## PACIFIC BUSINESS LIMITED 僑業有限公司

**AND** 



**AND** 

### AGW FACILITY MANAGEMENT LIMITED 韋堅信設施管理有限公司

## **DEED OF MUTUAL COVENANT AND MANAGEMENT AGREEMENT**

## Gallant

何耀棣律師事務所

#### **SOLICITORS & NOTARIES**

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Ref.: 546-918-444-000220-2021(11)-5

# THIS DEED OF MUTUAL COVENANT AND MANAGEMENT AGREEMENT made the 9<sup>th</sup> day of February Two Thousand and Twenty Four

BETWEEN PACIFIC BUSINESS LIMITED (僑業有限公司) whose registered office is situate at 16<sup>th</sup> Floor, V Heun Building, No. 138 Queen's Road Central, Hong Kong (hereinafter called "the Company" which expression shall where the context so admits include its successors and assigns) of the first part,

of Fla on Floor, The Uptown, No.8 Maidstone Road, Kowloon (hereinafter called "the First Purchaser" which expression shall where the context so admits include his executors and administrators) of the second part, and

AGW FACILITY MANAGEMENT LIMITED (韋堅信設施管理有限公司) whose registered office is situate at Flat/Room B, 5<sup>th</sup> Floor, Boton Technology Innovation Tower, 368 Kwun Tong Road, Kwun Road, Kowloon (hereinafter called "the Manager" which expression shall where the context so admits include its successors appointed in accordance with the provisions herein) of the third part.

#### WHEREAS:-

- [1] Immediately prior to the assignment to the First Purchaser hereinafter referred to the Company was the registered owner of the Premises which are held from the Government under the Government Grant subject to the payment of the rent and to the observance and performance of the terms and conditions reserved by and contained in the Government Grant.
- [2] The Company has constructed on the Land the Estate in accordance with the Building Plans and an Occupation Permit in respect of the Estate has been obtained.
- [3] For the purpose of sale the Land and the Estate have been notionally divided into 3,402 equal Undivided Shares and the allocation of such Undivided Shares is set out in Part I of the <u>Second Schedule</u> hereto.
- [4] The Company has already obtained the Certificate of Compliance and is entitled to assign or otherwise dispose of the Undivided Shares together with the right to the exclusive use and occupation of a part or parts of the Estate.
- By an Assignment bearing even date and made between the Company of the one part and the First Purchaser of the other part for the consideration therein expressed the Company as beneficial owner assigned unto the First Purchaser All Those 48 equal undivided 3,402 part(s) or share(s) of and in the Land and the Estate together with the sole and exclusive right and privilege to hold use and occupy and enjoy All That Flat A on 19<sup>th</sup> Floor of the Estate Subject to and with the benefit of the Government Grant.
- [6] The parties hereto have agreed to enter into this Deed for the purpose of making provisions for the management maintenance insurance and service of the Land and the Estate and its

equipment services and apparatus and for the purpose of defining and regulating the rights interests and obligations of the Owners for the time being of the Land and the Estate and to provide for apportionment of the expenses of such management maintenance insurance and service to be borne by the Owners.

[7] The Director of Lands has given his approval to the terms of this Deed pursuant to the Government Grant.

#### **OPERATIVE PARTS**

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

# SECTION I DEFINITIONS

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

"Authorized Person"

shall mean Lee Kar-yan, Douglas of Andrew Lee King Fun & Associates Architects Limited, and any other replacement authorized person for the time being appointed by the Company.

"BMO"

shall mean the Building Management Ordinance (Cap. 344), any regulation made thereunder and any amending legislation.

"Building Plans"

shall mean the general building plans and specifications in respect of the Estate or in respect of any part or parts of the Estate prepared by the Authorized Person and approved by the Building Authority under reference no. BD2/4049/09 and includes any amendment thereto as approved by the Building Authority.

"Car Park"

shall mean the Non-Industrial Car Parking Spaces, the Residential Car Parking Spaces and the Residential Motorcycle Parking Space, the Carpark Common Areas and the Carpark Common Facilities.

"Carpark Common Areas"

shall mean those parts of the Car Park intended for the common use, benefit and enjoyment of the Owners and occupiers of the Parking Spaces and their bona fide guests, visitors or invitees, including but not limited to, ramps, driveways, passage, carpark entrance, car lift, waiting spaces for the car lift (which are for identification purpose only marked "WAITING" on the Ground Floor Plan, the 2nd Floor Plan and the 3rd Floor Plan annexed hereto), fibre glass tank for car park cleansing, lift machine room, pipe duct, run in/out and ancillary accommodation within the Car Park which are for the purpose of identification shown coloured GREEN on the plans annexed hereto and certified as to their accuracy by or on behalf of the Authorized Person and includes such other areas, apparatus, devices, systems and facilities of and in the Car Park as are now or may from time to time be designated as Carpark Common Areas with the approval of a resolution of Owners at the Owners' meeting convened under this Deed but shall not include the Commercial Common Areas, Estate Common Areas and Residential Common Areas PROVIDED THAT if (a) any parts of the Car Park covered by paragraph (a) of the definition of "common parts" set out in Section 2 of the BMO and/or (b) any parts specified in Schedule 1 to the BMO and included under paragraph (b) of the definition of "common parts" set out in Section 2 of the BMO, are also for the common use, benefit and enjoyment of the Owners and occupiers of the Parking Spaces and their bona fide guests, visitors or invitees, such parts shall be deemed to have been included as, and shall form part of, the Carpark Common Areas.

"Carpark Common Facilities"

shall mean such pipes, drains, wires, cables, trenches, air-ducts and lighting in the Car Park and also any other installation and facilities in the Car Park installed for the common use and benefit of the Owners and occupiers of the Parking Spaces and their bona fide guests, visitors or invitees and not for the use and benefit of a particular Owner or Owners of any particular Parking Spaces only but shall not include the Commercial Common Facilities, the Estate Common Facilities and the Residential Common Facilities.

"Certificate of Compliance"

shall mean a certificate issued pursuant to the Government Grant by the Director of Lands certifying that all the terms and conditions of the Government Grant have been complied with to his satisfaction in relation to the whole of the Land.

"Commercial Accommodation"

shall mean such portion of the Estate designated for non-residential and non-industrial (excluding godown, hotel and petrol filling station) purposes in accordance with the Building Plans at Ground Floor and 1st Floor of the Estate comprising all Commercial Units and the Commercial Common Areas and Commercial Common Facilities.

"Commercial Common Areas"

shall mean all those parts of the Estate including passages, air handling unit room and such other areas in the Commercial Accommodation from time to time intended for the common use benefit and enjoyment of the Owners and occupiers of the Commercial Units and their bona fide guests, visitors or invitees which for the purpose of identification only are shown and coloured **ORANGE** on the plans annexed hereto and certified as to their accuracy by or on behalf of the Authorized Person and includes such other areas in the Commercial Accommodation as are now or may from time to time be designated as Commercial Common Areas with the approval of a resolution of Owners at the Owners' meeting convened under this Deed but shall not include the Carpark Common Areas, the Estate Common Areas and the Residential Common Areas PROVIDED THAT if (a) any parts of the Commercial Accommodation covered by paragraph (a) of the

definition of "common parts" set out in Section 2 of the BMO and/or (b) any parts specified in Schedule 1 to the BMO and included under paragraph (b) of the definition of "common parts" set out in Section 2 of the BMO, are also for the common use, benefit and enjoyment of the Owners and occupiers of the Commercial Units and their bona fide guest, visitors or invitees, such parts shall be deemed to have been included as, and shall form part of, the Commercial Common Areas.

"Commercial Facilities"

Common

shall mean such facilities and systems in the Land and the Estate intended for the common use and benefit of all the Owners and occupiers of the Commercial Units and their bona fide guests, visitors or invitees and not for the use and benefit of a particular Owner or Owners or occupiers for the time being of a Commercial Unit which include (but not limited to) such lightings pipe ducts cable ducts and other facilities whether ducted or otherwise through which fresh or salt water, sewage, gas, electricity and other services supplied to the Commercial Units, electrical installations, refuse disposal equipment, fittings, equipment and apparatus, fire prevention and fighting equipment and apparatus, security systems and apparatus along or in the Commercial Common Areas but shall not include the Carpark Common Facilities, the Estate Common Facilities and the Residential Common Facilities.

"Commercial Unit"

shall mean any of the four units in the Commercial Accommodation to which Undivided Shares have been or will be allocated which are for the purpose of identification only marked "Shop '1" and "Shop '2" on the Ground Floor Plan and "Shop '1" and "Shop '2" on the 1st Floor Plan annexed hereto and certified as to their accuracy by or on behalf of the Authorized Person but shall exclude the Commercial Common Areas and the Commercial Common Facilities; and "Commercial Units" shall be construed accordingly.

"Common Areas"

shall mean the Carpark Common Areas, Commercial Common Areas, the Estate Common Areas and the Residential Common Areas.

"Common Facilities"

shall mean the Carpark Common Facilities, the Commercial Common Facilities, the Estate Common Facilities and the Residential Common Facilities.

"Consent to Assign"

means the consent given by the Director of Lands to assign the Estate or part thereof pursuant to the Government Grant.

"this Deed"

shall mean this Deed of Mutual Covenant and Management

Agreement as amended or varied from time to time.

"Director of Lands"

shall mean the Director of Lands from time to time.

"Disabled Car Parking Space"

shall mean any one of the two parking spaces provided in the Land and the Estate pursuant to the Government Grant and designated for the parking of motor vehicles by disabled persons as defined in the Road Traffic Ordinance (Cap. 374), any regulation made thereunder and any amending legislation which are for the purpose of identification only shown coloured **YELLOW** and marked "P1 Disabled (Visitors)" on the 2<sup>nd</sup> Floor Plan and "P1 Disabled (Residential)" on the 3rd Floor Plan annexed hereto and certified as to their accuracy by or on behalf of the Authorized Person; and "**Disabled Car Parking Spaces**" shall be construed accordingly.

"Estate"

shall mean the whole of the development constructed or in the course of construction on the Land in accordance with the Government Grant and the Building Plans and known as "THE UPTOWN 城軒".

"Estate Common Areas"

shall mean those parts of the Estate and shall include staircases, passages, those part of the external walls of the Estate (including the curtain wall thereof, architectural features thereon) not forming part of the Residential Tower, ramps, lift lobby, lift shafts with lifts installed therein and lift machine room (in which lift motors and other apparatus are installed), entrance lobby, flat roof, upper roof, caretaker room, dog house, drencher inlet & valve, electrical cabinet, electrical room, electrical meter room, emergency generator room, gas valve room, hose reel, transformer room, pipe ducts, telecommunications and broadcasting equipment room, pump room for flushing & potable, fibre glass flushing water tank, fibre glass potable water tank, fire service control panel, fire service & sprinkler inlet, fire service upfeed pump & fire service main pump room, switch room, pump room for sprinkler, refuse storage and material recovery chamber, reinforced concrete water tank for flushing, reinforced concrete water tank for sprinkler, reinforced concrete fire service tank, sprinkler valve cabinet, water meter cabinets and such other areas in the Estate from time to time intended for the common use benefit and enjoyment of all Owners and occupiers of the Estate and their bona fide guests, visitors or invitees which are for the purpose of identification shown coloured INDIGO on the plans annexed hereto and certified as to their accuracy by or on behalf of the Authorized Person and includes such other areas of and in the Estate as are now or may from time to time be designated as Estate Common Areas with the approval of a resolution of Owners at the Owners' meeting convened under this Deed but shall not include the Carpark Common Areas, the Commercial Common Areas and Residential Common Areas PROVIDED THAT if (a) any parts of the Estate covered by paragraph (a) of the definition of "common parts" set out in Section 2 of the BMO and/or (b) any parts specified in Schedule 1 to the BMO and included under paragraph (b) of the definition of "common parts" set out in Section 2 of the BMO, are also for the common use, benefit and enjoyment of the Owners and occupiers of the Estate and their bona fide guests, visitors or invitees, such parts shall be deemed to have been included as, and shall form part of, the Estate Common Areas.

"Estate Common Facilities"

shall mean such facilities and systems in the Land and the Estate intended for the common use and benefit of all the Owners and occupiers of the Estate and their bona fide guests, visitors or invitees and not for the use and benefit of a particular Owner or Owners or residents or occupiers for the time being of the Land and the Estate which include (but not limited to) lighting pipe ducts, telephone ducts, cable tunnel, cable ducts, and other facilities whether ducted or otherwise through which fresh or salt water, sewage, gas, electricity and other services supplied to the Estate, electrical installations, refuse disposal equipment, fittings, equipment and apparatus, fire prevention and fighting equipment and apparatus, security systems and apparatus along or in the Estate Common Areas but shall not include the Carpark Common Facilities, the Commercial Common Facilities and the Residential Common Facilities.

"Flat"

shall mean a flat in the Residential Tower and more particularly described in the Second Schedule hereto to which Undivided Shares have been or will be allocated and shall include but not limited to the internal walls and partition (whether load bearing or structural or not) of or within the Flat, the inner half of any wall (other than the external walls of the Estate) and partition (whether load bearing or structural or not) of or within the Flat separating the Flat or any part thereof from any other part(s) of the Estate, the columns, beans, floor slabs (and in the event the floor slab is separating the Flat from other part or parts of the Estate, the upper half of such floor slab), ceiling slabs (and in the event the ceiling slab is separating the Flat from other part or parts of the Estate, the lower half of such ceiling slab) and other structural supports of or within the Flat, all openable windows installed in or to any curtain wall enclosing a Flat and the frames enclosing the glass panels of the openable windows, glass panels, hinges, locks, handles, cast-in anchors, gasket, window sealant and such other components of such openable windows, the concrete slabs of bay window, the balconies, utility platforms, flat roofs or specified parts of roofs (if any) and the glass balustrades, metal balustrades or failings of the balconies, utility platforms, flat roofs or specified parts of roofs held with and forming part of such Flat as approved under the Building Plans.

"Government"

shall mean the Government of the Hong Kong Special Administrative Region of the People's Republic of China and shall include all governmental departments or others acting with the Government's authority.

"Government Grant"

shall mean the Government Grant of the Land more particularly described in the <u>Third Schedule</u> hereto as modified by any subsequent variations or modifications thereof (if any) and in so far as the same relates to the Land.

"House Rules"

shall mean the rules and regulations in relation to the management of the Estate from time to time in force as hereinafter provided.

"the Land"

shall mean All Those pieces or parcels of ground registered in the Land Registry as Section C of Kowloon Inland Lot No. 6466, Kowloon Inland Lot No. 7453, Kowloon Inland Lot No. 7455 and Kowloon Inland Lot No. 7456 respectively.

"maintain"

shall mean and include repair, uphold, support, rebuild, overhaul, pave, purge, scour, cleanse, empty, amend, keep, renovate, replace, reinstate and decorate or such of the foregoing as may be applicable in the circumstances and in the interest of good estate management and "maintenance" shall be construed accordingly.

"management"

shall mean all duties and obligations to be performed and observed by the Manager as provided herein.

"Management Charges"

shall mean collectively the Management Expenses and Manager's Remuneration.

"Management Expenses"

shall mean all expenses costs and charges necessarily and reasonably incurred in the management and maintenance of the Land and the Estate.

"Management Funds"

shall mean all monies received, recovered or held by the Manager pursuant to this Deed except the Manager's Remuneration and the Special Fund.

"Management Units"

shall mean the units which are allocated to Units for the purpose of sharing and contributing towards the Management Charges by the Owners as more particularly provided in Part II of the <u>Second</u> Schedule hereto.

"the Manager"

shall mean AGW Facility Management Limited (韋堅信設施管理有限公司) or any other Manager from time to time appointed as

Manager of the Land and the Estate pursuant to this Deed and in the absence of any such appointment, the Owners' Committee shall act as the Manager.

"Manager's Remuneration"

shall mean the remuneration of the Manager as hereinafter provided.

"month"

shall mean calendar month by European reckoning.

"Non-enclosed Areas"

shall mean the balconies and utility platforms forming part of the Flats and the covered areas beneath the balconies and underneath the utility platforms, such balconies and the covered areas beneath the balconies are for identification purpose only marked "BAL." on the plans annexed hereto and certified as to their accuracy by or on behalf of the Authorized Person and such utility platforms and the covered areas underneath the utility platforms are for identification purpose only marked "U.P." on the plans annexed hereto and certified as to their accuracy by or on behalf of the Authorized Person.

"Non-Industrial Car Parking Space"

shall mean any one of the three parking spaces provided in the Land and the Estate pursuant to the Government Grant and designated for the parking of motor vehicles licensed under the Road Traffic Ordinance (Cap. 374), any regulation made thereunder and any amending legislation, and belonging to the occupiers of the Commercial Units and their bona fide guests, visitors or invitees which are for the purpose of identification only marked "(Non-Industrial) P4", "(Non-Industrial) P5" and "(Non-Industrial) P6" on the 2<sup>nd</sup> Floor Plan annexed hereto respectively and certified as to their accuracy by or on behalf of the Authorized Person; and "Non-Industrial Car Parking Spaces" shall be construed accordingly.

"Occupation Permit"

shall mean a Temporary or Permanent Occupation Permit issued by the Building Authority in respect of the Estate or any part or parts thereof.

"occupiers"

shall mean and include any person occupying or using a Unit with the consent, express or implied, of an Owner, including without prejudice to the generality thereof, any tenant, any of the Owner's or tenant's employees, servants, agents, invitees and licensees and/or visitors, and in the case of a Commercial Unit on Ground Floor and 1<sup>st</sup> Floor, also their tenants, tenants' employees, customers and suppliers visiting the Commercial Unit.

"Owner"

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

"Owners' Committee"

shall mean a committee of the Owners of the Estate established as hereinafter provided and, where an Owners' Corporation has been formed, the management committee of the Owners' Corporation.

"Owners' Corporation"

shall mean the corporation of the Owners incorporated under section 8 of the BMO.

"Parking Space"

shall mean any Non-Industrial Car Parking Space, Residential Car Parking Space and Residential Motorcycle Parking Space; and "Parking Spaces" shall be construed accordingly.

"Premises"

shall mean the Land and the Estate.

"Residential Car Parking Space"

shall mean any one of the six parking spaces provided in the Land and the Estate pursuant to the Government Grant and designated for the parking of motor vehicles licensed under the Road Traffic Ordinance (Cap. 374), and regulation made thereunder and any amending legislation, and belonging to the residents of the Flats and their bona fide guests, visitors or invitees which are for the purpose of identification only marked "P3 (Residential)" on the 2<sup>nd</sup> Floor Plan and "P2 (Residential)", "P3 (Residential), "P4 (Residential)", "P5 (Residential)" and "P6 (Residential)" on the 3<sup>nd</sup> Floor Plan annexed hereto respectively and certified as to their accuracy by or on behalf of the Authorized Person; and "Residential Car Parking Spaces" shall be construed accordingly.

"Residential Common Areas"

shall mean those parts of the Estate including staircases, passages, lift lobbies, landscaped garden, dog house, electrical cabinet, pipe ducts, hose reel, planters, potable pump room, pump room for drencher system, reinforced concrete water tank for drencher system, reinforced concrete water tank for potable, sink, air-conditioning platforms (including the grilles, if any, appertaining thereto), external walls of the Residential Tower (including architectural features thereon, curtain walls or any part thereof (including the window frames, glass panels, hinges, locks, handles, cast-in anchors, gasket, window sealant and such other

components of the curtain wall, the non-openable windows therein or thereto and window frames, glass panels, cast-in anchors, gasket, window sealant and such other components of such non-openable windows but excluding all openable windows installed therein and the frames enclosing the glass panels of the openable windows, glass panels, hinges, locks, handles, cast-in anchors, gasket, window sealant and such other components of such openable windows which shall form part of the relevant Flat)), water meter cabinets, Residential Recreational Facilities, Disabled Car Parking Spaces, Visitors' Car Parking Spaces, refuge floor on 18/F, top of plant room lobby and such other areas and any other systems, devices and facilities provided or installed in the Residential Tower from time to time intended for the common use benefit and enjoyment of all Owners and residents of the Flats and their bona fide guests, visitors or invitees which are for the purpose of identification shown coloured YELLOW and YELLOW HATCHED BLACK on the plans annexed hereto and certified as to their accuracy by or on behalf of the Authorized Person and includes such other areas of and in the Residential Tower as are now or may from time to time be designated as Residential Common Areas with the approval of a resolution of Owners at the Owners' meeting convened under this Deed but shall not include the Carpark Common Areas, Commercial Common Areas and Estate Common Areas PROVIDED THAT if (a) any parts of the Residential Tower covered by paragraph (a) of the definition of "common parts" set out in Section 2 of the BMO and/or (b) any parts specified in Schedule 1 to the BMO and included under paragraph (b) of the definition of "common parts" set out in Section 2 of the BMO, are also for the common use, benefit and enjoyment of the Owners and residents of the Flats and their bona fide guests, visitors or invitees, such parts shall be deemed to have been included as, and shall form part of, the Residential Common Areas.

"Residential Facilities"

Common

shall mean such facilities and systems in the Land and the Estate intended for the common use and benefit of all the Owners and residents of the Flats and their bona fide guests, visitors or invitees and not for the use and benefit of a particular Owner or Owners or residents or occupiers for the time being of a Flat which include (but not limited to) lighting pipe ducts, telephone ducts, cable tunnel, cable ducts, and other facilities whether ducted or otherwise through which fresh or salt water, sewage, gas, electricity and other services supplied to the Flats, electrical installations, refuse disposal equipment, fittings, equipment and apparatus, fire prevention and fighting equipment and apparatus, security systems and apparatus along or in the Residential Common Areas but shall not include the Carpark Common

Facilities, the Commercial Common Facilities and the Estate Common Facilities.

"Residential Motorcycle Parking Space"

shall mean the parking space provided in the Land and the Estate pursuant to the Government Grant and designated for the parking of motor cycles licensed under the Road Traffic Ordinance (Cap. 374), and regulation made thereunder and any amending legislation, and belonging to the residents of the Flats and their bona fide guests, visitors or invitees which is for the purpose of identification only marked "MC1" on the 3<sup>rd</sup> Floor Plan annexed hereto and certified as to their accuracy by or on behalf of the Authorized Person.

"Residential Parking Space"

shall mean any Residential Car Parking Space and Residential Motorcycle Parking Space; and "Residential Parking Spaces" shall be construed accordingly.

"Residential Recreational Facilities"

shall mean the function room, gymnasium, female lavatory/accessible unisex toilet, female lavatory, male lavatory, reception and other recreational facilities provided in the Land and the Estate which are for the common use and benefit of all the residents of the Flats and their bona fide visitors for recreational purposes and are for the purpose of identification only shown and coloured **YELLOW HATCHED BLACK** on the 5<sup>th</sup> Floor Plan annexed hereto and certified as to their accuracy by or on behalf of the Authorized Person.

"Residential Tower"

shall mean the multi-storeyed block (above the Commercial Accommodation) constructed on the Land and the Estate for private residential purposes.

"Slope Maintenance Manual(s)"

shall mean the maintenance manual for the slope, slope treatment works, retaining wall and other 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).

"Special Fund"

shall mean the Special Fund as established and maintained in accordance with <u>Clause 9 of Subsection C of Section VII</u> of this Deed.

"Undivided Shares"

shall mean all those equal undivided parts or shares of and in the Land and the Estate as allocated in Part I of the <u>Second Schedule</u> hereto, each an "Undivided Share".

"Unit"

shall mean a Flat, a Non-Industrial Car Parking Space, a Residential Car Parking Space, a Residential Motorcycle Parking Space or a Commercial Unit of which the Owner, as between himself and Owners or occupiers of other parts of the Estate, is

entitled to the exclusive possession save and except the Common Areas and Common Facilities.

