

Dated the [●] day of [●] 20[●]

HOYDEN HOLDINGS LIMITED

and

[Name of First Assignee]

and

[Name of DMC Manager]

and

HANG SENG BANK LIMITED

恒生銀行有限公司

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**DEED OF MUTUAL COVENANT AND  
MANAGEMENT AGREEMENT**

OF

TUEN MUN TOWN LOT NO.513

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**MAYER • BROWN  
JSM**

MAGC/PHCH/16498670

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**THIS DEED OF MUTUAL COVENANT AND MANAGEMENT AGREEMENT** is dated [●] and is made

**BETWEEN**

- (1) **HOYDEN HOLDINGS LIMITED** a BVI business company incorporated under the laws of the British Virgin Islands with BVI company number 1827621 and registered as a non-Hong Kong company under Part 16 of the Companies Ordinance (Cap 622 of the Laws of Hong Kong) with Hong Kong Companies Registry registration number F21220 and having a principal place of business in Hong Kong at 3108, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong (hereinafter called the “**First Owner**” which expression shall where the context so admits include its respective successors and assigns) of the first part;
- (2) [●] (hereinafter called the “**First Assignee**” which expression shall where the context so admits include his executors, administrators and assigns) of the second part;
- (3) [●] whose registered office is situate at [●] (hereinafter called the “**DMC Manager**” which expression shall where the context so admits include its successors appointed in accordance with the provisions herein) of the third part; and
- (4) **HANG SENG BANK LIMITED** 恒生銀行有限公司 whose registered office is situate at 83 Des Voeux Road, Central, Hong Kong (the “**Lender**” which expression shall where the context so admits include its successors and assigns) of the fourth part.

**WHEREAS:-**

- (A) Immediately prior to the Assignment to the First Assignee hereinafter referred to, the First Owner was the registered owner and in possession of the **Lot** (as hereinafter defined) which is held under the **Conditions** (as hereinafter defined) and upon the issuance of the **Certificate of Compliance** (as hereinafter defined) in respect of the Lot will become entitled to a Government lease for the residue of the term of 50 years commencing on 19 September 2014.
- (B) The First Owner has developed the Lot in accordance with the **Conditions**, the **Building Plans** (as hereinafter defined) and the **Landscape Plan** (as hereinafter defined). The **Development** (as hereinafter defined) comprises (inter alia) a number of residential units, commercial units, car parking spaces, motor cycle parking spaces, loading and unloading spaces and recreational and communal areas and facilities.
- (C) For the purposes of sale, the Lot and the Development have been notionally divided into 2,736 equal **Undivided Shares** (as hereinafter defined) which have been allocated as provided in the First Schedule hereto.
- (D) By a Partial Release bearing even date but executed immediately prior to the Assignment hereinafter recited, inter alia, the **First Assignee's Unit** (as hereinafter defined) was released/reassigned by the Lender to the First Owner freed and absolutely discharged of and released from the **Building Mortgage** (as hereinafter defined).

- (E) By an Assignment bearing even date herewith and made between the First Owner of the one part and the First Assignee of the other part and for the consideration therein expressed, the First Owner assigned unto the First Assignee All Those [●] equal undivided 2,736 parts or shares of and in the Lot and the Development together with the sole and exclusive right to hold use occupy and enjoy [●] (the “**First Assignee’s Unit**”) Subject to and with the benefit of the Conditions.
- (F) The parties hereto have agreed to enter into these presents for the purpose of making provisions for the management, maintenance, repair, renovation, insurance and service of the Lot and the Development and the **Common Areas and Facilities** (as hereinafter defined) therein and for the purpose of defining and regulating the rights, interests and obligations of the **Owners** (as hereinafter defined) in respect thereof and to provide for apportionment of the expenses of such management, maintenance, repair, renovation, insurance and service to be borne by the Owners.
- (G) The Director of Lands has given his approval of this Deed in accordance with the Conditions.

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

## **SECTION I - DEFINITIONS**

### **1.1 Definitions**

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

#### **“Accessible Parking Space”**

means a parking space in the Carpark as required under Special Condition No.(25)(c)(i) of the Conditions and intended 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 or occupiers of the Development and their bona fide guests, visitors or invitees, which forms part of the Residential Common Areas and Facilities and for the purposes of identification is shown coloured **Green** and marked “**V02**” on the Basement Floor plan certified as to accuracy by the Authorized Person and annexed hereto, which parking space also serves as a Visitors' Parking Space under Special Condition No. (25)(a)(iii) of the Conditions;

#### **“Air Sensitive Areas”**

mean those portions of the Lot as referred to in Special Condition No.(12)(a) of the Conditions and respectively shown coloured pink hatched black, pink cross-hatched black and pink stippled red on the plan marked “PLAN No. TM5721-SP” annexed to the Conditions;

#### **“Authorized Person”**

means Ng Kwok Fai of LWK & Partners (HK) Limited, which expression shall include any other authorized person or persons for the time being appointed by the First Owner in the place of the said Ng Kwok Fai;

### **“Bicycle Parking Space”**

means a parking space in the Carpark as required under Special Condition No.(25)(e) of the Conditions and intended for the parking of bicycles belonging to the residents of the Residential Unit or Units and their bona fide guests, visitors or invitees, which forms part of the Residential Common Areas and Facilities and for the purposes of identification are shown coloured **Green** and marked “**Bicycle Parking Spaces**” on the Basement Floor plan certified as to accuracy by the Authorized Person and annexed hereto;

### **“Building Mortgage”**

means the Building Mortgage and Debenture dated 13 March 2015 made between the First Owner as borrower and the Lender as lender and registered in the Land Registry by Memorial No.15031702190094 and as the same may from time to time be modified, varied or supplemented;

### **“Building Plans”**

mean the general building plans and specifications in respect of the Development or in respect of any part or parts of the Development prepared by the Authorized Person and approved by the Building Authority and include any approved amendments thereto;

### **“Building Setback Areas”**

mean those portions of the Lot as referred to in Special Condition No.(13) of the Conditions and shown coloured pink stippled black on the plan marked “PLAN No. TM5721-SP” annexed to the Conditions;

### **“Carpark”**

means the whole of the car park for the Development intended for the parking of motor vehicles, motor cycles and bicycles belonging to the residents or occupiers of the Development and their bona fide guests, visitors or invitees and comprising the Carpark Units, the Accessible Parking Space, the Visitors' Parking Spaces and the Carpark Common Areas and Facilities;

### **“Carpark Common Areas and Facilities”**

mean and include :-

- (a) the whole of the Carpark (except the Carpark Units, the Accessible Parking Space, the Bicycle Parking Spaces and the Visitors' Parking Spaces), car lift, car lift machine room, car lift pit, car lift shaft, driveway, ramp, electricity room, sump pump control room, staircases, such areas and facilities of and in the Lot and the Development for the common use and benefit of the Carpark as a whole; such areas and facilities of and in the Lot and the Development intended for the benefit of the Carpark as a whole or otherwise not of any individual Owner and which (insofar as they are capable of being identified and shown on plans) are for the purposes of identification shown coloured

**Pink** on the plans certified as to accuracy by the Authorized Person and annexed hereto;

- (b) such other areas and facilities of and in the Lot and the Development designated as Carpark Common Areas and Facilities in accordance with this Deed or any Sub-Deed(s) or any other deed(s);
- (c) to the extent not specifically provided in paragraphs (a) and (b) above :-
  - (i) any parts of the Lot and the Development covered by paragraph (a) of the definition of “**common parts**” set out in section 2 of the Building Management Ordinance (Cap.344); and
  - (ii) any parts specified in Schedule 1 to the Building Management Ordinance (Cap.344) and included under paragraph (b) of the definition of “**common parts**” set out in section 2 of the Building Management Ordinance (Cap.344);

which are intended for the use and benefit of the Carpark as a whole,

but EXCLUDING:-

- (i) the Development Common Areas and Facilities, the Residential Common Areas and Facilities and the Commercial Common Areas and Facilities; and
- (ii) such areas within the Development in respect of which the exclusive right and privilege to hold, use, occupy and enjoy the same belongs to any particular Owner and such facilities within the Development serving only any particular Owner;

#### **“Carpark Unit”**

means any Residential Car Parking Space, Commercial Car Parking Space, Residential Motor Cycle Parking Space and Commercial Motor Cycle Parking Space, to which a specific number of Undivided Share is allocated in accordance with this Deed or any Sub-Deed(s) or any other deed(s) and is intended for separate and exclusive use, possession and occupation by the Owner thereof but for the avoidance of doubt excluding any part of the Common Areas and Facilities;

#### **“Certificate of Compliance”**

means the certificate or letter from the Director of Lands certifying that the General and Special Conditions of the Conditions have been complied with to his satisfaction in relation to the whole of the Lot;

#### **“Club House”**

means the premises comprising, inter alia, the gymnasium, function room, library areas, outdoor swimming pool, male and female changing rooms and are for the purposes of identification shown coloured **Green Hatched Black** on the 3<sup>rd</sup> Floor plan certified as to accuracy by the Authorized Person and annexed hereto;

### **“Club Rules”**

mean such rules and regulations set down by the Manager (with the approval of the Owners’ Committee, (if any)) from time to time with specific application to the Club House and the use and enjoyment thereof;

### **“Commercial Accommodation”**

means (1) such parts on the Basement Floor, Ground Floor and the First Floor of the Development (including such installation(s) located within the Commercial Accommodation) for use as shops, commercial, store, retail or other non-industrial purposes in accordance with the Building Plans including the external walls thereof and the Commercial Units which, for the avoidance of doubt, include the signage spaces; (2) the Commercial Car Parking Spaces; (3) the Commercial Motor Cycle Parking Spaces and (except for the Commercial Car Parking Spaces, the Commercial Motor Cycle Parking Spaces and the Commercial Common Areas and Facilities) are for the purposes of identification shown coloured **Indigo** on the plans certified as to accuracy by the Authorized Person and annexed hereto; and those aforesaid parts of the external walls of the Commercial Accommodation and the signage spaces are for the purposes of identification shown coloured **Indigo** on the elevation plans certified as to accuracy by the Authorized Person and annexed hereto and (4) all Commercial Common Areas and Facilities;

### **“Commercial Car Parking Space”**

means a parking space in the Carpark as required under Special Condition Nos.(25)(b)(i)(I) and (II) of the Conditions and intended for the parking of motor vehicles belonging to the occupiers of the Commercial Accommodation or any part thereof and their bona fide guests, visitors or invitees and for the purposes of identification are marked "R01", "R02", "R03" "R04", "R05" and "R06" respectively on the Basement Floor plan certified as to accuracy by the Authorized Person and annexed hereto;

### **“Commercial Common Areas and Facilities”**

mean and include :-

- (a) the Commercial Loading and Unloading Spaces, gas meter cabinet, fresh air duct, smoke/heat detectors which are intended for the common use and benefit of the Owners, occupiers and licensees of the Commercial Accommodation and the bona fide guests, visitors or invitees thereof and are for the purposes of identification shown coloured **Indigo Hatched Black** on the plans certified as to accuracy by the Authorized Person and annexed hereto;
- (b) such other areas, apparatus, devices, systems and facilities of and in the Lot and the Development within the Commercial Accommodation to be designated as Commercial Common Areas and Facilities where appropriate in accordance with any Sub-Deed(s).
- (c) to the extent not specifically provided in paragraphs (a) and (b) above :-



- (i) any parts of the Lot and the Development covered by paragraph (a) of the definition of “**common parts**” set out in section 2 of the Building Management Ordinance (Cap.344); and
- (ii) any parts specified in Schedule 1 to the Building Management Ordinance (Cap.344) and included under paragraph (b) of the definition of “**common parts**” set out in section 2 of the Building Management Ordinance (Cap.344);

which are intended for the use and benefit of the Commercial Accommodation as a whole,

but EXCLUDING :-

- (i) the Development Common Areas and Facilities, the Residential Common Areas and Facilities and the Carpark Common Areas and Facilities; and
- (ii) such areas within the Development in respect of which the exclusive right and privilege to hold, use, occupy and enjoy the same belongs to any particular Owner and such facilities within the Development serving only any particular Owner;

**“Commercial Loading and Unloading Space”**

means a loading and unloading bay or space designated for the use in connection with the Commercial Accommodation or any part thereof as referred to in Special Condition Nos.(26)(a)(ii) and (iii) of the Conditions for the loading and unloading of goods vehicles in connection with the Commercial Accommodation and for the purposes of identification are shown coloured **Indigo Hatched Black** and marked “**L2**” and “**L3**” on the Ground Floor plan certified as to accuracy by the Authorized Person and annexed hereto;

**“Commercial Motor Cycle Parking Space”**

means a motor cycle parking space in the Carpark as required under Special Condition No.(25)(d)(i)(II) of the Conditions and intended for the parking of motor cycle belonging to the occupiers of the Commercial Unit or Units and their bona fide guests, visitors or invitees and for the purposes of identification is marked “**RM1**” on the Basement Floor plan certified as to accuracy by the Authorized Person and annexed hereto;

**“Commercial Unit”**

means a private commercial unit or a signage space in the Commercial Accommodation to which a specific number of Undivided Share is allocated in accordance with this Deed or any Sub-Deed(s) or any other deed(s) and is intended for separate and exclusive use, possession and occupation by the Owner thereof;

### **“Common Areas and Facilities”**

mean collectively the Development Common Areas and Facilities, the Residential Common Areas and Facilities, the Commercial Common Areas and Facilities, the Carpark Common Areas and Facilities and all those parts and such of the facilities of the Development as may be designated as common areas and facilities in any Sub-Deed(s);

### **“Conditions”**

mean the documents of title setting forth the rights and entitlements granted by the Government to the First Owner in respect of Tuen Mun Town Lot No.513, namely New Grant No.21893 which the First Owner is entitled to a Government lease for a term commencing from 19 September 2014 for fifty years and shall include any subsequent extensions or modifications thereto or renewals thereof;

### **“Consent to Assign”**

means the certificate or letter from the Director of Lands granting consent to the First Owner to assign Undivided Shares of and in the Lot together with the exclusive right to hold, use, occupy or enjoy a part or parts of the Development before the issue of the Certificate of Compliance;

### **“Development”**

means the whole of the development erected on the Lot known as [“COO Residence 城 • 點”] in accordance with the Conditions and the Building Plans;

### **“Development Common Areas and Facilities”**

mean and include :-

- (a) such parts of the Development which are intended for common use and benefit of the Development including but not limited to the external walls, non-structural pre-fabricated external walls, Greenery Area, vertical green, landscaping area, Air Sensitive Areas, Waterworks Reserve Area, existing drains, catchpits, culverts or manholes and Diverted Drains within the Lot and the Development, footpaths, passages, entrances, walkways, stairways, landings, platforms, boundary fence walls, lobbies, entrance lobbies, driveway/EVA (emergency vehicular access), run in/out, hoisting area, covered air-conditioning plant area, open corridors, roadways and pavements, ramps, transformer room, sprinkler pump room, potable pump room, potable water pump room, flushing pump room, fire service pump room, fire service control centre, cable riser ducts, planters, sprinkler control valve, emergency generator room, fresh water tank room, planter walls, parapet walls, canopy, low voltage switch room, lift machine room, fuel tank room, extra low voltage room, canopy at residential entrance on the Ground Floor, air-conditioning plant room, water meter cabinet, gas meter cabinet, exhaust air duct, fire service pipe ducts, pipe ducts, cable ducts, smoke vent ducts, common flat roofs, lifts, lift shafts, Owners’ Committee Office, caretaker counter, meter rooms, telecommunication broadcasting equipment rooms and such of the

drains, channels, water mains, sewers, sprinkler water tank, fire service water tanks, fire service inlet and sprinkler inlet, fresh and salt water intakes and mains, storm water and drainage connection, communal television and radio aerial systems for reception of television and radio broadcast, telecommunications and broadcasting distribution networks, wires, cables and other facilities whether ducted or otherwise which are or at any time may be in under or over or passing through the Lot through which fresh or salt water, sewage, gas, telephone, electricity and other services are supplied to the Development, trees, shrubs and other plants and vegetation, planters, stone cladding, metal cladding, aluminium architectural feature, lamp posts and other lighting facilities, fire prevention and fighting equipment and apparatus, security systems and apparatus, ventilation system and any other mechanical systems, devices or facilities installed or provided in the Development intended for common use and benefit of the Development; which are (insofar as they are capable of being identified and shown on plans) for the purposes of identification shown coloured **Yellow**, **Yellow Stippled Black** and **Yellow Cross Black** on the plans certified as to accuracy by the Authorized Person and annexed hereto;

- (b) and such other areas, apparatus, devices, systems and facilities of and in the Lot and the Development designated as Development Common Areas and Facilities in accordance with this Deed or any Sub-Deed(s) or any other deed(s);
- (c) to the extent not specifically provided in paragraphs (a) and (b) above :-
  - (i) any parts of the Development covered by paragraph (a) of the definition of “**common parts**” set out in section 2 of the Building Management Ordinance (Cap.344); and
  - (ii) any parts specified in Schedule 1 to the Building Management Ordinance (Cap.344) and included under paragraph (b) of the definition of “**common parts**” set out in section 2 of the Building Management Ordinance (Cap.344);

but EXCLUDING :-

- (i) the Residential Common Areas and Facilities, the Commercial Common Areas and Facilities and the Carpark Common Areas and Facilities; and
- (ii) such areas within the Development the exclusive right and privilege to hold, use, occupy and enjoy which belongs to any particular Owner and such facilities within the Development serving only any particular Owner;

### “Diverted Drains”

mean the drains, catchpits, culverts or manholes with covers and other structures erected or constructed within, adjoining or adjacent to or outside the Lot as referred to in Special Condition No.(37)(d) of the Conditions;

**“DMC Manager”**

means the person who is specified in this Deed to manage the Development, i.e. [●];

**“Existing Vehicular Access”**

means the existing vehicular access within the Green Area being used by the public to gain access to the land adjacent to the Lot as referred to in Special Condition No.(4)(a) of the Conditions;

**“Fire Safety Management Plan”**

means the fire safety management plan and measures relating to the Residential Units with open kitchen required to be implemented by the Buildings Department and Fire Services Department and any addition or variation thereto from time to time in accordance with the then relevant requirements of the Buildings Department, the Fire Services Department or any other relevant Government authority;

**“FRR Wall”**

means the full height wall having an fire resistance rating of not less than -/30/30 (if any) adjacent to the exit door of a Residential Unit with open kitchen which is shown and marked “**FRR WALL**” on the floor plans of the Residential Units certified as to accuracy by the Authorized Person and annexed hereto;

**“Government”**

means the Government of Hong Kong;

**“Green Area”**

means the Green Area as referred to in Special Condition No.(3)(a)(i)(I) of the Conditions and shown coloured Green on the plan marked “PLAN No. TM5721-SP” annexed to the Conditions;

**“Greenery Area”**

means the area or areas provided in accordance with Special Condition No.(10)(b)(ii) of the Conditions and which for the purposes of identification is shown coloured **Yellow Stippled Black** on the plans certified as to accuracy by the Authorized Person and annexed hereto;

**“Highways Structures”**

mean those structures, facilities, foundations or installations of Pui To Road that exist upon, over, under or adjacent to or in the vicinity of the Lot as referred to in Special Condition No.(42)(a) of the Conditions;

**“Hong Kong”**

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

**“House Rules”**

mean the rules supplemental to this Deed governing the Development or any part or parts thereof from time to time in force made pursuant to these presents and including without limitation the Club Rules;

**“Landscape Plan”**

means the landscape plan indicating the landscaping proposals for the Lot and including any amendments thereto approved by the Director of Lands pursuant to Special Condition No.(10)(a) of the Conditions;

**“Landscaped Works”**

mean the landscaping works to be provided within the Lot pursuant to Special Condition No.(10)(b) of the Conditions;

**“Lot”**

means all that piece or parcel of ground registered in the Land Registry as Tuen Mun Town Lot No.513;

**“Maintenance Manual for the Works and Installations”**

means the maintenance manual for the Works and Installations as mentioned in Clause 9.12 of Section IX as may from time to time be amended or revised in accordance with the provisions of this Deed;

**"Management Expenses"**

means expenses, costs and charges and necessarily and reasonably incurred in the management of the Development provided in this Deed which, except for the purpose of Clause 4.4 of Section IV of this Deed, shall include the Manager's remuneration;

**“Manager”**

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

**“Minimum Horizontal Clearance”**

means a minimum horizontal clearance of two metres from the structures or columns or foundations of the Highways Structures as referred to in Special Condition No.(42)(d) of the Conditions;

**“Minimum Vertical Clearance”**

means a minimum vertical clearance of four metres below the soffit of the Highways Structures as referred to in Special Condition No.(42)(d) of the Conditions;

