

Dated

day of

JOINT HOPE LIMITED

(浚亨有限公司)

and

[]

and

GOODTECH MANAGEMENT LIMITED

(高達管理有限公司)

and

HANG SENG BANK LIMITED

(恒生銀行有限公司)

**DEED OF MUTUAL COVENANT AND
MANAGEMENT AGREEMENT**

in respect of

**NEW KOWLOON INLAND LOT NO.4470,
NEW KOWLOON INLAND LOT NO.4556 and
NEW KOWLOON INLAND LOT NO.4566**

(Draft 7: 20-12-2023)

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and the Development designed or intended for the common use and benefit of the Owners of the Commercial Units and not otherwise specifically assigned to or for the exclusive use of the Owner of a Commercial Unit (which do not form part of the Units, the Development Common Areas or the Residential Common Areas) and shall include but not limited to the male lavatory and the access corridor thereto, electrical room, canopies, town gas riser duct, louvers, and parts of the External Walls of the Development from the Ground Floor to the First Floor as for identification purpose only shown and coloured Red on the Elevation Plans (certified as to their accuracy by the Authorized Person) hereto annexed. The Commercial Common Areas are for the purpose of identification shown and coloured Red on the plans (certified as to their accuracy by the Authorized Person) hereto annexed.

“Commercial Common Facilities”

Those facilities and equipment ancillary to the Commercial Common Areas for the common use and benefit of the Owners of the Commercial Units and not otherwise for the use and benefit of a Commercial Unit exclusively including, but not limited to lightings (including canopy light), ducts, pipes, wires, cables, plant and machinery.

**“Commercial Unit” or
“Commercial Units”**

The Unit(s) (including, where applicable, the shop fronts, signage areas, shop front signage frames, glazing, windows panes, window frames, doors, door frames, part of the External Walls enclosing the Unit, the plaster and other internal covering of the External Walls forming part of the Commercial Common Areas enclosing the Unit and the plaster and covering of the internal surface of other enclosing walls abutting on the Common Areas enclosing the Unit (but not any other part of those walls), all non-structural internal walls and partitions of or within the Unit, in the case of a non-structural party wall adjoining two Units only up to the mid point of such party wall, all non-structural columns, beams, slabs and other non-structural elements and supports of or within the Unit, fire services system within the Units, staircase and staircase railing, unisex accessible toilet/unisex lavatory and sanitary fitments therein, sinks, pipes, ducts, cables and wirings serving exclusively thereto or held therewith) for commercial use in accordance with the Approved Plans.

“Common Areas”

The Development Common Areas, the Commercial Common Areas and the Residential Common Areas.

“Common Facilities”

The Development Common Facilities, the Commercial Common Facilities and the Residential Common Facilities.

“Corporation”	The corporation formed by the Owners and registered under the Building Management Ordinance (Cap.344).
“Development”	The whole of the development on and/or in the Lot known as “ 薈鳴 PHOENEXT ” comprising the Commercial Units, the Residential Units and the Common Areas and the Common Facilities.
“Development Common Areas”	The whole of the Lot and the Development which are not otherwise specifically assigned to or for the exclusive use of an Owner and are designed or intended for common use and benefit of the Owners (which do not form part of the Units, the Commercial Common Areas or the Residential Common Areas) and shall include but not limited to load bearing walls, structural walls, foundations, columns, beams and floor slabs of the Development (which do not form part of the Units, the Commercial Common Areas or the Residential Common Areas), parts of the External Walls of the Ground Floor to the Second Floor of the Development as for identification purpose only shown and coloured Yellow on the Elevation Plans (certified as to their accuracy by the Authorized Person) hereto annexed, such part of the Slope and Retaining Structures (if any) within the Lot, transformer hatch opening, cable riser ducts, refuse storage and material recovery chamber, fire services control room, sprinkler control valve room, sprinkler inlets, fire services inlets, unisex accessible toilet, main check water meter, telephone duct, hoistway for delivery of transformer, transformer room, low-voltage switch room, sprinkler water tank, fire services water tank, sprinkler pump room, hose reel, air handling unit plant areas, potable / flushing water pump and tank rooms, check meter cabinet, water meter rooms, electrical meter rooms, void, telecommunications and broadcasting equipment room, emergency generator room, flush water tanks, potable and flushing pump room, extra-low voltage duct, top roof, staircases, landings and corridors and all other common parts specified in Schedule 1 to the Building Management Ordinance (Cap.344) (if any) within the Lot and the Development designed or intended for common use and benefit of the Owners and not otherwise specifically assigned to or for the exclusive use of an Owner (which do not form part of the Units, the Commercial Common Areas or the Residential Common Areas). The Development Common Areas are for the purpose of identification shown and coloured Yellow on the plans (certified as to their accuracy by the Authorized Person) hereto annexed.
“Development Common Facilities”	(a) Such of fire service control, main switch, water pumps, fire alarm system, fire hydrant/hose reel system, drains, pipes, gutters, surface channels,

wells (if any), sewers, wires and cables, cable riser duct, plant and machinery, electrical and mechanical installation servicing the Development Common Areas and other services or facilities whether ducted or otherwise which are or at any time may be in, under or over or passing through the Lot and the Development through which water, sewage, electricity and any other services are supplied to the Lot and the Development or any part or parts thereof which are for the use and benefit of the Lot and the Development and not for the use or benefit of a particular Unit;

- (b) Lightings including facade lighting within the Development which are for the use and benefit of the Lot and the Development and not for the use or benefit of a particular Unit;
- (c) Automatic sprinkler system, fire detection and alarm system and fire hydrant and hose reel system within the Development which are for the use and benefit of the Lot and the Development and not for the use or benefit of a particular Unit;
- (d) Burglar alarm, metal gate and security system(s) (if any) which are for the use and benefit of the Lot and the Development and not for the use or benefit of a particular Unit;

and other facilities and systems for the common use and benefit of the Lot and the Development and not for the use or benefit of a particular Unit exclusively.

For avoidance of doubt, the term “Development Common Facilities” shall not include those facilities, equipment and other like structures forming part of the Commercial Common Facilities or the Residential Common Facilities.

“Development Rules”

The rules and regulations for the time being regulating the use occupation and maintenance of the Lot and/or the Development and any of the buildings, structures, facilities, services or amenities thereof and the conduct of persons occupying using or visiting the same formulated pursuant to Clause (3:02:04) of this Deed.

“External Walls”

The external walls of the Development or any part thereof including but not limited to curtain walls (including the cast-in anchors, gasket, glass panels, handles, hinges, locks, window frames, window sealant and such other components of the curtain wall, the non-openable windows therein or thereto and cast-in anchors, gasket, glass panels, window

frames, window sealant and such other components of such non-openable windows but excluding all openable windows installed therein and the cast-in anchors, frames enclosing the glass panels of the openable windows, gasket, glass panels, handles, hinges, locks, window sealant and such other components of such openable windows), non-structural prefabricated external walls as for the purpose of identification shown and coloured Cross-hatched Red on the plans (certified as to their accuracy by the Authorized Person) hereto annexed, cladding and architectural features and the windows and window frames of the Common Areas but excluding the internal surface of the concrete walls facing the Units, the glass and metal parapets/balustrade/fences of the flat roof, roof or Non-enclosed Area pertaining to the respective Units or their replacement, the sliding/swing door to the flat roof, roof or Non-enclosed Area and the windows (whether openable or non-openable) (other than those non-openable windows installed in or to curtain walls), window frames and sealant around window frames of the Units.

“Fire Safety Management Plan”

The fire safety management plan and measures relating to the Residential Units with Open Kitchen required to be implemented by the Buildings Department and the Fire Services Department and any addition or variation thereto from time to time in accordance with the relevant requirement of the Buildings Department, the Fire Services Department and any other relevant Government authority.

“Fitting Out Rules”

The fitting out rules, regulations and procedures as the Manager may from time to time make or implement for the fitting out of any part or parts of the Development.

“Government Grant”

Collectively, (i) the Government Lease in respect of New Kowloon Inland Lot No.4556 and any variation or modification thereto from time to time, (ii) the Conditions of Grant in respect of New Kowloon Inland Lot No.4566 registered in the Land Registry as Conditions of Grant No.7217 and any variation or modification thereto from time to time and (iii) the Conditions of Exchange in respect of New Kowloon Inland Lot No.4470 registered in the Land Registry as Conditions of Exchange No.6746 and any variation or modification thereto from time to time.

“Government”

The Hong Kong Government.

“Hong Kong”

The Hong Kong Special Administrative Region.

“Lot”

New Kowloon Inland Lot No.4556, New Kowloon Inland Lot No.4566 and New Kowloon Inland Lot No.4470.

“Maintain” or “maintain”	Unless otherwise specified, includes but not limited to inspection and testing by the Manager or experts appointed by the Manager, repair, uphold, support, rebuild, renovate, overhaul, pave, purge, scour, cleanse, empty, amend, keep, replace, paint, decorate and improve and provide for such of the foregoing as may be applicable in the circumstances and in the interest of good estate management and the expression “maintenance” shall be construed accordingly.
“Maintenance Manual for the Slope and Retaining Structures”	The maintenance manual (if any) for the Slope and Retaining Structures (if any) prepared in accordance with “Geoguide 5 - Guide to Slope Maintenance” issued by the Geotechnical Engineering Office (as amended or substituted from time to time) and approved by the relevant Government department.
“Management” or “management”	All or any of the activities normally associated with management including but not limited to operation, servicing, cleaning, enhancement, maintenance, repair, renovation, decoration, improvement, replacement, security, insurance and all duties and obligations to be performed and observed by the Manager as herein provided and “manage” shall be construed accordingly.
“Management Expenses”	All expenses, costs and charges necessarily and reasonably incurred in the management and maintenance of the Lot and the Development or any portion thereof in accordance with the terms of this Deed.
“Management Fee”	The amount of due proportion of estimated Management Expenses and Manager’s Remuneration payable monthly by the Owner in respect of each Unit owned by him.
“Management Fund”	All the monies to be collected received or held by the Manager pursuant to this Deed excluding the Manager’s Remuneration and the Special Fund.
“Management Shares”	The Management Shares allocated to the Units as set out in the Second Schedule hereto.
“Manager”	The Management Company or any other Manager for the time being appointed as manager of the Lot and the Development pursuant to the provisions of this Deed.
“Manager’s Remuneration”	The remuneration of the Manager as provided for in Clause (3:03) of this Deed.
“month”	A calendar month.
“Mortgage”	The Mortgage dated 28 December 2021 over the Lot made between the First Owner as mortgagor and the Mortgagee as

lender and registered in the Land Registry by Memorial No.22011000840032 as may from time to time be varied or supplemented.

“Non-enclosed Area”

Balcony and covered area under the balcony and/or utility platform and covered area under the utility platform forming part of a Residential Unit as for the purpose of identification shown Cross-hatched Black and Hatched Black on the plans (certified as to their accuracy by the Authorized Person) hereto annexed.

“Occupation Permit”

The temporary or permanent written permission issued by the Building Authority under the provisions of the Buildings Ordinance for the Development to be occupied.

“Open Kitchen”

The open kitchen (if any) provided within the Residential Unit(s) as for the purpose of identification shown and marked “OPEN KIT.” on the plans (certified as to their accuracy by the Authorized Person) hereto annexed.

“Owner” or “Owners”

Each person in whom for the time being any Undivided Share(s) as set out in the First Schedule hereto of and in the Lot and the Development is vested and who for the time being appears from the records at the Land Registry to be the owner of any Undivided Share and every joint tenant or tenant in common of any such Undivided Share(s) and where any such Undivided Share(s) has been mortgaged or charged the word shall include both mortgagor or chargor and his registered mortgagee/chargee in possession or one who has foreclosed such Undivided Share(s) PROVIDED that the voting rights conferred on the Owner of such Undivided Share(s) by the provisions of this Deed shall be exercisable only by the mortgagor or chargor unless the registered mortgagee or chargee is in possession of or has foreclosed such Undivided Share(s).

“Owners’ Committee”

A committee of the Owners established in accordance with the provisions in this Deed.

“Recreational Areas”

The areas intended for recreational use by the residents of the Residential Units and their bona fide visitors which shall include but not limited to such areas on the First Floor of the Development where Recreational Facilities, including but not limited to lounge, planters, landscaped garden, gymnasium, multi-function rooms, unisex accessible toilet, male lavatory, female lavatory and residential recreational facilities are located.

“Recreational Facilities”

The recreational facilities and facilities ancillary thereto provided or installed for the common use and benefit of the

residents of the Residential Units and their bona fide visitors and of no other person or persons.

“Residential Common Areas”

Those parts of the Lot and the Development designed or intended for the common use and benefit of the Owners of the Residential Units and not otherwise specifically assigned to or for the exclusive use of an Owner of a Residential Unit (which do not form part of the Units, the Development Common Areas or the Commercial Common Areas) and shall include but not limited to :-

- (a) the Recreational Areas;
- (b) lift areas, residential lobby, lift shafts, lift pits, lift lobbies, flat roofs, pipe ducts, hose reels, electrical cabinet, refuse storage and material recovery rooms, void, uncovered access to roof for units, lift machine rooms, potable water tanks and top of balconies and/or utility platforms;
- (c) parts of the External Walls of the Development from the Ground Floor to the First Floor as for identification purpose only shown and coloured Green on the Elevation Plans (certified as to their accuracy by the Authorized Person) hereto annexed;
- (d) External Walls above the First Floor up to the top roof of the Development;
- (e) structural walls, partitions, columns, beams, floor slabs and other structural elements and supports of or within Residential Units or any of them

and all other common parts specified in Schedule 1 to the Building Management Ordinance (Cap.344) (if any) within the Lot and the Development designed or intended for the common use and benefit of the Owners of the Residential Units and not otherwise specifically assigned to or for the exclusive use of an Owner of a Residential Unit.

The Residential Common Areas are for the purpose of identification shown and coloured Green on the plans (certified as to their accuracy by the Authorized Person) hereto annexed.

“Residential Common Facilities”

Those facilities and ancillary equipment for the common use and benefit of the Owners of the Residential Units and not for the use and benefit of a particular Residential Unit exclusively and shall include but not limited to the Recreational Facilities, drains, pipes, gutters, sewers, signage, fire-fighting system, wires and cables, electrical

equipment, air-conditioning or mechanical installation, lighting, burglar alarm, security system, lifts and manual fire alarm for the use and benefit of the Residential Units but excluding the Development Common Facilities and the Commercial Common Facilities.

**“Residential Unit” or
“Residential Units”**

The Unit(s) (including, where applicable, the plaster and other internal covering of the External Walls enclosing the Unit and the plaster and covering of the internal surface of other enclosing walls abutting on the Common Areas and Common Facilities enclosing the Unit (but not any other part of those walls), all non-structural internal walls and partitions of or within the Unit, in the case of a non-structural party wall adjoining two Units only up to the mid point of such party wall, all openable windows installed in or to any curtain wall enclosing a Unit and the cast-in anchor, frames enclosing the glass panels of the openable windows, gasket, glass panels, handles, hinges, locks, window sealant and such other components of such openable windows, all casement windows (whether openable or not) installed in or to any External Walls (other than curtain wall) enclosing a Unit and the cast-in anchors, frames enclosing the glass panels of the casement windows, gasket, glass panels, handles, hinges, locks, window frames on the External Walls, window sealant and such other components of such casement windows, sliding/swing doors to the flat roof, roof or Non-enclosed Area of the Unit, all non-structural columns, beams, slabs and other non-structural elements and supports of or within the Unit, fire services system within the Units, air-conditioner platform, Non-enclosed Area, roofs, flat roofs, the glass parapets/balustrade/fences of the flat roof, roof or Non-Enclosed Area held with or forming part of the Unit or their replacement, pipes, ducts, cables and wirings serving exclusively thereto or held therewith, fire alarm, fire detection system and fire sprinkler system installed in Unit with Open Kitchen) for residential use in accordance with the Approved Plans.

**“Slope and Retaining
Structures”**

All slopes, slope treatment works, retaining walls and other structures (if any) within or outside the Lot, the maintenance of which is the liability of the Owners under the Government Grant or this Deed.

“Special Fund”

The special fund established and maintained by the Manager pursuant to Clause (3:05:04)(d) of this Deed.

**“Undivided Share” or
“Undivided Shares”**

All those 7,000 equal undivided parts or shares of and in the Lot and the Development allocated to the Units and the Common Areas and Common Facilities as set out in the First Schedule hereto.

“Unit” or “Units” Each part of the Lot and/or the Development intended for separate use or occupation and of which the Owner, as between himself and Owners or occupiers of other parts of the Development, is entitled to the exclusive possession.

“Works and Installations” The major works and installations in the Development requiring regular maintenance on a recurrent basis as set out in the Fifth Schedule hereto.

(b) In this Deed (if the context permits or requires) reference to the singular shall include the plural and vice versa and reference to the masculine gender shall include the feminine or neuter gender and words importing persons shall include corporation and vice versa.

(2) The Lot and the Development have been notionally divided into 7,000 equal Undivided Shares and allocated to the Units and the Common Areas and Common Facilities as set out in the First Schedule hereto.

(3) By an Assignment bearing even date herewith and made between the First Owner and the Second Owner, the First Owner assigned to the Second Owner All Those [] equal undivided 7,000th parts or shares of and in the Lot and the Development together with the exclusive right to hold use occupy and enjoy All That Unit [] on [] Floor of the Development.

(4) The Lot and the Development are vested in the First Owner and the Second Owner as Tenants in Common as to [] equal undivided 7,000th parts or shares thereof in the First Owner and as to [] equal undivided 7,000th parts or shares thereof in the Second Owner for the residue/entitlement of the term of years created by the Government Grant subject to the payment of the rent and to the observance and performance of the terms and conditions reserved and contained in the Government Grant And Subject to the interest of the Mortgagee under the Mortgage so far as the interest of the First Owner is concerned.

(5) The parties hereto have agreed to enter into this Deed for the purpose of making provisions for the management, maintenance, insuring and servicing of the Lot, the Development and its equipment, services and apparatus, and for the purpose of defining and regulating the rights, interests and obligations of the Owners in respect of the Lot and the Development and to provide for a due proportion of the common expenses of the Lot and the Development to be borne by the Owners.

NOW THIS DEED WITNESSETH as follows :-

(1) **MUTUAL GRANTS, EXCEPTIONS TO THE FIRST OWNER ETC.**

(1:01) The First Owner shall at all times hereafter for the residue/entitlement of the term created by the Government Grant have the full and exclusive right and privilege to hold use occupy and enjoy all the Units set out in the First Schedule hereto (save and except the Unit(s) set out in Clause (1:02) of this Deed and the Common Areas and Common Facilities) Together with the appurtenances thereto and the entire rents and profits thereof to the exclusion of the Second Owner subject however to and with the benefit of this Deed And Subject to the interest of the Mortgagee under the Mortgage so far as the interest of the First Owner is concerned.

(1:02) The Second Owner shall at all times hereafter for the residue/entitlement of the term created by the Government Grant have the full and exclusive right and privilege to hold use occupy and enjoy All That Unit [] on [] Floor of the Development Together with the appurtenances thereto and the entire rents and profits thereof to the exclusion of the First Owner subject however to and with the benefit of this Deed.

(1:03) Each Undivided Share and the full and exclusive right and privilege to hold use occupy and enjoy any part of the Lot and/or the Development held therewith shall be held by the person or persons from time to time entitled thereto subject to and with the benefit of the easements reservations rights privileges and obligations set out in the Third Schedule hereto.

(1:04) The Owners shall at all times hereafter be bound by and shall observe and perform the covenants provisions and restrictions contained herein and in the Fourth Schedule hereto.

(1:05) Subject to Clause (1:06) of this Deed and the restrictions contained in the Government Grant, every Owner shall have the full right and liberty without reference to the other Owners or any person or persons otherwise interested in any other Undivided Share(s) or interest of and in the Lot and/or the Development in any way whatsoever and without the necessity of making such other Owners or other persons a party to the transaction to sell, assign, mortgage, charge, lease, let, licence or otherwise dispose of or deal with his Undivided Shares and interest in the Lot and the Development together with the exclusive right and privilege to hold use occupy and enjoy such Units and any part of the Development to which the exclusive right is vested subject to and with the benefit of this Deed but not otherwise Provided that such assignment shall contain a covenant provided in Clause (1:08) of this Deed and Clause (1) of the Fourth Schedule hereto.

(1:06) (a) The right to the exclusive use occupation and enjoyment of any part of the Lot and/or the Development shall not be sold assigned mortgaged charged leased or otherwise dealt with separately from the Undivided Share(s) with which the same is held Provided Always that the provisions of this Clause shall not extend to a lease or tenancy or licence the term of which does not exceed thirty (30) years in the aggregate including any right of renewal.

(b) The right to the exclusive use, occupation and enjoyment of any flat roof, roof or Non-enclosed Area shall not be sold, assigned, mortgaged, charged, leased or otherwise dealt with separately from the Unit with which the flat roof, roof or Non-enclosed Area is held.