"Visitors' Car Parking Space"

shall mean any one of the two visitors' parking space(s) provided in the Land and the Estate pursuant to the Government Grant and designated for the parking of motor vehicles licensed under the Road Traffic Ordinance (Cap. 374), any regulation made thereunder and any amending legislation, and belonging to the bona fide guests, visitors or invitees of the Flats (including one also served as Disabled Car Parking Space) which are for the purpose of identification only shown and coloured YELLOW and marked "P1 Disabled (Visitors)" and "P2 (Visitors)" on the 2nd Floor Plan annexed hereto and certified as to their accuracy by or on behalf of the Authorized Person; and "Visitors' Car Parking Spaces" shall be construed accordingly.

"Works and Installations"

shall mean all major works and installations in the Estate as more particularly described in the <u>Fourth Schedule</u> hereto which will require regular maintenance on a recurrent basis.

- 2. In this Deed (if the context so permits or requires) words or expressions importing the masculine gender shall include the feminine or neuter gender.
- 3. The headings in this Deed are included merely for ease of reference and shall not affect the interpretation or construction of the relevant clauses and paragraphs.
- 4. The rule known as the ejusdem generis rule shall not apply and accordingly general words introduced by the word "other" shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts matters or things and several words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words.
- 5. References to any specific ordinance shall be deemed to refer to any modification amendment or re-enactment thereof and any bye-laws, rules or regulations thereunder for the time being in force and shall include any legislation, ordinance, bye-laws, rules or regulations in substitution therefor.

# SECTION II RIGHTS OF THE OWNERS

- 1. The Company shall at all times hereafter subject to and with the benefit of the Government Grant and this Deed have the sole and exclusive right and privilege to hold use occupy and enjoy to the exclusion of the First Purchaser such parts of the Estate set out in the Second Column of the First Schedule hereto opposite to its name set out in the First Column of the First Schedule hereto Together with the appurtenances thereto and the entire rents and profits thereof.
- 2. The First Purchaser shall at all times hereafter subject to and with the benefit of the Government Grant and this Deed have the full and exclusive right and privilege to hold use occupy and enjoy

to the exclusion of the Company All That part of the Estate set out in the <u>Second Column of the First Schedule</u> hereto opposite to their names set out in the <u>First Column of the First Schedule</u> hereto Together with the appurtenances thereto and the entire rents and profits thereof.

- 3. Each Undivided Share and the full and exclusive right and privilege to hold use occupy and enjoy any part of the Estate shall be held by the person or persons from time to time entitled thereto subject to and with the benefit of the easements, rights, privileges and obligations herein contained.
- 4. Every Owner shall at all times hereafter be bound by and shall observe and perform the covenants, provisions and restrictions herein contained and the benefit and burden thereof shall be annexed to every part of the Land and the Estate and the Undivided Share or Shares held therewith.
- 5. Subject to the Government Grant and this Deed, every Owner shall have the full right and liberty without reference to the other Owners or other persons who may be interested in any other Undivided Share or Shares 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, licence or otherwise dispose of or deal with his Undivided Share(s) or interest of and on the Land and the Estate together with the exclusive right and privilege to hold use occupy and enjoy such part or parts of the Estate which may be held therewith but any such sale, assignment, mortgage, charge, lease, licence or other disposition shall be expressly subject to and with the benefit of this Deed.
- 6. The right to the exclusive use occupation and enjoyment of any part of the Estate or the Land shall not be sold assigned mortgaged charged leased or otherwise dealt with separately from the Undivided Share with which the same is held PROVIDED ALWAYS THAT the provisions of this Clause, subject to the Government Grant, shall not extend to leases or tenancies the terms of which shall not (together with any rights or options for renewal) exceed seven (7) years.
- 7. The Residential Parking Spaces shall not be:-
  - (i) assigned except (a) together with Undivided Shares giving the right of exclusive use and possession of a Flat in the Estate, or (b) to a person who is already the Owner of Undivided Shares with the right of exclusive use and possession of a Flat; or
  - (ii) underlet except to residents of the Flat.

provided that in any event not more than three in number of the total of the Residential Parking Spaces shall be assigned to the Owner or underlet to the resident of any one Flat. Notwithstanding the aforesaid, the Company may, subject to the prior written consent of the Director of Lands, assign all Residential Parking Spaces as a whole to a wholly-owned subsidiary company of the Company.

# SECTION III ADDITIONAL RIGHTS OF THE COMPANY

1. The Company shall have the right in its absolute discretion at any time or times and from time to time as it shall deem fit to do all or any of the following acts or deeds and to exercise all or any of the following rights:-

### (a) The right:

- (i) to sub-divide the Units(s) in the Land and the Estate or any part thereof into such number of portions and/or Units (subject to compliance with the BMO and any other relevant ordinances, regulations and by-laws applicable thereto and to this Deed) as the Company its successors or assigns (other than the First Purchaser) shall think fit;
- (ii) subject to the approval of the Director of Lands, to enter into one or more Sub-Deed of Mutual Covenant with any other Owner or Owners to regulate and define their rights and obligations (inter se) without the consent or approval of the First Purchaser or any other Owner whose rights interests privileges and obligations are not affected thereby; and
- subject to the approval of the Director of Lands, to sub-allocate those Undivided Shares now allotted to any Unit(s) which may have been sub-divided pursuant to sub-clause (a)(i) hereof to those sub-divided part(s) or portion(s) of such Unit(s) by reference to their gross floor areas and in such manner as the Company its successors or assigns (other than the First Purchaser) shall think fit.
- (b) At all times hereafter but subject to and with the benefit of the Government Grant and this Deed insofar as they relate thereto, the right without interference by the other Owners to assign, mortgage, charge, lease, license, franchise, part with possession of or otherwise deal with its Undivided Shares together with the Units held therewith which have not been sold or assigned by the Company PROVIDED THAT the exercise of this right by the Company shall not interfere with an Owner's right to hold, use, occupy and enjoy the Unit which he owns nor impede or restrict the access to or from his Unit.
- (c) The right to change, amend, vary, add to or alter the Building Plans existing at the date hereof (other than those Units which have been sold or assigned by the Company) without the concurrence or approval of any Owner or any of the parties hereto or other person having an interest in the Estate and no such change or addition shall give to the Owners any right of action against the Company but nothing herein shall absolve the Company from the requirements of obtaining the prior written consent of the Director of Lands or the Government pursuant to the Government Grant (if necessary) PROVIDED THAT any such change, amendment, variation, addition or alteration shall not interfere with an Owner's right to hold, use, occupy and enjoy the Unit which he owns nor impede or restrict the access to and from any such Unit.

- (d) The right to apply to, negotiate and agree with the Government to amend, vary or modify the Government Grant in such manner as the Company may deem fit and to execute any documents in the name of the Company in connection therewith without the necessity of joining in any other Owner and no such amendment variation or modification shall give to the Owners any right of action against the Company PROVIDED THAT the written approval by a resolution of Owners at an Owners' meeting convened under this Deed has been obtained before the exercise of such right PROVIDED FURTHER THAT the exercise of this right shall not interfere with an Owner's right to hold, use, occupy and enjoy the Unit which he owns nor impede or restrict the access to or from his Unit.
- (e) The right to adjust and/or re-align the boundary of the Land and to negotiate and agree with the Government in connection therewith and for that purpose to effect any surrender (other than those Units which have been sold or assigned by the Company), extension or regrant PROVIDED THAT the written approval by a resolution of Owners at an Owners' meeting convened under this Deed has been obtained before the exercise of such rights PROVIDED FURTHER THAT the exercise of this right shall not interfere with an Owner's right to hold, use, occupy and enjoy the Unit which he owns nor impede or restrict the access to or from his Unit and any payment received in the exercise of this right shall be credited to the Special Fund.
- (f) The right to effect surrenders to the Government whenever required by the Government so to do for public use of any portion of the Land (other than those Units which have been sold or assigned by the Company) and the Company shall be at liberty to surrender the same to the Government without the necessity of joining in any other Owner and free of any claim or demand of the Owners PROVIDED THAT the exercise of this right shall not interfere with an Owner's right to hold, use, occupy and enjoy the Unit which he owns nor impede or restrict the access to or from his Unit.
- The right to affix, install, erect, maintain, alter, reinstate and remove any one or more (g) chimneys, flues, pipes, conduits, plant, machinery and other apparatus, signs, placards, posters, signboards, advertisements (illuminated or otherwise), masts, aerials, telecommunication transmitters and receivers, satellite dishes, satellite master antenna systems, tuners, broadcast reception, information distribution or communications systems, lightning conductors and lighting or any other structures or facilities of whatsoever kind on or within the Common Areas and Common Facilities (collectively "the Items") and the right to enter into and upon any part of the Estate (other than those Units which have been sold or assigned by the Company) with or without workmen and equipment at all reasonable time on giving prior written notice (except in case of emergency) for any or all of the purposes aforesaid and to license or otherwise permit or grant the right so to do to any other person on such terms as the Company may deem fit PROVIDED THAT (i) the written approval by a resolution of Owners at an Owners' meeting convened under this Deed has been obtained before the exercise of such rights; (ii) the exercise of this right shall not interfere with an Owner's right to hold, use, occupy and enjoy the Unit which he owns nor impede or restrict the access to or from any such Unit; (iii) any payment received for the

approval must be credited to the Special Fund; (iv) the Company shall be responsible for repairing all damages made to any part of the Estate resulting from affixing, removing, altering, maintaining and renewing the Items; (v) the Company shall at his own expense make good any damage that may be caused by or arising from the exercise of this right by the Company or other persons permitted or authorized by the Company; (vi) the Items shall be for the purpose of supplying utility services to the Land and Estate only.

- (h) Subject to the prior written approval of the Owners' Committee or the Owners' Corporation, if formed, the right to change the name of the Estate at any time upon giving not less than six (6) months' prior written notice to all Owners.
- 2. The Owners hereby jointly and severally and irrevocably APPOINT the Company as their attorney and grant unto the Company the full right power and authority to do all acts deeds matters and things and to execute and sign seal and as their act and deed deliver such deed or deeds and to sign such documents or instruments as may be necessary for the exercise of or incidental to any or all of the Company's rights mentioned in Clause I of Section III above.
- 3. Every Assignment by an Owner of his Unit shall include a covenant in substantially the following terms:

"The Purchaser hereby further covenants with the Vendor for himself and as agent for Pacific Business Limited ("Pacific Business") (which expression shall include its successors and assigns (other than the Purchaser) and attorneys) for the purpose of enabling Pacific Business to exercise all or any of the covenants, rights, entitlements, exceptions and reservations granted, excepted and reserved under Clause 1 of Section III 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 such 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 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 Estate and be enforceable by Pacific Business and its successors and assigns that:-

- (i) the Covenanting Purchaser confirms and acknowledges the covenants, rights, entitlements, exceptions and reservations granted and conferred on Pacific Business under Clause 1 of Section III 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, entitlements, exceptions and reservations by Pacific Business;
- the Covenanting Purchaser shall, if required by Pacific Business, do everything necessary, including giving express consents in writing to the exercise of the said covenants, rights, entitlements, exceptions and reservations by Pacific Business under Clause 1 of Section III of the Deed of Mutual Covenant, to facilitate the exercise of the said covenants, rights, entitlements, exceptions and reservations by Pacific Business;

- the Covenanting Purchaser hereby expressly and irrevocably appoints Pacific (iii) Business 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 Pacific Business may from time to time appoint) and grants unto Pacific Business 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, entitlements, exceptions and reservations conferred on Pacific Business as aforesaid 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 Pacific Business shall lawfully do or cause to be done and that the power of attorney hereby given shall bind the executor(s) and 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;
- (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 binding covenants on terms similar in scope and extent to the covenants (i), (ii) and (iii) hereinbefore contained and this covenant (iv). Such covenant shall be deemed to have been made with the Covenanting Purchaser for himself and as agent for Pacific Business by the said purchaser or assignee.

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 covenants similar in scope and extent to the covenants (i), (ii), (iii) and (iv) hereinbefore contained."

# SECTION IV <u>EASEMENTS RIGHTS AND PRIVILEGES THE BENEFIT</u> <u>OF WHICH IS HELD WITH EACH UNDIVIDED SHARE</u>

The Owners of each Undivided Shares (excluding the Undivided Shares allocated to the Common Areas and the Common Facilities) shall have the benefit of the following easements rights and privileges subject to this Deed and the House Rules and subject to the rights of the Manager and the Company as herein provided:-

1. Full right and liberty for each Owner of an Unit, his tenants, employees, servants, agents and licensees and his bona fide guests, visitors and invitee (in common with all persons having the

like right) to go pass and repass over along and use the Estate Common Areas and Estate Common Facilities for all purposes connected with the proper use and enjoyment of his Unit.

- 2. Full right and liberty for each Owner of a Flat, his tenants, employees, servants, agents and licensees and his bona fide guests, visitors and invitee (in common with all persons having the like right) to go pass and repass over along and use the Residential Common Areas and Residential Common Facilities for all purposes connected with the proper use and enjoyment of his Flat.
- 3. Full right and liberty for each Owner of a Commercial Unit, his tenants, employees, servants, agents and licensees and his bona fide guests, visitors and invitee (in common with all persons having the like right) to go pass and repass over along and use the Commercial Common Areas and Commercial Common Facilities for all purposes connected with the proper use and enjoyment of his Commercial Unit.
- 4. Full right and liberty for each Owner of a Parking Space, his tenants, employees, servants, agents and licensees and his bona fide guests, visitors and invitee (in common with all persons having the like right) to go pass and repass over along and use the Carpark Common Areas and Carpark Common Facilities for all purposes connected with the proper use and enjoyment of his Parking Space.
- 5. Full right and liberty for each Owner of a Flat, his tenants, servants, agents, invitees and licensees and his bona fide visitors (in common with all persons having the like right) to use the Residential Recreational Facilities.
- 6. Full right and liberty for each Owner of a Flat, his tenants, servants, agents, invitees and licensees and his bona fide guests, visitors and invitees (in common with all persons having the like right) to go, pass and repass over and along the Carpark Common Areas and to use the Carpark Common Facilities for all purposes connected with the proper use and enjoyment of the Visitors' Car Parking Space(s) and the Disabled Car Parking Space(s).
- 7. The right to subjacent and lateral support from other parts or portions of the Land and the Estate.
- 8. The free and uninterrupted passage and running of water, sewage, gas, electricity, telephone and all other services from and to the Unit owned by him through the sewers, drains, watercourses, cables, pipes and wires which now are or may at any time hereafter be in under or passing through the Land and the Estate for the proper use and enjoyment of the Unit owned by him.
- 9. Each Owner of a Unit may, with the prior consent of the Owners of the relevant Units and the prior written approval of the Manager and in accordance with such terms or conditions as the Manager may impose, with or without servants, workmen and others at all reasonable time on reasonable written notice (except in case of emergency) enter into and upon the other Units and the Common Areas and Common Facilities for the purposes of carrying out any work for the maintenance and repair of his Unit or its services (such work not being the responsibility of the Manager hereunder) where such entry is necessary and such work cannot practically be carried out without the entry in the circumstances causing as little disturbance as possible and forthwith

# SECTION V <u>EASEMENTS RIGHTS AND PRIVILEGES SUBJECT</u> TO WHICH EACH UNDIVIDED SHARE IS HELD

The following are the easements rights and privileges subject to which each Undivided Share and the exclusive right to hold use occupy and enjoy each Unit is held:-

- 1. The Manager shall have full right and privilege on reasonable notice (except in case of emergency) with or without employees, contractors, agents, surveyors, workmen and others to enter any Unit or any part or parts thereof for the purposes of carrying out necessary repairs to the Estate or any part or parts thereof or to abate any hazard or nuisance which does or may affect the Common Areas and Common Facilities or other Owners causing as little disturbance as possible and making good any damage thereby occasioned PROVIDED THAT the Manager shall be fully responsible for repairing any damage so caused at its own costs and expense and for its liability for the negligent, wilful or criminal acts in respect of itself and of its employees, contractors, agents, surveyors, workmen and others authorised by the Manager to enter into the Units in the Estate.
- 2. Easements rights and privileges over along and through each Unit equivalent to those set forth in Clauses 1 to 9 of Section IV hereof and as reserved unto the Manager.
- 3. Subject always to the rights of the Company under this Deed and the provisions of this Deed, the Manager shall have full right and authority to manage all of the Common Areas and Common Facilities. Should there be any damage to any of the Common Areas and Common Facilities or structures caused by the negligent or wilful acts or omission of any Owner or occupier or his or their licensees agents or servants, the Manager shall be entitled to require such Owner or occupier to remedy the damage or to procure such remedy at the expense of such Owner or occupier.

# SECTION VI <u>COVENANTS PROVISIONS AND RESTRICTIONS</u> TO BE OBSERVED AND PERFORMED BY THE OWNERS

- 1. Every assignment of an Undivided Share in the Land and the Estate 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. Without prejudice to the liability of the new Owner, the previous Owner shall remain liable for all sums payable in accordance with the provisions of this Deed and for the observance and performance of the terms and conditions hereof up to the date on which such notice is received by the Manager or, if later, the date they cease to be an Owner.
- 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 his Unit and shall indemnify the other Owners from and against all liabilities therefor.

- 3. No Owner shall make any structural alteration to any Unit which may damage or affect or interfere with the rights of other Owners or the use and enjoyment of any other part or parts of the Estate whether in separate or common use or occupation nor shall any Owner use, cut, injure, damage, alter or interfere with any part or parts of the Common Areas and Common Facilities or any equipment or apparatus on in or upon the Land or the Estate not being equipment or apparatus for the exclusive use and benefit of any such Owner nor shall any Owner cut or injure the cement concrete flooring columns beams or girders of the Estate or do anything whereby the structural strength thereto may be affected. Notwithstanding anything contained in this Deed to the contrary, no provision of this Deed shall be construed as having the effect of preventing an Owner from taking legal action against another Owner in this respect.
- 4. No Owner will do permit or suffer to be done any act or thing in contravention of the terms and conditions in the Government Grant or whereby any insurance on the Land and the Estate or any part thereof may become void or voidable or whereby the premium for any such insurance may be increased and in the event of any breach of this Clause by any Owner, in addition to any other liability incurred thereby, such Owner shall pay the amount of any increase in premium caused by or on account of such breach.
- 5. Each Owner shall be responsible for and shall indemnify all other Owners and the lawful occupiers of the Estate or any part thereof 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 his Unit or any person using his Unit with his consent expressed or implied or by or through or in any way, owing to the overflow of water or escape of fire therefrom.
- 6. Each Owner shall be responsible to the other Owners for the time being for the acts and omissions of all persons occupying his Unit with his consent express or implied and shall pay all costs, charges and expenses incurred in repairing or making good any loss or damage caused by the act, omission, negligence 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 hereinafter provided and in the case of loss or damage suffered by other Owners or occupiers of any Unit 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.
- 7. Without prejudice to Clause 1(a) of Section III hereof, no Owner shall at any time exercise or attempt to exercise any statutory or common law right to partition the Land.
- 8. 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 may interfere with or may affect or which is likely to interfere with or affect the management or maintenance of the Land and the Estate or doing any act deed or matter which contravenes any provision of the Government Grant or this Deed.
- 9. Each Owner shall keep and maintain in good repair and condition his Unit to the satisfaction of the Manager and in such a manner so as to avoid any loss, damage, nuisance or annoyance to

the Owners or occupiers of any other part or parts of the Estate.

- 10. No Owner will use or permit or suffer his Unit 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 and occupiers for the time being.
- 11. No Owner shall use or permit or suffer his Unit to be used except in accordance with any applicable building regulations or any Government ordinances and regulations or other permit, consent or requirement from time to time applicable thereto.
- Subject to the Company's rights under Clause 1 of Section III hereof, no Owner (including the Company) shall obstruct or suffer to be obstructed any part of the Common Areas and Common Facilities nor shall any Owner permit any refuse or other matter or things be placed or left thereon nor shall any part of the Common Areas and Common Facilities be used for any business or private purpose PROVIDED THAT the placing of air-conditioning units on the air-conditioning platforms (if any) adjoining each Flat or such other area(s) as may be designated for that purpose shall not be a breach of this Clause notwithstanding that such air-conditioning platforms or such other area(s) as may be designated for that purpose form part of the Common Areas and Common Facilities..
- 13. No Owner will do or suffer or permit to be done anything in or to the Common Areas and Common Facilities as may be or become a nuisance or cause annoyance to any other Owner or occupier of the Estate.
- 14. 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 Areas and Common Facilities or any part thereof without the previous written consent of the Manager.
- 15. No Owner (save and except the Company) shall be entitled to connect to any aerial installed by the Manager and/or satellite television system and/or communal TV/FM system except with the permission of the Manager and in accordance with any House Rules relating to the same. No Owner shall affix or install his own private aerial and/or satellite television system on the exterior of any part of the Estate.
- 16. (a) No external signs, signboards, notices, advertisements, flags, banners, poles, cages or other projections or structures whatsoever extending outside the exterior of any Unit shall be erected, installed or otherwise affixed or projected from the Estate or any part thereof except with the prior written consent of the Manager and (if necessary) the Director of Lands and/or other relevant Government authorities.
  - (b) Each Owner shall be solely responsible for and shall indemnify all other Owners from all actions, proceedings, claims, demands, costs and expenses arising directly or indirectly for the erection, installation, use or removal of any external signs, signboards, notices, advertisements, flags, banners, poles, cages or other projections or structures whatsoever erected installed affixed or projected on or from his Unit or any default therein or non-repair thereof.

- 17. No Owner shall do or permit to be done any act or thing which may or will alter the external appearance of the Estate without the prior consent in writing of the Manager.
- 18. No Owner shall throw out or discard or permit or suffer to be thrown out or discarded from any part of the Estate owned by him any refuse, rubbish, litter or other article or thing whatsoever except using the facilities (if any) provided for the disposal thereof.
- 19. All Owners (including the Company) shall at all times observe and perform the covenants and provisions of this Deed and the House Rules for the time being as herein provided and the Government Grant.
- 20. Each Owner may at his own expense install in his Unit such additions, improvements, fixtures, fittings and decorations and remove the same PROVIDED HOWEVER THAT no such installation or removal shall cause any structural damage or interfere with the enjoyment of any other part of the Estate.
- No Owner shall do or suffer or permit to be done anything whereby the flush or drainage system of any part of the Estate may be clogged or the efficient working thereof may be impaired.
- 22. No Owner shall use the Estate or any part thereof for any purposes which is in contravention of the terms and conditions contained in the Government Grant or the Occupation Permit of the Estate and in particular all Units shall not be used or caused to be used for the purpose of a temple buddhist hall for the performance of a ceremony known as Ta Chai (打齋) or any similar ceremony or as an inn hotel boarding house apartment house lodging house or for any form of commercial letting or occupancy in bed spaces or cubicles.
- No partitioning shall be erected or installed which does not leave clear access for fire exits and no window shall be wholly or partially enclosed or the light and air therefrom in any way obstructed. For the avoidance of doubt, the Owners of the Flats in Residential Tower may install curtains or louvers to the window of their Flats.
- No advertising or other signs shall be exhibited from the exterior of any Unit.
- No Owner shall erect, affix, install or attach or permit or suffer to be erected, affixed, installed or attached in or on or at the door or doors or entrance or entrances of any Unit in the Estate any metal grille or shutter or gate which in any way contravenes any current regulation of the Fire Services Department or other competent authority therewith concerned and/or which may in any way impede the free and uninterrupted passage over through and along any of the common staircases, corridors, entrances, exits and other Common Areas and Common Facilities. Prior to the installation of any metal grille or shutter or gate, the Owner shall first obtain the approval in writing of the Manager of the design thereof.
- 26. No Owner shall erect, affix, install or attach or permit or suffer to be erected affixed installed or attached in or on or to be displayed from any Unit any advertising or other sign of any description (except a small name plate outside the entrance door giving the Owner's or occupier's name) except with the previous written approval of the Manager. Any such approval may be given subject to such conditions as the Manager may specify and shall be

subject to revocation on reasonable notice.