### **“Noise Barrier”**

means the noise barrier or noise barriers forming part of the Noise Mitigation Measures erected or constructed or to be erected or constructed at the Sixth Floor of the Development which for the purposes of identification is shown coloured **Green** and marked “**Noise Barrier**” on the 6th Floor plan certified as to accuracy by the Authorized Person and annexed hereto and includes the noise barrier or noise barriers erected or constructed or to be erected or constructed on the Lot with projection extending beyond the boundary of the Lot and over and above any portion of the adjoining Government land and as provided for in accordance with Special Condition No.(41) of the Conditions;

### **“Noise Mitigation Measures”**

mean the noise mitigation measures which have been implemented for the Development in accordance with the noise impact assessment prepared by the First Owner in accordance with Special Condition No.(40)(a) of the Conditions and approved by the Director of Lands under Special Condition No.(40)(a) of the Conditions and include the Noise Barrier, the horizontal acoustic fins and the acoustic balconies (comprising glass balustrades and sound absorptive material at ceiling) installed at the Development which are (insofar as they are capable of being identified and shown on plans) for the purposes of identification respectively shown coloured **Green** and **Violet Hatched Black** and marked "**Noise Barrier**", "**Horizontal Acoustic Fins**", "**\*BAL.**" and "**#BAL.**" on the plans certified as to accuracy by the Authorized Person and annexed hereto;

### **“Non-enclosed Areas”**

mean the balconies (including (if any) acoustic balconies) and the covered areas beneath such balconies or acoustic balconies, if any) of the Residential Units which are for the purposes of identification shown coloured **Violet** and **Violet Hatched Black** on the plans certified as to accuracy by the Authorized Person and annexed hereto;

### **“Occupation Permit”**

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

### **“Owner”**

means and includes each person who for the time being appears from the records at the Land Registry to be the owner of an Undivided Share and every joint tenant or tenant in common of any such Undivided Share and its, his or their executors, successors and assigns and where any such Undivided Share has been assigned or charged by way of mortgage the word Owner shall also include a registered mortgagee in possession of such Undivided Share;

### **“Owners’ Committee”**

means a committee of the Owners of the Development established under the provisions of these presents;

**“Owners’ Committee Office”**

means the area provided in accordance with Special Condition No.(18)(a) of the Conditions and which for the purposes of identification is shown coloured **Yellow** and marked **“Owners’ Committee Office”** on the 3rd Floor plan certified as to accuracy by the Authorized Person and annexed hereto;

**“Owners’ Corporation”**

means the Owners’ corporation of the Lot and the Development incorporated and registered under the Building Management Ordinance (Cap.344);

**“Party Wall”**

means a wall which divides two Residential Units;

**“Recreational Areas and Facilities”**

mean and include the Club House, filtration plant room and such recreational areas and facilities and other landscaped areas, gardens, planters, lawns and such other recreational areas and facilities for the common use and benefit of the residents of the Residential Accommodation and their bona fide visitors and by no other person or person(s);

**“Residential Accommodation”**

means (1) such part of the Development constructed or to be constructed for private residential purposes in accordance with the Building Plans; and (2) all Residential Common Areas and Facilities;

**“Residential Car Parking Space”**

means a parking space in the Carpark as required under Special Condition No.(25)(a)(i) of the Conditions and intended for the parking of motor vehicles belonging to the residents of the Residential Unit or Units and their bona fide guests, visitors or invitees and for the purposes of identification are marked “P01”, “P02”, “P03”, “P04”, “P05”, “P06”, “P07”, “P08” and “P09” on the Basement Floor plan certified as to accuracy by the Authorized Person and annexed hereto;

**“Residential Common Areas and Facilities”**

mean and include :-

- (a) those parts of the Residential Accommodation (including the external walls thereof) in the Development intended for the common use and benefit of the Owners, occupiers and licensees of the Residential Accommodation and the bona fide guests, visitors or invitees thereof, includes but not limited to the Party Wall (excluding its interior surface abutting the relevant Residential Units), the Recreational Areas and Facilities, the Residential Loading and Unloading Space, Accessible Parking Space, Visitors’ Parking Spaces, Bicycle Parking Spaces, covered landscaped area, sky garden, planters, Noise Mitigation Measures (excluding those forming part(s) of and/or serving

exclusively a Residential Unit), pipewells, wells, top of the balconies on the main roof, top roof, television broadcasting equipment rooms, cleansing water tank and pump room, transfer plate, metal grating platform, aluminum capping and glass balustrade, parapet walls, aluminium architectural features, aluminium cladding, stone cladding, electric meter cabinet, extra low voltage duct, pipe ducts, refuse storage and material recovery chamber, fan rooms, and such of the passages, common corridors and lift lobbies, fireman's lift lobby, store, entrances, landings, halls, entrance lobbies, common flat roofs, dog houses, air conditioning platforms, curtain walls, structural walls, stairways, walkways, caretaker's quarters on Fifth Floor, meter rooms and meter spaces and such of the lifts, lift shafts, firemen's lifts, lift pits, water tanks, aerials, meters, lighting, drains, channels, sewers, salt and fresh water intakes and mains, wires, cables, air conditioning and ventilation system and other facilities whether ducted or otherwise through which fresh or salt water, sewage, gas, electricity and other services are supplied to the Residential Accommodation, pumps, tanks, sanitary fittings, electrical installations, fittings, equipment and apparatus, fire prevention and fighting equipment and apparatus, security systems and apparatus, ventilation system and such other areas and any other systems, devices or facilities which are at or provided or installed in the Development intended for the common use and benefit of the Owners and residents of the Residential Accommodation and their bona fide guests, visitors or invitees and such other areas within the Lot and such other systems, devices and facilities within the Development intended for common use and benefit of the Residential Accommodation in accordance with this Deed which are (insofar as they are capable of being shown on plans) for the purposes of identification shown coloured **Green, Green Hatched Black and Green Cross-Hatched Black** on the plans certified as to accuracy by the Authorized Person and annexed hereto;

- (b) such other areas, apparatus, devices, systems and facilities of and in the Lot and the Development within the Residential Accommodation designated as Residential Common Areas and Facilities in accordance with this Deed or any Sub-Deed(s) or any other deed(s);
- (c) to the extent not specifically provided in paragraphs (a) and (b) above :-
  - (i) any parts of the Lot and the Development covered by paragraph (a) of the definition of "**common parts**" set out in section 2 of the Building Management Ordinance (Cap.344); and
  - (ii) any parts specified in Schedule 1 to the Building Management Ordinance (Cap.344) and included under paragraph (b) of the definition of "**common parts**" set out in section 2 of the Building Management Ordinance (Cap.344);

which are intended for the use and benefit of the Residential Accommodation as a whole,

but EXCLUDING :-



- (i) the Development Common Areas and Facilities, the Commercial Common Areas and Facilities and the Carpark Common Areas and Facilities; and
- (ii) such areas within the Development in respect of which the exclusive right and privilege to hold, use, occupy and enjoy the same belongs to any particular Owner and such facilities within the Development serving only any particular Owner;

**“Residential Loading and Unloading Space”**

means a loading and unloading bay or space designated for the use by the residents of the Residential Accommodation as required under Special Condition No.(26)(a)(i) of the Conditions, which form part of the Residential Common Areas and Facilities and which for the purposes of identification is shown coloured **Green** and marked “**L1**” on the Ground Floor plan certified as to accuracy by the Authorized Person and annexed hereto;

**“Residential Motor Cycle Parking Space”**

means a parking space in the Carpark as required under Special Condition No.(25)(d)(i)(I) of the Conditions and intended for the parking of motor cycles belonging to the residents of the Residential Unit or Units and their bona fide guests, visitors or invitees and for the purposes of identification are marked “**M1**”, “**M2**” and “**M3**” on the Basement Floor plan certified as to accuracy by the Authorized Person and annexed hereto;

**“Residential Unit”**

means a private residential unit in the Residential Accommodation (including the interior surface of the Party Wall abutting the residential unit together with all the windows and window frames of the residential unit and all the glass of windows of the residential unit, balustrade (if any), railing (if any), flat roof (if any), balcony thereof, acoustic balcony thereof (if any) and other Noise Mitigation Measures (if any) forming part of and/or serving exclusively such residential unit) to which a specific number of Undivided Share is allocated in accordance with this Deed or any Sub-Deed(s) or any other deed(s) and is intended for separate and exclusive use, possession and occupation by the Owner thereof;

**“Slope Maintenance Manual”**

means the maintenance manual for the Slope Structures (if any) prepared in accordance with the Geoguide 5 – Guide to Slope Maintenance issued by the Geotechnical Engineering Office (as amended or substituted from time to time);

**“Slope Structures”**

mean the slopes, slope treatment works, retaining walls or other structures within or outside the Lot and the Development (if any) which are required to be maintained and carried out by the Owners under the Conditions 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;

**“Special Fund”**

means the Special Fund maintained by the Manager pursuant to Clause 4.11 hereof;

**“Structures”**

mean the bridges, tunnels, over-passes, under-passes, culverts, viaducts, flyovers, pavements, roads or such other structures as the Director of Lands in his sole discretion may require as referred to and defined as “the Structures” under Special Condition No.(3)(a)(i)(II) of the Conditions;

**“Sub-Deed”**

means a Sub-Deed of Mutual Covenant to be entered into between the First Owner and another co-owner or owners of the Development setting forth the rights and obligations of any component part of the Development and “**Sub-Deeds**” shall be construed accordingly;

**“Undivided Shares”**

mean those equal undivided parts or shares of and in the Lot and of and in the Development allocated in accordance with the provisions of these presents or in accordance with any Sub-Deed(s) or any other deed(s);

**“Unit”**

means (i) a Residential Unit, (ii) a Carpark Unit, (iii) a Commercial Unit or (iv) any part or parts of the Development in respect of which a specific number of Undivided Share is allocated in accordance with this Deed or sub-allocated in accordance with any Sub-Deed(s) or any other deed(s) respectively and is intended for separate and exclusive use, possession and occupation by the Owner thereof and shall have the same definition as “flat” under the Building Management Ordinance (Cap.344);

**“Visitors’ Parking Space”**

means a parking space as required under Special Condition No.(25)(a)(iii) of the Conditions and intended for the parking of motor vehicles belonging to the bona fide guests, visitors or invitees of the residents of the Residential Units, which forms part of the Residential Common Areas and Facilities and which for the purposes of identification are shown coloured **Green** and marked “**V01**”, “**V02**”, “**V03**”, “**V04**” and “**V05**” on the Basement Floor plan and the Ground Floor plan certified as to accuracy by the Authorized Person and annexed hereto; and

**“Waterworks Reserve Area”**

means that portion of the Lot as referred to in Special Condition No.(39)(a) of the Conditions and shown coloured pink cross-hatched black on the plan marked “PLAN No. TM5721-SP” annexed to the Conditions;

## **“Works and Installations”**

mean the major works and installations in the Development (whether forming part of the Common Areas and Facilities or not) requiring regular maintenance on a recurrent basis which include but not limited to those works and installations set out in the Fourth Schedule subject to revision in accordance with Clause 9.12 of this Deed.

### **1.2 Genders**

In these presents (if the context permits or requires) words importing the singular number only shall include the plural number and vice versa and words importing the masculine gender only shall include the feminine gender and the neuter and vice versa and words importing persons shall include corporations and vice versa.

### **1.3 References to ordinances**

References to any ordinance or statutory provisions shall include or mean any statutory amendments, modifications or re-enactments thereof from time to time being in force.

### **1.4 Clause Headings**

Clause headings are inserted for convenience only and for reference, and in no way define, limit or describe the scope of this Deed or the intent of any provisions thereof.

### **1.5 References to “this Deed”**

Any reference to “this Deed” shall mean this Deed of Mutual Covenant and Management Agreement.

## **SECTION II - RIGHTS AND OBLIGATIONS OF OWNERS**

### **2.1 Grant of rights to the First Owner**

The First Owner shall at all times hereafter, subject to and with the benefit of the Conditions, have the sole and exclusive right and privilege to hold, use, occupy and enjoy to the exclusion of the First Assignee the whole of the Lot and the Development together with the appurtenances thereto and the entire rents and profits thereof **SAVE AND EXCEPT** the First Assignee’s Unit and the Common Areas and Facilities and **SUBJECT TO** the rights and privileges granted to the First Assignee by the aforesaid Assignment and **SUBJECT TO** the provisions of this Deed.

### **2.2 Grant of rights to the First Assignee**

The First Assignee shall at all times hereafter, subject to and with the benefit of the Conditions and these presents, have the full and exclusive right and privilege to hold, use, occupy and enjoy to the exclusion of the First Owner the First Assignee’s Unit by the said Assignment together with the appurtenances thereto and the entire rents and profits thereof.

### 2.3 **Rights of all Owners**

Each Undivided Share and the full and exclusive right and privilege to hold, use, occupy and enjoy any part of the Development shall be held by the person or persons from time to time entitled thereto subject to and with the benefit of the rights and privileges provided in the Second Schedule hereto and the express covenants and provisions herein contained.

### 2.4 **Owners bound by covenants and restrictions**

The Owner or Owners for the time being of each Undivided Share shall at all times hereafter be bound by and shall observe and perform the covenants, provisions and restrictions contained herein and in the Third Schedule hereto and such Owner shall comply with the House Rules from time to time in force so far as the same are binding on such Owner.

### 2.5 **Rights to assign without reference to other Owners**

Subject to the Conditions, 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, lease, license or otherwise dispose of or deal with his Undivided Shares together with the exclusive right and privilege to hold, use, occupy and enjoy such part or parts of the Development which may be held therewith PROVIDED THAT any such sale, assignment, mortgage, lease or licence shall be made expressly subject to and with the benefit of this Deed.

### 2.6 **Right to exclusive use not to be dealt with separately from Undivided Shares**

- (a) The right to the exclusive use, occupation and enjoyment of any part of the Lot or the Development shall not be sold, assigned, mortgaged, charged or otherwise dealt with separately from the Undivided Share with which the same is held PROVIDED ALWAYS THAT the provisions of this Clause shall not extend to leases or tenancies.
- (b) The right to the exclusive use, occupation and enjoyment of the balcony (if any), acoustic balcony (if any), Non-Enclosed Areas (if any) specifically assigned by the First Owner shall not be sold, assigned, mortgaged, charged, leased or otherwise dealt with separately from the Residential Unit with which such balcony, acoustic balcony, Non-Enclosed Areas is held.

### 2.7 **Rights of Owners**

- (a) **Rights of Every Owner**

Every Owner, his tenants, servants, agents, invitees and licensees shall have the full right and liberty (in common with the Manager ) to go pass and repass over and along and to use the Development Common Areas and Facilities for all purposes connected with the proper use and enjoyment of the same.

- (b) **Rights of Owner of Residential Unit**

Every Owner with the exclusive right and privilege to hold, use, occupy and enjoy any Residential Unit together with his tenants, servants, agents, invitees and licensees shall have the full right and liberty (in common with the Manager) to go pass and repass over and along and to use (i) the Residential Common Areas and Facilities for all purposes connected with the proper use and enjoyment of the same; and (ii) such part(s) of the Carpark Common Areas and Facilities as may be necessary to access to and from the Accessible Parking Space, Residential Loading and Unloading Space, Visitors' Parking Spaces and Bicycle Parking Spaces.

(c) Rights of Owner of Commercial Unit

Every Owner with the exclusive right and privilege to hold, use, occupy and enjoy any Commercial Unit together with his tenants, servants, agents, invitees and licensees shall have the full right and liberty (in common with the Manager) to go pass or repass over and along and to use (i) the Commercial Common Areas and Facilities for all purposes connected with the proper use and enjoyment of the same; and (ii) such part(s) of the Carpark Common Areas and Facilities as may be necessary to access to and from his Commercial Unit and the Commercial Loading and Unloading Spaces.

(d) Rights of Owner of Residential Car Parking Space, Commercial Car Parking Space, Residential Motor Cycle Parking Space or Commercial Motor Cycle Parking Space

Every Owner with the exclusive right and privilege to hold, use, occupy and enjoy any Residential Car Parking Space, Commercial Car Parking Space, Residential Motor Cycle Parking Space or Commercial Motor Cycle Parking Space together with his tenants, servants, agents, invitees and licensees shall have the full right and liberty (in common with the Manager) to go pass and repass over and along and to use such part(s) of the Carpark Common Areas and Facilities for all purposes connected with the proper use and enjoyment of the same and as may be necessary to access to and from his Residential Car Parking Space, Commercial Car Parking Space, Residential Motor Cycle Parking Space or Commercial Motor Cycle Parking Space.

(e) Rights subject to this Deed, etc.

In each of the above cases the right and liberty shall be subject to the provisions of this Deed, the rights of the Manager and the House Rules.

(f) Rights of Owner of Commercial Unit

The Owner of a Commercial Unit (including for the avoidance of doubt, a signage space) shall have the exclusive right to erect or affix or paint on or to the exterior of, the external walls or non-structural pre-fabricated external wall of his Commercial Unit flags, poles, banners, sunshades, sculptures, signs, signboards and advertisements (collectively called "**Signs**") subject to the following conditions:-

(i) No Sign shall extend beyond the boundaries of his Commercial Unit.

- (ii) Detailed specifications, plans and drawings of the Signs and the erection, fixing or installation works thereof (collectively called “**Signage Installation Works**”) shall first be submitted for approval by the Manager and no Sign shall be erected or affixed or painted and no Signage Installation Works shall be carried out without the prior written approval of the Manager.
- (iii) In addition, all other necessary consents and permissions from the relevant Government authorities shall first be obtained before commencement of the Signage Installation Works and all relevant laws, regulations and rules in force in Hong Kong shall be complied with.
- (iv) The Signs and the Signage Installation Works shall not cause any damage to the Development or cause the maximum loading weight of the relevant part of the external walls of the Development to be exceeded or cause any material nuisance to the other Owners and occupiers of the Development or otherwise interfere with the use and enjoyment by the other Owners and occupiers of their Units.
- (v) The Owner shall insure and keep insured the Signs and the Signage Installation Works owned by him against third party risks or liability in such sum as the Manager shall require and the Owner shall indemnify and keep indemnified the Manager and all other Owners and occupiers of the Development against all losses damages liabilities claims expenses and costs in respect of the Signage Installation Works and the Signs and any damage caused to any person or property in connection therewith.
- (vi) The Owner shall at his sole cost and expense paint, repair, maintain and keep in good clean and safe repair and condition at all times to the reasonable satisfaction of the Manager his own external wall spaces and any part thereof and any signs, signboards, advertisements, relevant supporting frames thereof, or other erections, installations, fixtures or fittings thereto or thereon and if there shall be any default by the Owner, the Manager, without prejudice to other rights and remedies, shall have the right to carry out all necessary painting repair and maintenance works at the costs and expenses of the defaulting Owner who shall bear and pay all such costs and expenses on demand by the Manager.
- (g) The Owner(s) of the Commercial Unit(s) (including for the avoidance of doubt, the signage space(s)) or any part or parts thereof shall have the right to remove or dismantle any Sign from the external walls or non-structural pre-fabricated external wall of his Commercial Unit but such right has to be exercised in accordance with the instructions given by the Manager and in compliance with all relevant laws, regulations and rules in force in Hong Kong.

### **SECTION III - ADDITIONAL RIGHTS OF THE FIRST OWNER**

#### **3.1 Additional rights of the First Owner**

The First Owner (which for the purposes of this Clause 3.1 shall exclude its successors and assigns) shall for as long as it remains the beneficial owner of any Undivided Share have the sole and absolute right in its absolute and unfettered discretion at any time or times and from time to time as it shall deem fit to do all or any of the following acts or deeds and to exercise all or any of the following rights :-

- (a) To amend Building Plans, etc.

The right to change, amend, vary, add to or alter the Building Plans existing at the date hereof in respect of the parts of the Lot and the Development which have not been sold or assigned by the First Owner without the concurrence or approval of any Owner or any of the parties hereto but nothing herein shall absolve the First Owner from the requirements of obtaining the prior written consent of the Director of Lands or other Government authorities pursuant to the Conditions 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 part of the Development which he owns nor impede or restrict the access to and from any such part of the Development.

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

The right to enter into and upon all parts of the Lot and the Development (save and except those parts of the Lot and the Development the sole and exclusive right to the use, enjoyment and occupation of which have been assigned or otherwise disposed of by the First Owner) with all necessary equipment, plant and materials for the purposes of constructing or completing the other parts of the Development and may, for such purpose, carry out all such works in, under, on or over the Lot and the Development as it may from time to time see fit PROVIDED THAT the exercise of this right shall not interfere with an Owner's right to hold, use, occupy and enjoy the part of the Development which he owns nor impede or restrict an Owner's right of access to or from his part of the Development. The right of the First Owner to enter the Lot and the Development (save and except those parts as aforesaid) to carry out such works shall extend equally to all necessary contractors, agents, workers and other persons authorised by the First Owner. The First Owner in pursuance of such works may from time to time issue in writing to the Owners instructions as to the areas or parts of the Lot and the Development (save and except those parts as aforesaid) that the Owners, their servants, agents or licensees may or may not use while such works are being carried out but the First Owner shall cause as little disturbance as reasonably possible to the Owners and shall not affect the use, occupation and enjoyment of or prevent the access to or egress from any Unit of the Owners when carrying out such works and shall make good any damage or loss that may be caused by or arise from such construction works.