(1:07) Each and every Owner covenants with the First Owner with the intent that the covenants, rights, entitlements, exceptions and reservations herein conferred upon the First Owner shall bind each and every Owner and their respective successors and assigns and are intended to run and shall run with the Lot and the Development and any interest therein that the First Owner shall for as long as it remains the beneficial owner of any Undivided Shares have the sole and absolute right in its 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 which are hereby expressly excepted and reserved unto and granted and conferred upon the First Owner:-

(a) the right to change, amend, vary, add to or alter the master layout plans (if any), the Approved Plans and the building plans existing at the date hereof in respect

of any Unit which is still owned by the First Owner and has not been sold or assigned by the First Owner or any part of the Lot or the Development which is still owned by the First Owner and has not been sold or assigned by the First Owner from time to time 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 (if any) of obtaining the prior written consent of the Director of Lands or other Government authorities pursuant to the Government Grant or other applicable legislation PROVIDED THAT (i) any administrative fee and/or approval fee and/or expenses as may be required for such change, amendment, variation, addition or alteration shall be borne by the First Owner; (ii) any such change, amendment, variation, addition or alteration, and the works necessitated thereby shall not affect or interfere with the Owners' right to the exclusive use occupation and enjoyment of their Units or impede or restrict the access to and from such Units or, subject to the prior approval by a resolution of Owners at an Owners' meeting convened under this Deed as aforesaid, affect or interfere with the use and enjoyment by any Owner of the Common Areas and the Common Facilities; and (iii) the works aforesaid shall be carried out and completed at the cost and expense of the First Owner with due diligence in accordance with or in compliance of the provisions of the Government Grant and all relevant Ordinance and Regulations and without negligence or delay;

- (b) the right for the First Owner, without the necessity to join in any other Owners as party, to apply to the Government to amend, vary or modify the Government Grant, to carve out, surrender, dedicate or assign to the Government either in its own name or in the name of some or all Owners for public use of any Unit which is still owned by the First Owner and has not been sold or assigned by the First Owner or any part of the Lot or the Development which is still owned by the First Owner and has not been sold or assigned by the First Owner Provided that (i) any administrative fee, premium and/or approval fee and/or expenses as may be required for such modification, carving out, surrender, dedication or assignment shall be borne by the First Owner; and (ii) such modification, carving out, surrender, dedication or assignment shall not affect or interfere with the Owners' right to the exclusive use occupation and enjoyment of their Units or impede or restrict the access to and from their Units;
- (c) the full and unrestricted right without interference by the other Owners to designate or re-designate the numbering for those Units which are still wholly owned by the First Owner and have not been sold or assigned by the First Owner and to alter the use of any part of the Development wholly owned by the First Owner to other uses subject to the Government Grant and all relevant Ordinances and Regulations Provided that such alteration of use shall not adversely affect or interfere with the Owners' right to the exclusive use occupation and enjoyment of their Units or impede or restrict the access to and from their Units;
- (d) the right to construct maintain lay alter remove re-route and renew drains, pipes, cables, sewers and other installations, fittings, chambers and other similar structures within the Lot and the Development (excluding any Unit which is owned by other Owners) which exclusively serve any Unit wholly owned by the First Owner or any part of the Lot or the Development wholly owned by the First Owner and such works shall not affect or interfere with the Owners' rights

to the exclusive use occupation and enjoyment of their Units and the exercise of such right shall not impede or restrict the access to and from the other Units by their Owners;

- (e) the right to change the name of the Development at any time without the consent of the Owners and shall not be liable to any Owners or other person having an interest in the Lot and/or the Development for any damages, claims, costs or expenses resulting therefrom or in connection therewith;
- (f) the right to alter and demolish any part of the Development of which the exclusive right to hold use and occupy is vested in the First Owner (including any walls and partition vested in the First Owner) subject to the Government Grant provided that necessary consent or approval is obtained from the relevant Government authorities and any alteration or demolition carried out under this Clause shall not interfere with or affect the Owners' rights to the exclusive use occupation and enjoyment of their Units and the access to and from the other Units by their Owners will not be impeded or restricted as a result of the exercise of the right under this Clause;
- (g) subject to the approval of the Owners' Committee, the right to convert any part of the Common Areas and the Common Facilities to the First Owner's own use or for the First Owner's own benefit PROVIDED THAT the exercise of such right shall not interfere with an Owner's exclusive right to hold, use and occupy the part of the Development to which he is entitled or impede or restrict the access to and from any such part of the Development and Provided also that such conversion shall comply with the requirements of the Government Grant PROVIDED FURTHER THAT any payment received for the approval must be credited to the relevant account of the Special Fund;
- (h) subject to the approval by a resolution of the Owners at an Owners' meeting convened under this Deed has been obtained, the right to designate and declare by deed any area or part or parts of the Development and/or facilities and/or equipment, the sole and exclusive right to hold, use, occupy and enjoy which, and to receive the rents and profits in respect of which, is then beneficially owned by the First Owner to be additional Development Common Areas or additional Residential Common Areas or additional Commercial Common Areas and/or additional Development Common Facilities or additional Residential Common Facilities or additional Commercial Common Facilities whereupon with effect from such designation and declaration such additional Development Common Areas or additional Residential Common Areas or additional Commercial Common Areas and/or additional Development Common Facilities or additional Residential Common Facilities or additional Commercial Common Facilities shall form part of Development Common Areas or Residential Common Areas or Commercial Common Areas and/or Development Common Facilities or Residential Common Facilities or Commercial Common Facilities as provided in this Deed (as the case may be) and the Owners shall contribute to the maintenance and upkeep of the same as being part of Development Common Areas or Residential Common Areas or Commercial Common Areas and/or Development Common Facilities or Residential Common Facilities or Commercial Common Facilities (as the case may be) PROVIDED THAT in making such designation and declaration the

First Owner shall not interfere with or affect in any way an Owner's exclusive right to hold, use and occupy the part of the Development to which he is entitled and that such areas and facilities to be so designated and declared shall be for the common use and benefit of the Owners PROVIDED FURTHER THAT no Owner (including the First Owner) and no Manager shall have the right to re-convert or re-designate such Common Areas and Common Facilities to his or its own use or benefit; and

- (i) notwithstanding anything herein contained, the obligation to assign the whole of the Undivided Shares in the Common Areas and Common Facilities upon the execution of this Deed, and those parts designated and declared as additional Development Common Areas or additional Residential Common Areas or additional Commercial Common Areas and/or additional Development Common Facilities or additional Residential Common Facilities or additional Commercial Common Facilities pursuant to Clause (1:07)(h) of this Deed after such designation to the Manager free of cost or consideration to be held on trust for all Owners and for the general amenity of the Owners and other occupants of the Development Subject to the Government Grant and to this Deed. Such Undivided Shares together with the exclusive right to hold, use, occupy and enjoy the Common Areas and Common Facilities shall be assigned to and vested in the Manager free of costs or consideration upon execution of this Deed and shall upon such assignment to the Manager be held by the Manager as trustee for all Owners for the time being and in the event the Manager shall resign or be wound up or have an order for appointment of receiver or a bankruptcy order (as the case may be) made against it or is removed and another manager be appointed in its stead in accordance with this Deed, then the outgoing Manager or the liquidator or the receiver shall assign such Undivided Shares together with the Common Areas and Common Facilities which they represent free of costs or consideration to the new manager PROVIDED ALWAYS THAT nothing herein contained shall in any way fetter or diminish the rights, powers, authorities and entitlements of the Manager contained in this Deed PROVIDED FURTHER THAT when the Corporation has been formed, the Manager shall, at any time if required by the Corporation, assign the Undivided Shares allocated to the Common Areas and Common Facilities together with the right to use the Common Areas and the Common Facilities and transfer the management responsibilities to the Corporation free of costs or consideration.

The First Owner shall have the right from time to time to confer grant or assign any of its rights in this Clause on or to any other person.

- (1:08) (a) In order to secure the performance of the covenant contained in Clause (1:07), the Owners hereby jointly and severally and irrevocably APPOINT the First Owner to be 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 acts and deeds deliver such deeds and to sign such documents or instruments as may be necessary for the exercise of or incidental to all or any of the rights of the First Owner mentioned in Clause (1:07) with the full power of delegation and the Owners hereby further jointly and severally and irrevocably undertake 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 the abovementioned grant.

- (b) An Owner shall not be entitled to assign the part of the Development which he owns (“the Property”) unless the Assignment includes a covenant in substantially the following terms:

“The Purchaser covenants with the Vendor for itself and as agent for Joint Hope Limited (浚亨有限公司) (“the Developer”) (which expression shall include their respective successors assigns (other than the Purchaser) and attorneys) for the purpose of enabling the Developer to exercise all or any of the covenants, rights, liberty, privileges, entitlements, exceptions and reservations granted under Clause (1:07) of the Deed of Mutual Covenant and Management Agreement dated [] relating to the building of which the Property forms part (“the Deed of Mutual Covenant”) and to the intent that these covenants shall run with the Property and be binding on the Purchaser his executors administrators successors in title and assigns and the owner or owners thereof for the time being and any 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/or the Developer (as the case may be) and their successors and assigns that :-

- (i) the Covenanting Purchaser grants confirms and acknowledges the covenants, rights, liberty, privileges, entitlements, exceptions and reservations granted and conferred on the Developer under Clause (1:07) of the Deed of Mutual Covenant and the Covenanting Purchaser shall not do or permit anything to be done which will in any way affect or hinder the exercise of the said covenants, rights, liberty, privileges, entitlements, exceptions and reservations by the Developer;
- (ii) the Covenanting Purchaser shall, if required by the Developer, do everything necessary, including giving express consents in writing to the exercise of the said covenants, rights, liberty, privileges, entitlements, exceptions and reservations by the Developer, to facilitate the exercise of the said covenants, rights, liberty, privileges, entitlements, exceptions and reservations by the Developer;
- (iii) in order to secure the performance of the covenants contained in said Clause (1:07), the Covenanting Purchaser hereby (jointly and severally) expressly and irrevocably appoints the Developer to be his attorney (with full power of substitution and delegation and, who may act through such officers, employees, agents, nominees and any substitute attorneys as the Developer from time to time appoints) and grants unto the Developer 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 Covenanting 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 said covenants, rights, liberty, privileges, entitlements, exceptions and reservations conferred

on the Developer as aforesaid with the full power of delegation and the Covenanting 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 will ratify and confirm all that the Developer shall lawfully do or cause to be done and that the power of attorney hereby given shall bind the executor(s) and the administrator(s) and the successor(s) and the assign(s) of the Covenanting Purchaser and shall not be revoked by the Covenanting Purchaser or by the death incapacity or the winding up (as the case may be) of the Covenanting Purchaser; and

- (iv) in the event of the Covenanting Purchaser selling or otherwise disposing of the Property, the Covenanting 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 substantially the same in scope and extent as the covenants (i), (ii) and (iii) hereinbefore contained and this covenant (iv)

PROVIDED that upon the Covenanting Purchaser complying with and performing the covenant (iv) hereinbefore contained, the Covenanting Purchaser shall not be liable for any breach of the covenants (i), (ii) and (iii) hereinbefore contained which may happen after the Covenanting 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),(iii) and (iv) hereinbefore contained.”

(2) **PARTY WALLS**

(2:01) Owners who have a common wall adjoining their respective Units and/or flat roofs and/or roofs shall each have the right to the use of the interior surface of the wall on his side subject to an obligation to maintain repair and reinstate such interior surface. Without prejudice to the said obligation, if the wall or any portion thereof (being neither structural wall nor load bearing wall under the Approved Plans and not forming part of the Common Areas) is damaged or injured for any cause other than the act or negligence of either Owner, it shall be repaired or rebuilt or reinstated at their joint cost and expense with each bearing half of such cost and expense and such Owners shall repair rebuild or reinstate the wall and contribute to such cost and expense forthwith.

(2:02) Neither Owner in respect of a common wall adjoining their respective Units and/or flat roofs and/or roofs shall use any portion of the wall so as to interfere with the use and enjoyment of the other Owner in respect thereof. Neither Owner shall put structures of any kind onto or so near to the wall as to cause leakage of water or damage to the other side of the wall or as to be likely to cause the wall to collapse, nor can the Owner(s) in any way demolish or alter the wall Provided That an Owner owning such adjoining Units with the common wall may demolish or alter the common wall (being not structural wall nor load bearing wall under the Approved Plans and not forming part of the Common Areas) with the necessary approval of the Buildings Department and other relevant governmental authority and in compliance with the Buildings Ordinance and other relevant laws ordinances and regulations and provided further that if such adjoining Units cease to be under the ownership of same

Owner, the Owners of such adjoining Units shall as soon as practicable rebuild or reinstate the common wall to the original state and condition at their joint cost and expense.

(3) **MANAGEMENT OF THE DEVELOPMENT**

(3:01) **General**

- (3:01:01) (a) Subject to the provisions of the Building Management Ordinance (Cap.344), the management of the Lot and the Development shall for an initial period of two (2) years from the date of this Deed be undertaken by the Management Company. Prior to the formation of the Corporation, the Owners' Committee may at any time terminate the Manager's appointment without compensation by giving not less than three (3) months' notice in writing to the Manager and by a resolution passed by a majority of votes of Owners voting either personally or by proxy in an Owners' meeting and supported by the Owners of not less than 50% of the Undivided Shares in aggregate (excluding the Undivided Shares allocated to the Common Areas and Common Facilities).
- (b) 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: -
- (i) by sending such a notice to the Owners' Committee; or
- (ii) 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.
- (c) The notice referred to in sub-clause (b)(ii) may be given :-
- (i) by delivering it personally to the Owner; or
- (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.
- (3:01:02) (a) Subject to sub-clause (d), at a general meeting convened for the purpose, the Corporation may, by a resolution :-
- (i) passed by a majority of the votes of the Owners voting either personally or by proxy; and
- (ii) supported by the Owners of not less than 50% of the Undivided Shares in aggregate,
- terminate by notice the Management Company's appointment as Manager without compensation.

- (b) A resolution under sub-clause (a) shall have effect only if :-
 - (i) the notice of termination of appointment is in writing;
 - (ii) provision is made in the resolution for a period of not less than three (3) months' notice or, in lieu of notice, provision is made for an agreement to be made with the Management Company for the payment to him of a sum equal to the amount of remuneration which would have accrued to him during that period;
 - (iii) the notice is accompanied by a copy of the resolution terminating the Management Company's appointment; and
 - (iv) the notice and the copy of the resolution is given to the Management Company within fourteen (14) days after the date of the meeting.
- (c) The notice and the copy of the resolution referred to in sub-clause (b)(iv) may be given :-
 - (i) by delivering them personally to the Management Company; or
 - (ii) by sending them by post to the Management Company at his last known address.
- (d) For the purposes of sub-clause (a): -
 - (i) only the Owners of Undivided Shares who pay or who are liable to pay the Management Expenses relating to those Undivided Shares shall be entitled to vote;
 - (ii) the reference in sub-clause (a)(ii) to "the Owners of not less than 50% of the Undivided Shares in aggregate" shall be construed as a reference to the Owners of not less than 50% of the Undivided Shares in aggregate who are entitled to vote.
- (e) If a contract for the appointment of a Manager other than the Management Company contains no provision for the termination of the Manager's appointment, sub-clauses (a), (b), (c) and (d) apply to the termination of the Manager's appointment as they apply to the termination of the Management Company's appointment.
- (f) Sub-clause (e) operates without prejudice to any other power there may be in a contract for the appointment of a Manager other than the Management Company to terminate the appointment of the Manager.
- (g) If a notice to terminate a Manager's appointment is given under this Clause: -

- (i) no appointment of a new Manager shall take effect unless the appointment is approved by a resolution of the Owners' Committee (if any); and
 - (ii) if no such appointment is approved under sub-clause (g)(i) by the time the notice expires, the Corporation may appoint another Manager and, if it does so, the Corporation shall have exclusive power to appoint any subsequent Manager.
- (h) 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 Corporation has appointed a Manager under sub-clause (g)(ii), the Corporation shall be deemed to have given to that person an instrument of indemnity under which the Corporation shall be liable to indemnify that person in respect of any act or omission by the Manager appointed under that sub-clause that may otherwise render that person liable for a breach of that undertaking or agreement.
- (i) This Clause is subject to any notice relating to the Development that may be published by the Secretary for Home and Youth Affairs under section 34E(4) of the Building Management Ordinance (Cap. 344) but does not apply to any single manager referred to in that section.

(3:01:03) Subject to the provisions of the Building Management Ordinance (Cap.344), each Owner hereby irrevocably appoints the Manager as agent and attorney for and on behalf of all the Owners in respect of any matter concerning the Common Areas and Common Facilities or any part(s) thereof and all other matters duly authorized in accordance with the provisions of this Deed and the Manager will have the authority to act for and on behalf of all Owners in accordance with the provisions of this Deed.

(3:01:04) If the Manager shall resign by giving three (3) months' notice in writing to the Owners' Committee or to all the Owners then the Owners shall as soon as possible thereafter at a meeting of the Owners by resolution appoint another person or corporation in its stead. On the appointment of any Manager as aforesaid, the Owners shall forthwith enter into a management agreement with the new Manager defining the rights, duties and obligations of the new Manager.

(3:01:05) The Manager shall be bound by and shall observe and perform all of the conditions, duties and obligations contained in this Deed and shall have all of the rights, powers and privileges granted by this Deed to the Manager.

(3:01:06) Notwithstanding anything herein contained, during the existence of the Corporation, the general meeting of the Corporation convened under the Building Management Ordinance (Cap.344) shall take the place of the meeting of Owners convened under this Deed, and where a management committee of the Corporation is or has been appointed, the management committee shall take the place of the Owners' Committee under this Deed.

(3:01:07) The Manager shall assign all the Common Areas and Common Facilities and the Undivided Shares thereof (assigned by the First Owner to the Manager pursuant to Clause (1:07)(i) hereof) free of costs or consideration to its successor as manager when it ceases to be

the Manager for whatsoever reasons. The Manager shall assign all the Common Areas and Common Facilities and the Undivided Shares thereof free of costs or consideration to the Corporation (if formed) at any time if so required by the Corporation to be held on trust for all Owners.

(3:01:08) The Manager shall consult (either generally or in any particular case) the Corporation at a general meeting of the Corporation and adopt the approach decided by the Corporation on the channels of communication among Owners on any business relating to the management of the Development.

(3:02) Powers and Duties of the Manager

(3:02:01) Save and except as otherwise expressly provided in this Deed and the provisions of the Building Management Ordinance (Cap.344), the Manager shall be responsible for and shall have full authority to do all such acts and things as may be necessary or requisite for and in connection with the proper and efficient management of the Development, including in particular but without in any way limiting the generality of the foregoing :-

- (a) to maintain in good, clean and safe condition the Common Areas and the Common Facilities and for this purpose to employ competent contractors and workmen;
- (b) to take reasonable steps to ensure that all Owners or occupiers of the Units maintain the Unit(s) owned or occupied by them in a satisfactory manner and in good repair and condition so as not to cause any damage or nuisance to the other Units or the Common Areas or Common Facilities or the other Owner or occupiers of the Development Provided That if the defaulting Owner or occupier causes damage or nuisance to other Units or the Common Areas or Common Facilities or the other Owner or occupiers of the Development because of his failing to maintain the Unit owned or occupied by him in a satisfactory manner and in good repair and condition, the Manager shall have the right but shall not be obliged to put in hand such necessary maintenance in case of emergency and to take such necessary steps to recover the cost thereof from the defaulting Owner or occupier;
- (c) to paint, white-wash, tile or otherwise treat as may be appropriate the exterior of the Development all structures erected on the Common Areas or forming part of the Common Facilities at such intervals as the same may reasonably be required to be done and in the event if so required by any Government departments;
- (d) to prevent any decaying, noisome, noxious, excrementitious or other refuse matter from being deposited on the Common Areas or any part thereof and to specify locations in the Development for disposal of refuse or garbage by Owners and occupiers of the Units and to collect and remove all such refuse and garbage from such specified locations and also to arrange for disposal of refuse and garbage from the Common Areas and Common Facilities at such regular intervals and to maintain on the Development refuse collection facilities PROVIDED THAT in the case of refuse the nature or quality or quantity of which shall in the opinion of

the Manager require special arrangement or facility for its disposal beyond the normal refuse collection facilities employed by the Manager, the Owner responsible for such refuse shall arrange for its disposal at his own expenses forthwith upon being so demanded by the Manager, failing which the Manager shall have the sole discretion to remove and dispose of such refuse as aforesaid and such Owner shall repay to the Manager the costs and expenses in connection with such removal and disposal;

- (e) to prevent the obstruction of all the Common Areas and to remove and impound at the cost and expense of the defaulting Owner or occupier any article or thing causing the obstruction and to demolish illegal structures and/or extensions;
- (f) to repair and keep in good repair and condition the main building structure, the External Walls forming parts of the Common Areas, roofs, flat roofs (but excluding any flat roofs and roofs forming part of the Units), parapet walls, the fabric of the Development and the Common Areas;
- (g) to keep all the Common Facilities in good and working order and whenever it shall be necessary so to do at the Manager's discretion to renew or replace the same and subject to Clause (3:02:02) enter into contracts with third parties for the maintenance of any such Common Facilities;
- (h) to keep such of the lavatories, drains and sewers as are in common use and not for the use of any particular Unit in the Development in good clean and sanitary repair and condition and to renew or replace any parts that become damaged or defective;
- (i) to prevent as far as is possible any refuse or other matter being deposited, washed, eroded or falling from the Lot and/or the Development into any part of any road, culverts, sewers, drains, nullahs or Government property and to remove any such matter therefrom and to ensure that no damage is done to any drains, footpaths, sewers, nullahs, pipes, cables, wires, utility services or other works being in under over or adjacent to the Lot and/or the Development 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;
- (j) to remove any structure, installation, advertisement, signboard or other things on the Lot and/or the Development which have been erected in contravention of the terms of the Government Grant and/or this Deed and/or without the written permission of the Manager pursuant to this Deed (or if such permission has been given, upon the expiration or withdrawal of the same) and to demand and recover from the person by whom such structure or other thing as aforesaid was erected or installed the cost of such removal and the making good of any damage thereby caused;
- (k) to prevent the Owners from making or suffering to be made any external or structural alterations to any Units or any part thereof of which they are

entitled to the exclusive possession or to any external feature of the Units unless such alterations are permitted by the terms hereof;

- (l) to replace any glass in any broken windows or doors or walls of the Common Areas;
- (m) to maintain and keep in good repair and condition all water pumps, tanks, pipes, ducts, sewers, drains, transformer room(s), switch room(s), intercom (if any), emergency generator and security systems (if any), cables and wiring in the Lot and/or the Development which are for the common use and benefit of the Lot and/or the Development but not for the use and benefit of a particular Unit;
- (n) to maintain and keep in good repair and condition the lifts, the machine room(s) and meter room(s) in the Development that form parts of the Common Areas or Common Facilities and to replace any part that requires replacement;
- (o) to prevent any persons from detrimentally altering or injuring the Lot and/or the Development or any part thereof or any of the equipment apparatus services or facilities thereof forming parts of the Common Facilities;
- (p) to maintain fire fighting equipment and to comply with all requirements of the Fire Services Department;
- (q) to provide watchmen, porters and such other staff as determined by the Manager at its absolute discretion and to provide and maintain the burglar alarm and security system(s) (if any) and such other security installation and, so far as may be possible, to provide and maintain good security in the Lot and Development at all times;
- (r) to install, maintain and operate or contract for the installation, maintenance, operation and/or use of aerial broadcast distribution or telecommunication network facilities (including but not limited to satellite dishes and/or cables (if any), the wireless and/or television aerials) and other transmission devices and equipment which serve the Development Provided That any contract for the installation or use of or the provision of the aforesaid facilities or services to be entered into by the Manager shall be subject to the conditions that (i) the term of such contract will not exceed three (3) years; (ii) the right to be granted under such contract must be non-exclusive and must 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;
- (s) to do all things which the Manager shall in its discretion deem necessary or desirable for the purposes of maintaining and improving all common facilities and services in or on the Lot and/or the Development for good management and the better enjoyment or use of the Lot and the Development by its Owners, occupiers and their licensees;