- 27. No Owner shall use the caretaker's counter and/or the guard house which is reserved to the Manager for the performance of its duties as Manager.
- 28. No Owner or occupier shall use any employee of the Manager for any private business.
- 29. The acts of any occupiers of a Unit shall be deemed to be the act of the Owner of such Unit.
- No Owner shall lock the doors leading to the entrances of the flat roofs, roofs, refuge floor & upper roofs of the Estate (other than those flat roofs, roofs or portions thereof specifically assigned to or reserved for the exclusive use of any one or more Owners).
- No Owner shall without the prior written consent of the Manager erect or build or suffer to be erected or built on or upon the flat roofs, roofs, refuge floor & upper roofs any structure whatsoever either of a permanent or temporary nature. Subject to Clause 1 of Section V of this Deed, the Manager shall have the right to enter and remove from such flat roofs, roofs, refuge floor & upper roofs such structure at the cost and expense of the Owner erecting or building the same. Subject to Clause 1 of Section V of this Deed, the Manager shall also have the right to erect on such flat roofs, roofs, refuge floor & upper roofs (other than those flat roofs, roofs or portions thereof specifically assigned to or reserved for the exclusive use of any one or more Owners) scaffolding and other equipment necessary for repairing and maintaining the plumbing facilities, the external walls and windows of any part of the Estate.
- No Owner (except the Owner having the exclusive right to occupy the flat roofs and roofs) shall have the right to use such flat roofs or roofs except that the other Owners may use such flat roofs and roofs only for escape in the event of fire or emergency and such flat roofs and roofs shall not be separately alienated from the Unit held therewith, no Owner shall without the prior written consent of the Manager erect or place or cause or permit to be erected or placed any advertising sign or other structure on the flat roofs or roofs of a Unit or any part thereof and the Manager shall subject to Clause 1 of Section V of this Deed have the right to enter to remove anything erected or placed on the flat roofs or roofs of such Unit or any part thereof in contravention of this provision at the cost and expense of the Owner erecting or placing the same.
- 33. (a) Subject to Sub-clause (b) hereof, no Owner shall bring on to or keep or harbour any dogs, cats, live poultry, birds or animals on any part of the Estate PROVIDED THAT (i) dogs, cats, live poultry, birds or animals may be kept in a Flat as pets unless the same has been the cause of reasonable complaint by at least two (2) Owners or occupiers of any part of the Estate; and (ii) trained guide dogs on leash for the blind may be brought into any part of the Estate whilst guiding any person with disability in vision.
  - (b) No Owner of the Commercial Unit (other than the Owner of the Commercial Unit the business of which is associated with live poultry, pets, birds or other animals) shall bring on or keep any dogs cats or pets or other animals birds or live poultry on any part of the Estate if the same has been the cause of reasonable complaint by at least

- five (5) Owners or occupiers of any part of the Estate. Notwithstanding the above, no Owner of the Commercial Unit shall carry on any business in his Commercial Unit or bring in or keep or allow to be brought in or kept in his Commercial Unit any dogs cats or pets or other animals birds or live poultry in contravention of the House Rules.
- 34. (a) No air-conditioning plants or other units or facilities in relation thereto shall be installed through any window or external wall of the Estate (except in the apertures or spaces specially provided therefor) without the prior written consent of the Manager and individual air-conditioner platforms must not be erected at the external walls of the Estate and all possible measures shall be taken to prevent excessive noise condensation or dripping on to any part of the Common Areas and Common Facilities or public street PROVIDED THAT in giving consent the Manager may impose such terms and conditions as it may deem appropriate.
  - (b) Without prejudice to the generality of sub-clause (a) above, no split type air-conditioning units or plants shall be installed in any Commercial Units unless a licence in writing has first been obtained from the Manager PROVIDED THAT in granting such licence in writing the Manager may impose such terms and conditions as it may deem appropriate.
  - (c) For the avoidance of doubt, the costs and expenses for the maintenance, repair and replacement of air-conditioning units installed in the air-conditioning platforms which are designated as the Residential Common Areas and Residential Common Facilities serving a Flat shall be borne by the Owner of the particular Flat.
- No Owner shall make any alteration to the sprinkler system or any other fire fighting equipment which would constitute a breach of the Fire Services Ordinance (Cap.95) or any by-laws or regulations made thereunder. If any extension of the sprinkler heads and/or smoke detectors or alteration to the fire fighting equipment shall be required by any Owner then such works, subject to the prior written approval of the Manager, shall be carried out by the contractor appointed or approved by the Manager at the expense of such Owner and in such manner and upon such conditions as the Manager shall in its absolute discretion think fit.
- 36. No alteration, repair and addition works relating to mechanical and electrical systems and fire fighting system in the Estate shall be carried out except with prior written approval of the Manager and by qualified contractors designated or approved by the Manager and in such manner and upon such conditions as the Manager shall in its absolute discretion think fit.
- 37. No alteration of electricity supply to any Unit shall be carried out without the prior written consent of the Manager and the Manager may impose various conditions for such consent including submission of an interest-free deposit by the Owner or Owners thereof.
- 38. Save and except otherwise provided under this Deed, no Owner (including the Company) may convert any of the Common Areas and Common Facilities to his own use or for his own benefit unless the approval of the Owners' Committee has been obtained and any payment received for the approval must be credited to the Special Fund.

- The Company at its own costs and expenses has prepared a schedule of Works and Installations (subject to revisions as provided for in Clause 40 below). The Company shall at its own costs and expenses prepare and compile for the reference of the Owners and the Manager a maintenance manual for the Works and Installations ("maintenance manual for the Works and Installations") setting out the following details:-
  - (a) 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;
  - (b) All warranties and guarantees provided by contractors (together with the names of the companies providing the warranty and the contact telephone numbers) in respect of all facilities and equipment;
  - (c) Recommended maintenance strategy and procedures;
  - (d) A list of items of the Works and Installations requiring routine maintenance;
  - (e) Recommended frequency of routine maintenance inspection;
  - (f) Checklist and typical inspection record sheets for routine maintenance inspection; and
  - (g) Recommended maintenance cycle of the Works and Installations.
- The Owners shall at their own expense inspect, maintain and carry out all necessary works for 40. the maintenance of the Estate and their own Units including the Works and Installations. The schedule and the maintenance manual for the Works and Installations may be revised in future to take into account any necessary changes, including but not limited to addition of works and installations in the Estate and the updating of maintenance strategies in step with changing requirements. The Owners may, by a resolution of Owners at an Owners' meeting convened under this Deed, decide on revisions to be made to the schedule and the maintenance manual for the Works and Installations, in which event the Manager shall procure from a qualified professional or consultant the revised schedule and the revised maintenance manual for the Works and Installations within such time as may be prescribed by the Owners in an Owners' meeting convened under this Deed. All costs incidental to the preparation of the revised schedule and the revised maintenance manual for the Works and Installations will be paid out of the Special Fund and the Manager shall deposit the revised maintenance manual for the Works and Installations in the management office within one (1) month after the date of its preparation for inspection by all Owners free of charge and taking copies at their own expense and on payment of a reasonable charge and all charges received must be credit to the Special Fund.
- 41. No Owner (including the Company) 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 and Common Facilities unless the approval by a resolution of Owners at an Owners' meeting convened under this Deed has been obtained. No Owner (including the Company) and no Manager will have the right to re-convert or re-designate the Common Areas and Common Facilities to his or its own use or benefit.

- 42. No Owner shall make or cause or permit any disturbing noise in his Unit or do or cause or permit or suffer anything to be done which will interfere with the rights, comforts and convenience of other Owners or occupiers of the Estate. No Owner shall permit the playing of mahjong in the Flat between 11 p.m. and 9 a.m. if any noise so created will be audible from outside the Flat so as to cause disturbance to the Owners or occupiers of any other part of the Estate.
- No Owner shall use water closets and other water apparatus in any part of the Estate for any purpose other than those for which they were constructed nor shall any sweeping, rubbish, rags or any other articles be thrown into the same. Any damage resulting from misuse of any water closets or apparatus shall be made good by the Owner or occupier at his own expense in whose part of the Estate it shall have been caused.
- 44. No Owner shall install any furnace, boiler or other plant or equipment or use any fuel or energy that might produce smoke except with the prior written consent of the Manager, but in any event no Owner shall install the aforesaid furnace, boiler, plant or equipment or use any method or process of manufacture or treatment which might in any circumstances result in the discharge or emission whether it be in the form of gas, smoke, liquid or otherwise and which shall in the opinion of the Manager be excessive or unnecessary or which may contravene the Air Pollution Control Ordinance (Cap.311) or any amendments thereto.
- No Owner or its agents licensees or contractors shall place on any part of the Land or any part of the floors of the Estate any vehicle, article, machinery, goods or merchandise which may cause the maximum floor loading-bearing capacity thereof (as specified on such part) to be exceeded and in the event of breach of this covenant the Owner in default shall make good any damage caused thereby to that part of the Land and the Estate or any fixtures and fittings therein Provided that the making good of such damage as aforesaid shall be without prejudice to any further right competent to the Manager exercisable by virtue of such breach.
- Each Owner shall observe and comply with all ordinances, regulations, by-laws and rules for the time being in force in Hong Kong Special Administrative Region and governing the control of any form of pollution (including noise and water pollution), whether aerial or otherwise, and the protection of the environment. In particular, no Owner shall discharge or permit or suffer to be discharged into any public sewer, storm water drain, channel or stream-course any trade effluent or foul or contaminated water or cooling water without the prior written consent of the Director of Lands or other competent Government authorities.
- 47. (a) All the Owners shall at their own expense maintain in good substantial repair and condition to the satisfaction of the Directors of Lands and carry out all works in respect of the slope structures whether inside or outside the Land and the Estate (if any)(the "slope structures") as required by the Government Grant or otherwise and in accordance with the "Geoguide 5 Guide To Slope Maintenance" issued by the Geotechnical Engineering Office (as amended or substituted from time to time) and the Slope Maintenance Manual(s) prepared in accordance with the "Geoguide 5 Guide To Slope Maintenance".

- (b) The Owners of the Estate shall bear and pay all costs lawfully incurred or to be incurred by the Manager in carrying out the maintenance, repair and any other works in respect of the slope structures and the obligations and duties set out in Clause 47(a) of this Section VI and Clause 1(46) of Subsection B of Section VII of this Deed and all costs relating thereto shall be shared amongst all the Owners of the Estate in proportion to the respective number of Management Units held by them.
- (c) All the Owners shall fully co-operate, support and assist the Manager (which for this purpose shall include the Owners' Corporation, if formed) in carrying out the duties and obligations as set out in Clause 47(a) of this Section VI and Clause 1(46) of Subsection B of Section VII of this Deed and for such purpose the Owners hereby give and confer full authority upon the Manager (which for this purpose shall include the Owners' Corporation, if formed) to carry out the deeds and works as set out in Clause 47(a) of this Section VI and Clause 1(46) of Subsection B of Section VII of this Deed.
- (d) The Manager's determination of the amount of contribution payable by each Owner under sub-clause (b) of this Clause shall (in the absence of manifest error) be final conclusive and binding on all Owners.
- 48. No clothing or laundry shall be hung outside any Unit or at any part of the Estate other than in the spaces specifically provided for such purpose.
- 49. The Residential Recreational Facilities shall only be used by the residents of the Residential Tower and their bona fide visitors and by no other person or persons whatsoever and shall only be used for recreational purposes.
- The Owners of a Commercial Unit shall at his own costs and expenses be responsible for the maintenance, operation, repair, replacement or renewal to the satisfaction of the Manager, of the fan coil units, grilles, louvres, thermostat control inside such Commercial Unit and such related air-conditioning facilities and installations serving only such Commercial Unit and shall take all necessary steps to avoid any loss, damage, nuisance or annoyance to the Owners or occupiers of any other part of the Estate PROVIDED THAT in the event of the relevant Owner's failure so to do the Manager shall, without prejudice to any rights and remedies of the Manager against such Owner, have the power subject to Clause 1 of Section V of this Deed, but under no obligation towards such Owner, to take necessary steps to maintain or repair the same at the costs and expenses of such Owner who shall forthwith on demand pay or reimburse to the Manager all such costs and expenses incurred or to be incurred.
- No Owner of a Commercial Unit shall store or permit or suffer to be stored in any Commercial Unit any hazardous, dangerous or combustible goods or materials except such as may be reasonably required for the purpose of cooking and heating for restaurant use.
- 52. All Flats shall be used for private residential purpose only and in particular shall not be used as an apartment house, service apartment or for any form of commercial letting or occupancy in bed spaces or cubicles or as an office, store, factory, shop or for any other commercial use or for the conduct of any trade, profession or business whatsoever.

- No Owner or occupier of a Flat shall store or permit or suffer to be stored in any Flats any hazardous, dangerous or combustible goods or materials except such as may be reasonably required for the purpose of domestic cooking or heating.
- The Owners of the Non-enclosed Areas shall keep the Non-enclosed Areas in good and substantial repair and condition and shall use the same in all respects in compliance with the Occupation Permit, the BMO and such other ordinances, bye-laws and Government regulations of the Hong Kong Special Administrative Region. The Owners of the Non-enclosed Areas shall also be responsible for the financial support and maintenance of the Non-enclosed Areas at their own cost and expense.
  - (b) The Owners of the Non-enclosed Areas shall use the Non-enclosed Areas as balconies and/or utility platforms (as the case may be) in relation to or in connection with the use and enjoyment of the Flat for which they are provided.
  - (c) The Owners of the Non-enclosed Areas shall not erect, affix or place or cause or permit or suffer or allow to be erected, affixed or placed any structure or partition of any material whether of a permanent or temporary nature on the Non-enclosed Areas or any part thereof.
  - (d) The Owners of the Non-enclosed Areas shall not cause, permit, suffer or allow the Non-enclosed Areas to be enclosed by any material of whatsoever kind or nature in whole or in part other than as under the Building Plans and it being the obligation of such Owner to keep and maintain the Non-enclosed Areas in the design and layout as drawn under the Building Plans. Balconies and utility platforms and the covered areas beneath the balconies and utility platforms respectively shall not be enclosed above safe parapet height other than as under the Building Plans.
- The Owner of a Flat that is enclosed with curtain wall structures shall be responsible for the cleaning of the internal surface of the curtain walls (including the openable windows and/or the non-openable windows installed therein or thereto) enclosing his Flat. The Owner of a Flat shall also be responsible for the repair, maintenance and replacement works of the openable windows installed in or to any curtain wall enclosing his Flat and the frames enclosing the glass panels of the openable windows, glass panels, hinges, locks, handles, cast-in anchors, gasket, window sealant and such other components of such openable windows which form part of his Flat in accordance with the standards and requirements laid down by the Manager at all times from time to time. The Owners of the Flats shall not object and shall render full cooperation to the Manager for the purpose of cleaning the external surfaces and carrying out any works with regards to the curtain wall. When the Manager carries out cleaning of the external surface of the curtain walls including openable windows installed therein or thereto.
- Each Residential Car Parking Space shall not be used for any purpose other than for the parking of one motor vehicle licensed under the Road Traffic Ordinance (Cap.374), any regulations made thereunder and any amending legislation and belonging to the residents of the Flats and

their bona fide guests, visitors or invitees and subject to any House Rules as may be imposed from time to time by the Manager. The Residential Motorcycle Parking Space shall not be used for any purpose other than for the parking of one motor cycle licensed under the Road Traffic Ordinance (Cap.374), any regulations made thereunder and any amending legislation and belonging to the residents of the Flats and their bona fide guests, visitors or invitees and subject to any House Rules as may be imposed from time to time by the Manager.

- Each Non-Industrial Car Parking Space shall not be used for any purpose other than for the parking of one motor vehicle licensed under the Road Traffic Ordinance (Cap.374), any regulations made thereunder and any amending legislation and belonging to the occupiers of the Commercial Unit and their bona fide guests, visitors or invitees and subject to any House Rules as may be imposed from time to time by the Manager.
- 58. The Parking Spaces shall not be used for the storage, display or exhibiting of motor vehicles for sale or otherwise or for the provision of car cleaning and beauty services.
- Each Visitors' Car Parking Space shall not be used for any purpose other than for the parking of one motor vehicle licensed under the Road Traffic Ordinance (Cap.374), any regulations made thereunder and any amending legislation and belonging to the bona fide guests, visitors or invitees of the residents of the Flats and subject to payment of such fees which shall be credited to the Management Funds and to any House Rules as may be imposed from time to time by the Manager. The Visitors' Car Parking Spaces shall not be used for the storage, display or exhibiting of motor vehicles for sale or otherwise or for the provision of car cleaning and beauty services.
- 60. The Disabled Car Parking Spaces shall not be used for any purpose other than for the parking of motor vehicles by disabled persons as defined in the Road Traffic Ordinance (Cap.374), any regulations made thereunder and any amending legislation, and belonging to the residents of the Flats or the occupiers of the Commercial Units and their bona fide guests, visitors or invitees and in particular the Disabled Car Parking Spaces shall not be used for the storage, display or exhibiting of motor vehicles for sale or otherwise or for the provision of car cleaning and beauty services.
- No provision contained in this Deed shall operate to prohibit, prevent, hinder or prejudice the establishment or operation of residential care home as defined in the Residential Care Homes (Elderly Persons) Ordinance (Cap. 459), any regulations made thereunder and any amending or replacing legislation (hereinafter referred to as the "RCHE"), or residential care home for PWDs as defined in the Residential Care Homes (Persons with Disabilities) Ordinance (Cap. 613), any regulations made thereunder and any amending or replacing legislation (hereinafter referred to as the "RCHD"), or the use of the Land or any part thereof or any building or part of any building erected thereon for the purpose of the RCHE or the RCHD.
- 62. All complaints touching or concerning any part of the Land and the Estate shall be made in writing to the Manager.

#### **SECTION VII**

### MANAGEMENT OF THE LAND AND THE ESTATE

### A. Appointment, Resignation and Termination of Manager

- 1. The management of the Land and the Estate shall be undertaken by the Manager.
- 2. Subject to the provisions of the BMO, the Manager is hereby appointed for the management of the Land and the Estate for the initial period of two (2) years from the date of appointment under this Deed and thereafter until the termination of the Manager's services in manner hereinafter provided.
- 3. (1) Prior to the formation of the Owners' Corporation, the Owners' Committee may at any time terminate the Manager's appointment without compensation by a resolution passed by a majority of votes of Owners voting either personally or by proxy in an Owners' meeting and supported by Owners of not less than 50% of all Undivided Shares in aggregate (excluding the Undivided Shares allocated to the Common Areas and Common Facilities) and by giving the Manager three (3) months' notice in writing to that effect.
  - Where an Owners' Corporation has been formed, the Owners' Corporation (b) may subject to sub-clause (f) below, by a resolution passed by a majority of the votes of the Owners voting either personally or by proxy and supported by the Owners of not less than 50% of the Undivided Shares in aggregate excluding the Undivided Shares allocated to the Common Areas and Common Facilities of and in the Land and the Estate to be determined at a general meeting convened for the purpose, terminate the Manager's appointment without compensation by the Owners' Corporation giving to the Manager not less than three (3) months' notice of writing. In this respect, such resolution shall have effect only if (i) such notice of termination 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 Manager for the payment to the Manager of a sum equal to the amount of remuneration which would have accrued to it during that period; (iii) such notice is accompanied by a copy of the resolution terminating the Manager's appointment; and (iv) such notice and the copy of the resolution is served upon the Manager within fourteen (14) days after the date of the meeting. For this purpose, service of such notice and the copy of the resolution required to be served may be effected personally upon the Manager; or by post addressed to the Manager at its last known address. This sub-clause operates without prejudice to any other power there may be to terminate the Manager's appointment.
  - (c) If a notice to terminate a Manager's appointment is given under Clause 3(1)(b) above:-
    - (i) no appointment of a new manager shall take effect unless the appointment is approved by a resolution of the Owners' Committee

(if any) or the Owners' Corporation, if formed; and

- (ii) if no such appointment is approved under Clause 3(1)(c)(i) above by the time the notice expires, the Owners' Corporation may appoint another Manager and, if it does so, the Owners' Corporation shall have exclusive power to appoint any subsequent Manager.
- (d) 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 Land and the Estate, and the Owners' Corporation has appointed a Manager under Clause 3(1)(c)(ii) above, the Owners' Corporation shall be deemed to have given to that person an instrument of indemnity under which the Owners' Corporation shall be liable to indemnify that person in respect of any act or omission by the Manager appointed under Clause 3(1)(c)(ii) above that may otherwise render that person liable for a breach of that undertaking or agreement.
- (e) This Clause 3(1) is subject to any notice relating to the Land and the Estate that may be published by the Secretary for Home Affairs under section 34E(4) of the BMO but does not apply to any single manager referred to in that section.
- (f) For the purpose of Clause 3(1)(b) above :-
  - (i) only the Owners of Undivided Shares who pay or who are liable to pay the Management Charges relating to those Undivided Shares shall be entitled to vote; and
  - (ii) the reference in Clause 3(1)(b) 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.
- (g) If a contract for the appointment of a manager other than the Manager named in this Deed contains no provision for the termination of the manager's appointment, Clauses 3(1)(b) and (f) above shall apply to the termination of the Manager's appointment as they apply to the termination of the Manager's appointment. This sub-clause shall operate without prejudice to any other power there may be in a contract for the appointment of a manager other than the Manager named herein to terminate the appointment of the Manager.
- (2) (a) No resignation of the Manager shall take effect unless the Manager has previously given not less than three (3) months' notice in writing of its intention to resign:-

- (i) by sending such a notice to the Owners' Committee or the Owners' Corporation, if formed; or
- (ii) where there is no Owners' Committee or Owners' Corporation, by giving such a notice to each of the Owners and by displaying such a notice in a prominent place in the Estate.
- (b) Service of a notice on an Owner referred to in sub-clause 2(a)(ii) above may be effected personally upon the Owner or by post addressed to the Owner at his last known address or by leaving the notice at the Owner's Unit or depositing in the letter box for that Unit.
- Subject to sub-clause (4) below, if the Manager's appointment ends for any reason, the Manager shall, as soon as practicable after its appointment ends, and in any event within fourteen (14) days of the date its appointment ends, deliver to the Owners' Committee or the Owners' Corporation, if formed, or any new manager appointed in place of the Manager any movable property in respect of the control, management and administration of the Estate that is under control of the Manager or in the custody or possession of the Manager, and that belongs to the Owners' Corporation, if formed or the Owners.
- (4) On resignation or termination of service of the Manager or upon a change of the Manager, the outgoing Manager shall within two (2) months of the date of its appointment ends:-
  - (a) prepare an income and expenditure account for the period beginning with the commencement of the current financial year and ending on the date of its appointment ended and a balance sheet as at the date of its 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 or the Owners' Corporation, if formed or in the absence of any such specification, by such accountant or other independent auditor as may be chosen by the Manager; and
  - (b) transfer to the Owners' Committee or the Owners' Corporation, if formed or any new manager appointed in place of the Manager the following:-
    - (i) All deposits, Management Funds and Special Fund held by the Manager for account of the Owners;
    - (ii) All accumulated surplus or deficits for account of the Owners;
    - (iii) All assets and liabilities attributable to the management of the Land and the Estate including all accounts receivable and accounts payable accrued;
    - (iv) Any books or records of account, papers, documents, plans and

other records which are required for the purposes of sub-clause 4(a) above and have not been delivered under sub-clause (3).

- (5) If the Manager shall resign from its appointment as Manager or the Owners' Committee or the Owners' Corporation, if formed, shall terminate its appointment as aforesaid then the Owners' Committee or the Owners' Corporation, if formed shall immediately thereafter appoint another service company or agent in its stead for such duration as the Owners' Committee or the Owners' Corporation, if formed, shall think fit and on appointment thereof the Owners' Committee or the Owners' Corporation, if formed, shall on behalf of the Owners enter into a Management Agreement with such service company or agent defining the rights duties and obligations of the Manager.
- 4. The Manager shall be bound by and shall observe and perform all of the conditions, duties and obligations as herein provided and shall have all of the rights and privileges as herein granted to the Manager.
- 5. No provisions of this Deed shall limit the application of the Schedule 7 to the BMO by restricting or prohibiting termination of the Managers' appointment or its resignation including the initial period of two (2) years from the date of this Deed.