- (c) To change user

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

- (d) To affix fixtures, signs, advertisements, etc.

The right for the First Owner to affix, install, maintain, alter, renew and remove any one or more signs, masts, aerials, antennae, satellite dish, cables, telecommunication system, lightning conductors, lighting, chimneys, flues, pipes or any other structures, facilities and other fixtures of whatsoever kind on or within those part or parts of the Common Areas and Facilities of the Development PROVIDED ALWAYS THAT they shall not adversely interfere with the use and enjoyment by other Owners and occupiers of the Units owned or occupied by them and PROVIDED FURTHER THAT any exercise of this right shall be subject to the prior written approval by a resolution of Owners at an Owner's meeting convened under this Deed and any payment received for the approval must be credited to the Special Fund.

- (e) To change the name of the Development

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

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

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

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

The right without the necessity of making any Owner entitled to the exclusive use, occupation and enjoyment of any part or parts of the Lot or the Development outside the part or parts of the Lot or the Development in question a party thereto to enter into Sub-Deed(s) in respect of any part or parts of the Development still owned by the First Owner PROVIDED THAT such Sub-Deed(s) shall not conflict with the provisions of this Deed nor affect the rights, interests or obligations of the other Owners bound by any other



previous Sub-Deed(s) and shall be subject to the approval of the Director of Lands, unless otherwise waived.

- (h) To lay drains etc.

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

- (i) To designate additional Common Areas

Subject to the prior approval by a resolution of Owners at a meeting of Owners convened under this Deed, the right to designate and declare by deed any area or part or parts of the Development the sole and exclusive right to hold, use, occupy and enjoy which, and to receive the rents and profits in respect of which, is then beneficially owned by the First Owner to be additional Development Common Areas and Facilities or Residential Common Areas and Facilities or Commercial Common Areas and Facilities or Carpark Common Areas and Facilities and subject to the approval of the Director of Lands to sub-allocate Undivided Shares thereto whereupon with effect from such designation and declaration such additional Development Common Areas and Facilities or Residential Common Areas and Facilities or Commercial Common Areas and Facilities or Carpark Common Areas and Facilities shall form part of the Development Common Areas and Facilities or Residential Common Areas and Facilities or Commercial Common Areas and Facilities or Carpark Common Areas and Facilities (as the case may be) as provided in this Deed and the Owners shall contribute to the maintenance and upkeep of the same PROVIDED THAT the First Owner shall not have the right to re-convert or re-designate such additional Common Areas and Facilities to its own use or benefit AND PROVIDED FURTHER THAT in making such designation the First Owner shall not interfere with or adversely affect the right of any Owner to hold, use, occupy and enjoy his Unit.

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

Subject to the prior approval of the Director of Lands, the right without the concurrence or approval of the other Owners to adjust and/or allocate and/or

reallocate and/or sub-allocate the number of Undivided Shares in the Lot and the Development retained by the First Owner relating thereto and the fraction which each such Undivided Share bears to the whole PROVIDED THAT such adjustment and/or allocation and/or re-allocation and/or sub-allocation shall not affect the other Owners' sole and exclusive right and privilege to hold use and occupy their part or parts of the Development or impede or restrict the access to or from such part or parts of the Development and PROVIDED ALSO THAT no such adjustment shall affect such other Owners' rights in the Development and no such adjustment shall result in disproportionate management charges being imposed on or voting rights being granted to and PROVIDED ALSO THAT no Undivided Share shall be allocated to the Common Areas and Facilities or any part thereof designated in any Sub-Deed(s) (when executed).

- (k) To adjust boundary of the Lot

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

- (l) To surrender or assign to Government

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

- (m) To negotiate with the Government

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

the Conditions (including the plan(s) annexed thereto) the effect of which is to :-

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

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

- (n) To obtain rights over adjoining lands

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

- (o) To grant rights to adjoining lands

Subject to the prior approval of the Owners by a resolution passed at an Owners' meeting convened under this Deed, the right to grant any rights, any rights of way or easements or quasi-easements (including but not limited to the right to use any roads, passageways, walkways, footpaths, pedestrian bridges,

subways, gardens, open spaces, nullahs and culverts, sewage treatment plants and facilities, refuse collection and disposal areas and facilities, drainage system and gas, water and electricity storage, transformation and supply systems) over any part or parts of the Common Areas and Facilities or to grant any similar rights by licence for the benefit of any adjoining or neighbouring lands on such terms and conditions and to such persons as the First Owner shall deem fit PROVIDED THAT:-

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

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

- (q) To make alterations

Subject to the approval of the relevant Government authorities, at any time hereafter and from time to time to change, amend, vary, add to or alter the plans of any Units or any part or parts of the Development, to determine or change or alter the number of the Units to be included, constructed or erected in or on the Development, and to change or alter the location and/or the areas and/or users of any Units or part or parts of the Development owned by the First Owner without the concurrence or approval of any other Owner Provided That the exercise of this right shall be restricted to the Units which have not

been sold or assigned by the First Owner and shall not interfere with an Owner's right to hold, use, occupy and enjoy his Unit or impede or restrict the access to or from such Unit.

(r) To change floor numbering

Subject to the approval of the relevant Government authorities (if required), the full and unrestricted right without interference by the other Owners to designate or re-designate the floor numbering and allocate or re-allocate an appropriate number of Undivided Shares to such areas in the Development which are owned by the First Owner PROVIDED THAT the right to re-allocate or sub-allocate Undivided Shares shall be subject to the prior approval of the Director of Lands.

(s) To adjust numbering of Units etc.

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

(t) To subjacent and lateral support

The right to subjacent and lateral support from the remainder of the Development.

Unless otherwise stated any consideration received or receivable in the exercise by the First Owner of any of the rights and privileges reserved unto it under this Clause 3.1 shall if the First Owner deems fit be for the own use and benefit of the First Owner and may be on such terms and conditions as the First Owner may deem appropriate and unless otherwise stated any such rights and privileges may be exercised and enjoyed without the concurrence or consent of any other Owner or the necessity of joining any other Owner as parties to any documents PROVIDED THAT unless otherwise stated, if such rights and privileges shall be affecting, arising out of or in connection with the Common Areas and Facilities, any such monetary consideration received therefor as aforesaid shall be credited to the management account for the management and maintenance of the Lot and the Development or the Special Fund (as the case may be).

### 3.2 **Appointment of the First Owner as the Owners' Attorney and Covenants in Assignments**

(a) Power of attorney to the First Owner

The Owners hereby jointly and severally and irrevocably APPOINT the First Owner (which for the purposes of this Clause 3.2 shall exclude its successors and assigns) as their attorney and grant unto the First Owner the full right power and authority to do all acts deeds matters and things and to execute and sign seal and as their act and deed deliver such deed or deeds and to sign such documents or instruments as may be necessary for the exercise of or incidental to the First Owner's rights mentioned in Clause 3.1 above and the Owners hereby further jointly and severally undertake to do all acts deeds matters and things and to execute sign seal and deliver such deeds and to sign such documents or instruments as may be necessary to give effect to the abovementioned appointment and grant and to ratify and confirm all that the First Owner as such attorney shall lawfully do or cause to be done by virtue thereof and that the power of attorney hereby given shall bind the executor(s) and the administrator(s) and the successor(s) and assign(s) of such Owners and shall not be revoked by the death incapacity bankruptcy or winding-up (as the case may be) of any of such Owners.

(b) Assignment to include covenants

Every Assignment by an Owner of the Undivided Shares and the part of the Development which he owns shall include a covenant in substantially the following terms: "The Purchaser covenants with the Vendor for itself and as agent for Hoyden Holdings Limited ("**the Company**" which expression shall exclude its successors, assigns and attorneys) to the intent that such covenants shall bind the Property and the owner or owners thereof for the time being and other person or persons deriving title under the Purchaser (each and all of whom including the Purchaser is and are hereinafter included in the expression "**the Covenating Purchaser**") and shall enure for the benefit of the Development and be enforceable by the Company and its successors and assigns that :-

- (i) the Covenating Purchaser confirms and acknowledges the covenants, rights, entitlements, exceptions and reservations granted and conferred on the Company under Clause 3.1 of a Deed of Mutual Covenant and Management Agreement dated the [●] day of [●] and the Covenating Purchaser shall not do or permit anything to be done which will in any way affect or hinder the exercise of the said rights by the Company;
- (ii) the Covenating Purchaser shall, if required by the Company, do everything necessary, including giving express consents in writing to the exercise of the said rights by the Company, to facilitate the exercise of the said rights by the Company;
- (iii) the Covenating Purchaser hereby expressly and irrevocably appoints the Company to be its attorney and grants unto the Company the full right power and authority to give all consents and to do all acts deeds matters and things and to execute and sign seal and as the acts and deeds of the Covenating Purchaser deliver such deeds and to sign such documents or instruments as may be necessary for the exercise of or incidental to the exercise of the rights conferred on the Company as aforesaid with the full power of delegation and the Covenating

Purchaser hereby further covenants to do all acts deeds matters and things and to execute sign seal and deliver such deed or deeds and to sign such documents or instruments as may be necessary to give effect to such appointment and grant; and

- (iv) in the event of the Covenancing Purchaser selling or otherwise disposing of the Property, the Covenancing Purchaser shall sell or otherwise dispose of the Property upon the condition that the purchaser or assignee thereof shall enter into the same binding covenants on terms similar in scope and extent as the covenants (i), (ii) and (iii) hereinbefore contained

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

#### **SECTION IV - MANAGER AND MANAGEMENT CHARGES**

##### **4.1 Appointment and Termination of Manager**

- (a) Subject to the provisions of the Building Management Ordinance (Cap.344), the DMC Manager shall undertake the management, operation, servicing, maintenance, repair, renovation, improvement, replacement, **security and insurance of the Lot and the Development and the Common Areas and Facilities** therein (all or any of which activities are where not inapplicable herein included under the word “management”) from the date of appointment under this Deed for an initial term of not exceeding two (2) years and such appointment shall continue until terminated as provided in this Clause 4.1.
- (b) The appointment of the Manager may be terminated as follows:-
  - (i) the appointment is terminated by the Manager by giving not less than three (3) calendar months’ notice of termination in writing of his intention to resign :-
    - (A) by sending such notice to the Owners’ Committee; or
    - (B) where there is no Owners’ Committee, by giving such a notice to each of the Owners and by displaying such a notice in a prominent place in the Development.
  - (ii) The notice referred to in this Clause 4.1(b)(i)(B) may be given:-
    - (A) by delivering it personally to the Owner; or
    - (B) by sending it by post to the Owner at his last known address; or

- (C) by leaving it at the Owner's Unit or depositing it in the letter box for that Unit; or
  - (iii) prior to the formation of the Owners' Corporation, the 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 fifty per cent (50%) of the Undivided Shares in aggregate (excluding the Undivided Shares allocated to the Common Areas and Facilities) and by giving the Manager not less than three (3) months' notice in writing; or
  - (iv) in the event that the Manager is wound up or has a receiving order made against it.
- (c) (i) Where an Owners' Corporation has been formed and subject to Clause 4.1(c)(iv), at a general meeting convened for the purpose, the Owners' Corporation may, by a resolution :-
- (A) passed by a majority of the votes of the Owners voting either personally or by proxy; and
  - (B) supported by the Owners of not less than fifty per cent (50%) of the Undivided Shares in aggregate (excluding the Undivided Shares allocated to the Common Areas and Facilities),
- terminate by notice the appointment of the DMC Manager without compensation.
- (ii) The resolution under Clause 4.1(c)(i) shall have effect only if :-
- (A) such notice of termination of appointment is in writing;
  - (B) provision is made in the resolution for a period of not less than three (3) months' notice or, in lieu of notice, provision is made for an agreement to be made with the DMC Manager for the payment to it of a sum equal to the amount of remuneration which would have accrued to it during that period;
  - (C) such notice is accompanied by a copy of the resolution terminating the DMC Manager's appointment; and
  - (D) such notice and the copy of the resolution is given to the DMC Manager within fourteen (14) days after the date of the meeting.
- (iii) The notice and the copy of the resolution referred to in Clause 4.1(c)(ii)(D) may be given :
- (A) by delivering them personally to the DMC Manager;
  - (B) by sending them by post to the DMC Manager at its last known address.



- (iv) For the purposes of Clause 4.1(c)(i):-
  - (A) only the Owners of Undivided Shares who pay or who are liable to pay contribution towards the Management Expenses relating to those Undivided Shares shall be entitled to vote;
  - (B) the reference in Clause 4.1(c)(i)(B) to “the Owners of not less than fifty per cent (50%) of the Undivided Shares in aggregate” shall be construed as a reference to the Owners of not less than fifty per cent (50%) of the Undivided Shares in aggregate who are entitled to vote.
- (v) If a contract for the appointment of a Manager other than the DMC Manager contains no provision for the termination of the Manager’s appointment, Clause 4.1(c)(i), (ii), (iii) and (iv) shall apply to the termination of the Manager’s appointment as they apply to the termination of the DMC Manager’s appointment.
- (vi) Clause 4.1(c)(v) operates without prejudice to any other power there may be in a contract for the appointment of the Manager other than the DMC Manager to terminate the appointment of the Manager.
- (vii) If a notice to terminate a Manager’s appointment is given under this Clause 4.1(c):-
  - (A) no appointment of a new Manager shall take effect unless the appointment is approved by a resolution of the Owners’ Committee (if any); and
  - (B) if no such appointment is approved under Clause 4.1(c)(vii)(A) 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.
- (viii) This Clause 4.1(c) is subject to any notice relating to the Development that may be published by the Secretary for Home Affairs under Section 34E(4) of the Building Management Ordinance (Cap.344) but does not apply to any single manager referred to in that Section 34E(4).
- (ix) If any person has given an undertaking in writing to, or has entered into an agreement with, the Government to manage or be responsible for the management of the Development, and the Owners’ Corporation has appointed a Manager under Clause 4.1(c)(vii)(B) above, the Owners’ Corporation shall be deemed to have given to that person an instrument of indemnity under which the Owners’ Corporation shall be liable to indemnify that person in respect of any act or omission by the Manager appointed under that Clause 4.1(c)(vii)(B) that may otherwise render that person liable for a breach of that undertaking or agreement.

#### 4.2 **Delivery of books and records of accounts**

- (a) Subject to Clause 4.2(b), if the Manager's appointment ends for any reason, it shall, as soon as practicable after its appointment ends, and in any event within fourteen (14) days of the date its appointment ends, deliver to the Owners' Committee (if any) or the Manager appointed in its place any movable property in respect of the control, management and administration of the Lot and the Development that is under its control or in its custody or possession, and that belongs to the Owners' Corporation (if any) or the Owners.
- (b) If the Manager's appointment ends for any reason, the Manager shall within two (2) months of the date its appointment ends:-
  - (i) prepare an income and expenditure account for the period beginning with the commencement of the financial year in which its appointment ends and ending on the date its appointment ended and a balance sheet as at the date its appointment ended and shall arrange for that account and balance sheet to be audited by a certified public accountant or by some other independent auditor specified in a resolution of the Owners' Committee (if any) or, in the absence of any such specification, by such certified public accountant or other independent auditor as may be chosen by the Manager; and
  - (ii) deliver to the Owners' Committee (if any) or the Manager appointed in its place any books or records of accounts, papers, documents and other records which are required for the purposes of Clause 4.2(b)(i) and have not been delivered under Clause 4.2(a).

#### 4.3 **Appointment of New Manager**

In the event of the Manager giving notice as hereinbefore provided or in the case of the Manager being dismissed, the Manager shall convene a meeting of the Owners' Committee to elect a manager to take its place or in the case of the Manager being wound up or having a receiving order made against it or failing to convene a meeting of the Owners' Committee as aforesaid, a meeting of the Owners' Committee may be convened to elect a manager to take its place and such meeting shall elect a manager who shall at the conclusion of the meeting of the Owners' Committee aforesaid thereupon and henceforth become vested with all the powers and duties of the Manager hereunder. Notwithstanding anything hereinbefore contained, it is hereby declared and agreed that subject to the provisions of the Building Management Ordinance (Cap.344), at no time shall the Lot and the Development be without a responsible duly appointed manager to manage the Lot and the Development or any part or parts thereof after execution of this Deed.

#### 4.4 **Manager's Remuneration**

The annual remuneration of the Manager for the performance of its duties hereunder shall not exceed ten per cent (10%) of the total annual Management Expenses (excluding the Manager's remuneration and any capital expenditure or expenditure drawn out of the Special Fund) reasonably and necessarily incurred in the management of the Lot and the Development or any portion of the Lot and the

Development. The Manager's remuneration shall be the net remuneration of the Manager for its services as Manager and shall not include the costs, expenses and fees for any staff, facilities, legal, professional, accounting and administration services and all disbursements and out-of-pocket expenses properly incurred in the course of carrying out its duties hereunder which said costs, expenses, fees and disbursements shall be a direct charge on the management funds. Payment of the Manager's remuneration hereunder shall be in advance by twelve (12) equal calendar monthly instalments, each such payment to be in the sum of one twelfth ( $\frac{1}{12}^{\text{th}}$ ) of the annual remuneration of the Manager not exceeding ten per cent (10%) of the estimated total annual Management Expenses (excluding the Manager's remuneration and the capital expenditure or expenditure drawn out of the Special Fund as aforesaid) payable by the Owners according to the annual budget or revised budget for the year in question to be prepared as provided in Clauses 4.5-4.8 hereof and any adjustment payment or deduction that needs to be made to bring the amount paid to the Manager by way of remuneration for the year in question to the correct amount for such year will be made within twenty-one (21) days from the completion of the auditing of the management accounts for such year as provided in Clause 4.27 hereof PROVIDED ALWAYS 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 as provided under this Clause, or at such lower rate as the Owners may consider appropriate. No variation of the percentage of the annual remuneration of the Manager may be made except with the approval by a resolution of Owners duly passed at a meeting of Owners convened under this Deed.

#### 4.5 Management Expenses

- (a) Subject to sub-clauses (c), (e), (f) and (h) of this Clause, the total amount of Management Expenses payable by the Owners during any period of twelve (12) months adopted by the Manager as the financial year in respect of the management of the Development shall be the total proposed expenditure during that year as specified by the Manager in accordance with sub-clause (b) of this Clause.
- (b) In respect of each financial year, the Manager shall :-
  - (i) prepare a draft budget setting out the proposed expenditure during the financial year;
  - (ii) send a copy of the draft budget to the Owners' Committee or, where there is no Owners' Committee, display a copy of the draft budget in a prominent place in the Development, and cause it to remain so displayed for at least seven (7) consecutive days;
  - (iii) send or display, as the case may be, with the copy of the draft budget a notice inviting each Owner to send his comments on the draft budget to the Manager within a period of fourteen (14) days from the date the draft budget was sent or first displayed;
  - (iv) after the end of that period, prepare a budget specifying the total proposed expenditure during the financial year;

- (v) send a copy of the budget to the Owners' Committee or, where there is no Owners' Committee, display a copy of the budget in a prominent place in the Development, and cause it to remain so displayed for at least seven (7) consecutive days.
- (c) Where, in respect of a financial year, the Manager has not complied with sub-clause (b) of this Clause before the start of that financial year, the total amount of the Management Expenses for that year shall :-
  - (i) until he has so complied, be deemed to be the same as the total amount of Management Expenses (if any) for the previous financial year;
  - (ii) when he has so complied, be the total proposed expenditure specified in the budget for that financial year, and the amount that the Owners shall contribute towards the Management Expenses shall be calculated and adjusted accordingly.
- (d) Where a budget has been sent or displayed in accordance with sub-clause (b)(v) of this Clause and the Manager wishes to revise it, he shall follow the same procedures in respect of the revised budget as apply to the draft budget and the budget by virtue of sub-clause (b) of this Clause.
- (e) Where a revised budget is sent or displayed in accordance with sub-clause (d) of this Clause, the total amount of the Management Expenses for that financial year shall be the total expenditure or proposed expenditure specified in the revised budget and the amount that Owners shall contribute towards the Management Expenses shall be calculated and adjusted accordingly.
- (f) If there is an Owners' Corporation and, within a period of one (1) month from the date that a budget or revised budget for a financial year is sent or first displayed in accordance with sub-clause (b) or (d) of this Clause, the Owners' Corporation decides, by a resolution of the Owners, to reject the budget or revised budget, as the case may be, the total amount of Management Expenses for the financial year shall, until another budget or revised budget is sent or displayed in accordance with sub-clause (b) or (d) of this Clause and is not so rejected under this sub-clause, be deemed to be the same as the total amount of Management Expenses (if any) for the previous financial year, together with an amount not exceeding ten per cent (10%) of that total amount as the Manager may determine.
- (g) If any Owner requests in writing the Manager to supply him with a copy of any draft budget, budget or revised budget, the Manager shall, on payment of a reasonable copying charge, supply a copy to that person.
- (h) For the purpose of this Clause 4.5, "expenditure" means all expenses, costs and charges to be borne by the Owners including the remuneration of the Manager.