- (t) to appoint a solicitor or other appropriate legal counsel to advise upon any point which arises in connection with the management of the Lot and/or the Development necessitating professional legal advice and with authority to accept service on behalf of all the Owners for the time being of the Lot and the Development as a whole, or of all legal proceedings relating to the Lot and/or the Development its services apparatus and equipment (but not proceedings relating to the rights or obligations of individual Owners) 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 competent Government officer, to appoint a solicitor who shall undertake to accept service on behalf of all such Owners whether for the purposes of Order 10 Rule 1 of the Rules of High Court (or any provision amending or in substitution for the same) or otherwise;
- (u) to represent all the Owners in all matters and dealings with the Government or any statutory body or any utility company or any competent authority or any other person whomsoever in any way touching or concerning the Lot and the Development as a whole, or its equipment apparatus services or facilities forming parts of the Common Facilities;
- (v) subject to Clause (6:12) hereof to enter into contracts and to engage, employ, remunerate and dismiss solicitors, architects and other professional advisers and consultants, contractors, workmen, servants, agents (including professional property management company), watchmen, caretakers, technical and administrative staff and other building staff and attendants and to commence, conduct, carry on and defend in its own name legal and other proceedings touching or concerning the Lot and the Development or the management thereof on behalf of all the Owners for the time being;
- (w) to take all steps necessary or expedient for complying with the Government Grant and any statutory or Governmental requirements concerning or relating to the Lot and/or the Development for which no Owner, tenant or occupier of the Lot and/or the Development is solely responsible;
- (x) to demand collect and give receipts for all amounts payable by the Owners under the provisions of this Deed;
- (y) to enforce the due observance and performance by the Owners of the terms and conditions of this Deed and those of the Government Grant and to take action in respect of any breach thereof including the commencement conduct and defence of any legal proceedings and the registration and enforcement of charges as hereinafter mentioned;
- (z) unless otherwise directed by the Corporation, to effect and update insurance in respect of the Common Areas and the Common Facilities up to their full new reinstatement value against loss or damage by fire and water and such other risks or perils, to effect and update public, occupier's

and employer's liability insurance and to procure (but not obliged to do so) block insurance for the Development as a whole or parts thereof including those areas which are not the Common Areas and the Common Facilities against loss or damage in such risk and in such amount as shall be determined by the Manager at his sole discretion, such insurance to be in the name of the Manager for and on behalf of itself as manager and the Owners according to their respective interests in the Lot and the Development and to pay all premia required to keep such insurance policies in force. Subject to any direction given by the Corporation, the parts of the Common Areas and the Common Facilities, the risks and perils and the liability to be insured and the amount of insurance cover shall be determined by the Manager at his sole discretion in accordance with good management practice and the Building Management Ordinance (Cap.344);

- (aa) to keep proper accounts of all expenditure incurred by and of all payments made to the Manager in respect of carrying out its duties hereunder as herein provided;
- (ab) to deal with all enquiries, complaints, reports and correspondence relating to the Development;
- (ac) to recruit and employ such staff as may from time to time be necessary to enable the Manager to comply with its duties hereunder on such terms as the Manager shall in its discretion decide and to provide uniforms, working clothes, tools, appliances, cleaning and other materials and all equipment necessary therefor;
- (ad) to keep the Recreational Areas and the Recreational Facilities and all ancillary equipment and structures in good repair and condition and properly cleaned and to employ staff to supervise their use, to insure against liability of persons using the same and to make, vary and enforce regulations regarding the persons using the same, the hours of use, maintenance, management and all other matters relating thereto;
- (ae) to pay and discharge out of all monies collected from the Owners under Clause (3:05:01) of this Deed all outgoings relating to the management of the Lot and the Development;
- (af) to allocate or apportion the salary or remuneration payable to managerial or management staff including but not limited to costs payable for staff fringe benefits, training expenses and recruitment expenses;
- (ag) to do all such other things as are reasonably incidental to the management of the Lot and the Development in accordance with the terms and conditions of this Deed and the Government Grant or for the common benefit of the Owners;
- (ah) to charge a prescribed fee for entry into and/or use of the Recreational Areas and the Recreational Facilities or any part thereof of such amount as the Manager shall in its reasonable discretion deem fit provided that all

such prescribed fees collected shall form part of the Management Fund to be utilised towards the management, maintenance and repair of the Residential Common Areas and the Residential Common Facilities;

- (ai) to remove any dogs (except trained guide dogs on leash for the blind whilst guiding any person with disability in vision), cats, livestock, live poultry, fowls, birds or other animals from the Lot and the Development, if such dogs (except trained guide dogs on leash for the blind whilst guiding any person with disability in vision), cats, livestock, live poultry, fowls, birds or other animals are, in the opinion of the Manager, causing a nuisance to the Owners or occupiers of different Units or are the subjects of written complaints from at least two Owners or occupiers of different Units, and to remove any dogs from lifts or any parts of the Development intended for common use unless they are carried or on leash and are wearing mouth strap;
- (aj) to provide such Christmas, Chinese New Year, festive and other decorations and to organise such celebrations or activities for the Development as the Manager shall in its sole discretion consider desirable;
- (ak) to landscape, plant with trees and shrubs, flowers, bushes, grass and other vegetation on any part or parts of the Common Areas and to maintain and keep the landscaped works at the Common Areas in a safe, clean, neat, tidy and healthy condition and for such purposes and if necessary, to engage a landscape architect or consultant;
- (al) subject to the prior approval of the Owners' Committee or the Corporation (if formed), to grant licences to other persons to use such of the Common Areas and Common Facilities, and subject to the additional prior written approval by a resolution of the Owners at an Owners' meeting convened under this Deed to grant licences to other persons to install or affix chimneys, flues, pipes or any other structures or facilities on or within the Common Areas, and on such terms and conditions and for such consideration as the Manager shall in its reasonable discretion consider appropriate Subject Always to the provisions of the Government Grant and this Deed PROVIDED THAT all income arising therefrom shall form part of the Management Fund and be dealt with in accordance with the provisions of this Deed and PROVIDED THAT any payment received for the approval must be credited to the relevant account of the Special Fund and PROVIDED FURTHER THAT the grant of such licences shall not interfere with an Owner's exclusive right to hold, use, occupy and enjoy the part of the Development to which he is entitled or impede or restrict the access to and from any such part of the Development;
- (am) to make rules to protect the environment of the Development and to implement 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;
- (an) to engage suitable qualified personnel to inspect, keep and maintain in good substantial repair and condition and carry out any necessary works

in respect of the Slope and Retaining Structures (if any) in compliance with the Government Grant and in particular in accordance with the Geoguide 5 - Guide to Slope Maintenance issued by the Geotechnical Engineering Office (as amended or substituted from time to time) and the Maintenance Manual for the Slope and Retaining Structures (if any) and all guidelines issued from time to time by the appropriate Government department regarding the maintenance of the Slope and Retaining Structures (if any). For this purpose, the Manager shall have the right to demand from the Owners, and the Owners shall be liable to pay, such contributions to all the costs lawfully incurred or to be incurred in carrying out such maintenance and repair and any other works in respect of the Slope and Retaining Structures (if any) by way of a lump sum or instalments or otherwise as the Manager shall decide but without prejudice to the Manager's right to apply the general or any parts of the Management Fund referred to in Clause (3:06) as the Manager may deem fit towards payment of the costs or any part thereof. Provided that the Manager shall not be made personally liable for carrying out any such requirements of the Government Grant which shall remain the responsibility of the Owners if, having used all reasonable endeavours, the Manager has not been able to collect the costs of the required works from all Owners. For the purpose of this Clause, the Manager shall include the Owners' Committee and the Corporation;

- (ao) in the event of the covenants contained in Clauses (39) and (42) in the Fourth Schedule hereto being in breach, the Manager without prejudice to the right of the other Owners, shall have the right to demand the defaulting Owner to rectify the breach forthwith and if necessary to reinstate the Non-enclosed Area to their original state under the Approved Plans and if the defaulting Owner shall fail to comply with the Manager's demand, the Manager shall have the right to take such steps as it may in its absolute discretion consider necessary to secure compliance with the aforesaid covenant including but not limited to the right to enter upon the Residential Unit concerned (including the Non-enclosed Area provided therein) and remove any fences, awning, grilles or any structures or things which are installed, exhibited, affixed, erected or attached to the Non-enclosed Area or the Residential Unit which are in breach of the aforesaid covenant. The defaulting Owner shall pay to the Manager all costs incurred by the Manager for and in relation to the steps taken by the Manager for the aforesaid purpose and all costs recovered by the Manager shall be credited to the Management Fund from which the costs incurred by the Manager was drawn;
- (ap) to organize any activities as the Manager thinks fit from time to time;
- (aq) subject to Clause (49) of the Fourth Schedule, to implement the Fire Safety Management Plan and/or monitor proper implementation of Fire Safety Management Plan by Owners of the Residential Units with Open Kitchen (including but not limited to taking courses of actions to prevent any illegal alteration to the fire safety provisions and conducting annual check of the fire service installations mentioned in Clause (49)(b)(i) and (ii) of the Fourth Schedule hereto by the registered fire service installation

contractor appointed by the Manager in accordance with the Fire Safety Management Plan) and upon reasonable notice (except in case of emergency) to enter into the relevant Residential Units with Open Kitchen to take such measures and precautions as may be required to prevent any breach by any Owners in respect of fire safety management in the Residential Units with Open Kitchen;

- (ar) subject to the Fire Safety Management Plan and the then relevant requirements of the Buildings Department, the Fire Services Department and any other relevant Government authority, to assist the Owners of the Residential Units with Open Kitchen to carry out annual maintenance of the fire service installations in their Residential Units with Open Kitchen and submit the maintenance certificate (F.S.251) to the Fire Services Department;
 - (as) to provide training relating to implementation of Fire Safety Management Plan to its on-site staff including course of actions to be carried out by security officers/security guards;
 - (at) to arrange for carrying out of fire drill for the Development annually;
 - (au) to implement effective measures to restrict the installation or provision of the supply of gas as defined under the Gas Safety Ordinance (Cap.51) to the domestic part of the Development and delivery of liquefied petroleum gas (LPG) cylinders to domestic units of the Development;
 - (av) to discontinue the provision of management services to Owners who fail to pay fees or to comply with any other provisions under this Deed.
- (3:02:02) (a) Subject to sub-clauses (b) and (c) below, the Manager or the Owners' Committee shall not enter into any contract for the procurement of any supplies, goods or services the value of which exceeds or is likely to exceed the sum of HK\$200,000.00 or such other sum in substitution therefor as the Secretary for Home and Youth Affairs may specify by notice in the Gazette unless:
- (i) the supplies, goods or services are procured by invitation to tender; and
 - (ii) the procurement complies with the Code of Practice referred to in Section 20A(1) of the Building Management Ordinance (Cap.344).
- (b) Subject to sub-clause (c) below, the Manager or the Owners' Committee shall not enter into any contract for the procurement of any supplies, goods or services the value of which exceeds or is likely to exceed a sum which is equivalent to 20% of the annual budget or such other percentage in substitution therefor as the Secretary for Home and Youth Affairs may specify by notice in the Gazette unless:
- (i) if there is a 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 (Cap.344); 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 Corporation, and the contract is entered into with the successful tenderer; or
- (ii) if there is no 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 (Cap.344); 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 Owners convened and conducted in accordance with this Deed, and the contract is entered into with the successful tenderer.
- (c) Sub-clauses (a) and (b) above do not apply to any supplies, goods or services which but for this sub-clause would be required to be procured by invitation to tender (referred to in this sub-clause as “relevant supplies, goods or services”):
 - (i) where there is a 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 Corporation by a supplier; and
 - (2) the Corporation decides by a resolution of the Owners passed at a general meeting of the 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 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 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.

(3:02:03) Notwithstanding anything herein contained, the Manager shall not (except with the prior approval by a resolution of Owners at an Owners' meeting convened under this Deed) be entitled to effect any improvements to the facilities or services in or on the Lot and/or the Development which involves expenditure in excess of 10% of the current annual budget referred to in Clause (3:07:01) of this Deed.

(3:02:04) The Manager shall have power from time to time before the formation of the Owners' Committee and if the Owners' Committee or the Corporation is formed, then subject to the approval of the Owners' Committee or the Corporation (as the case may be), to make and amend the Development Rules and the Fitting Out Rules but the Development Rules and the Fitting Out Rules must not be inconsistent with or contravene this Deed, the Building Management Ordinance (Cap.344) or the terms of the Government Grant and such Development Rules and Fitting Out Rules shall be binding on all of the Owners of the Development and their tenants, licensees, servants or agents. A copy of the Development Rules and the Fitting Out Rules from time to time in force shall be posted and/or displayed on the public notice board(s) (which includes, without limitation, light emitting diode (LED) monitor display notice board(s) (if any)) at such prominent places in the Development as the Manager may from time to time determine and a copy thereof shall be supplied to each Owner on request on payment of reasonable copying charges and such charges shall be credited to the Management Fund.

(3:02:05) All acts and decisions of the Manager arrived at in accordance with the provisions of this Deed in respect of any of the matters aforesaid shall be binding in all respects on all the Owners for the time being.

(3:02:06) Neither the Manager nor any employees servants agents or other person employed by the Manager shall 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 Owners or otherwise, for or in respect of any act, deed, matter or thing done or omitted in pursuance of or purported pursuance of the provisions of this Deed not being an act or omission involving criminal liability, dishonesty or negligence on the part of the Manager or its employees servants agents or such other person employed by the Manager. For avoidance of doubt, the Manager shall not be liable to the Owners or any of them or to any other person or persons whomsoever whether claiming through, under or in trust for any Owners or otherwise, for or in respect of :-

- (a) any defect in or failure or malfunction of any of the Common Areas and/or the Common Facilities;
- (b) any failure, malfunction or suspension of the supply of water, gas, electricity or other utility services to, from or for the Lot and the Development;

- (c) fire, flood or the overflow or leakage of water from anywhere within or outside the Development or the influx of rainwater or other substances;
- (d) the activity of termites, cockroaches, rats, mice or other pests or vermin;
or
- (e) theft or burglary

unless it can be shown that such liabilities were caused by an act or omission of the Manager, its employees or agents involving criminal liability, dishonesty or negligence. The obligation to pay the Management Fee by the Owner in respect of his Unit shall not cease solely on ground of the happening of any of the aforesaid events.

(3:02:07) The Manager shall have the right with or without workmen :-

- (a) upon reasonable notice (except in case of emergency) to enter upon any part of the Lot or the Development or any of the Units as may be necessary for the purpose of effecting necessary inspection, maintenance (excluding decoration), replacement, alteration, addition, cleaning, painting and repairs to the Development or any part or parts thereof or the Common Areas and Common Facilities and/or abating any hazard or nuisance which does or may affect the Common Areas or the Common Facilities or other Owners and also for the purpose of inspecting replacing altering adding repairing cleaning and maintaining any of the water mains and pipes or other apparatus and equipment serving any part of the Lot and/or Development whether or not the same belong exclusively to any one Unit and, if the water mains and pipes or the apparatus and equipment or the item of repair shall belong exclusively to and serving exclusively one Unit and the Owner of that Unit shall fail to repair or replace such water mains and pipes or apparatus and equipment or item (as the case may be) within reasonable time after receipt of the requirement of the Manager, to charge the Owner the cost of repairing and/or replacement Provided that the Manager shall cause as little disturbance as possible when carrying out all such works and repair at its own costs and expenses any damage caused thereby and the Manager shall be liable for the negligent, wilful or criminal acts of the Manager or its employees contractors servants and agents; and
- (b) to provide within the Common Areas and Common Facilities such fixtures, fittings and furniture and other equipment as it may consider appropriate and to repair, replace and maintain the same and the costs, charges and expenses thereof shall form part of the cost of the management of the relevant part of the Development under the relevant management account and budget kept by the Manager pursuant to Clause (3:07:03).

(3:02:08) The Manager, its employees, servants, agents or other persons employed by the Manager shall not be liable for any interruption in any of the services hereinbefore mentioned by reason of necessary maintenance of any installations, apparatus, equipment, or damage thereto or destruction thereof by fire, water or Act of God or by reason of mechanical or other defect or breakdown or inclement weather conditions or unavoidable shortage of fuel, materials, water, labour or other cause beyond the Manager's control nor for the security or safekeeping

of the Lot and the Development or any persons or contents therein Provided that the Manager shall be liable for the negligent, wilful or criminal acts of the Manager or its employees, servants, agents and other persons employed by the Manager.

(3:02:09) The Manager shall ensure that its servants, agents, contractors or other persons employed or appointed by the Manager remain responsible and answerable to the Manager.

(3:02:10) The Manager shall be entitled to collect from any Owner or occupier of any Unit prior to commencement of any works in connection with the repair, renovation or alteration of that Unit a deposit(s) as security for any damages or losses as may be caused to the remainder of the Development. The amount of such deposit(s) shall be such amount as the Manager thinks fit in consultation with the Owners' Committee or the Corporation (if formed) depending upon the nature of the works to be carried out. All such deposit(s) shall be held by the Manager in a separate account and shall be refunded without interest to the Owner or occupier within 30 days of completion of the works subject to the Manager's right to deduct from that deposit(s) any sum necessary to compensate for all damages or losses caused by the works or the Owner or occupier or their contractors to the remainder of the Development but without prejudice to the Manager's right to claim for compensation suffered in excess of the amount of the deposit(s).

(3:02:11) In the event the Manager shall resign or be wound up or have an order for appointment of receiver or a bankruptcy order (as the case may be) made against it or is removed and another manager be appointed in its stead in accordance with this Deed, then the outgoing Manager or the liquidator or the receiver shall assign the whole of the Undivided Shares in the Common Areas and Common Facilities together with the Common Areas and Common Facilities which they represent free of costs or consideration to the new manager PROVIDED ALWAYS THAT nothing herein contained shall in any way fetter or diminish the rights, powers, authorities and entitlements of the Manager contained in this Deed PROVIDED FURTHER THAT when the Corporation has been formed, the Manager shall, at any time if required by the Corporation, assign the Undivided Shares allocated to the Common Areas and Common Facilities together with the right to use the Common Areas and the Common Facilities and transfer the management responsibilities to the Corporation free of costs or consideration.

(3:03) The Manager's Remuneration

(3:03:01) The Manager's Remuneration (expressed as a monthly amount) shall be the sum equivalent to 10% of the Management Expenses. No variation of the said percentage may be made except with approval by a resolution of Owners at an Owners' meeting convened under this Deed and agreement of the Manager. The Manager's Remuneration shall be paid by the Owners monthly in advance on the first day of every month by reference to the total budgeted Management Expenses with adjustment to be made at the end of each financial year when the total Management Expenses are ascertained. For the purpose of calculating the Manager's Remuneration, the Management Expenses shall exclude (i) the Manager's Remuneration itself and (ii) 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 at the aforesaid rate or at any lower rate as the Owners may consider appropriate.

(3:03:02) The Manager's Remuneration shall not be subject to any requirement that the Manager shall disburse from such money to meet expenses in respect of any staff (whether managerial or otherwise), facilities, accountancy services or other professional services, the cost for which shall be a direct charge upon the Management Fund.

(3:04) Management Expenses

(3:04:01) For the purpose of fixing the contributions payable by the Owners, the Manager shall prepare the budgets referred to in Clause (3:07:01) of this Deed.

(3:04:02) The said budgets shall cover all costs expenses and outgoings incurred in relation to the management of the Lot and the Development including without limiting the generality of the foregoing the following items :-

- (a) Government Rent (before separate assessment of individual Units has been made by the Government) and all sums payable under the Government Grant (if any);
- (b) the cost of carrying out all or any of the duties of the Manager set out in Clause (3:02) of this Deed;
- (c) the cost of purchasing or hiring all necessary plant, equipment, apparatus, tools and machinery for the benefit of the Development;
- (d) remuneration and expenses for all caretakers, security guards, watchmen, cleaners, attendants, gardeners and such other service providers as may be required for the proper management of the Lot and the Development;
- (e) all reasonable professional fees and costs incurred by the Manager including :-
 - (i) fees and costs of surveyors, rating surveyors, valuers, architects, engineers and others employed in connection with the management, maintenance and improvement of the Lot and the Development;
 - (ii) solicitors and other legal fees and costs incurred in connection with the exercise of the Manager's rights, powers and duties under this Deed; and
 - (iii) fees and costs of any accountants, auditors and/or any other consultants employed in connection with the accounts or the Manager's statements as hereinafter referred to;
- (f) all water, gas, electricity, telephone and other service charges for or in connection with the Lot and the Development and not being in respect of the use of or consumption in any particular Unit or other area (if any) enjoyed exclusively by one Owner;
- (g) the cost of all fuel and oil incurred in connection with the operation of the plant, equipment and machinery provided by the Manager for the benefit of the Lot and the Development and the Owners thereof commonly;

- (h) the cost of providing emergency generators and the cost of providing emergency lighting of the Lot and the Development;
- (i) the cost of effecting insurance in respect of public liability, occupier's liability, employer's liability and employees' compensation in respect of all management staff, clubhouse staff, caretakers, security guards, gardeners, workmen, cleaners, watchmen, attendants, accountants, clerical staff and such other staff employed for the management of the Lot and the Development, and fire and other perils in respect of the Common Areas and Common Facilities and structures, equipment and utensils intended for common use;
- (j) all charges, assessments, impositions and other outgoings payable by the Owners in respect of all parts of the Common Areas;
- (k) the cost of postage, stationery, printing and other sundry items incurred by the Manager in connection with the management of the Lot and the Development;
- (l) the cost of maintaining in good order and repair all Common Areas, Common Facilities and any other facilities related to the provision of services within the Lot and the Development;
- (m) any other expenditures which are necessary for the good estate management of the Common Areas and Common Facilities;
- (n) salaries, training activities and recruitment expenses, overtime pay, severance payment, long services payment, fringe benefits (if any) and bonuses (if any) of the management staff, clubhouse staff, caretakers, security guards, gardeners, workmen, cleaners, watchmen, attendants, accountants, clerical staff and such other staff employed by the Manager for the management of the Lot and the Development and expenses of other support services or facilities for the administration and management of the Lot and the Development or such proportionate part thereof which are provided by the head office (if any and if applicable) of the Manager for the Development as well as any other estates and buildings as reasonably determined by the Manager to be attributable to the Development Provided That the Manager shall record in its books and records relating to the Development details of the expenses involved, the reason for incurring the same, the portion which the Development has to bear and the basis of apportioning such expenses among the estates and buildings involved;
- (o) the cost of operating, managing and keeping in good clean repair and condition the Recreational Areas and the Recreational Facilities including the general expenditure for cost of (if applicable) water charges, lighting and air-conditioning;
- (p) the cost for cultivation, irrigation and maintenance of the lawns, vertical green, planters and landscaped areas on the Common Areas;

- (q) the cost of engaging suitable qualified personnel to inspect keep and maintain in good substantial repair and condition the Slope and Retaining Structures (if any) in compliance with the Government Grant and in accordance with the Maintenance Manual for the Slope and Retaining Structures (if any) and all guidelines issued from time to time by the appropriate Government department regarding the maintenance of the Slope and Retaining Structures (if any);
- (r) the cost for organizing activities for owners/occupiers of the Development to participate;
- (s) subject to Clause (49) of the Fourth Schedule, the cost incurred by the Manager in connection with the implementation of the Fire Safety Management Plan relating to Residential Units with Open Kitchen; and
- (t) any fees or charges payable to the Government or any other person under any licence agreement, wayleave agreement, deed of grant of easement and/or right of way or any other documents of a similar nature affecting the Lot as a whole the entering into of which is for the benefit of the Lot and the Development and the payment of such fees or charges have been approved by a resolution of Owners at an Owners' meeting convened under this Deed.