### B. Powers and Duties of Manager

- 1. The Manager shall, subject to the provisions of the BMO, have the authority to act for and on behalf of all the Owners of the Land and the Estate in accordance with the provisions of this Deed and shall be duly authorized by the Owners to act as the lawful general agent for and on behalf of the Owners to represent the Owners in all matters and dealings concerning the Common Areas and Common Facilities. The Manager shall manage the Land and the Estate in a proper manner and in accordance with this Deed and except as otherwise herein expressly provided, the Manager shall be responsible for and shall have authority to do all such acts and things as may in its opinion be necessary or requisite for the proper management and maintenance of the Land and the Estate. Without in any way limiting the generality of the foregoing the Manager shall have the following powers and duties, namely:-
  - (l) to put in hand and ensure the satisfactory completion of work necessary to maintain any and every part of the Common Areas and Common Facilities so as to ensure that the same are maintained in a good, clean and safe condition at all times and for this purpose to employ reputable and competent contractors and workmen;
  - (2) to ensure that all the Owners or occupiers maintain the Units owned or occupied by them in a satisfactory manner and if there be any default on the part of any such Owners or occupiers, to put in hand any necessary maintenance and to take all possible steps to recover the cost therefor from the defaulting Owner or occupier;
  - (3) to paint white-wash tile or otherwise treat as may be appropriate the Common Areas and Common Facilities at such intervals as the same may in opinion of the Manager be reasonably required to be done and/or may be required by the Government;

- (4) to replace any glass or doors in the Common Areas and Common Facilities that may be broken;
- (5) to keep all the Common Areas and Common Facilities properly lighted and ventilated;
- (6) to keep in good order and repair the ventilation of the enclosed Common Areas and Common Facilities;
- (7) to keep the Common Areas and Common Facilities and all parts thereof in a clean sanitary and tidy condition;
- (8) to prevent any decaying, noisome, noxious, excrementious or other refuse matter from being deposited on the Land and the Estate or any part thereof and to remove all refuse from the Common Areas and Common Facilities and to arrange for its disposal at such regular intervals and to maintain either on or off the Estate refuse collection facilities to the satisfaction of the Government and to charge the person in breach of this provision the cost of removing the refuse;
- (9) to prevent the obstruction of any of the Common Areas and Common Facilities and to remove any article or thing causing obstruction and to demand and recover from the person by whom such article or thing was placed the cost of such removal and the making good of any damages thereby caused PROVIDED THAT the Manager shall incur no liability (except the liability for any act or omission involving criminal liability, dishonesty or negligence on the part of the Manager or his employees, agents or contractors) in the course of removing such article or thing causing obstruction;
- (10) to keep all the common sewers, drains, watercourses and pipes free and clear from obstructions;
- (11) to keep and maintain all the Common Areas and Common Facilities in good and working order;
- (12) to keep all lighting equipment, water systems, public address systems (if any), fire fighting equipment, lifts and lift shafts in good and working order and, in accordance with any laws and regulations applicable thereto and whenever it shall be necessary or convenient so to do at the Manager's discretion to enter into contracts with third parties for the maintenance thereof;
- (13) to prevent so far as is possible any refuse or other matter being deposited, washed, eroded or falling from the Land and the Estate onto any part of any public roads or any road-culverts, sewers, drains, nullahs or other Government property and to remove any such matter therefrom and to ensure that no damage is done to any part of any Government or other drains, waterways, watercourses, footpaths, sewers, nullahs, pipes, cables, wire utility services or other works being in under over or adjacent to the Land or any part thereof by reason of any maintenance or other works carried out by the Manager as herein provided and to make good any such damage to the satisfaction of the Director of Lands (if necessary);

- Subject to Clause 1 of Section V of this Deed, to remove any structure, installation, signboard, sunshade, air-conditioner, bracket, fitting or other things in or on any part of the Land and the Estate which have been erected in contravention of the BMO and/or the provisions of this Deed and/or without the written permission of the Manager required hereunder (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 things as aforesaid was erected or installed the costs and expenses of such removal and the making good of any damages thereby caused;
- (15) to provide such festive decorations for the Land and the Estate;
- (16) to maintain fire fighting equipment and fire alarms (if any) and to comply with all requirements of the Fire Services Department and generally so far as may be possible to maintain the Estate safe from fire at all times;
- (17) to provide watchmen and caretakers and to provide and maintain burglar alarms and other security equipment and generally so far as may be possible to maintain security in the Estate at all times;
- (18) to keep such of the lavatories (if any) drains and sewers within the Common Areas and Common Facilities in good clean and sanitary repair and condition and to renew or replace any parts that may become damaged or defective;
- (19) to do all things which the Manager shall in its absolute discretion deem necessary or desirable for the purpose of maintaining and improving all facilities and services in or on the Land and the Estate for the better enjoyment or use of the Estate by its Owners occupiers and their licensees PROVIDED THAT no improvements to facilities or services shall be carried out which involve expenditure in excess of 10% of the current annual management budget except with the prior approval by a resolution of Owners at an Owners' meeting convened under this Deed;
- (20) to appoint solicitors with authority to accept service on behalf of all the Owners of all legal proceedings relating to the Land and the Estate or any part thereof (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 7 days of being requested so to do by the Director of Lands or other competent officer, to appoint a solicitor who shall undertake to accept service on behalf of all such Owners or for the purpose of Order 10 Rule 1 of the Rules of the Supreme Court (or any provisions amending or the substitution for the same);
- (21) to prevent any person from unlawfully occupying or using otherwise than in accordance with the written permission of the Manager or the provisions of this Deed any of the Common Areas and Common Facilities;
- (22) to take all steps necessary or expedient for complying with the covenants terms and

conditions contained in the Government Grant and any statutory or governmental requirements concerning or relating to the Land and the Estate for which no Owner or occupier thereof is directly responsible;

- (23) to prevent and to take action to remedy any breach by any Owner or other person of any covenant term and condition of the Government Grant;
- (24) to prevent any person from structurally or detrimentally altering or injuring any part of the Land and the Estate or any of the equipment, apparatus, services or facilities thereof;
- (25) to demand collect and receive all amounts payable by Owners under the provisions of this Deed;
- (26) to pay and discharge out of all monies so collected all necessary and reasonable outgoings relating to the management of the Land and the Estate or incurred by the Manager hereunder;
- unless otherwise directed by the Owners' Corporation, to take out and update (27)insurance in respect of the Common Areas and Common Facilities to the full new reinstatement value in respect of loss or damage by fire and other risks or perils with some reputable insurance company or companies in the name of the Manager for and on behalf of the Owners according to their respective interests and to pay all premia required to keep such insurance policy in force and to effect insurance covering public liability, occupiers' liability and employer's liability in respect of employees' employed within or exclusively in connection with the management of the Estate and such other liabilities in such amounts with some reputable insurance company or companies as the Manager may think fit, 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 and to pay all premia required to keep such insurance policies in force. The items of the Common Areas and Common Facilities to be insured and the amount of insurance cover shall be at the sole discretion of the Manager in accordance with good management practice. The Manager may procure block insurance for the entire Estate including those areas which are not the Common Areas and Common Facilities;
- (28) 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 hereinafter provided;
- (29) to represent the Owners in all matters and dealings with the Government or any utility or other competent authority or any other person whomsoever in any way touching or concerning the due management and maintenance of the Land and the Estate and the apparatus and services therein;
- (30) subject to the prior approval of the Owners' Committee or the Owners' Corporation, if formed, to commence, conduct, carry on and defend legal and other proceedings touching or concerning the Land and the Estate or the management thereof in the

name of the Manager on behalf of the Owners;

- (31) to enforce the due observance and performance by the Owners or any person occupying any part of the Estate through under or with the consent of any such Owner of the terms and conditions of this Deed and the House Rules made hereunder and to take action including the commencement and conduct of legal proceedings to enforce the due observance and performance thereof and/or to recover damages for any breach non-observance or non-performance thereof and the registration and enforcement of charges as hereinafter mentioned;
- to make House Rules to protect the environment of the Estate 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 and to enforce the due observance and performance thereof before the formation of an Owners' Committee and with the approval of the Owners' Committee or the Owners' Corporation, if formed, to revoke or amend the House Rules or any of them for the better management and maintenance of the Land and the Estate PROVIDED THAT the House Rules and any amendments must not be inconsistent with or contravene this Deed, the BMO or the conditions of the Government Grant. A copy of the House Rules from time to time in force shall be posted on the public notice board in the Estate and a copy thereof shall be supplied to each Owner on request free of charge;
- (33) to post (if deemed necessary by the Manager) the Unit of any Owner in default or in breach of the terms and conditions of this Deed as aforesaid together with particulars of the default or breach on the notice boards and/or other prominent spaces within the Estate;
- (34) to enter into contracts and to engage, employ, remunerate and dismiss solicitors, auditors, architects, and other professional advisers and consultants, contractors, workmen, servants, agents, watchmen, caretakers and other staff and attendants whenever the Manager considers necessary and appropriate for the better enjoyment of the Land and the Estate;
- Subject to Sub-clause (b) and (c), to enter into contracts in the exercise of its (35)(a) powers and performance of its duties under this Deed Provided That subject to the Schedule 7 to the BMO, the Manager or the Owners' Committee shall not in any financial year, enter into any contract for the procurement of supplies, goods, or services that involves an amount in excess of or likely to be in excess of \$200,000 (or such other sum as the Secretary for Home Affairs may specify by notice in the Gazette) or an amount which is or is likely to be more than 20% of the annual budget or revised budget, as the case may be, for that financial year (or such other percentage as the Secretary for Home Affairs may specify by notice in the Gazette), whichever is the lesser, unless the contract is entered into by invitation to tender and it complies with such standards and guidelines as may be specified in a Code of Practice referred to in Section 20A(1) of the BMO and relating to procurement and tender procedures;

- (b) Whether a tender submitted for the purpose in Sub-clause (a) above is accepted or not is decided by a resolution of Owners passed at an Owners' meeting convened under and conducted in accordance with this Deed or at a general meeting of the Owners' Corporation, if formed, and the contract is entered into with the successful tenderer;
- (c) Sub-clause (a) and (b) above do not apply to any supplies, goods or services which but for this Sub-clause (c) would be required to be procured by invitation to tender (referred to in this Sub-clause (c) as "relevant supplies, goods or services"):-
  - (i) where there is an Owners' Corporation, if
    - (1) the relevant supplies, goods or services are of the same type as any supplies, goods or services which are for the time being supplied to the Owners' Corporation by a supplier; and
    - (2) the Owners' Corporation decides by a resolution of the Owners passed at a general meeting of the Owners' Corporation that the relevant supplies, goods or services shall be procured from that supplier on such terms and conditions as specified in the resolution, instead of by invitation to tender; or
  - (ii) where there is no Owners' Corporation, if
    - (1) the relevant supplies, goods or services are of the same type as any supplies, goods or services which are for the time being supplied to the Owners by a supplier; and
    - (2) the Owners decides by a resolution of the Owners passed at an Owners' meeting convened under 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;
- (36) to recruit and employ such staff as may from time to time be required to discharge its duties hereunder on such terms as the Manager shall in its absolute discretion decide and to provide accommodation, uniforms, working clothes, tools, appliances, cleaning and other materials and all equipment necessary therefor;
- subject to Clause 1(45) of this Subsection B, to install, maintain and operate wireless or television aerials to serve the Estate;
- (38) to maintain all external walls, party walls, curtain walls, retaining walls forming part

- of the Common Areas (if any), or other support in good and substantial repair and condition if the circumstances so require;
- (39) to carry out all obligations and maintenance work imposed on the Owners under the Government Grant PROVIDED THAT the Manager shall not be made personally liable for carrying out any such requirements under 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 the Owners pursuant to the terms of this Deed;
- (40) to keep at its management office plans showing the Common Areas and Common Facilities of the Estate certified as to their accuracy by or on behalf of the Authorized Person for inspection by the Owners during normal office hours free of costs and charges;
- (41) to maintain and manage for the benefit of the Owners the Residential Recreational Facilities and to regulate and control the use thereof and to make and amend rules and regulations governing the use and enjoyment thereof with the approval of the Owners' Committee or the Owners' Corporation, if formed;
- (42) to convene such meetings of the Owners' Committee or meetings of the Owners as may be necessary or requisite and, subject to no objection, to act as secretary to keep the minutes of such meetings;
- (43) to give or withhold its written consent or approval to anything which requires its written consent or approval pursuant to this Deed and the House Rules made hereunder PROVIDED THAT it must not be unreasonably withheld and to impose conditions or additional conditions relative thereto and the giving or withholding by the Manager of such consent or approval shall be final and conclusive and binding on the Owners PROVIDED THAT the Manager shall not charge any fee other than a reasonable administrative fee for issuing the consent and the fee must be credited to the Special Fund;
- to 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 Estate but the Manager shall not transfer or assign its duties or obligations under this Deed to any of those persons and such persons must remain answerable to the Manager. The Manager shall at all times remain responsible for the management and control of the whole Estate and no provision in this Deed shall take away or reduce this responsibility;
- (45) to enter into contracts for the installation, provision or use of aerial broadcast distribution or telecommunications network facilities and contracts for the provision of broadcast distribution network or telecommunications network services subject to the following conditions
  - (i) the term of the contract shall not exceed three (3) years;

- (ii) the right to be granted under the contract shall be non-exclusive and 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;
- (46) for the purpose of securing compliance with Clause 47 of Section VI of this Deed by the Owners, to engage suitable qualified personnel to inspect keep and maintain in good substantial repair and condition and carry out any necessary works in respect of the slope structures in compliance with the Government Grant or otherwise and in particular in accordance with the Slope Maintenance Manual(s) and all guidelines issued from time to time by the appropriate Government departments regarding the maintenance of the slope structures Provided that the Owners' Corporation, if formed, shall have the full authority to do the acts as given to the Manager under this sub-clause;
- to manage, control and maintain the parking of motor vehicles and motor cycles (47) within the Common Areas and Common Facilities of the Estate and the flow of vehicular traffic over all driveways, roads and other areas therein and in particular to ensure that the Parking Spaces are used solely for the purposes permitted under the Government Grant and this Deed and that the driveways, roads and other areas within the Common Areas and Common Facilities of the Estate remain unobstructed and to tow away and impound vehicles for breach of the House Rules or the provisions herein and to charge the owner of the motor vehicles and motor cycles which has been towed away and impounded such fees and expenses including interest and collection charges as the Manager shall in its absolute discretion think fit and to prescribe charges for the use of the Visitors' Car Parking Spaces and the Disabled Car Parking Spaces PROVIDED that any charges for the use of the Visitors' Car Parking Spaces and the Disabled Car Parking Spaces shall be credited to the management account for the benefit of all the Owners of the Flats and shall form part of the Management Funds;
- (48) to prevent any person from overloading the floors or lifts of the Estate or any part or parts thereof;
- (49) to prevent any person from overloading any of the electrical installations and circuits or any of the mains or wiring in the Estate;
- (50) subject to the prior written approval of the Owners' Committee or the Owners' Corporation, if formed to grant rights of way or access or use at any level to the owners or occupiers of any other premises adjoining the Land or to such person and persons and upon such terms and conditions as the Manager may think fit in respect of the Common Areas and Common Facilities or any part thereof and on behalf of the Owners to obtain a grant of similar rights in respect of such adjoining premises

PROVIDED that such grant of rights of way or access or use shall not contravene the terms and conditions contained in the Government Grant nor interfere with an Owner's exclusive right to hold, use, occupy and enjoy his Unit which he is entitled nor affect an Owner's rights and interests nor impede access to his Unit and PROVIDED FURTHER that any charges or fees arising from the granting of such rights of way, access or use shall form part of the Special Fund of the Estate and any expenses or costs incurred from the obtaining of similar rights in respect of such adjoining premises shall be paid out of the Special Fund and PROVIDED ALWAYS THAT the grantees of such rights shall cause the least disturbance and shall at their own expense make good any damage caused thereby or arising out of the exercise of such right;

- to deal with all enquiries, complaints, reports and correspondence relating to the Land and the Estate as a whole;
- (52) subject to the prior written approval of the Owners' Committee or the Owners' Corporation, if formed to grant franchises, leases, tenancy agreements and licences to other persons to use such of the Common Areas and Common Facilities and on such terms and conditions and for such consideration as the Manager shall reasonably consider necessary to ensure efficient management of the Land and the Estate PROVIDED THAT the exercise of the power under this sub-clause (52) shall not contravene any of the provisions of the Government Grant and this Deed PROVIDED THAT all income and expenses arising therefrom shall form part of the Special Fund and be dealt with in accordance with the provisions of this Deed and PROVIDED FURTHER THAT the grant of such franchises, leases, tenancy agreements and licences shall not interfere with an Owner's exclusive right to hold, use, occupy and enjoy the part of the Estate which he is entitled or unreasonably impede or restrict the access to and from any such part of the Estate;
- in the event that the Government agrees to take over or resume any part or parts of the Common Areas and Common Facilities vested in the Manager to surrender the same or any part thereof to the Government and the Manager is HEREBY APPOINTED the lawful attorney to execute and sign all relevant documents on behalf of all the Owners for such purpose including matters relating to payment of compensation and in the event of any land being resumed by the Government, to execute any necessary document in relation to such reversion Provided Always that in the event that any land being surrendered covers any private streets, roads or lanes, to make payment (if any) to the Government as required for the surfacing, kerbing, draining (both foul and storm water sewers) and channelling thereof carried out by the Government in respect of such streets, roads and lanes surrendered and PROVIDED FURTHER THAT all income and expenses arising therefrom shall form part of the Special Fund;
- subject to the prior written approval of the Owners' Committee or the Owners' Corporation if formed to grant such easements, quasi-easements, rights, privileges and licences to and to enter into such arrangements and agreements with the Government or the general public or any person or persons and upon such terms and conditions in respect of any part or parts of the Common Areas and Common Facilities as the

Manager shall reasonably consider necessary to ensure efficient management of the Land and the Estate PROVIDED THAT the exercise of the power under this sub-clause (54) shall not contravene any of the provisions of the Government Grant and this Deed PROVIDED THAT any such easements, quasi-easements, rights, privileges and licences shall not interfere with any Owner's exclusive right to hold, use, occupy and enjoy the part of the Estate which he is entitled or unreasonably impede or restrict the access to and from any such part of the Estate and PROVIDED FURTHER THAT all income and expenses arising therefrom shall form part of the Special Fund;

- (55) to do all such other things as in the opinion of the Manager are reasonably incidental to or necessary for the management and maintenance of the Land and the Estate.
- 2. All acts and decisions of the Manager in accordance with the provisions of this Deed and the House Rules in respect of any of the matters aforesaid shall be binding in all respects on all the Owners for the time being.
- 3. The Manager shall be responsible and accountable to the Owners for the time being of Undivided Shares acting collectively through the Owners' Committee or the Owners' Corporation (if formed) but not the Owners individually.
- The Manager its employees, agents or contractors shall not be liable to the Owners or any of 4. them or to any person or persons whomsoever whether claiming through, under or in trust for any Owner or otherwise for or in respect of any act deed matter or thing done or omitted in pursuance or purported pursuance of the provisions of this Deed not being an act or omission involving criminal liability or dishonesty or negligence on the part of the Manager, its employees, agents or contractors, and the Owners shall fully and effectually indemnify the Manager its employees, agents or contractors from and against all actions proceedings claims and demands whatsoever arising directly or indirectly out of or in connection with any such act deed matter or thing done or omitted as aforesaid and all costs and expenses in connection therewith. PROVIDED THAT no Owner shall be required to indemnify the Manager, its employees, agents or contractors from and against any action, proceedings, claims and demands whatsoever arising out of any act or omission involving criminal liability or dishonesty or negligence on the part of the Manager, its employees, agents or contractors. Without in any way limiting the generality of the foregoing, the Manager its employees, agents or contractors shall not be held liable for any damage loss or injury caused by or in any way arising out of :-
  - (a) any defect in or failure or breakdown of any of the Common Areas and Common Facilities; or
  - (b) any failure malfunction or suspension of supply of water electricity or other utility or service to the Estate; or
  - (c) fire or flooding or the overflow or leakage of water from anywhere whether within or outside the Estate; or
  - (d) theft burglary or robbery within the Land and the Estate.

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

- 5. The Manager shall be liable to the Owners or any of them for or in respect of any act deed matter or thing done or omitted in pursuance or purported pursuance of the provisions of this Deed being an act or omission involving criminal liability or dishonesty or negligence or wilfulness on the part of the Manager, its employees, agents, or contractors and the Manager shall fully and effectually indemnify the Owners or any of them from and against all actions proceedings claims and demands whatsoever arising directly or indirectly out of or in connection with any such act deed matter or thing done or omitted as aforesaid and all costs and expenses in connection therewith.
- 6. The Manager shall not be personally liable for carrying out any requirement of slope maintenance and related works under the Government Grant as set out in Clause 1(46) of this Subsection B, 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.

#### C. Manager's Remuneration, Management Expenses and Accounts

The annual remuneration of the Manager for the performance of its duties hereunder shall not 1. exceed 15% of the total annual expenditure necessarily and reasonably incurred in the management of the Estate. It is hereby declared that for the purposes only of calculating the Manager's Remuneration, the total annual expenditure necessarily and reasonably incurred in the management of the Land and the Estate shall exclude the Manager's Remuneration itself and 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 rate applicable above or at any lower rate as considered appropriate by the Owners. For the purpose of this Clause, "capital expenditure" shall mean expenditure of a kind not incurred annually. The Manager shall also be entitled to charge and be paid all disbursements and out of pocket expenses properly and reasonably incurred in the course of carrying out its duties hereunder. Payment of the Manager's Remuneration hereunder shall be in advance by twelve equal calendar monthly instalments each such payment to be in the sum of one twelfth of the estimated annual remuneration of the Manager at the rate as aforesaid of the estimated total annual expenditure for the management of the Land and the Estate payable by the Owners according to the annual budget or revised budget for the year in question to be prepared as provided in Clauses 3 of Subsection C of this Section VII. Any adjustment payment or deduction that needs to be made to bring the amount paid to the Manager by way of remuneration for the year in question to the correct amount for such year will be made within 21 days from the completion of the auditing of the management accounts for such year PROVIDED THAT no variation of the percentage above may be made except with the approval by a resolution of Owners at an Owners' meeting convened under this Deed.

