct, pipe duct, towngas duct, fire services and sprinkler inlet cabinet, hose reel water pump rooms, lift lobby, lift (L9), low voltage switch room, potable water pump room, maintenance space for drainage manholes, maintenance space for motorized gate, maintenance room for slope drain, master water meter room, open corridor, open staircases, reinforced concrete parapet, refuse storage and material recovery chamber, sprinkler and street fire hydrant water pump room, sprinkler water tank, street fire hydrant water tank, street fire hydrant water tank room, telecommunications and broadcasting equipment room, vertical greenery, the Visitor Parking Space, those parts of the Slopes and Retaining Walls within the Land and the Development; and

- (ii) any other systems, devices or facilities which are at or provided or installed in the Development intended for the common use and benefit of the Owners and their bona fide guests, visitors or invitees in accordance with this Deed,

which are (insofar as they are capable of being shown on DMC Plans) for the purposes of identification only shown coloured **Orange** on the DMC Plans;

- (b) such other areas, apparatus, devices, systems and facilities of and in the Land and the Development as may at any time be designated as Common Areas and Facilities in accordance with this Deed or any Sub-Deed(s); and
- (c) to the extent not specifically provided in paragraphs (a) and (b) above:-
  - (i) any parts of the Development covered by paragraph (a) of the definition of "common parts" set out in section 2 of the Building Management Ordinance; and
  - (ii) any parts specified in Schedule 1 to the Building Management Ordinance and included under paragraph (b) of the definition of "common parts" set out in section 2 of the Building Management Ordinance,

but EXCLUDING such areas within the Development the exclusive right and privilege to hold, use, occupy and enjoy which belongs to any particular Owner and such facilities within the Development serving only any particular Owner;

**"Deed"**

means this Deed of Mutual Covenant and Management Agreement as amended or varied from time to time;

**"Development"**

means the whole of the development constructed or in the course of construction on the Land in accordance with the Government Grant and the Building Plans and known as "MOUNT POKFULAM";

**"Development Rules"**

means the rules supplemental to this Deed governing the Development or any part or parts thereof from time to time in force made pursuant to this Deed and including without limitation the Fit-out Rules;

**"DMC Plans"**

means the plans annexed to this Deed for identifying various parts of the Development and certified by the Authorized Person as to their accuracy;

**"Edged Green Area"**

means "the Edged Green Area" as defined in Condition No. (13) of the Schedule to the Government Grant and shown edged green on the PLAN A annexed to the Government Grant;

**"Fit-out Rules"**

means the fit-out rules, regulations and procedures as the Manager may from time to time make or implement (with the approval of the Owners' Committee, if and when it is formed) for the fit-out of any part or parts of the Development;

**"Government"**

means the Government of Hong Kong;

**"Government Grant"**

means the Lease of the Land dated 25 November 1991 made between the Government of the one part and The Financial Secretary Incorporated of the other part, as varied or modified by a Modification Letter dated 24 May 2022 and registered in the Land Registry by Memorial No. 22060701760019 and as the same may be modified, amended, varied or supplemented from time to time;

**"Hong Kong"**

means the Hong Kong Special Administrative Region of the People's Republic of China;

**"House"**

means each of the seven (7) individual units constructed on the Land and the Development for residential purposes in accordance with the Building Plans and the Government Grant as set out in the FIRST SCHEDULE hereto and in respect of each unit shall include, without limitation:-

- (a) a Residential Carport,
- (b) garden(s), swimming pool, flat roof(s), roof(s), top roof(s) and stairhood,
- (c) all walls (other than Party Fence Wall) and partitions (whether the walls and partitions are load bearing or structural or not) of or within the unit,
- (d) up to the centre line of any Party Fence Wall of the unit facing the unit,
- (e) where any fence wall and retaining wall abut onto any part of the unit that separate the unit from the Common Areas and Facilities, up to the centre line of such fence wall and retaining wall facing the unit,
- (f) the columns, beams, floor slabs and other structural supports of or within the unit,
- (g) all windows, doors, glass canopy (if any), balustrades, railing (including for the avoidance of doubt, any lighting fittings installed within or on such railing (if any)) forming part of the unit,

- (h) staircase, planter forming part of the unit, cat ladder forming part of the unit (if any),
- (i) pipe ducts (if any) and electrical ducts (if any) of the unit,
- (j) hose reel, water meter cabinet, electric meter cabinet and gas meter cabinet within the unit,
- (k) lift, lift lobby and lift shaft serving exclusively the unit,

and shall in the case of each unit also include all the structure which serve to support exclusively the unit and no other part of the Development, and "**Houses**" shall be interpreted accordingly;

**"Land"**

means all that piece or parcel of land registered in the Land Registry as Inland Lot No. 8755;

**"maintain"**

means and includes but is not limited to inspecting, testing, repairing, upholding, supporting, rebuilding, overhauling, paving, purging, scouring, cleansing, emptying, amending, keeping, replacing, redesigning, refurbishing, renovating, improving, decorating and painting or such of the foregoing as may be applicable in the circumstances and in the interest of good development management and "**maintenance**" shall be construed accordingly;

**"management"**

means all duties and obligations to be performed and observed by the Manager pursuant to this Deed and "**manage**" shall be construed accordingly;

**"Management Expenses"**

means expenses, costs and charges necessarily and reasonably incurred in the management of the Development provided in this Deed which, except for the purpose of Clause 4.3 of Section IV of this Deed, shall include the Manager's Remuneration;

**"Management Shares"**

means the shares allocated or to be allocated to the Units as set out in the FIRST SCHEDULE hereto for the purpose of determining the due proportion of the Management Expenses payable by each Owner;

**"Manager"**

means the DMC Manager or any other person who for the time being is, for the purpose of this Deed, managing the Development;

**"Manager's Remuneration"**

means the remuneration of the Manager as provided herein;



**"Mortgage"**

means the Legal Charge dated 17 July 2018 and registered in the Land Registry by Memorial No. 18072302230037 made by the First Owner as the mortgagor and the Lender as lender and as the same may from time to time be modified, varied or supplemented;

**"Occupation Permit"**

means a temporary or permanent occupation permit issued by the Building Authority in relation to the Development or any part thereof;

**"Owner"**

means each person in whom for the time being any Undivided Share is vested and appears from the records at the Land Registry to be the owner of such Undivided Share and every joint tenant or tenant in common of any Undivided Share, and (where any Undivided Share has been assigned or charged by way of mortgage or charge) includes both the mortgagor or chargor, and the mortgagee or chargee in possession of or having foreclosed such Undivided Share Provided that (subject to the provisions of the mortgage or charge) the voting rights attached to such Undivided Share by the provisions of this Deed is exercisable only by the mortgagor or chargor unless the mortgagee or chargee is in possession of or has foreclosed or has appointed a receiver to manage such Undivided Share;

**"Owners' Committee"**

means a committee of the Owners of the Development established under the provisions of this Deed;

**"Owners' Corporation"**

means the corporation of Owners incorporated under section 8 of the Building Management Ordinance;

**"Party Fence Wall"**

means a common fence wall which adjoins and divides two Houses, including the lower portion (up to fence wall level) of the structural wall of a House that serves as part of the common fence wall;

**"Residential Carport"**

means the carport of the House, each with two (2) residential car parking spaces provided in accordance with Condition No. (15)(a)(i) of the Schedule to the Government Grant for the parking of motor vehicles belonging to the residents of the House and their bona fide guests visitors or invitees, and "**Residential Carports**" shall be construed accordingly;

**"Slope Maintenance Manual"**

means the maintenance manual for the Slopes and Retaining Walls prepared in accordance with "Geoguide 5 – Guide to Slope Maintenance" issued by the Geotechnical Engineering Office (as amended or substituted from time to time);

**"Slopes and Retaining Walls"**

means the Edged Green Area and all slopes, slope treatment works, retaining walls and other structures within or outside the Land as required by the Government Grant to be maintained by the Owners and for the purpose of identification are shown and coloured **Brown** and **Brown Hatched Black** on the Slope Plan of the DMC Plans;

**"Special Fund"**

means a special fund to be set up by the Manager pursuant to the provisions of this Deed for expenditure in relation to the management of the Development of a capital and non-recurring nature for the purpose of paragraph 4 of Schedule 7 to the Building Management Ordinance;

**"Sub-Deed"**

means any sub-deed of mutual covenant to be entered into between the First Owner and other Owner or Owners and/or the Manager in respect of any part of the Land and the Development and "**Sub-Deeds**" shall be construed accordingly;

**"Undivided Share"**

means an equal undivided part or share of and in the Land and of in the Development allocated in accordance with the FIRST SCHEDULE hereto or in accordance with any Sub-Deed (if any) and "**Undivided Shares**" shall be construed accordingly;

**"Unit"**

means a House, or any part of the Development to which Undivided Shares will be allocated under any Sub-Deed(s), save and except the Common Areas and Facilities and shall have the same definition as "flat" under the Building Management Ordinance;

**"Visitor Parking Space"**

means the parking space provided under Condition No. (15)(a)(iii) of the Schedule to the Government Grant and intended for the parking of motor vehicles licensed under the Road Traffic Ordinance, any regulations made thereunder and any amending legislation, which for the purposes of identification only is shown and coloured **Orange** and marked "V2" on the DMC Plans;

**"window"**

in relation to any House, means:-

- (a) any louvres and openable window of a House;
- (b) any non-openable window of a House,

together with all the glass of windows and window frames thereof (if any), "**windows**" shall be construed accordingly;

**"Works and Installations"**

means all major works and installations in the Development which require regular maintenance on a recurrent basis, that is to say the works and installations in the Development listed out in the Fourth Schedule and shall include all revisions thereto from time to time made in accordance with Clauses 10.11(e) and 10.11(f) of Section X;

- 1.2 In this Deed, words importing the singular number shall include the plural number and vice versa, and words importing the masculine, feminine or neuter gender shall include the others of them and words importing persons shall include corporations and vice versa.
- 1.3 Clause headings are inserted for convenience only and for reference, and in no way define, limit, or describe the scope of this Deed or the intent of any provisions thereof.

## **SECTION II**

### **2. Rights and Obligations of Owners**

- 2.1 The First Owner shall at all times hereafter, subject to and with the benefit of the Government Grant, have the sole and exclusive right and privilege to hold, use, occupy and enjoy to the exclusion of the First Assignee the whole of the Land and the Development together with the appurtenances thereto and the entire rents and profits thereof **SAVE AND EXCEPT** the First Assignee's Unit assigned to the First Assignee as aforesaid and the Common Areas and Facilities and **SUBJECT TO** the rights and privileges granted to the First Assignee by the aforesaid Assignment and **SUBJECT TO** the provisions of this Deed.
- 2.2 The First Assignee shall at all times hereafter subject to and with the benefit of the Government Grant and these presents have the full and exclusive right and privilege to hold, use, occupy and enjoy to the exclusion of the First Owner the First Assignee's Unit assigned to the First Assignee by the said Assignment together with the appurtenances thereto and the entire rents and profits thereof.
- 2.3 Each Undivided Share and the sole and exclusive right and privilege to hold, use, occupy and enjoy any part of the Development shall be held by the Owner from time to time of such Undivided Share subject to and with the benefit of the easements, rights and privileges provided in the **SECOND SCHEDULE** hereto.
- 2.4 The Owner or Owners for the time being of each Undivided Share shall at all times hereafter be bound by and shall observe and perform the covenants, provisions and restrictions contained herein and in the **THIRD SCHEDULE** hereto and such Owner shall comply with the Development Rules from time to time in force so far as the same are binding on such Owner.
- 2.5 Every Owner shall have the full right and liberty without reference to any other Owner or any person who may be interested in any other Undivided Share in any way whatsoever and without the necessity of making such other Owner or such person a party to the transaction to sell, assign, mortgage, charge, lease, license or otherwise dispose of or deal with his Undivided Share or interest of and in the Land and the Development together with the sole and exclusive right and privilege to hold, use, occupy and enjoy such part(s) of the Development which may be held therewith **PROVIDED THAT** any such transaction shall be expressly subject to and with the benefit of this Deed.
- 2.6 (a) The sole and exclusive right and privilege to hold, use, occupy and enjoy any part of the Development shall not be sold, assigned, mortgaged, charged, leased or otherwise dealt with separately from the Undivided Share with which the same is held **PROVIDED THAT** the provisions of this Clause 2.6 of Section II, subject to the Government Grant, do not extend to any lease, tenancy or licence with a term not exceeding ten (10) years.
- (b) The right to the exclusive use, occupation and enjoyment of the Residential Carport, staircase, garden, swimming pool, flat roof, roof, top roof, stairhood or

external walls appertaining to a House shall not be sold, assigned, mortgaged, charged, leased or otherwise dealt with separately from a House with which the Residential Carport, such staircase, garden, swimming pool, flat roof, roof, top roof, stairhood or external walls is held.

- 2.7 (a) Every Owner, his tenants, servants, agents, invitees and licensees shall have the full right and liberty (in common with the Manager and others having like rights) to go pass and repass over and along and to use the Common Areas and Facilities for all purposes connected with the proper use and enjoyment of his Unit, the Visitor Parking Space and the Accessible Parking Space.
- (b) The right and liberty mentioned in Clause 2.7(a) of Section II shall be subject to the provisions of this Deed, the rights of the Manager and the Development Rules.
- 2.8 Upon execution of this Deed, the First Owner shall assign to the Manager as trustee for all Owners free of costs or consideration the Undivided Shares allocated to the Common Areas and Facilities together with the Common Areas and Facilities subject to and with the benefit of the Government Grant and this Deed. In the event the Manager shall resign or be dismissed or wound up or a receiving order made against it and another manager appointed in its stead in accordance with these presents, then the Manager or the liquidator or the receiver (as the case may be) shall assign free of costs or consideration such Undivided Shares to the new manager upon the same trust PROVIDED THAT if an Owners' Corporation is formed it may require the Manager for the time being or its liquidator or receiver (as the case may be) to assign such Undivided Shares and transfer the management responsibility to it free of costs or consideration and in which event the Manager shall assign free of costs the Undivided Shares allocated to the Common Areas and Facilities and transfer free of costs the management responsibility to the Owners' Corporation which shall hold such Undivided Shares on trust for the benefit of all the Owners.

### **SECTION III**

#### **3. Additional Rights of the First Owner**

- 3.1 The First Owner shall for as long as it remains the Owner of any Undivided 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 following acts or deeds and to exercise all or any of the following rights:-
- (a) To amend Building Plans, etc.

The right to change, amend, vary, add to or alter the Building Plans existing at the date hereof in respect of the parts of the Land and the Development which have not been sold or assigned by the First Owner without the concurrence or approval of any Owner or any of the parties hereto but nothing herein shall absolve the First Owner from the requirements of obtaining the prior written consent of the Director of Lands or other Government authorities pursuant to the Government Grant PROVIDED THAT any such change, amendment,

variation, addition or alteration shall not interfere with an Owner's right to hold, use, occupy and enjoy any part of the Development which he owns nor impede or restrict the access to and from any such part of the Development.

(b) Right of access for constructing or completing the Development, etc.

The right to enter into and upon all parts 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 by the First Owner) with all necessary equipment, plant and materials for the purposes of completing the construction of the Development and may, for such purpose, carry out all such works in, under, on or over the Land and the Development as it may from time to time see fit. The right of the First Owner to enter 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 by the First Owner) to carry out such works shall extend equally to all necessary contractors, agents, workers and other persons authorised by the First Owner. The First Owner in pursuance of such works may from time to time issue in writing to the Owners instructions as to the areas or parts 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 by the First Owner) that the Owners, their servants, agents or licensees may or may not use while such works are being carried out. In exercising his right under this sub-clause (b) of Clause 3.1 of Section III, the First Owner:-

- (i) shall cause as little disturbance as possible to the Owners;
- (ii) shall not affect the use occupation and enjoyment by other Owners and occupiers of the Units owned or occupied by them or impede or restrict the access to or egress from the Units by them; and
- (iii) shall make good any damage or loss that may be caused by or arise from the exercise of such right.

(c) To change user

Subject to approval of the relevant Government authorities (if required), at any time hereafter and from time to time to change the user in respect of the parts of the Land and the Development which have not been sold or assigned by the First Owner PROVIDED THAT the rights and interest of other Owners shall not be adversely affected and the right of an Owner to hold, use, occupy and enjoy the part of the Land and Development which he owns shall not be interfered with and the right of an Owner to access his Unit shall not be impeded upon PROVIDED FURTHER THAT the Government Grant is not contravened and subject to the provisions of this Deed.

(d) To affix fixtures, etc.

The right to affix, install, maintain, alter, renew and remove any one or more masts, aerials, antennae, satellite dish, cables, telecommunication system, lightning conductors, lighting, chimneys, flues, pipes or any other structures, facilities and other fixtures of whatsoever kind on or within those parts of the Common Areas and Facilities of the Development PROVIDED ALWAYS THAT:-

- (i) they shall be for the purpose of supplying utility services to the Land and the Development;
- (ii) they shall not adversely interfere with the use and enjoyment by other Owners and occupiers of the Units owned or occupied by them nor impede or restrict any Owner's access to and from their Units; and
- (iii) any exercise of this right shall be subject to the written approval by a resolution of Owners at an Owner's meeting convened under this Deed and any payment received for the approval shall be credited to the Special Fund.

- (e) To change the name of the Development

The right to change the name of the Development at any time as the First Owner shall deem fit and to execute any documents in the name of the First Owner in connection therewith without the necessity of joining in any other Owner upon giving six (6) months' prior written notice to the Owners.

- (f) To dedicate to the public part(s) of the Development

The right to dedicate to the public any part or parts of the Land and the Development which have not been sold or assigned by the First Owner for the purposes of passage with or without vehicles or in such manner as the First Owner shall in its absolute discretion deem fit PROVIDED THAT in making such dedication, the First Owner shall not interfere with an Owner's right to hold, use, occupy and enjoy the part of the Development which he owns nor impede or restrict an Owner's right of access to and from his part of the Development.

- (g) To enter into Sub-Deed(s)

The right without the necessity of making any Owner entitled to the exclusive use, occupation and enjoyment of any part or parts of the Land or the Development outside the part or parts of the Land or the Development in question a party thereto to enter into Sub-Deed(s) in respect of any part or parts of the Development still owned by the First Owner PROVIDED THAT such Sub-Deed(s) shall not conflict with the provisions of this Deed nor affect the rights, interests or obligations of the other Owners who are not the parties to such Sub-Deed(s) and shall be subject to the approval of the Director of Lands, unless otherwise waived.

- (h) To lay drains etc.

Subject to the prior written approval by a resolution of Owners passed at an Owners' meeting convened under this Deed and for the purpose of supplying utility services to the Land and the Development only, the right to construct, maintain, lay, alter, remove, re-route and renew the drains, pipes, cables, sewers and other installations, fittings, chambers and other structures within the Common Areas and Facilities or partly within the Land and the Development (other than the First Assignee's Unit) and adjoining land to supply utility services to the Land and the Development only PROVIDED THAT the First Owner shall not in its exercise of such right interfere with the other Owners' right to hold, use, occupy and enjoy their part or parts of the Development nor impede access to such part or parts held by the relevant Owner PROVIDED FURTHER THAT the First Owner shall in the exercise of such right cause the least disturbance to the Owners and make good any damage caused thereby and PROVIDED FURTHER THAT the Government Grant is not contravened and any consideration received therefor shall be credited to the Special Fund for the benefit of the Owners.

- (i) To designate additional Common Areas and Facilities

Subject to the prior written approval by a resolution of Owners passed at an Owners' meeting convened under this Deed and the prior approval of the Director of Lands, the right to designate and declare from time to time by deed any part or parts of the Land and the Development the sole and exclusive right to hold, use, occupy and enjoy of which, and to receive the rents and profits in respect of which, is vested in the First Owner to be additional Common Areas and Facilities and to sub-allocate Undivided Shares thereto whereupon with effect from such designation or declaration as aforesaid such additional Common Areas and Facilities shall form part of the Common Areas and Facilities and the Owners shall contribute to the maintenance and upkeep of the same PROVIDED THAT the First Owner shall not have the right to re-convert or re-designate such additional Common Areas and Facilities to its own use or benefit and PROVIDED FURTHER THAT in making such designation the First Owner shall not interfere with or adversely affect the right of any Owner to hold, use, occupy and enjoy his Unit.