(3:05) Payment of Management Expenses and Special Fund and Enforcement Provisions

- (3:05:01) (a) The Owners of each of the Units shall pay to the Manager monthly in advance the Management Fee in proportion to the Management Shares as set out in the Second Schedule hereto PROVIDED THAT no Owner shall be called upon to pay more than his appropriate shares of the Management Expenses as stated in the following:
- (i) where any expenditure relates to or is for the benefit of the Lot and the Development (but does not relate solely to or is not solely for the benefit of any Unit, Residential Common Areas, Commercial Common Areas, Residential Common Facilities or Commercial Common Facilities), the Development Common Areas and/or the Development Common Facilities the full amount of such expenditure shall be apportioned between all the Owners of the Development in proportion to the number of Management Shares held by them;
 - (ii) where any expenditure relates solely to or is solely for the benefit of the Residential Units (but does not relate solely to or is not solely for the benefit of any particular Residential Unit), the Residential Common Areas and/or the Residential Common Facilities the full amount of such expenditure shall be apportioned between the Owners of the Residential Units in proportion to the number of Management Shares held by them;

- (iii) where any expenditure relates solely to or is solely for the benefit of the Commercial Units (but does not relate solely to or is not solely for the benefit of any particular Commercial Unit), the Commercial Common Areas and/or the Commercial Common Facilities the full amount of such expenditure shall be apportioned between the Owners of the Commercial Units in proportion to the number of Management Shares held by them;
 - (iv) where any expenditure relates solely to or is solely for the benefit of a Unit, the full amount of such expenditure shall be borne by the Owner of such Unit.
- (b) If the total contribution receivable as aforesaid by the Manager shall be insufficient to meet the Management Expenses and the Manager's Remuneration for any reason whatsoever, any shortfall, whether incurred or to be incurred over and above the said budgeted sum, shall be carried forward to and recouped by adjusting the annual budget and the Management Fee for the next financial year provided always that the Manager may, at its discretion from time to time, demand from the Owner of each Unit on giving not less than one (1) month's prior notice in writing the additional monthly contribution payable by each Owner save that in exceptional circumstances such additional contribution may be recovered by special contribution in one lump sum as the Manager shall in its absolute discretion deem fit to meet the shortfall in Management Expenses and the Manager's Remuneration provided further that the provisions under Schedule 7 to the Building Management Ordinance shall be complied with.
- (c) If there should be any surplus in the total amount of additional contributions from the Owners as aforesaid after payment of all the cost charge and expenses then such surplus shall be held by the Manager and be deposited in a bank account and shall only be applied by the Manager in or towards payment of future Management Expenses as the Manager shall decide.

Provided That where in the Manager's opinion any expenditure has been incurred solely for the benefit of an Owner or group of Owners the Manager may charge that expenditure directly to that Owner or those Owners in such proportion as it may determine.

(3:05:02) The Manager shall from time to time notify each Owner in writing in the manner hereinafter mentioned of the amount of the monthly Management Fee estimated as aforesaid and such amount shall be payable by each Owner monthly in advance from the date specified in the relevant notice, the initial monthly Management Fee being payable from and exclusive of the date of the assignment in their favour as the Owners.

(3:05:03) The Management Fee shall be subject to adjustment from time to time according to the costs of providing the above services estimated herein Provided no adjustment shall affect the proportion of contribution in respect of each Unit as mentioned in Clause (3:05:01)(a). Notice of such adjustment shall be given by the Manager in writing at least one (1) month prior to such adjustment.

- (3:05:04)
- (a) Except where the First Owner has made payments in accordance with Clause (3:05:04)(e) of this Deed, the first Owner of each Unit (being the assignee from the First Owner) shall immediately upon his becoming an Owner pay to the Manager a sum equivalent to two (2) months' Management Fee for each Unit owned by him payable in accordance with the budget for the first year which shall be a non-refundable but transferable deposit by way of security against the liabilities for the observance and performance by the Owner of the covenants terms and conditions contained in this Deed. The deposit shall not be used by an Owner to set off against any contribution payable by him under this Deed. Notwithstanding the foregoing (and without prejudice to the rights of the Manager generally under this Deed) the Manager shall have the right to set off the deposit against any sums payable by an Owner under this Deed; the Manager shall be under no obligation to exercise such right of set off and, in any proceedings by the Manager against an Owner in respect of a payment default, such Owner shall have no right to require the Manager to mitigate its loss by exercising its right of set-off prior to its exercising its other rights under this Deed in respect of such default. If the Manager has exercised its right of set-off under this Clause, it shall have the right to require the relevant Owner or his successor in title to replenish the deposit to an amount equivalent to two (2) months' Management Fee for the Unit which he owns.
 - (b) Except where the First Owner has made payments in accordance with Clause (3:05:04)(e) of this Deed, the first Owner of each Unit (being the assignee from the First Owner) shall immediately upon his becoming an Owner pay to the Manager advance payment of Management Fee equivalent to two (2) months' Management Fee for each Unit owned by him payable in accordance with the budget for the first year.
 - (c) Except where the First Owner has made payments in accordance with Clause (3:05:04)(e) of this Deed, the first Owner of each Unit (being the assignee from the First Owner) shall immediately upon his becoming an Owner pay to the Manager a non-refundable and non-transferable debris removal charge equivalent to one (1) month's Management Fee for each Residential Unit or three (3) months' Management Fee for each Commercial Unit (as the case may be) owned by him payable in accordance with the budget for the first year. Any surplus debris removal charge not used for collection or removal of debris shall be credited to the relevant account of the Special Fund referred to in Clause (3:05:04)(d)(i) of this Deed.
 - (d) (i) There shall be established and maintained by the Manager :
 - (1) a development account of the Special Fund for the purposes of meeting Capital Expenditure in respect of the Development Common Areas and the Development Common Facilities, the contribution of which shall be made by all the Owners as provided in Clause (3:05:04)(d)(ii) of this Deed;

- (2) a residential account of the Special Fund for the purposes of meeting Capital Expenditure in respect of the Residential Common Areas and the Residential Common Facilities, the contribution of which shall be made by all the Owners of the Residential Units as provided in Clause (3:05:04)(d)(ii) of this Deed; and
 - (3) a commercial units account of the Special Fund for the purposes of meeting Capital Expenditure in respect of the Commercial Common Areas and the Commercial Common Facilities, the contribution of which shall be made by all the Owners of the Commercial Units as provided in Clause (3:05:04)(d)(ii) of this Deed.
- (ii) Except where the First Owner has made payments in accordance with Clause (3:05:04)(e) of this Deed, the first Owner of each Unit (being the assignee from the First Owner) shall immediately upon his becoming an Owner pay to the Manager a sum equivalent to two (2) months' Management Fee for each Unit owned by him payable in accordance with the budget for the first year as the Owner's contribution to the relevant accounts of the Special Fund referred to in Clause (3:05:04)(d)(i) of this Deed which contribution shall be non-refundable and non-transferable and shall only be used or expended by the Manager for the purposes for which they have been collected for costs, charges and expenses for Capital Expenditure. The Special Fund shall be established and maintained by the Manager to provide for Capital Expenditure, which includes, but is not limited to, expenses for the renovation, improvement and repair of the Common Areas and the Common Facilities, the purchase, setting up, replacement, improvement and addition of installations, systems, equipment, tools, plant and machineries for the Common Areas and the Common Facilities and the costs of the relevant investigation works and professional services. The Special Fund shall be trust fund held and managed by the Manager as trustee for all the relevant Owners and all sums therein shall be the property of the relevant Owners. All monies received for the Special Fund shall be deposited by the Manager with a bank within the meaning of Section 2 of the Banking Ordinance in interest-bearing accounts designated for the purposes of the relevant accounts of the Special Fund the titles of which shall refer to the relevant accounts of the Special Fund and the Manager shall use those accounts exclusively for the respective purposes referred to in Clause (3:05:04)(d)(i) of this Deed. Special reference shall be made to such accounts of the Special Fund in the annual accounts and an estimate shall be given as to the time of any likely need to draw on such accounts of the Special Fund. 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. The amount of

contribution by each Owner to the relevant accounts of the Special Fund may be varied by a resolution passed by the Owners at a meeting of the Owners convened under this Deed. If there is a Corporation, the Corporation shall determine, by a resolution of the Owners, the amount to be contributed to the relevant accounts of the Special Fund by the Owners in any financial year, and the time when those contributions shall be payable.

- (iii) Without prejudice to the generality of Clause (3:05:04)(d)(ii), if there is a 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 Corporation in respect of the Special Fund.
 - (iv) The Manager shall display a document showing evidence of any account opened and maintained under Clause (3:05:04)(d)(ii) or (iii) in a prominent place in the Development.
 - (v) The Manager shall without delay pay all money received by him in respect of the Special Fund into the accounts opened and maintained under Clause (3:05:04)(d)(ii) or, if there is a Corporation, the account or accounts opened and maintained under Clause (3:05:04) (d)(iii).
 - (vi) 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).
- (e) Notwithstanding anything herein contained, if the First Owner remains the Owner of those Undivided Shares allocated to any Unit the construction of which has been completed and which remain unsold three (3) months after the execution of this Deed, the First Owner shall pay to the Manager such sums as provided in Clauses (3:05:04)(a), (c) and (d) of this Deed. The First Owner shall pay the Management Fee from the date of this Deed and make payments and contributions for those expenses which are of a recurrent nature for those Units and Undivided Shares unsold. All outgoings including Management Fee and any Government rent up to and inclusive of the date of assignment of such Unit by the First Owner shall be paid by the First Owner. An Owner shall not be required to make any payment or reimburse the First Owner for the aforesaid outgoings.
- (f) The first Owner of each Unit (being the assignee from the First Owner) shall immediately upon his becoming an Owner reimburse and pay to the Manager a due proportion (according to the Management Shares allocated to his Unit) of the public utilities deposits for the Common Areas and the Common Facilities which have been paid to the relevant utilities companies and such payment made by the Owner shall be non-refundable but transferable.

For the purpose of this Clause (3:05:04), a Unit shall be considered as remaining unsold where no assignment has been entered into between the First Owner and a purchaser in respect of such Unit.

(3:05:05) Each Owner covenants with the other Owners that he shall pay to the Manager on demand further periodic contributions to the relevant accounts of the Special Fund and the amount to be contributed in each financial year and the time when those contributions will be payable will be determined by a resolution of Owners at an Owners' meeting convened under this Deed.

(3:05:06) If any Owner shall fail to pay any amount payable hereunder within thirty (30) days of the date on which the demand is made as aforesaid, he shall further pay to the Manager :-

- (a) interest thereon calculated at the rate as determined by the Manager but not exceeding 2% per annum over the prime rate specified by The Hongkong and Shanghai Banking Corporation Limited from time to time on the outstanding amount due from the Owner for the period during which it remains unpaid;
- (b) a collection charge as determined by the Manager but not exceeding 10% of the amount due (other than legal costs of proceedings as hereinafter mentioned); and
- (c) all legal costs (on a solicitor and own client basis) incurred in or in connection with recovering the amount due.

(3:05:07) All amounts which become payable by any Owner in accordance with the provisions of this Deed together with interest thereon as aforesaid and the said collection charge and all legal costs and all other expenses incurred in or in connection with recovering or attempting to recover the same shall be recoverable by civil action at the suit of the Manager (and the claim in any such action may include a claim for the solicitor and own client costs of the Manager in such action 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 or agents for and on behalf of all the Owners of the Lot and the Development (other than the defaulting Owner) as a whole and no Owner being sued under the provisions of this Deed shall raise or be entitled to raise any defence of want of authority or take objection to the right of the Manager as plaintiff to sue or to recover such amounts as may be found to be due.

(3:05:08) In the event of any Owner failing to pay any sum due and payable by him in accordance with the provision 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 of the date on which the same became payable, the amount thereof together with interest as aforesaid and the said collection charge and all such legal costs and expenses which may be incurred in recovering or attempting to recover the same including the costs referred to in Clause (3:05:07) of this Deed shall stand charged on the Undivided Share(s) and the Unit(s) of the defaulting Owner and the Manager shall be entitled without prejudice to any other remedy hereunder to register a Memorial of such charge in the Land Registry against the Undivided Share(s) and the Unit(s) of 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 and the aforesaid sums have been satisfied.

(3:05:09) Any charge registered in accordance with Clause (3:05:08) of this Deed shall be enforceable as an equitable charge by action at the suit of the Manager for an order for sale of the Undivided Share(s) of the defaulting Owner together with the right to the exclusive use, occupation and enjoyment of the Unit(s) held therewith and the provisions of Clause (3:05:07) of this Deed shall apply equally to any such action.

(3:05:10) The Manager shall further have power to commence proceedings for the purpose of enforcing the observance and performance by any Owner, and any person occupying any Unit, of the covenants conditions and provisions of this Deed and of recovering damages for the breach non-observance or non-performance thereof. The provisions of Clauses (3:05:07), (3:05:08) and (3:05:09) of this Deed shall apply to all such proceedings and to the recovery of any costs, damages or other moneys awarded therein.

(3:05:11) All damages recovered in any such proceedings and all amounts recovered shall be held by the Manager who shall apply the same towards rectifying the default (if any) to which they relate and any surplus thereof together with all interest on amount unpaid and collection charge shall be credited to the relevant account of the Special Fund held for the particular part of the Development of which the Unit of the defaulting Owner forms part.

(3:05:12) Notwithstanding the powers conferred on the Manager by this Deed, any one or more Owners shall be entitled to take action to enforce the provisions of this Deed and, if at any time no Manager is appointed or acting hereunder or any Manager so appointed or acting refuses or fails to enforce any of the provisions of this Deed, any one or more Owners appointed by resolution passed in a meeting of Owners convened under this Deed shall be entitled to sue any defaulting Owner on behalf of himself or themselves and all other Owners and the provisions of Clause (3:05:07), (3:05:08) and (3:05:09) of this Deed shall apply mutatis mutandis to any action or proceedings brought by such Owner or Owners appointed by resolution passed in a meeting of Owners convened under this Deed and to the recovery of any costs, damages or other moneys awarded therein.

(3:06) Management Fund and Special Fund

- (3:06:01)
- (a) The Management Fund collected by the Manager in the exercise of its powers and duties hereunder shall be held and deemed to be held by the Manager as trustee for and on behalf of all the Owners or the relevant Owners (as the case may be).
 - (b) The Manager shall open and maintain an interest-bearing account and shall use that account exclusively in respect of the management of the Development.
 - (c) Without prejudice to the generality of sub-clause (b), if there is a 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 Corporation in respect of the management of the Development.

- (d) The Manager shall display a document showing evidence of any account opened and maintained under sub-clause (b) or (c) in a prominent place in the Development.
- (e) Subject to sub-clauses (f) and (g), the Manager shall without delay pay all money received by him in respect of the management of the Development into the account opened and maintained under sub-clause (b) or, if there is a Corporation, the account or accounts opened and maintained under sub-clause (c).
- (f) Subject to sub-clause (g), the Manager may, out of money received by him in respect of the management of 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 any).
- (g) The retention of a reasonable amount of money under sub-clause (f) or the payment of that amount into a current account in accordance with that sub-clause and any other arrangement for dealing with money received by the Manager shall be subject to such conditions as may be approved by a resolution of the Owners' Committee (if any).
- (h) Any reference in this Clause (3:06:01) to an account is a reference to an account opened with a bank within the meaning of section 2 of the Banking Ordinance (Cap.155), the title of which refers to the management of the Development.

(3:06:02) Where any consent is required from the Manager by any Owner pursuant to the terms of this Deed, such consent shall not be unreasonably withheld and the Manager shall not charge any fee other than a reasonable administrative fee for issuing such consent and such fee for the granting of such consent shall be credited to the relevant account of the Special Fund held for the particular part of the Development of which the Unit of the Owner seeking the consent forms part.

(3:06:03) Any person ceasing to be the Owner of any Undivided Share(s) shall in respect of the Undivided Share(s) of which he ceases to be the Owner thereupon cease to have any interest in the funds held by the Manager (including but not limited to any deposit and his contribution to the relevant accounts of the Special Fund payable under Clause (3:05:04) of this Deed) to the intent that all such funds shall be held and applied for the management of the Lot and the Development irrespective of changes in ownership of the Undivided Share(s) therein PROVIDED that any deposit paid by any such Owners or the balance thereof and still held by the Manager may be transferred into the name of the new Owner of such Undivided Share(s) upon the express written request of the outgoing Owner And PROVIDED THAT upon the Lot reverting to the Government and no renewal or regrant thereof being obtainable or upon the rights and obligations hereunder being extinguished any balance of the deposit, Special Fund and Management Fund, or in the case of extinguishment of rights and obligations as aforesaid, an appropriate part of the Special Fund and Management Fund, shall be divided proportionately between the relevant Owners of the Undivided Shares in accordance with the proportion of the Management Shares held by the relevant Owners 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 the same proportion.

(3:07) Preparation of Budget, Management Records and Accounts

- (3:07:01)
- (a) For the purpose of fixing the Management Fee and other monies payable by the Owners, the Manager shall prepare an annual budget showing the estimated Management Expenses and Manager's Remuneration for the ensuing financial year (as defined in Clause (3:07:02) of this Deed); each annual budget except the first one shall be prepared in consultation with the Owners or the Owners' Committee or the Corporation (if formed).
 - (b) Subject to sub-clauses (d), (f), (g) and (i), the total amount of Management Expenses payable by the Owners during any period of 12 months adopted by the Manager of the Development 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 (c).
 - (c) 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 7 consecutive days;
 - (iii) send or display, as the case may be, with the copy of the draft budget a notice inviting each Owner to send his comments on the draft budget to the Manager within a period of 14 days from the date of 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 7 consecutive days.
 - (d) Where, in respect of a financial year, the Manager has not complied with sub-clause (c) 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.

- (e) Where a budget has been sent or displayed in accordance with sub-clause (c)(v) 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 (c).
- (f) Where a revised budget is sent or displayed in accordance with sub-clause (e), 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.
- (g) If there is a Corporation and, within a period of 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 (c) or (e), the 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 (c) or (e) and is not so rejected under this sub-clause, 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 10% of that total amount as the Manager may determine.
- (h) 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.
- (i) For the purposes of this Clause (3:07:01), “expenditure” (開支) includes all costs, charges and expenses to be borne by the Owners, including the Manager’s Remuneration.

(3:07:02) The first financial year for the purpose of management of the Lot and the Development shall commence from the date of this Deed and shall terminate on the 31st day of March in the next succeeding year PROVIDED that if the duration of the first financial year shall be less than six (6) months then the first financial year shall extend to and end on the 31st day of March of the 2nd next succeeding year and thereafter the financial year shall commence on the 1st day of April of that year and shall terminate on the 31st day of March in the next succeeding year PROVIDED ALWAYS that the Manager may only change the financial year once in every five years and shall not change the financial year more than once in every five (5) years unless that change is previously approved by a resolution of the Owners’ Committee (if any).

(3:07:03) The Manager shall maintain proper books or records of accounts and other financial records and shall keep all bills, invoices, vouchers, receipts and other documents referred to in those books and records for at least six (6) years. The Manager shall prepare separate budgets for the whole of the Lot and the Development and the different parts thereof as referred to in Clause (3:05:01)(a) of this Deed and shall keep separate management accounts and budgets for the whole of the Lot and the Development and the different parts thereof as referred to in Clause (3:05:01)(a) of this Deed.

(3:07:04) Within one (1) month after each consecutive period of three (3) months, or such shorter period as the Manager may select, the Manager shall prepare a summary of income and expenditure and a balance sheet in respect of that period, display a copy of the summary and balance sheet in a prominent place in the Development, and cause it to remain so displayed for at least seven (7) consecutive days.

(3:07:05) Within two (2) months after the end of each financial year, the Manager shall prepare an income and expenditure account and balance sheet for that financial year (which will be certified by auditors), display a copy of the income and expenditure account and balance sheet in a prominent place in the Development, and cause it to remain so displayed for at least seven (7) consecutive days.

(3:07:06) Each income and expenditure account and balance sheet shall include details of the Special Fund required by Clause (3:05:04)(d)(i) and an estimate of the time when there will be a need to draw on that fund, and the amount of money that will be then needed.

(3:07:07) The Manager shall : -

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

(3:07:08) (a) The Manager shall appoint an auditor to audit the accounts and records of the Manager concerning the management of the Lot and the Development and to certify the annual accounts as hereinbefore provided. The Manager may revoke the appointment of such firm and appoint another firm in its place at any time with the prior approval of the Owners' Committee or the Corporation (if formed).