- 2. The Manager's Remuneration as aforesaid shall be the net remuneration of the Manager for its service as Manager and shall not be subject to any requirement imposed on the Manager to disburse or provide from such money any staff facilities accountancy services or other professional supervision the costs for which shall be a direct charge upon the Management Funds.
- 3. (a) For the purpose of fixing the contributions payable by the Owners an annual budget showing the estimated Management Charges of the Land and the Estate for any period of twelve (12) months adopted by the Manager as a financial year shall, subject to sub-clauses (c), (d)(ii), (e) and (h) of this Clause, be prepared by the Manager and specified in accordance with sub-clause (b) of this Clause. The first annual budget shall be prepared by the Manager prior to the date of this Deed and shall cover the period from the date of this Deed until the 31st day of December in the following year. After formation of the Owners' Committee in accordance with the provisions of this Deed, such annual budget shall be prepared at least two (2) months prior to the commencement of the ensuing year for review by the Owners' Committee or the Owners' Corporation, if formed.
  - (b) In respect of each financial year, the Manager shall:-
    - (i) prepare a draft budget setting out the proposed Management Charges 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 Estate, 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 the draft budget was sent or first displayed;
    - (iv) after the end of that period, prepare a budget specifying the total proposed Management Charges during the financial year;
    - (v) send a copy of the budget to the Owners' Committee or the Owners' Corporation, if formed, or where there is no Owners' Committee, display a copy of the budget in a prominent place in the Estate, and cause it to remain so displayed for at least 7 consecutive days.
  - (c) Where, in respect of a financial year, the Manager has not complied with sub-clause (b) above before the start of that financial year, the total amount of the Management Charges for that year shall:-
    - (i) until it has so complied, be deemed to be the same as the total amount of

Management Charges for the previous financial year;

- (ii) when it has so complied, be the total proposed Management Charges specified in the budget for that financial year, and the amount that the Owners shall contribute towards the Management Charges shall be calculated and adjusted accordingly.
- (d) (i) In the event of a budget having been sent or displayed in accordance with Clause 3(b)(v) of this Subsection C and the Manager wishes to revise it, it shall follow the same procedures in respect of the revised budget as apply to the draft budget and budget set out in Clause 3(b) of this Subsection C and the provisions of Clauses 3-6 of this Subsection C shall apply mutatis mutandis to the revised budget as to the budget.
  - (ii) Where a revised budget is sent or displayed in accordance with sub-clause (d)(i) above, the total amount of the Management Charges for that financial year shall be the total Management Charges or proposed Management Charges specified in the revised budget and the amount that Owners shall contribute towards the Management Charges shall be calculated and adjusted accordingly.
  - (iii) The Manager may recoup such deficiency at the end of the financial year or on a monthly basis as the Manager shall see fit to do. Any surplus shall be taken into account when calculating the relevant budget for the next ensuing year pursuant to Clause 3 of Subsection C and shall in any event be applied towards settlement of the Management Charges of the Land and the Estate.
- (e) If there is an Owners' Corporation and, within a period of one (1) month from the date that a budget or revised budget for a financial year is sent or first displayed in accordance with sub-clauses 3(b) or 3(d) above, the Owners' Corporation decides, by a resolution of the Owners, to reject the budget or revised budget, as the case may be, the total amount of Management Charges for the financial year shall, until another budget or revised budget is sent or displayed in accordance with sub-clauses 3(b) or 3(d) above and is not so rejected under this sub-clause (e), be deemed to be the same as the total amount of Management Charges (if any) for the previous financial year, together with an amount not exceeding 10% of that total amount as the Manager may determine.
- (f) 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.
- (g) The draft budget showing the Management Charges for the Common Areas and the Common Facilities shall be divided into four parts:
  - (i) Estimated Management Charges in respect of the Estate Common Areas and Estate Common Facilities;

- (ii) Estimated Management Charges in respect of the Residential Common Areas and Residential Common Facilities;
- (iii) Estimated Management Charges in respect of the Commercial Common Areas and Commercial Common Facilities; and
- (iv) Estimated Management Charges in respect of the Carpark Common Areas and Carpark Common Facilities.
- (h) For the purposes of this Clause, expenditure includes all costs, charges and expenses to be borne by the Owners including the Manager's Remuneration.
- 4. The annual budget shall cover the Manager's Remuneration and the Management Expenses.

  The Management Expenses shall include (but shall not be limited to) the following:-
  - (1) the maintenance, operation, repair and cleansing of all Common Areas and Common Facilities and the lighting thereof, and the purchase or hire of all such plant, equipment and machinery as the Manager shall determine necessary in relation thereto;
  - (2) the cultivation and irrigation of plants (if any) in the Common Areas and Common Facilities:
  - (3) the costs and expenses for carrying out such work as may be ordered or required in respect of the Common Areas and Common Facilities by any public officer or public body in the exercise of the powers conferred by any ordinances;
  - (4) the costs and expenses for carrying out all things reasonably necessary for the enforcement of the obligations contained in this Deed for the control management and administration of the Land and the Estate;
  - (5) the Rent payable in respect of the Land until the same shall have been determined in accordance with the Government Rent and Premium (Apportionment) Ordinance (Cap.125) and the Government rent in respect of the Common Areas and Common Facilities (if any);
  - (6) the costs and expenses for carrying out all or any of the duties or exercising all or any of the powers of the Manager set out herein;
  - (7) the cost of refuse disposal and cleaning the Common Areas and Common Facilities;
  - (8) the costs of the erection, installation, maintenance repair and renewal of all plant, equipment, machinery or services affixed to or situate at the Common Areas and Common Facilities and the costs of reinstatement replacement or renewal hereof EXCEPT as regards damage caused by or resulting from any act or default or negligence of any individual Owner for which he is responsible;

- (9) the cost of employing all necessary persons whether as employees or agents to provide the services requisite for the proper management and maintenance of the Land and the Estate and the administration thereof together with the costs of providing all equipment accommodation insurance cover clothing and materials reasonably necessary for such purposes;
- (10) 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 Land and the Estate;
  - (ii) solicitors and other legal fees and costs incurred in connection with the management of the Land and the Estate;
  - (iii) fees and costs of any accountants and/or auditors employed in connection with the preparation or audit of the accounts as hereinafter referred to;
- all water, gas, electricity, telephone and other service charges except where the same is separately metered to an individual Unit;
- (12) the cost of effecting insurance in respect of or in connection with the management of the Land and the Estate;
- (13) the costs of postage, stationery and other sundry items incurred by the Manager in connection with the management of the Land and the Estate;
- (14) the costs of carrying out the obligations and maintenance works imposed upon the Owners under the Government Grant described in Clause 1(39) of Subsection B of this Section;
- (15) the cost for providing satellite television services and the maintenance of the satellite television system; and
- (16) any other items of expenditure which are necessary for the management of the Land and the Estate.

In addition to the foregoing, there shall also be an item included under this annual budget being the Manager's Remuneration calculated in accordance with Clause 1 of Subsection C of this Section and PROVIDED THAT expenditure of a capital nature for the replacement of installations, systems, equipment and apparatus within or forming part of the Common Areas and Common Facilities shall be compiled in a separate heading within the annual budget and shall be payable out of the Special Fund mentioned in Clause 9 of Subsection C of this Section when the same is established.

5. The annual budget shall be reviewed by the Owners' Committee or the Owners' Corporation, if formed, and/or the Owners in accordance with Clause 3 of this Subsection and in the light of

such review the Manager may alter such budget based on the suggestions made by the Owners' Committee or the Owners' Corporation, if formed, and/or the Owners but shall not be obliged to do so and, subject to Clause 3(e) of this Subsection, the budget if not altered as aforesaid shall be deemed adopted.

- 6. (a) The Owners shall contribute towards the Management Charges monthly in advance in such manner in such amount and in such proportion as shall be fixed by the Manager in manner hereinafter mentioned on the first day of each calendar month.
  - (b) Subject to sub-clauses (c) and (d) hereof, each Owner shall contribute to the Management Charges of the annual budget in such manner:
    - (i) Each Owner of a Unit shall contribute to the Management Charges in respect of the Estate Common Areas and Estate Common Facilities at the rate at which the number of Management Units of the Unit held by the Owner bears to the total number of Management Units of the Estate;
    - (ii) Each Owner of a Flat shall further contribute to the Management Charges in respect of the Residential Common Areas and Residential Common Facilities at the rate at which the number of Management Units of the Flat held by the Owner bears to the total number of Management Units of the Residential Tower;
    - (iii) Each Owner of a Commercial Unit shall further contribute to the Management Charges in respect of the Commercial Common Areas and Commercial Common Facilities at the rate at which the number of Management Units of the Commercial Unit held by the Owner bears to the total number of Management Units of the Commercial Accommodation; and
    - (iv) Each Owner of a Parking Space shall further contribute to the Management Charges in respect of the Carpark Common Areas and Carpark Common Facilities at the rate at which the number of Management Units of the Parking Space held by the Owner bears to the total number of Management Units of the Car Park.
  - (c) Subject to the approval of the Owners' Committee or the Owners' Corporation, if formed, the Manager shall have the discretion to attribute any cost and expenses to a particular part of the Estate or partly to one and partly to the other or others such costs and expenses shall be borne by the Owners of such part of the Estate in the proportion that the Management Units attributed to the respective Units owned by them bears to the total Management Units allocated to such part of the Estate as set out in Part II of the Second Schedule.
  - (d) No Owner may be called upon to pay more than his appropriate share of Management Charges, having regard to the number of Management Units allocated to his Unit. For the avoidance of doubt, the Owner of a Flat or a Parking Space shall not be liable to contribute to any costs and/or expenses arising from or in connection with the

management and maintenance of the Commercial Accommodation and/or any other areas or facilities serving the Commercial Accommodation exclusively, and vice versa. All Owners shall be liable to contribute to the management and maintenance costs for the Estate Common Areas and Estate Common Facilities.

- 7. Notwithstanding anything herein contained and for the avoidance of any doubt, the Management Expenses payable by the Owners in accordance with this Deed shall not include:-
  - (a) All existing and future taxes, rates, assessments, property tax, water rates (if separately metered), Government rent (if the same shall have been determined in accordance with the Government Rent and Premium (Apportionment) Ordinance (Cap.125)) and outgoings of every description for the time being payable in respect of any part of the Estate which shall be borne by the Owner for the time being thereof;
  - (b) The expenses for keeping in good and tenantable repair and condition the interior fixtures and fittings windows and doors of any part of the Estate owned by the Owners together with the plumbing, electrical installations, plant, equipment, apparatus or services thereof not forming part of the Common Areas and Common Facilities.
- 8. (a) Notwithstanding anything herein contained the Undivided Shares allocated to the Common Areas and Common Facilities will not carry any liability to pay Management Charges under this Deed, the BMO or otherwise nor will those Undivided Shares be taken into account for the purpose of calculating the quorum of any meeting.
  - (b) An Owner (including the Company) of a Unit shall be personally liable to contribute towards the Management Charges whether or not his Unit is vacant or occupied and whether or not his Unit has been let or leased or is occupied by the Owner himself or any other person and the Company shall make payments and contributions for those expenses which are of recurrent nature for those Units and Undivided Shares unsold PROVIDED HOWEVER THAT the Company shall not be obliged to make such payments or contributions in respect of Units and Undivided Shares allocated to a separate building or phase the construction of which has not been completed except to the extent that building or phase benefits from provisions in this Deed as to management and maintenance of the Estate.
  - (c) All outgoings including Management Charges and any Government rent chargeable on a Unit up to and inclusive of the date of the assignment of such Unit made between the Company as vendor and an Owner as purchaser shall be paid by the Company. An Owner shall not be required to make any payment or reimburse the Company for these outgoings.
- 9. (a) There shall be established and maintained by the Manager a Special Fund for the purpose of paragraph 4 of the Schedule 7 to the BMO to provide for expenditure of a kind not expected by the Manager to be incurred annually. The Special Fund will be held by the Manager as trustee for all Owners, to provide for expenditure of a capital nature or of a kind not expected to be incurred annually, which includes, but is not limited to, expenses for the renovation, improvement and repair of the Common Areas

and Common Facilities, the purchase, setting up, replacement, improvement and addition of installations, systems, equipment, tools, plant and machineries for the Common Areas and Common Facilities and the costs of the relevant investigation works and professional services. Except where the Company has made payments in accordance with this Deed, as an initial contribution to the Special Fund, the first Owner of each Unit shall pay to the Manager an amount equivalent to 2/12 of the contribution made by such Owner to the first year's budgeted Management Charges upon taking up the assignment of his Unit from the Company and each Owner shall covenant with other Owners to make further periodic contributions to the Special Fund. The amount to be contributed in each financial year and the time when those contributions will be payable shall be determined by a resolution of Owners at an Owners' meeting convened under this Deed. If there is an Owners' Corporation, the Owners' Corporation shall determine, by a resolution of the Owners, the amount to be contributed to the Special Fund by the Owners in any financial year, and the time when those contributions shall be payable. The payments made by the Owners towards the Special Fund are neither refundable to any Owner by the Manager nor transferable to any new Owner.

- (b) The Manager shall open and maintain at a bank within the meaning of section 2 of the Banking Ordinance (Cap.155) an interest-bearing account, the title of which shall refer to the Special Fund for the Estate and shall use that account exclusively for the purpose referred to in sub-clause (a) above.
- (c) Without prejudice to the generality of sub-clause (b) above, if there is an Owners' Corporation, the Manager shall open and maintain one or more segregated interest-bearing accounts, each of which shall be designated as a trust account or client account, for holding money received by it from or on behalf of the Owners' Corporation in respect of the Special Fund.
- (d) The Manager shall display a document showing evidence of any account opened and maintained under sub-clauses (b) and (c) above in a prominent place in the Estate.
- (e) The Manager shall without delay pay all money received by it in respect of the Special Fund into the account maintained under sub-clause (b) above or, if there is an Owners' Corporation, the account or accounts opened and maintained under sub-clause (c) above.
- (f) Except in a situation considered by the Manager to be an emergency, money shall not be paid out of the Special Fund unless it is for a purpose approved by a resolution of the Owners' Committee or the Owners' Corporation, if formed.
- (g) The Manager must not use the Special Fund for the payment of any outstanding Management Charges arising from or in connection with the day-to-day management of the Estate.
- (h) The Special Fund shall be notionally divided into the following parts:-

- (i) "Special Fund (Residential)"; and
- (ii) "Special Fund (Commercial)"; and
- (iii) "Special Fund (Car Park)"; and
- (i) Contribution to the Special Fund made under this Clause 9 by:-
  - (i) the Owners of Flats in Residential Tower shall be notionally credited to "Special Fund (Residential)";
  - (ii) the Owners of Commercial Units in Commercial Accommodation shall be notionally credited to "Special Fund (Commercial)"; and
  - (iii) the Owners of Parking Spaces shall be notionally credited to "Special Fund (Car Park)".
- (j) Funds notionally credited to each part of the Special Fund shall be applied as follows:-
  - (i) Expenditure of a capital or non-recurring nature relating to the Estate Common Areas and Estate Common Facilities shall be paid out of each part of the Special Funds at the following rate:
    - (I) the due proportion to be paid out of the "Special Fund (Residential)" shall be equal to the total Management Units allocated to all Flats in Residential Towers divided by the total Management Units allocated to the Estate;
    - (II) the due proportion to be paid out of the "Special Fund (Commercial)" shall be equal to the total Management Units allocated to all Commercial Units in the Commercial Accommodation divided by the total Management Units allocated to the Estate; and
    - (III) the due proportion to be paid out of the "Special Fund (Car Park)" shall be equal to the total Management Units allocated to all Parking Spaces in Residential Towers divided by the total Management Units allocated to the Estate; and
  - (ii) Expenditure of a capital or non-recurring nature relating to the Residential Common Areas and Residential Common Facilities shall be paid out of the Special Fund (Residential);
  - (iii) Expenditure of a capital or non-recurring nature relating to the Commercial Common Areas and Commercial Common Facilities shall be paid out of the Special Fund (Commercial); and

- (ii) Expenditure of a capital or non-recurring nature relating to the Carpark Common Areas and Carpark Common Facilities shall be paid out of the Special Fund (Car Park).
- Except where the Company has made payments in accordance with Clause 12 of Subsection C 10. of this Section, the first Owner of each Unit shall upon taking up the assignment of his Unit in the Estate from the Company deposit with the Manager as security for the due payment of all amount which may be or become payable by him under this Deed a non-refundable but transferable deposit of a sum equivalent to three (3) months' management contribution payable in respect of the Unit in the Estate of which he is the Owner PROVIDED THAT such initial deposit so paid shall not exceed 3/12 of his contribution to the first year's budgeted Management Charges prepared in accordance with Clause 3 of this Subsection. Each Owner shall at all times maintain the deposit held in respect of his Unit at existing level being an amount equivalent to 3/12 of his contribution to the current year's budgeted Management Charges and shall pay the Manager forthwith on demand any sum required by the Manager to bring the deposit up to that level or to make it up to not more than 25% of any subsequent current year's budgeted Management Charges per Unit. An Owner shall have no right in any circumstances whatsoever to require that the aforesaid deposit be set off against sums payable by such Owner 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 in 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 3/12 of his contribution to the current year's budgeted Management Charges payable in respect of such relevant Unit.
- 11. The first Owner of each Unit upon taking up the assignment of his Unit in the Estate from the Company:
  - shall pay to the Manager in respect of each Unit in the Estate purchased by him an advance payment of management fees of a sum equivalent to two (2) months' management contribution payable in respect of his Unit PROVIDED THAT such sum shall not exceed 2/12 of his contribution to the first year's budgeted Management Charges;
  - (b) shall pay to the Manager in respect of each Unit in the Estate purchased by him a non-refundable and non-transferable debris removal charge of:
    - (i) for the Owner of a Flat, a sum equivalent to one (1) month's management contribution payable in respect of his Flat PROVIDED THAT such sum shall not exceed 1/12 of his contribution to the first year's budgeted Management Charges; or
    - (ii) for the Owner of a Commercial Unit, a sum equivalent to three (3) months'

management contribution payable in respect of his Commercial Unit PROVIDED THAT such sum shall not exceed 3/12 of his contribution to the first year's budgeted Management Charges.

Any monies paid as debris removal charge not used to pay for debris collection or removal shall be credited to the Special Fund.

12. The Company shall make the initial contribution to the Special Fund and shall pay the deposit as security for the Management Charges and debris removal charge in accordance with Clauses 10 and 11 of this Subsection C if the Company remains the Owner of those Undivided Shares allocated to Units in that part of the Estate the construction of which has been completed and which remain unsold three (3) months after execution of this Deed.

## D. Recovery of moneys due by Manager

- 1. If any Owner shall fail to pay the Manager any amount payable hereunder within thirty (30) days of demand, he shall further pay to the Manager:-
  - (a) Interest thereon at a rate not exceeding 2% per annum above the prime rate from time to time specified by the Hongkong and Shanghai Banking Corporation Limited on the outstanding amount due from the Owner for the period during which it remains unpaid; and
  - (b) A collection charge of not exceeding 10% of the amount due to cover the cost (in addition to legal costs of proceedings as hereinafter mentioned) of the extra work occasioned by the default.
- 2. (a) 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 damage claimed for breach of any of the provisions of this Deed and all other expenses incurred in or in connection with recovering or attempting to recover the same shall be recoverable by civil action at the suit of the Manager (and the claim in any such action may include a claim for the legal costs of the Manager in such action (on a solicitor and own client basis) and the defaulting Owner shall in addition to the amount claimed in such action be liable for such costs).
  - (b) In any such action the Manager shall conclusively be deemed to be acting as the agent for and on behalf of the Owners (other than the defaulting Owner) as a whole and no Owner sued under the provisions of this Deed shall raise or be entitled to raise any defence of want of authority or take objection to the right of the Manager as plaintiff to sue or to recover such amounts as may be found to be due.
- In the event of any Owner failing to pay any sum due and payable by him in accordance with the provisions of this Deed or failing to pay any damages awarded by any court for breach of any of the terms or conditions of this Deed within thirty (30) days from the date on which the same become payable, the amount thereof together with interest and the collection charge at the rate and for the amount as specified in Clause 1 of this Subsection D hereof together with all

costs and expenses which may be incurred in recovering or attempting to recover the same including the legal expenses referred to in Clause 2 of this Subsection D hereof and in registering the charge hereinafter referred to shall stand charged on the Undivided Share or Shares of the defaulting Owner and the Manager shall be entitled without prejudice to any other remedy hereunder to register a Memorial of such charge in the Land Registry against the Undivided Share or Shares 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 has been satisfied. All interest and collection charges received shall be credited to the Special Fund.

- 4. Any charge registered in accordance with the last preceding clause shall be enforceable as an equitable charge by action at the suit of the Manager for an order for sale of the Undivided Share or Shares of the defaulting Owner together with the right to the exclusive use, occupation and enjoyment of the part of the Estate held therewith and the provisions of Clause 2(b) of this Subsection D shall apply equally to any such action PROVIDED THAT the Manager, in addition to the other provisions contained in this Subsection, may at his discretion discontinue providing management services to such defaulting Owners who fail to pay fees or to comply with any other provisions under this Deed. Notwithstanding anything contained in this Deed, no provision in this Deed shall provide for interrupting the supply of electricity, water, gas, telecommunications or other utilities to any Unit or preventing 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.
- 5. The Manager shall without prejudice to anything herein mentioned further have power to commence proceedings for the purpose of enforcing the observance and performance, by any Owner and any person occupying any part of the Estate through, under or with the consent of any such Owner, of the covenants, conditions and provisions of this Deed and of the House Rules made hereunder and of recovering damages for the breach, non-observance or non-performance thereof. The provisions of Clause 2(b) of this Subsection D shall apply to all such proceedings.

### E. Application of monies received by Manager

- 1. Subject to Section IX hereof all insurance moneys, compensation received or damages recovered by the Manager in respect of any damage or loss suffered in respect of any part of the Land and the Estate shall be expended by the Manager in the repair, rebuilding or reinstatement of that part of the Land and the Estate.
- 2. Where any compensation, damages, costs and expenses are received or recovered (as the case may be) by the Manager in respect of any matter or thing for which claim has been made against an Owner as provided in Clauses 1-5 of Subsection D of this Section the same shall after deduction of any costs or expenses incurred by the Manager in recovering the same be credited to the management account for the benefit of all the Owners of the Units and shall form part of the Management Funds.
- 3. All money paid to the Manager by way of interest and collection charges and the interest earned on interest bearing bank accounts maintained by the Manager pursuant to this Deed or in the

form of fee which the Manager is entitled to charge for granting of any consent to an Owner where the same is required shall be credited to the account for the Special Fund maintained by the Manager PROVIDED THAT the Manager may only charge a reasonable administrative fee for processing and issuing such consent.

## F. Owner's Interest in Management Funds and Special Fund

Any person ceasing to be the Owner of any Undivided Share or Shares shall in respect of the Undivided Share or Shares of which he ceases to be the Owner thereupon cease to have any interest in the funds held by the Manager including the deposits paid under Clause 10 of Subsection C of this Section and his contribution(s) towards the Special Fund paid under Clause 9 of Subsection C of this Section to the intent that all such funds shall be held and applied for the management of the Land and the Estate irrespective of changes in ownership of the Undivided Shares PROVIDED THAT any such deposits paid under Clause 10 of Subsection C of this Section which are unutilised shall be transferred into the name of the new Owner of such Undivided Share or Shares AND PROVIDED FURTHER THAT upon the Land reverting to the Government and no further lease being obtainable, any balance of the said funds, or in the case of extinguishment of rights and as provided in Section IX hereof, an appropriate part of the said funds, shall be divided between the Owners contributing to the Management Charges 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 proportionately according to the number of Management Units allocated to the Units owned by them immediately prior to such reversion or (as the case may be) such extinguishment of rights and obligations as aforesaid.

## G. Management Records and accounts

- 1. The financial year for the purpose of management of the Land and the Estate shall commence on the date of this Deed and shall terminate on the 31<sup>st</sup> day of December of the following year and thereafter the financial year shall commence on the 1<sup>st</sup> day of January of the succeeding year and shall terminate on the 31<sup>st</sup> day of December of such year PROVIDED THAT the Manager shall have the right to change the financial year at any time but only once in every five (5) years, unless that change is previously approved by a resolution of the Owners' Committee or the Owners' Corporation, if formed.
- 2. The Manager shall keep accounts of all payments made to and all expenditure incurred by the Manager in the exercise of its powers hereunder. The Manager must keep separate management accounts for the income and expenditure of each of the following Common Areas and the Common Facilities:
  - (a) the Estate Common Areas and Estate Common Facilities;
  - (b) the Residential Common Areas and Residential Common Facilities;
  - (c) the Commercial Common Areas and Commercial Common Facilities; and
  - (d) the Carpark Common Areas and Carpark Common Facilities.

In addition, the Manager shall also prepare a summary of income and expenditure and a balance sheet on a quarterly basis or in respect of such shorter period as the Manager may select within one (1) month after each consecutive period of three (3) months or such shorter period as the Manager may select and copy of such summary and balance sheet shall be displayed in a prominent place in the Estate, and cause it to remain so displayed for at least 7 consecutive days.