#### 4.6 Preparation of annual budget by Manager

Subject to the provisions of this Deed, the Manager shall prepare the annual budget

for the ensuing year in consultation with the Owners' Committee (if already formed) except the first budget which shall cover the period from the date of this Deed until the following 31st day of December. Subject to the provisions of this Deed, the annual budget shall be divided into the following parts :-

- (a) The first part shall cover all expenditure that is necessarily and reasonably incurred in the management of such part(s) of the Development and which in the opinion of the Manager (whose decision shall be conclusive save for manifest error) is to be expended for the benefit of all Owners or required for the proper management of the Green Area, the Existing Vehicular Access, the Structures and the Diverted Drains (until possession of the Green Area and the Diverted Drains (as the case may be) has been re-delivered to the Government in accordance with Special Condition Nos.(4)(b) and (37)(e) of the Conditions respectively), the Minimum Horizontal Clearance, the Minimum Vertical Clearance, the Development and the Development Common Areas and Facilities therein including but without prejudice to the generality of the foregoing :-
- (i) the maintenance, operation, repair and cleansing of all Development Common Areas and Facilities and the lighting thereof and the provisions and operation of emergency generators and lighting for the Development Common Areas and Facilities;
  - (ii) the cultivation, irrigation and maintenance of the lawns and planters and landscaped areas on the Development Common Areas and Facilities (if any);
  - (iii) the cost of all electricity, gas, water, telephone and other utilities serving the Development Common Areas and Facilities;
  - (iv) the provision of security guard services for the Development and the cost of employing caretakers, watchmen, cleaners, lift operators and attendants and such other staff to manage and administer the Development Common Areas and Facilities;
  - (v) the cost and expense of maintaining such areas or drains and channels within the Lot that are required to be maintained under the Conditions;
  - (vi) the remuneration of the Manager calculated in accordance with Clause 4.4 of this Deed for providing its services hereunder;
  - (vii) insurance of the Common Areas and Facilities and the Units under the provisions of this Deed, up to the full new reinstatement value thereof and in particular against loss or damage by fire and/or such other perils and risks and the Manager against third party, or public and/or occupiers' liability or employees' compensation risks or any other insurance policy considered necessary by the Manager;
  - (viii) the costs, expenses and fees for any staff and facilities, legal and accounting fees and all other professional fees and administration

services properly and reasonably incurred by the Manager in carrying out the services as provided under this Deed;

- (ix) the costs of removal and disposal of rubbish from the Development;
  - (x) all costs incurred in connection with the Development Common Areas and Facilities;
  - (xi) the cost of repairing and maintaining the Slope Structures (if any) the maintenance of which is the liability of the grantee under the Conditions and in accordance with “Geoguide 5 - Guide to Slope Maintenance” issued by the Geotechnical Engineering Office as amended from time to time and the Slope Maintenance Manual;
  - (xii) the cost and expense of inspecting, maintaining, reinstating, repairing the foundations, columns and other structures constructed or to be constructed and reinstating and making good the same in the event of any landslip, subsidence or falling away and the drains, nullahs, sewers, pipes, watermains and channels and such other areas whether within or outside the Lot or that are required to be maintained under the Conditions or for the proper functioning of the Development;
  - (xiii) the cost and expense of maintaining the Green Area, the Existing Vehicular Access, the Structures and the Diverted Drains under this Deed and/or pursuant to the Conditions in good repair and condition and to the satisfaction of the Director of Lands until the Green Area, the Existing Vehicular Access, the Structures and the Diverted Drains have been re-delivered to the Government; and
  - (xiv) the cost and expense of maintaining the Minimum Horizontal Clearance and the Minimum Vertical Clearance under this Deed and/or pursuant to the Conditions.
- (b) The second part shall cover expenditure that is necessarily and reasonably incurred in the management of such part(s) of the Development and which in the opinion of the Manager (whose decision shall be conclusive save for manifest error) is specifically referable to the Residential Common Areas and Facilities providing service to Owners of Residential Units including (without in any way limiting the generality of the foregoing):- (A) such expenditure in the operation, maintenance and repair of lifts in the Residential Common Areas and Facilities and the equipment therein; (B) the charges for the supply of flushing water for the Residential Accommodation; (C) the operation, maintenance, repair, cleansing, lighting and security of the entrance lobbies and lift halls in the Residential Accommodation; and (D) such proportionate part of the general expenditure (attributable to Owners of Residential Units in the opinion of the Manager) for cost of staff, caretakers, watchmen and security forces, removal and disposal of rubbish and recreational activities for the Owners of Residential Units as the Manager shall consider fair and reasonable;

- (c) The third part shall cover all expenditure which in the opinion of the Manager (whose decision shall be conclusive save for manifest error) is specifically referable to the Commercial Common Areas and Facilities providing service to Owners of Commercial Units including (without in any way limiting the generality of the foregoing):- (A) such expenditure in the operation, maintenance, repair of the Commercial Common Areas and Facilities and the equipment therein; and (B) such proportionate part of the general expenditure (attributable to Owners of Commercial Units in the opinion of the Manager) for cost of staff, watchmen and security forces, the charges for the supply of electricity, flushing water (if appropriate) and lighting and the removal and disposal of rubbish as the Manager shall consider fair and reasonable;
- (d) The fourth part shall cover all expenditure which in the opinion of the Manager (whose decision shall be conclusive save for manifest error) is specifically referable to the Carpark Common Areas and Facilities providing service to Owners of Carpark Units including (without in any way limiting the generality of the foregoing):- (A) such expenditure in the operation, maintenance and repair of the Carpark Common Areas and Facilities and the equipment therein; and (B) such proportionate part of the general expenditure (attributable to Owners of Carpark Units in the opinion of the Manager) for cost of staff, watchmen, caretakers and security forces, the charges for the supply of electricity, flushing water (if appropriate) and lighting and the removal and disposal of rubbish as the Manager shall consider fair and reasonable;

PROVIDED THAT:-

- (I) expenditure of a capital and/or improvement nature for the improvement of the Development and/or the replacement or improvement of lifts, installations, systems, equipment and apparatus within or forming part of the Common Areas and Facilities including and/or for the efficient management and maintenance of the Development and the cost of maintaining and repairing any of the Slope Structures (if any) or other areas or structures in compliance with the Conditions shall be compiled in a separate heading within the appropriate section of the annual budget and shall be payable out of the Special Fund mentioned in Clause 4.11 of this Deed when the same is established;
- (II) the annual budget shall also set out an estimate as to the time of any likely need to draw on the Special Fund; and
- (III) in the event that a Sub-Deed is entered into in respect of any component part of the Development and in the Sub-Deed any areas and facilities which are designated as common areas and facilities as a consequence of which the same thereby become part of the Common Areas and Facilities a new section of the annual budget shall be established by the Manager such section to cover all expenditure which in the opinion of the Manager (whose decision shall be conclusive save for manifest error) is specifically referable to such common areas and facilities and such expenditure shall be borne by the Owners of that component part of the Development.
- 4.7 (a) Subject to sub-clauses (b) and (c) below, the Manager or the Owners' Committee shall not enter into any contract for the procurement of any

supplies, goods or services the value of which exceeds or is likely to exceed the sum of HK\$200,000 or such other sum as the Secretary for Home Affairs may specify by notice in the Gazette unless :-

- (i) the supplies, goods or services are procured by invitation to tender; and
  - (ii) the procurement complies with the Code of Practice referred to in Section 20A(1) of the Building Management Ordinance (Cap.344).
- (b) Subject to sub-clause (c) below, the Manager or the Owners' Committee shall not enter into any contract for the procurement of any supplies, goods or services the value of which exceeds or is likely to exceed a sum which is equivalent to twenty per cent (20%) of the annual management budget or such other percentage as the Secretary for Home Affairs may specify by notice in the Gazette unless :-
- (i) if there is an Owners' Corporation :-
    - (A) the supplies, goods or services are procured by invitation to tender;
    - (B) the procurement complies with the Code of Practice referred to in Section 20A(1) of the Building Management Ordinance (Cap.344); and
    - (C) whether a tender submitted for the purpose is accepted or not is decided by a resolution of the Owners passed at a general meeting of the Owners' Corporation, and the contract is entered into with the successful tenderer; or
  - (ii) if there is no Owners' Corporation :-
    - (A) the supplies, goods or services are procured by invitation to tender;
    - (B) the procurement complies with the Code of Practice referred to in Section 20A(1) of the Building Management Ordinance (Cap.344); and
    - (C) whether a tender submitted for the purpose is accepted or not is decided by a resolution of the Owners passed at a meeting of the Owners convened and conducted in accordance with this Deed, and the contract is entered into with the successful tenderer.
- (c) Sub-clauses (a) and (b) above do not apply to any supplies, goods or services which but for this sub-clause (c) would be required to be procured by invitation to tender (referred to in this sub-clause as “**relevant supplies, goods or services**”) :-
- (i) where there is an Owners' Corporation, if :-



- (A) 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
  - (B) 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 :-
- (A) 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
  - (B) the Owners decide by a resolution of the Owners passed at a meeting of the Owners convened and conducted in accordance with this Deed that the relevant supplies, goods or services shall be procured from that supplier on such terms and conditions as specified in the resolution, instead of by invitation to tender.
- (d) Notwithstanding anything to the contrary contained in this Deed, where, in the opinion of the Manager, any expenditure relates solely to or is solely for the benefit of any Unit and no Owner of any other Unit would receive any material benefit therefrom, and the Manager considers that it is appropriate to do so under the circumstances, the Manager may decide (whose decision shall be final and binding) to require that the full amount of such expenditure shall be borne by the Owner of that Unit.

#### **4.8 Calculation and payment of Management Expenses and annual budget**

The Manager shall fix the amount to be contributed to the annual budget by each Owner in accordance with the following principles :-

- (a) The amount of the monthly or other contributions payable by each Owner shall be specified and demanded by the Manager from time to time by notice in writing PROVIDED THAT for the avoidance of doubt, no contributions shall be payable in respect of the Undivided Shares allocated to the Common Areas and Facilities;
- (b) Each Owner of a Unit shall pay a due proportion of the budgeted Management Expenses specifically referable to the Development Common Areas and Facilities which proportion shall be equal to the Undivided Shares of his Unit divided by the total Undivided Shares of all the Units in the Development under the first part of the annual adopted budget;
- (c) Each Owner of the Residential Units in addition to the amount payable under sub-clause (b) of this Clause shall in respect of each Undivided Share allocated to a Residential Unit of the Residential Accommodation of which he

is the Owner pay a due proportion of the budgeted Management Expenses specifically referable to the Residential Common Areas and Facilities which proportion shall be equal to the Undivided Shares of his Residential Unit divided by the total Undivided Shares of all Residential Units under the second part of the annual adopted budget;

- (d) Each Owner of the Commercial Units in addition to the amount (if any) payable under sub-clause (b) of this Clause shall in respect of each Undivided Share allocated to a Commercial Unit of the Commercial Accommodation of which he is the Owner pay a due proportion of the budgeted Management Expenses specifically referable to the Commercial Common Areas and Facilities which proportion shall be equal to the Undivided Shares of his Commercial Unit divided by the total Undivided Shares of all Commercial Units under the third part of the annual adopted budget;
- (e)
  - (i) On the basis of Clause 3(b) in Part A of the Second Schedule, the Owners of the Residential Units shall contribute 30.20% of the budgeted Management Expenses under the fourth part of the annual adopted budget, to the intent that the due proportion of contribution thereto paid by each Owner of a Residential Unit shall be equal to the Undivided Shares of his Residential Unit divided by the total Undivided Shares of all Residential Units.
  - (ii) On the basis of Clause 3(c) in Part A of the Second Schedule, the Owners of the Commercial Units shall contribute 19.61% of the budgeted Management Expenses under the fourth part of the annual adopted budget, to the intent that the due proportion of contribution thereto paid by each Owner of a Commercial Unit shall be equal to the Undivided Shares of his Commercial Unit divided by the total Undivided Shares of all Commercial Units.
  - (iii) The Owners of the Residential Car Parking Spaces shall contribute 28.65% of the budgeted Management Expenses under the fourth part of the annual adopted budget, to the intent that the due proportion of contribution thereto paid by each Owner of a Residential Car Parking Space shall be equal to the Undivided Shares of his Residential Car Parking Space divided by the total Undivided Shares of all Residential Car Parking Spaces.
  - (iv) The Owners of the Commercial Car Parking Spaces shall contribute 19.10% of the budgeted Management Expenses under the fourth part of the annual adopted budget, to the intent that the due proportion of contribution thereto paid by each Owner of a Commercial Car Parking Space shall be equal to the Undivided Shares of his Commercial Car Parking Space divided by the total Undivided Shares of all Commercial Car Parking Spaces.
  - (v) The Owners of the Residential Motor Cycle Parking Spaces shall contribute 1.83% of the budgeted Management Expenses under the fourth part of the annual adopted budget, to the intent that the due proportion of contribution thereto paid by each Owner of a Residential

Motor Cycle Parking Space shall be equal to the Undivided Shares of his Residential Motor Cycle Parking Space divided by the total Undivided Shares of all Residential Motor Cycle Parking Spaces.

- (vi) The Owner of the Commercial Motor Cycle Parking Space shall contribute 0.61% of the budgeted Management Expenses under the fourth part of the annual adopted budget.
- (f) If a Sub-Deed is entered into in respect of any component part of the Development and a new section of the annual budget is established for that component part in accordance with Proviso III of Clause 4.6, each Owner of that component part shall in addition contribute his due proportion of the budgeted Management Expenses for that section in the manner provided in the Sub-Deed;
- (g) Where any expenditure for the management and maintenance of the Development and the Lot shall in the reasonable opinion of the Manager be specifically referable to or is being expended for a particular Unit or group of Units and no Owner of any other Unit shall receive any material benefit therefrom, the full amount shall be excluded from the annual budget and shall be paid by the Owner(s) of that particular Unit or group of Units on demand;
- (h) For the avoidance of doubt, it is hereby expressly provided that the First Owner's liability to make the aforesaid payment shall in no way be reduced by reason of the fact that any of the Units remains unsold and each Owner shall be personally liable to make the above payment to the Manager whether or not his part of the Development is vacant or occupied and whether or not it has been let or leased to tenant or is occupied by the Owner himself or any other person PROVIDED ALWAYS THAT no Owner shall be called upon to pay more than his appropriate share of Management Expenses, having regard to the number of Undivided Shares allocated to his Unit; and
- (i) All outgoings including Management Expenses and any Government rent up to and inclusive of the date of the first assignment of the Units shall be paid by the First Owner and no Owner shall be required to make any payment or reimburse the First Owner for such outgoings,

PROVIDED THAT the First Owner shall be obliged to make the payments and contributions as aforesaid which are of a recurrent nature for any Undivided Shares allocated to any part(s) of the Development and any of the Units remaining unsold SAVE AND EXCEPT those in respect of Units and Undivided Shares allocated to any separate building(s) of the Development, the construction of which has not been completed and the Consent to Assign or Certificate of Compliance in respect of which has not been issued, except to the extent that such uncompleted building(s) of the Development benefit(s) from the provisions of this Deed as to management and maintenance (e.g. as to the costs of managing and maintaining any slope structures or as to the security afforded by the management of the completed part(s)) of the Development.

#### 4.9 **Owner's further contribution to the Management Expenses**

If the total contributions receivable as aforesaid under the annual budget by the Manager shall in the opinion of the Manager be insufficient to meet the costs and expenses for such management and services then each Owner to whom the annual budget applies shall make good a due proportion of the estimated deficiency by making a further contribution to the Manager such further contribution being calculated in the same manner as in Clause 4.8 hereof and shall be payable to the Manager monthly in advance from the date specified in the written notices given by the Manager to the Owners. In such event, the Manager will prepare a revised budget in accordance with the provisions of this Deed.

#### 4.10 **Exclusion from Management Expenses**

Notwithstanding anything herein contained and for the avoidance of any doubt, the Management Expenses payable by the Owners in accordance with this Deed or any relevant Sub-Deed(s) shall not include :-

- (a) Any sum attributable or relating to the cost of completing the construction of the Development or any part thereof or any of the Common Areas and Facilities therein incurred prior to the date of this Deed all of which sums shall be borne solely by the First Owner (which expression shall for the purpose of this Clause exclude its assigns);
- (b) All existing and future taxes, rates, assessments, property tax, water rates (if separately metered), Government rent payable under the Conditions which has been separately assessed and charged by the Government against each Owner and outgoings of every description for the time being payable in respect of any Unit which shall be borne by the Owner for the time being thereof;
- (c) The expenses for keeping in good and tenantable repair and condition of the interior fixtures and fittings, walls, floors, windows and doors, garden area (if any), terrace, balcony, acoustic balcony (if any), flat roof and roof of or belonging to any Unit together with the plumbing, electrical installations, plant, equipment, apparatus, installations or services thereof not forming part of the Common Areas and Facilities which shall be solely borne by the Owner or Owners for the time being of such Unit.

#### 4.11 **Special Fund**

- (a) There shall be established and maintained a Special Fund for the purpose of paragraph 4 of Schedule 7 to the Building Management Ordinance (Cap.344). The Special Fund shall comprise the following separate accounts for different component parts of the Common Areas and Facilities:-
  - (i) A separate account of the Special Fund designated for the Development Common Areas and Facilities which shall be applied towards payment of expenditure of a capital nature or of a kind not expected to be incurred annually relating to the Development Common Areas and Facilities, which includes but is not limited to, expenses for the renovation, improvement and repair of the Development Common

Areas and Facilities, the purchase, setting up, replacement, improvement and addition of installations, systems, equipment, tools, plant and machineries for the Development Common Areas and Facilities and the costs of the relevant investigation works and professional services. This part of the Special Fund shall be held by the Manager as trustee for all Owners for the time being and such fund shall not be refundable or transferable.

- (ii) A separate account of the Special Fund designated for the Residential Common Areas and Facilities which shall be applied towards payment of expenditure of a capital nature or of a kind not expected to be incurred annually relating to the Residential Common Areas and Facilities, which includes but is not limited to, expenses for the renovation, improvement and repair of the Residential Common Areas and Facilities, the purchase, setting up, replacement, improvement and addition of clubhouse office, installations, systems, equipment, tools, plant and machineries for the Residential Common Areas and Facilities and the costs of the relevant investigation works and professional services. This part of the Special Fund shall be held by the Manager as trustee for the Owners of all Residential Units for the time being and such fund shall not be refundable or transferable.
- (iii) A separate account of the Special Fund designated for the Commercial Common Areas and Facilities which shall be applied towards payment of expenditure of a capital nature or of a kind not expected to be incurred annually relating to the Commercial Common Areas and Facilities, which includes but is not limited to, expenses for the renovation, improvement and repair of the Commercial Common Areas and Facilities, the purchase, setting up, replacement, improvement and addition of installations, systems, equipment, tools, plant and machineries for the Commercial Common Areas and Facilities and the costs of the relevant investigation works and professional services. This part of the Special Fund shall be held by the Manager as trustee for the Owners of all Commercial Units for the time being and such fund shall not be refundable or transferable.
- (iv) A separate account of the Special Fund designated for the Carpark Common Areas and Facilities which shall be applied towards payment of expenditure of a capital nature or of a kind not expected to be incurred annually relating to the Carpark Common Areas and Facilities, which includes but is not limited to, expenses for the renovation, improvement and repair of the Carpark Common Areas and Facilities, the purchase, setting up, replacement, improvement and addition of installations, systems, equipment, tools, plant and machineries for the Carpark Common Areas and Facilities and the costs of the relevant investigation works and professional services. This part of the Special Fund shall be held by the Manager as trustee for the Owners of all Residential Units, Commercial Units and Carpark Units for the time being in the following proportions and such fund shall not be refundable or transferable:

Owners of Residential Units	30.20%
Owners of Commercial Units	19.61%
Owners of Residential Car Parking Spaces	28.65%
Owners of Commercial Car Parking Spaces	19.10%
Owners of Residential Motor Cycle Parking Spaces	1.83%
Owner of Commercial Motor Cycle Parking Space	0.61%

(b) Except where the First Owner has made payments in accordance with Clause 4.11(c) below,

- (i) each Owner being the first assignee of his Unit shall upon the assignment of his Unit from the First Owner pay to the Manager an initial contribution to the relevant part of the Special Fund designated for the Development Common Areas and Facilities an amount equivalent to 2/12<sup>th</sup> of the first part of the first year's budgeted Management Expenses payable in respect of his Unit under Clause 4.6(a);
- (ii) each Owner being the first assignee of his Residential Unit shall upon the assignment of his Residential Unit from the First Owner pay to the Manager an initial contribution to the relevant part of the Special Fund designated for the Residential Common Areas and Facilities an amount equivalent to 2/12<sup>th</sup> of the second part of the first year's budgeted Management Expenses payable in respect of his Residential Unit under Clause 4.6(b);
- (iii) each Owner being the first assignee of his Commercial Unit shall upon the assignment of his Commercial Unit from the First Owner pay to the Manager an initial contribution to the relevant part of the Special Fund designated for the Commercial Common Areas and Facilities an amount equivalent to 2/12<sup>th</sup> of the third part of the first year's budgeted Management Expenses payable in respect of his Commercial Unit under Clause 4.6(c); and
- (iv) each Owner being the first assignee of his Residential Unit, Commercial Unit or Carpark Unit shall upon the assignment of his Residential Unit, Commercial Unit or Carpark Unit from the First Owner pay to the Manager an initial contribution to the relevant part of the Special Fund designated for the Carpark Common Areas and Facilities an amount equivalent to 2/12<sup>th</sup> of the fourth part of the first year's budgeted Management Expenses payable in respect of his Residential Unit, Commercial Unit or Carpark Unit under Clause 4.6(d).