- (j) To adjust and/or allocate and/or reallocate and/or sub-allocate the number of Undivided Shares

Subject to the prior approval of the Director of Lands, the right without the concurrence or approval of other Owners to adjust and/or allocate and/or reallocate and/or sub-allocate the number of Undivided Shares in the Land and the Development retained by the First Owner relating thereto and the fraction which each such Undivided Share bears to the whole PROVIDED THAT such adjustment and/or allocation and/or re-allocation and/or sub-allocation shall not affect the other Owners' sole and exclusive right and privilege to hold use and occupy their part or parts of the Development and PROVIDED ALSO THAT



no such adjustment shall affect such other Owners' rights in the Development and no such adjustment shall result in disproportionate management charges being imposed on or voting rights being granted to and PROVIDED ALSO THAT no Undivided Share shall be allocated to the Common Areas and Facilities or any part thereof designated in any Sub-Deed(s) (when executed).

- (k) To adjust boundary of the Land

Subject to the prior written approval by a resolution of Owners passed at an Owners' meeting convened under this Deed, the right to adjust or re-align the boundary of the Land and to negotiate and agree with the Government in connection therewith and for that purpose to execute any documents in the name of the First Owner in connection therewith without the necessity of joining in any other Owner PROVIDED THAT the use and enjoyment of Units by other Owners and the right of access from and to such Units shall not be affected PROVIDED FURTHER THAT any benefit, concession or compensation acquired shall be paid into the Special Fund.

- (l) To surrender or assign to Government

Subject to the prior written approval by a resolution of Owners passed at an Owners' meeting convened under this Deed, the right and privilege without the necessity of joining in any other Owner to surrender or assign or part with possession of any part or parts of the Land and/or the Development (other than a Unit which has been sold or assigned to an Owner by the First Owner) which is required to be surrendered or assigned to the Government PROVIDED THAT the exercise of this right shall not interfere with an Owner's right to hold, use, occupy and enjoy his Unit or impede or restrict the access to or from such Unit and any benefit, concession or compensation acquired shall be paid into the Special Fund.

- (m) To negotiate with the Government

Subject to the prior written approval by a resolution of Owners passed at an Owners' meeting convened under this Deed, the right at its own cost and expense to apply to, negotiate and agree with the Government with a view to amend, vary or modify the Government Grant (including the plan(s) annexed thereto) or any conditions thereof or to procure a licence or easement from the Government for installing on Government land, pipes, sewers, subways or other facilities serving the Land and/or the Development or any part thereof in such manner as the First Owner may deem fit including, and without limiting the generality of the foregoing, any amendment, variation or modification of the Government Grant (including the plan(s) annexed thereto) the effect of which is to:-

- (i) alter or vary the permitted use or density of development of any part or parts of the Development; or

- (ii) confer on or except and reserve unto the Government the right to require any variation or modification to any part of the Land and the Development and/or the right to grant to any owner and his successors and assigns of any adjoining or neighbouring land whether by any private or public roads or passageways or otherwise the right and liberty to pass, repass, on, along, over or through the Land and the Development with or without vehicles for access to or otherwise for the proper use and enjoyment of such land subject to such terms and conditions as the Government may deem appropriate,

without the concurrence or approval of the Owners (except where the proposed amendment, variation or modification relates to Units other than those remaining in the ownership of the First Owner) and to execute any documents in the name of the First Owner in connection therewith without the necessity of joining in the Owners (except where the proposed amendment, variation or modification relates to Units other than those remaining in the ownership of the First Owner) and any such amendment or variation or modification or licence or easement shall be binding on the Owners and no such amendment or variation or modification or licence or easement shall give to any Owner any right of action against the First Owner PROVIDED THAT the exercise of this right shall not interfere with an Owner's right and privilege to hold, use and enjoy his Unit or impede or restrict the access to or from any such part of the Development.

- (n) To obtain rights over adjoining lands

Subject to the prior written approval by a resolution of the Owners passed at an Owners' meeting convened under this Deed, the right and privilege to obtain the grant of any rights, rights of way or easements or quasi-easements (including but not limited to the right to use any roads, passageways, walkways, footpaths, pedestrian bridges, subways, gardens, open spaces, nullahs and culverts, recreational areas and facilities, sewage treatment plants and facilities, refuse collection and disposal areas and facilities, drainage system and gas, water and electricity storage, transformation and supply systems) over any adjoining or neighbouring lands or to obtain any similar rights by modification of the Government Grant or licence for the benefit of the Land and the Development on such terms and conditions and from such persons as the First Owner shall deem fit.

- (o) To grant rights to adjoining lands

Subject to the prior written approval by a resolution of the Owners passed at an Owners' meeting convened under this Deed, the right to grant any rights, rights of way or easements or quasi-easements (including but not limited to the right to use any roads, passageways, walkways, footpaths, open spaces, nullahs and culverts, refuse collection and disposal areas and facilities, drainage system and gas, water and electricity storage, transformation and supply systems) over any part or parts of the Common Areas and Facilities or to grant any similar rights by licence for the benefit of any adjoining or neighbouring lands on such terms and conditions and to such persons as the First Owner shall deem appropriate

PROVIDED THAT:-

- (i) the exercise of this right shall not contravene the provisions of the Government Grant;
  - (ii) the exercise of this right shall not interfere with an Owner's right to hold, use, occupy and enjoy his Unit or impede or restrict the access to or from such Unit; and
  - (iii) any benefit acquired out of the exercise by the First Owner of the rights under this sub-clause (o) of Clause 3.1 of Section III in so far as it affects the Common Areas and Facilities shall be held upon trust for all the Owners and, if such benefit is in monetary terms, shall be paid into the Special Fund.
- (p) To enter into deed(s) of grant of easement

Subject to the prior approval of the Owners by a resolution passed at an Owners' meeting convened under this Deed and without prejudice to the generality of sub-clauses (n) and (o) of Clause 3.1 of Section III, the right, with or without joining any Owner, to enter into any deed or deeds of grant of easement in favour of the owners and/or occupiers of neighbouring premises or to release or extinguish any easement or right of way exercisable by the Owners of the Land over any neighbouring premises at any time or times and on such terms and subject to such conditions and with such party or parties as the First Owner may deem appropriate, and to enter into any deed or deeds, at any time or times, to vary, amend or otherwise alter the terms, conditions or covenants of or contained in such deed or deeds so long as the same does not or do not affect the right of any Owner to the exclusive use and occupation of his Unit and does not impede or restrict the access to and from any part or parts of the Development and the Land and PROVIDED THAT the exercise of this right shall not contravene the provisions of the Government Grant and all monetary consideration (if any) received therefor pursuant to this sub-clause (p) of Clause 3.1 of Section III shall be paid into the Special Fund.

- (q) To make alterations

Subject to the approval of the relevant Government authorities, at any time hereafter and from time to time to change, amend, vary, add to or alter the Building Plans of any Units or any part or parts of the Development owned by the First Owner, to determine or change or alter the number of the Units to be included, constructed or erected in or on the Development, and to change or alter the location and/or the areas and/or users of any Units or part or parts of the Development owned by the First Owner without the concurrence or approval of any other Owner PROVIDED THAT the exercise of this right shall be restricted to the Units which have not been sold or assigned by the First Owner and shall not interfere with an Owner's right to hold, use, occupy and enjoy his Unit or impede or restrict the access to or from such Unit.

- (r) To adjust numbering of Units etc.

Subject to the approval of the relevant Government authorities (if required), the right to adjust the number or numbering of Units and/or the layout of the Units and to re-designate and re-adjust the same and allocate or re-allocate an appropriate number of Undivided Shares to such Units without the concurrence or approval of any Owner PROVIDED THAT the exercise of this right shall be restricted to the Units which have not been sold or assigned by the First Owner and shall not interfere with an Owner's right to hold, use, occupy and enjoy his Unit or impede or restrict the access to or from such Unit and PROVIDED FURTHER THAT the right to re-allocate or sub-allocate Undivided Shares shall be subject to the prior approval of the Director of Lands.

Notwithstanding anything contained in the foregoing provision to the contrary, the exercise of the above rights and privileges under the provisions of this Clause 3.1 of Section III shall not interfere with the other Owners' right to hold, use occupy and enjoy their Units and shall not impede other Owners' access to their Units and any costs involved in exercising the above right(s) shall be borne by the First Owner solely.

- 3.2 The Owners hereby jointly and severally and irrevocably APPOINT the First Owner as their attorney and grant unto the First Owner the full right power and authority to do all acts deeds matters and things and to execute and sign seal and as their act and deed deliver such deed or deeds and to sign such documents or instruments as may be necessary for the exercise of or incidental to the First Owner's rights mentioned in Clause 3.1 of Section III and the Owners hereby further jointly and severally undertake to do all acts deeds matters and things and to execute sign seal and deliver such deeds and to sign such documents or instruments as may be necessary to give effect to the abovementioned appointment and grant and to ratify and confirm all that the First Owner as such attorney shall lawfully do or cause to be done by virtue thereof and that the power of attorney hereby given shall bind the executor(s) and the administrator(s) and the successor(s) and assign(s) of such Owners and shall not be revoked by the death incapacity bankruptcy or winding-up (as the case may be) of any of such Owners.
- 3.3 Every Assignment by an Owner of his Unit shall include covenants in the following terms:-
- (a) "The Purchaser covenants with the Vendor and its successors assigns (other than the Purchaser) and attorneys to the intent that such covenants shall bind the Property and the owner or owners thereof for the time being and other person or persons deriving title under the Purchaser (each and all of whom including the Purchaser is and are hereinafter included in the expression "the Covenanting Purchaser") and shall enure for the benefit of the Development and be enforceable by the Vendor and its successors and assigns that:-
- (i) the Covenanting Purchaser confirms and acknowledges the covenants, rights, entitlements, exceptions and reservations granted and conferred on RICH UNITED LIMITED 榮特有限公司 (the "Company") under

Clause 3.1 of a Deed of Mutual Covenant and Management Agreement dated the [ ] day of [ ] and the Covenantee Purchaser shall not do or permit anything to be done which will in any way affect or hinder the exercise of the said rights by the Company;

- (ii) the Covenantee Purchaser shall, if required by the Company, do everything necessary, including giving express consents in writing to the exercise of the said rights by the Company, to facilitate the exercise of the said rights by the Company;
- (iii) the Covenantee Purchaser hereby expressly and irrevocably appoints the Company to be its attorney and grants unto the Company the full right power and authority to give all consents and to do all acts deeds matters and things and to execute and sign seal and as the acts and deeds of the Covenantee Purchaser deliver such deeds and to sign such documents or instruments as may be necessary for the exercise of or incidental to the exercise of the rights conferred on the Company as aforesaid with the full power of delegation and the Covenantee Purchaser hereby further covenants to do all acts deeds matters and things and to execute sign seal and deliver such deed or deeds and to sign such documents or instruments as may be necessary to give effect to such appointment and grant; and
- (iv) in the event of the Covenantee Purchaser selling or otherwise disposing of the Property, the Covenantee Purchaser shall sell or otherwise dispose of the Property upon the condition that the purchaser or assignee thereof shall enter into the same binding covenants on terms similar in scope and extent as the covenants (i), (ii) and (iii) hereinbefore contained

PROVIDED that upon the Covenantee Purchaser complying with and performing the covenant (iv) hereinbefore contained, the Covenantee Purchaser shall not be liable for any breach of the covenants (i), (ii) and (iii) hereinbefore contained which may happen after the Covenantee Purchaser shall have sold or otherwise disposed of the Property in respect whereof such purchaser or assignee shall have entered into such covenants similar in scope and extent as the covenants (i), (ii) and (iii) hereinbefore contained."

## SECTION IV

### **4. Manager and Management Charges**

- 4.1 (a) Subject to the provisions of the Building Management Ordinance, the Manager shall undertake the management, operation, servicing, maintenance, repair, renovation, improvement, replacement, security and insurance of the Land and the Development and the Common Areas and Facilities therein from the date of appointment under this Deed for an initial term of not exceeding two (2) years and such appointment shall continue until terminated as provided in this Clause 4.1 of Section IV.
- (b) The appointment of the Manager may be terminated as follows:-
- (i) no resignation of the Manager shall take effect unless he has previously given not less than three (3) months' notice in writing of his intention to resign:-
    - (1) by sending such notice to the Owners' Committee; or
    - (2) where there is no Owners' Committee, by giving such a notice to each of the Owners and by displaying such a notice in a prominent place in the Development.
  - (ii) The notice referred to in sub-clause (b)(i)(2) of this Clause 4.1(b) of Section IV may be given:-
    - (1) by delivering it personally to the Owner; or
    - (2) by sending it by post to the Owner at his last known address; or
    - (3) by leaving it at the Owner's Unit or depositing it in the letter box for that Unit; or
  - (iii) prior to the formation of the Owners' Corporation, the appointment of the Manager may at any time be terminated by the Owners' Committee without compensation upon a resolution passed by a majority of votes of the Owners voting either personally or by proxy at an Owners' meeting convened for the purpose of removing the Manager without compensation and supported by Owners of not less than fifty per cent (50%) of the Undivided Shares in aggregate (excluding those Undivided Shares allocated to the Common Areas and Facilities) and by giving to the Manager not less than three (3) months' notice of termination in writing; or
  - (iv) in the event that the Manager is wound up or has a receiving order made against it:-

- (1) if there is an Owners' Committee, by a resolution of the Owners' Committee; or
- (2) where there is no Owners' Committee, by a resolution of the Owners passed at an Owners' meeting convened under this Deed,

appoint a substitute or new Manager and the provisions contained in this Clause 4 of Section IV shall apply (other than the provisions relating to the initial term of 2 years).

- (c) (i) Where an Owners' Corporation has been formed and subject to sub-clause (c)(iv) of this Clause 4.1 of Section IV, at a general meeting convened for the purpose, the Owners' Corporation may, by a resolution:-

- (1) passed by a majority of the votes of the Owners voting either personally or by proxy; and
- (2) supported by the Owners of not less than fifty per cent (50%) of the Undivided Shares in aggregate (excluding the Undivided Shares for the Common Areas and Facilities),

terminate by notice the appointment of the DMC Manager without compensation.

- (ii) The resolution under sub-clause (c)(i) of this Clause 4.1 of Section IV shall have effect only if:-

- (1) the notice of termination of appointment is in writing;
- (2) provision is made in the resolution for a period of not less than three (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 it of a sum equal to the amount of remuneration which would have accrued to it during that period;
- (3) the notice is accompanied by a copy of the resolution terminating the DMC Manager's appointment; and
- (4) the notice and the copy of the resolution is given to the DMC Manager within fourteen (14) days after the date of the meeting.

- (iii) The notice and the copy of the resolution referred to in sub-clause (c)(ii)(4) of this Clause 4.1 of Section IV may be given:-

- (1) by delivering them personally to the DMC Manager; or
- (2) by sending them by post to the DMC Manager at its last known address.

- (iv) For the purposes of sub-clause (c) of this Clause 4.1 of Section IV:-
  - (1) only the Owners of Undivided Shares who pay or who are liable to pay contribution towards the Management Expenses relating to those Undivided Shares shall be entitled to vote;
  - (2) the reference in sub-clause (c)(i)(2) of this Clause 4.1 of Section IV to "the Owners of not less than fifty per cent (50%) of the Undivided Shares in aggregate" shall be construed as a reference to the Owners of not less than fifty per cent (50%) of the Undivided Shares in aggregate who are entitled to vote.
- (v) If a contract for the appointment of a Manager other than the DMC Manager contains no provision for the termination of the Manager's appointment, sub-clauses (c)(i), (ii), (iii) and (iv) of this Clause 4.1 of Section IV apply to the termination of the Manager's appointment as they apply to the termination of the DMC Manager's appointment.
- (vi) Sub-clause (c)(v) of this Clause 4.1 of Section IV operates without prejudice to any other power there may be in a contract for the appointment of the Manager other than the DMC Manager to terminate the appointment of the Manager.
- (vii) If a notice to terminate a Manager's appointment is given under this sub-clause (c) of this Clause 4.1 of Section IV:-
  - (1) no appointment of a new Manager shall take effect unless the appointment is approved by a resolution of the Owners' Committee (if any); and
  - (2) if no such appointment is approved under sub-clause (c)(vii)(1) of this Clause 4.1 of Section IV 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.
- (viii) 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 (c)(vii)(2) of this Clause 4.1 of Section IV, 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 sub-clause (c)(vii)(2) of this Clause 4.1 of Section IV that may otherwise render that person liable for a breach of that undertaking or agreement.



- (ix) Sub-clause (c) of this Clause 4.1 of Section IV is subject to any notice relating to the Development that may be published by the Authority under Section 34E(4) of the Building Management Ordinance but does not apply to any single manager referred to in that section.
  
- (d) (i) Subject to sub-clause (d)(ii) of this Clause 4.1 of Section IV, if the Manager's appointment ends for any reason, it shall, as soon as practicable after its appointment ends, and in any event within fourteen (14) days of the date its appointment ends, deliver to the Owners' Committee (if any) or the Manager appointed in its place any movable property in respect of the control, management and administration of the Land and the Development that is under its control or its custody or possession, and that belongs to the Owners' Corporation (if any) or the Owners.
  
- (ii) If the Manager's appointment ends for any reason, the Manager shall within two (2) months of the date the Manager's appointment ends:-
  - (1) prepare:-
    - (I) an income and expenditure account for the period beginning with the commencement of the financial year in which the Manager's appointment ends and ending on the date the Manager's appointment ended; and
    - (II) a balance sheet as at the date the Manager's 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
  - (2) 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 (d)(ii)(1) of this Clause 4.1 of Section IV and have not been delivered under sub-clause (d)(i) of this Clause 4.1 of Section IV.

4.2 In the event of the Manager giving notice as hereinbefore provided or in the case of the Manager being dismissed the Manager shall convene a meeting of the Owners' Committee to elect a manager to take its place or in the case of the Manager being wound up or having a receiving order made against it or failing to convene a meeting of the Owners' Committee as aforesaid a meeting of the Owners' Committee may be convened to elect a manager to take its place and such meeting shall elect a manager

who shall at the conclusion of the meeting of the Owners' Committee aforesaid thereupon and henceforth become vested with all the powers and duties of the Manager hereunder. Notwithstanding anything hereinbefore contained, it is hereby declared and agreed that subject to the provisions of the Building Management Ordinance, at no time shall the Land and the Development be without a duly appointed manager to manage the Land and the Development or any part or parts thereof after the execution of this Deed.

- 4.3 The annual remuneration of the Manager for the performance of its duties hereunder shall not exceed twenty per cent (20%) of the total annual Management Expenses reasonably and necessarily incurred in the management of the Land and the Development (excluding the Manager's Remuneration, the Government rent, any Capital Expenditure or expenditure drawn out of the Special Fund PROVIDED THAT by a resolution of Owners at an Owners' meeting convened under this Deed, any Capital Expenditure or expenditure drawn out of the Special Fund may be included for calculating the Manager's Remuneration mentioned above, or at such lower rate as the Owners may consider appropriate). The Manager's Remuneration shall be the net remuneration of the Manager for its services as Manager and shall not include the costs, expenses and fees for any staff, facilities, legal, professional, accounting and administration services and all disbursements and out-of-pocket expenses properly incurred in the course of carrying out its duties hereunder which said costs, expenses, fees and disbursements shall be a direct charge on the management funds. No variation of the percentage of the annual remuneration of the Manager may be made except with the approval by a resolution of Owners duly passed at a meeting of Owners convened under this Deed. The Manager's Remuneration shall be paid in advance on the first day of each month by deductions made by the Manager from the monthly Management Expenses collected from the Owners.
- 4.4 Payment of the Manager's Remuneration hereunder shall be in advance by twelve (12) equal monthly instalments payable by the Owners and any adjustment payment or deduction that needs to be made to bring the amount paid to the Manager by way of remuneration for the year in question to the correct amount for such year will be made within twenty-one (21) days from the completion of the auditing of the management accounts for such year as provided in Clause 4.28 of Section IV.
- 4.5 (a) Subject to sub-clauses (c), (e), (f) and (h) of this Clause 4.5 of Section IV, the total amount of Management Expenses payable by the Owners during any period of twelve (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) of this Clause 4.5 of Section IV.
- (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 fourteen (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;
  - (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) of this Clause 4.5 of Section IV before the start of that financial year, the total amount of the Management Expenses for that year shall:-
  - (i) until he has so complied, be deemed to be the same as the total amount of Management Expenses (if any) for the previous financial year;
  - (ii) when he 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 Expenses shall be calculated and adjusted accordingly.
- (d) Where a budget has been sent or displayed in accordance with sub-clause (b)(v) of this Clause 4.5 of Section IV and the Manager wishes to revise it, he shall follow the same procedures in respect of the revised budget as apply to the draft budget and budget by virtue of sub-clause (b) of this Clause 4.5 of Section IV.
- (e) Where a revised budget is sent or displayed in accordance with sub-clause (d) of this Clause 4.5 of Section IV, the total amount of the Management Expenses for that financial year shall be the total expenditure or proposed expenditure specified in the revised budget and the amount that Owners shall contribute towards the Management Expenses 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-clause (b) or (d) of this Clause 4.5 of Section IV, 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 Expenses for the financial year shall, until another budget or revised budget is sent or displayed in accordance with sub-clause (b) or (d) of this Clause 4.5 of Section IV and is not so rejected under this sub-clause (f) of Clause 4.5 of Section IV, be deemed to be the same as the total amount of Management Expenses (if any) for the previous financial year, together with an amount not

exceeding ten per cent (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 4.5 of Section IV, "expenditure" includes all costs, charges and expenses to be borne by the Owners, including the Manager's Remuneration.