- Within two (2) months after the close of each financial year the Manager shall prepare an annual 3. income and expenditure account and balance sheet in respect of the preceding financial year with specific reference to the Special Fund established under Clause 9 of Subsection C of Section VII of this Deed and with an explanatory note as to the time when drawings are likely to be made out of such fund and the amount of such drawings. The Manager shall display a copy of such income and expenditure account and balance sheet in a prominent place in the Estate, and cause it to remain so displayed for at least 7 consecutive days. The accounts will be audited and certified by a firm of auditors as providing an accurate summary of all items of income and expenditure during the preceding financial year. Prior to the formation of the Owners' Corporation, the Owners at an Owners' meeting convened under this Deed shall have power to require the annual accounts to be audited by an independent auditor of their choice. If there is an Owners' Corporation and the Owners' Corporation decides, by a resolution of the Owners, that any income and expenditure account and balance sheet should be audited by an accountant or by some other independent auditor as may be specified in that resolution, the Manager shall without delay arrange for such an audit to be carried out by that person. The Manager shall permit any Owners 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 at any reasonable time and upon payment of a reasonable copying charge, supply any Owner with a copy of the audited income and expenditure account and balance sheet, or the report made by the accountant or auditor in respect of the income and expenditure account and balance sheet, or both, as requested by the Owner.
- 4. The Manager shall permit any Owners to inspect the books or records of account and any income and expenditure account or balance sheet at any reasonable time. The Manager shall upon request of any Owner and upon payment of a reasonable copying charge, supply to such Owner with a copy of any record or document requested by him.
- 5. The Manager shall maintain proper books or records of account and other financial records and shall keep all bills, invoices, vouchers, receipts and other documents referred to in those books and records for at least six (6) years.
- 6. (a) The Manager shall open and maintain at a bank within the meaning of section 2 of the Banking Ordinance (Cap.155) an interest-bearing account and shall use that account exclusively in respect of the management of the Estate and the titles of which account shall refer to the management of the Estate and whilst unexpended shall be held in trust by the Manager for the Owners.
  - (b) Without prejudice to the generality of sub-clause 6(a) above, if there is an Owners' Corporation, the Manager shall open and maintain one or more segregated

interest-bearing accounts, each of which shall be designated as a trust account or client account, for holding money received by it from or on behalf of the Owners' Corporation in respect of the management of the Estate.

- (c) The Manager shall display a document showing evidence of any account opened and maintained under sub-clauses 6(a) or (b) in a prominent place in the Estate.
- (d) Subject to sub-clauses 6(e) and 6(f) below, the Manager shall without delay pay all money received by him in respect of the management of the Estate into the account opened and maintained under sub-clause 6(a) above or, if there is an Owners' Corporation, the account or accounts opened and maintained under sub-clause 6(b) above.
- (e) Subject to sub-clause 6(f) below, the Manager may, out of money received by him in respect of the management of the Estate, 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 or the Owners' Corporation, if formed.
- (f) The retention of a reasonable amount of money under sub-clause 6(e) above or the payment of that amount into a current account in accordance with sub-clause 6(e) above 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 or the Owners' Corporation, if formed.

# SECTION VIII MEETING OF THE OWNERS AND OWNERS' COMMITTEE

- 1. The Manager shall call a first meeting of the Owners of the Estate as soon as possible but in any event not later than nine (9) months after the date of this Deed (and to call further and subsequent meetings if required), to appoint a chairman and a committee of the Owners or to appoint a management committee for the purpose of forming an Owners' Corporation under the BMO. Thereafter, a meeting of the Owners shall be held at least once per annum and additional meetings may be convened by the Manager, the Owners' Committee or an Owner appointed to convene such a meeting by those Owners together holding not less than 5% of the total number of Undivided Shares (excluding the Undivided Shares allocated to the Common Areas and Common Facilities) for the purpose of discussing or determining any matter concerning or affecting or in any way relating to the Land and/or the Estate and providing instructions, advice and consultation to the Manager in matters on the maintenance and repair and general management of the Land and the Estate for the benefit of all the Owners and as hereinbefore provided. Subject to Section IX hereof, the following provisions shall apply to any meeting of the Owners, namely:-
  - (a) One meeting per annum shall be convened by the Manager. Any additional meeting may be validly convened by the Manager, the Owners' Committee or an Owner appointed to convene such a meeting by those Owners who in the aggregate have vested in them for the time being not less than 5% of the total number of Undivided

Shares excluding the Undivided Shares allocated to the Common Areas and Common Facilities.

- (b) Every such meeting shall be convened by at least fourteen (14) days' notice in writing specifying the date, time and place of the meeting and the agenda thereof including the resolutions (if any) that are to be proposed at the meeting. Such notice shall be served by the person or persons convening the meeting upon each Owner and service of such notice may be effected:-
  - (i) personally upon the Owner;
  - (ii) by post addressed to the Owner at his last known address; or
  - (iii) by leaving the notice at the Owners' Unit or depositing the notice in his letter box.
- (c) Subject to sub-clause (n) hereof, no business shall be transacted at any meeting unless a quorum is present when the meeting proceeds to business and 10% of the Owners shall be a quorum. For the purposes of this Sub-clause (c), the reference to "10%" 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 the Undivided Shares into which the Estate is divided; and
  - (ii) not be construed as the Owners of 10% of the Undivided Shares in aggregate.
- (d) A meeting of the Owners shall be presided over by the chairman of the Owners' Committee or, if the meeting is convened by the Manager or an Owner appointed to convene such a meeting by those Owners together holding not less than 5% of the total number of Undivided Shares (excluding the Undivided Shares allocated to the Common Areas and Common Facilities), the person convening the meeting.
- (e) The person presiding over the meeting shall cause a record to be kept of the persons present at the meeting and the proceedings thereof.
- Subject to sub-clause (n) hereof, every Owner shall have one vote for each Undivided Share vested in him and in the case where 2 or more persons are the co-Owners of an Undivided Share, the vote in respect of that Undivided Share may be cast (i) by a proxy jointly appointed by the co-Owners; (ii) by a person appointed by the co-Owners from amongst themselves; or (iii) if no appointment is made under (i) or (ii) above, either by one of the co-Owners personally or by a proxy appointed by one of the co-Owners. 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 that 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.

- (g) In case of any equality of votes the person presiding over the meeting shall have, in addition to a deliberative vote, a casting vote.
- (h) Votes may be given either personally or by proxy. An instrument appointing a proxy shall be in the form set out in Form 1 in Schedule 1A of the BMO, and shall be signed by the Owner, or if the Owner is a body corporate, shall, notwithstanding anything to the contrary in its constitution, be impressed with the seal or chop of the body corporate and signed by a person authorized by the body corporate in that behalf.
- (i) 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 an Owner appointed to convene such a meeting by the Owners together holding not less than 5% of the total number of Undivided Shares (excluding the Undivided Shares allocated to the Common Areas and Common Facilities), the person convening the meeting at least 48 hours before the time for the holding of the meeting. 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.
- (j) Save as otherwise herein provided and subject to sub-clause (n) hereof, any resolution on any matter concerning the Land and the Estate passed at a duly convened meeting by a majority of the Owners present in person or by proxy and voting in proportion to the number of Undivided Share held at each meetings shall be binding on all the Owners Provided as follows:-
  - (i) The notice convening the meeting shall specify the intention to propose a resolution concerning such matter.
  - (ii) Any resolution purported to be passed at such meeting concerning any other matters shall not be valid unless all the Owners are present at such meeting in person or by proxy.
  - (iii) No resolution shall be valid if it is contrary to the provisions of this Deed and/or the Government Grant.
- (k) Notwithstanding sub-clause (j) hereof and subject to sub-clause (n) hereof, a resolution to change the name of the Owners' Corporation formed under the BMO shall be passed by a majority of not less than 75% of the Owners present or by proxy and voting in proportion to the number of Undivided Shares held at such meeting.
- (1) Subject to sub-clause (n) hereof, a resolution in writing signed by the Owners who in the aggregate have vested in them for the time being not less than 75% of the total number of Undivided Shares shall be as valid and effectual as if it had been passed at a duly convened meeting of the Owners.
- (m) The accidental omission to give notice as aforesaid to any Owner shall not invalidate the proceedings at any meeting or any resolution passed thereat.

- (n) Notwithstanding any provisions herein contained, the Undivided Shares allocated to the Common Areas and Common Facilities shall not carry any voting rights at any meeting whether under this Deed, the BMO or otherwise nor will those Undivided Shares be taken into account for the purpose of calculating the quorum at any meeting whether under this Deed, the BMO or otherwise. Accordingly, the Undivided Shares as referred to in Clause 1(c), (f), (j), (k) and (l) of this Section shall not include the Undivided Shares allocated to the Common Areas and Common Facilities.
- (o) The procedure at a meeting of Owners shall be as is determined by the Owners.
- 2. (a) Within nine (9) months of the execution of this Deed the Manager shall convene a meeting of the Owners to establish an Owners' Committee. In the election of the members to the Owners' Committee:
  - (i) the Owners of the Flats shall vote separately to elect by secret ballot four (4) representatives from the Owners for the time being of the Flats in the Estate to be members of the Owners' Committee;
  - the Owners of the Commercial Units shall vote separately to elect by secret ballot two (2) representatives from the Owners for the time being of the Commercial Units in the Estate to be members of the Owners' Committee; and
  - (iii) the Owners of the Parking Spaces shall vote separately to elect by secret ballot one (1) representative from the Owners for the time being of the Parking Spaces in the Estate to be members of the Owners' Committee.
  - (b) The function of the Owners' Committee shall include but shall not be limited to the following:-
    - (i) the representing of the Owners in all dealings with the Manager;
    - (ii) the undertaking of such other duties as the Manager may, with their approval, delegate to them;
    - (iii) the reviewing of the annual budget and revised budget prepared by the Manager;
    - (iv) the reviewing of the House Rules proposed and/or drafted from time to time by the Manager;
    - (v) to elect a manager to take the place of the Manager in accordance with the provisions of Clause 3(5) of Subsection A of Section VII hereof; and
    - (vi) the exercise of all other powers and duties conferred on the Owners' Committee by virtue of this Deed.

- (c) The following persons shall be eligible for membership of the Owners' Committee:-
  - (i) Any Owner and, in the event of an Owner being a corporate body, any representative appointed by such Owner. The appointment of a representative by a corporate body shall be in writing addressed to the Owners' Committee and may be revoked at any time on notice in writing being given to the Owners' Committee.
  - (ii) The husband or wife of any Owner or any adult duly authorised by the Owner which authorization 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.
- (d) A member of the Owners' Committee shall retire from office at every alternate annual meeting following his appointment but shall be eligible for re-election but subject to this he shall hold office until:-
  - (i) He resigns by notice in writing to the Owners' Committee; or
  - (ii) He ceases to be eligible or is not re-elected at the meeting of Owners at which he stands for re-election; or
  - (iii) 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
  - (iv) He becomes incapacitated by physical or mental illness or death;
  - (v) He is removed from office by resolution of a duly convened meeting of Owners.

In any of the events provided for in sub-clauses (i), (iii) and (iv) of this Clause the Manager shall convene a meeting of the Owners to fill the casual vacancy thereby created.

- (e) The Owners' Committee may be convened by the Manager or the chairman or any 2 members of the Owners' Committee PROVIDED THAT one such meeting to be known as the annual meeting shall be held once in each calendar year for the purpose of reviewing the Manager's budget and transacting any other business of which due notice is given in the notice convening the meeting.
- (f) Notice of the meeting of the Owners' Committee shall be given in writing by the Manager or the Owners' Committee or the person convening the meeting such notice shall be posted on the public notice boards of the Estate at least 7 days before the date of the meeting specifying the date, time and place of the meeting and the subjects to be discussed including the resolutions (if any) that are to be proposed at the meeting.

Such notice shall also be served on each member of the Owners' Committee at least 7 days before the date of the meeting either:-

- (a) personally upon the member of the Owners' Committee; or
- (b) by post addressed to the member of the Owners' Committee at his last known address; or
- (c) by leaving the notice at the member's Unit or depositing the notice in his letter box.
- (g) No business shall be transacted at any time by the Owners' Committee unless a quorum is present when the meeting proceeds to business and 50% of the members of the Owners' Committee (round up to the nearest whole number) or 3 such members, whichever is the greater shall be a quorum.
- (h) The members present at the first meeting of the Owners' Committee shall choose one of their members to be the chairman and he shall be chairman until the next annual meeting. Thereafter the chairman shall be chosen by the members of the Owners' Committee at the first meeting of the Owners' Committee held in any calendar year. A meeting of the Owners' Committee shall be presided over by the chairman. In the absence of the chairman, the members present at any meeting duly convened shall choose one of their members to be the chairman of that meeting.
- (i) The Manager may send a secretary to the meeting of the Owners' Committee who shall cause a record of the persons present at the meeting and the proceedings thereof to be kept subject to no objection from the Owners' Committee.
- (j) The following provisions shall apply in all meetings of the Owners' Committee :-
  - (i) All resolutions passed by a simple majority of votes at such meeting shall be binding on all the Owners but no such resolution shall be valid if it concerns any other matter not being the subjects contained in the notice convening the meeting or if it is contrary to the provisions of this Deed and the Government Grant:
  - (ii) A resolution put to the vote of the meeting shall be decided on a show of hands only;
  - (iii) On a show of hands every member of the Owners' Committee present at the meeting shall have one vote;
  - (iv) In the case of an equality of votes the chairman shall have, in addition to a deliberative vote, a casting vote.
  - (v) The procedure at meetings of the Owners' Committee shall be as is determined by the Owners' Committee.

- (k) The Owners' Committee and the members thereof shall not be liable to the Owners or any of them or to any person or persons whomsoever whether claiming through, under or in trust for any Owner or otherwise, for or in respect of any act, deed, matter or thing done or omitted in pursuance or in purported pursuance of the provisions of this Deed not being anything involving criminal liability or dishonesty or gross negligence by or on the part of any or all of the members of the Owners' Committee, and the Owners shall fully and effectually indemnify the Owners' Committee from and against all actions, proceedings, claims and demands whatsoever arising directly or indirectly out of or in connection with any act, deed, matter or thing done or omitted as aforesaid which does not involve criminal liability, dishonesty or gross negligence on the part of the Owners' Committee or the members thereof and all costs and expenses in connection therewith.
- (l) No remuneration shall be payable to the Owners' Committee or any member thereof but such members shall be entitled to be reimbursed for all out-of-pocket expenses necessarily incurred in carrying out their duties.
- (m) (i) The Owners' Committee shall cause to be kept records and minutes of:-
  - (1) the appointment and vacation of appointments of all its members and all changes therein;
  - (2) all resolutions and notes of proceedings of the Owners' Committee;
  - (3) the members present at all meetings.
  - (ii) Such records and minutes shall be kept in such place as the Owners' Committee may from time to time determine and shall be open to inspection by any Owner on reasonable notice being given and such Owner shall also be entitled to extracts thereof on paying the reasonable charges therefor. All such charges received shall be credited to the Special Fund.
- During the existence of an Owners' Corporation, the rights duties powers and obligations for the control management and the administration of the Land and the Estate conferred by this Deed on the Manager shall be vested in the Owners' Corporation and the general meeting of the Owners' Corporation convened under the BMO will take the place of the Owners' meeting convened under this Deed, and where a management committee of the Owners' Corporation is or has been appointed, the management committee will take the place of the Owners' Committee.

# SECTION IX EXTINGUISHMENT OF RIGHTS

1. In the event of the whole or any part of the Estate being so damaged by fire, typhoon, earthquake, subsidence or other causes so as to render the same substantially unfit for use or habitation or occupation, the Owners of not less than 75% of the Undivided Shares allocated to

that damaged part(s) of the Estate (excluding the Undivided Shares allocated to the Common Areas and Common Facilities) may convene a meeting and decide by a resolution (which is to be binding upon all the Owners of the damaged part(s) of the Estate) of not less than 75% of those present at the meeting (i) on whether or not to rebuild or reinstate such damaged part(s) of the Estate or (ii) that by reason of insufficiency of insurance monies, changes in building law and/or regulations or any other circumstances whatsoever, it is not practicable to reinstate or rebuild such part of the Estate then and in such event the Undivided Shares in the Land representing the Units in such part of the Estate 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 contract and to distribute the net proceeds of sale amongst the Owners of such Undivided Shares in proportion to the respective number of Undivided Shares previously held by such former Owners. All insurance moneys received in respect of any policy of insurance on such part of the Estate shall likewise be distributed amongst such former Owners. In such event all the rights privileges obligations and covenants of such former Owners under this Deed shall be extinguished so far as the same relate to such former Owners of the relevant part of the Estate save and except (i) the provisions in relation to the distribution of the net proceeds of sale aforesaid and of any surplus Special Fund (if any) and other funds and deposits and (ii) that such former Owners of the relevant part of the Estate shall remain liable for any antecedent breaches, non-observance and non-performance of this Deed prior to such extinguishment of rights PROVIDED ALWAYS THAT if it is resolved in a meeting convened by the Manager to reinstate or rebuild such part of the Estate the Owners of such part of the Estate shall pay the excess of the costs of reinstatement or rebuilding of the relevant part of the Estate damaged as aforesaid over and above the proceeds recoverable from the insurance of such part of the Estate 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 Estate and be recoverable as a civil debt.

- 2. The following provisions shall apply to a meeting convened by the Manager as provided in Clause 1 of this Section hereof:-
  - (a) Every such meeting shall be convened by at least fourteen (14) days' notice in writing posted on the public notice boards of the Estate specifying the time and place of the meeting. Such notice shall also be served on each of such Owners at least 14 days before the date of the meeting, and that notice shall specify the place, date and time of the meeting and the resolutions that are to be proposed and service of the notice may be effected:-
    - (i) personally upon the Owner;
    - (ii) by post addressed to the Owner at his last known address; or
    - (iii) by leaving the notice at the Owner's Unit or depositing the notice in his letter box.
  - (b) No business shall be transacted at any meeting unless a quorum is present when the meeting proceeds to business and Owners present in person or by proxy who in the

aggregate have vested in them not less than seventy five per cent (75%) of the total number of Undivided Shares in the part of the Estate that has been damaged (excluding the Undivided Shares allocated to the Common Areas and Common Facilities) shall be a quorum.

- (c) If within half an hour from the time appointed for the meeting a quorum be not present the meeting shall stand adjourned to the same time and day in the next week at the same place, and if such adjourned meeting a quorum be not present the Owners present shall be deemed to constitute a quorum.
- (d) The meeting shall be presided over by a chairman appointed by the Owners of that relevant part of the Estate.
- (e) The Manager shall cause a record to be kept of the persons present at the meeting and notes of the proceedings thereof.
- (f) Each Owner shall have one vote for each Undivided Share allocated to the part of the Estate vested in him and in the case of Owners who together are entitled to one such Undivided Share such Owners shall jointly have one vote for each such Undivided Share and in the case of dispute the Owner whose name appeared first in the Assignment in favour of such Owners shall have the right to vote.
- (g) In case of equality of votes the chairman shall have, in addition to a deliberative vote, a casting vote.
- (h) Votes must be given personally.
- (i) A resolution passed at a duly convened meeting by not less than seventy-five per cent (75%) majority of the Owners present in person and voting shall be binding on all the Owners of the relevant part of the Estate Provided as follows:-
  - (i) the notice convening the meeting shall specify the intention to propose a resolution concerning such matter;
  - (ii) any resolution purported to be passed at any such meeting concerning any other matter shall not be valid;
  - (iii) no resolution shall be valid if it is contrary to the provisions of this Deed and/or the Government Grant.
- (j) The accidental omission to give notice as aforesaid to any Owner shall not invalidate the meeting or any resolution passed thereat.
- (k) Notwithstanding any provisions herein contained, the Undivided Shares allocated to the Common Areas and Common Facilities shall not carry any voting rights at any meeting whether under this Deed, the BMO or otherwise nor will those Undivided Shares be taken into account for the purpose of calculating the quorum at any meeting,

whether under this Deed, the BMO or otherwise. Accordingly, the Undivided Shares as referred to in Clauses 1 and 2 of this Section shall not include the Undivided Shares allocated to the Common Areas and Common Facilities.

# SECTION X MISCELLANEOUS

- 1. Subject to Clause 1 of Section VI 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 Estate 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.
- 2. All Owners of Undivided Shares who do not occupy the Units to which those Undivided Shares relate must provide the Manager with an address in Hong Kong for service of notices under this Deed.
- 3. (a) The Company shall upon execution of this Deed assign free of costs or consideration the Undivided Shares allocated to the Common Areas and Common Facilities as set out in Part I of the Second Schedule hereto to the Manager as trustee for the benefit of all Owners for the time being of the Land and the Estate PROVIDED THAT all legal costs and expenses together with stamp duty (if any) chargeable on such assignment and/or any agreement for such assignment shall be paid out of the Management Funds.
  - (b) The Manager shall, subject to sub-clause (c) of this Clause, on termination of the Manager's appointment assign free of costs or consideration the Undivided Shares allocated to the Common Areas and Common Facilities as set out in Part I of the Second Schedule hereto to its successor in office as trustee for the benefit of all Owners for the time being of the Land and the Estate unless the Undivided Shares thereof are already vested in the Owners' Corporation PROVIDED THAT all legal costs and expenses together with stamp duty (if any) chargeable on such assignment and/or any agreement for such assignment shall be paid out of the Management Funds.
  - (c) The Manager shall transfer the management responsibilities hereunder and assign free of cost and consideration the Undivided Shares allocated to the Common Areas and Common Facilities as set out in Part I of the Second Schedule hereto to the Owners' Corporation at its request when it is formed pursuant to the BMO in which event, the Owners' Corporation shall hold the said Undivided Shares on trust for the benefit of all Owners PROVIDED THAT all legal costs and expenses together with stamp duty (if any) chargeable on such assignment and/or any agreement for such assignment shall be paid out of the Management Funds.
  - (d) The Undivided Shares allocated to the Common Areas and Common Facilities shall not be assigned or disposed of otherwise than in accordance with the Government Grant or this Deed.

- (e) The Management Committee appointed under Clause 1 of Section VIII of this Deed shall within 28 days of such appointment apply to the Land Registrar for the registration of the owners as an Owners' Corporation under the BMO.
- 4. 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 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 PROVIDED HOWEVER THAT where notices are to be given to an Owner who is a mortgagee such notice shall be served on the mortgagee if a company at its registered office or last known place of business in Hong Kong and if an individual at his last known residence. All notices required to be given to the Manager shall be properly served if sent to the registered office of the Manager or left at the management office in the Estate.
  - The Company shall at its own cost provide a direct translation in Chinese of this Deed and to deposit a copy of this Deed and the Chinese translation in the management office within one (1) month after the date of this Deed for inspection by all Owners free of costs and for taking copies by Owners at their own expense and upon payment of a reasonable charge and all charges received must be credited to the Special Fund. In the event of a dispute as to the effect of the Chinese translation and the English document, the English version is to prevail.
- 6. The Company shall deposit a copy of Schedules 7 and 8 to the BMO (English and Chinese versions) in the management office for reference by all Owners free of costs and for taking copies at their own expense and upon payment of a reasonable charge and all charges received must be credited to the Special Fund.
- 7. The Company shall within one (1) month after the date of this Deed provide the Manager with a full copy of the maintenance manual for the Works and Installations to be deposited at the management office for inspection by Owners free of charge and taking copies at their own expense and on payment of a reasonable charge and all charges received must be credited to the Special Fund.
- 8. All costs incidental to the preparation of the schedule and the maintenance manual for the Works and Installations shall be borne by the Company.
- 9. The Company shall within 1 month after the date of this Deed provide the Manager with a full copy of the Slope Maintenance Manual(s) to be deposited at the management office and kept available during office hours for inspection by all the Owners free of charge and for taking copies upon payment of a reasonable charge. All such charges received shall be credited to the Special Fund.
- 10. A copy of the plans, the accuracy of which has been certified by or on behalf of the Authorized Person, showing the Common Areas and Common Facilities as referred to in Clause 1(40) of Sub-Section B of Section VII hereof is annexed to this Deed.
- 11. It is hereby agreed and declared that no provision in this Deed shall contradict, overrule or fail to comply with the provisions of the BMO and the schedules thereto. It is hereby further

- agreed and declared that no provision in this Deed shall conflict with or be in breach of the conditions of the Government Grant.
- 12. All Owners (including the Company) and the Manager hereby covenant with each other to comply with the terms of the conditions of the Government Grant so long as they remain as owners and manager.
- All Owners (including the Company) and the Manager hereby covenant with each other not to detrimentally alter or injure any part of the Land and the Estate. All persons occupying, using any Unit(s) with the consent express or implied of the Owners shall use such Unit(s) in a careful manner and shall not do anything which shall cause damage or injury thereto or inconvenience to other Owners.
- 14. The Manager shall consult (either generally or in any particular case) the Owners' Corporation, if formed, at a general meeting of the Owners' Corporation and adopt the approach decided by the Owners' Corporation on the channels of communication among Owners on any business relating to the management of the Estate.