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

(c) The First Owner shall in respect of any Units which have been completed and remain unsold for three (3) months after (i) the date of this Deed or (ii) the

date on which it is in a position validly to assign those Undivided Shares attributable to the Units (i.e. when the Consent to Assign or Certificate of Compliance has been issued), whichever is the later, make the initial contribution to the Special Fund in the respective amount specified in Clause 4.11(b) above.

- (d) Apart from the initial contribution to the Special Fund, each Owner shall covenant with the other Owners also to pay to the Manager such further sum in each financial year as further periodic contributions to the Special Fund payable in respect of the Unit of which he is the Owner, the amount of which and the time at which such further sum is payable shall be determined by a resolution of the Owners of the Development at an Owners' meeting convened under this Deed PROVIDED THAT such contribution to the further sum shall be in proportion to the Undivided Shares as provided in the First Schedule hereto. If there is an Owners' Corporation, the Owners' Corporation shall determine, by a resolution of the Owners of the Development, the amount to be contributed to the Special Fund by the Owners of the Development in any financial year, and the time when those contributions shall be payable PROVIDED THAT such contribution to the further annual sum shall be in proportion to the Undivided Shares allocated to the relevant Unit.
- (e) The Special Fund shall be deposited by the Manager in an interest bearing account opened and maintained with such bank or banks within the meaning of Section 2 of the Banking Ordinance (Cap.155) as the Manager shall think fit, the title of which shall refer to the Special Fund for the Development and the Manager shall use that account exclusively for the purpose referred to in Clause 4.11(a).
- (f) Without prejudice to the generality of Clause 4.11(e), if there is an Owners' Corporation, the Manager shall open and maintain one or more segregated interest-bearing accounts ("**the said segregated account(s)**"), each of which shall be designated as a trust account or client account, for holding money received by it from or on behalf of the Owners' Corporation in respect of the Special Fund.
- (g) The Manager shall display a document showing evidence of any account opened and maintained as provided in Clauses 4.11(e) and 4.11(f) in a prominent place in the Development. Except in a situation considered by the Manager to be an emergency, no money shall be paid out of the Special Fund unless it is for a purpose approved by a resolution of the Owners' Committee. For the avoidance of doubt, the Manager shall not use the Special Fund or any part or parts thereof for the payment of any outstanding Management Expenses arising from or in connection with the day-to-day management of the Development. The Manager shall without delay pay all money received by it in respect of the Special Fund into the said account opened and maintained by it under Clause 4.11(e) or, if there is an Owners' Corporation, the said segregated account(s) opened and maintained under Clause 4.11(f).

#### 4.12 Owners' contributions to fees and deposits

- (a) Subject to Clause 4.24 hereof and except where the First Owner has made payments in accordance with this Sub-clause (a), each Owner being the first assignee of his Unit shall upon the assignment of his Unit to him from the First Owner deposit with the Manager as security for the due payment of all amounts which may be or become payable by him under this Deed a sum equal to three (3) months' monthly management contribution payable in respect of his Unit which deposit or balance thereof (as the case may be) shall be non-interest bearing and non-refundable but transferable and shall not be set off against any contribution payable by him under this Deed and the First Owner is required to make such contribution in respect of any Units which have been completed and remain unsold for three (3) months after (i) the date of this Deed or (ii) the date on which it is in a position validly to assign those Undivided Shares attributable to the Units (i.e. when the Consent to Assign or Certificate of Compliance has been issued), whichever is the later and PROVIDED THAT in the event that there is an increase in the monthly contribution payable by the Owner as determined by the Manager under this Deed, the Manager shall have right at its absolute discretion to require the Owners to pay to the Manager by way of an increase in the said deposit a sum proportional thereto in order that such deposit shall always be equal to three (3) times the then monthly contribution and so as to make it up to not more than twenty five per cent (25%) of any subsequent current year's budgeted Management Expenses per Unit.
- (b) Each Owner being the first assignee of his Unit shall upon the assignment of his Unit to him from the First Owner pay to the Manager in advance two (2) months' monthly management contribution payable in respect of his Unit which shall be non-refundable and non-transferable.
- (c) Except where the First Owner has made payments in accordance with this Sub-clause (c), each Owner being the first assignee of a Residential Unit shall upon the assignment of the Residential Unit from the First Owner pay to the Manager a debris removal fee which shall be non-refundable and non-transferable of not more than one (1) month's monthly management contribution payable in respect of his part of the Development or such sum as reasonably determined by the Manager for the removal of debris arising from decoration works carried out in his Residential Unit and the First Owner is required to make such contribution in respect of any Residential Units which have been completed and remain unsold for three (3) months after (i) the date of this Deed or (ii) the date on which it is in a position validly to assign those Undivided Shares attributable to the Units (i.e. when the Consent to Assign or Certificate of Compliance has been issued), whichever is the later. Any portion of such debris removal fees which has not been used for debris removal as aforesaid shall form part of the Special Fund for the Owners of the Residential Units.
- (d) Each Owner being the first assignee of a Unit shall upon the assignment of the Unit from the First Owner pay to the Manager his due share (to be decided by the number of Undivided Shares allocated to his Unit) of the deposits paid for public water and electricity meters and for the supply of other utilities to the



Common Areas and Facilities and which deposits or balance thereof (as the case may be) shall be non-interest bearing and non-refundable but transferable.

- (e) Except where the First Owner has made payments in accordance with this Sub-clause (e), each Owner being the first assignee of a Commercial Unit shall upon the assignment of the Commercial Unit from the First Owner pay to the Manager a debris removal fee which shall be non-refundable and non-transferable of not more than one (1) month's monthly management contribution payable in respect of his part of the Development or such sum as reasonably determined by the Manager for the removal of debris arising from decoration works carried out in his Commercial Unit and the First Owner is required to make such contribution in respect of any Commercial Units which have been completed and remain unsold for three (3) months after (i) the date of this Deed or (ii) the date on which it is in a position validly to assign those Undivided Shares attributable to the Units (i.e. when the Consent to Assign or Certificate of Compliance has been issued), whichever is the later. Any portion of such debris removal fees which has not been used for debris removal as aforesaid shall form part of the Special Fund for the Owners of the Commercial Units.

#### **4.13 Contributions and payment in advance**

Contributions and payments to be made by each Owner under this Deed shall normally be made in advance on the first day of each calendar month but this shall not interfere with the Manager's discretion to call for any particular payment or contribution to be made on any other day or days it may deem necessary or desirable PROVIDED THAT any further contributions to the Special Fund under Clause 4.11(b) payable by the Owners shall be made at such time as determined by a resolution of the Owners of the Development at an Owners' meeting convened under this Deed and PROVIDED ALSO THAT no Owner may be called upon to pay more than his appropriate share of Management Expenses, having regard to the number of Undivided Shares allocated to the Unit.

#### **4.14 Additional charges, etc.**

Notwithstanding anything contained in these presents the Manager shall be entitled in its discretion to charge a reasonable administrative fee as consideration for issuing any consent (which consent shall not be unreasonably withheld) required from the Manager pursuant to these presents PROVIDED THAT such consideration shall be credited to the Special Fund.

#### **4.15 Income other than Management Expenses**

- (a) The Manager may collect from licensees, tenants and other occupiers of the Common Areas and Facilities or any part thereof, such sum or sums in connection with their use of the Common Areas and Facilities as the Manager shall reasonably determine and such sum or sums collected shall be paid into and form part of the management funds for the benefit of the respective Owners.

- (b) All moneys, income, fees, charges, penalties or other consideration received by the Manager in respect of the grant of franchises, leases, tenancy agreements, licences or permission for the use of any part of the Common Areas and Facilities or enforcement of the provisions of this Deed or any House Rules shall be paid into and form part of the management funds and:-
- (i) In so far as they arise from or are attributable to the Development Common Areas and Facilities be notionally credited to the first part of the annual budget;
  - (ii) In so far as they arise from or are attributable to the Residential Common Areas and Facilities providing service to Owners of Residential Units of the Residential Accommodation be notionally credited to the second part of the annual budget;
  - (iii) In so far as they arise from or are attributable to the Commercial Common Areas and Facilities be notionally credited to the third part of the annual budget;
  - (iv) In so far as they arise from or are attributable to the Carpark Common Areas and Facilities be notionally credited to the fourth part of the annual budget;
  - (v) In so far as they arise from or are attributable to any areas designated as common areas and facilities under a Sub-Deed in respect of a component part of the Development be notionally credited to the section of the annual budget established for that component part;

to the intent that in each case the notional credit or estimated notional credit shall be taken into account in the preparation of the relevant part or section of the annual budget or revised annual budget.

#### **4.16 Interest and collection charge on late payment**

If any Owner shall fail to pay the Manager any amount payable hereunder within thirty (30) days from the date of demand, the Manager may impose on such Owner:-

- (a) Interest calculated on the amount remaining unpaid at the rate not exceeding two per cent (2%) per annum above the prime rate from time to time specified by The Hongkong and Shanghai Banking Corporation Limited for the number of days for which it remains unpaid from the due date until the actual date of payment (both dates inclusive); and
- (b) A collection charge of not exceeding ten per cent (10%) of the amount due, to cover the cost (in addition to legal costs of proceedings as hereinafter mentioned) of the extra work occasioned by the default.

#### **4.17 Civil action by Manager**

All amounts which become payable by any Owner in accordance with the provisions of this Deed or any relevant Sub-Deed(s) together with interest thereon as aforesaid and the said collection charge and all damages claimed for breach of any of the

provisions of this Deed or any relevant Sub-Deed(s) and all other expenses reasonably incurred in or in connection with recovering or attempting to recover the same (including without limitation legal costs on a solicitor and own client basis) shall be recoverable by civil action at the suit of the Manager against the defaulting Owner (and the claim in any such action may include a claim for the costs incurred by the Manager in such action on a solicitor and own client basis and the defaulting Owner shall in addition to the amount claimed in such action be liable for such costs). In any such action, the Manager shall conclusively be deemed to be acting as the agent for and on behalf of the Owners for the time being (other than the defaulting Owner) as a whole and no Owner sued under the provisions of this Deed or any relevant Sub-Deed(s) shall raise or to be entitled to raise any defence of want of authority or take objection to the right of the Manager as plaintiff to sue or to recover such amounts as may be found to be due.

#### **4.18 Registration of charge against Undivided Share of defaulting Owner**

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 any relevant Sub-Deed(s) or failing to pay any damages awarded by any court for breach of any of the terms or conditions of this Deed or any relevant Sub-Deed(s) within thirty (30) days from the date of demand, the amount thereof together with interest and the collection charge at the rate and for the amount as specified in Clause 4.16 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 4.17 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 in full.

#### **4.19 Order for sale**

Any charge registered in accordance with Clause 4.18 shall be enforceable as an equitable charge by action at the suit of the Manager for an order for sale of the Undivided Share or Shares of the defaulting Owner together with the right to the exclusive use, occupation and enjoyment of the part of the Development held therewith and the provisions of Clause 4.17 of this Deed shall apply equally to any such action.

#### **4.20 Proceedings to enforce this Deed and the House Rules**

The Manager shall without prejudice to anything herein mentioned further have power to commence proceedings for the purpose of enforcing the observance and performance, by any Owner and any person occupying any part of the Development through, under or with the consent of any such Owner, of the covenants, conditions and provisions of this Deed or any relevant Sub-Deed(s) binding on such Owner and of the House Rules made hereunder and of recovering damages for the breach, non-observance or non-performance thereof. The provisions of Clause 4.17 of this Deed shall apply to all such proceedings.

#### 4.21 **Application of insurance money, etc.**

Subject to Clause 8.1 of this Deed, all insurance money, compensation or damages recovered by the Manager in respect of any damage or loss suffered in respect of any part of the Development shall be expended by the Manager in the repair, rebuilding or reinstatement of that part of the Development.

#### 4.22 **Surplus after satisfaction of claim payable by the relevant Owner**

Where any insurance money, compensation, damages, costs and expenses or refunds are received or recovered (as the case may be) by the Manager in respect of any matter or thing for which any claim has been made against an Owner as provided in Clauses 4.16 to 4.20 of this Deed, the same shall, after deduction of any costs or expenses reasonably incurred in recovering the same (including without limitation the costs and expenses incurred by the Manager for any civil action provided in Clauses 4.16 to 4.20 of this Deed) form part of the management funds.

#### 4.23 **Amount to be credited to Special Fund**

All money paid to the Manager by way of interest and collection charges pursuant to these presents shall be credited to the Special Fund.

#### 4.24 **Person ceasing to be Owner ceases to have interest in Special Fund**

Any person ceasing to be the Owner of any Undivided Share or Shares in the Lot and the Development shall in respect of the Undivided Share or Shares of which he ceases to be the Owner thereupon cease to have any interest in the funds held by the Manager including the deposit paid under Clause 4.12(a) hereof and his contribution(s) towards the Special Fund under Clause 4.11 of this Deed to the intent that all such funds shall be held and applied for the management of the Development irrespective of changes in ownership of the Undivided Shares in the Lot and the Development PROVIDED THAT any such deposit shall be transferred into the name of the new Owner of such Undivided Share or Shares but the contribution(s) towards the Special Fund shall be neither refundable to any Owner by the Manager nor transferable to any new Owner AND PROVIDED FURTHER THAT upon the Lot reverting to the Government and no further Government lease being obtainable, any balance of the said funds, or in the case of extinguishment of rights and obligations as provided in Clause 8.1 hereof, an appropriate part of the said funds, shall be divided proportionately between the Owners contributing to the Management Expenses immediately prior to such reversion or, in the case of extinguishment of rights and obligations as aforesaid, between the Owners whose rights and obligations are extinguished, in both cases in proportion to the number of Undivided Shares held by such Owners.

#### 4.25 **Financial year**

The first financial year for the purpose of management of the Development or any part or parts thereof shall commence from the date of this Deed and shall terminate on the following 31st day of December but thereafter the financial year shall commence on the 1st day of January and shall terminate on the 31st day of December of the same year PROVIDED THAT the Manager shall have the right to change the financial year at any time upon giving notice published in the public notice boards of the

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

#### **4.26 Manager to maintain account**

- (a) The Manager shall open and maintain an interest-bearing account and the Manager shall use that account exclusively in respect of the management of the Lot and the Development.
- (b) Without prejudice to the generality of Clause 4.26(a), if there is an Owners' Corporation, the Manager shall open and maintain one or more segregated interest-bearing accounts, each of which shall be designated as a trust account or client account, for holding money received by him from or on behalf of the Owners' Corporation in respect of the management of the Development.
- (c) The Manager shall display a document showing evidence of any account opened and maintained under Clauses 4.26(a) or (b) in a prominent place in the Development.
- (d) Subject to Clauses 4.26(e) and (f) below, the Manager shall without delay pay all money received by the Manager in respect of the management of the Lot and the Development into the account opened and maintained under Clause 4.26(a) or, if there is an Owners' Corporation, the account or accounts opened and maintained under Clause 4.26(b) above.
- (e) Subject to Clause 4.26(f) below, the Manager may, out of money received by the Manager in respect of the management of the Lot and the Development, retain or pay into a current account a reasonable amount to cover expenditure of a minor nature, but that amount shall not exceed such figure as is determined from time to time by a resolution of the Owners' Committee (if any).
- (f) The retention of a reasonable amount of money under Clause 4.26(e) above or the payment of that amount into a current account in accordance with Clause 4.26(e) and any other arrangement for dealing with money received by the Manager shall be subject to such conditions as may be approved by a resolution of the Owners' Committee (if any).
- (g) Any reference in this Clause 4.26 to an account is a reference to an account opened with a bank within the meaning of Section 2 of the Banking Ordinance (Cap.155), the title of which refers to the management of the Lot and the Development.
- (h) 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.

#### **4.27 The Manager to keep books and accounts**

Within one (1) month after each consecutive period of three (3) months or such shorter period as the Manager may decide, the Manager shall prepare a summary of

income and expenditure and a balance sheet in respect of that period and shall display a copy of the summary and balance sheet in a prominent place in the Development and cause it to remain so displayed for at least seven (7) consecutive days. Within two (2) months after the close of each financial year, the Manager shall prepare an income and expenditure account and balance sheet in respect of such closed financial year and display a copy of such income and expenditure account and balance sheet in a prominent place in the Development and cause it to remain so displayed for at least seven (7) consecutive days. The income and expenditure account and the balance sheet shall within six (6) months after the close of each financial year be audited and certified by a firm of certified public accountants appointed by the Manager (subject to the Owners' meeting appointing a different firm of certified public accountants to audit the income and expenditure account and the balance sheet) as providing an accurate summary of all items of income and expenditure and balance sheet during such closed financial year. Each income and expenditure account and balance sheet shall include details of the Special Fund and an estimate of the time when there will be a need to draw on the Special Fund, and the amount of money that will be needed.

#### **4.28 Inspection of accounts by Owners**

- (a) The Manager shall at any reasonable time permit any Owner to inspect any of the books or records of accounts and any income and expenditure account or balance sheet. The Manager shall upon request of any Owner and upon payment of a reasonable charge for copying the same supply such Owner with a copy of such record or document requested by him.
- (b) If there is an Owners' Corporation and the Owners' Corporation decides, by a resolution of the Owners, that any income and expenditure account and balance sheet should be audited by an accountant or by some other independent auditor as may be specified in that resolution, or prior to the formation of the Owners' Corporation, the Owners at an Owners' meeting convened under this Deed shall have power to require the income and expenditure account and balance sheet to be audited by an independent auditor of their choice, the Manager shall without delay arrange for such an audit to be carried out by that person and :-
  - (i) permit any Owner, at any reasonable time, to inspect the audited income and expenditure account and balance sheet and the report made by the accountant or auditor in respect of the income and expenditure account and balance sheet; and
  - (ii) on payment of a reasonable copying charge, supply any Owner with a copy of the audited income and expenditure account and balance sheet, or the report made by the accountant or auditor in respect of the income and expenditure account and balance sheet, or both, as requested by the Owner.