4.6 The budget for a financial year shall cover the Management Expenses for the management and maintenance of the Land and the Development (including but not limited to the Common Areas and Facilities) and without limiting the generality of the foregoing shall include the following costs, charges and expenses:-

- (a) the maintenance, operation, repair and cleansing of all Common Areas and Facilities and the lighting thereof and the provisions and operation of emergency generators and lighting for the Common Areas and Facilities;
- (b) the cultivation, irrigation and maintenance of the lawns and planters and landscaped areas on the Common Areas and Facilities;
- (c) the cost of all electricity, gas, water, telephone and other utilities serving the Common Areas and Facilities;
- (d) the provision of security guard services for the Development and the cost of employing caretakers, watchmen, cleaners, attendants, management staff and gardeners and such other staff to manage and administer the Common Areas and Facilities;
- (e) the cost and expense of maintaining such areas or drains and channels whether within or outside the Land that are required to be maintained under the Government Grant;
- (f) the Government rent payable under the Government Grant (but only if no apportionment or separate assessments have been made for individual Units);
- (g) Manager's Remuneration calculated in accordance with Clause 4.3 of Section IV for providing its services hereunder;
- (h) insurance for (i) the Common Areas and Facilities and the Units up to the full new reinstatement value thereof and in particular against loss or damage by fire and/or such other perils and risks, (ii) third party liability, public and/or occupiers' liability, (iii) employees' liability, or any other insurance policy reasonably necessary for the management of the Land and the Development;
- (i) a reasonable sum for contingencies;

- (j) legal and accounting fees and all other professional fees and costs properly incurred by the Manager in carrying out the services provided under this Deed;
- (k) the costs and expenses of refuse collection, storage and disposal in respect of the Land and the Development and the Common Areas and Facilities;
- (l) all reasonable costs incurred in connection with the Common Areas and Facilities;
- (m) any tax payable by the Manager on any of the sum held by it under the provisions of this Deed PROVIDED THAT any tax payable on the Manager's Remuneration shall be borne and paid by the Manager;
- (n) the cost and expense of inspecting maintaining reinstating repairing the Slopes and Retaining Walls, foundations, columns and other structures constructed or to be constructed and reinstating and making good the same in the event of any landslip, subsidence or falling away and the drains nullahs sewers pipes watermains and channels and such other areas whether within or outside the Land or that are required to be maintained under the Government Grant or for the proper functioning of the Development;
- (o) the cost and expense of upholding, repairing, maintaining and managing the Brown Area or the Edged Green Area to the satisfaction of the Director of Lands in accordance with the Government Grant and all cost and expense for complying with other requirements in relation to the Brown Area and the Edged Green Area under the Government Grant; and
- (p) the cost and expense of maintaining the Lead-ins, the Trenches and the Cable Joint Bay (all as defined in Condition No. (12)(a) of the Schedule to the Government Grant) to the satisfaction of the Director of Lands.

4.7 The annual budget for a financial year shall cover all expenditure which in the opinion of the Manager (whose decision shall be conclusive save for manifest error) is to be expended for the benefit of all Owners or required for the proper and efficient management of the Land and the Development and the Common Areas and Facilities,

PROVIDED THAT:-

- (1) in the event that a Sub-Deed is entered into in respect of any part of the Development and in the Sub-Deed any areas and facilities are designated as common areas and common facilities as a consequence of which the same thereby become part of the Common Areas and Facilities (other than the existing designated Common Areas and Facilities), a new part of the budget shall be established by the Manager such part to cover all estimated expenditure which is specifically referable to such common areas and common facilities and such expenditure shall be borne by the Owners of that part of the Development; and
- (2) subject to the prior written approval of the Owners' Committee (or the Owners' Corporation, if formed), if the Manager is of the opinion that the adopted annual

budget and/or the sharing of the amounts of Management Expenses assessed under any part of the adopted annual budget in accordance with the provisions of this Deed may lead to or result in any Owner or Owners of any part or parts of the Development unfairly or inequitably paying some higher or lesser contributions, the Manager shall be entitled to modify any adopted annual budget in such manner as the Manager may (but subject to compliance with the procedures applicable to the draft annual budget, the annual budget and the revised annual budget as provided in this Deed) think fit and to prepare new budget in the modified manner as aforementioned and the modified budget shall be binding (save for manifest error) on all Owners and provided always that the Manager's determination of the amount of contribution payable by each Owner as aforesaid shall (in the absence of manifest error) be conclusive and binding on all Owners.

- 4.8 Each Owner of a Unit shall contribute his due proportion of the budgeted Management Expenses which proportion shall be equal to the Management Shares of his Unit divided by the total Management Shares of the Development,

PROVIDED THAT:-

- (I) No Owner may be called upon to pay more than his appropriate share of the Management Expenses, having regard to the number of Undivided Shares and Management Shares, as the case may be, allocated to his Unit;
- (II) The First Owner shall make payments and contributions towards the Management Expenses which are of recurrent nature in respect of those Units and Undivided Shares unsold; and
- (III) All outgoings (including Management Expenses, Government rent and rates) up to and inclusive of the date of assignment of the Units to the first assignees shall be paid by the First Owner and no Owner shall be required to make any payment or reimburse the First Owner for such outgoings.

- 4.9 For the avoidance of doubt, it is hereby expressly provided that the First 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 and each Owner shall be personally liable to make the above payment to the Manager whether or not his Unit is vacant or occupied and whether or not it has been let or leased to tenant or is occupied by the Owner himself or any other person.

- 4.10 If the total contributions receivable as aforesaid under the annual budget by the Manager shall in the opinion of the Manager be insufficient to meet the costs and expenses for such management and services then each Owner to whom the annual budget applies shall make good a due proportion of the estimated deficiency by making a further contribution to the Manager such further contribution being calculated in the same manner as in Clause 4.8 of Section IV and shall be payable to the Manager monthly in advance from the date specified in the written notices given by the Manager to the Owners.

4.11 Notwithstanding anything herein contained and for the avoidance of any doubt, the Management Expenses payable by the Owners in accordance with this Deed shall not include:-

- (a) Any sum attributable or relating to the completion of the construction of the Development for the issuance of Certificate of Compliance which shall be borne solely by the First Owner (which expression shall for the purpose of this Clause exclude its assigns);
- (b) All existing and future taxes, rates, assessments, property tax, water rates (if separately metered), Government rent payable under the Government Grant which has been separately assessed and charged by the Government against each Owner and outgoings of every description for the time being payable in respect of any Unit which shall be borne by the Owner for the time being thereof;
- (c) The expenses for keeping in good and tenantable repair and condition of the main structure, the external and interior fixtures and fittings, walls, Party Fence Walls, floors, windows, lifts serving exclusively the Unit, air-conditioning plant areas, swimming pools and doors and flat roof, roof of any Unit together with the plumbing, electrical installations, plant, equipment, apparatus, installations or services thereof not forming part of the Common Areas and Facilities which shall be solely borne by the Owner for the time being of such Unit.

4.12 (a) The Manager shall establish and maintain a Special Fund which shall be applied towards payment of Capital Expenditure relating to the Common Areas and Facilities, which includes but is not limited to, expenses for the renovation, improvement and repair of the Common Areas and Facilities, the purchase, setting up, replacement, improvement and addition of installations, systems, equipment, tools, plant and machineries for the Common Areas and Facilities, the costs of maintaining and repairing the Slopes and Retaining Walls in compliance with the Government Grant and the costs of the relevant investigation works and professional services. This part of the Special Fund shall be held by the Manager as trustee for all Owners for the time being and such fund shall not be refundable or transferable.

- (b) Except where the First Owner has made payments in accordance with sub-clause (c) of this Clause 4.12 of Section IV, each Owner being the first assignee of his Unit shall upon the assignment of his Unit from the First Owner pay to the Manager an initial contribution to the Special Fund an amount equivalent to 2/12<sup>th</sup> of the first year's budgeted Management Expenses payable in respect of his Unit under Clause 4.8 of Section IV which initial contribution shall not be refundable or transferable,

PROVIDED THAT the total initial contribution to the Special Fund by any Owner in respect of each Unit shall be equivalent to 2/12<sup>th</sup> of the first year's budgeted Management Expenses payable in respect of each Unit.

- (c) The First Owner shall in respect of any Units which have been completed and remain unsold for three (3) months after (i) the date of this Deed or (ii) the date on which it is in a position validly to assign those Undivided Shares attributable to the Units (i.e. when the Certificate of Compliance has been issued), whichever is the later, make the initial contribution to the Special Fund in the respective amount specified in Clause 4.12(b) of Section IV and pay the management fee deposit and debris removal charges.
- (d) Each Owner shall also on demand pay to the Manager such further periodic contributions to the Special Fund payable in respect of his Unit. 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 the 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 Special Fund by the Owners in any financial year, and the time when those contributions shall be payable.
- (e) The Manager shall open and maintain at a bank within the meaning of section 2 of the Banking Ordinance (Cap.155, Laws of Hong Kong) an interest-bearing account (the title of which shall refer to the Special Fund for the Development) and the Manager shall use that account exclusively for the purpose of the Special Fund. Except in a situation considered by the Manager to be an emergency, no money shall be paid out of the Special Fund unless it is for a purpose approved by a resolution of the Owners' Committee (if any). The Manager must not use the Special Fund for the payment of any outstanding Management Expenses arising from or in connection with the day-to-day management of the Development.
- (f) Without prejudice to the generality of sub-clause (e) of Clause 4.12 of Section IV, 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 it from or on behalf of the Owners' Corporation in respect of the Special Fund.
- (g) The Manager shall display a document showing evidence of any account opened and maintained under sub-clauses (e) or (f) of Clause 4.12 of Section IV in a prominent place in the Development.
- (h) The Manager shall without delay pay all money received by him in respect of the Special Fund into the account opened and maintained under sub-clause (e) of Clause 4.12 of Section IV or, if there is an Owners' Corporation, the account or accounts opened and maintained under sub-clause (f) of Clause 4.12 of Section IV.

4.13 Except where the First Owner has made payments in accordance with sub-clause (e) of Clause 4.13 of Section IV below,

- (a) Each Owner being the first assignee of his Unit shall upon the assignment of his Unit from the First Owner deposit with the Manager as security for the due



payment of all amounts which may be or become payable by him under this Deed a sum equal to 3/12<sup>th</sup> of the first year's budgeted Management Expenses payable in respect of his Unit which deposit or balance thereof (as the case may be) shall be non-interest bearing and non-refundable but transferable and shall not be set off against any contribution payable by him under this Deed and PROVIDED THAT in the event that there is an increase in the monthly contribution payable by the Owner as determined by the Manager under this Deed, the Manager shall have the right at its absolute discretion to require the Owners to pay to the Manager by way of an increase in the said deposit a sum proportional thereto in order that such deposit shall always be equal to three (3) times the then monthly contribution.

- (b) Each Owner being the first assignee of his Unit shall upon the assignment of his Unit from the First Owner pay to the Manager in advance a sum equal to 2/12<sup>th</sup> of the first year's budgeted Management Expenses payable in respect of his Unit which shall be non-refundable and non-transferable.
- (c) Each Owner being the first assignee of a Unit shall upon the assignment of his Unit from the First Owner pay to the Manager a debris removal fee which shall be neither transferable nor refundable of a sum equal to 1/12<sup>th</sup> of the first year's budgeted Management Expenses payable in respect of his Unit for the removal of debris arising from decoration works carried out in his Unit. The debris removal fee not used to pay for debris collection or removal shall be credited to the Special Fund.
- (d) Each Owner being the first assignee of a Unit shall upon the assignment of his Unit from the First Owner pay to the Manager his due share (to be decided by the number of Management Shares allocated to his Unit) of the deposits paid for public water and electricity meters and for the supply of other utilities to the Common Areas and Facilities and which deposits or balance thereof (as the case may be) shall be non-interest bearing and non-refundable but transferable.
- (e) The First Owner shall pay the deposit under sub-clause (a) of Clause 4.13 of Section IV and the debris removal fee under sub-clause (c) of Clause 4.13 of Section IV in respect of the Units which have been completed and remain unsold for three (3) months after (i) the date of this Deed or (ii) the date on which it is in a position validly to assign those Undivided Shares attributable to the Units (i.e. when the Certificate of Compliance has been issued), whichever is the later.

4.14 Contributions and payments to be made by each Owner under this Deed shall normally be made in advance on the first day of each month but this shall not interfere with the Manager's discretion to call for any particular payment or contribution to be made on any other day or days it may deem necessary or desirable.

4.15 Where the Manager's consent is required under this Deed, such consent must not be unreasonably withheld and that the Manager must not charge any fee other than a reasonable administrative fee for issuing the consent. The fee must be credited to the Special Fund.

- 4.16 All moneys, income, fees, charges, penalties or other consideration received by the Manager in respect of the grant of franchises, leases, tenancy agreements, licences or permission for the use of any part of the Common Areas and Facilities or enforcement of the provisions of this Deed or any Development Rules shall be paid into and form part of the management funds and in so far as they arise from or are attributable to the Common Areas and Facilities be credited to the annual budget to the intent that in each case the credit or estimated credit shall be taken into account in the preparation of the relevant part or section of the annual budget or revised annual budget.
- 4.17 If any Owner shall fail to pay the Manager any amount due under this Deed within thirty (30) days from the date of demand, the Manager may impose on such Owner:-
- (a) Interest calculated on the amount remaining unpaid at the rate of not exceeding two per cent (2%) per annum above the prime rate quoted by The Hongkong and Shanghai Banking Corporation Limited from time to time for the number of days for which it remains unpaid from the due date until the actual date of full payment (both dates inclusive); and
  - (b) A collection charge of not exceeding ten per cent (10%) of the amount due, to cover the cost (in addition to legal costs of proceedings as hereinafter mentioned) of the extra work occasioned by the default.
- 4.18 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 mentioned in Clause 4.17 of Section IV and all damages claimed for breach of any of the provisions of this Deed and all other expenses reasonably incurred in or in connection with recovering or attempting to recover the same (including without limitation legal costs on a solicitor and own client basis) shall be recoverable by civil action at the suit of the Manager against the defaulting Owner (and the claim in any such action may include a claim for the costs incurred by the Manager in such action on a solicitor and own client basis and the 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 Owners for the time being (other than the defaulting Owner) as a whole and no Owner sued under the provisions of this Deed shall raise or to 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.
- 4.19 In the event of any Owner failing to pay any sum due and payable by him in accordance with the provisions of this Deed or failing to pay any damages awarded by any court for breach of any of the terms or conditions of this Deed within thirty (30) days from the date on which the same become payable, the amount thereof together with interest and the collection charge at the rate and for the amount as specified in Clause 4.17 of Section IV together with all costs and expenses which may be incurred in recovering or attempting to recover the same including the legal expenses referred to in Clause 4.18 of Section IV and in registering the charge hereinafter referred to shall stand charged on the Undivided Share or Shares of the defaulting Owner and the Manager shall be entitled without prejudice to any other remedy hereunder to (a) register a Memorial of such charge in the Land Registry against the Undivided Share or Shares

of the defaulting Owner and (b) discontinue providing management services to the defaulting Owner. Such charge shall remain valid and enforceable as hereinafter mentioned notwithstanding that judgment has been obtained for the amount thereof unless and until such judgment has been satisfied in full.

- 4.20 Any charge registered in accordance with Clause 4.19 of Section IV shall be enforceable as an equitable charge by action at the suit of the Manager for an order for sale of the Undivided Share or Shares of the defaulting Owner together with the right to the exclusive use, occupation and enjoyment of the part of the Development held therewith and the provisions of Clause 4.18 of Section IV shall apply equally to any such action.
- 4.21 The Manager shall without prejudice to anything herein mentioned further have power to commence proceedings for the purpose of enforcing the observance and performance, by any Owner and any person occupying any part of the Development through, under or with the consent of any such Owner, of the covenants, conditions and provisions of this Deed binding on such Owner and of the Development Rules made hereunder and of recovering damages for the breach, non-observance or non-performance thereof. The provisions of Clause 4.18 of Section IV shall apply to all such proceedings.
- 4.22 Subject to Clause 9.1 of Section IX, all insurance money, compensation or damages recovered by the Manager in respect of any damage or loss suffered in respect of any part of the Development shall be expended by the Manager in the repair, rebuilding or reinstatement of that part of the Development.
- 4.23 Where any insurance money, compensation, damages, costs and expenses or refunds are received or recovered (as the case may be) by the Manager in respect of any matter or thing for which any claim has been made against an Owner as provided in Clauses 4.17 to 4.21 of Section IV the same shall, after deduction of any costs or expenses reasonably incurred out of the pocket of the Manager in recovering the same, form part of the management funds.
- 4.24 All money paid to the Manager by way of interest and collection charges pursuant to these presents shall be credited to the Special Fund.
- 4.25 Any person ceasing to be the Owner of any Undivided Share or Shares in the Land and the Development shall in respect of the Undivided Share or Shares of which he ceases to be the Owner thereupon cease to have any interest in the funds held by the Manager including the deposit paid under Clause 4.13(a) of Section IV and his contribution(s) towards the Special Fund under Clause 4.12 of Section IV to the intent that all such funds shall be held and applied for the management of the Development irrespective of changes in ownership of the Undivided Shares in the Land and the Development

PROVIDED THAT:-

- (a) any such deposit shall be transferred into the name of the new Owner of such Undivided Share or Shares but the contribution(s) towards the Special Fund

shall be neither refundable to any Owner by the Manager nor transferable to any new Owner; and

- (b) upon the Land reverting to the Government and no further Government lease being obtainable, any balance of the said funds, or in the case of extinguishment of rights and obligations as provided in Clause 9.1 of Section IX, an appropriate part of the said funds, shall be divided proportionately between the Owners contributing to the Management Expenses immediately prior to such reversion or, in the case of extinguishment of rights and obligations as aforesaid, between the Owners whose rights and obligations are extinguished, in both case in proportion to the number of Management Shares held by such Owners.
- 4.26 (a) The first financial year for the purpose of management of the Development or any part or parts thereof shall commence from the date of this Deed and shall terminate on the following 31<sup>st</sup> day of March and thereafter the financial year shall commence on the 1<sup>st</sup> day of April and shall terminate on the 31<sup>st</sup> day of March of that year PROVIDED THAT subject to sub-clause (b) of Clause 4.26 of Section IV, the Manager shall have the right to change the financial year at any time upon giving notice through the public notice boards of the Development pursuant to Clause 10.5 of Section X.
- (b) 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).
- 4.27 (a) The Manager shall open and maintain an interest-bearing account and shall use that account exclusively in respect of the management of the Land and the Development.
- (b) Without prejudice to the generality of sub-clause (a) of Clause 4.27 of Section IV, 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-clause (a) or (b) of Clause 4.27 of Section IV in a prominent place in the Development.
  - (d) Subject to sub-clauses (e) and (f) of Clause 4.27 of Section IV below, the Manager shall without delay pay all money received by the Manager in respect of the management of the Land and the Development into the account opened and maintained under sub-clause (a) of Clause 4.27 of Section IV or, if there is an Owners' Corporation, the account or accounts opened and maintained under sub-clause (b) of Clause 4.27 of Section IV above.
  - (e) Subject to sub-clause (f) of Clause 4.27 of Section IV below, the Manager may, out of money received by the Manager in respect of the management of the Land

and the Development, retain or pay into a 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 formed).

- (f) The retention of a reasonable amount of money under sub-clause (e) of Clause 4.27 of Section IV above or the payment of that amount into a current account in accordance with sub-clause (e) of Clause 4.27 of Section IV 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 formed).
- (g) Any reference in this Clause 4.27 of Section IV 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, Laws of Hong Kong), the title of which refers to the management of the Land and the Development.
- (h) The Manager shall maintain proper books or records of accounts and other financial records. The Manager shall keep all bills, invoices, vouchers, receipts and other documents referred to in such books or records of accounts for at least six (6) years.