## THE FIRST SCHEDULE ABOVE REFERRED TO

### FIRST COLUMN

#### SECOND COLUMN

#### **Owners**

The part or parts of the Estate to be exclusively used, occupied and enjoyed by the Owner whose name appears in the First Column directly opposite to such part or parts in this Column

## the Company

## PACIFIC BUSINESS LIMITED 僑業有限公司

All That the Estate (save and except All That Flat A on 19<sup>th</sup> Floor of the Estate and the Common Areas and Common Facilities)

## the First Purchaser



All That Flagor Floor of the Estate

# THE SECOND SCHEDULE ABOVE REFERRED TO

# PART I Allocation of Undivided Shares

## (A) Residential Tower

Floor	Flat	Undivided Shares for	Number of Flats	Sub Total
		each Flat		
6/F-12/F, 15/F-17/F,	A*	48	23	1,104
19/F-23/F, 25/F-32/F				
6/F-12/F, 15/F-17/F,	B*	66	23	1,518
19/F-23/F, 25/F-32/F				
33/F	A#	66	1	66
33/F	В#	86	1	86
		Sub-total of Residential Tower:		2,774

# (B) Commercial Accommodation

Floor	Shop	Undivided Shares for	Number of Shop	Sub Total
	_	each Shop		
G/F	1	99	1	99
G/F	2	123	1	123
1/F	1	102	1	102
1/F	2	169	1	169
	S	ub-total of Commercial	Accommodation:	493

## (C) Car Park

Parking Spaces	Undivided Shares	Number of	Sub Total
	for each Parking	Parking Spaces	
	Spaces		
Residential Car Parking Space No. P3	6	6	36
on 2/F and Residential Car Parking			
Space Nos. P2 – P6 on 3/F			
Non-Industrial Car Parking Spaces	6	3	18
Nos. P4 - P6 on 2/F			
Residential Motorcycle Parking Space	1	1	1
No.MC1 on 3/F			
	Sub-total of Car Park:		55

# (D) Common Areas and Common Facilities

Estate Common Areas and Estate Common Facilities Residential Common Areas and Residential Common Facilities Commercial Common Areas and Commercial Common Facilities Carpark Common Areas and Carpark Common Facilities

Grand Total:	3,402
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80

Note: (i) There is no designation of 4/F, 13/F, 14/F and 24/F in the Residential Tower

- (ii)18/F is refuge floor
- (iii) \* means including the balcony and utility platform appertaining thereto
- (iv) # means including the balcony, utility platform and flat roof(s) on roof floor

PART II

## Allocation of Management Units

## (A) Residential Tower

Floor	Flat Management Units		Number of Flats	Sub Total	
		for each Flat			
6/F-12/F, 15/F-17/F,	A*	48	23	1,104	
19/F-23/F, 25/F-32/F					
6/F-12/F, 15/F-17/F,	B*	66	23	1,518	
19/F-23/F, 25/F-32/F					
33/F	A#	66	1	66	
33/F	B#	86	1	86	
A		Sub-total of Residential Tower:		2,774	

### (B) Commercial Accommodation

(D) Commercia	ui i keediiiiii daadaa	-		
Floor	Shop	Management Units	Number of Shop	Sub Total
		for each Shop		
G/F	1	99	1	99
G/F	2	123	1	123
1/F	1	102	1	102
1/F	2	169	1	169
		Sub-total of Commercial Accommodation:		

### (C) Car Park

Parking Spaces	Management	Number of	Sub Total
	Units for each	Parking Spaces	
	Parking Spaces		
Residential Car Parking Space No. P3	6	6	36
on 2/F and Residential Car Parking			
Space Nos. P2 – P6 on 3/F			
Non-Industrial Car Parking Spaces	6	3	18
Nos. P4 - P6 on 2/F			
Residential Motorcycle Parking Space	1	1	1
No.MC1 on 3/F			
	Sub-total of Car Park:		55

Grand Total:	3,322

Note: (i) There is no designation of 4/F, 13/F, 14/F and 24/F in the Residential Tower

- (ii)18/F is refuge floor
- (iii) \* means including the balcony and utility platform appertaining thereto
- (iv) # means including the balcony, utility platform and flat roof(s) on roof floor

### THE THIRD SCHEDULE ABOVE REFERRED TO

### **The Government Grant**

### (a) Section C of Kowloon Inland Lot No. 6466

Agreement and Conditions of Grant deposited and registered in the Land Registry as Conditions of Grant No.UB5111, the particulars of which are as follows:-

(1) Date : the 2<sup>nd</sup> day of December 1954

(2) Parties : The Governor of Hong Kong of the one part and Yu Wai Chun (or Chan) of the

other part

(3) Term : 75 years from the 13th day of December 1954 with a right of renewal for a

further term of 75 years.

(4) Lot No. : Kowloon Inland Lot No. 6466

(5) As varied or : Modification Letter dated 11 January 2021 and registered in the Land Registry

modified by by Memorial No. 21012200320035

(b) Kowloon Inland Lot No. 7453

(1) Date : the 27<sup>th</sup> day of March 1968

(2) Parties : Queen Elizabeth II of the one part and Ng So Mui of the other part.

(3) Term : 75 years from the 13th day of December 1954 with a right of renewal for a

further term of 75 years.

(4) Lot No. : Kowloon Inland Lot No. 7453

(5) As varied or: Modification Letter dated 11 January 2021 and registered in the Land Registry

modified by by Memorial No. 21012200320040

(c) Kowloon Inland Lot No. 7455

(1) Date : the 30<sup>th</sup> day of May 1968

(2) Parties : Queen Elizabeth II of the one part and Tang Hing Soon, Yee Shit Ying, Lau Hin

Kwan and Yip Yuen of the other part.

(3) Term : 75 years from the 13th day of December 1954 with a right of renewal for a

further term of 75 years.

(4) Lot No. : Kowloon Inland Lot No. 7455

(5) As varied or : Modification Letter dated 11 January 2021 and registered in the Land Registry

modified by by Memorial No. 21012200320028

# (d) Government Lease of Kowloon Inland Lot No. 7456

(1) Date : the 7<sup>th</sup> day of December 1967

(2) Parties : Queen Elizabeth II of the one part and Lor Sze, Wong Oi Chin, Leung Ho Kin,

Ko Kwai Yung, Ng Sai Chue and Wong Ho Yau of the other part.

(3) Term : 75 years from the 13th day of December 1954 with a right of renewal for a

further term of 75 years

(4) Lot No. : Kowloon Inland Lot No. 7456

(5) As varied or: Modification Letter dated 11 January 2021 and registered in the Land Registry

modified by by Memorial No. 21012200320018

### THE FOURTH SCHEDULE ABOVE REFERRED TO

### **Works and Installations**

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

IN WITNESS whereof the parties hereto have hereunto executed and delivered this Deed as a deed the day and year first above written.

EXECUTED and DELIVERED as a deed by the Company by affixing the Common Seal of the Company and SIGNED by

# LAW SAU WANG ALEXANDER

, its Director(s)/ person(s) duly authorized by resolutions of its Board of Directors whose signature(s) is/are verified by:-

TAM TSZ HUEN
Solicitor, Hong Kong SAR
Gallant, Solicitors & Notaries

Solicitor, Hong Kong SAR

SIGNED SEALED AND DELIVERED	)		
by the First Purchaser	)		
in the presence of:-	)		
	(	Holder o	

TAI WING SUM
Solicitor Hong Kong SAR
Gallant, Solicitors & Notaries

Solicitor, Hong Kong SAR

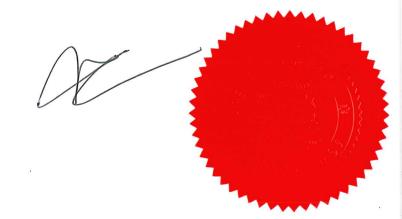
INTERPRETED to the First Purchaser by:-

TAI WING SUM
Solicitor, Hong Kong SAR
Gallant, Solicitors & Notaries

EXECUTED and DELIVERED as a deed by	)
the Manager by affixing the Common Seal of	)
the Manager and SIGNED by	)
	)
Michelle, W. Y. Chan	)
Chief Executive Officer	)
, its Director(s)/ person(s) duly authorized by	)
resolutions of its Board of Directors	)
whose signature(s) is/are verified by:-	)

Solicitor, Hong Kong SAR

WONG PAK YAN ANNIE Solicitor, Hong Kong SAR Gallant, Solicitors & Notaries











10m 0m 1m 5<sub>m</sub>

2ND FLOOR PLAN (FOR IDENTIFICATION PURPOSE)

NO. 6-10 MAIDSTONE ROAD K.I.L.NO.7453, K.I.L.6466 s.C, K.I.L.7455 & K.I.L.7456

FLUSHING

POTABLE

DMC PLAN

Scale 1:100

PLAN NO. : DMC - 03

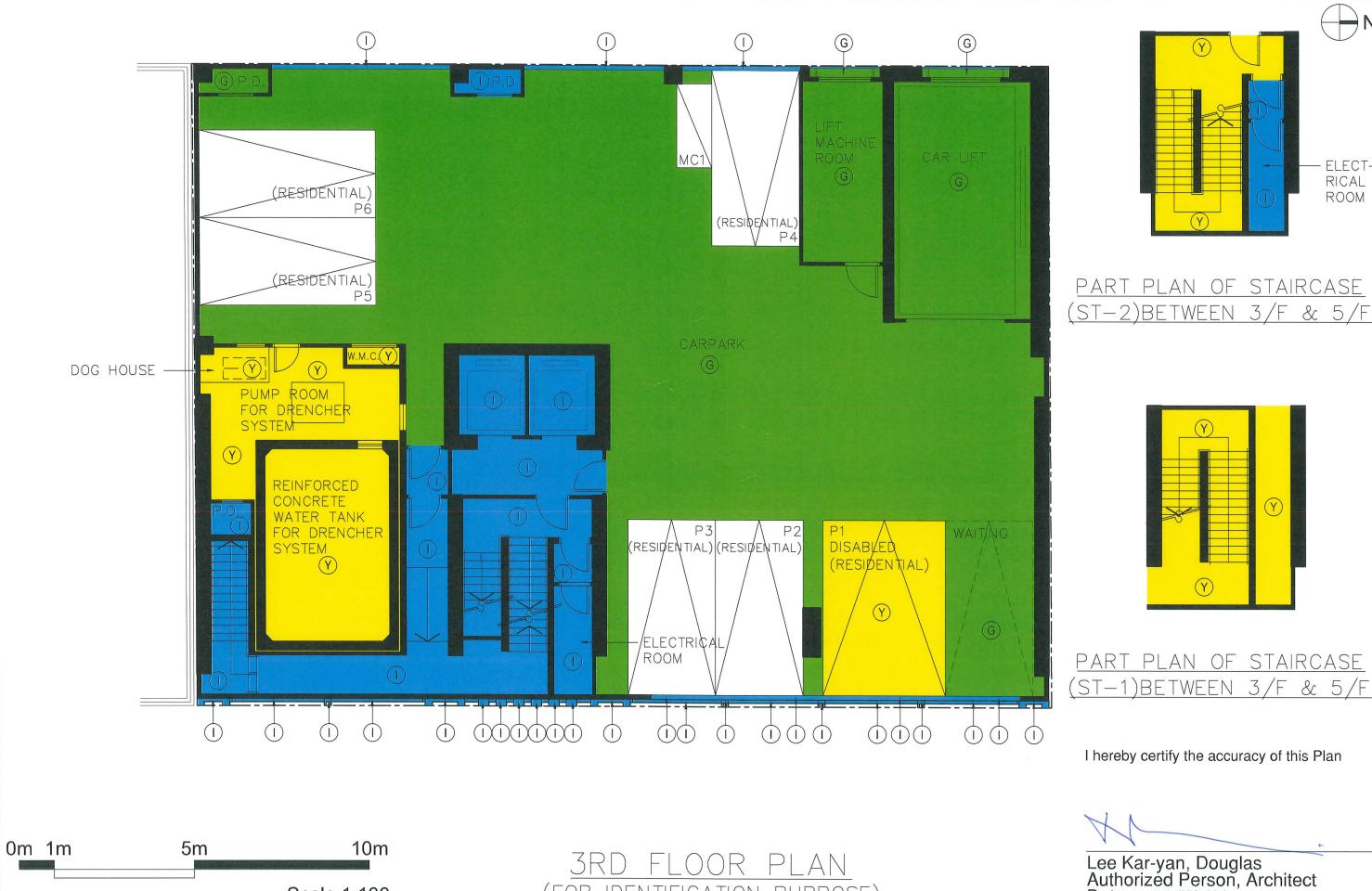
LEGEND: (Y) YELLOW - RESIDENTIAL COMMON AREAS

GREEN - CARPARK COMMON AREAS INDIGO - ESTATE COMMON AREAS

W.M.C. WATER METER CABINET P.D. PIPE DUCT

Lee Kar-yan, Douglas Authorized Person, Architect - 5 FEE 1)() Date:

REV.: A



NO. 6-10 MAIDSTONE ROAD K.I.L.NO.7453, K.I.L.6466 s.C, K.I.L.7455 & K.I.L.7456

DMC PLAN

Scale 1:100

PLAN NO. : DMC - 04

3RD FLOOR PLAN (FOR IDENTIFICATION PURPOSE)

LEGEND: (Y) YELLOW - RESIDENTIAL COMMON AREAS

GREEN - CARPARK COMMON AREAS INDIGO - ESTATE COMMON AREAS

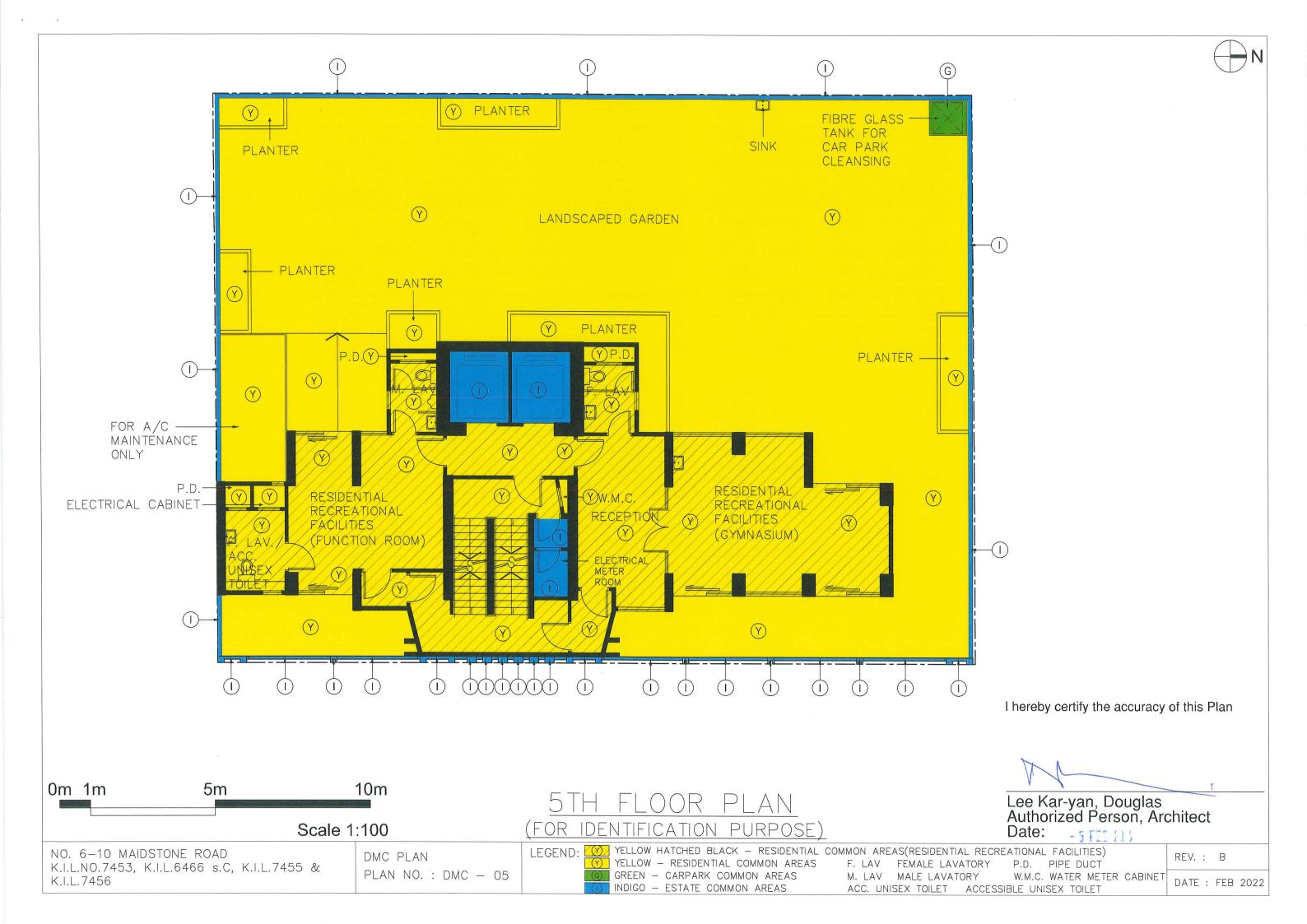
W.M.C. WATER METER CABINET P.D. PIPE DUCT

Date: -5 FEE 224 REV. : A

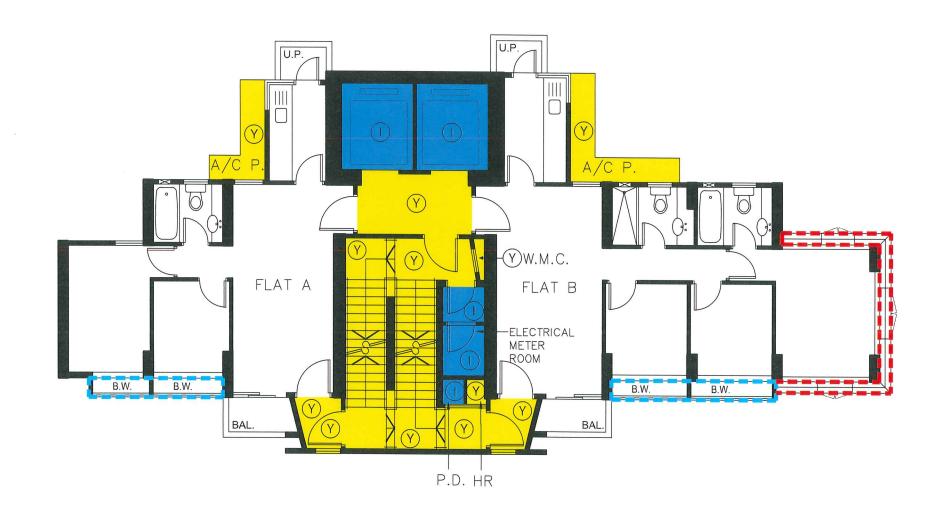
DATE: NOV 2021

ELECT-RICAL

ROOM







0m 1m 5m 10m Scale 1:100

<u>(for identification purpose</u>)

NO. 6-10 MAIDSTONE ROAD DMC PLAN K.I.L.NO.7453, K.I.L.6466 s.C, K.I.L.7455 & PLAN NO.: DMC - 06 K.I.L.7456

LEGEND: (Y) YELLOW - RESIDENTIAL COMMON AREAS

INDIGO - ESTATE COMMON AREAS

P.D. PIPE DUCT
HR HOSE REEL

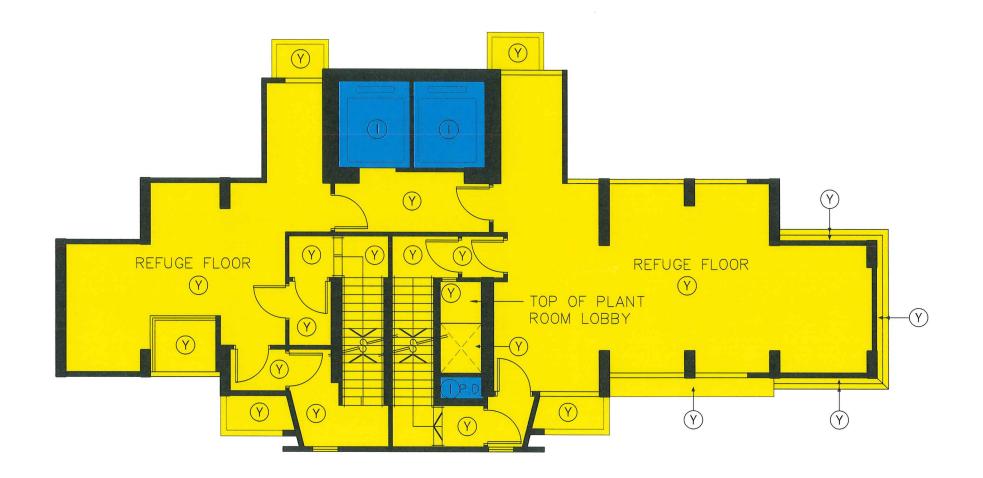
Lee Kar-yan, Douglas Authorized Person, Architect Date: -5 FEE 2014

U.P. UTILITY PLATFORM BAL. BALCONY W.M.C. WATER METER CABINET A/C P. AIR—CONDITIONING PLATFORM

REV. : B

DATE: JAN 2022





10m 0m 1m 5<sub>m</sub> Scale 1:100

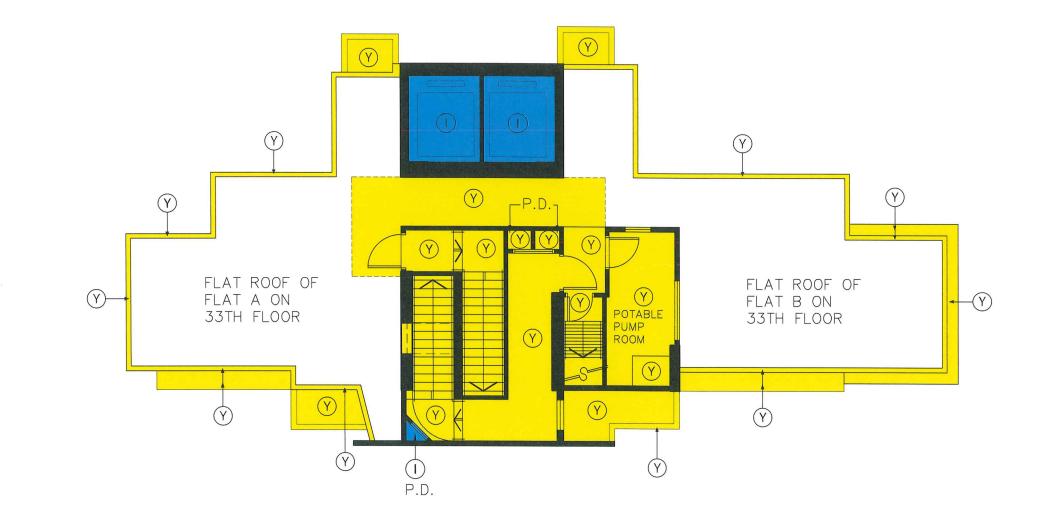
18TH FLOOR PLAN (FOR IDENTIFICATION PURPOSE) Lee Kar-yan, Douglas Authorized Person, Architect Date:

NO. 6-10 MAIDSTONE ROAD K.I.L.NO.7453, K.I.L.6466 s.C, K.I.L.7455 & K.I.L.7456

DMC PLAN PLAN NO. : DMC - 07 LEGEND: (Y) YELLOW - RESIDENTIAL COMMON AREAS P.D. PIPE DUCT 1) INDIGO - ESTATE COMMON AREAS