#### **4.29 Powers, functions and obligations of Manager**

The management of the Lot and the Development shall be undertaken by the DMC Manager for an initial period of not exceeding **two (2)** years from the date of appointment under this Deed and shall continue until terminated as provided under

Clause 4.1 of this Deed and each Owner hereby irrevocably APPOINTS the Manager as agent for all Owners in respect of any matter concerning the Common Areas and Facilities duly authorised in accordance with the provisions of this Deed and to enforce and carry into effect all provisions of this Deed subject to the Building Management Ordinance (Cap.344). In addition to the other powers expressly provided in this Deed, the Manager shall have authority (and in the case of Sub-clause (c) below, also the responsibility) to do all such acts and things as may be necessary or expedient for or in connection with the Lot and the Development and the management thereof. Without in any way limiting the generality of the foregoing, the Manager shall have the following powers, functions and obligations :-

- (a) To demand, collect and receive all amounts payable by Owners under the provisions of this Deed and any relevant Sub-Deed(s);
- (b) To manage, maintain and control the common driveways and parking areas on the Lot and the Development and to impound any cars, pedal bicycles, motor cycles and other vehicles parked in any area not reserved for parking of any vehicles or parked in any Carpark Units without the consent of the Owner or lawful occupier of such Carpark Units or any vehicle parked in any Visitors' Parking Spaces or Accessible Parking Space or Bicycle Parking Spaces or Residential Loading and Unloading Spaces or Commercial Loading and Unloading Spaces without payment of charges (if any) therefor and to do all such acts and things as may be necessary to provide unimpeded access thereto by the persons entitled for the time being to the use of such Carpark Units, Visitors' Parking Spaces or Accessible Parking Space or Bicycle Parking Spaces or Residential Loading and Unloading Spaces or Commercial Loading and Unloading Spaces and the Manager is entitled to charge reasonable administrative fees relative to the cars, pedal bicycles, motor cycles and other vehicles impounded as aforesaid (such fees shall be paid into the Special Fund);
- (c) Unless otherwise directed by the Owners' Corporation, to insure and keep insured the Common Areas and Facilities as comprehensively as reasonably possible and in particular to the full new reinstatement value against loss or damage by fire and other risks as the Manager shall reasonably deem fit, occupiers' liability, public liability and liability as employer of the employees of the Manager employed within or exclusively in connection with the management of the Development with some reputable insurance company or companies in the name of the Manager for and on behalf of the Owners for the time being of the Lot and the Development according to their respective interests and in such sum or sums as the Manager shall deem fit and to pay all premia required to keep such insurance policies in force and, without limiting the generality of the foregoing, if the Manager considers so desirable, to procure master insurance for the Development as a whole including those areas which are not the Common Areas and Facilities and to pay all premia required to keep such insurance policies in force;
- (d) To arrange for refuse collection and disposal from the Common Areas and Facilities and from areas designated as refuse collection points in the Development;

- (e) To keep in good order and repair the lighting of the Common Areas and Facilities and such other areas outside the Lot but the management of which is taken up by the Manager under the provisions of this Deed;
- (f) To keep the Common Areas and Facilities in a clean and sanitary state and condition;
- (g) To repair, maintain, clean, paint, white-wash, tile or otherwise treat or decorate as appropriate, the exterior of the Development and that of the Residential Units and the Common Areas and Facilities (including without limitation those external walls, elevations and façade, including windows and window frames, situated in the Common Areas and Facilities) at such intervals as the same may reasonably require to be done;
- (h) To repair, maintain, upkeep, improve, control, operate and manage the Recreational Areas and Facilities in good conditions to the satisfaction of the Director of the Lands in accordance with the Conditions;
- (i) To keep all the sewers, drains, watercourses and pipes forming part of the Common Areas and Facilities free and clear from obstructions and to manage and maintain such areas or drains and channels whether within or outside the Lot that are required to be maintained under the Conditions;
- (j) To inspect and keep all the Common Areas and Facilities in good condition and working order and to extend or improve existing facilities or provide additional facilities as the Manager shall at its reasonable discretion deem necessary or desirable (PROVIDED THAT any improvement or provision of additional facilities or services which involves expenditure in excess of ten per cent (10%) of the current annual management budget shall require the prior approval by a resolution of Owners at an Owners' meeting convened under this Deed) and to keep the fire fighting equipment 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 of any such facilities;
- (k) To prevent so far as is possible any refuse or other matter being deposited, washed, eroded or falling from the Development onto any part of any public roads or any road-culverts, sewers, drains, nullahs or other Government property and to remove any such matter therefrom and to ensure that no damage is done to any drains, waterways, watercourses, footpaths, sewers, nullahs, pipes, cables, wires, utility services or other works being in, under, over or adjacent to the Lot 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;
- (l) To replace any glass in the Common Areas and Facilities that may be broken;
- (m) To manage, repair, upkeep, maintain and to keep the Common Areas and Facilities well lighted and in a tidy condition;



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

- (v) To prevent (by legal action if necessary) any person including an Owner from occupying or using any part of the Lot and the Development in any manner in contravention of the Conditions or this Deed;
- (w) To prevent (by legal action if necessary) and to remedy any breach by any Owner or other person occupying or visiting the Development of any provisions of the Conditions or this Deed;
- (x) To prevent any person detrimentally altering or injuring any part or parts of the Development or any of the Common Areas and Facilities thereof;
- (y) To prevent any person from overloading the floors of the Development or any part or parts thereof;
- (z) To prevent any person from overloading any of the electrical installations and circuits or any of the mains or wiring in the Development;
- (aa) To have the sole right to represent all the Owners in all matters and dealings with the Government or any statutory body or any utility or other competent authority or any other person whomsoever in any way touching or concerning the Lot and the Development as a whole or the Common Areas and Facilities or the Green Area or the Existing Vehicular Access or the Structures or the Diverted Drains (until possession of which is re-delivered to the Government) or the Highways Structures or the Minimum Horizontal Clearance or the Minimum Vertical Clearance with power to bind all Owners as to any policy adopted or decision reached or action taken in relation to any such dealings PROVIDED FURTHER THAT any exercise of this right shall be subject to the prior approval by a resolution of Owners at an Owner's meeting convened under this Deed;
- (ab) To enter into contracts and to engage, appoint, employ, remunerate and dismiss consultants, other professional property management companies, contractors, agents or sub-managers to perform and carry out management works of the Lot and the Development or any part thereof on such terms and conditions as the Manager deems fit PROVIDED THAT the Manager shall not transfer or assign its rights, duties or obligations under this Deed to any such persons and such persons shall remain responsible to the Manager. For the avoidance of doubt, the Manager shall at all times be responsible for the management and control of the whole Development and no provision in this Deed will take away or reduce that responsibility;
- (ac) To enter into contracts and to engage, employ, remunerate and dismiss solicitors, architects, accountants and other professional advisers and consultants to give advice to the Manager and work on all matters related to the management of the Lot and the Development and the performance of the Manager's powers and duties hereunder and to recruit and employ such workmen, servants, watchmen, caretakers and other staff and attendants as may from time to time be necessary to enable the Manager to perform any of its powers and duties in accordance with this Deed on such terms as the Manager shall in its reasonable discretion decide and to provide

accommodation, uniforms, working clothes, tools, appliances, cleaning and other materials and all equipment necessary therefor;

- (ad) To enforce the due observance and performance by the Owners of the terms and conditions of the Conditions and this Deed and any relevant Sub-Deed(s) and to take action in respect of any breach thereof including the commencement, conduct and defence of legal proceedings and the registration and enforcement of charges as herein mentioned;
- (ae) Subject to the prior written approval by a resolution of the Owners at an Owners' meeting convened under this Deed, to grant or obtain such easements, quasi-easements, rights, privileges, licences, and informal arrangements in respect of the Common Areas and Facilities as it shall in its absolute discretion consider necessary to ensure the efficient management of the Lot and the Development PROVIDED THAT such grant or obtainment shall not be in contravention of the Conditions and PROVIDED FURTHER THAT any payment received for the approval must be credited to the Special Fund PROVIDED FURTHER THAT the granting of any such easements, quasi-easements, rights, privileges, licences, and informal arrangements shall not affect the other Owners' sole and exclusive right and privilege to hold use and occupy their part or parts of the Development or impede or restrict the access to or from such part or parts of the Development;
- (af) Subject to the prior written approval by a resolution of the Owners at an Owners' meeting convened under this Deed, to grant or obtain rights of way or access or use at any level to the owners or occupiers of any other premises adjoining the Lot 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 Facilities and on behalf of the Owners to obtain a grant of similar rights in respect of such adjoining premises PROVIDED THAT such grant or obtainment shall not be in contravention of the Conditions and PROVIDED FURTHER THAT any payment received for the approval must be credited to the Special Fund;
- (ag) Subject to the prior written approval by a resolution of the Owners at an Owners' meeting convened under this Deed and the obtaining of prior approval (if required) from the competent authorities and compliance with the Conditions and all relevant Ordinances and regulations, to grant easements and rights of any other kind to the owners and occupiers of adjoining properties to construct, lay, maintain, remove and renew drains, pipes, cables, irrigation pipes, and other installations, fittings, chambers, and other equipment and structures within the Common Areas and Facilities of the Lot which the Manager shall in its absolute discretion deem appropriate and on behalf of the Owners to obtain a grant of similar easements and rights from owners or managers of neighbouring land PROVIDED THAT any payment received for the approval must be credited to the Special Fund PROVIDED FURTHER THAT an Owner's access to and from such parts of the Development shall not be affected and PROVIDED FURTHER THAT the right of an Owner to use and enjoy his Unit shall not be prejudicially affected;

- (ah) To deal with all enquiries, complaints, reports and correspondence relating to the Development as a whole;
- (ai) Subject to the prior written approval by a resolution of the Owners at an Owners' meeting convened under this Deed, to grant franchises, leases, tenancy agreements and licences to other persons to use such of the Common Areas and Facilities and on such terms and conditions and for such consideration as the Manager shall reasonably think fit PROVIDED THAT such grant shall not be in contravention of the Conditions and PROVIDED THAT any payment received for the approval must be credited to the Special Fund PROVIDED FURTHER THAT such use shall not be in breach of the Conditions and all income arising therefrom shall form part of the management funds and be dealt with in accordance with the provisions of this Deed or any relevant Sub-Deed(s) PROVIDED FURTHER THAT any such right shall not interfere with any Owner's right to hold, use, occupy and enjoy the part of the Development which he owns nor impede or restrict the access to and from any such part of the Development;
- (aj) To remove any dogs, cats, birds or other animals or fowls from the Development (other than trained guide dogs on leash for visually impaired persons or dogs, cats, birds or other animals or fowls that are kept for business being carried on in the Commercial Accommodation) if, (i) in the opinion of the Manager, such dogs, cats, birds or other animals or fowls is causing a nuisance or disturbance to other Owners or occupiers of the Development and (ii) if the same has been the cause of written complaint of at least two (2) other Owners or occupiers of the Development;
- (ak) To provide such Christmas, Chinese New Year and other festive decorations and to organize such festive celebrations or activities for the Development and such other social or recreational activities for the Owners of the Residential Units and the Commercial Units as the Manager shall in its reasonable discretion consider desirable;
- (al) From time to time with the approval of the Owners' Committee (if any), to make or amend the House Rules as it shall deem appropriate which shall not be inconsistent with or contravene this Deed, the Conditions and the Building Management Ordinance (Cap.344);
- (am) Subject as otherwise provided in this Deed, to issue its written consent to anything which requires its written consent pursuant to this Deed or any relevant Sub-Deed(s) (PROVIDED THAT the Manager shall not unreasonably withhold its consent) and to impose conditions or additional conditions and the Manager is entitled to charge reasonable administrative fees relative thereto (such fees shall be paid into the Special Fund);
- (an) To convene such meetings of the Owners or of the Owners' Committee as may be necessary or requisite and to act as secretary to keep the minutes of such meetings;
- (ao) To do all things which the Manager shall in its discretion deem necessary or desirable for the purposes of maintaining and improving all facilities and

services in or on the Common Areas and Facilities for the better enjoyment or use of the Development by its Owners, occupiers and their licensees PROVIDED THAT any improvement to facilities or services which involves expenditure in excess of ten per cent (10%) of the current annual management budget shall be subject to the prior approval by a resolution of Owners at an Owners' meeting convened under this Deed;

- (ap) Subject to the prior approval by a resolution of the Owners at an Owners' meeting convened under this Deed, in the event that the Government agrees to take over or resume any part or parts of the Common Areas and Facilities to surrender the same or any part thereof to the Government and the Manager is HEREBY APPOINTED the lawful attorney to execute and sign all relevant documents on behalf of all the Owners for such purpose;
- (aq) Subject to the approval by a resolution of the Owners at an Owners' meeting convened under this Deed, to grant such easements, quasi-easements, rights, privileges and licences to and to enter into such arrangements and agreements with the Government or the general public or any person or persons and upon such terms and conditions in respect of any part or parts of the Common Areas and Facilities as the Manager may in its reasonable discretion think fit PROVIDED THAT such grant shall not be in contravention of the Conditions and PROVIDED THAT any payment received for the approval must be credited to the Special Fund PROVIDED FURTHER THAT any such easements, quasi-easements, rights, privileges and licences shall not interfere with any Owner's right to hold, use, occupy and enjoy the part of the Development which he owns nor impede or restrict the access to and from any such part of the Development and all income arising therefrom shall form part of the management funds and be dealt with in accordance with the provisions of this Deed or any relevant Sub-Deed(s);
- (ar) To engage (with full authority hereby given by all Owners) suitable qualified personnel to inspect keep and maintain in good substantial repair and condition the Slope Structures (if any) in compliance with the Conditions and in accordance with "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 and with such other guidelines issued from time to time by appropriate Government departments regarding the maintenance of the Slope Structures and to carry out any necessary works in relation thereto and to collect from the Owners in proportion to the Undivided Shares allocated to their parts of the Lot and the Development such additional sums (in case of insufficient management funds) from time to time to cover all costs lawfully incurred or to be incurred in carrying out such maintenance, repair and any other works in respect of the Slope Structures PROVIDED THAT the Manager shall not be personally liable for carrying out these requirements of the Conditions which must remain the responsibility of the Owners if, having used all reasonable endeavours, the Manager has not been able to collect all costs so incurred or to be incurred from all Owners AND PROVIDED FURTHER THAT for the purpose of this sub-clause "the Manager" shall include the Owners' Corporation;

- (as) Subject to the prior approval of the Owners' Committee (or the Owners' Corporation, if formed):-
- (i) to make rules and regulations governing the use of the Recreational Areas and Facilities including but not limited to the fixing of fees and charges for admittance and use of the facilities in the Recreational Areas and Facilities from time to time and to collect such fees and charges from the permitted users of the facilities PROVIDED THAT such rules and regulations and any amendments thereto must not be inconsistent with or contravene this Deed, the Building Management Ordinance (Cap. 344) or the Conditions; and
  - (ii) to let, hire, lease or licence all or any part of the Recreational Areas and Facilities to any person for the purpose of operating the same for such period and on such conditions as the Manager shall in its discretion think fit,

PROVIDED THAT all income deriving therefrom shall become part of the management funds and shall not be used other than for the purpose of the maintenance, operation, repair and improvement of the Recreational Areas and Facilities and the facilities therein and that any deficit in the operation of the Recreational Areas and Facilities or any part thereof shall be charged to the management funds;

- (at)
- (i) If the Manager thinks so desirable, to provide appropriate and sufficient waste separation and recovery facilities including, but not limited to, waste separation bins at such locations within the Common Areas and Facilities as he may consider suitable and convenient to facilitate waste separation and recovery by the Owners and occupiers of the Development. In such event, the Manager shall ensure that the recovery facilities shall consist of material that will not cause any fire hazard and shall be placed in locations so as not to cause obstruction to any fire escape route, and that recyclable materials recovered from the facilities or through the regular cleansing process shall be properly collected, stored, and sent for recycling. The Manager shall also maintain the facilities so provided in an environmentally acceptable and hygienic manner to avoid creating nuisance to the Owners and occupiers of the Development;
  - (ii) To organize any activities as the Manager may consider appropriate to promote the environmental awareness of the Owners and occupiers of the Development and to encourage them to participate in such activities with a view to improving the environmental conditions of the Development;
  - (iii) Subject to the provisions of this Deed, to make House Rules to require the Owners and occupiers of the Development to dispose of their rubbish properly for waste separation and recycling purposes PROVIDED THAT such rules and regulations and any amendments thereto must not be inconsistent with or contravene this Deed, the Building Management Ordinance (Cap. 344) or the Conditions;

- (au) To take all steps necessary or expedient for complying with the Conditions and any Government requirements concerning the Development or any part thereof;
- (av) To engage qualified personnel to inspect or carry out a structural survey of the Development or any part thereof including the drains and channels within or outside the Lot serving the Development as and when the Manager deems necessary or desirable;
- (aw) To repair, maintain and upkeep the Green Area, the Existing Vehicular Access, the Structures and the Diverted Drains (until possession of which is re-delivered to the Government) and all structures, surfaces, gullies, sewers, drains, fire hydrants, services, street lights, traffic signs, street furniture, road markings and plants constructed, installed and provided thereon or therein in good repair and condition and to the satisfaction of the Director of Lands before the Green Area together with the Existing Vehicular Access and the Structures and the Diverted Drains have been re-delivered to the Government;
- (ax) To maintain the Minimum Horizontal Clearance, the Minimum Vertical Clearance and all areas, open spaces and other facilities as are required to be maintained under the provisions of the Conditions;
- (ay) To enforce the due observance and performance by the Owners or any person occupying any part of the Development through under or with the consent of any such Owner of the terms and conditions of this Deed, any relevant Sub-Deed(s) and the House Rules made hereunder, and to take action including the commencement and conduct and defence of legal proceedings to enforce the due observance and performance thereof and/or to recover damages for any breach non-observance or non-performance thereof;
- (az) To enter into contracts for the installation or use of aerial broadcast distribution or telecommunications network facilities and contracts for the provision of broadcast distribution network or telecommunications network services for the Development PROVIDED THAT such contracts to be entered into by the Manager shall be subject to the following conditions:-
  - (i) the term of the contract will not exceed three (3) years;
  - (ii) the right to be granted under the contract must be non-exclusive and must provide for sharing the use of the facilities and network with other service providers; and
  - (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;
- (ba) To consult (either generally or in any particular case) the Owners' Corporation 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 Lot and the Development;

- (bb) To landscape and plant with trees and shrubs any portion of the Lot and podium not built upon and thereafter maintain and keep the same in a safe, clean, neat, tidy and healthy condition all to the satisfaction of the Director of Lands;
- (bc) At the request of the Owners' Corporation (if formed), to assign the Undivided Shares relating to the Common Areas and Facilities and to transfer the management responsibility to the Owners' Corporation free of costs or consideration, for the benefit of the Owners of the Lot and the Development upon which such Undivided Shares shall be held by the Owners' Corporation as trustees for the Owners;
- (bd) To manage and maintain land, areas, structures, facilities or drains or channels (including but not limited to the Green Area, the Existing Vehicular Access, the Structures and the Diverted Drains (until possession of which is re-delivered to the Government), the Minimum Horizontal Clearance, the Minimum Vertical Clearance) within or adjoining or adjacent to the Lot the construction and/or maintenance of which (until possession of the Green Area, the Existing Vehicular Access, the Structures and the Diverted Drains is re-delivered to the Government) is the liability and/or responsibility of all Owners under the Conditions as successors in title and assignees of the First Owner and such other deeds and/or documents;
- (be) To maintain and keep the Landscaped Works in a safe, clean, neat, tidy and healthy condition all to the satisfaction of the Director of Lands;
- (bf) To procure a registered fire service installation contractor (at the cost and expense of the relevant Owner) to carry out annual check of smoke detectors provided inside the living room of Residential Units with open kitchen and at the common lobby outside the Residential Units with open kitchen, sprinkler heads provided at the ceiling immediately above the open kitchen of any Residential Unit and other fire service installations provided inside the Residential Units with open kitchen and to submit the maintenance certificate(s) (if required) to the Fire Services Department;
- (bg) To carry out (at the cost and expense of the relevant Owner) annual inspection of the fire service installations located inside the Residential Units with open kitchen in accordance with the Fire Safety Management Plan;
- (bh) To inspect, clean, repair, maintain or replace the relevant part or parts of the acoustic fins which form part of the Residential Common Areas and Facilities;
- (bi) To prohibit the alteration, interference or removal of any of the acoustic fins which form part of the Residential Common Areas and Facilities;
- (bj) To issue or give any guideline or direction from time to time relating to the maintenance and cleaning of grease traps;
- (bk) To keep a copy of the Fire Safety Management Plan for the Owners' inspection to enable them to comply with the requirements set out therein;



- (bl) To require the Owners of Residential Units with acoustic balconies to maintain, replace or repair the acoustic balconies and to appoint contractors for carrying out the maintenance, replacement and repair by using those materials as approved by the Manager;
- (bm) To demolish and remove the part or parts of the Noise Barrier that projects over the Government land without any replacement within six (6) calendar months from the date of the Director of Lands serving a written notice on the Manager or the Owners' Corporation (if formed) requiring such demolition and removal in accordance with the Conditions;
- (bn) (Where necessary) to carry out all works of connecting any drains and sewers from the Lot to the Government storm water drains and sewers to the satisfaction of the Director of Lands and to maintain any section of the connection works which is constructed within Government land and upon demand to hand over such section of the said connection works which is constructed within Government land to the Government for future maintenance and to pay to the Government on demand the cost of the technical audit in respect of the said connection works pursuant to Special Condition No.(38)(b) of the Conditions;
- (bo) To grant rights of way or access to the Lot and the Development to such person and persons or workman and workmen with or without equipment as the Manager shall in its absolute discretion deem appropriate for the purpose of enabling such person and persons or workman and workmen to maintain, remove, re-lay or renew the cables already existing within or under the Lot and the Development but which cables do not form any part of the Common Areas and Facilities PROVIDED THAT an Owner's access to and from such parts of the Development shall not be affected and PROVIDED FURTHER THAT the right of an Owner to use and enjoy his Unit shall not be prejudicially affected ALSO PROVIDED FURTHER THAT any payment received (if any) for granting such rights of way or access must be credited to the Special Fund;
- (bp) To do all such other things as are reasonably incidental to the management of the Lot and the Development.