4.28 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 and shall display a copy of the summary and balance sheet in a prominent place of the Development and cause it to remain so displayed for at least seven (7) consecutive days. Within two (2) months after the end of each financial year the Manager shall prepare an income and expenditure account and balance sheet in respect of such closed financial year and display copies of the same in a prominent place of the Development and cause it to remain so displayed for at least seven (7) consecutive days. The income and expenditure account and balance sheet shall within six (6) months after the close of each financial year be audited and certified by an accountant appointed by the Manager (provided that prior to the formation of the Owners' Corporation, the Owners at an Owners' meeting convened under this Deed may require the income and expenditure account and balance sheet to be audited by an independent auditor of their choice) as providing an accurate summary of all items of income and expenditure during such closed financial year. Each income and expenditure account and balance sheet shall include details of the Special Fund and an estimate of the time when there will be a need to draw on the Special Fund, and the amount of money that will be needed.

- 4.29 (a) The Manager shall permit any Owner, at any reasonable time, to inspect any of the books or records of accounts and any income and expenditure account or balance sheet. The Manager shall upon request of any Owner and upon payment of a reasonable copying charge, supply such Owner with a copy of such record or document requested by him.
- (b) 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 any 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.

## SECTION V

### **5. Powers and Duties of Manager**

- 5.1 Subject to the provisions of the Building Management Ordinance, the management of the Land and the Development shall be undertaken by the Manager for an initial period of two (2) years from the date of this Deed and shall continue until terminated as provided under Clause 4.1 of Section IV and each Owner hereby irrevocably APPOINTS the Manager as agent for all Owners in respect of any matter concerning the Common Areas and Facilities and the Slopes and Retaining Walls duly authorised in accordance with the provisions of this Deed and subject to provisions of the Building Management Ordinance the Manager has the authority to act for and behalf of all Owners in accordance with the provisions of this Deed. In addition to the other powers expressly provided in this Deed, the Manager shall have authority to do all such acts and things as may be necessary or expedient for or in connection with the Land and the Development and the management thereof including in particular but without in any way limiting the generality of the foregoing:-
- (a) To demand, collect and receive all amounts payable by Owners under the provisions of this Deed;
  - (b) To manage, maintain and control the common driveways on the Land and the Development and to impound any cars, pedal bicycles, skateboards, motorcycles and other vehicles parked in any area not reserved for parking or loading and unloading or any vehicles parked in any Residential Carport without the consent of the Owner or occupier of such Residential Carport or any vehicle parked in the Visitor Parking Space or the Accessible Parking Space without payment of charges (if any) therefor and to do all such acts and things as may be necessary to provide unimpeded access thereto by the persons entitled for the time being to the use of such Residential Carport, Visitor Parking Space or Accessible Parking Space and the Manager is entitled to charge reasonable administrative fees relative to the cars, pedal bicycles, skateboards, motorcycles and other vehicles impounded as aforesaid (such fees shall be paid into the Special Fund);
  - (c) Unless otherwise directed by the Owners' Corporation, to insure and keep insured the Common Areas and Facilities and the Manager as comprehensively as reasonably possible and in particular to the full new reinstatement value against loss or damage by fire and such other risks as the Manager shall reasonably deem fit, public liability, occupiers' liability and liability as employer of the employees of the Manager employed within or exclusively in connection with the management of the Development with some reputable insurance company or companies in the name of the Manager for and on behalf of the Owners according to their respective interests and in such sum or sums as the Manager shall deem fit and to pay all premia required to keep such insurance policies in force and, without limiting the generality of the foregoing, if the Manager considers so desirable, to procure block insurance for the Development as a whole including those areas which are not the Common Areas

and Facilities and to pay all premia required to keep such insurance policies in force;

- (d) To arrange for refuse collection and disposal from the Common Areas and Facilities and from areas designated as refuse collection points in the Development;
- (e) To keep in good order and repair the lighting of the Common Areas and Facilities;
- (f) To keep the Common Areas and Facilities in a clean and sanitary state and condition;
- (g) To repair, maintain, clean, paint or otherwise treat or decorate as appropriate, those walls, architectural fixtures and fittings thereof, elevations and façade forming part of the Common Areas and Facilities but excluding windows and window frames except those situated in the Common Areas and Facilities;
- (h) To keep all the sewers, drains, watercourses and pipes forming part of the Common Areas and Facilities free and clear from obstructions;
- (i) To inspect and keep all the Common Areas and Facilities in good condition and working order and to extend or improve existing facilities or provide facilities as the Manager shall at its reasonable discretion deem necessary or desirable (PROVIDED THAT except with the prior approval by a resolution of Owners at an Owners' meeting convened under this Deed, the Manager will not carry out any improvement or provision of additional facilities or services which involves expenditure in excess of ten per cent (10%) of the current annual budget) and to keep the fire fighting equipment in accordance with any laws and regulations applicable thereto and whenever it shall be necessary so to do at the Manager's discretion to enter into contracts with third parties for the maintenance of any such facilities;
- (j) To prevent so far as is possible any refuse or other matter being deposited, washed, eroded or falling from the Development onto any part of any public roads or any road-culverts, sewers, drains, nullahs or other Government property and to remove any such matter therefrom and to ensure that no damage is done to any drains, waterways, watercourses, footpaths, sewers, nullahs, pipes, cables, wires, utility services or other works being in, under, over or adjacent to the Land or any part thereof by reason of any maintenance or other works carried out by the Manager as herein provided and to make good any such damage;
- (k) To paint, white-wash, tile or otherwise treat as may be appropriate the Common Areas and Facilities at such intervals as the same may reasonably require to be done;
- (l) To replace any glass in the Common Areas and Facilities that may be broken;



- (m) To keep the Common Areas and Facilities well lighted and in a tidy condition;
- (n) To keep in good order and repair the ventilation of the enclosed part or parts of the Common Areas and Facilities;
- (o) To prevent refuse from being deposited on the Development or any part thereof not designated for refuse collection and to remove all refuse from all parts of the Development and arrange for its disposal at such regular intervals and to maintain either on or off the Development refuse collection facilities to the satisfaction of the Food and Environmental Hygiene Department;
- (p) To prevent unauthorised obstruction of the Common Areas and Facilities and to remove and impound any structure article or thing causing the obstruction;
- (q) To make suitable arrangements for the supply of fresh and flushing water and electricity and any other utility or service to or for the Development or any part thereof;
- (r) To provide and maintain as the Manager deems reasonably necessary security force, watchmen, porters, caretakers, closed circuit T.V. system and burglar alarms and other security measures in the Development at all times;
- (s) To maintain and operate or contract for the maintenance and operation of the communal radio or television aerials, or cable television system (if any) which serve the Development;
- (t) To remove any structure or installation, signboard, advertisement, sunshade, bracket, fitting, obstruction, device, aerial or any thing in or on the Common Areas or Facilities or any part thereof which is illegal, unauthorised or which contravenes the terms herein contained or any of the provisions of the Government Grant and to demand and recover from the Owner by whom such structure or other thing as aforesaid was erected or installed the costs and expenses of such removal and the making good of any damages caused thereby to the satisfaction of the Manager;
- (u) To appoint a solicitor or other appropriate legal counsel to advise upon any point which arises in the management of the Development necessitating professional legal advice and with authority to accept service on behalf of all the Owners for the time being of the Land and the Development of all legal proceedings relating to the Land and the Development (except proceedings relating to the rights or obligations of individual Owners) to commence, conduct, carry on and defend in its own name legal and other proceedings touching or concerning the Land and the Development or the management thereof, and, in particular but without limiting the foregoing, in all proceedings in which the Government shall be a party and at all times within seven (7) days of being requested so to do by the Director of Lands or other competent authority of the Government, to appoint a solicitor who shall undertake to accept service on behalf of all such Owners whether for the purpose of Order 10 Rule 1 of the Rules of the High Court (or any provision amending or in substitution for the same) or otherwise;

- (v) To prevent (by legal action if necessary) any person including an Owner from occupying or using any part of the Land and the Development in any manner in contravention of the Government Grant or this Deed;
- (w) To prevent (by legal action if necessary) and to remedy any breach by any Owner or other person occupying or visiting the Development of any provisions of the Government Grant or this Deed;
- (x) To prevent any person detrimentally altering or injuring any part or parts of the Development or any of the Common Areas and Facilities thereof;
- (y) To prevent any person from overloading the floors of the Development or any part or parts thereof;
- (z) To prevent any person from overloading any of the electrical installations and circuits or any of the mains or wiring in the Development;
- (aa) To have the sole right to represent all the Owners in all matters and dealings with the Government or any statutory body or any utility or other competent authority or any other person whomsoever in any way touching or concerning the Land and the Development as a whole or the Common Areas and Facilities, the Brown Area, the Edged Green Area or the fire safety system of the Development with power to bind all Owners as to any policy adopted or decision reached or action taken in relation to any such dealings;
- (bb) To enter into contracts and to engage, appoint, employ, remunerate and dismiss consultants, other professional property management companies, contractors, agents or sub-managers to perform and carry out various aspects of the management works of the Land and the Development or any part thereof on such terms and conditions as the Manager deems fit, PROVIDED THAT the Manager shall not transfer or assign its rights duties or obligations under this Deed to any such persons and such persons shall remain responsible to the Manager. For the avoidance of doubt, the Manager shall at all times be responsible for the management and control of the whole Development in accordance with the provisions of this Deed and no provisions in this Deed shall operate to take away or reduce, or shall be constructed to have the effect of taking away or reducing, such responsibility;
- (cc) To enter into contracts and to engage, employ, remunerate and dismiss solicitors, architects, accountants and other professional advisers and consultants to give advice to the Manager and work on all matters related to the management of the Land and the Development and the performance of the Manager's powers and duties hereunder and to recruit and employ such workmen, servants, watchmen, caretakers, management staff, clerical staff, accountants, gardeners and other staff and attendants as may from time to time be necessary to enable the Manager to perform any of its powers and duties in accordance with this Deed on such terms as the Manager shall in its reasonable discretion decide and to provide accommodation, uniforms, working clothes,

tools, appliances, cleaning and other materials and all equipment necessary therefor;

- (dd) To enforce the due observance and performance by the Owners of the terms and conditions of the Government Grant and this Deed and any relevant Sub-Deed(s) and to take action in respect of any breach thereof including the commencement, conduct and defence of legal proceedings and the registration and enforcement of charges as herein mentioned;
- (ee) Subject to the prior approval by a resolution of Owners at an Owners' meeting convened under this Deed and subject to the Government Grant, to grant or obtain such easements, quasi-easements, rights, privileges, licences and informal arrangements necessary to ensure the efficient management of the Land and the Development PROVIDED THAT:-
  - (i) the exercise of this right shall not interfere with an Owner's right to hold, use, occupy and enjoy his Unit or impede or restrict the access to or from such Unit; and
  - (ii) any payment received shall be credited to the Special Fund;
- (ff) Subject to the prior approval by a resolution of Owners at an Owners' meeting convened under this Deed and subject to the Government Grant, to grant rights of way or access or use at any level to the owners or occupiers of any other premises adjoining the Land or the general public or to such person and persons in respect of the Common Areas and Facilities and in return to obtain the grant of similar right of way or access or use from such owners, occupiers or persons PROVIDED THAT:-
  - (i) the exercise of this right shall not interfere with an Owner's right to hold, use, occupy and enjoy his Unit or impede or restrict the access to or from such Unit;
  - (ii) any benefits obtained from the exercise of this right shall accrue to the Owners of the Development; and
  - (iii) any payment received shall be credited to the Special Fund;
- (gg) Subject to the prior approval by a resolution of Owners at an Owners' meeting convened under this Deed, to grant easements and rights of any other kind to the owners and occupiers of adjoining properties to construct, lay, maintain, remove and renew drains, pipes, cables, irrigation pipes, and other installations, fittings, chambers, and other equipment and structures within the Land and in return to obtain the grant of similar easements and rights from such owners and occupiers PROVIDED THAT:-

- (i) the exercise of this right shall not interfere with an Owner's right to hold, use, occupy and enjoy his Unit or impede or restrict the access to or from such Unit;
  - (ii) any benefits obtained from the exercise of this right shall accrue to the Owners of the Development; and
  - (iii) any payment received shall be credited to the Special Fund;
- (hh) To deal with all enquiries, complaints, reports and correspondence relating to the Development as a whole;
- (ii) Subject to the approval of the Owners' Committee (or the Owners' Corporation, if formed), to grant franchises, leases, tenancy agreements and licences to other persons to use such of the Common Areas and Facilities and on such terms and conditions and for such consideration as the Manager shall reasonably think fit PROVIDED THAT:-
- (i) such use shall not be in breach of the Government Grant;
  - (ii) the exercise of this right shall not interfere with an Owner's right to hold, use, occupy and enjoy his Unit or impede or restrict the access to or from such Unit;
  - (iii) the exercise of this right shall not interfere with the Owners' enjoyment of the Common Areas and Facilities; and
  - (iv) all income arising therefrom shall be credited to the Special Fund;
- (jj) To remove any bird or animal from the Development if such bird or animal is causing a nuisance or disturbance to other Owners or occupiers of the Development or if the same has been the cause of complaint of at least two (2) other Owners or occupiers of the Development PROVIDED THAT this sub-clause (jj) of Clause 5.1 of Section V shall not apply to trained guide dogs on leash for the visually impaired persons;
- (kk) To provide such Christmas, Chinese New Year and other festive decorations, to organize such festive celebrations or activities for the Development and to host festive events or banquets within or outside the Development as the Manager shall in its reasonable discretion consider desirable;
- (ll) From time to time with the approval of the Owners' Committee (only after it has been formed) to make, revoke or amend the Development Rules (which must not be inconsistent with or contravene this Deed, the Building Management Ordinance or the conditions under the Government Grant);
- (mm) To give or withhold its written consent or approval to anything which requires its written consent or approval pursuant to this Deed (PROVIDED THAT the Manager shall not unreasonably withhold its consent or approval) and to impose

conditions or additional conditions and the Manager is entitled to charge reasonable administrative fees relative thereto (such fees shall be credited to the Special Fund);

- (nn) To convene such meetings of the Owners or of the Owners' Committee as may be necessary or requisite and, subject to the approval of the Owners or the Owners' Committee, to act as secretary to keep the minutes of such meetings;
- (oo) To do all things which the Manager shall in its discretion deem necessary or desirable for the purposes of maintaining and improving all facilities and services in or on the Development for the better enjoyment or use of the Development by its Owners occupiers and their licensees PROVIDED THAT any improvement to facilities or services which involves expenditure in excess of ten per cent (10%) of the current annual budget shall be subject to the prior approval by a resolution of Owners at an Owners' meeting convened under this Deed;
- (pp) Subject to the prior approval by a resolution of Owners at an Owners' meeting convened under this Deed, in the event that the Government agrees to take over or resume any part or parts of the Common Areas and Facilities to surrender the same or any part thereof to the Government and the Manager is HEREBY APPOINTED the lawful attorney to execute and sign all relevant documents on behalf of all the Owners for such purpose including matters relating to payment of compensation PROVIDED THAT any benefit or monetary compensation so obtained shall be used for the common benefit of all the Owners and be credited into the Special Fund;
- (qq) Subject to the prior approval by a resolution of Owners at an Owners' meeting convened under this Deed and subject to the Government Grant, to grant such easements, quasi-easements, rights, privileges and licences to and to enter into such arrangements and agreements with the Government or the general public or any person or persons and upon such terms and conditions in respect of any part or parts of the Common Areas and Facilities PROVIDED THAT any such easements, quasi-easements, rights, privileges and licences shall not interfere with any Owner's right to hold, use, occupy and enjoy the part of the Development which he owns or impede or restrict the access to and from any such part of the Development and all payment received shall be credited to the Special Fund;
- (rr) (i) If the Manager thinks so desirable, to provide appropriate and sufficient waste separation and recovery facilities including, but not limited to, waste separation bins at such locations within the Common Areas and Facilities as it may consider suitable and convenient to facilitate waste separation and recovery by the Owners and occupiers of the Development. In such event, the Manager shall ensure that the recovery facilities shall consist of material that will not cause any fire hazard and shall be placed in locations so as not to cause obstruction to any fire escape route, and that recyclable materials recovered from the facilities or through the regular cleansing process shall be properly collected,

stored, and sent for recycling. The Manager shall also maintain the facilities so provided in an environmentally acceptable and hygienic manner to avoid creating nuisance to the Owners and occupiers of the Development;

- (ii) To organize any activities as the Manager may consider appropriate to promote the environmental awareness of the Owners and occupiers of the Development and to encourage them to participate in such activities with a view to improving the environmental conditions of the Development;
- (iii) To organize environmental or recycling activities or initiatives through the collaboration or engagement of contractors;
- (iv) Subject to the provisions of this Deed, to make Development Rules to require the Owners and occupiers of the Development to dispose of their rubbish properly for waste separation and recycling purposes;
- (ss) To take all steps necessary or expedient for complying with the Government Grant and any Government requirements concerning the Development or any part thereof;
- (tt) To engage qualified personnel to inspect or carry out structural, building, condition or other surveys of the Development or any part thereof including the drains and channels within the Land or, if required by the Government Grant, outside the Land serving the Development when necessary in the management of the Land and the Development;
- (uu) To enforce the due observance and performance by the Owners or any person occupying any part of the Development through under or with the consent of any such Owner of the terms and conditions of this Deed, any relevant Sub-Deed and the Development Rules made hereunder, and to take action including the commencement and conduct and defence of legal proceedings to enforce the due observance and performance thereof and/or to recover damages for any breach non-observance or non-performance thereof;
- (vv) To enter into contracts for the installation or use of aerial broadcast distribution or telecommunications network facilities and contracts for the provision of broadcast distribution network or telecommunications network services shall be subject to the following conditions:-
  - (i) the term of the contract shall not exceed three (3) years;
  - (ii) the right to be granted under the contract shall be non-exclusive and shall provide for sharing the use of the facilities and network with other service providers; and

- (iii) 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;
- (ww) 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 Slopes and Retaining Walls in compliance with the Government Grant and in accordance with the Slope Maintenance Manual and all guidelines issued from time to time by appropriate Government departments regarding the maintenance of slopes and retaining walls PROVIDED THAT the Manager shall not be personally liable for carrying out any such requirements in respect of the Slopes and Retaining Walls under the conditions 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;
- (xx) To landscape and plant with trees and shrubs any portion of the Land and thereafter maintain and keep the same in a safe, clean, neat, tidy and healthy condition all to the satisfaction of the Director of Lands;
- (yy) At the request of the Owners' Corporation (if formed), to assign the Undivided Shares relating to the Common Areas and Facilities and to transfer the management responsibility to the Owners' Corporation free of costs or consideration, for the benefit of the Owners of the Land and the Development upon which such Undivided Shares shall be held by the Owners' Corporation as trustees for the Owners;
- (zz) To manage and maintain land, areas, structures, facilities or drains or channels within or adjoining or adjacent to the Land the construction and/or maintenance of which is the liability and/or responsibility of all Owners under the Government Grant as successors in title and assignees of the First Owner;
- (aaa) To carry out all works of connecting any drains and sewers from the Land to the Government storm water drains and sewers to the satisfaction of the Director of Lands and to maintain any section of the connection works which is constructed within Government land and upon demand to hand over such section of the said connection works which is constructed within Government land to the Government for future maintenance and to pay to the Government on demand the cost of the technical audit in respect of the said connection works pursuant to Clause 4(32) of the Government Grant; and
- (bbb) To do all such other things as are reasonably incidental to the management of the Land and the Development.

5.2 Without limiting the generality of the other express powers of the Manager herein contained, the Manager shall have power:-

- (a) To ban vehicles or any particular category of vehicles from the Land or any particular parts thereof either generally or during certain hours of the day or

night PROVIDED THAT the right of the Owners of Units to the proper use and enjoyment of their respective Units in accordance with the provisions of the Government Grant and these presents shall not be affected;

- (b) To remove and impound any vehicle parked anywhere on the Common Areas and Facilities not so designated for parking or which shall cause an obstruction and the Manager is entitled to charge reasonable administrative fees relative thereto for such removal and to exercise a lien on the vehicle concerned for such administrative fees (such fees shall be paid into the Special Fund);
- (c) To charge the Owners for the temporary use of electricity, water or other utilities supplied by the Manager and for the collection and removal of fitting out or decoration debris (if any) PROVIDED THAT such charges shall be paid into the management funds;
- (d) To charge the Owners for the use of water supplied otherwise than through the individual meters of the Owners at such rates as are from time to time determined by the Manager provided such charges shall be paid into the management funds;
- (e) From time to time make Development Rules governing the supply and use of fresh and flushing water to all parts of the Development, the payment and recovery of charges for installation, disconnection, reconnection and readings of meters, damage to meters and default interest to a like extent as are from time to time made by the Government; and
- (f) To manage, repair, upkeep, maintain and to keep well-lighted the Common Areas and Facilities and to manage and maintain such other areas or drains and channels whether within or outside the Land that are required to be maintained under the Government Grant.