- (b) Notwithstanding anything herein provided and prior to the formation of the Corporation, the Owners at a meeting of Owners convened under this Deed shall have power to require the annual accounts to be audited by an independent auditor of their choice.

(3:07:09) If there is a Corporation and the 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 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. On payment of a reasonable copying charge, the Manager shall 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.

(3:07:10) (a) Within a reasonable time before the close of each financial year the Manager shall prepare budgets for the ensuing financial year which budgets shall include all sums which in the opinion of the Manager will be necessary to meet the Management Expenses for the then current

financial year and shall include an amount for contingencies. Such budgets except the first one shall be prepared in consultation with the Owners or the Owners' Committee or the Corporation (if formed).

- (b) In the event that the Manager is of the opinion that any of the budgeted sums for the then current financial year are insufficient to cover all expenditure which falls to be included in that budget it may prepare a revised budget or budgets in consultation with the Owners or the Owners' Committee or the Corporation (if formed).

(3:07:11) The Manager shall send to the Owners' Committee or the Corporation (if formed) a copy of such of the annual accounts, annual budgets, revised budgets or monthly accounts after the same shall have been prepared as herein provided and display the same in a prominent place in the Development and cause it to remain so displayed for at least seven (7) consecutive days.

(3:07:12) The Manager shall invite each of the Owners to send their comments on the budget or revised budget prepared pursuant to Clause (3:07:10) of this Deed within a period of fourteen (14) days from the date the said budget or revised budget was sent to the Owners' Committee or the Corporation (if formed).

(3:07:13) Subject to Clause (3:07:14), if the Manager's appointment ends for any reason, he shall, as soon as practicable after his appointment ends, and in any event within 14 days of the date his appointment ends, deliver to the Owners' Committee (if any) or the Manager appointed in his place any movable property in respect of the control, management and administration of the building that is under his control or in his custody or possession, and that belongs to the Corporation (if any) or the Owners.

(3:07:14) If the Manager's appointment ends for any reason, he shall within 2 months of the date his appointment ends : -

- (a) prepare : -
 - (i) an income and expenditure account for the period beginning with the commencement of the financial year in which his appointment ends and ending on the date his appointment ended; and
 - (ii) a balance sheet as at the date his appointment ended,and shall arrange for that account and balance sheet to be audited by an accountant or by some other independent auditor specified in a resolution of the Owners' Committee (if any) or, in the absence of any such specification, by such accountant or other independent auditor as may be chosen by the Manager; and
- (b) deliver to the Owners' Committee (if any) or the Manager appointed in his place any books or records of accounts, papers, documents and other records which are required for the purposes of sub-clause (a) and have not been delivered under Clause (3:07:13).

(4) **OWNERS' COMMITTEE**

(4:01) As soon as practicable and in any event not later than nine (9) months from the date of this Deed, the Manager shall convene the first general meeting of Owners (and to call further and subsequent meetings if required) for the purpose of electing the members and the chairman of the Owners' Committee or appointing a management committee for the purpose of forming the Corporation under the Building Management Ordinance (Cap.344). The functions of the Owners' Committee shall include but not limited to the following :-

- (a) representing the Owners in all dealings with the Manager;
- (b) giving to and receiving from the Manager notices on behalf of the Owners;
- (c) undertaking such other duties as the Manager may, with the Owners' Committee's approval, delegate to the Owners' Committee; and
- (d) exercising all other powers and duties conferred on the Owners' Committee by virtue of the Building Management Ordinance (Cap.344), this Deed and the Development Rules.

(4:02) (a) The Owners' Committee shall consist of five (5) members elected by the Owners for the time being entitled to the exclusive use occupation and enjoyment of the Lot and/or the Development or part thereof;

(b) The members of the Owners' Committee shall be made up of :

- (i) four (4) members as representatives of the Residential Units; and
- (ii) one (1) member as representative of the Commercial Units.

(c) (i) A meeting of the Owners' Committee may be convened at any time by the Chairman (as defined in Clause (4:02)(d)) or any 2 members of the Owners' Committee.

(ii) The person or persons convening the meeting of the Owners' Committee shall, at least 7 days before the date of the meeting, give notice of the meeting to each member of the Owners' Committee.

(iii) The notice of meeting referred to in sub-clause (c)(ii) shall specify :-

- (1) the date, time and place of the meeting; and
- (2) the resolutions (if any) that are to be proposed at the meeting.

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

- (1) by delivering it personally to the member of the Owners' Committee; or
- (2) by sending it by post to the member of the Owners' Committee at his last known address; or

- (3) by leaving it at the member's Unit or depositing it in the letter box for that Unit.
 - (d) The quorum for the conduct of business at any meeting of the Owners' Committee shall be 50% of the members of the Owners' Committee (rounded up to the nearest whole number) or three (3) members, whichever is the greater and any resolution passed thereat shall be by a simple majority of those members present and voting at such meeting. The members elected shall elect among themselves a Chairman of the Owners' Committee ("**the Chairman**"), a Secretary of the Owners' Committee and such other officers (if any) as they may from time to time elect and shall hold office until the next alternate annual general meeting. At a meeting of the Owners' Committee, each member present shall have 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 deliberate vote, a casting vote. The meeting of the Owners' Committee shall be presided over by the Chairman or in the absence of the Chairman, a member of the Owners' Committee appointed as chairman for that meeting.
- (4:03) A member of the Owners' Committee shall cease to hold office if :-
- (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 annual general meeting 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.

In any of the events provided for in Clause (4:03) the Owners' Committee shall have the right to fill the casual vacancy thereby created.

- (4:04) 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 corporate Owner. The appointment of a representative by a corporate body shall be in writing addressed to the Owners' Committee and may be revoked at any time on notice in writing being given to the Owners' Committee.
 - (b) the husband or wife of any Owner provided that such husband or wife resides in or occupies such Owner's Unit in the Lot and/or the Development.
- (4:05) The Owners' Committee shall meet at such times as occasion shall require and the procedure at meetings of the Owners' Committee shall be as is determined by the Owners' Committee.

(4:06) The Manager may be represented in the meeting of the Owners' Committee by a duly appointed representative who shall not be entitled to vote.

(5) **MEETINGS OF THE OWNERS**

(5:01) In addition to the first Owners' general meeting as mentioned in Clause (4:01) of this Deed, from time to time as occasion may require there shall be meetings of the Owners for the time being to discuss and decide on matters concerning the Lot and/or the Development as hereinafter mentioned and in regard to such meetings the following provisions shall apply :-

- (a) One such meeting to be known as the annual meeting shall be held, in so far as is practicable, once in each calendar year commencing with the year following the first Owners' general meeting mentioned in Clause (4:01) of this Deed for the purpose of electing the members of the Owners' Committee (which election shall take place at every alternate annual meeting) and transacting any other business of which due notice is given in the notice convening the meeting.
- (b) 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 5% of the Undivided Shares in aggregate. The person convening the meeting of Owners shall, at least 14 days before the date of the meeting, give notice of the meeting to each Owner.
- (c) The notice of meeting referred to in sub-clause (b) above 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.
- (d) The notice of meeting referred to in sub-clause (b) 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.
- (e) No business shall be transacted at any meeting unless a quorum which shall be 10% of the Owners is present when the meeting proceeds to business. For the purpose of this sub-clause, the reference to "10% of the Owners" shall (i) be construed as a reference to 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 into which the Development is divided; and (ii) not be construed as the Owners of 10% of the Undivided Shares in aggregate.
- (f) A meeting of Owners shall be presided over by the Chairman of the Owners' Committee or, if the meeting is convened by the Manager or the Owner appointed to convene such meeting by Owners of not less than 5% of the Undivided Shares in aggregate, the person convening the meeting.
- (g) The Chairman shall cause a record to be kept of the persons present at the meeting and the proceedings thereof.

- (h) The procedure at a meeting of Owners shall be as is determined by the Owners.
- (i) Except as provided in Clauses (3:01:01), (3:01:02) and (6:10), resolutions shall be passed by a simple majority vote of those Owners present in person or by proxy at the meeting and voting in proportion to the number of Undivided Shares held.
- (j) At a meeting of 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 2 or more persons are the co-owners of an Undivided Share, the vote in respect of the 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 amongst themselves;
 - or
 - (3) if no appointment is made under sub-clause (j)(iii)(1) or (j)(iii)(2) above, either by one of the co-owners personally or by a proxy appointed by one of the co-owners;
 - (iv) where 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.
- (k) An instrument appointing a proxy shall be in the form set out in Form 1 in Schedule 1A of the Building Management Ordinance (Cap. 344), and:-
 - (i) shall be signed by the Owner; or
 - (ii) 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.
- (l) The instrument appointing a proxy shall be lodged with the Chairman of the Owners' Committee or, if the meeting is convened by the Manager or the Owner as mentioned in sub-clause (b)(iii) above, the person convening the meeting at least 48 hours before the time for the holding of the meeting.
- (m) 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.
- (n) Subject to Clauses (3:01:01), (3:01:02) and (6:10), any resolution on any matter concerning the Lot and the Development passed at a duly convened meeting by a simple majority vote of the Owners present in person or by proxy and voting

shall be binding on all the Owners entitled to attend and vote at such meeting
PROVIDED that :-

- (i) the notice convening the meeting shall have been duly given and shall have specified the intention to propose a resolution 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; and
 - (iii) no resolution shall be valid to the extent that it purports to alter or amend the provisions of this Deed or is inconsistent herewith save as herein specifically provided or is inconsistent with the Government Grant.
- (o) The accidental omission to give notice as aforesaid to any Owner shall not invalidate the proceedings at any meeting or any resolution passed thereat.
- (p) In no circumstances shall more than one vote be cast in respect of each Undivided Share.

(5:02) Notwithstanding anything herein contained, the Manager or the Corporation or other person holding Undivided Shares relating to the Common Areas and Common Facilities as trustee for all the Owners pursuant to the provisions of the Government Grant or this Deed shall not be entitled to exercise any right of voting conferred on an Owner in respect of such Undivided Shares at any meeting whether under the provisions of this Deed, the Building Management Ordinance (Cap.344) or otherwise and shall not be liable to contribute to the Management Expenses and Manager's Remuneration under this Deed in respect of such Undivided Shares. Such Undivided Shares shall not be taken into account for the purpose of calculating the quorum of any meeting of the Owners or the percentage of Undivided Shares under Clauses (3:01:01), (3:01:02) and (6:10).

(6) **MISCELLANEOUS**

(6:01) Subject to Clause (6:02) of this Deed, no person shall after ceasing to be an Owner of any Undivided Shares be liable for any debts, liabilities or obligations under the covenants, terms and conditions of this Deed in respect of such Undivided Shares and/or the part of the Lot and/or the Development held therewith save and except in respect of any breach non-observance or non-performance by such person of any such covenant or term or condition prior to his ceasing to be the Owner thereof.

(6:02) Each Owner shall on ceasing to be the Owner of any Undivided Shares notify the Manager of such cessation and of the name and address of the new Owner.

(6:03) All non-resident Owners shall provide the Manager with an address within Hong Kong for accepting service of process and notice under the terms of this Deed.

(6:04) All notices or demands required to be served hereunder shall be sufficiently served if addressed to the party intended to receive the same and sent by pre-paid post to or left at the last known address (if any) of such Owner notified to the Manager or if a copy is left at

or sent to the Unit of which the party to be served is the Owner notwithstanding that such party is not personally occupying the same.

(6:05) Where notices or service of process are to be given or effected to an Owner who is a mortgagee such notice or service shall be served or effected 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 or service of process required to be given to the Manager shall be properly served if sent to the registered office of the Manager or left at the Manager's office in the Development.

(6:06) Subject to Clause (6:10), nothing herein shall prejudice or overrule the operation of the Building Management Ordinance (Cap.344) and the Schedules thereto or be in breach of the Government Grant and to the extent that any provisions contained herein (save and except Clause (6:10)) shall be in conflict with either the said Ordinance or the Government Grant, the said Ordinance or the Government Grant (as the case may be) shall prevail.

(6:07) (a) Within one (1) month of the date of this Deed, the First Owner shall at its own cost provide direct translation in Chinese of this Deed and shall deposit a copy of this Deed and the Chinese translation in the management office of the Development for inspection by all Owners free of costs and for taking of copies by the Owners at the Owners' expense and upon payment of a reasonable charge. All charges received shall be credited to the development account of the Special Fund. In the event of any dispute as to the effect of the Chinese translation and the English document, the English version is to prevail.

(b) The First Owner shall deposit a full copy of the Maintenance Manual for the Slope and Retaining Structures (if any) in the management office of the Development within one (1) month of the date of this Deed for inspection by all Owners free of charge and taking copies on payment of a reasonable charge all of which shall be credited to the development account of the Special Fund.

(6:08) The Manager shall make available for inspection by the Owners during normal office hours free of costs and charges the copies of the plans showing all the Common Areas and additional Common Areas (certified as to their accuracy by the Authorized Person) and the Common Facilities and additional Common Facilities (in so far as it is practicable for them to be identified on the plans) at the management office in the Development.

(6:09) The covenants and provisions of this Deed shall be binding on the First Owner and the Second Owner and their respective executors administrators successors in title and assigns and the benefit and burden of the covenants herein mentioned shall be annexed to every part of the Lot and the Development and each Unit and shall run with the land and the interest therein of the First Owner and the Second Owner and the Conveyancing and Property Ordinance (Cap 219) shall apply to these presents.

(6:10) Notwithstanding anything to the contrary contained herein, in the event of the whole or any part of the Development being so damaged by fire, typhoon, earthquake, subsidence or other causes so as to render the same substantially unfit for habitation or use or occupation, the Owners of not less than 75% of the Undivided Shares of such damaged part (excluding the Undivided Shares allocated to the Common Areas and the Common Facilities of such damaged part) may convene a meeting of the Owners of such part of the Development and such meeting may resolve on whether or not to rebuild or reinstate the damaged part of the

Development by a resolution of not less than 75% of the Owners present at the meeting and in the event of voting that by reason of insufficiency of insurance money or changes in building law and/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 and of 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 Owners. All insurance money received in respect of any policy of insurance on such part of the Development shall likewise be distributed amongst such Owners 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 passed in such meeting in the manner as aforesaid shall bind upon all the Owners of such damaged part of the Development.

(6:11) The First Owner shall deposit a copy of the Schedules 7 and 8 to the Building Management Ordinance (Cap.344) (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 development account of the Special Fund.

(6:12) The Manager may appoint or employ agents, contractors or sub-managers (including professional property management companies) to carry out various aspects of the management works or management works in respect of certain area(s) of the Development but shall not transfer or assign his duties or obligations under this Deed to any of those persons and such person shall remain responsible to the Manager. The Manager shall at all times remain responsible for the management and control of the Lot and the Development (including any part thereof) and any provision in this Deed which takes away or reduces such responsibility shall be invalid but without prejudice to the enforceability of other provisions which are not in breach of or in conflict with this Clause.

(6:13) Each Owner (including the First Owner) and the Manager covenant with each other that they will comply with the terms and conditions of the Government Grant so long as such Owner and the Manager remain as an Owner or (as the case may be) the Manager of the Development.

(6:14) (a) The First Owner shall compile for the reference of the Owners and the Manager a maintenance manual for the Works and Installations (“**the Works Manual**”) 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 certificates, 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; and
 - (viii) Spare part list, if any, provided by the contractors in respect of the Works and Installations.
- (b) The First Owner shall deposit a full copy of the Works Manual in the management office of the Development within one (1) month of 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 of which shall be credited to the development account of the Special Fund.
 - (c) The Owners shall at their own expense inspect, maintain and carry out all necessary works for the maintenance of the Development and their own Units including the Works and Installations.
 - (d) All costs incidental to the preparation of the schedule of the Works and Installations and the Works Manual shall be borne by the First Owner.
 - (e) The Owners may, by a resolution of Owners at an Owners' meeting convened under this Deed, decide on any necessary revisions to be made to the schedule of the Works and Installations and the Works Manual (e.g. the addition of works and installations in the Development, the updating of maintenance strategies in step with changing requirements etc.) from time to time as they shall deem fit, in which event the Manager shall procure from a qualified professional or consultant the revised schedule of the Works and Installations and the revised Works Manual within such time as may be prescribed by the Owners in an Owners' meeting convened under this Deed. All costs incidental to the preparation of the revised schedule of the Works and Installations and the revised Works Manual shall be paid out of the development account of the Special Fund.
 - (f) The Manager shall deposit the revised Works Manual in the management office of the Development within one (1) month from the date of its preparation for inspection by all Owners free of charge and taking copies at their own expense and on payment of a reasonable charge all of which shall be credited to the development account of the Special Fund.

(6:15) Nothing contained herein shall operate to interrupt the supply of electricity, water, gas, telecommunications or other utilities to any Unit or prevent access to the Unit by reason of the Owner of that Unit failing to pay any fees or to comply with any other provisions under this Deed.

(6:16) Notwithstanding anything herein contained, until such time as the Mortgagee enters into possession of the Units mortgaged or charged to the Mortgagee under the Mortgage, 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 Mortgagee, and no liability for any payment under this Deed shall be binding on the Mortgagee in respect of any sums accrued prior to the Mortgagee entering into possession.

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

THE FIRST SCHEDULE ABOVE REFERRED TO
UNDIVIDED SHARES ALLOCATION

	<u>No. of Undivided Shares</u>
Residential Units	5,772
Commercial Units	711
Common Areas and Common Facilities	517

Total Undivided Shares :	7,000
	=====

Allocation of Undivided Shares to each Residential Unit

<u>Floor</u>	<u>Unit</u>	<u>No. of Undivided Shares allocated to each Residential Unit</u>	<u>Sub-Total</u>
2/F	A*	30	30
2/F	B*	18	18
2/F	C*	20	20
2/F	D*	28	28
2/F	E*	37	37
2/F	F*	28	28
2/F	G*	30	30
2/F	H*	24	24
2/F	J*	18	18
2/F	K*	25	25
3/F-27/F	A	33	693
3/F-27/F	B	20	420
3/F-27/F	C	22	462
3/F-27/F	D	32	672
3/F-27/F	E	34	714
3/F-27/F	F	24	504
3/F-27/F	G	21	441
3/F-27/F	H	24	504
3/F-27/F	J	18	378
3/F-27/F	K	22	462
28/F	A^	35	35
28/F	B^	21	21
28/F	C^	23	23
28/F	D^	34	34
28/F	E^	36	36
28/F	F^	25	25
28/F	G^	22	22
28/F	H^	26	26
28/F	J^	19	19
28/F	K^	23	23
Total:			<u>5,772</u>

* with flat roof(s)

^ with roof(s)

Note: There are no designations of 4/F, 13/F, 14/F and 24/F.

Allocation of Undivided Shares to each Commercial Unit

<u>Floor</u>	<u>Shop</u>	<u>No. of Undivided Shares allocated to each Commercial Unit</u>	<u>Sub-Total</u>
G/F	1	65	65
G/F	2	60	60
G/F	3	60	60
G/F	4	58	58
G/F	5	63	63
G/F	6	45	45
G/F	7	56	56
G/F	8	49	49
G/F	9	68	68
G/F	10	71	71
G/F	11	56	56
G/F	12	60	60
			<hr/>
Total:			<u>711</u>

THE SECOND SCHEDULE ABOVE REFERRED TO
MANAGEMENT SHARES ALLOCATION

	<u>No. of Management Shares</u>
Residential Units	5,772
Commercial Units	711
Common Areas and Common Facilities	0

Total Management Shares :	6,483
	=====

Allocation of Management Shares to each Residential Unit

<u>Floor</u>	<u>Unit</u>	<u>No. of Management Shares allocated to each Residential Unit</u>	<u>Sub-Total</u>
2/F	A*	30	30
2/F	B*	18	18
2/F	C*	20	20
2/F	D*	28	28
2/F	E*	37	37
2/F	F*	28	28
2/F	G*	30	30
2/F	H*	24	24
2/F	J*	18	18
2/F	K*	25	25
3/F-27/F	A	33	693
3/F-27/F	B	20	420
3/F-27/F	C	22	462
3/F-27/F	D	32	672
3/F-27/F	E	34	714
3/F-27/F	F	24	504
3/F-27/F	G	21	441
3/F-27/F	H	24	504
3/F-27/F	J	18	378
3/F-27/F	K	22	462
28/F	A^	35	35
28/F	B^	21	21
28/F	C^	23	23
28/F	D^	34	34
28/F	E^	36	36
28/F	F^	25	25
28/F	G^	22	22
28/F	H^	26	26
28/F	J^	19	19
28/F	K^	23	23
Total:			<u><u>5,772</u></u>

* with flat roof(s)

^ with roof(s)

Note: There are no designations of 4/F, 13/F, 14/F and 24/F.