#### 4.30 Further powers of Manager

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

- (a) To ban vehicles or any particular category of vehicles from the Lot or any particular parts thereof either generally or during certain hours of the day or night PROVIDED ALWAYS that the right of the Owners of the Carpark Units to the proper use and enjoyment of such Carpark Units in accordance with the provisions of the Conditions and these presents shall not be affected;
- (b) To impound any vehicle parked anywhere on the Common Areas and Facilities not so designated for parking or which shall cause an obstruction or which owner has defaulted in paying parking fees (if any) and any damage

caused to such vehicles during or as a consequence of such removal shall be the sole responsibility of the owner thereof and the Manager is entitled to charge reasonable administrative fees relative thereto (such fees shall be paid into the Special Fund);

- (c) To impose charges for any such impoundment and recover such penalties on default in payment of parking fees and to exercise a lien on the vehicle concerned for such charges, penalties and parking fees;
- (d) To charge the Owners for administrative fee for the temporary use of electricity, water or other utilities and for the collection and removal of fitting out or decoration debris (if any) PROVIDED THAT such charges shall be paid into the management funds;
- (e) To charge the Owners for all costs and consultants' fees incurred in approving their fitting out, decoration or construction plans submitted for approval by the Manager in accordance with the provisions of this Deed and the House Rules PROVIDED THAT such charges shall be fair and reasonable and shall be paid into the management funds;
- (f) To charge the Owners for the use of water supplied otherwise than through the individual meters of the Owners at such rates as are from time to time determined by the Manager PROVIDED THAT such charges shall be paid into the management funds;
- (g) From time to time to make rules and regulations forming part of the House Rules governing the supply and use of fresh and sea water to all parts of the Development, the payment and recovery of charges for installation and readings of meters, damage to meters and default interest to a like extent as are from time to time made by the Government PROVIDED THAT such rules and regulations and any amendments thereto must not be inconsistent with or contravene this Deed, the Building Management Ordinance (Cap.344) or the Conditions;
- (h) To enter with or without workmen at all reasonable times on prior written reasonable notice (except in the case of emergency) upon all and any parts of the Development including any Unit necessary for the purpose of carrying out necessary repairs to any of the fresh or sea water mains and pipes serving the Common Areas and Facilities or to abate any hazard or nuisance which does or may affect the Common Areas and Facilities or other Owners PROVIDED THAT the Manager shall (at his own costs and expenses) make good any damage caused thereby and ensure that the least disturbance is caused and for his liability for the negligent, wilful or criminal acts of the Manager, its employees, contractors, etc.;
- (i) To enter with or without workmen at all reasonable times on prior written reasonable notice (except in the case of emergency) into all or any parts of the Development including any Unit for the purpose of inspecting the toilets and to demand for repair of any part or parts of a toilet which shall leak or may affect the Common Areas and Facilities or other Owners at the expense of the Owner concerned PROVIDED THAT the Manager shall ensure that such

inspection shall cause the least disturbance and shall (at his own costs and expenses) make good any damage caused thereby unless the same is due to the default of the Owner of such toilet and for his liability for the negligent, wilful or criminal acts of the Manager, its employees, contractors, etc..

#### **4.31 Manager's power of entry**

The Manager shall have power to enter with or without workmen, contractors and others and with or without equipment and apparatus at all reasonable times on prior reasonable notice (except in case of emergency) into :-

- (a) all parts of the Development including all parts of any Unit for the purposes of carrying out necessary repairs to any part or parts of the Development or the Common Areas and Facilities or to abate any hazard or nuisance which does or may affect the Common Areas and Facilities or other Owners; and
- (b) any Residential Unit with open kitchen to carry out (at the cost and expense of the relevant Owner) maintenance and annual inspection of the fire service installations therein

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

#### **4.32 Manager's acts and decisions binding on Owners**

Subject to the provisions of the Building Management Ordinance (Cap.344), the Manager shall have the authority to act for and on behalf of all Owners in accordance with the provisions of this Deed and all such acts and decisions of the Manager shall be binding in all respects on all the Owners for the time being.

#### **4.33 The Manager's power to make House Rules, etc.**

- (a) Subject to the approval of the Owners' Committee (only after it has been formed) or the Owners' Corporation (if formed), the Manager shall have power from time to time to make, revoke and amend the House Rules regulating the use, occupation, maintenance and environmental control of the Lot and the Development, the Common Areas and Facilities, protection of the environment of the Development and implementation of waste reduction and recycling measures with reference to guidelines on property management issued from time to time by the Director of Environmental Protection and the conduct of persons occupying, visiting or using the same and the conditions regarding such occupation, visit or use including the payment of charges (if any) and such House Rules shall be binding on all the Owners, their tenants, licensees, servants or agents. A copy of the House Rules from time to time in force shall be posted on the public notice boards of the Development and a copy thereof shall be supplied to each Owner on request on payment of reasonable copying charges. All charges received shall be credited to the Special Fund.

- (b) Such House Rules shall be supplementary to the terms and conditions contained in this Deed and any Sub-Deed(s) and must not in any way conflict with such terms and conditions. In case of inconsistency between such House Rules and the terms and conditions of this Deed and any Sub-Deed(s) the terms and conditions of this Deed and the Sub-Deed(s) shall prevail. The House Rules and any amendments thereto must not be inconsistent with or contravene the Building Management Ordinance (Cap.344) or the Conditions.
- (c) Neither the Manager nor the Owners' Committee shall be held liable for any loss or damage however caused arising from any non-enforcement of such House Rules or non-observance thereof by any third party PROVIDED THAT this shall not exclude the liability of the Manager to the Owners for any act or omission involving criminal liability, dishonesty or negligence on the part of the Manager or his employees, agents or contractors.

#### 4.34 **Tender of major contracts**

Subject to Clause 4.7 and the provisions in Schedule 7 to the Building Management Ordinance (Cap. 344), the procurement of supplies, goods or services by the Manager or the Owners' Committee that involves amounts in excess of HK\$200,000 (or such other sum as the Secretary for Home Affairs may specify by notice in the Gazette) or an average annual expenditure of more than twenty per cent (20%) of the annual budget (or such other percentage as the Secretary for Home Affairs may specify by notice in the Gazette), whichever is the lesser, must be by invitation to tender by the Manager and the standards and guidelines as may be specified in the Code of Practice referred to in section 20A of the Building Management Ordinance (Cap. 344) will apply to the Manager or the Owners' Committee with any appropriate variations.

### **SECTION V - EXCLUSIONS AND INDEMNITIES**

#### 5.1 **Manager not liable to Owner**

The Manager, its employees, agents or contractors 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 purported pursuance of the provisions of this Deed or any Sub-Deed(s) not being an act or omission involving criminal liability, 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 Facilities; or
- (b) any failure, malfunction or suspension of the supply of water, electricity or other utility or service to the Development; or
- (c) fire or flooding or the overflow or leakage of water from anywhere whether within or outside the Development; or

- (d) the activity of termites, cockroaches, rats, mice or other pests or vermin; or
- (e) theft, burglary or robbery within the Development;

UNLESS it can be shown that such damage, loss or injury was caused by an act or omission of the Manager, its employees, agents or contractors involving criminal liability, dishonesty or negligence on the part of the Manager, its employees, agents or contractors.

## 5.2 **Owners to be responsible for act or negligence of occupiers**

Each Owner shall be responsible for and shall indemnify the Manager and the other Owners and occupiers against all actions, proceedings, claims and demands whatsoever arising out of or in respect of any loss or damage to any person or property caused by or as the result of the act or negligence of any occupier of any Unit of which he has the exclusive use or any person using such Unit with his consent express or implied or by, or through, or in any way owing to fire, overflow of water or leakage of electricity or gas therefrom.

## 5.3 **Owners to be responsible for cost of making good loss and damage**

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

# **SECTION VI - OWNERS' COMMITTEE**

## 6.1 **Establishment of Owners' Committee**

As soon as possible but in any event not later than nine (9) months from the date of this Deed, the Manager shall convene a meeting of the Owners (and to call further and subsequent meetings if required) to establish an Owners' Committee and appoint a chairman thereof or to appoint a management committee for the purpose of forming an Owners' Corporation under the Building Management Ordinance (Cap.344). The Owners' Committee shall consist of not fewer than five (5) members, or such number of members as the Owners may decide from time to time by resolution at a meeting of the Owners, PROVIDED THAT at least:-

- (a) Three (3) members shall be elected from the Owners of the Residential Accommodation to represent them in the Owners' Committee;
- (b) One (1) member shall be elected from the Owners of the Commercial

Accommodation to represent them in the Owners' Committee; and

- (c) One (1) member shall be elected from the Owners of the Carpark to represent them in the Owners' Committee.

## 6.2 **Functions of Owners' Committee**

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

- (a) the representing of the Owners in all dealings with the Manager;
- (b) the reviewing of the annual budget and revised budget prepared by the Manager;
- (c) the approval of the Club Rules and the House Rules made from time to time by the Manager;
- (d) to elect a manager to take the place of the outgoing Manager in accordance with the provisions of Clause 4.1 hereof; and
- (e) the exercise of all other powers and duties conferred on the Owners' Committee by virtue of these presents.

## 6.3 **Membership**

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

- (a) Any Owner and, in the event of an Owner being a corporate body, any representative appointed by such Owner. The appointment of a representative by a corporate body shall be in writing addressed to the Owners' Committee and may be revoked at any time on notice in writing being given to the Owners' Committee.
- (b) The husband or wife of any Owner duly authorised by the Owner which authorisation 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 PROVIDED THAT such husband or wife resides in the Development.

## 6.4 **Retirement from membership**

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

- (a) he resigns by notice in writing to the Owners' Committee; or
- (b) he ceases to be eligible or is not re-elected at the meeting of Owners at which he stands for re-election; or

- (c) he becomes bankrupt or insolvent or enters into a composition with his creditors or is convicted of a criminal offence other than a summary offence not involving his honesty or integrity; or
- (d) he becomes incapacitated by physical or mental illness or death; or
- (e) he is removed from office by resolution of a duly convened meeting of Owners.

In any of the events provided for in sub-clauses (a), (c) or (d) of this Clause resulting in the number of members of the Owners' Committee being less than three (3), the Manager shall convene a meeting of the Owners to fill the casual vacancy thereby created.

## 6.5 Meetings

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

## 6.6 Notice of meeting

The person or persons convening the meeting of the Owners' Committee shall, at least seven (7) days before the date of the meeting, give notice of the meeting to each member of the Owners' Committee. Such notice of meeting shall specify (i) the date, time and place of the meeting; and (ii) the resolutions (if any) that are to be proposed at the meeting. Such notice of meeting may be given:-

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

## 6.7 Quorum

The quorum at a meeting of the Owners' Committee shall be fifty per cent (50%) of the members of the Owners' Committee (rounded up to the nearest whole number) or three (3) such members, whichever is the greater. No business shall be transacted at any time by the Owners' Committee unless a quorum is present when the meeting proceeds to business. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members of the Owners' Committee, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week at the same time and place, and, if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members of the Owners' Committee present shall be a quorum.

## 6.8 **Chairman**

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

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

The first chairman appointed pursuant to Clause 6.1 hereof shall be chairman until the next annual meeting. Thereafter the chairman shall be chosen by the Owners at the first or any other meeting of the Owners held in any calendar year.

## 6.9 **Meeting Procedures**

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

## 6.10 **Resolutions**

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

- (a) All resolutions passed by a simple majority of votes at such meeting shall be binding on all the Owners but no such resolution shall be valid if it concerns any other matter not being the subjects contained in the notice convening the meeting or if it is contrary to the provisions of this Deed or any Sub-Deed(s);
- (b)
  - (i) A resolution put to the vote of the meeting shall be decided on a show of hands only;
  - (ii) At a meeting of the Owners' Committee, each member present shall have one vote on a resolution put to the vote of the meeting or on a question before the Owners' Committee and if there is an equality of votes the chairman shall have, in addition to a deliberative vote, a casting vote.

## 6.11 **Owners' Committee not liable**

The Owners' Committee and the members thereof shall not be liable to the Owners or any of them or to any person or persons whomsoever whether claiming through, under or in trust for any Owner or otherwise, for or in respect of any act, deed, matter or thing done or omitted in pursuance or in purported pursuance of the provisions of this Deed or any Sub-Deed(s) not being anything involving criminal liability or dishonesty or negligence by or on the part of any or all of the members of the Owners' Committee.

## 6.12 **No Remuneration**

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



### 6.13 **Records and Minutes**

- (a) The Owners' Committee shall cause to be kept records and minutes of :-
  - (i) the appointment and vacation of appointments of all its members and all changes therein;
  - (ii) all resolutions and notes of proceedings of the Owners' Committee;
  - (iii) the members present at all meetings.
- (b) Such records and minutes shall be kept in such place as the Owners' Committee may from time to time determine and shall be open to inspection by any Owner on reasonable notice being given and such Owner shall also be entitled to extracts thereof on paying reasonable charges therefor. All copying charges received shall be credited to the Special Fund.

### 6.14 **Sub-Committees**

Nothing herein contained shall prevent the Owners' Committee from forming sub-committees for the recreation and welfare of the residents of the Development or to co-opt any person eligible under Clause 6.3 who are not members of the Owners' Committee to serve on such sub-committees.

## **SECTION VII - MEETING OF OWNERS**

### 7.1 **Meetings**

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

- (a) A meeting of Owners may be convened by :-
  - (i) the Owners' Committee;
  - (ii) the Manager; or
  - (iii) an Owner appointed to convene such a meeting by the Owners of not less than five per cent (5%) of the Undivided Shares in aggregate.
- (b) The person convening the meeting of the Owners shall, at least fourteen (14) days before the date of the meeting, give notice of the meeting to each Owner. Such notice of meeting shall specify:-
  - (i) the date, time and place of the meeting; and
  - (ii) the resolutions (if any) that are to be proposed at the meeting.
- (c) The notice of meeting referred to in sub-clause (b) above may be given -
  - (i) by delivering it personally to the Owner;

- (ii) by sending it by post to the Owner at his last known address; or
  - (iii) by leaving it at the Owner's flat or depositing it in the letter box for that flat.
- (d) The quorum at a meeting of Owners shall be 10% of the Owners. No business shall be transacted at any meeting unless a quorum is present when the meeting proceeds to business. For the purposes of this sub-clause, the reference in this sub-clause to "10% of the Owners" shall -
- (i) be construed as a reference to 10% of the number of persons who are Owners without regard to their ownership of any particular percentage of the total number of Undivided Shares into which the Lot and the Development were divided; and
  - (ii) not be construed as the Owners of 10% of the Undivided Shares in aggregate.
- (e) A meeting of Owners shall be presided over by the chairman of the Owners' Committee or, if the meeting is convened under Clause 7.1(a)(ii) or (iii) above, the person convening the meeting.
- (f) The chairman shall cause a record to be kept of the persons present at the meeting and the proceedings thereof.
- (g) At a meeting of Owners:-
- (i) an Owner shall have one vote in respect of each Undivided Share he owns;
  - (ii) an Owner may cast a vote personally or by proxy;
  - (iii) where 2 or more persons are the co-Owners of an Undivided Share, the vote in respect of the Undivided Share may be cast -
    - (A) by a proxy jointly appointed by the co-Owners;
    - (B) by a person appointed by the co-Owners from amongst themselves; or
    - (C) if no appointment is made under sub-sub-clause (A) or (B), either by one of the co-Owners personally or by a proxy appointed by one of the co-Owners;
  - (iv) where 2 or more persons are the co-Owners of an Undivided Share and more than one of the co-Owners seeks to cast a vote in respect of the Undivided Share, only the vote that is cast, whether personally or by proxy, by the co-Owner whose name, in order of priority, stands highest in relation to that Undivided Share in the register kept at the Land Registry shall be treated as valid; and

- (v) if there is an equality of votes the person presiding over the meeting shall have, in addition to a deliberative vote, a casting vote.
- (h) (i) An instrument appointing a proxy shall be in the form set out in Form 1 in Schedule 1A to the Building Management Ordinance (Cap.344), and-
  - (A) shall be signed by the Owner; or
  - (B) if the Owner is a body corporate, shall, notwithstanding anything to the contrary in its constitution, be impressed with the seal or chop of the body corporate and signed by a person authorized by the body corporate in that behalf.
- (ii) The instrument appointing a proxy shall be lodged with the chairman of the Owners' Committee or, if the meeting is convened under Clause 7.1(a)(ii) or (iii) above, the person convening the meeting at least forty eight (48) hours before the time for the holding of the meeting.
- (iii) A proxy appointed by an Owner to attend and vote on behalf of the Owner shall, for the purposes of the meeting, be treated as being the Owner present at the meeting.
- (i) The procedure at a meeting of Owners shall be as is determined by the Owners.
- (j) Save as otherwise herein provided any resolution on any matter concerning the Development passed by a simple majority of votes at a duly convened meeting by the Owners present in person or by proxy and voting shall be binding on all the Owners of the Development Provided as follows :-
  - (i) The notice convening the meeting shall have been duly given and shall have specified the intention to propose a resolution or resolutions concerning such matters.
  - (ii) No resolution purporting to be passed at any such meeting concerning any matter not mentioned in such notice shall be valid.
  - (iii) No resolution shall be valid to the extent that it purports to alter or amend the provisions of or is otherwise contrary to this Deed or any Sub-Deed(s).
  - (iv) A resolution may be passed as to the manner in which the powers hereby conferred on the Manager are to be exercised or carried out.
  - (v) (A) A resolution may be 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 fifty per cent (50%) of the total number of Undivided Shares in the Development (excluding the Undivided Shares allocated to the Common Areas and Facilities) terminate by notice the Manager's appointment without compensation.

- (B) A resolution under preceding sub-sub-clause (A) shall have effect only if :-
  - (I) the notice of termination of appointment is in writing;
  - (II) provision is made in the resolution for a period of not less than three (3) months notice or, in lieu of notice, provision is made for an agreement to be made with the Manager for the payment to it of a sum equal to the amount of remuneration which would have accrued to it during that period;
  - (III) the notice is accompanied by a copy of the resolution terminating the Manager's appointment; and
  - (IV) the notice and the copy of the resolution is given to the Manager within fourteen (14) days after the date of the meeting.
- (C) The notice and the copy of the resolution referred to in preceding sub-sub-clause (B) may be given :-
  - (I) by delivering it personally to the Manager; or
  - (II) by sending it by post to the Manager at its last known address.
- (k) Without affecting the provisions herein contained requiring certain matters to be decided only by resolutions passed by the Owners holding not less than seventy-five per cent (75%) of the total number of Undivided Shares in the Development, a resolution in writing signed by Owners who in the aggregate have vested in them for the time being more than one half of the total number of Undivided Shares in the Development shall be as valid and effectual as if it had been passed at a duly convened meeting of such Owners.
- (l) The accidental omission to give notice as aforesaid to any Owner shall not invalidate the proceedings at any meeting or any resolution passed thereat.
- (m) For the avoidance of doubt and notwithstanding anything to the contrary contained in this Deed, the person in whom the Undivided Shares allocated to the Common Areas and Facilities are vested as trustee for all the Owners shall have no voting right in respect of such Undivided Shares in any meetings of the Owners whether under this Deed or any Sub-Deed(s), the Building Management Ordinance (Cap.344) or otherwise and such Undivided Shares shall not be taken into account in determining the quorum for any meetings or for determining the total number of Undivided Shares in the Development referred to in this Section VII and such Undivided Shares shall not carry any liability to pay charges under this Deed or any Sub-Deed(s).