5.3 The Manager shall have power to enter with or without agents, surveyors, workmen, contractors, public officers and others and with or without equipment and apparatus at all reasonable times on reasonable notice (except in case of emergency) into all parts of the Development including all parts of any Unit for the purposes of carrying out necessary repairs to the Development or to abate any hazard or nuisance which does or may affect the Common Areas and Facilities or other Owners,

PROVIDED THAT the Manager shall cause as little disturbance as possible and shall forthwith make good any damage caused thereby at its own costs and expenses and shall be liable for negligent, wilful or criminal acts of the Manager, its staff, employees, contractors or workmen, and of any other persons who exercise the aforesaid rights with the Manager, in the course of exercising the aforesaid rights.

5.4 The Common Areas and Facilities shall be under the exclusive control of the Manager who is hereby appointed to act as agent for and on behalf of all Owners duly authorised in accordance with the provisions of this Deed in respect of any matter concerning the Common Areas and Facilities.



- 5.5 All acts and decisions of the Manager reasonably 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 for the time being.
- 5.6 (a) Subject to the approval of the Owners' Committee (only after it has been formed), the Manager shall have power from time to time to make, revoke and amend Development Rules regulating the use, occupation, maintenance and environmental control of the Land and the Development, the Common Areas and Facilities, protection of the environment of the Development and implementation of noise abatement waste reduction and recycling measures with reference to guidelines on property management issued from time to time by the Director of Environmental Protection and the conduct of persons occupying, visiting or using the same and the conditions regarding such occupation, visit or use including the payment of charges (if any) and such Development Rules shall be binding on all the Owners, their tenants, licensees, servants or agents. A copy of the Development Rules from time to time in force shall be posted on the public notice boards of the Development and a copy thereof shall be supplied to each Owner on request on payment of reasonable copying charges. All charges received must be credited into the Special Fund.
- (b) Such Development Rules shall be supplementary to the terms and conditions contained in this Deed and must not in any way conflict with such terms and conditions. In case of inconsistency between such Development Rules and the terms and conditions of this Deed the terms and conditions of this Deed shall prevail. The Development Rules and any amendments thereto must not be inconsistent with or contravene this Deed, the Building Management Ordinance or the conditions under the Government Grant.
- (c) Neither the Manager nor the Owners' Committee shall be held liable for any loss or damage however caused arising from any non-enforcement of such Development Rules or non-observance thereof by any third party.
- 5.7 The Manager shall consult (either generally or in any particular case) the Owners' Corporation (if formed) at a general meeting of the Owners' Corporation and adopt the approach decided by the Owners' Corporation on the channels of communication among Owners on any business relating to the management of the Land and the Development.
- 5.8 (a) Subject to sub-clauses (b) and (c) of Clause 5.8 of Section V below, the Manager 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 the sum of HK\$200,000 or such other sum in substitution therefor as the Authority 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 the Code of Practice referred to in section 20A(1) of the Building Management Ordinance.

- (b) Subject to sub-clause (c) of Clause 5.8 of Section V below, the Manager 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 per cent (20%) of the annual budget or such other percentage in substitution therefor as the Authority may specify by notice in 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 Building Management 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 Building Management 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) of Clause 5.8 of Section V above do not apply to any supplies, goods or services which but for this sub-clause (c) of Clause 5.8 of Section V would be required to be procured by invitation to tender (referred to in this sub-clause (c) of Clause 5.8 of Section V 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.

## SECTION VI

### **6. Exclusions and Indemnities**

- 6.1 (a) The Manager shall be liable for any act or omission involving criminal liability, dishonesty or negligence on the part of the Manager, its employees, agents or contractors and no Owner shall be required to indemnify the Manager or its employees, agents or contractors from and against any action, claim, etc. arising out of any such act or omission.
- (b) Subject to Clause 6.1(a) of this Deed, the Manager, its employees, agents or contractors shall not be liable to the Owners' Committee or 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 purported pursuance of the provisions of this Deed or the instructions from the Owners' Committee or the Owners, not being an act or omission involving criminal liability, dishonesty or negligence on the part of the Manager, its employees, agents or contractors, and the Owners shall be required to indemnify the Manager from and against all actions, proceedings, claims and demands whatsoever arising directly or indirectly out of or in connection with any such act, deed, matter or thing done or omitted as aforesaid not being an act or omission involving criminal liability, dishonesty or negligence on the part of the Manager, its employees, agents or contractors and all costs and expenses in connection therewith. Without in any way limiting the generality of the foregoing, the Manager shall not be held liable for any damage, loss or injury caused by or in any way arising out of
- (i) any defect in or failure or breakdown of the lifts, fire and security services equipment, air-conditioning plants and other facilities (if any) or the Common Areas and Facilities of or in the Development, or
  - (ii) any failure, malfunction or suspension of the supply of water, electricity or other utility or service to the Development, or
  - (iii) fire or flooding or the overflow or leakage of water from anywhere whether within or outside the Development, or
  - (iv) the activity of termites, cockroaches, rats, mice or other pests or vermin, or
  - (v) theft, burglary or robbery within the Development,

UNLESS it can be shown that such damage, loss or injury was caused by an act or omission of the Manager, its employees, agents or contractors involving criminal liability or dishonesty or negligence and PROVIDED THAT the management contribution or any other charges payable under this Deed or any part thereof shall not be abated or cease to be payable on account thereof.

- 6.2 Each Owner shall be responsible for and shall indemnify the Manager and the 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 the act or negligence of any occupier of any Unit of which he has the exclusive use or any person using such Unit with his consent express or implied or by, or through, or in any way owing to the fire, overflow of water or leakage of electricity therefrom.
- 6.3 Each Owner shall be responsible for and shall indemnify the Manager and the other Owners and occupiers against the acts and omissions of all persons occupying any Unit of which he has the exclusive use with his consent, express or implied, and to pay all costs, charges and expenses incurred in repairing or making good any loss or damage to the Development or any part or parts thereof or any of the Common Areas and Facilities therein or thereon caused by the act, neglect or default of all such persons. In the case of loss or damage which the Manager is empowered by these presents to make good or repair, such costs, charges and expenses shall be recoverable by the Manager and in the case of loss or damage suffered by other Owners or occupiers for which the Manager is not empowered by these presents or for which the Manager has in its reasonable discretion elected not 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.

## SECTION VII

### **7. Owners' Committee**

7.1 The Manager shall convene the first meeting of the Owners as soon as possible but in any event not later than nine (9) months after the date of this Deed (and to convene further and subsequent meetings if required) to:-

- (a) appoint an Owners' Committee and the chairman thereof; or
- (b) appoint a management committee for the purpose of forming an Owners' Corporation under the Building Management Ordinance.

7.2 The Owners' Committee shall consist of three (3) members, or such number of members as the Owners may decide from time to time by resolution at a meeting of the Owners.

7.3 The functions of the Owners' Committee shall include the following:-

- (a) the representing of the Owners in all dealings with the Manager;
- (b) the reviewing of the annual budget and revised budget prepared by the Manager;
- (c) the approval of the Development Rules made from time to time by the Manager;
- (d) to elect a manager to take the place of the Manager in accordance with the provisions of Clause 4.2 of Section IV; and
- (e) the exercise of all other powers and duties conferred on the Owners' Committee by virtue of these presents.

7.4 The following persons shall be eligible for membership of the Owners' Committee:-

- (a) Any Owner 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 (if formed) or to the Manager (if the Owners' Committee is not yet formed) who shall determine its validity and may be revoked at any time on notice in writing being given to the Owners' Committee (if formed) or to the Manager (if the Owners' Committee is not yet formed).
- (b) The husband or wife of any Owner duly authorised by the Owner which authorisation shall be in writing addressed to the Owners' Committee (if formed) or to the Manager (if the Owners' Committee is not yet formed) who shall determine its validity and may be revoked at any time on notice in writing being given to the Owners' Committee (if formed) or to the Manager (if the Owners' Committee is not yet formed) PROVIDED THAT such husband or wife resides in the Development.

7.5 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 or is not re-elected at the meeting of Owners at which he stands for re-election; 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 resolution of a duly convened meeting of Owners.

In any of the events provided for in sub-clauses (a), (c) or (d) of Clause 7.5 of Section VII, the Manager shall convene a meeting of the Owners to fill the casual vacancy thereby created.

7.6 A meeting of the Owners' Committee may be convened at any time by the chairman or any two (2) members of the Owners' Committee PROVIDED THAT one such meeting to be known as the annual meeting shall be held once in every year commencing with the year following the date of this Deed for the purpose of transacting any other business of which due notice is given in the notice convening the meeting.

7.7 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. Such notice of meeting shall specify (i) the date, time and place of the meeting; and (ii) the resolutions (if any) that are to be proposed at the meeting. Such notice of meeting may be given:-

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

7.8 The quorum at a meeting of the Owners' Committee shall be fifty per cent (50%) of the members of the Owners' Committee (rounded up to the nearest whole number) or three (3) such members, whichever is the greater. No business shall be transacted at any time by the Owners' Committee unless a quorum is present when the meeting proceeds to business.

7.9 A meeting of the Owners' Committee shall be presided over by:-

- (a) the chairman; or

- (b) in the absence of the chairman, a member of the Owners' Committee appointed as chairman for that meeting.

The first chairman appointed pursuant to Clause 7.1 of Section VII shall be chairman until the next annual meeting. Thereafter the chairman shall be chosen by the Owners at the first or any other meeting of the Owners held in any year.

7.10 Subject to the prior approval of the Owners' Committee, the Manager shall act as the secretary to the Owners' Committee and shall cause a record of the persons present at the meetings of the Owners' Committee and the proceedings thereof to be kept.

7.11 The following provisions shall apply in all meetings of the Owners' Committee:-

- (a) At a meeting of the Owners' Committee, each member present shall have one (1) vote on a question before the Owners' Committee and if there is an equality of votes the chairman shall have, in addition to a deliberative vote, a casting vote.

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

7.12 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 not being anything involving criminal liability or dishonesty or negligence by or on the part of any or all of the members of the 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, deeds, matter or thing done or omitted as aforesaid which does not involve criminal liability, dishonesty or negligence on the part of the Owners' Committee or the members thereof and all costs and expenses in connection therewith.

7.13 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 reasonably and necessarily incurred in carrying out their duties.

7.14 (a) 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;
- (iii) the members present at all meetings.

- (b) 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 a reasonable notice being given and such Owner shall also be entitled to extracts thereof on paying reasonable charges therefor. All copying charges received shall be credited to the Special Fund.

- 7.15 Nothing herein contained shall prevent the Owners' Committee from forming sub-committees for the recreation and welfare of the residents of the Development or for community concerns or to co-opt any person eligible under Clause 7.4 of Section VII who are not members of the Owners' Committee to serve on such sub-committees.
- 7.16 Subject to the provisions in Schedule 7 to the Building Management Ordinance, the procurement of any supplies, goods or services by the Manager or the Owners' Committee that involves an amount in excess of or likely to be in excess of HK\$200,000 (or such other sum in substitution therefor as the Authority may specify by notice in the Gazette) or an amount which is or is likely to be more than twenty per cent (20%) of the annual budget (or such other percentage in substitution therefor as the Authority may specify by notice in the Gazette), whichever is the lesser, must be by invitation to tender and the standards and guidelines as may be specified in the Code of Practice referred to in section 20A of the Building Management Ordinance will apply to the Manager or the Owners' Committee with any appropriate variations.

## SECTION VIII

### **8. Meeting of Owners**

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

- (a) A meeting of Owners may be convened by:-
  - (i) the Owners' Committee;
  - (ii) the Manager; or
  - (iii) an Owner appointed to convene such a meeting by the Owners of not less than five (5)% of the Undivided Shares in aggregate excluding the Undivided Shares allocated to the Common Areas and Facilities.
- (b) The person convening the meeting of the Owners shall, at least fourteen (14) days before the date of the meeting, give notice of the meeting to each Owner. Such notice of meeting shall specify:-
  - (i) the date, time and place of the meeting; and
  - (ii) the resolutions (if any) that are to be proposed at the meeting.
- (c) The notice of meeting referred to in sub-clause (b) of Clause 8.1 of Section VIII above 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.
- (d) The quorum at a meeting of Owners shall be ten per cent (10%) of the Owners. No business shall be transacted at any meeting unless a quorum is present when the meeting proceeds to business. For the purposes of this sub-clause, the reference in this sub-clause (d) of Clause 8.1 of Section VIII to "**ten per cent (10%) of the Owners**" shall:-
  - (i) be construed as a reference to ten per cent (10%) of the number of persons who are Owners without regard to their ownership of any particular percentage of the total number of Undivided Shares; and
  - (ii) not be construed as the Owners of ten per cent (10%) of the Undivided Shares in aggregate.

- (e) A meeting of Owners shall be presided over by the chairman of the Owners' Committee or, if the meeting is convened under sub-clause (a)(ii) or (iii) of Clause 8.1 of Section VIII above, the person convening the meeting.
- (f) The chairman shall cause a record to be kept of the persons present at the meeting and the proceedings thereof.
- (g) At a meeting of Owners:-
  - (i) an Owner shall have one (1) vote in respect of each Undivided Share he owns;
  - (ii) an Owner may cast a vote personally or by proxy;
  - (iii) where two (2) or more persons are the co-Owners of an Undivided Share, the vote in respect of the Undivided Share may be cast:-
    - (A) by a proxy jointly appointed by the co-Owners;
    - (B) by a person appointed by the co-Owners from amongst themselves; or
    - (C) if no appointment is made under sub-sub-clause (g)(iii)(A) or (B) above, either by one of the co-Owners personally or by a proxy appointed by one of the co-Owners;
  - (iv) where two (2) or more persons are the co-Owners of an Undivided Share and more than one of the co-Owners seeks to cast a vote in respect of the Undivided 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 Undivided Share in the register kept at the Land Registry shall be treated as valid; and
  - (v) if there is an equality of votes the person presiding over the meeting shall have, in addition to a deliberative vote, a casting vote.
- (h) (i) An instrument appointing a proxy shall be in the form set out in Form 1 in Schedule 1A to the Building Management Ordinance, and
  - (A) shall be signed by the Owner; or
  - (B) 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.
- (ii) The instrument appointing a proxy shall be lodged with the chairman of the Owners' Committee or, if the meeting is convened under sub-clause (a)(ii) or (iii) of Clause 8.1 of Section VIII above, the person convening

the meeting at least forty-eight (48) hours before the time for the holding of the meeting.

- (iii) 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.
- (i) The procedure at a meeting of Owners shall be as is determined by the Owners.
- (j) 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 shall be binding on all the Owners of the Development Provided as follows:-
  - (i) 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.
  - (ii) No resolution purporting to be passed at any such meeting concerning any matter not mentioned in such notice shall be valid.
  - (iii) 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.
- (k) The accidental omission to give notice as aforesaid to any Owner shall not invalidate the proceedings at any meeting or any resolution passed thereat.

## SECTION IX

### **9. Extinguishment Of Rights**

- 9.1 In the event of the whole or any part of the Development being so damaged by fire, typhoon, earthquake, subsidence or other cause rendering it substantially unfit for habitation or use or occupation, the Owners holding not less than seventy-five per cent (75%) of the Undivided Shares allocated to that damaged part(s) of the Development (excluding the Undivided Shares allocated to the Common Areas and Facilities) may convene a meeting of the Owners in whom the right to exclusive use, occupation and enjoyment of such part of the Development and such meeting may resolve by a resolution of not less than seventy-five per cent (75%) of the Owners present in person or by proxy at such meeting whether or not to rebuild or reinstate the damaged part(s) of the Development and in the event the result of voting is that by reason of insufficiency of insurance money or changes in building law or regulations or any other circumstances whatsoever, it is not practicable to reinstate or rebuild such part of the Development then in such event the Undivided Shares in the Land representing such part of the Development shall be acquired by the Manager and the Owners of such Undivided Shares shall in such event be obliged to assign the same and all rights and appurtenances thereto to the Manager upon trust to forthwith dispose of the same by public auction or private treaty and to distribute the net proceeds of sale amongst the Owners of such Undivided Shares in proportion to the respective number of Undivided Shares previously held by such former Owners. All insurance money received in respect of any policy of insurance on such part of the Development shall likewise be distributed amongst such former Owners. In such event all the rights, privileges, obligations and covenants of such former Owners under this Deed shall be extinguished so far as the same relate to such former Owners of the relevant part of the Development.

PROVIDED ALWAYS THAT if it is resolved to reinstate or rebuild such part of the Development the Owners of such part of the Development shall pay the excess of the cost of reinstatement or rebuilding of the relevant part of the Development damaged as aforesaid over and above the proceeds recoverable from the insurance of such part of the Development in proportion to the respective number of Undivided Shares held by them and that until such payment the same will become a charge upon their respective Undivided Shares allocated to the relevant part of the Development and be recoverable as a civil debt. The resolution is to be binding upon all the Owners of the damaged part(s).

- 9.2 The following provisions shall apply to a meeting convened as provided in Clause 9.1 of Section IX:-
- (a) The person convening such meeting of the Owners shall, at least fourteen (14) days before the date of the meeting, give notice of the meeting to each Owner. Such notice of meeting shall specify:-
    - (i) the date, time and place of the meeting; and
    - (ii) the resolutions (if any) that are to be proposed at the meeting.

- (b) The notice of meeting referred to in sub-clause (a) of Clause 9.2 of Section IX shall be posted on the public notice boards of or a prominent place in the Development and if possible, 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 at the Owner's Unit or depositing it in the letter box for that Unit.
- (c) No business shall be transacted at any meeting unless a quorum is present when the meeting proceeds to business and Owners present in person or by proxy who in the aggregate have vested in them not less than seventy-five per cent (75%) of the total number of Undivided Shares of the part of the Development (excluding the Undivided Shares allocated to the Common Areas and Facilities) so affected in question shall be a quorum.
- (d) 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 at the same place and in such case, notices of such adjourned meeting shall be served to the Owners in accordance with sub-clause (b) of this Clause 9.2 of Section IX.
- (e) The chairman of the meeting shall be:-
  - (i) the chairman of the Owners' Committee (only if the chairman of the Owners' Committee is an Owner holding Undivided Shares allocated to the relevant damaged part); or
  - (ii) in the absence of the chairman of the Owners' Committee, the person elected and/or appointed by Owners present at the meeting.
- (f) The chairman shall cause a record to be kept of the persons present at the meeting and notes of the proceedings thereof.
- (g) At such meeting of the Owners:-
  - (i) an Owner shall have one vote in respect of each Undivided Share he owns;
  - (ii) an Owner may cast a vote personally or by proxy;
  - (iii) where two (2) or more persons are the co-Owners of an Undivided Share, the vote in respect of that Undivided Share may be cast:-
    - (1) by a proxy jointly appointed by the co-Owners;

- (2) by a person appointed by the co-Owners from among themselves; or
  - (3) if no appointment is made under this sub-clause (g)(iii)(1) or (2) of Clause 9.2 of Section IX, either by one of the co-Owners personally or by a proxy appointed by one of the co-Owners.
- (iv) where two (2) or more persons are the co-Owners of an Undivided Share, and more than one of the co-Owners seeks to cast a vote in respect of the Undivided 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 Undivided Share in the register kept at the Land Register shall be treated as valid; and
  - (v) if there is an equality of votes, the person presiding over the meeting shall have, in addition to a deliberative vote, a casting vote.
- (h) (i) An instrument appointing a proxy shall be in the form set out in Form 1 in Schedule 1A to the Building Management Ordinance, and
    - (1) shall be signed by the Owner; or
    - (2) 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.
  - (ii) The instrument appointing a proxy shall be lodged with:-
    - (1) if the chairman of the Owners' Committee is an Owner holding Undivided Shares allocated to the relevant damaged part, the chairman of the Owners' Committee; or
    - (2) in any other cases, the person convening the meeting

at least forty-eight (48) hours before the time for the holding of the meeting.
  - (iii) 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 that meeting.
- (i) A resolution passed at a duly convened meeting by not less than seventy-five per cent (75%) of those Owners present at such meeting shall be binding on all the Owners of the Development or (as the case may be) the relevant part of the Development 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 any such meeting concerning any other matter shall not be valid;

(iii) no resolution shall be valid if it is contrary to the provisions of this Deed.

9.3 For the avoidance of doubt, the provisions in Clause 8 of Section VIII do not apply to a meeting convened as provided in Clause 9.1 of Section IX.