Allocation of Management Shares to each Commercial Unit

<u>Floor</u>	<u>Shop</u>	<u>No. of Management Shares allocated to each Commercial Unit</u>	<u>Sub-Total</u>
G/F	1	65	65
G/F	2	60	60
G/F	3	60	60
G/F	4	58	58
G/F	5	63	63
G/F	6	45	45
G/F	7	56	56
G/F	8	49	49
G/F	9	68	68
G/F	10	71	71
G/F	11	56	56
G/F	12	60	60
			<hr/>
Total:			<u>711</u>

THE THIRD SCHEDULE ABOVE REFERRED TO
EASEMENTS, RESERVATIONS, RIGHTS, PRIVILEGES AND OBLIGATIONS

(1) Each Owner shall hold the Unit to the use of which he is entitled hereunder, subject to and with the benefit of the following rights privileges and obligations PROVIDED that all such easements rights and privileges shall be held and enjoyed subject to the provisions of this Deed and the Development Rules and the Fitting Out Rules made hereunder and subject to the rights of the First Owner and the Manager provided in this Deed :-

- (a) full right and liberty (but subject always to the rights of the Manager hereunder) for the Owner, his servants, agents and licensees (in common with all other persons having the like right):
 - (i) of a Unit to go pass and repass over and along the Development Common Areas for all purposes connected with the proper use and enjoyment of his Unit and to use the Development Common Facilities subject as aforesaid;
 - (ii) of a Residential Unit to go pass and repass over and along the Residential Common Areas for all purposes connected with the proper use and enjoyment of his Residential Unit and to use the Residential Common Facilities subject as aforesaid;
 - (iii) of a Commercial Unit to go pass and repass over and along the Commercial Common Areas for all purposes connected with the proper use and enjoyment of his Unit and to use the Commercial Common Facilities subject as aforesaid;
- (b) full right to subjacent and lateral support and shelter from other portions of the Development and subject to such rights for such other portions;
- (c) the free and uninterrupted passage and running of water, sewages, gas, telecommunications and electricity from and to the Unit(s) owned by the Owner through the sewers, drains, water-courses, cables, pipes and wires which now are or may at any time hereafter be in under or passing through the Lot and/or the Development for the proper use and enjoyment of the Unit(s) owned by the Owner but subject always to the rights of the Manager hereunder PROVIDED that the public utilities supplied by the public utilities companies shall not be interrupted;
- (d) the right for the Owner or occupier for the time being with or without servants, workmen and others at all reasonable times after obtaining consent (except in case of emergency) (such consent, if required, shall not be unreasonably withheld or delayed) of the relevant Owner(s) of the other Units to enter into and upon the other Units for the purposes of carrying out any work which are necessary for the maintenance and repair of his Unit or its services and cannot be carried out without entering into and upon the other Units (such work not being the responsibility of the Manager hereunder) causing as little disturbance as possible and making good any damage caused thereby;

- (e) the right for the Owner or occupier for the time being with or without servants, workmen and others at all reasonable times after obtaining consent (except in case of emergency) (such consent, if required, shall not be unreasonably withheld or delayed) of the Manager to enter into and upon the Common Areas for the purposes of carrying out any work which are necessary for the maintenance and repair of his Unit or its services and cannot be carried out without entering into and upon the Common Areas (such work not being the responsibility of the Manager hereunder) causing as little disturbance as possible and making good any damage caused thereby;
- (f) (as far as the Owners of the Residential Units are concerned) full right and liberty (in common with all other persons having the like right) to use the Residential Common Areas and the Residential Common Facilities subject as aforesaid;
- (g) (as far as the Owners of the Commercial Units are concerned) full right and liberty (in common with all other persons having the like right) to use the Commercial Common Areas and the Commercial Common Facilities subject as aforesaid;
- (h) full right and liberty (in common with all other persons having the like right) to use the Development Common Areas and the Development Common Facilities subject to any Development Rules as may be imposed from time to time by the Manager;
- (i) the right for the Owners, their bona fide guests, visitors or invitees (in common with all other persons having the like right) to go pass and repass over and along the Residential Common Areas for access to and from the caretaker's counter forming part of the Residential Common Areas and all purposes connected with the proper use and enjoyment thereof; and
- (j) the right for the Owners and occupiers of the Commercial Units, their servants, agents and licensees (in common with all other persons having the like right) to go pass and repass over and along the Residential Common Areas on the Ground Floor and the First Floor for access to and from the air handling unit plant areas forming part of the Development Common Areas on the First Floor of the Development.

(2) Easements rights and privileges subject to which the Undivided Shares of and in the Lot and the Development and the exclusive right to hold use occupy and enjoy each Unit is held :-

- (a) full right and privilege for the Manager with or without agents servants workmen and others at all reasonable times, on reasonable notice (except in case of emergency), to enter into and upon each Unit for the purposes of inspecting, examining, repairing, altering, adding, maintaining (excluding decorating), cleaning or painting any part of the Development or any services therein or any other apparatus and equipment used or installed for the benefit of the Lot and/or the Development or any of them or any part thereof as part of the amenities thereof and not by any individual Owner for his own purposes or enjoyment and/or abating any hazard or nuisance which does or may affect the Common

Areas and the Common Facilities or other Owners or for the purpose of discharging the Manager's duties under this Deed Provided That the Manager shall ensure that the least disturbance as reasonably practicable is caused and Provided Further That the Manager shall repair at its own costs and expenses any damage caused thereby and the Manager shall be liable for the negligent, wilful or criminal acts of the Manager and its employees agents servants workmen contractors and other persons duly authorized by the Manager;

- (b) the right for the Manager to maintain (excluding decorate), repair, operate, temporarily install, move the gondola/davit arms, other equipment or device of management (collectively referred to in this Deed as the **"gondola/davit arm system"** which expression shall include all brackets, hinges, posts or other related equipment), and have access to, over and/or on any roof, flat roof (including roof or flat roof forming part of a Unit) or the parapet walls of the roof or flat roof, to service, cleanse, enhance, maintain (excluding decorate), repair, renovate, improve and/or replace any part of any exterior of the Development, and on prior reasonable notice (in case the roof or flat roof forming part of a Unit) for the Manager, its servants, agents, contractors and persons duly authorized to enter upon the roof or flat roof for the purposes of operating, installing, keeping, repairing, storing and/or parking the gondola/davit arm system, and for the Manager, its servants, agents, contractors and persons duly authorized to remain, on a temporary basis, over and/or on any airspace for such period as may be necessary Provided That the Manager, its employees, servants, agents, contractors and duly authorized persons in exercising the aforesaid rights shall cause as little disturbance as reasonably practicable and shall at their expense make good any damage caused thereby and the Manager shall be liable for negligent, wilful or criminal acts of the Manager and its employees, servants, agents, contractors and other persons duly authorized by the Manager;
- (c) easements rights and privileges over along and through each Unit equivalent to those set forth in Clause (1)(b) to (1)(d) of this Schedule.

Provided always that the Manager shall have full right and authority to control and manage the Common Areas and the Common Facilities.

(3) Notwithstanding any terms contained herein to the contrary, there is excepted and reserved and/or (as the case may be) granted unto the First Owner its successors and assigns (which expression shall for the purpose of this Clause exclude the Second Owner) at all times hereafter during the residue/entitlement of the term of years created by the Government Grant subject to and with the benefit of this Deed and the Government Grant, the right to the exclusive use occupation and enjoyment of the Development save and except the Unit assigned to the Second Owner and the Common Areas and Common Facilities or such areas intended or designated and declared for common use.

THE FOURTH SCHEDULE ABOVE REFERRED TO
COVENANTS, PROVISIONS AND RESTRICTIONS TO BE OBSERVED
AND PERFORMED BY THE OWNERS

- (1) Every assignment of an Undivided Share in the Lot and the Development and/or a Unit shall contain an express covenant by the Purchaser thereof to notify the Manager of any change of ownership within one (1) month from the date of the assignment. The previous Owner shall remain liable for his proportion of the Manager's Remuneration and Management Expenses until such time as the previous Owner shall cease to be an Owner of his Unit.
- (2) Each Owner shall promptly pay and discharge all existing and future taxes, rates, assessments and outgoings of every kind and description for the time being assessed or payable in respect of that part of the Lot and/or the Development owned by him and shall indemnify the other Owners from and against all liability therefor.
- (3) Each Owner shall pay to the Manager on the due date his due proportion of the Manager's Remuneration and the Management Expenses payable by such Owner as herein provided.
- (4) (a) None of the Owners nor the Manager shall make any structural alteration or addition to any part of the Unit or the Development or the Lot which may damage or affect or interfere with the rights of the other Owners of any other part or parts of the Lot and/or the Development whether or not in separate or common occupation. Notwithstanding anything herein contained, nothing herein contained shall prevent any of the Owners from taking any legal action against another Owner to enforce Clause 4(a) of this Schedule.
- (b) None of the Owners shall cut, injure, damage, alter or interfere with any part or parts of the Common Areas or any of the Common Facilities or any equipment or apparatus or installations on in or upon the Lot and/or the Development (whether or not such equipment apparatus or installations are concealed, built in walls floors or ceilings, or pass through the Unit(s) or Common Areas) not being equipment or apparatus or installations for the exclusive use and benefit of any such Owner.
- (c) No Owner (including the First Owner) shall have the right to convert any of the Common Areas or the Common Facilities to his own use or for his own benefit unless the approval of the Owners' Committee has been obtained. Any payment received for the approval as aforesaid shall be credited to the relevant account of the Special Fund held for that relevant part of the Common Areas and Common Facilities.
- (d) No Owner (including the First Owner) will have the right to convert or designate any of his own areas (that is areas to which he is entitled to exclusive use, occupation or enjoyment) as Common Areas or Common Facilities (as the case may be) unless approved by a resolution of Owners at an Owners' meeting convened under this Deed. No Owner (including the First Owner) and no Manager will have the right to re-convert or re-designate the Common Areas or the Common Facilities (as the case may be) to his or its own use or benefit.

(5) Each Owner shall comply with the terms and conditions of the Government Grant so long as such Owner owns any interest in the Lot and/or the Development and no Owner will permit or suffer to be done any act or thing in contravention of the terms and conditions of the Government Grant or the Occupation Permit or whereby any insurance on the Development or any part thereof may become void and voidable or whereby the premiums for any such insurance may be increased and in the event of any breach of this provision 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 and in the event of the Development or any part thereof being damaged or destroyed by fire at any time and the insurance under any insurance against fire affected thereon being wholly or partially irrecoverable by reason solely or in part of any act or default of any Owner then such Owner shall forthwith pay to the other Owners the whole or (as the case may require) a fair proportion of the costs of rebuilding or reinstating the same.

(6) No Owner shall at any time exercise or attempt to exercise any statutory or common law right to partition the Lot and/or the Development or any Units Provided that this provision shall not be construed as precluding the installation of any physical partition in or on the Lot and/or the Development or part(s) thereof with the approval of the relevant Government department(s).

(7) No Owner shall do or permit or suffer to be done and each Owner will take all possible steps to prevent his tenants, occupiers or licensees from doing any act, deed, matter or thing which in any way interferes with or affects or which is likely to interfere with or affect the management and the maintenance of the Lot and the Development or contravention of the provisions of this Deed.

(8) (a) Each Owner shall in such manner so as to avoid any loss, damage, nuisance or annoyance to the Owners or occupiers of the other Units, at his sole expense repair maintain and keep in good repair and condition the Unit of which he is the Owner its equipment apparatus services and facilities and shall when necessary replace any part or parts thereof which require replacement. The equipment apparatus services and facilities which require such maintenance, repair or replacement shall include the following provided within the Unit and/or the Common Areas:-

- (i) Water Supply: (Potable and flushing water installation from, and including, the principal branch stop cocks to all facilities serving the Unit. This shall include storage tanks, pipework control valves, water heaters, taps and sanitary facilities).
- (ii) Gas: (The gas internal pipings and installation from the outlet side of the meter and including appliances).
- (iii) Electrical: (All electrical wiring, appliances and equipment serving the Unit only. If so required the Owner shall repair or replace any wiring or equipment if so required by the Electricity Ordinance (Cap.406) or any Orders in Council or Regulations made thereunder).
- (iv) Air-conditioning Equipment: (Air-conditioning plant (if any), equipment, ductwork and associated controls serving the Unit exclusively as installed in the Unit and/or the Common Areas).

- (v) Drainage Installations: (Waste pipes and sewage waste drainage, and including connections to the main drainage stacks up to and including connections with sanitary appliances including baths, basins, showers and sinks).
 - (b) The expenses for keeping the interior of each Unit and all the fittings, fixtures, wiring (including security wiring (if any) which is connected to the security system of the Development), plumbing and other services therein and all the windows and doors thereof, in good and tenantable repair and condition as aforesaid shall be borne directly by the Owner thereof.
- (9) No Owner shall use or permit or suffer the Unit owned by him to be used for any illegal or immoral purpose nor will 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 or occupiers for the time being.
- (10) 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 and any applicable Building Regulations or any Ordinances and Regulations or other permit, consent or requirement from time to time applicable thereto.
- (11) No part of the Common Areas shall be obstructed or incumbered nor shall any refuse or other matter or things be placed or left thereon and no Owner will do or suffer or permit to be done anything in such Common Areas as may be or become a nuisance to any other Owners or occupiers of the Development.
- (12) The refuse storage and material recovery chamber and refuse disposal areas (if any) shall be used only in the manner prescribed by the Manager and subject to the Development Rules and the Fitting Out Rules (if any) covering the same.
- (13) No Owner shall be entitled to connect any installation to any aerial (if any) installed by the Manager except with the prior written permission of the Manager and in accordance with any Development Rules or Fitting Out Rules relating to the same. In addition, save as otherwise provided in this Deed, no Owner shall affix or install any aerial on the exterior of his Unit.
- (14) Save as otherwise provided in this Deed, no Owner shall affix or install any structures, chimneys, neon signs, or signs of any kind on the roof, flat roof, Non-enclosed Area, planter, air-conditioner platform, Common Areas or External Walls of his Unit and the affixing or installation of the said structures, chimneys, neon signs or signs shall be subject to the prior approval or consent having been obtained from the relevant Government authorities or department if such approval or consent is required and subject also to compliance with all applicable Building Regulations or any ordinances, legislations and regulations or other permit, consent or requirement from time to time applicable. No Owner shall affix any advertisement of any kind whether inside or outside any Residential Unit. No illegal structures shall be affixed or installed in any part of the Lot and/or the Development.
- (15) No Owner shall paint, change or alter the planter, the Non-enclosed Area, roof, flat roof, parapet wall, parapet glass/balustrade/fence of the flat roof, roof or Non-enclosed Area, air-conditioner platform, window, the exterior or outside of any part of the Development or the exterior or outside of any part of any Unit or erect any forecourt entrance gate or fences or do

or permit to be done any act or thing which may or will alter the facade or external appearance of the Development and/or any Unit including the carrying out of any internal decoration or alteration works which affect the facade or external appearance or original design of the facade of any Unit.

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

(17) All Owners shall at all times observe and perform and shall ensure that his tenants, licensees, agents or servants shall at all times observe and perform all the covenants, conditions and provisions of this Deed, the Development Rules and the Fitting Out Rules (if any).

(18) Each Owner may at his own expense install in the Unit owned by him such additions, improvements, lights, fixtures, fittings and decoration and remove the same Provided however that no such installation or removal shall cause any structural damage or interfere with the enjoyment of any part of the Lot and/or the Development or shall contravene any applicable laws and regulations or be in breach of the terms of this Deed.

(19) No clothing or laundry shall be hung outside the Unit or on any flat roof, roof or air-conditioner platform or any part thereof (other than in the balcony or utility platform specifically provided therefor) or in the Common Areas.

(20) No Owner shall do or suffer or permit to be done anything whereby the flushing or drainage system of the Unit may be clogged or the efficient working thereof may be impaired.

(21) All Residential Units must be used for residential purposes only. The Commercial Units must be used for commercial purposes or any other purposes permitted under the Government Grant and the relevant outline zoning plan in respect of the Lot subject to obtaining all the necessary approvals and consents from the relevant Government authorities. No Unit shall under any circumstances be used or permitted or suffered to be used for the purpose of a funeral parlour, coffin shop, or for the performance of the ceremony known as "Ta Chai (打齋)" or for any obnoxious purposes. Notwithstanding anything contained in this Clause (21), the First Owner may use any Unit(s) owned by him as show flats for the sole purpose of facilitating the sale of the Residential Unit(s) by the First Owner and for such period or periods as it shall in its discretion consider appropriate, provided that (a) access to and from the Residential Units used by the First Owner as show flats shall be subject to this Deed and the Manager's power in this Deed; (b) the Manager may prescribe the manner of access to the show flats, determine the opening hours thereof and control the number of visitors thereof at any time; (c) the use and enjoyment of other Residential Units shall not be adversely interfered with, and the access to other Residential Units shall not be impeded or restricted; and (d) the use of the Residential Units as show flats shall cause as little disturbance as possible to the other Owners. For the purpose of this Clause (21), the First Owner shall exclude its assigns.

(22) (a) The air-conditioner platforms (complying with the criteria set out in Appendix B of the Code of Practice on Access for External Maintenance 2021 or as amended or substituted from time to time) provided on balconies or on utility platforms in the Development are areas for air-conditioning and shall not be used for any other purpose.

- (b) No Owner shall affix or install onto or erect at the External Walls or through the windows of his Unit(s) any individual air-conditioners (other than at the air-conditioner platform already provided or at such part of flat roof or other places designated for such purposes) including all types of structures for supporting air-conditioners (such as metal frame) but do not include any individual air-conditioner box or hood approved by the Building Authority.
- (c) Each Owner shall take all possible measures to prevent excessive noise, condensation or dripping from his air-conditioners.

(23) No part of the Common Areas shall be obstructed or incumbered nor shall any refuse, matter or other thing be placed thereon nor shall any part of such Common Areas be used for any business or private purpose and no Owner shall do or permit or suffer to be done anything in such Common Areas as may be or become a nuisance or cause annoyance to any other Owners or occupiers of the Lot and/or the Development. If and whenever any article or things shall be placed or left by any Owner on or in any part of the Common Areas, then the Manager or its agents servants caretakers or cleaners of the Development shall have the right without giving any prior notice to the defaulting Owner to remove such article or thing from such part of the Common Areas to another place or places as the Manager shall think fit and all costs and expenses incurred by the Manager for such removal shall be reimbursed upon demand to the Manager by the defaulting Owner and the defaulting Owner shall not claim against the Manager or its agents, servants, caretakers or cleaners for any loss or damage to such article or thing due to such removal not involving criminal liabilities, dishonesty or negligence on the part of the Manager or its agents servants caretakers or cleaners of the Development.

(24) No Owner shall store or permit to be stored in any Unit any hazardous, dangerous or combustible goods or materials except such as may be reasonably required for the purpose of domestic cooking and heating in the Residential Units or for carrying out the business in the Commercial Units which involves making food and beverage.

(25) Each Owner shall be responsible for the removal of garbage and refuse from his Unit(s) to such locations in the Lot and/or the Development as shall be specified by the Manager from time to time and to use only the type of refuse containers as is specified by the Manager from time to time. The Owner and the occupier shall ensure that all refuse containers shall be fully sealed at all times.

(26) No Owners shall be entitled to use the services of caretakers and/or watchman or other staff of the Manager for his own private business or other business save as herein provided.

(27) Each Owner of the Units shall be responsible for and shall indemnify the Manager and all other Owners and occupiers against all actions, proceedings, claims and demands whatsoever arising out of or in respect of any loss or damage to any person or property caused by or as the result of the act or negligence of such Owner or any occupier of any Unit owned by him or any person using such Unit with his consent express or implied for the breach or non-compliance of the Owner's obligations hereunder or by or through or in any way owing to the defective condition thereof or the overflow of water therefrom.

(28) Each Owner of the Unit shall be responsible to the other Owners for the time being for the acts and omissions of all persons occupying with his consent express or implied any part or parts of the Units owned by him for the breach or non-compliance of the Owner's obligations hereunder and shall pay all costs, charges and expenses incurred in repairing or making good

any loss or damage caused by such acts, neglect or default of any such person. In the case of loss or damage which the Manager is responsible to make good or repair, such costs, charges and expenses shall be recoverable by the Manager as herein provided and in the case of loss or damage suffered by other Owners or occupiers of any part of the Lot and/or the Development for which the Manager is not responsible to repair or make good, such costs, charges and expenses together with all other damages recoverable by law shall be recoverable by the person or persons sustaining the loss or damage.

(29) The Recreational Areas and the Recreational Facilities shall only be used and enjoyed for recreational purposes by the residents of the Residential Units and their bona fide visitors and all residents and their bona fide visitors shall observe and perform all regulations or rules made by the Manager in connection with the Recreational Areas and Recreational Facilities (if any) when using or visiting such Recreational Areas and Recreational Facilities.

(30) No partitioning shall be erected or installed which does not leave clear access for fire exits and no windows of any part of the Development shall be wholly or partially blocked or the light and air therefrom be in any way obstructed.

(31) No Owner shall make any alteration to the sprinkler system (if any) or any other fire fighting installations of the Development or suffer to be done anything to such sprinkler system (if any) or fire fighting installations which would constitute a breach of the laws, bye-laws or regulations of the Fire Services Department or other department concerned.

(32) The installation of and repair to the electrical wiring from the switch rooms or meter rooms which form parts of the Common Areas to any Unit shall be carried out by the Manager or any contractor appointed or approved by the Manager (which approval shall not be unreasonably withheld) at the expense of the Owner or Owners thereof and in such manner as the Manager shall in its absolute discretion think fit.

(33) Any installation, alteration or repair works which may pass through the Common Areas or affect the Common Facilities shall, subject to the prior written approval of the Manager (which approval shall not be unreasonably withheld), be carried out by the Manager or any contractor appointed or approved by the Manager (which approval shall not be unreasonably withheld) at the expense of the Owner or Owners requiring such works and in such manner as the Manager shall in its absolute discretion think fit.

(34) No Owner shall have the right to enter into, alter, repair, connect to or in any other way interfere with or affect the working of the Common Facilities without the previous written consent of the Manager. Except as provided herein, the Common Areas and the Common Facilities shall at all times be under the exclusive management and control of the Manager who shall have full and unrestricted power to regulate and control the reasonable use thereof by the Owners and occupiers.

(35) No Owner shall allow any noxious dangerous poisonous or objectionable effluent to be discharged into the pipes drains or sewers and each Owner shall take all such measures as may be necessary to ensure that any effluent so discharged will not be corrosive or otherwise harmful to the pipes drains or sewers or cause obstruction or deposit therein and no Owner shall do or suffer or permit to be done anything whereby the flushing or drainage system of the Development may be clogged or the efficient working thereof may be impaired.

(36) No Owner of Residential Unit shall erect affix install or attach or permit or suffer to be erected affixed installed or attached to in or on or at the door or doors or entrance or entrances of his Residential Unit any metal grille or shutter or gate.

(37) No Owner shall place or suffer to be placed on any floor of the Development or any part thereof any goods articles or thing which may exceed or cause to be exceeded the maximum floor loading capacity thereof and in the event of breach of this covenant the Owner shall make good any damage caused thereby to the Unit or any other part of the Development or any fixtures and fittings therein provided that the making good of such damage as aforesaid shall be without prejudice to any further right available to the Manager by virtue of such breach.

(38) Owners or occupiers of Residential Units may bring on to or keep or harbour any dogs, cats, livestock, live poultry, fowls, birds or other animals on their Residential Units and any part of the Residential Common Areas in accordance with the Development Rules PROVIDED THAT :-

- (a) no dogs (except trained guide dogs on leash for the blind whilst guiding any person with disability in vision), cats, livestock, live poultry, fowls, birds or other animals may be kept in any Residential Unit if the same are, in the opinion of the Manager, causing a nuisance to the Owners or occupiers of different Units or have been the cause of reasonable written complaint to the Manager by at least two (2) Owners or occupiers of different Units;
- (b) no dogs may be permitted in lifts or any parts of the Development intended for common use unless they are carried on leash and are wearing mouth strap.