REV.: A





0m 1m 10m 5m Scale 1:100

ROOF FLOOR PLAN (FOR IDENTIFICATION PURPOSE)

Lee Kar-yan, Douglas Authorized Person, Architect Date: -5 FED (). \

NO. 6-10 MAIDSTONE ROAD K.I.L.NO.7453, K.I.L.6466 s.C, K.I.L.7455 & K.I.L.7456

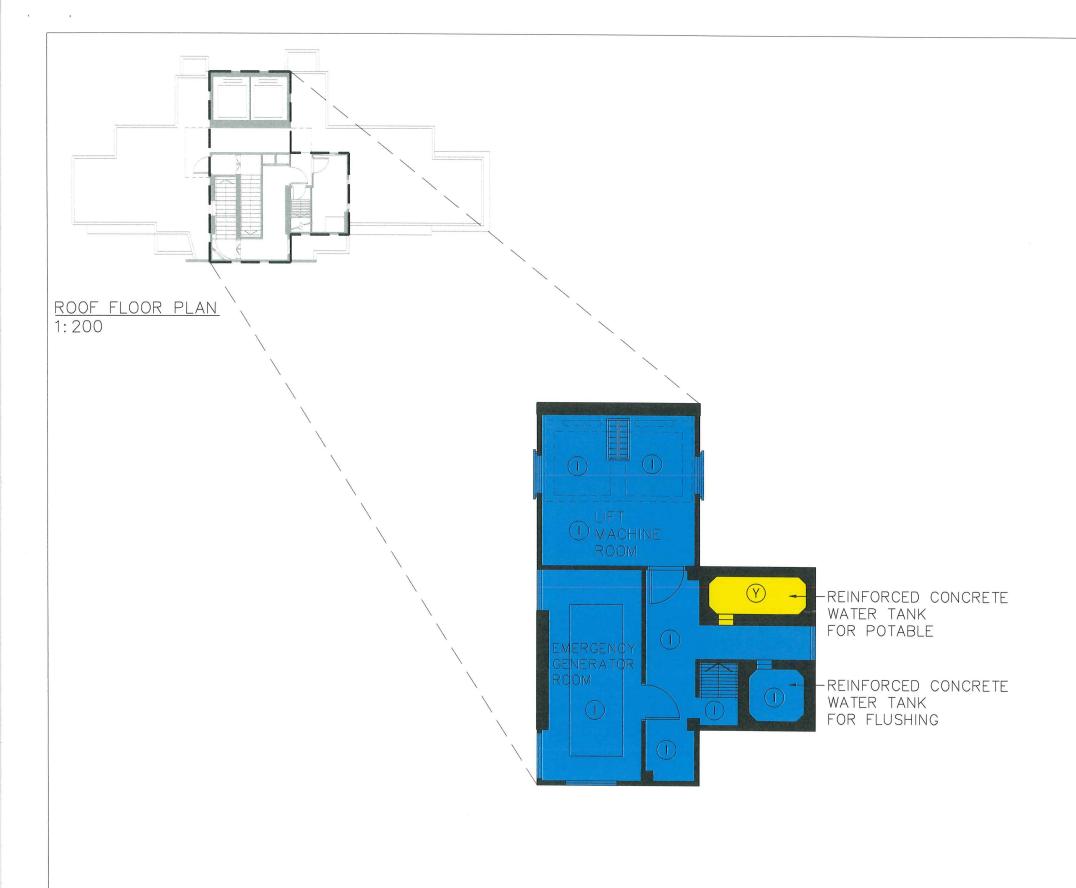
DMC PLAN

PLAN NO.: DMC - 08

LEGEND: YELLOW - RESIDENTIAL COMMON AREAS P.D. PIPE DUCT NDIGO - ESTATE COMMON AREAS

REV.: A





0m 1m 5m 10m Scale 1:100

IFT MACHINE PLAN (FOR IDENTIFICATION PURPOSE)

Lee Kar-yan, Douglas Authorized Person, Architect Date: -5 FII (1)

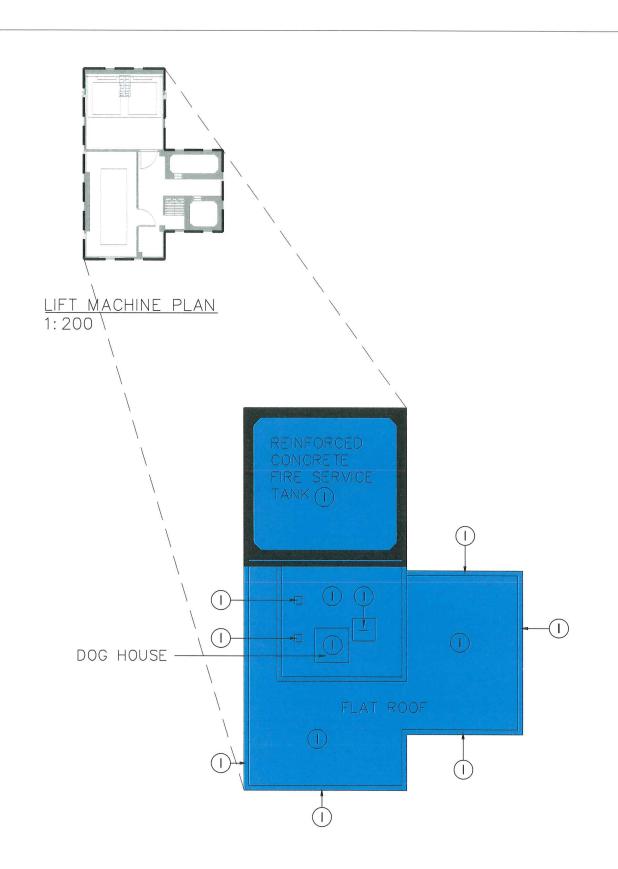
NO. 6-10 MAIDSTONE ROAD K.I.L.NO.7453, K.I.L.6466 s.C, K.I.L.7455 & K.I.L.7456

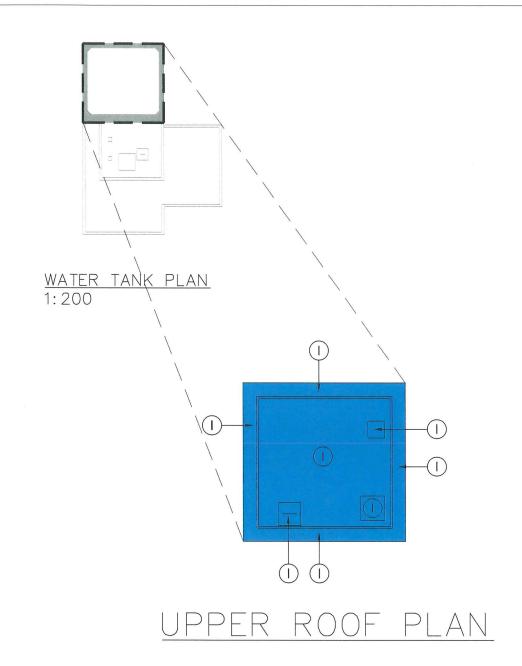
DMC PLAN

PLAN NO. : DMC - 09

LEGEND: (Y) YELLOW - RESIDENTIAL COMMON AREAS 1) INDIGO - ESTATE COMMON AREAS

REV. : A





WATER TANK PLAN

0m 1m 10m 5<sub>m</sub> Scale 1:100

(FOR IDENTIFICATION PURPOSE)

LEGEND: INDIGO - ESTATE COMMON AREAS

I hereby certify the accuracy of this Plan

Lee Kar-yan, Douglas Authorized Person, Architect

Date:

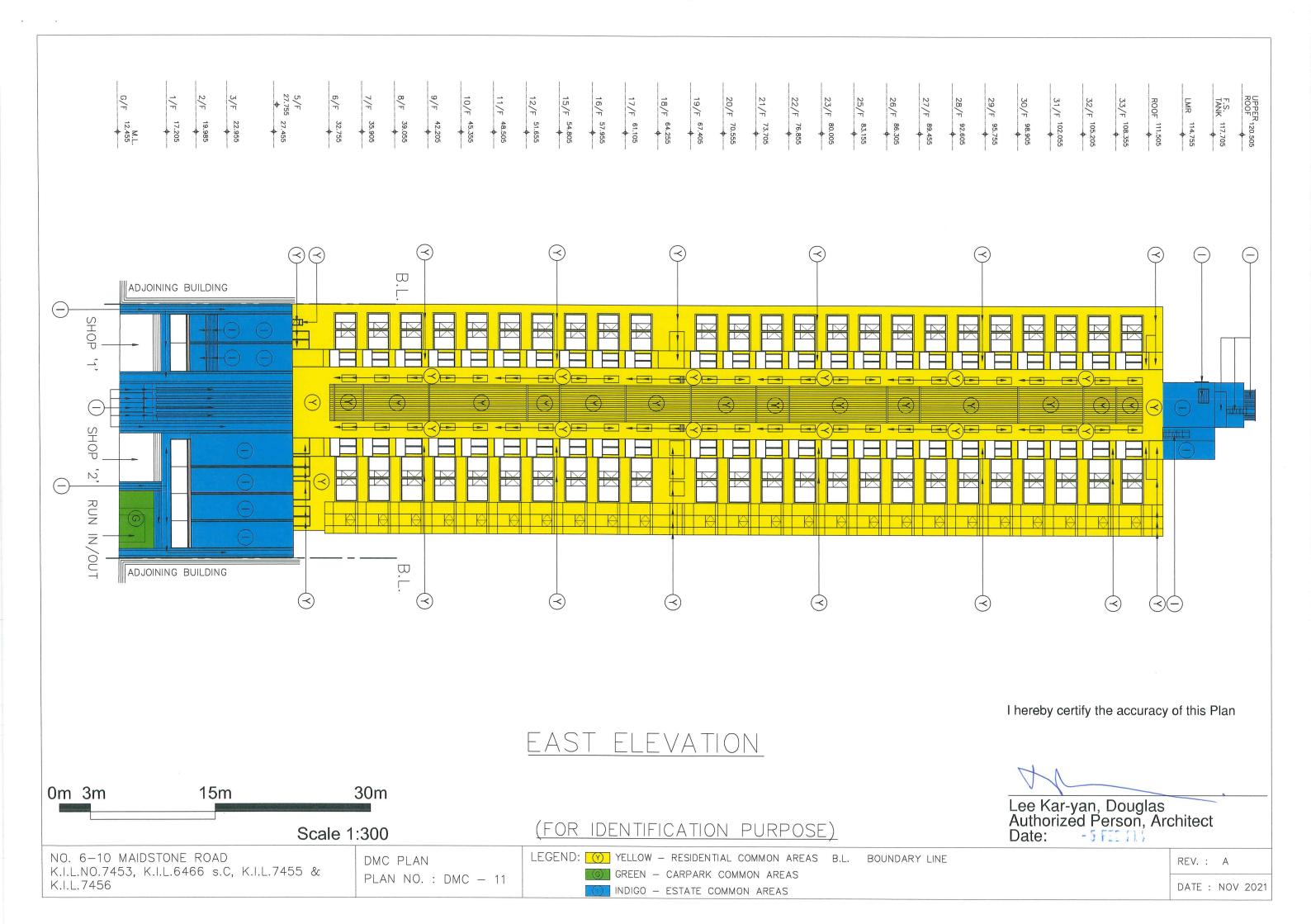
REV.: A

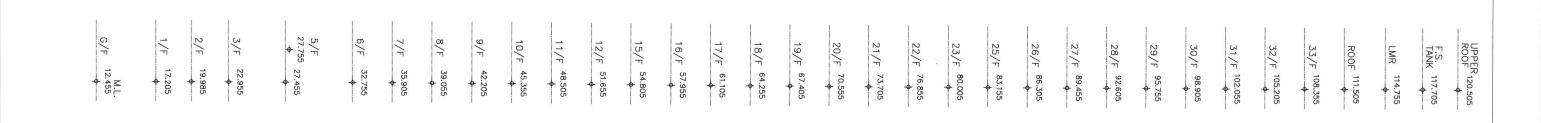
DATE: NOV 2021

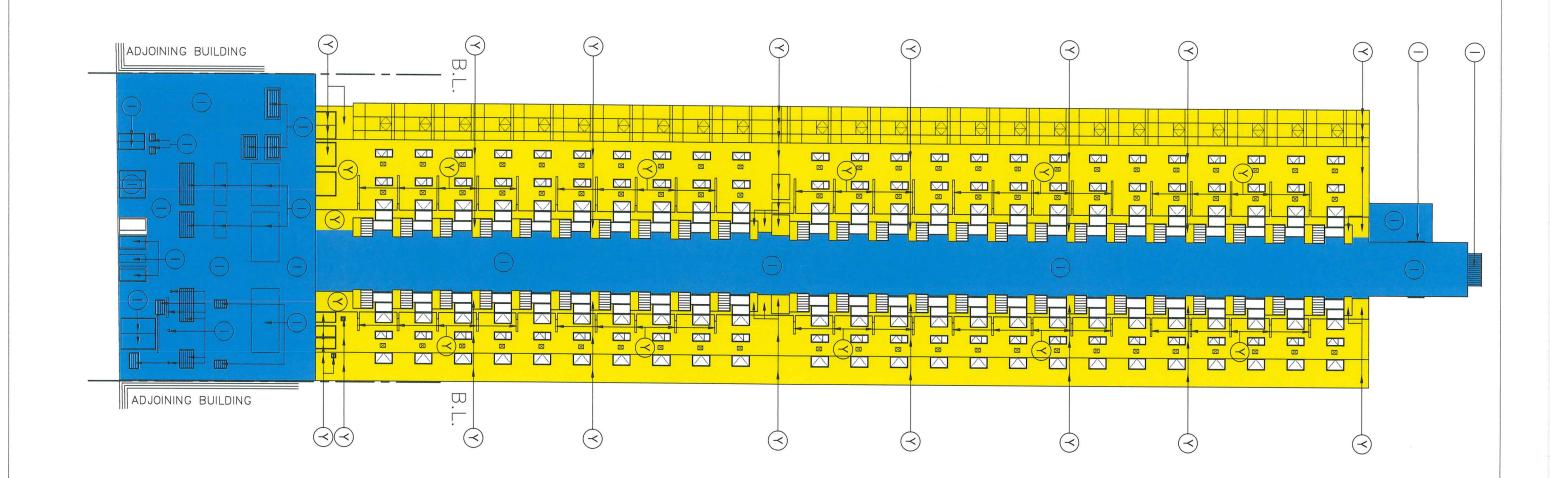
NO. 6-10 MAIDSTONE ROAD K.I.L.NO.7453, K.I.L.6466 s.C, K.I.L.7455 & K.I.L.7456

DMC PLAN

PLAN NO. : DMC - 10







# WEST ELEVATION

0m 3m 15m 30m Scale 1:300

(FOR IDENTIFICATION PURPOSE)

Lee Kar-yan, Douglas Authorized Person, Architect Date:

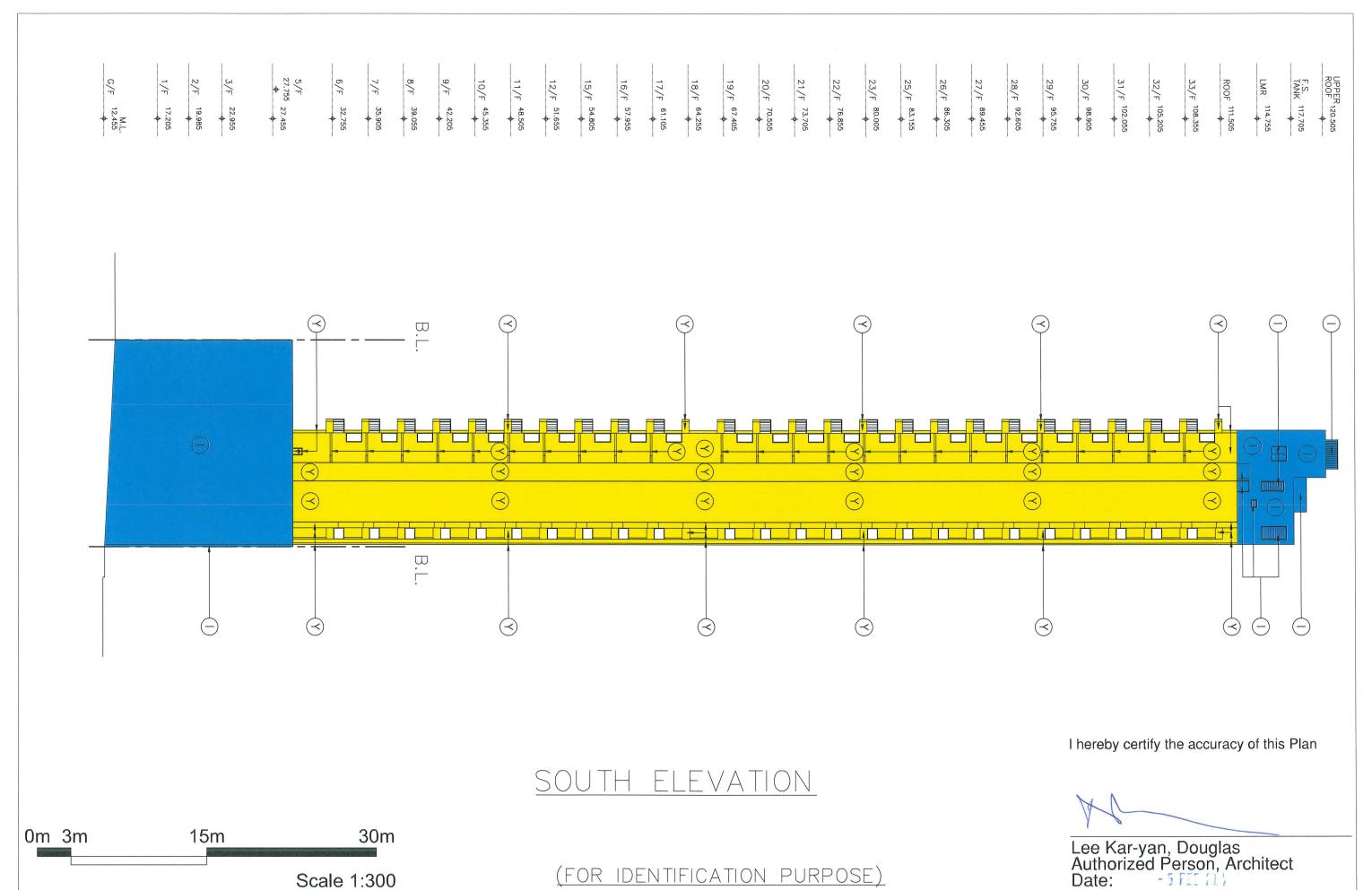
REV.: A

K.I.L.NO.7453, K.I.L.6466 s.C, K.I.L.7455 & K.I.L.7456

NO. 6-10 MAIDSTONE ROAD

DMC PLAN PLAN NO. : DMC - 12

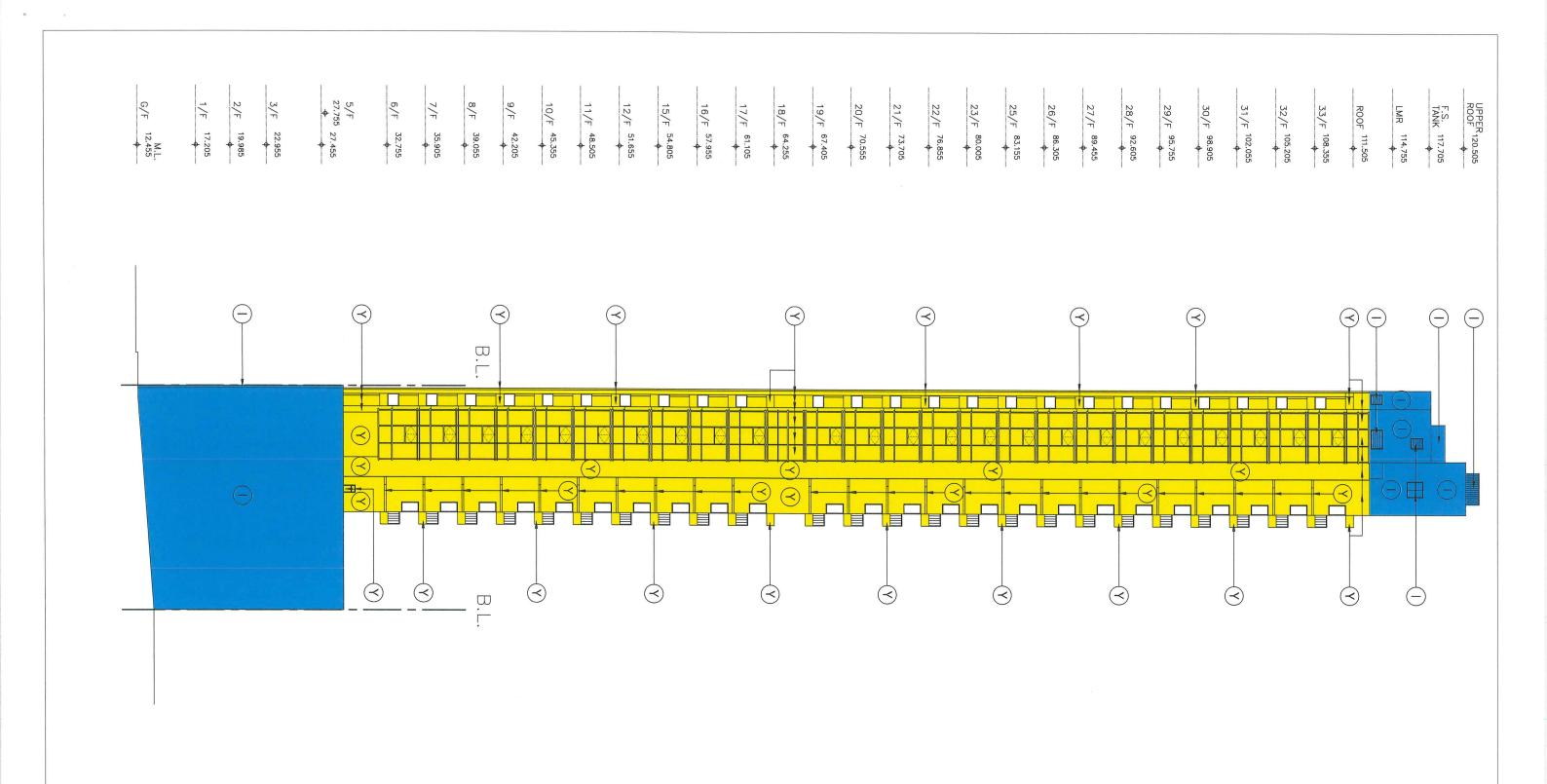
LEGEND: YELLOW - RESIDENTIAL COMMON AREAS B.L. BOUNDARY LINE INDIGO - ESTATE COMMON AREAS



NO. 6-10 MAIDSTONE ROAD K.I.L.NO.7453, K.I.L.6466 s.C, K.I.L.7455 & K.I.L.7456

DMC PLAN PLAN NO. : DMC - 13 LEGEND: (Y) YELLOW - RESIDENTIAL COMMON AREAS B.L. BOUNDARY LINE INDIGO - ESTATE COMMON AREAS

REV. : A



# NORTH ELEVATION

0m 3m 30m 15m Scale 1:300

(FOR IDENTIFICATION PURPOSE)

Lee Kar-yan, Douglas Authorized Person, Architect

Date:

LEGEND: (Y) YELLOW - RESIDENTIAL COMMON AREAS B.L. BOUNDARY LINE 1) INDIGO - ESTATE COMMON AREAS

REV. : A

DATE: NOV 2021

NO. 6-10 MAIDSTONE ROAD K.I.L.NO.7453, K.I.L.6466 s.C, K.I.L.7455 & K.I.L.7456

DMC PLAN PLAN NO. : DMC - 14