## SECTION X

### **10. Miscellaneous Provisions**

- 10.1 (a) No provision of this Deed shall contradict, overrule or fail to comply with the provisions of the Building Management Ordinance and the Schedules thereto.
- (b) No provision of this Deed shall conflict with or is in breach of the conditions of the Government Grant. If any provision contained in this Deed conflicts with the Government Grant, the Government Grant shall prevail.
- (c) All Owners (including the First Owner) and the Manager covenant with each other to comply with the terms and conditions of the Government Grant so long as they remain as Owners or (as the case may be) the Manager. The covenants and provisions of this Deed are binding on all the Owners and the benefit and burden thereof are annexed to the Land and the Development and to the Undivided Shares in respect thereof.
- 10.2 For the avoidance of doubt, the Undivided Shares allocated to the Common Areas and Facilities shall not carry any voting rights at any meeting whether under this Deed, the Building Management Ordinance or otherwise or liability to pay any fees or charges under this Deed. Such Undivided Shares shall not be taken into account for the purpose of calculating the quorum of any meeting under this Deed, the Building Management Ordinance or otherwise.
- 10.3 Each Owner shall on ceasing to be the Owner of any Undivided Share and the Unit notify the Manager of such cessation and such Owner shall remain liable for all sums due and payable under this Deed and for the observance and performance of the terms and conditions under this Deed up to the date on which he ceases to be the Owner. The new Owner shall notify the Manager of his name and address within one (1) month from the date of the relevant assignment of any Undivided Share and the Unit.
- 10.4 No person shall, after ceasing to be the Owner of any Undivided Share, be liable for any debts, liabilities or obligations under the covenants and provisions of this Deed in respect of such Undivided Share and the part of the Development held therewith except in respect of any breach, non-observance or non-performance by such person of any such covenants or provisions prior to his ceasing to be the Owner thereof.
- 10.5 There shall be public notice boards (which may be in electronic form) at such prominent places in the Development as the Manager may from time to time determine. There shall be exhibited on each of such public notice boards a copy of the Development Rules from time to time in force and all notices which under this Deed are required to be exhibited thereon and such other notices and announcements as the Manager may from time to time decide to exhibit or approve for exhibition thereon. Except in the case of a notice required by this Deed or by law to be served personally or in any other manner, the exhibition of a notice on such public notice boards for seven (7) consecutive days shall be due notice of the contents thereof to each Owner, his tenants, licensees, servants and agents.

- 10.6 Subject as hereinbefore provided in the case of notices to be affixed to the public notice boards, all notices or demands required to be served hereunder shall be sufficiently served if addressed to the party to whom the notices or demands are given and sent by prepaid post to or left at the Unit or the letter box thereof of which the party to be served is the Owner notwithstanding that such party shall not personally occupy the same PROVIDED THAT where notice is to be given to an Owner who is a mortgagor, such notice may also be served on the mortgagee, if a company, at its registered office or last known place of business in Hong Kong and, if an individual, at his last known address. All notices required to be given to the Manager shall be sufficiently served if sent by prepaid post addressed to or if by hand left at the registered office of the Manager.
- 10.7 Each Owner shall notify the Manager of the name and address in Hong Kong of the person authorized by him to accept service of process. Any Owner not occupying or using his Unit to which those Undivided Shares relate shall provide the Manager with an address in Hong Kong for service of notices under the provisions of this Deed, failing which the address of such Unit is deemed to be his address for service.
- 10.8 (a) The First Owner shall at its own costs and expenses provide a direct translation in Chinese of this Deed and deposit a copy of this Deed and its Chinese translation in the management office of the Development within one (1) month after the date of this Deed. Copies of this Deed and its Chinese translation shall be made available for inspection by all Owners free of costs at the management office of the Development. A copy of this Deed or its Chinese translation or both shall be supplied by the Manager to an Owner on request at his own expense and upon payment of a reasonable charge. All charges received shall be credited to the Special Fund. In the event of dispute as to the effect or construction of this Deed and its Chinese translation, the English text of this Deed shall prevail.
- (b) The First Owner shall deposit a copy of Schedules 7 and 8 to the Building Management 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 Special Fund.
- (c) The location of the management office of the Development shall be designated by the Manager and may be re-designated to other location in the following manner :-
- (i) if there is an Owners' Committee, by a resolution of the Owners' Committee; or
- (ii) where there is no Owners' Committee, by a resolution of the Owners passed at an Owners' meeting convened under this Deed.
- 10.9 A set of the DMC Plans annexed hereto showing the Common Areas and Facilities shall be kept at the management office of the Development for inspection by the Owners during normal office hours free of costs and charges.

- 10.10 At any time after the formation and during the existence of the Owners' Corporation, the Owners' meeting convened under this Deed and/or the Building Management Ordinance shall be replaced and substituted by the general meeting of the Owners' Corporation and the Owners' Committee formed under this Deed shall be replaced and substituted by the management committee of the Owners' Corporation.
- 10.11 (a) The First Owner at its own costs and expenses has prepared a schedule of all the Works and Installations in the Development, which require regular maintenance on a recurrent basis. The schedule of the Works and Installations is set out in the FOURTH SCHEDULE to this Deed (subject to revisions as provided for in sub-clauses (e) and (f) of Clause 10.11 of Section X below).
- (b) The First Owner shall at its own costs and expenses prepare and compile for the reference of the Owners and the Manager a 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;
  - (vii) Recommended maintenance cycle of the Works and Installations.
- (c) The First 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 after the date of this Deed for inspection by all Owners free of charge and taking copies at their own expense and on payment of a reasonable charge. All charges received shall be credited to the Special Fund.
- (d) The Owners shall at their own costs and expenses inspect, maintain and carry out all necessary works for the maintenance of the Development and such parts of the Development the sole and exclusive right and privilege to hold, use, occupy and enjoy the same as may be held by the respective Owners including the Works and Installations.

- (e) The schedule and the maintenance manual for the Works and Installations may be revised in future to take into account any necessary changes, including but not limited to addition of works and installations in the Development and the updating of maintenance strategies in step with changing requirements.
  - (f) The Owners may, by a resolution passed at an Owners' meeting convened under this Deed, decide on revisions to be made to the schedule and the maintenance manual for the Works and Installations, in which event the Manager shall 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 shall be paid out of the Special Fund.
  - (h) The Manager shall deposit the revised maintenance manual for the Works and Installations in the management office of the Development within one (1) month after the date of its preparation for inspection by all Owners free of charge and taking copies at their own expense and on payment of a reasonable charge. All charges received shall be credited into the Special Fund.
- 10.12 (a) The Owners shall at their own costs and expenses maintain in good substantial repair and condition to the satisfaction of the Director of Lands and carry out all works in respect of the Slopes and Retaining Walls as required by the Government Grant and in accordance with the "Geoguide 5 – Guide to Slope Maintenance" issued by the Geotechnical Engineering Office (as amended or substituted from time to time) and the Slope Maintenance Manual.
- (b) The Manager shall have full authority of the Owners 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 Slopes and Retaining Walls in compliance with the conditions of the Government Grant and in accordance with the Slope Maintenance Manual and all guidelines issued from time to time by the appropriate Government departments regarding the maintenance of the Slopes and Retaining Walls. For the purpose of this sub-clause (b) of Clause 10.12 of Section X, the reference to "the Manager" includes the Owners' Corporation, if formed.
  - (c) All Owners shall pay the Manager all costs lawfully incurred or to be incurred by the Manager in carrying out such maintenance repair and any other works in respect of the Slopes and Retaining Walls.
  - (d) The Manager shall not be made personally liable for carrying out any such requirements in respect of the Slopes and Retaining Walls under the conditions 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.

- (e) The First Owner shall deposit a full copy of the Slope Maintenance Manual in the management office of the Development within one month after the date of this Deed for inspection by all Owners free of charge and taking copies upon payment of a reasonable charge. All charges received shall be credited to the Special Fund.

10.13 (a) In consideration of the Lender having entered into this Deed in its capacity as the lender under the Mortgage, the First Owner hereby covenants with the Lender that the First Owner shall fully observe and perform all the covenants herein contained and to be observed and performed by the First Owner while any share or interest in any part of the Land and the Development is subject to the Mortgage and shall keep the Lender fully and effectually indemnified against the non-observance and non-performance of any of the said covenants and the non-payment of the sums payable hereunder.

- (b) Notwithstanding anything herein contained, until such time as the Lender enters into possession of the Land and the Development or exercise the power of sale conferred on the Lender, the covenants and obligations in this Deed contained and the liability for making any payment under this Deed and the other burden and restrictions herein imposed shall not be binding upon the Lender and no liability for any payment under this Deed shall be binding on the Lender in respect of any sums accrued prior to the Lender entering into possession or exercising the power of sale.

10.14 The covenants and provisions of this Deed shall be binding on the parties hereto and their respective executors, administrators, successors in title and assigns and the benefit and burden thereof shall be annexed to the Units and Common Areas and Facilities and to the Undivided Share or Shares held therewith.

**IN WITNESS** whereof the parties hereto have caused this Deed to be executed the day and year first above written.

**THE FIRST SCHEDULE ABOVE REFERRED TO**

**Allocation of Undivided Shares and Management Shares**

**A. Houses**

<b>House</b>	<b>Undivided Shares</b>	<b>Management Shares</b>
86A Pok Fu Lam Road	368	368
86B Pok Fu Lam Road	477	477
86C Pok Fu Lam Road	481	481
86D Pok Fu Lam Road	483	483
86E Pok Fu Lam Road	474	474
86F Pok Fu Lam Road	472	472
86G Pok Fu Lam Road	361	361
<b>Sub-Total:</b>	3,116	3,116

**B. Common Areas and Facilities**

<b>Description</b>	<b>Undivided Shares</b>	<b>Management Shares</b>
Common Areas and Facilities	100	0
<b>Sub-Total:</b>	100	0

**Total Undivided Shares for the Development: 3,216**  
**Total Management Shares for the Development: 3,116**

## **THE SECOND SCHEDULE ABOVE REFERRED TO**

### **Rights, Privileges and Easements**

#### **Part A**

1. The Owner of each Unit shall have the benefit of the following rights and privileges SUBJECT TO the provisions of the Government Grant, this Deed, the Development Rules and the rights of the Manager as provided in this Deed:-
  - (a) The right to subjacent and lateral support and to shelter and protection from the other parts of the Development;
  - (b) The free and uninterrupted passage and running of water, sewage, electricity, ventilation, telephone and various other services (if any) from and to his Unit through the sewers, drains, watercourses, cables, pipes and wires which now are or may at any time hereafter be in, under or passing through his Unit or the Development or any part or parts thereof for the proper use and enjoyment of his Unit; and
  - (c) The right for any Owner with or without workmen plant equipment and materials at all reasonable times upon reasonable prior notice and having obtained the consent of (i) the Manager to enter upon the Common Areas and Facilities, or (ii) the Owner(s) concerned (which consent shall not be unreasonably withheld) to enter upon other Units of the Development, for the purpose of carrying out any necessary maintenance and repair of his Unit, including any conducting media exclusively serving his Unit (such work not being the responsibility of the Manager under this Deed and which cannot practically be carried out without such access), causing as little disturbance as possible and forthwith making good any damage caused thereby. For the purpose of this sub-clause (c) of Clause 1 of Part A of this Second Schedule, conducting media means pipes, wires, cables, sewers, drains, water courses, trunking, ducts, flues, gutters, gullies, channels, conduits and other media.
2.
  - (a) In addition the above rights and privileges, the Owner of each Undivided Share in the Development shall have the full right and liberty (but SUBJECT ALWAYS TO the provisions of the Government Grant, this Deed, the Development Rules and the rights of the Manager and the First Owner provided in this Deed) for the Owner for the time being, his tenants, servants, agents, lawful occupants and their bona fide visitors (in common with all persons having the like right) to go pass or repass over and along and to use the Common Areas and Facilities for the purposes for which they are designed and for all purposes connected with the use and enjoyment of his Unit PROVIDED THAT in exercising such rights of use no Owner shall interfere with or permit or suffer to be interfered with the general amenities, equipment or services provided and that each Owner shall comply with the Development Rules.
  - (b) For the avoidance of doubt, Owners shall have no right to enter upon any part of the Land and the Development save as expressly provided in this Deed.

## **Part B**

1. The following are the rights and privileges subject to which the Owner of each Undivided Share and the exclusive right to hold, use, occupy and enjoy his Unit is held:-
  - (a) The full right and privilege of the Manager at all reasonable times on reasonable notice (except in an emergency) with or without agents, surveyors, workmen, contractors, public officers and others and with or without equipment and apparatus to enter into and upon his Unit for the purposes of carrying out inspection, maintenance, repairs, cleansing, improvement, relocation, replacement of or to the Land or the Development or any part or parts thereof or any of the Common Areas and Facilities therein or to abate any hazard or nuisance which does or may affect the Common Areas and Facilities or other Owners PROVIDED THAT the Manager shall cause as little disturbance as possible and shall forthwith make good any damage caused thereby at its own costs and expenses and shall be liable for negligent, wilful or criminal acts of the Manager, its staff, employees, contractors or workmen, and of any other persons who exercise the aforesaid rights with the Manager, in the course of exercising the aforesaid rights;
  - (b) The full right and privilege of the Manager at all reasonable times on reasonable notice (except in an emergency) with or without agents, surveyors, workmen, contractors, public officers and others and with or without equipment and apparatus to go pass and repass over and along any Residential Carport as may be necessary for the purpose of accessing the Common Areas and Facilities PROVIDED THAT the Manager shall cause as little disturbance as possible and shall forthwith make good any damage caused thereby at its own costs and expenses and shall be liable for negligent, wilful or criminal acts of the Manager, its staff, employees, contractors or workmen, and of any other persons who exercise the aforesaid rights with the Manager, in the course of exercising the aforesaid rights;
  - (c) Rights of the First Owner set forth in Section III of this Deed;
  - (d) Rights and privileges of the Owners equivalent to those set forth in sub-clauses (b) and (c) of Clause I of Part A of this Second Schedule.



## **THE THIRD SCHEDULE ABOVE REFERRED TO**

### **Covenants, Provisions and Restrictions**

**1. No structural alteration**

No Owner shall make any structural alteration to any part of the Development owned by him (including but not limited to the external walls, structure or façade of the Unit owned by him or any installation or fixture therein) which may damage or affect or interfere with the right of other Owner(s) or the use and enjoyment of any other part or parts of the Development whether in separate or common occupation (in particular the supply of water, electricity or other utilities) nor shall any Owner use, cut, injure, damage, alter or interfere with any part or parts of the Common Areas and Facilities or any equipment or apparatus on, in or upon the Land not being equipment or apparatus for his exclusive use and benefit.

**2. Not to vitiate insurance**

No Owner shall permit or suffer to be done any act or thing in contravention of the terms and conditions of the Government Grant or whereby any insurance on the Development or any part thereof may become void or voidable or whereby the premia for any such insurance may be increased and in the event of any breach of this Clause 2 of this Third Schedule by any Owner, in addition to any other liability incurred thereby, such Owner shall pay to the Manager the amount of any increase in premium caused by or on account of such breach.

**3. Not to partition**

No Owner shall at any time exercise or attempt to exercise any statutory or common law right to partition the Land or the Development or any of the Units.

**4. Not to interfere with the construction, management, etc. of the Development**

Subject to the provisions of Clause 3.1 of Section III, no Owner shall do or permit or suffer to be done by his tenants, occupiers or licensees any act, deed, matter or thing which in any way interferes with or affects or which is likely to interfere with or affect the construction of any part of the Development at any time in the course of construction or the management and the maintenance of the Land and the Development.

**5. No conversion of the Common Areas and Facilities**

(a) No Owner (including the First Owner) shall have the right to convert the Common Areas and Facilities or any part thereof to his own use or for his own benefit unless with the approval by a resolution of the Owners at an Owner's meeting convened under this Deed. Any payment received for the granting of such approval shall be credited to the Special Fund.

(b) No Owner (including the First Owner) shall have the right to convert or designate any of his own areas as Common Areas and Facilities of the

Development unless the approval by a resolution of Owners at an Owners' meeting convened under this Deed has been obtained. Neither the Owners (including the First Owner) nor the Manager shall have the right to re-convert or re-designate the Common Areas and Facilities to his or its own use or for his or its own benefit.

**6. Not to obstruct the Common Areas and Facilities**

No part of the Common Areas and Facilities shall be obstructed nor shall any refuse or other matter or things be placed or left thereon and no Owner shall do or suffer or permit to be done anything in such areas as may be or become a nuisance to any other Owners or occupiers of any other part of the Development.

**7. Not to use for illegal or immoral purpose**

No Owner shall use or permit or suffer the part of the Development owned by him to be used for any illegal or immoral purpose nor shall he do, 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 for the time being of the Development.

**8. Not to use for offensive purpose, etc. and user restriction**

- (a) No Owner shall use or permit or suffer any part of the Development owned by him to be used except in accordance with the Government Grant, the Occupation Permit, this Deed and any Ordinances and Regulations from time to time applicable thereto.
- (b) No Owner shall use or cause or permit any Unit to be used for industrial or godown purposes or for the purpose of mahjong school, guest house, hotel, bath house, funeral parlour, coffin shop, temple, buddhist hall or for the performance of the ceremony known as "Ta Chai (打齋)" or any similar ceremony or as a boarding house, serviced apartment, dance hall, music hall, tutorial centre or for any noisy or offensive trade or business.
- (c) No House (excluding the Residential Carport) shall be used for any purpose other than for private residential purpose and in particular shall not be used for any form of commercial letting in bed spaces or cubicles.
- (d) No residential car parking space in the Residential Carports shall be used other than for the parking of motor vehicles licensed under the Road Traffic Ordinance (Cap. 374, Laws of Hong Kong), any regulations made thereunder and any amending legislation belonging to the residents of the Houses and their bona fide guests, visitors or invitees.
- (e) No part of the Residential Carports shall be obstructed nor shall any refuse or other matter or things be placed or left thereon and no Owner shall do or suffer or permit to be done anything in such areas as may be or become a nuisance to any other Owners or occupiers of any other part of the Development.

- (f) The Visitor Parking Space and the Accessible Parking Space shall not be used for the storage, display or exhibiting of motor vehicles for sale or otherwise or for the provision of motor vehicle cleaning and beauty services.

**9. Not to erect partitioning to block the fire exits and windows**

No partitioning shall be erected or installed in a House which does not leave clear access for fire exits.

**10. Not to erect advertising sign, etc. on the Unit**

No Owner shall erect or place or cause or permit to be erected or placed any advertising sign or other structure on any window, flat roof, roof, top roof, staircase, air-conditioning area, garden, swimming pool or external walls forming part of his Unit or any other part thereof which would cause any hazard or nuisance which does or may affect the Common Areas and Facilities or other Owners. If an Owner is in default of the foregoing provision of this Clause 10 of this Third Schedule and such default shall constitute hazard or nuisance which does or may affect the Common Areas and Facilities or other Owners, the Manager shall have the right at all reasonable times on reasonable notice (except in an emergency) to enter the defaulting Owner's Unit for the purpose of abating such hazard or such nuisance at the cost and expense of the defaulting Owner Provided that the Manager shall at its own costs and expense make good any damage and be responsible for any liability caused by the negligent, wilful or criminal acts or omissions of the Manager or its employees, agents or contractors in entering the Unit pursuant to this Clause 10 of the Third Schedule.

**11. Not to affix any metal grille, shutter or gate at window, doors or entrance of Unit**

No Owner shall permit or suffer to be erected, affixed, installed or attached in or on or at the door or doors or entrance or entrances of any part of his Unit any metal grille, shutter or gate.

**12. Not to display advertising sign from Unit**

No Owner shall erect, affix, install or attach or permit or suffer to be erected, affixed, installed or attached in or on or to be displayed from any Unit any advertising or other sign of any description (except a small name plate outside the entrance door of a Unit giving the Owner's or occupier's name) that is not consistent with the use of such a Unit for private residential purposes and without the previous written approval of the Manager. Any such approval given by the Manager may be given subject to such conditions as the Manager may specify and shall be subject to revocation on reasonable notice.

**13. Not to store dangerous goods, etc. in Unit**

No Owner shall store or permit to be stored in any Unit any hazardous, dangerous, combustible or explosive goods or materials except such as may be reasonably required for normal household such as WD-40, USB power bank, bleach, insecticide, spray paint and clog remover. No Owner shall use or permit or suffer the Unit owned by him to be

used for any illegal purpose nor will he do cause or permit or suffer to be done any act or thing which may be or become an annoyance for or cause damage to the Owners or occupier for the time being.

**14. Not to store goods in Unit**

No Unit or any part thereof shall be used for the storage of goods or merchandise other than the personal and household possession of the Owner or occupier.

**15. Not to interfere with communal television and radio aerial system, etc. provided in the Development**

No Owner shall cut, maim, alter, affix, interfere with or in any other way affect any pipes, valves, ducts, lightning conductors, communal television and radio aerial system, and/or cable television system (if any), fixtures or any other installation within any portion of the staircase, air-conditioning platforms, flat roofs, roofs or external surfaces provided in the Development as part of the Common Areas and Facilities.