(39) The Owner or Owners of any Residential Unit with the Non-enclosed Area adjoining thereto or held therewith shall :-

- (a) not cause or permit the erection on his part of the Non-enclosed Area thereof or any part thereof of structures of any kind other than as under the Approved Plans and not cause or permit the Non-enclosed Area to be enclosed above parapet height and not cause or permit the Non-enclosed Area to be partitioned either in whole or in part; and
- (b) not use nor permit to be used his part of the Non-enclosed Area thereof in any manner so as to cause nuisance or annoyance to the Owners or occupiers of other Units and shall be responsible for maintaining and keeping his part of the Non-enclosed Area thereof at his own expense in good repair and condition.

(40) The Owners of the flat roofs or roofs forming parts of their Units shall not put install or otherwise place any article upon the said flat roofs or roofs thereby obstructing the access to or through such flat roofs or roofs by the Manager and/or other Owners for the purpose of exercising their respective rights under this Deed.

(41) The Owners shall at their own costs and expenses maintain in good substantial repair and condition and carry out all works in respect of the Slope and Retaining Structures (if any) and in particular in compliance with 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 Maintenance Manual for the Slope and Retaining Structures (if any) and all guidelines issued from time to time by the appropriate

Government department regarding the maintenance of the Slope and Retaining Structures (if any).

(42) Any balcony(ies) and/or utility platform(s) forming part of the Residential Unit(s) and the covered areas (if any) beneath or underneath such balcony(ies) and/or utility platform(s) shall not be enclosed above safe parapet height other than as under the Approved Plans as at the date of this Deed.

(43) No Owner of the Residential Unit shall place, install, erect or affix any sunshades, canopies or awnings except with the prior written approval of the Manager (which approval shall not be unreasonably withheld).

(44) No Owner shall use any part of the flat roof or roof for the purpose of storage, or drying goods or laundry.

(45) No Owner shall burn any leaves or waste articles or incense or candle in any part of the flat roof or roof or the Common Areas.

(46) No tree (if any) growing on the Lot or adjacent thereto as at the date hereof or transplanted or replanted at the request of the Director of Lands shall be removed or interfered with without the prior written consent of the Director of Lands.

(47) The Owners of the Residential Units with flat roof or roof shall on receipt of prior reasonable notice (except in case of emergency) allow the Manager, its servants, agents, contractors and persons duly authorized with or without appliances to enter into any flat roof or roof forming part of the Residential Unit and to remain there for such period as may be necessary for the purpose of inspecting, rebuilding, repairing, renewing, maintaining, cleaning or painting all or any part of the Common Areas and the Common Facilities in or upon such flat roof or roof or to which access is gained via such flat roof or roof and, on a temporary basis, to erect, place or store on any such flat roof or roof any scaffolding or other plant, equipment or materials necessary for the purpose of any aforesaid works for so long as such works are being carried on Provided that the Manager shall cause as little disturbance as possible when carrying out such works and shall repair at its own costs and expenses any damage caused by the Manager or its employees contractors servants and agents and the Manager shall be liable for the negligent, wilful or criminal acts of the Manager or its employees contractors servants and agents.

(48) The Owners of the Residential Units with flat roof or roof shall not put install or otherwise place any article upon the flat roof or roof forming part of the Residential Units thereby obstructing the access to such flat roof or roof by the Manager for the purpose of exercising its rights under Clause 2(b) of the Third Schedule.

(49) (a) The Owner or Owners of any Residential Unit with Open Kitchen shall at his or their own costs and expenses observe and comply with the Fire Safety Management Plan and any guideline or direction to be issued or given by the Manager from time to time relating to the implementation of the Fire Safety Management Plan and shall ensure his tenants and other occupiers of his Residential Unit with Open Kitchen to observe and comply with the same.

(b) Without prejudice to the generality of Clause (49)(a) above and subject to the Fire Safety Management Plan and the then relevant requirements of the

Buildings Department, the Fire Services Department and any other relevant Government authority, the Owners and occupiers of any Residential Unit with Open Kitchen shall comply with the following fire safety provisions:

- (i) addressable smoke detectors with sounder base provided inside the Residential Units with Open Kitchen and addressable smoke detectors at the lift lobby outside the Residential Units with Open Kitchen shall not be removed or obstructed;
- (ii) sprinkler heads provided for the notional open kitchen area shall not be removed or obstructed;
- (iii) the full height wall having a fire resistance rating of not less than -/30/30 adjacent to the exit door of the Residential Units with Open Kitchen shall not be removed;
- (iv) the fire service installations mentioned in (i) and (ii) above which are inside the Residential Unit with Open Kitchen shall be subject to annual check at the cost and expense of the Owner of the Residential Unit with Open Kitchen conducted by the registered fire service installation contractor (“**RFSIC**”) appointed by the Manager;
- (v) the Owners and occupiers of the Residential Unit with Open Kitchen shall allow access for the RFSIC to carry out annual check and maintenance; and
- (vi) the fire safety provisions must not be removed or tampered with.

(50) The Owners of any Residential Unit with Open Kitchen shall permit the Manager, its servants, agents, contractors (including but not limited to RFSIC) and persons duly authorized with or without workmen equipment or materials at all reasonable times on prior reasonable notice (except in case of emergency when notice is not required and the entry may take place at all times) to gain access to and enter upon his Residential Unit for the purposes of carrying out inspection, maintenance, commissioning, mandatory annual testing and certification of the fire safety provisions installed therein (and their connection with any other fire alarm or fighting system in the Development) in accordance with the Fire Safety Management Plan and the relevant requirements of the Buildings Department, the Fire Services Department or any other relevant Government authority by suitable qualified personnel or RFSIC in accordance with all applicable rules and legislations and/or for the purposes of verifying or procuring compliance with the Fire Safety Management Plan Provided that the Manager shall at its own costs and expenses make good any damage and be responsible for any liability caused by the negligent, willful or criminal acts or omissions of the Manager or its employees, agents or contractors in entering the Residential Unit. The costs and expenses of such inspection, maintenance, commissioning, mandatory annual testing and certification shall be borne by the Owner of the relevant Residential Unit with Open Kitchen.

(51) Notwithstanding Clauses (14) and (15) of this Schedule and any other terms in this Deed, an Owner of a Commercial Unit and his servants, agents, licensees, tenants and lawful occupants shall have the right to install, exhibit, erect or affix on or to the external part (including the signage area) of his Commercial Unit any sign, signboard or advertisement in relation to or in connection with the business running at the relevant Commercial Unit subject

to the prior consent in writing of the Manager as to the size, design and contents of such sign, signboard or advertisement and subject also to the prior approval or consent having been obtained from the relevant Government authorities or department if such approval or consent is required and subject also to compliance with all applicable Building Regulations or any ordinances, legislations and regulations or other permit, consent or requirement from time to time applicable thereto PROVIDED THAT no Owner of Commercial Unit shall 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 or occupiers for the time being or any other part of the Development. Each Owner of Commercial Unit shall be responsible for and shall indemnify the Manager and all other Owners from all loss, damages, actions, proceedings, claims, demands, costs and expenses arising directly or indirectly from the installation, exhibition, erection, affixing, use or removal of any sign, signboard or advertisement by him or any defect therein or the non-repair thereof.

(52) Notwithstanding Clauses (14) and (15) of this Schedule and any other terms in this Deed, an Owner of a Residential Unit and his servants, agents, licensees, tenants and lawful occupants shall have the right to display a notice plate at the designated location on the external part of the enclosing wall of his Residential Unit adjacent to the entrance door PROVIDED THAT the notice plate shall be in the standard size, type and material prescribed by the Manager and the prior written approval of the Manager as to the content of the name plate displayed shall have been obtained PROVIDED FURTHER THAT no Owner of Residential Unit shall 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 or occupiers for the time being or any other part of the Development. Each Owner of Residential Unit shall at his own costs and expenses be responsible for the maintenance, repair and replacement of such notice plate.

(53) The design of shop front of a Commercial Unit shall comply with the relevant laws and Government regulations and be subject to the prior written approval of the Manager Provided that such approval shall not be unreasonably withheld by the Manager. No Owner of a Commercial Unit shall (except with the Manager's prior written approval) alter, or permit or suffer any alteration to, the design of shop front of his Commercial Unit as previously approved by the Manager.

(54) No Owner of a Commercial Unit shall carry out or cause to be carried out any alteration (structural or otherwise), interior fitting out or any construction works whatsoever to his Commercial Unit save with the prior written approval of the Manager which approval shall not be unreasonably withheld, which works shall be carried out in accordance with (a) the Fitting Out Rules and (b) the plans or drawings previously approved in writing by the Manager.

(55) No Owner shall permit or suffer to be installed or provided any supply of gas as defined under the Gas Safety Ordinance (Cap.51) to the domestic part of the Development. No Owner shall permit or suffer to be delivered any liquefied petroleum gas (LPG) cylinder to any domestic unit of the Development.

THE FIFTH SCHEDULE ABOVE REFERRED TO

“Works and Installations”

1. Structural elements;
2. External Wall finishes and roofing materials;
3. Fire safety elements;
4. Plumbing system;
5. Drainage system including underground drains and concealed drains;
6. Fire services installations and equipment;
7. Electrical wiring system;
8. Lifts installations;
9. Gas supply system;
10. Window installations;
11. Gondola system;
12. Security system;
13. Transformer room facilities;
14. Curtain walls and precast facade;
15. Glass wall;
16. Canopy;
17. Baffle ceiling;
18. Telecommunication and broadcasting system;
19. Lighting at common areas;
20. Mechanical ventilation and air conditioning (MVAC) system; and
21. Other major items as from time to time be added or revised.

SEALED with the Common Seal)
of the First Owner and SIGNED)
by)
))
))
as duly authorized by resolution of the)
board whose signature(s) is/are)
verified by :-)

SIGNED SEALED and DELIVERED by)
the Second Owner (Holder of Hong)
Kong Identity Card No.[])
in the presence of :-)

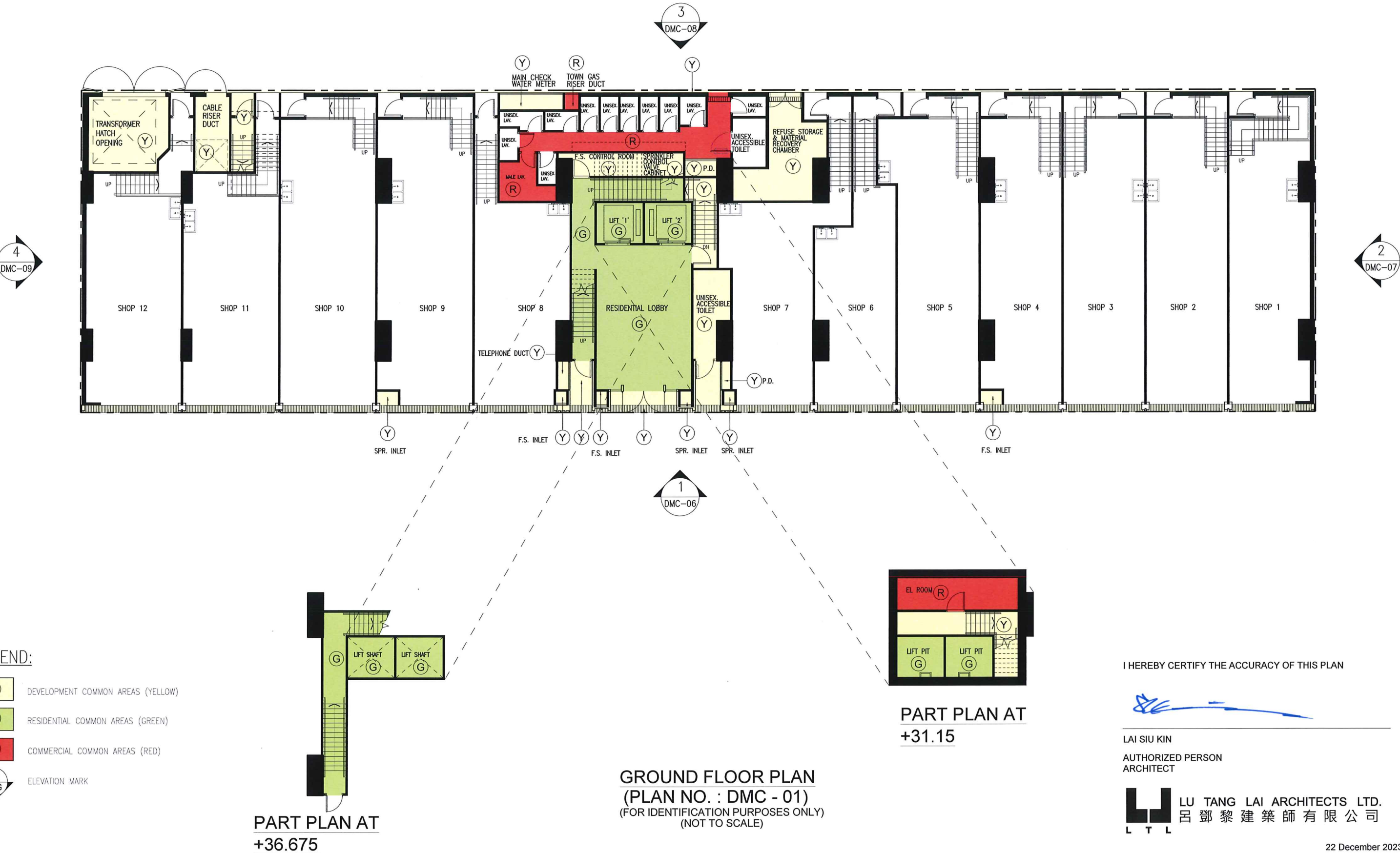
INTERPRETED to the Second Owner by:-

[SEALED with the Common Seal)
of the Second Owner and SIGNED)
by)
))
))
as duly authorized by resolution of the)
board of directors whose signature(s) is/are)
verified by/in the presence of :-)]

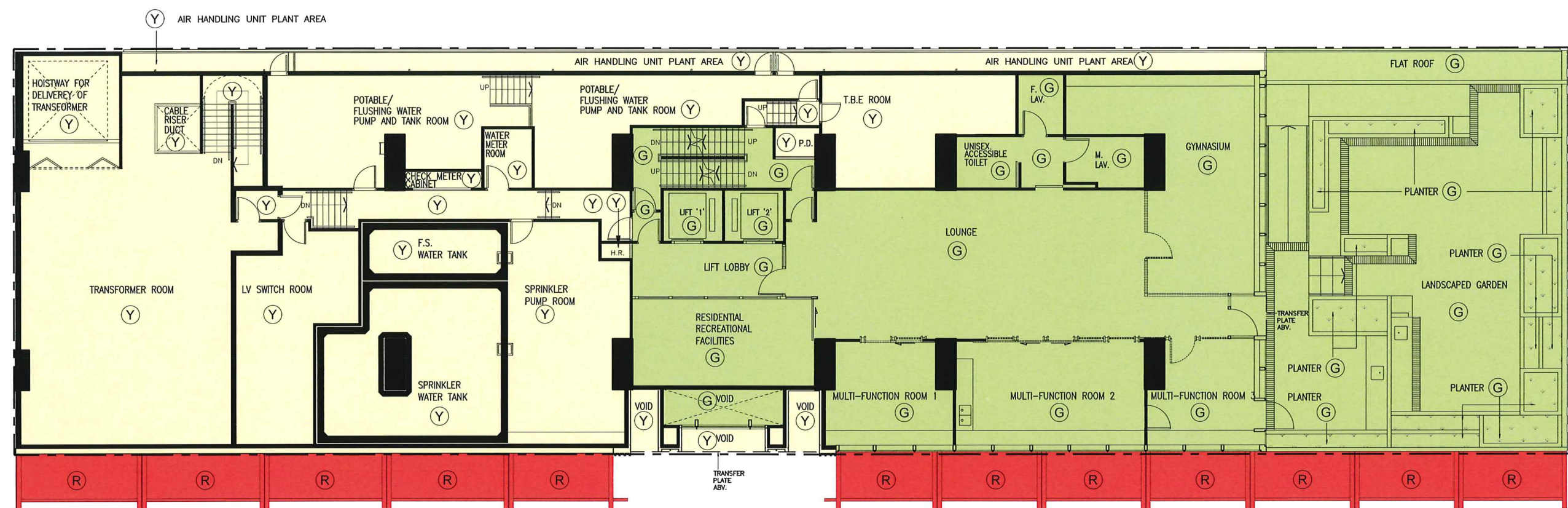
SEALED with the Common Seal)
of the Management Company and)
SIGNED by)
)
)
whose signature(s) is/are verified by :-)

SIGNED SEALED and DELIVERED by)
)
)
the lawful attorney of the Mortgagee)
whose signature(s) is/are verified by :-)

COMPOSITE DEVELOPMENT AT N.K.I.L. 4556, 4566 AND 4470



COMPOSITE DEVELOPMENT AT N.K.I.L. 4556, 4566 AND 4470



LEGEND:

- (Y) DEVELOPMENT COMMON AREAS (YELLOW)
- (G) RESIDENTIAL COMMON AREAS (GREEN)
- (R) COMMERCIAL COMMON AREAS (RED)

FIRST FLOOR PLAN
(PLAN NO. : DMC - 02)
(FOR IDENTIFICATION PURPOSES ONLY)
(NOT TO SCALE)

I HEREBY CERTIFY THE ACCURACY OF THIS PLAN




LAI SIU KIN
AUTHORIZED PERSON
ARCHITECT

LU TANG LAI ARCHITECTS LTD.
呂鄧黎建築師有限公司
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COMPOSITE DEVELOPMENT AT N.K.I.L. 4556, 4566 AND 4470



LEGEND:

-  DEVELOPMENT COMMON AREAS (YELLOW)
-  RESIDENTIAL COMMON AREAS (GREEN)
-  NON-STRUCTURAL PREFABRICATED EXTERNAL WALL (CROSS-HATCHED RED)

OPEN KIT. OPEN KITCHEN

SECOND FLOOR PLAN
(PLAN NO. : DMC - 03)
(FOR IDENTIFICATION PURPOSES ONLY)
(NOT TO SCALE)

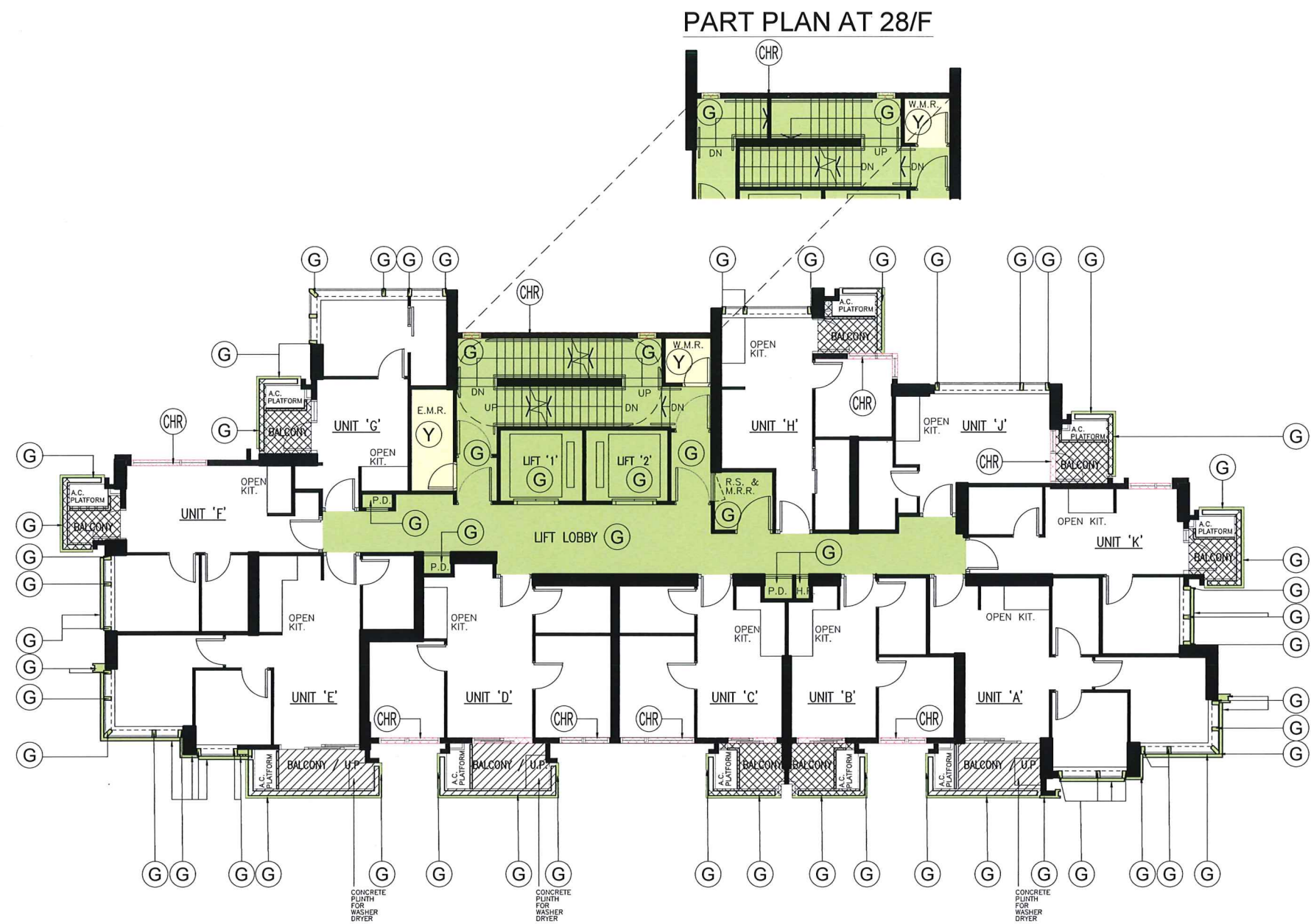
I HEREBY CERTIFY THE ACCURACY OF THIS PLAN



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AUTHORIZED PERSON
ARCHITECT

 LU TANG LAI ARCHITECTS LTD.
呂鄧黎建築師有限公司

COMPOSITE DEVELOPMENT AT N.K.I.L. 4556, 4566 AND 4470



LEGEND:

- (Y) DEVELOPMENT COMMON AREAS (YELLOW)
- (G) RESIDENTIAL COMMON AREAS (GREEN)
- BALCONY AND UTILITY PLATFORM
- BALCONY
- NON-STRUCTURAL PREFABRICATED EXTERNAL WALL (CROSS-HATCHED RED)

OPEN KIT. OPEN KITCHEN

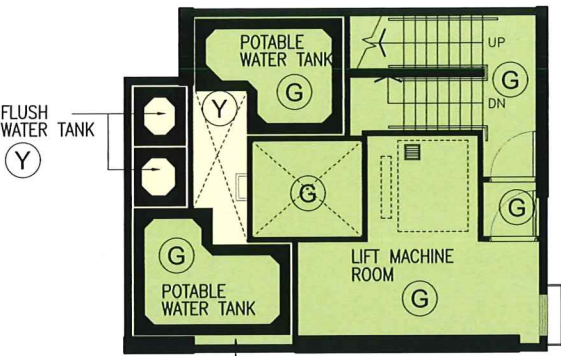
TYPICAL FLOOR PLAN
(3/F, 5/F - 12/F, 15/F - 23/F & 25/F - 28/F)
(PLAN NO. : DMC - 04)
(FOR IDENTIFICATION PURPOSES ONLY)
(NOT TO SCALE)

I HEREBY CERTIFY THE ACCURACY OF THIS PLAN

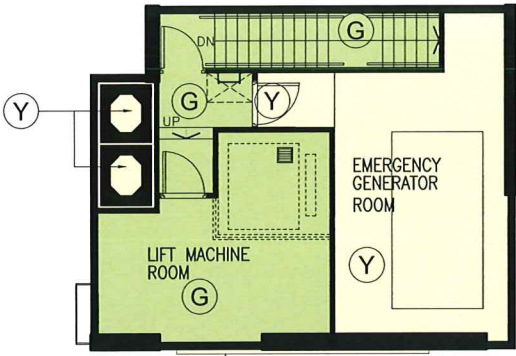
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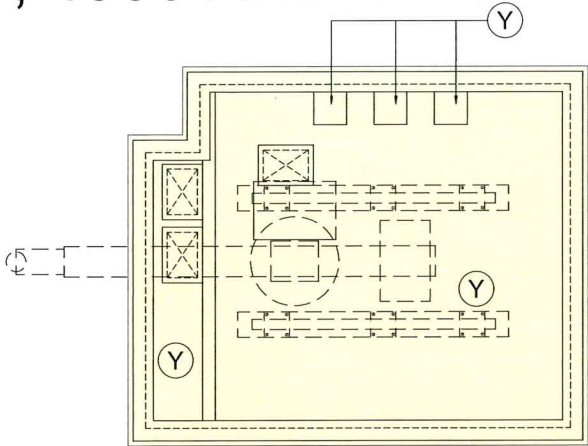
COMPOSITE DEVELOPMENT AT N.K.I.L. 4556, 4566 AND 4470



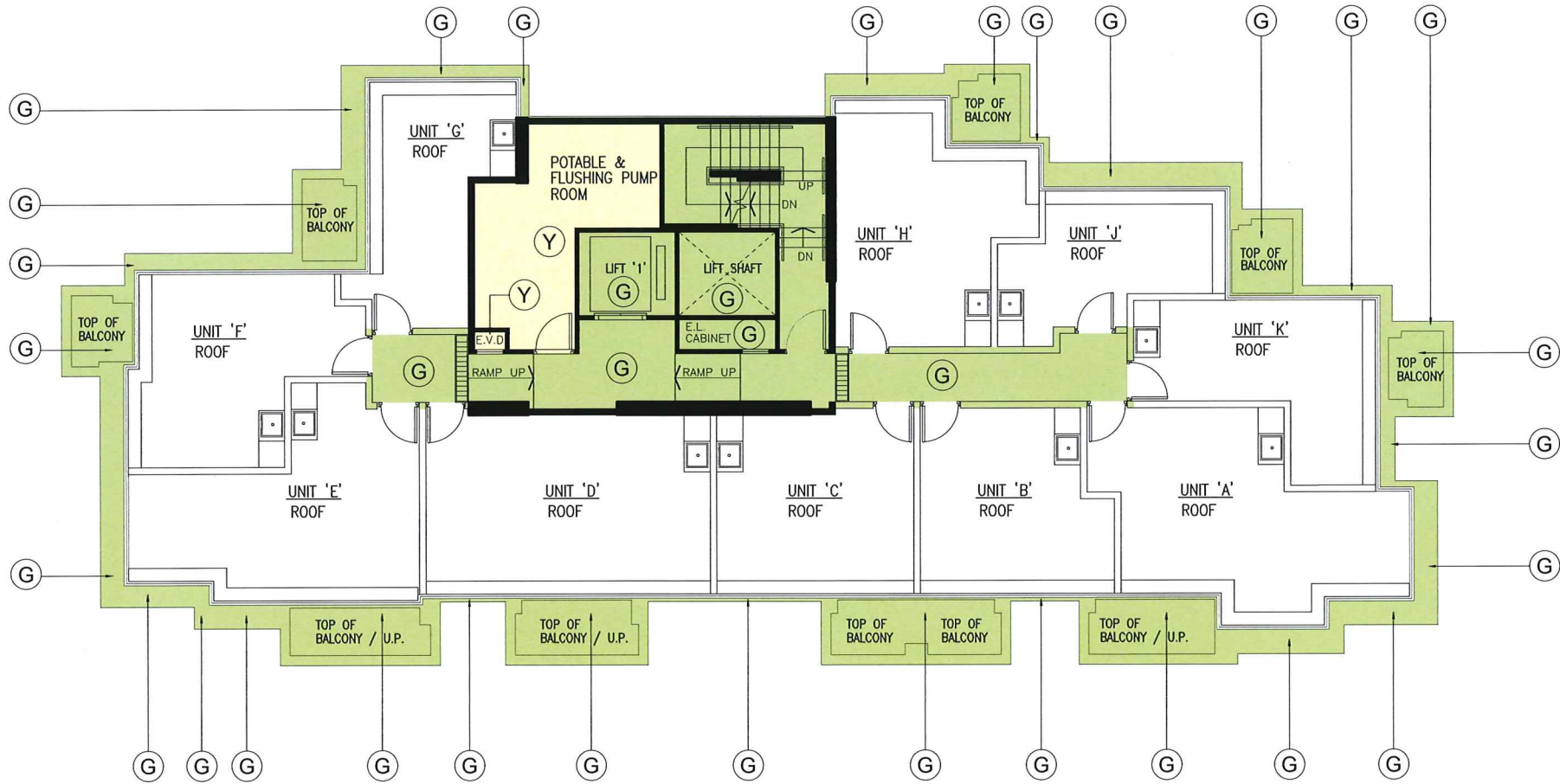
UPPER ROOF 1
PLAN



UPPER ROOF 2
PLAN



TOP ROOF
PLAN



LEGEND:

Y

DEVELOPMENT COMMON AREAS (YELLOW)

G

RESIDENTIAL COMMON AREAS (GREEN)

ROOF PLAN
(PLAN NO. : DMC - 05)
(FOR IDENTIFICATION PURPOSES ONLY)
(NOT TO SCALE)

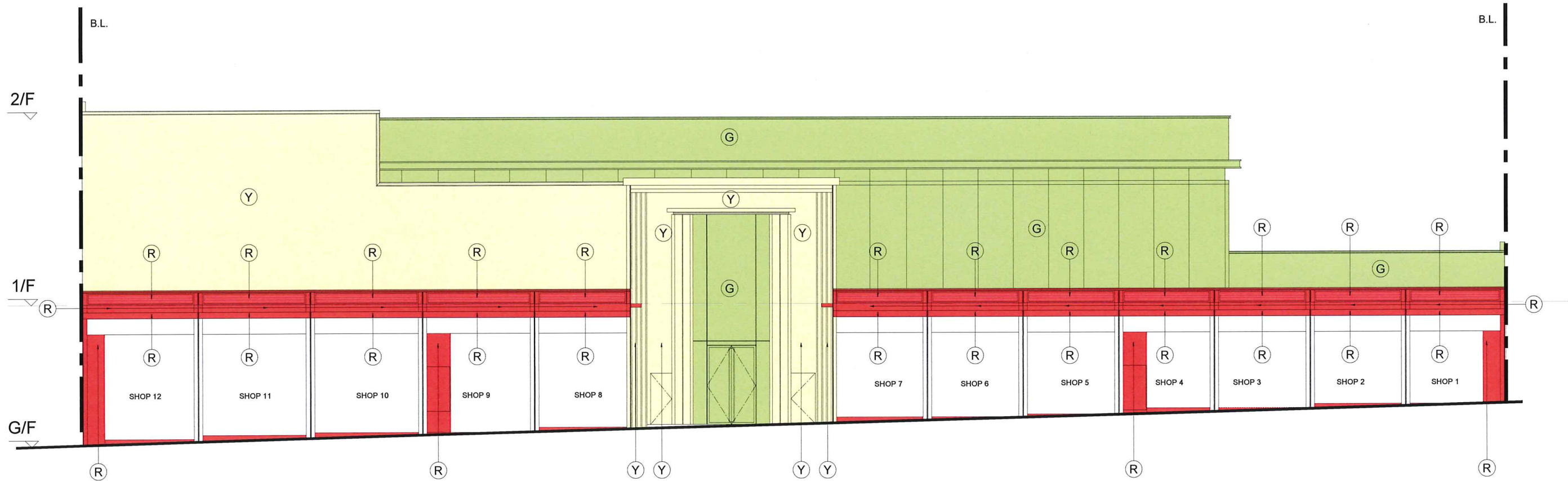
I HEREBY CERTIFY THE ACCURACY OF THIS PLAN

LAI SIU KIN
AUTHORIZED PERSON
ARCHITECT

LU TANG LAI ARCHITECTS LTD.
呂鄧黎建築師有限公司

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COMPOSITE DEVELOPMENT AT N.K.I.L. 4556, 4566 AND 4470



LEGEND:

- Y DEVELOPMENT COMMON AREAS (YELLOW)
- G RESIDENTIAL COMMON AREAS (GREEN)
- R COMMERCIAL COMMON AREAS (RED)
- B.L. BOUNDARY LINE

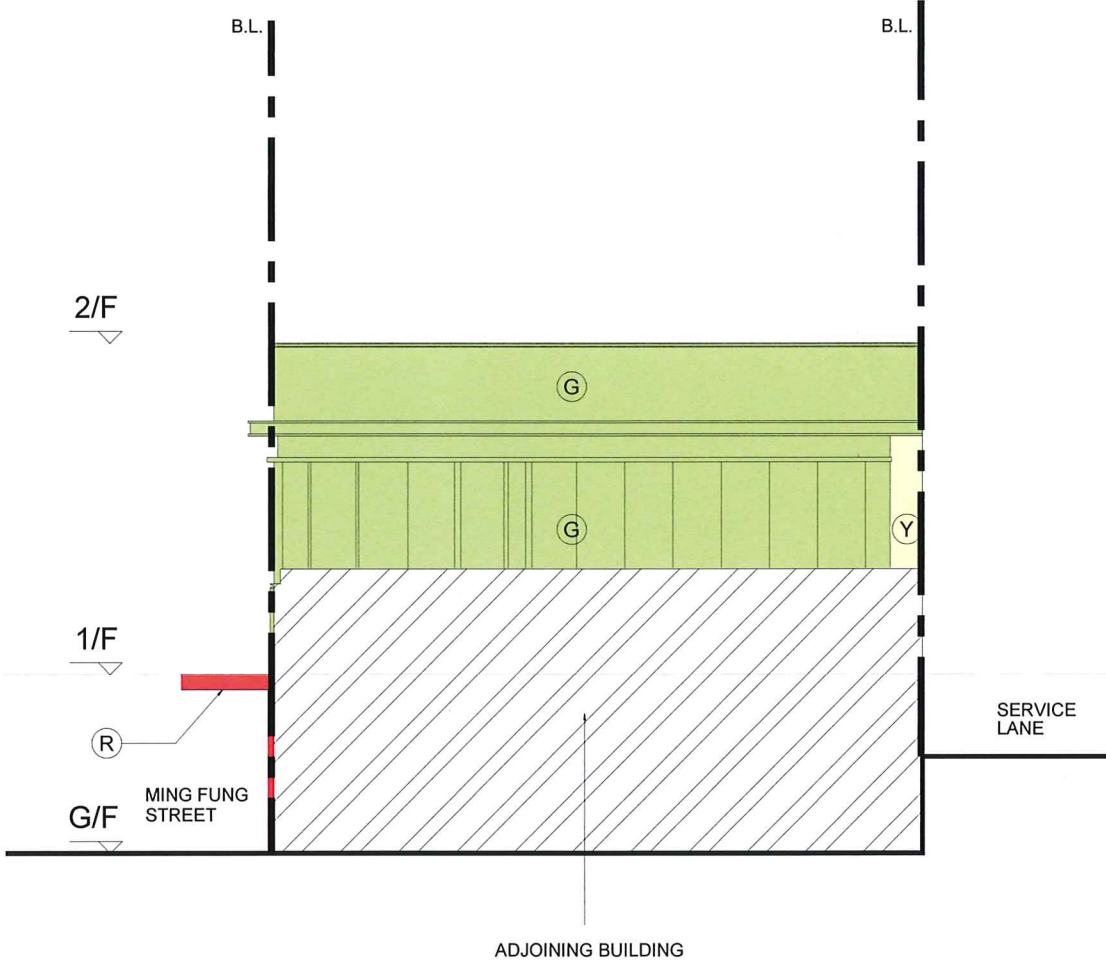
ELEVATION 1
(PLAN NO. : DMC - 06)
(FOR IDENTIFICATION PURPOSES ONLY)
(NOT TO SCALE)

I HEREBY CERTIFY THE ACCURACY OF THIS PLAN




LAI SIU KIN
AUTHORIZED PERSON
ARCHITECT

 LU TANG LAI ARCHITECTS LTD.
呂鄧黎建築師有限公司

COMPOSITE DEVELOPMENT AT N.K.I.L. 4556, 4566 AND 4470



LEGEND:

-  DEVELOPMENT COMMON AREAS (YELLOW)
-  RESIDENTIAL COMMON AREAS (GREEN)
-  COMMERCIAL COMMON AREAS (RED)
- B.L. BOUNDARY LINE

ELEVATION 2
(PLAN NO. : DMC - 07)
(FOR IDENTIFICATION PURPOSES ONLY)
(NOT TO SCALE)

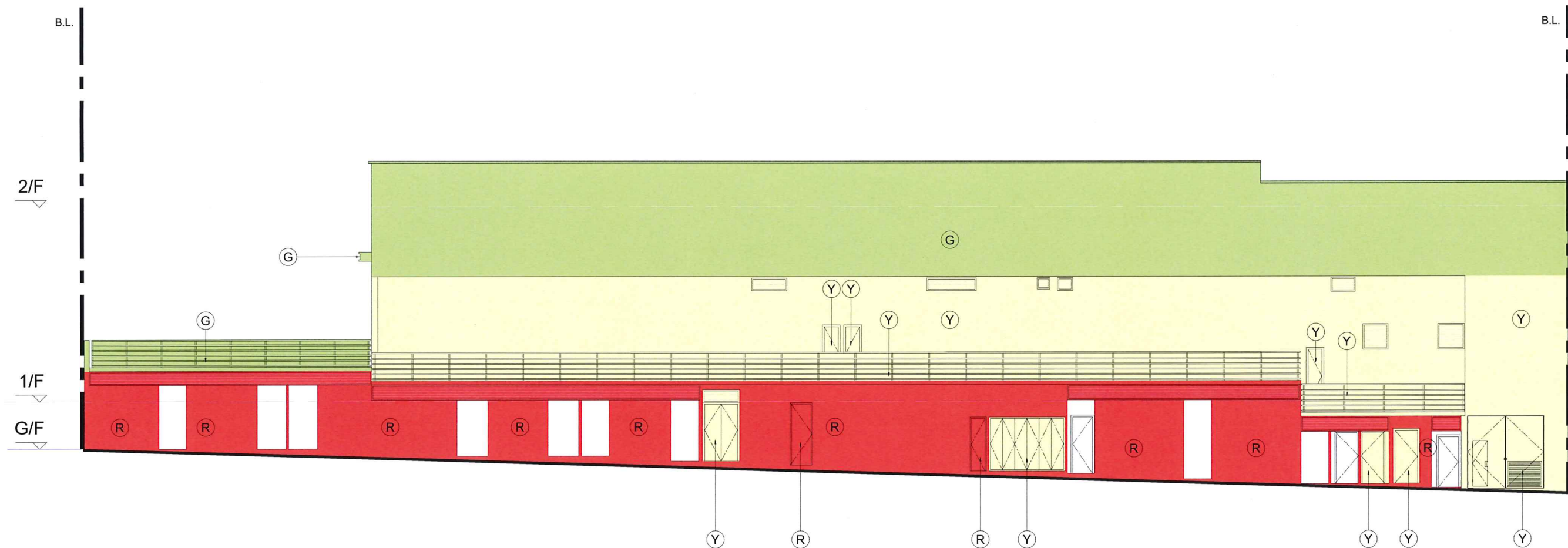
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


LAI SIU KIN
AUTHORIZED PERSON
ARCHITECT

 LU TANG LAI ARCHITECTS LTD.
呂 鄧 黎 建 築 師 有 限 公 司

COMPOSITE DEVELOPMENT AT N.K.I.L. 4556, 4566 AND 4470



LEGEND:

-  DEVELOPMENT COMMON AREAS (YELLOW)
-  RESIDENTIAL COMMON AREAS (GREEN)
-  COMMERCIAL COMMON AREAS (RED)
- B.L. BOUNDARY LINE

ELEVATION 3
(PLAN NO. : DMC - 08)
(FOR IDENTIFICATION PURPOSES ONLY)
(NOT TO SCALE)

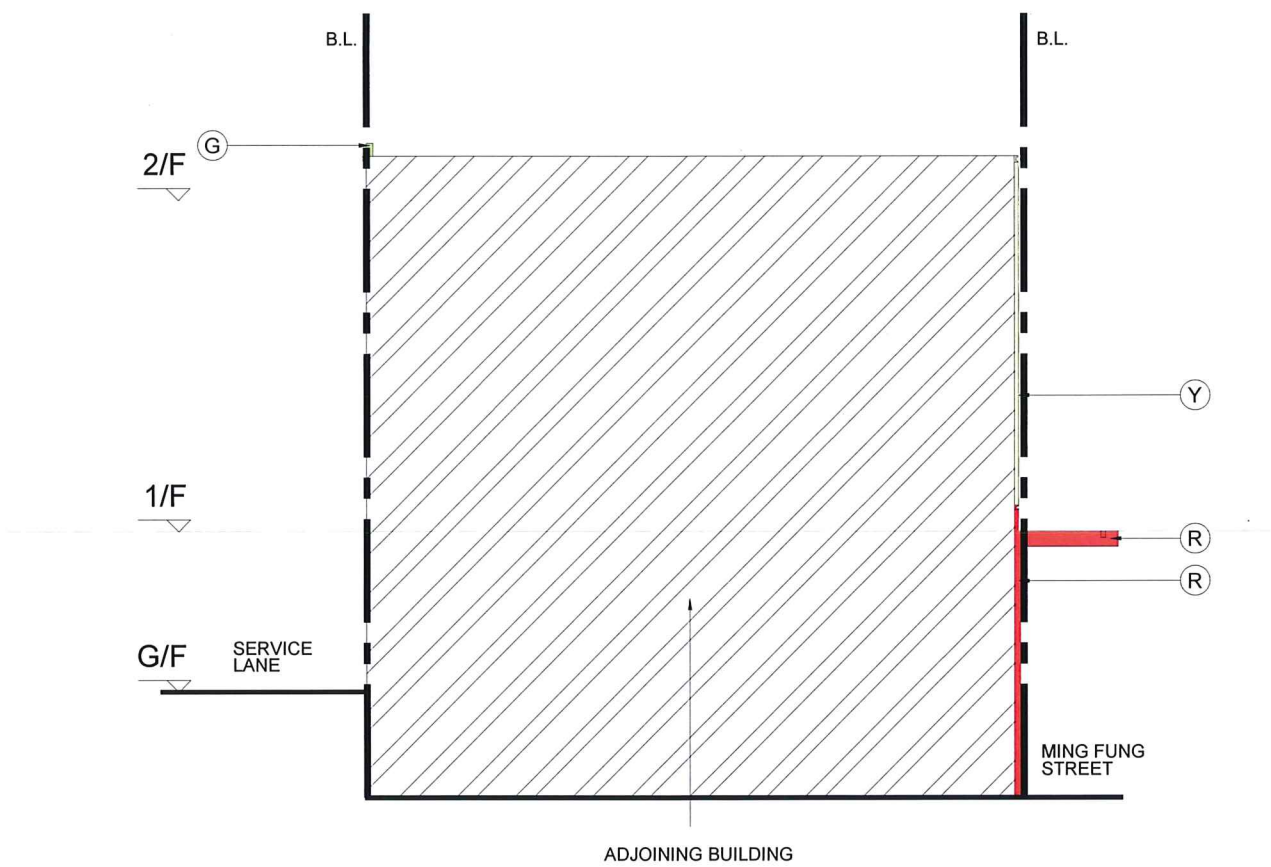
I HEREBY CERTIFY THE ACCURACY OF THIS PLAN






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ARCHITECT

 LU TANG LAI ARCHITECTS LTD.
呂鄧黎建築師有限公司

COMPOSITE DEVELOPMENT AT N.K.I.L. 4556, 4566 AND 4470



LEGEND:

-  DEVELOPMENT COMMON AREAS (YELLOW)
-  RESIDENTIAL COMMON AREAS (GREEN)
-  COMMERCIAL COMMON AREAS (RED)
- B.L. BOUNDARY LINE

ELEVATION 4
(PLAN NO. : DMC - 09)
(FOR IDENTIFICATION PURPOSES ONLY)
(NOT TO SCALE)

I HEREBY CERTIFY THE ACCURACY OF THIS PLAN



LAI SIU KIN
AUTHORIZED PERSON
ARCHITECT

 LU TANG LAI ARCHITECTS LTD.
呂鄧黎建築師有限公司