**16. Not to install private aerial system, etc. without Manager's consent**

No Owner shall be entitled to connect any installation to the communal television and radio aerial system and cable television system (if any) installed by the First Owner or the Manager except with the permission of the Manager and in accordance with any Development Rules relating to the same. No Owner shall affix or install his own private aerial outside any part of the Unit or the Development.

**17. Not to install air-conditioning, etc.**

No air-conditioning or other units shall be installed through any window, external wall or fence wall of the Unit other than at places designated under the Building Plans for such purpose and all possible measures shall be taken to prevent excessive noise, condensation or dripping on to any part of the Land or the Development. Every Owner shall also at his own cost and expense keep and maintain the air-conditioning or other units or plants (if any) serving exclusively his Unit in good repair and condition.

**18. Not to install external signs, etc. outside the exterior of Unit**

Subject to the rights of the First Owner under Clause 3.1(d) of Section III, no Owner shall erect, install or otherwise affix or allowed to be erected, installed or otherwise affixed any external signs, signboards, notices, flags, banners, poles, cages, shades, or other projections or structures whatsoever on the external surfaces of or extending outside the exterior of his Unit or any part of the Development or be projected from the Development or any part thereof except with the written consent of the Manager who may in its discretion impose conditions to the consent.

**19. Not to display bill, notices etc.**

Subject to the rights of the First Owner under Clause 3.1(d) of Section III, no Owner shall exhibit, display or allow or suffer to be exhibited or displayed on the external parts

of his Unit or any part of the Development any bill, notice, placard, poster, sign or advertisement whatsoever.

**20. Not to hang clothing or laundry outside Unit or the Common Areas and Facilities**

No clothing or laundry shall be hung outside the Unit, flat roof or roof or any part thereof (other than in the spaces specifically provided therefor under the Building Plans) or in the Common Areas and Facilities.

**21. Not to hang washing upon flat roofs, etc. of the Development**

No Owner shall keep, hang or exhibit or permit or suffer to be kept, hung or exhibited any washing, cloth, clothing or any unsightly objects or store or permit or suffer to be stored any utensils or other articles upon staircase, garden, swimming pool, flat roof, roof, top roof, stairhood, external walls, fence walls, corridors or any part of the Development or any other areas which constitutes a nuisance to other Owners or occupiers of the Development. If an Owner is in default of the foregoing provision of this Clause 21 of this Third Schedule and such default shall constitute hazard or nuisance which does or may affect the Common Areas and Facilities or other Owners, the Manager shall have the right at all reasonable times on reasonable notice (except in an emergency) to enter the defaulting Owner's Unit for the purpose of abating such hazard or such nuisance at the cost and expense of the defaulting Owner Provided that the Manager shall at its own costs and expense make good any damage and be responsible for any liability caused by the negligent, wilful or criminal acts or omissions of the Manager or its employees, agents or contractors in entering the Unit pursuant to this Clause 21 of the Third Schedule.

**22. Not to erect or build upon the flat roof etc. of Unit or the fence wall or external wall of Development**

No Owner shall erect or build or suffer to be erected or built on or upon the staircase, air-conditioning area, garden, swimming pool, flat roof, roof, top roof, stairhood, external wall, fence wall forming part of his Unit or the Development any structure whatsoever either of a permanent or temporary nature which would cause any hazard or nuisance which does or may affect the Common Areas and Facilities or other Owners. If an Owner is in default of the foregoing provision of this Clause 22 of this Third Schedule and such default shall constitute hazard or nuisance which does or may affect the Common Areas and Facilities or other Owners, the Manager shall have the right at all reasonable times on reasonable notice (except in an emergency) to enter the defaulting Owner's Unit for the purpose of abating such hazard or such nuisance at the cost and expense of the defaulting Owner at the cost and expense of the defaulting Owner Provided that the Manager shall at its own costs and expense make good any damage and be responsible for any liability caused by the negligent, wilful or criminal acts or omissions of the Manager or its employees, agents or contractors in entering the Unit pursuant to this Clause 22 of the Third Schedule.

**23. Not to clog the drainage system**

- (a) No Owner shall do or suffer or permit to be done anything whereby the flush or drainage system of the Development (including but not limited to waste pipes, sewage waste drainage, connections to the main drainage stacks up to and including connections with sanitary appliances including baths, basins, showers, bidets and sinks) may be clogged or efficient working thereof may be impaired.
- (b) No Owner shall cause any cover of the service channels, manholes, underground drains or pipes or any other apparatus and equipment used or installed for the benefit of the Land or the Development or any part or parts thereof on or under the Development located outside his Unit or forming part of his Unit or on the ceiling of his Unit to be concealed or covered or blocked so as not to obstruct or impede any rebuilding, repairing, renewing, cleaning, painting, decorating, inspecting, examining or maintaining of any of the the Common Areas and Facilities.

**24. Not to misuse water closets**

Not to use water closets and other water apparatus in the Development for any purpose other than those for which they were constructed nor shall any sweeping, rubbish, rags or any other articles be thrown into the same. Any damage resulting from misuse of any water closets or apparatus shall be paid for by the Owner or occupier in whose Unit it shall have been caused.

**25. No excessive noise**

- (a) No Owner shall make or cause or permit any disturbing noise in his Unit or do or cause or permit anything to be done which will interfere with the rights, comforts and convenience of other occupants of the Development.
- (b) No Owner shall permit the causing of noisy nuisance (e.g. playing of mahjong) in his part of the Development between 11:00 p.m. and 9:00 a.m. so as to cause disturbance to the Owners or occupiers of any other part of the Development.

**26. Pets**

- (a) Birds or animals (except live poultry) may be kept in a Unit as pets unless the same has been the cause of reasonable complaint by at least two (2) Owners or occupiers of any part of the Development.
- (b) No dogs shall be permitted in the Common Areas and Facilities unless carried or on leash, PROVIDED THAT trained guide dogs on leash for visually impaired person may be brought into any part of the Development whilst guiding any person with disability in vision.

**27. Not to alter façade or external appearance of the Development**

Subject to the rights of the First Owner under Clause 3.1(d) of Section III, no Owner shall paint the outside of the Development including any part of the Development owned by him, or do or permit to be done any act or thing which may or will alter the

façade or external appearance of his Unit or the Development (including any part owned by him) or the colour of the window glass panes and the window frames of his Unit without the prior consent in writing of the Manager.

28. **Not to discard refuse, etc.**

No Owner shall throw out or discard or permit or suffer to be thrown out or discarded from any part of the Development owned by him any refuse, rubbish, litter or other article or thing whatsoever except using the services or facilities provided for the disposal thereof.

29. **Not to allow articles to obstruct Common Areas and Facilities**

Not to allow bicycles, baby carriages, skateboards or similar vehicles to obstruct any Common Areas and Facilities.

30. **Not to contravene the Fire Services Ordinance**

No Owner shall make any alteration to or interfere with the sprinkler system, fire fighting equipment, fire alarm system, visual fire alarm system or door hold open device forming part of the Common Areas and Facilities or suffer to be done anything to such sprinkler system, fire fighting equipment, fire alarm system, visual fire alarm system or door hold open device which would constitute a breach of the Fire Services Ordinance (Cap. 95, Laws of Hong Kong) or any by-laws or regulations made thereunder. If any alteration, addition, repair or modification to such fire fighting equipment, sprinkler system, fire alarm system, visual fire alarm system or door hold open device shall be required by any Owner then such works, subject to the prior approval of the Manager, shall be carried out by a registered fire services installations contractor appointed or approved by the Manager at the expense of such Owner and in such manner as the Manager shall in its absolute discretion think fit.

31. **Not to perform installation or repair works to the electrical wiring affecting the Common Areas and Facilities**

No Owner shall perform installation or repair works to the electrical wiring connecting from the switch rooms forming part of the Common Areas and Facilities to any part or parts of the Development save with the written approval of the Manager and such works shall be carried out by the Manager or any contractor appointed by the Manager at the expense of such Owner and in such manner as the Manager shall in its absolute discretion think fit.

32. **Floor loading**

No Owner shall place on any part of the floors of the Development or in any lifts any article, machinery, goods or merchandise which may cause the maximum floor or lift loading-bearing capacity thereof (as specified on such floor or lift) to be exceeded and in the event of breach of this covenant the Owner in default shall make good any damage caused thereby to that part of the Development or any fixtures and fittings therein.

**33. Not to cut trees**

No Owner shall interfere with, damage or cut any tree growing on the Land or adjacent thereto except with the prior written consent of the Director of Lands and in compliance with any conditions that may be imposed by the said Director and each Owner shall be responsible to remedy and indemnify the other Owners in respect of any breach of this Clause 33 of this Third Schedule including a breach by the occupants of his Unit and their guests or visitors.

**34. To pay Government rent**

Every Owner shall pay and discharge all existing and future Government rent (unless the same forms part of the Management Expenses pursuant to the provisions of this Deed), taxes, rates, assessments and outgoings payable in respect of such part of the Development of which he is the Owner and to indemnify the other Owners from and against all liability thereof.

**35. To manage, repair etc. Unit**

- (a) Each Owner shall at its own cost and expense and in compliance with the Government Grant, this Deed and the Development Rules, manage, repair, maintain and upkeep his Unit and all services and facilities installed therein or used in connected therewith.
- (b) Subject to the provisions of this Deed, each Owner shall keep in good repair and maintain his Unit in good condition and all wirings and piping thereto which do not form part of the Common Areas and Facilities and all electrical and sanitary appliances thereto in good repair and condition and in a manner so as to avoid any loss damage nuisance or annoyance to the Owners or occupiers of any other part or parts of the Land and the Development.

**36. To observe the Government Grant, etc.**

Every Owner shall observe and comply with all terms and provisions of the Government Grant and this Deed so long as he remains as Owner of an Undivided Share.

**37. No building works**

No Owner shall carry out or cause to be carried out any building works (involving alteration (structural or otherwise), interior fitting out or any construction works whatsoever) which shall result in any Unit being internally linked to and accessible from any adjoining or adjacent Unit save with the written approval of the Manager, which works shall be carried out in accordance with the Fit-out Rules. The Fit-out Rules may prescribe that the Owner of Unit shall deposit and maintain with the Manager a refundable decoration deposit as security for the due observance and performance by the Owner of the Fit-out Rules when fitting-out or decorating his Unit. Such decoration deposit shall be refunded by the Manager without interest to the Owner



of Unit within fourteen (14) days after the Owner has notified the Manager in writing that the fitting-out or decoration of his Unit has been completed and upon the Manager being satisfied that this is the case.

**38. No grave or columbarium within the Land**

No grave or columbarium shall be erected or made on the Land, nor shall any human remains or animal remains whether in earthenware jars, cinerary urns or otherwise be interred therein or deposited thereon.

**39. To repair and maintain the Party Fence Wall**

Neither Owner of a Party Fence Wall shall use or suffer to be used any portion of the Party Fence Wall so as to interfere with the use and enjoyment of the other Owner of the Party Fence Wall. Neither Owner shall cause or suffer to be caused leakage of water or damage to the other side of the Party Fence Wall or likely to cause the Party Fence Wall to collapse. If the Party Fence Wall or any portion thereof is damaged or injured by any cause, other than due to the default of either Owner of the Party Fence Wall of his obligations under this Clause 39 of Third Schedule, it shall be repaired, maintained or rebuilt at the joint costs and expenses of the Owners of the Party Fence Wall.

**40. To maintain the Brown Area**

The Owners shall at their own expenses in the proportion of the number of Undivided Shares (excluding the Undivided Shares allocated to the Common Areas and Facilities) allotted to their respective Units maintain the Brown Area and to carry out such works thereon and thereto to the satisfaction of the Director of Lands and in observance and compliance with Condition No.(24) in the Schedule to the Government Grant and any other provisions of the Government Grant.

**41. Not to alter fittings, finishes and appliances of the Residential Carport**

Subject to the rights of the First Owner under Clause 3.1(d) of Section III, no Owner shall alter or do or permit to be done any act or thing which may or will alter the fittings, finishes and appliances (including the fittings, finishes and appliances of the ceiling and floor) of his Residential Carport without the prior consent in writing of the Manager. In considering whether to give consent under this Clause 41 of Third Schedule, the Manager shall consider whether the alteration of the fittings, finishes and appliances of the Residential Carport proposed by its Owner will have the effect of altering the façade or external appearance of the Development.

## **THE FOURTH SCHEDULE ABOVE REFERRED TO**

### **Schedule of Works and Installations**

The major works and installations in the Development (whether forming part of the Common Areas and Facilities or not) requiring regular maintenance on a recurrent basis which include the following:-

- (a) structural elements;
- (b) external wall finishes and roofing materials;
- (c) fire safety elements;
- (d) Slopes and Retaining Walls;
- (e) plumbing system;
- (f) drainage system;
- (g) fire services installations and equipment;
- (h) electrical wiring system;
- (i) lighting system;
- (j) security system;
- (k) lift installations;
- (l) gas supply system;
- (m) window, door and glass balustrade installations;
- (n) vertical greenery and planters;
- (o) air-conditioning and mechanical ventilation system for Common Areas and Facilities;
- (p) swimming pool and filtration system.

**The First Owner**

**SIGNED** as a deed and **SEALED** with )  
the Common Seal of the **First Owner** )  
and **SIGNED** by )  
)  
)  
)  
duly authorised by board resolution of )  
its directors whose signature(s) is/are )  
verified by :- )



**The DMC Manager**

**SIGNED** as a deed and **SEALED** with )  
the Common Seal of the **DMC** )  
**Manager** in accordance with the articles )  
of association and **SIGNED** by )  
)  
)  
)  
duly authorised by board resolution of )  
its directors in the presence of :- )  
)

**The Lender**

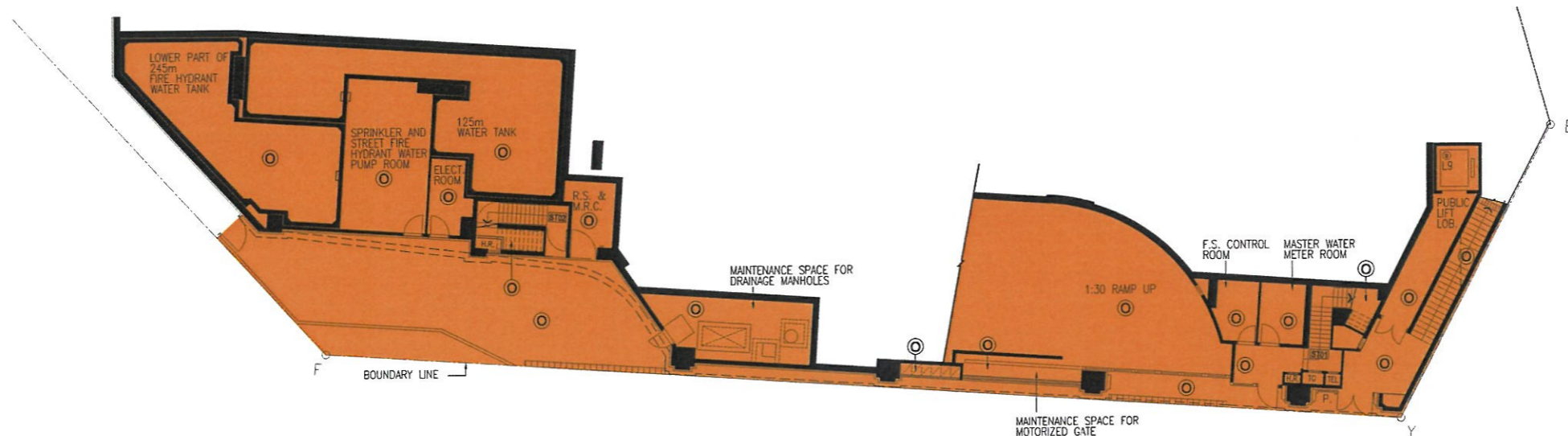
**SEALED** with the Common Seal of )  
 )  
the Lender and **SIGNED** by )  
 )  
 )  
 )  
 )  
whose signature(s) is/are verified by :- )

**OR**

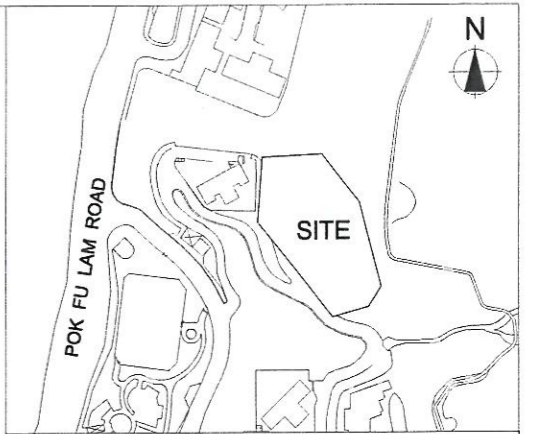
**SIGNED, SEALED and DELIVERED** by )  
 )  
 )  
 )  
the duly appointed attorney of the Lender in )  
 )  
Hong Kong whose signature(s) is/are verified )  
 )  
by :- )



LOWER GROUND FLOOR PLAN (+130.15)



ENTRANCE LEVEL FLOOR PLAN (+125.50)



KEY PLAN 1:3000

LEGENDS:

COMMON AREAS AND FACILITIES

LEGEND :

- AMR ROOM : AUTOMATIC METER READING ROOM
- B.L. : BOUNDARY LINE
- EMC : ELECTRICAL METER CABINET
- ELECT. ROOM : ELECTRICAL ROOM
- EV : ELECTRIC VEHICLE
- F.S. : FIRE SERVICES
- H.R. : HOSE REEL
- LOB. : LOBBY
- LV : LOW VOLTAGE
- P.D. : PIPE DUCT
- R.S. & M.R.C. : REFUSE STORAGE AND MATERIAL RECOVERY CHAMBER
- TEL : TELECOMMUNICATION DUCT
- TBE ROOM : TELECOMMUNICATIONS AND BROADCASTING EQUIPMENT ROOM
- TG : TOWNGAS DUCT
- WMC : WATER METER CABINET

I HEREBY CERTIFY THE ACCURACY OF THIS PLAN  
NG KWOK FAI

B.A. (A.S.) MARCH  
HKIA  
Registered Architect (HK)  
Authorized Person (Architect)

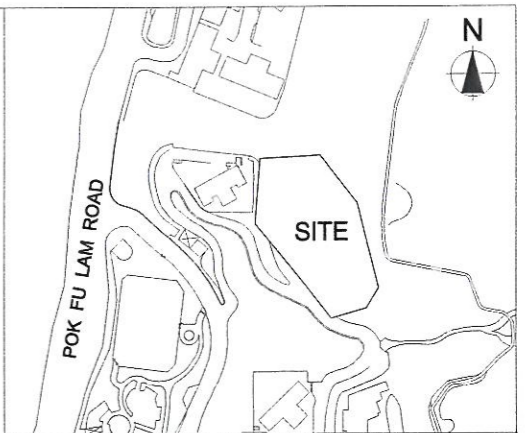
Project  
PROPOSED RESIDENTIAL REDEVELOPMENT ON INLAND LOT NO. 8755

**LWK + PARTNERS**

15/F, North Tower, World Finance Centre, Harbour City, Tsim Sha Tsui, Kowloon.  
T: 852-2574 1633 F: 852-2572 4908 E: lwk@lwkp.com  
梁黃顯建築師(香港)事務所有限公司  
九龍尖沙咀海城環球金融中心北座15樓

LOWER GROUND FLOOR  
THIS PLAN IS FOR IDENTIFICATION PURPOSE ONLY  
PLAN NO. : DMC-001  
SCALE : 1:150  
DATE : 12 DEC 2022





**KEY PLAN** 1:3000

**LEGENDS:**

COMMON AREAS AND FACILITIES

**LEGEND :**

ARCH. FINIS : ARCHITECTURAL FINIS  
 LOB. : LOBBY  
 P. : PLANTER  
 V.G. : VERTICAL GREENERY



ARCH. FINIS  
 FLAT ROOF AT 1/F  
 1/F PART PLAN  
 SEE ALSO FIRST FLOOR PLAN FOR HOUSE NO.1



I HEREBY CERTIFY  
 THE ACCURACY OF THIS PLAN  
 NG KWOK FAI

B.A. (A.S.) M.ARCH  
 HKIA  
 Registered Architect (HK)  
 Authorized Person (Architect)

Project  
 PROPOSED RESIDENTIAL  
 REDEVELOPMENT ON  
 INLAND LOT NO. 8755

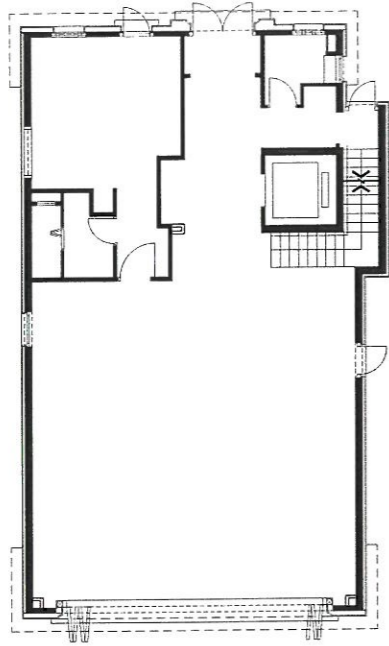
**LWK  
 +PARTNERS**

15/F, North Tower, World Finance Centre, Harbour City, Tsim Sha Tsui, Kowloon.  
 T: 852-2574 1633 F: 852-2572 4908 E: lwk@lwkp.com  
 梁黃顯建築師(香港)事務所有限公司  
 九龍尖沙咀海港城環球金融中心北座15樓

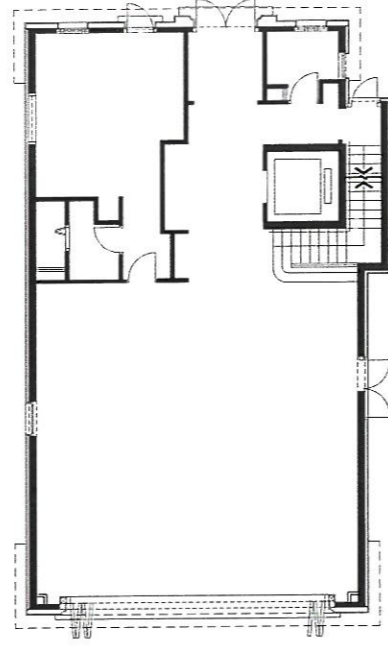
**GROUND FLOOR**  
 THIS PLAN IS FOR IDENTIFICATION PURPOSE ONLY  
 PLAN NO. : DMC-002  
 SCALE : 1:150  
 DATE : 12 DEC 2023



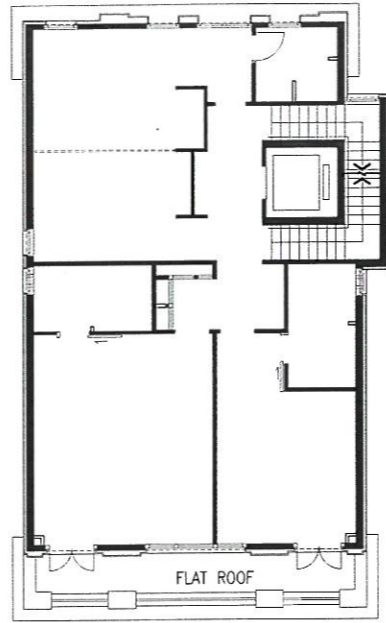




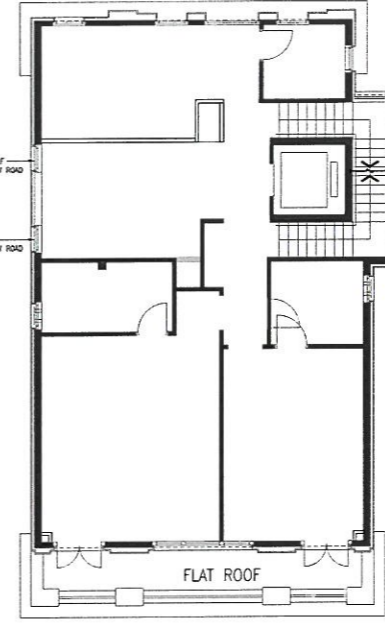
**GROUND FLOOR PLAN**  
FOR 86C POK FU LAM ROAD



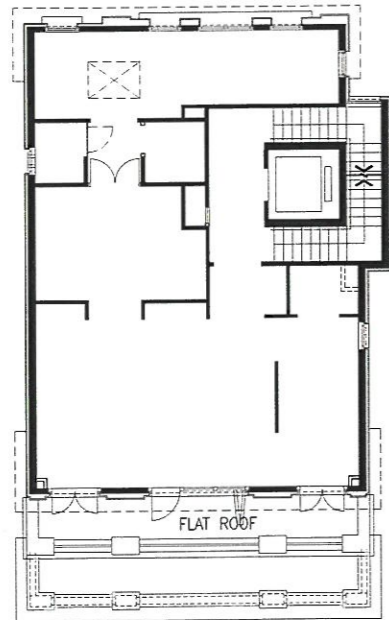
**GROUND FLOOR PLAN**  
FOR 86B, D, E & F  
POK FU LAM ROAD



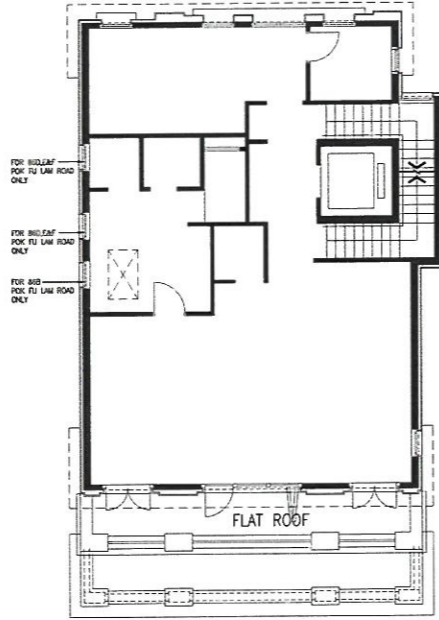
**FIRST FLOOR PLAN**  
FOR 86C POK FU LAM ROAD



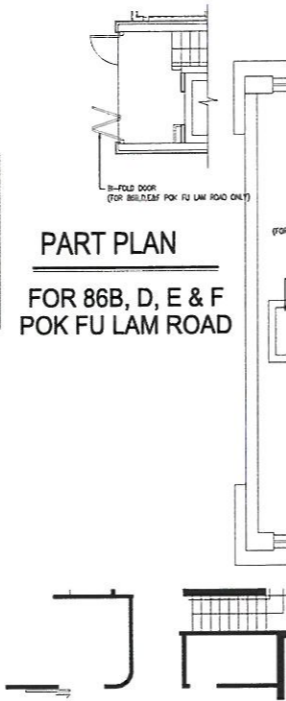
**FIRST FLOOR PLAN**  
FOR 86B, D, E & F  
POK FU LAM ROAD



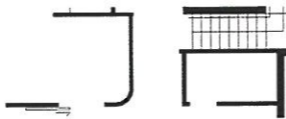
**SECOND FLOOR PLAN**  
FOR 86C POK FU LAM ROAD



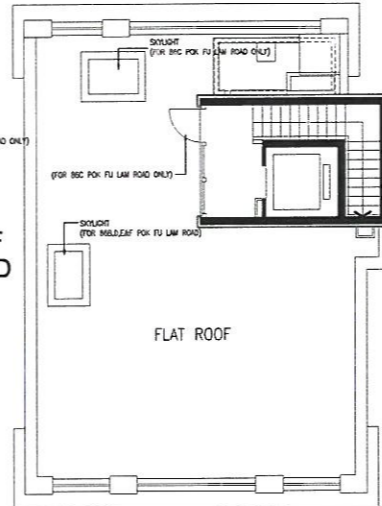
**SECOND FLOOR PLAN**  
FOR 86B, D, E & F  
POK FU LAM ROAD



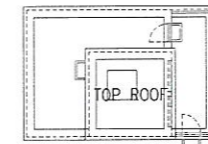
**PART PLAN**  
FOR 86B, D, E & F  
POK FU LAM ROAD



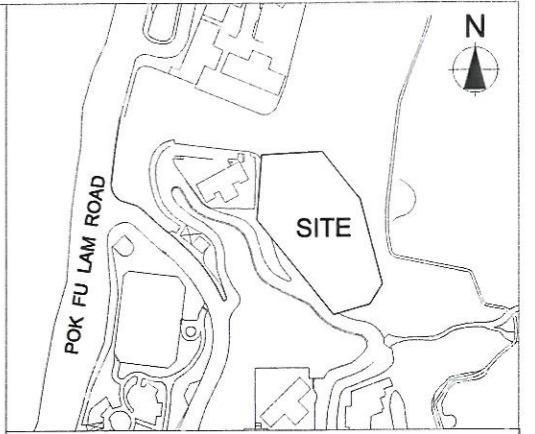
**PART PLAN**  
FOR 86F  
POK FU LAM ROAD



**ROOF FLOOR PLAN**  
FOR 86B, C, D, E & F  
POK FU LAM ROAD



**TOP ROOF PLAN**  
FOR 86B, C, D, E & F  
POK FU LAM ROAD



**KEY PLAN**

1:3000

I HEREBY CERTIFY  
THE ACCURACY OF THIS PLAN  
NG KWOK FAI

B.A. (A.S.) MARCH  
HKIA  
Registered Architect (HK)  
Authorized Person (Architect)

Project  
PROPOSED RESIDENTIAL  
REDEVELOPMENT ON  
INLAND LOT NO. 8755

**LWK  
+ PARTNERS**

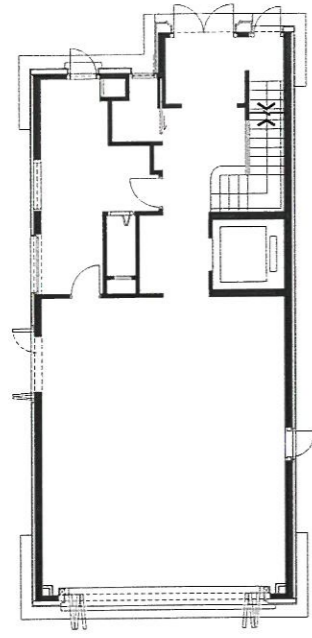
15/F, North Tower, World Finance Centre, Harbour City, Tsim Sha Tsui, Kowloon.  
T: 852-2574 1633 F: 852-2572 4908 E: lwk@lwkp.com  
梁黃顯建築師(香港)事務所有限公司  
九龍尖沙咀海港城環球金融中心北座15樓

LAYOUT PLAN FOR 86B, 86C, 86D, 86E & 86F POK FU LAM ROAD

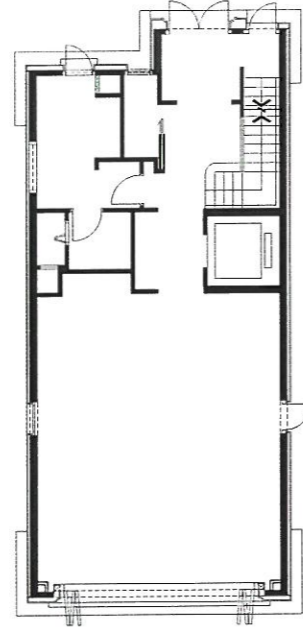
THIS PLAN IS FOR IDENTIFICATION PURPOSE ONLY

PLAN NO. : DMC-003  
SCALE : 1:100  
DATE : 12 DEC 2023

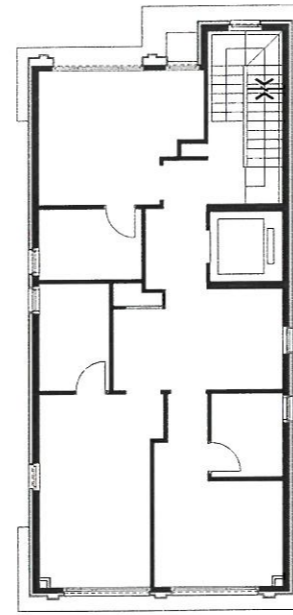




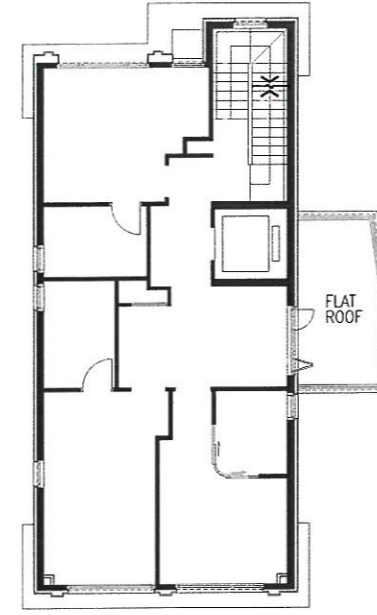
**GROUND FLOOR PLAN**  
FOR 86G POK FU LAM ROAD



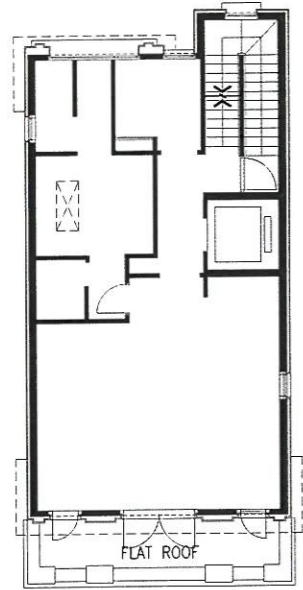
**GROUND FLOOR PLAN**  
FOR 86A POK FU LAM ROAD



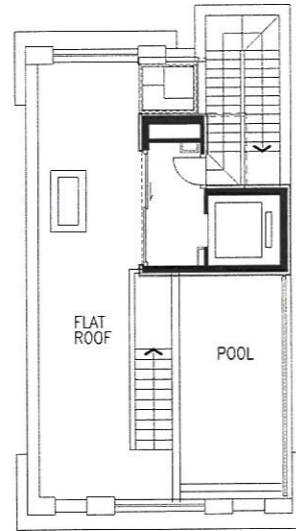
**FIRST FLOOR PLAN**  
FOR 86G POK FU LAM ROAD



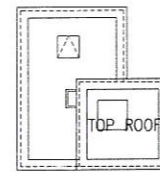
**FIRST FLOOR PLAN**  
FOR 86A POK FU LAM ROAD



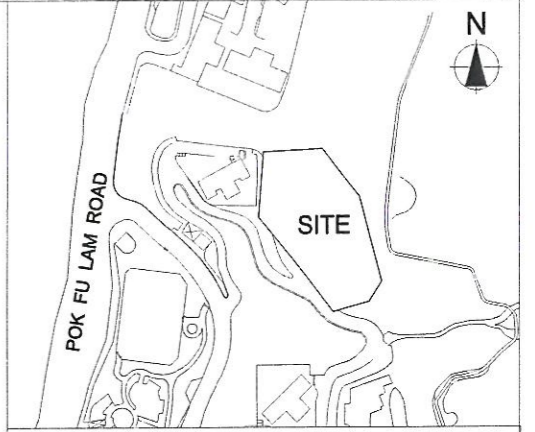
**SECOND FLOOR PLAN**  
FOR 86A&G POK FU LAM ROAD



**ROOF FLOOR PLAN**  
FOR 86A&G POK FU LAM ROAD



**TOP ROOF PLAN**  
FOR 86A&G POK FU LAM ROAD



**KEY PLAN** 1:3000

I HEREBY CERTIFY  
THE ACCURACY OF THIS PLAN  
NG KWOK FAI

B.A. (A.S.) M.ARCH  
HKIA  
Registered Architect (HK)  
Authorized Person (Architect)

Project  
PROPOSED RESIDENTIAL  
REDEVELOPMENT ON  
INLAND LOT NO. 8755

**LWK  
+PARTNERS**

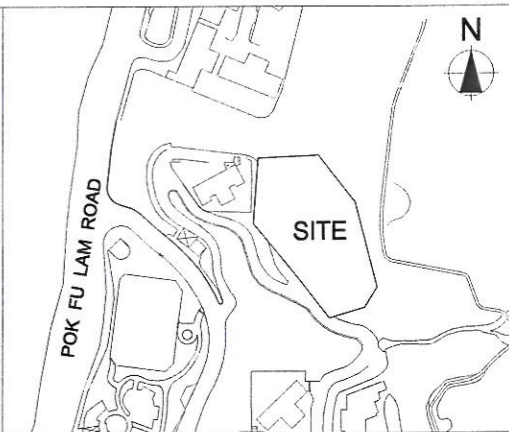
15/F, North Tower, World Finance Centre, Harbour City, Tsim Sha Tsui, Kowloon.  
T: 852-2574 1633 F: 852-2572 4908 E: lwk@lwkp.com  
梁黃顯建築師(香港)事務所有限公司  
九龍尖沙咀海港城環球金融中心北座15樓

LAYOUT PLAN FOR 86A & 86G POK FU LAM ROAD

THIS PLAN IS FOR IDENTIFICATION PURPOSE ONLY

PLAN NO. : DMC-004  
SCALE : 1:100  
DATE : 12 DEC 2023





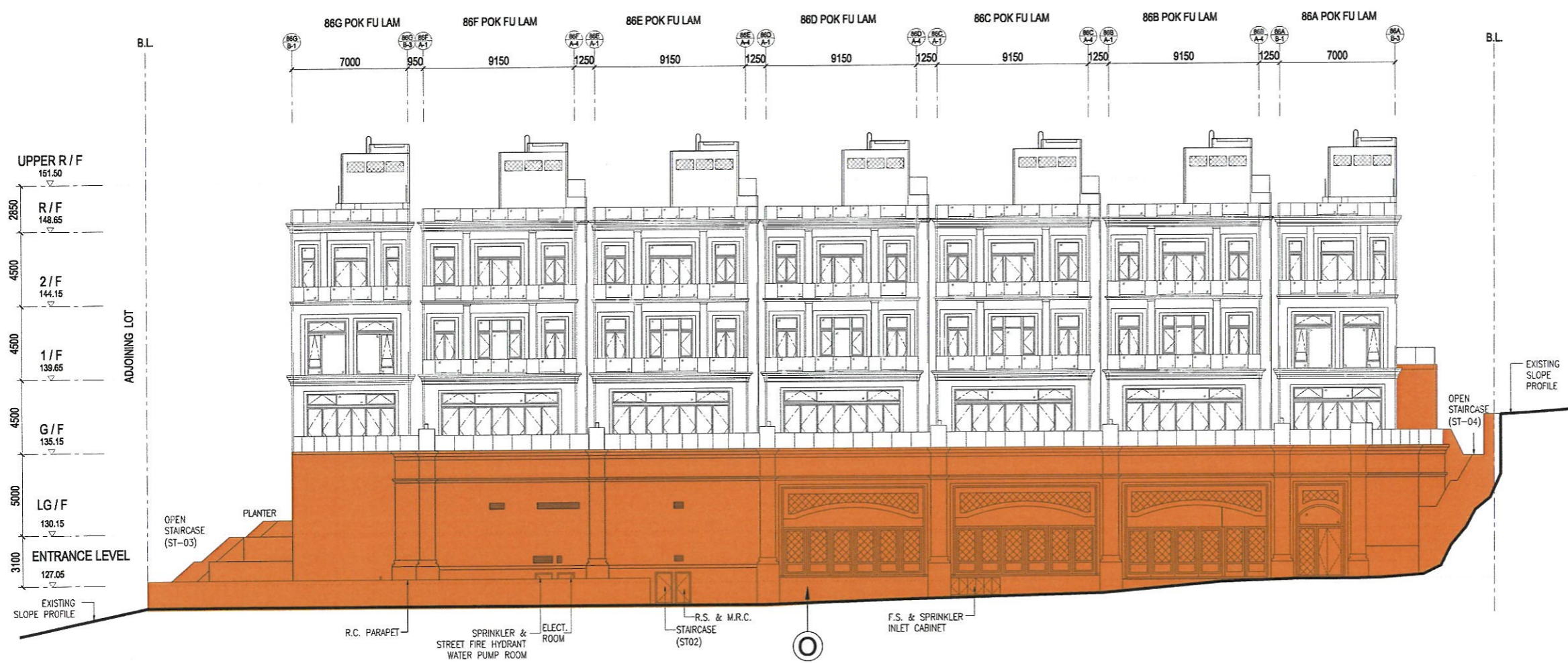
**KEY PLAN** 1:3000

**LEGENDS:**

COMMON AREAS AND FACILITIES

**LEGEND:**

B.L. : BOUNDARY LINE  
 ELECT. ROOM : ELECTRICAL ROOM  
 R.C. : REINFORCED CONCRETE  
 R.S. & M.R.C. : REFUSE STORAGE AND MATERIAL RECOVERY CHAMBER



**SITE ELEVATION 1**

I HEREBY CERTIFY  
 THE ACCURACY OF THIS PLAN  
 NG KWOK FAI

B.A. (A.S.) MARCH  
 HKIA  
 Registered Architect (HK)  
 Authorized Person (Architect)

Project  
 PROPOSED RESIDENTIAL  
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 九龍尖沙咀海港城環球金融中心北座15樓

**ELEVATION**  
 THIS PLAN IS FOR IDENTIFICATION PURPOSE ONLY  
 PLAN NO. : DMC-005  
 SCALE : 1:200  
 DATE : 12 DEC 2023