## **SECTION VIII - EXTINGUISHMENT OF RIGHTS**

### **8.1 Owners' meeting in event of Development being damaged**

Notwithstanding any other provisions to the contrary herein contained, in the event of the whole or any part of the Development being so damaged by fire, typhoon, earthquake, subsidence or other cause so as to render a substantial part of the same unfit for habitation or use or occupation, the Owners of not less than seventy five per cent (75%) of the Undivided Shares allocated to damaged part(s) of the Development (excluding the Undivided Shares allocated to the Common Areas and Facilities), shall convene a meeting of the Owners whose right to exclusive use, occupation and enjoyment of such part of the Development have been so affected and such meeting may resolve by not less than a seventy-five per cent (75%) majority of the Owners present in person and voting that by reason of insufficiency of insurance money or changes in building law or regulations or any other circumstances whatsoever, it is not practicable to reinstate or rebuild such part of the Development then in such event the Undivided Shares in the Lot representing such part of the Development shall be acquired by the Manager and the Owners of such Undivided Shares shall in such event be obliged to assign the same and all rights and appurtenances thereto to the Manager upon trust to forthwith dispose of the same by public auction or private treaty and to distribute the net proceeds of sale amongst the Owners of such Undivided Shares in proportion to the respective number of Undivided Shares previously held by such former Owners. All insurance money received in respect of any policy of insurance on such part of the Development shall likewise be distributed amongst such former Owners. In such event all the rights, privileges, obligations and covenants of such former Owners under this Deed shall be extinguished so far as the same relate to such former Owners of the relevant part of the Development PROVIDED ALWAYS THAT if it is resolved to reinstate or rebuild such part of the Development, the Owners of such part of the Development shall pay the excess of the cost of reinstatement or rebuilding of the relevant part of the Development damaged as aforesaid over and above the proceeds recoverable from the insurance of such part of the Development in proportion to the respective number of Undivided Shares held by them and that until such payment the same will become a charge upon their respective Undivided Shares allocated to the relevant part of the Development and be recoverable as a civil debt. The resolution is to be binding upon all the Owners of the damaged part(s).

### **8.2 Provision applicable to such Owners' meeting**

Notwithstanding any other provisions to the contrary herein contained, the following provisions shall apply to a meeting convened as provided in Clause 8.1 hereof :-

- (a) The person convening such meeting of the Owners shall, at least fourteen (14) days before the date of the meeting, give notice of the meeting to each Owner. Such notice of meeting shall specify :-
  - (i) the date, time and place of the meeting; and
  - (ii) the resolutions (if any) that are to be proposed at the meeting;

- (b) The notice of meeting referred to in Clause 8.2(a) shall be posted on the public notice boards of or a prominent place in the Development and if possible, may be given :-
- (i) by delivering it personally to the Owner;
  - (ii) by sending it by post to the Owner at his last known address; or
  - (iii) by leaving at the Owner's Unit or depositing it in the letter box for that Unit;
- (c) No business shall be transacted at any meeting unless a quorum is present when the meeting proceeds to business and Owners present in person or by proxy who in the aggregate have vested in them not less than seventy-five per cent (75%) of the total number of Undivided Shares in the part of the Development in question (excluding the Undivided Shares allocated to the Common Areas and Facilities) shall be a quorum;
- (d) If within half an hour from the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned to the same time and day in the following week at the same place, and if at such adjourned meeting a quorum is not present, the Owners present shall be deemed to constitute a quorum;
- (e) The Manager shall be the chairman of the meeting;
- (f) The chairman shall cause a record to be kept of the persons present at the meeting and notes of the proceedings thereof;
- (g) Every Owner shall have one vote for each Undivided Share allocated to the part of the Development (excluding the Undivided Shares allocated to the Common Areas and Facilities) 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 case of dispute, the Owner whose name stands first in relation to that Undivided Share in the register kept at the Land Registry shall have the right to vote, and in case of equality of votes, the chairman shall have a second or casting vote;
- (h) Votes may be given either personally or by proxy;
- (i) The instrument appointing a proxy shall be deposited with the chairman of the meeting either before or at the meeting;
- (j) A resolution passed at a duly convened meeting by the Owners of not less than seventy five per cent (75%) of the Undivided Shares allocated to damaged part(s) of the Development (excluding the Undivided Shares allocated to the Common Areas and Facilities) present in person or by proxy and voting shall be binding on all the Owners of the relevant part of the Development PROVIDED as follows :-
- (i) the notice convening the meeting shall specify the intention to propose a resolution concerning such matter;

- (ii) any resolution purported to be passed at any such meeting concerning any other matter shall not be valid;
- (iii) no resolution shall be valid if it is contrary to the provisions of this Deed;
- (k) A resolution in writing signed by Owners who in the aggregate have vested in them for the time being not less than seventy-five per cent (75%) of the Undivided Shares allocated to the part of the Development in question (excluding the Undivided Shares allocated to the Common Areas and Facilities) shall be as valid and effectual as if it had been passed at a duly convened meeting of such Owners; and
- (l) Apart from the notice given under sub-clause (a) of this Clause, the accidental omission to give notice to any Owner shall not invalidate the meeting or any resolution passed thereat.

### **SECTION IX - MISCELLANEOUS PROVISIONS**

#### **9.1 Schedules 7 and 8 to the Building Management Ordinance, etc.**

- (a) Nothing contained in this Deed shall prejudice the operation of the Building Management Ordinance (Cap.344) and the Schedules thereto.
- (b) The First Owner shall deposit a copy of Schedules 7 and 8 to the Building Management Ordinance (Cap.344) (both of the 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. All charges received must be credited to the Special Fund.

#### **9.2 Owners to notify Manager when ceasing to be Owner**

Each Owner shall on ceasing to be the Owner of any Undivided Share and the premises enjoyed therewith upon assignment of his Unit notify the Manager of such cessation and of the name and address of the new Owner within one (1) month from the date of the relevant assignment and such Owner shall remain liable for all such sums and for the observance and performance of such terms and conditions up to the date on which he ceases to be the Owner upon assignment of his Unit.

#### **9.3 No liability after ceasing to be Owner**

No person shall, after ceasing to be the Owner of any Undivided Share upon assignment of his Unit, be liable for any debt liability or obligation under the covenants, terms and conditions of this Deed in respect of such Undivided Share and the premises held therewith upon assignment of his Unit save and except in respect of any breach, non-observance or non-performance by such person of any such covenant or term and condition prior to his ceasing to be the Owner thereof.

#### **9.4 Public notice boards, etc.**

There shall be public notice boards at such prominent places in the Development as the Manager may from time to time determine. There shall be exhibited on each of

such public notice boards all notices which under this Deed are required to be exhibited thereon and such other notices and announcements as the Manager may from time to time decide to exhibit or approve for exhibition thereon. Except in the case of a notice required by this Deed or by law to be served personally or in any other manner, the exhibition of a notice on such public notice boards for **seven (7)** consecutive days shall be due notice of the contents thereof to each Owner, his tenants, licensees, servants and agents.

#### **9.5 Service of notices, etc.**

Subject as hereinbefore provided in the case of notices to be affixed to the public notice boards, all notices or demands required to be served hereunder shall be sufficiently served if addressed to the party to whom the notices or demands are given and sent by prepaid post to or left at (i) the Residential Unit or the Commercial Unit or the Carpark Unit or the letter box thereof of which the party to be served is the Owner, or (ii) the last known address of the party to be served PROVIDED HOWEVER THAT where notice is to be given to an Owner who is a mortgagor, such notice may also be served on the mortgagee, if a company, at its registered office or last known place of business in Hong Kong and, if an individual, at his last known address. All notices required to be given to the Manager shall be sufficiently served if delivered personally to the Manager or sent by prepaid post addressed to the Manager's last known address.

#### **9.6 Provision of address in Hong Kong**

Each Owner who is not an occupier in the Development shall provide the Manager with an address in Hong Kong for service of notices under the provisions of this Deed or any relevant Sub-Deed(s).

#### **9.7 Compliance with the Conditions**

No provisions in this Deed shall conflict with or be in breach of the Conditions and each Owner (including the First Owner) shall comply with the terms and conditions of the Conditions in so far as the same relate to his part of the Development and as one of the Owners for the time being of the Lot, and the Manager shall comply with the terms and conditions of the Conditions so long as it is the manager of the Development.

#### **9.8 Chinese translation**

The First Owner shall at his own cost provide a direct translation in Chinese of this Deed and deposit a copy of this Deed and the Chinese translation in the management office within one (1) month from the date hereof for inspection by all Owners free of costs and for taking of copies by the Owners at their expense and upon payment of a reasonable charge. All charges received must be credited to the Special Fund. In the event of any dispute arising out of the interpretation of the Chinese translation and the English version of this Deed, the English version of this Deed approved by the Director of Lands shall prevail.



## 9.9 **Plans of Common Areas and Facilities**

A copy of plans showing the Common Areas and Facilities (if and where capable of being shown on plans) certified as to their accuracy by or on behalf of the Authorized Person shall be prepared by the First Owner, annexed to this Deed, kept at the management office and shall be available for inspection by the Owners free of charge during normal office hours.

## 9.10 **During existence of Owners' Corporation**

During the existence of an Owners' Corporation of the Development, the general meeting of the Owners' Corporation convened under the Building Management Ordinance (Cap.344) shall take the place of the meeting of Owners hereunder, and where a management committee of the Owners' Corporation is or has been appointed, the management committee shall take the place of the Owners' Committee.

## 9.11 **Use for the purpose of RCHE or RCHD**

No provision 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 legislation (hereinafter called "**RCHE**"), or residential care home for PWDs (i.e. persons with disabilities) as defined in the Residential Care Homes (Persons with Disabilities) Ordinance (Cap.613), any regulations made thereunder and any amending legislation (hereinafter called "**RCHD**"), or the use of the Lot or any part thereof or the Development or part of the Development for the purpose of RCHE or RCHD.

## 9.12 **Works and Installations**

- (a) The First Owner shall at its own cost and expense compile the Maintenance Manual for the Works and Installations and its schedules for the reference of the Owners and the Manager setting out the following details :-
  - (i) As-built record plans of the building and services installations together with the necessary technical information (such as specifications of materials and design standard) for maintenance of all facilities and equipment;
  - (ii) All warranties and guarantees provided by contractors (together with the names of the companies providing the warranty and the contact telephone numbers) in respect of all facilities and equipment;
  - (iii) Recommended maintenance strategy and procedures;
  - (iv) A list of items of the Works and Installations requiring routine maintenance;
  - (v) Recommended frequency of routine maintenance inspection;
  - (vi) Checklist and typical inspection record sheets for routine maintenance inspection;

- (vii) Recommended maintenance cycle of the Works and Installations.
- (b) Within one (1) month from the date of this Deed, the First Owner shall deposit a full copy of the Maintenance Manual for the Works and Installations which includes a list/schedule of items of the Works and Installations in the management office for inspection by the Owners free of charge and any Owner or his duly authorized representative shall be entitled to a copy thereof upon payment of a reasonable charge to cover the cost of copying the same PROVIDED THAT all charges received therefrom shall be credited into the Special Fund.
- (c)
  - (i) The Manager shall on behalf of and at the cost and expense of the Owners inspect, maintain and carry out all necessary works for the Common Areas and Facilities including those part or parts of the Works and Installations forming part of the Common Areas and Facilities.
  - (ii) The Owners shall at their own costs and expense inspect, maintain and carry out all necessary works for the Units including those part or parts of the Works and Installations forming part of their Units.
- (d) The Owners may, by a majority resolution passed at an Owners' meeting convened under this Deed, amend, revise the Maintenance Manual for the Works and Installations (including the said schedule) or the Works and Installations listed in the Fourth Schedule hereto or any part thereof as the Owners shall deem fit, in which event the Manager shall procure a revised Maintenance Manual for the Works and Installations (including the said schedule) or any amendments thereto from a qualified professional or consultant within such time as may be prescribed by the said Owners' resolution. All costs and expenses of and incidental to the preparation of the revised Maintenance Manual for the Works and Installations (including the said schedule) or any subsequent amendments thereto shall be borne by the Owners and paid out of the Special Fund.
- (e) The Manager shall deposit the revised Maintenance Manual for the Works and Installations (including the said schedule) and any subsequent amendments thereto in the management office within one (1) month from the date of its preparation for inspection by the Owners free of charge and any Owner or his duly authorized representative shall be entitled to a copy thereof upon payment of a reasonable charge to cover the cost of copying the same PROVIDED THAT all charges received therefrom shall be credited into the Special Fund.

### 9.13 No merging of Residential Units, etc.

- (a) No Owner shall carry out or permit or suffer to be carried out any works in connection with any Residential Unit, including but not limited to demolition or alteration of any partition wall or any floor or roof slab or any partition structure, which will result in such Residential Unit being internally linked to and accessible from any adjoining or adjacent Residential Unit, except with the prior written consent of the Director of Lands or any other Government

authority in place of him from time to time, which consent may be given or withheld at his absolute discretion and if given, may be subject to such terms and conditions (including payment of fees) as may be imposed by him at his absolute discretion.

- (b) The Manager shall deposit in the management office the record provided by the Director of Lands of the information relating to the consent given under the provision in sub-clause (a) of this Clause for inspection by all Owners free of costs and for taking copies at their own expense and on payment of a reasonable charge, all charges received to be credited to the Special Fund.

#### **9.14 Covenants to the Lender**

- (a) In consideration of the Lender having entered into this Deed in its capacity as the lender under the Building Mortgage, the First Owner hereby covenants with the Lender that the First Owner shall fully observe and perform all the covenants herein contained and to be observed and performed by the First Owner while any share or interest in any part of the Lot and the Development is subject to the Building Mortgage and shall keep the Lender fully and effectually indemnified against the non-observance and non-performance of any of the said covenants and the non-payment of the sums payable hereunder.
- (b) Notwithstanding anything herein contained, until such time as the Lender enters into possession of the Lot and the Development or exercise the power of sale conferred on the Lender, the covenants and obligations in this Deed contained and the liability for making any payment under this Deed and the other burden and restrictions herein imposed shall not be binding upon the Lender and no liability for any payment under this Deed shall be binding on the Lender in respect of any sums accrued prior to the Lender entering into possession or exercising the power of sale.

#### **9.15 Deed binding on executors, etc.**

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

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

## THE FIRST SCHEDULE

### ALLOCATION OF UNDIVIDED SHARES

#### (A) Residential Units

Floor	Flat	Undivided Shares
6- 8/F (3 storeys)	A	15
	B	9
	C	9
	D	9
	E	9
	F	9
	G	9
	H	13
	J	12
	K	13
	L	13
	M	12
9/F - 12/F, 15/F - 23/F (13 storeys)	A	15
	B	9
	C	9
	D	9
	E	9
	F	9
	G	9
	H	13
	J	12

<b>Floor</b>	<b>Flat</b>	<b>Undivided Shares</b>
	K	13
	L	13
	M	12
25/F	A	16*
	B	9
	C	9
	D	9
	E	9
	F	9
	G	9
	H	14*
	J	12
	K	13
	L	13
	M	12
	<b>SUB-TOTAL (6/F - 25/F)</b>	

\* including the flat roof of that Flat

Remarks:

There are no 13/F, 14/F and 24/F

There is no Flat I

**(B) Commercial Units**

<b>Floor</b>	<b>Shop/Signage</b>	<b>Undivided Shares</b>
Basement Floor	Shop B01	105
Ground Floor	Shop G1	35*
	Shop G2	42*
	Shop G3	53*
	Shop G4	8
	Shop GA	18*
	Shop GB	9
1 <sup>st</sup> Floor	Shop 101	170
2 <sup>nd</sup> Floor	Signage A	1
	Signage B	1
	Signage C	1
	Signage D	1
	Signage E	1
	Signage F	1
<b>SUB-TOTAL</b>		<b>446</b>

\*including the flat roof of that Shop.

**(C) Carpark Units**

<b>Floor</b>	<b>Carpark Units</b>		<b>Undivided Shares</b>
Basement Floor	Residential Car Parking Spaces (9 nos.)	P01	2
		P02	2
		P03	2
		P04	2
		P05	2
		P06	2
		P07	2
		P08	2
		P09	2
	<b>SUB-TOTAL</b>		18
	Commercial Car Parking Spaces (6 nos.)	R01	2
		R02	2
		R03	2
		R04	2
		R05	2
		R06	2
	<b>SUB-TOTAL</b>		12
	Residential Motorcycle Parking Spaces (3 nos.)	M1	1
		M2	1
		M3	1
	<b>SUB-TOTAL</b>		3
	Commercial Motorcycle Parking Space (1 no.)	RM1	1
	<b>SUB-TOTAL</b>		1

**(D) Common Areas and Facilities**

Undivided Shares: 10

**Total Undivided Shares (A) + (B) + (C) + (D) : 2,736**

## THE SECOND SCHEDULE

### RIGHTS, PRIVILEGES AND EASEMENTS

The rights and privileges conferred as particularised under Part A and subject to which as specified in Part B each Undivided Share is held shall only come into effect as and when a part or parts of the Development has been issued an Occupation Permit and then only in respect of that part or parts of the Development being issued an Occupation Permit.

#### Part A

##### 1. Right and privileges of Owners

The Owner of each Undivided Share together with the full and exclusive right to hold, use, occupy and enjoy any part of the Development (in this Schedule referred to as “**his premises**”) shall have the benefit of the following rights and privileges SUBJECT TO the provisions of the Conditions, this Deed, the Sub-Deed(s), the House Rules and the rights of the Manager as provided in this Deed :-

(a) Right of way to use the Development Common Areas and Facilities

Full right and liberty (but SUBJECT ALWAYS TO the rights of the Manager and the First Owner herein provided) for the Owner for the time being, his tenants, servants, agents, lawful occupants and licensees (in common with all persons having the like right) to go pass or repass over and along and to use or to receive the benefit of the Development Common Areas and Facilities for all purposes connected with the proper use and enjoyment of his premises SUBJECT as aforesaid;

(b) Right to support and shelter

The right to subjacent and lateral support and to shelter and protection from the other parts of the Development SUBJECT as aforesaid;

(c) Right of passage of water, etc.

The free and uninterrupted passage and running of water, sewage, gas, electricity, ventilation, telephone and various other services (if any) from and to his premises through the sewers, drains, watercourses, cables, pipes and wires which now are or may at any time hereafter be in, under or passing through his premises or the Development or any part or parts thereof for the proper use and enjoyment of his premises SUBJECT as aforesaid;

(d) Right of entry to other parts of the Development to repair

The right for any Owner with or without workmen, plant, equipment and materials at all reasonable times upon making prior appointment (except in the case of emergency) to enter upon other parts or Units of the Development for



the purpose of carrying out any works for the maintenance and repair of his premises including any conducting media exclusively serving the same (such work not being the responsibility of the Manager under this Deed and which cannot practically be carried out without such access) causing as little disturbance as possible and forthwith making good any damage caused thereby SUBJECT as aforesaid. For the purpose of this sub-clause, conducting media means pipes, wires, cables, sewers, drains, water courses, trunking, ducts, flues, gutters, gullies, channels, conduits and other media; and

- (e) Other easements, rights and privileges

All other easements, rights and privileges belonging to or appertaining to the Lot and the Development or any part thereof.

## 2. **Right of way to use the Residential Common Areas and Facilities**

In addition to the above rights and privileges, the Owner of each Undivided Share in the Residential Accommodation for the time being, his tenants, servants, agents, lawful occupants and their bona fide guests, visitors or invitees shall have the full right and liberty (in common with all persons having the like right) (but SUBJECT ALWAYS TO the provisions of the Conditions, this Deed, the Sub-Deed(s), the House Rules and the rights of the Manager and the First Owner provided in this Deed) to go pass or repass over and along and to use the Residential Common Areas and Facilities for the purposes for which they are designed and for all purposes connected with or incidental to the proper use and enjoyment of their Residential Units PROVIDED THAT in exercising such rights of use, no Owner shall interfere with or permit or suffer to be interfered with the general amenities, equipment or services provided for the Lot and the Development and that each Owner shall comply with the rules (if any) made by the Manager in respect thereof, the House Rules and other regulations (if any) from time to time in force in respect of the same.

## 3. **Right of way to use the Carpark Common Areas and Facilities**

In addition to the above rights and privileges,

- (a) the Owner of each Undivided Share in the Carpark Units for the time being, his tenants, servants, agents, lawful occupants and their bona fide guests, visitors or invitees shall have the full right and liberty (in common with all persons having the like right) (but SUBJECT ALWAYS TO the provisions of the Conditions, this Deed, the Sub-Deed(s), the House Rules and the rights of the Manager and the First Owner provided in this Deed) to go pass or repass over and along and to use such part(s) of the Carpark Common Areas and Facilities for the purposes for which they are designed and for all purposes connected with the proper use and enjoyment of their Carpark Units;
- (b) the Owner of each Undivided Share in the Residential Units for the time being, his tenants, servants, agents, lawful occupants and their bona fide guests, visitors or invitees (in common with all persons having the like right) shall have the right to go, pass and repass over and along and to use such part(s) of the Carpark Common Areas and Facilities for the purpose of gaining access to and from and for all purposes connected with or incidental to the

proper use and enjoyment of the Accessible Parking Space, Visitors' Parking Spaces, Bicycle Parking Spaces and the Residential Loading and Unloading Space; and

- (c) the Owner of each Undivided Share in the Commercial Units for the time being, his tenants, servants, agents, lawful occupants and their bona fide guests, visitors or invitees (in common with all persons having the like right) shall have the right to go, pass and repass over and along and to use such part(s) of the Carpark Common Areas and Facilities for the purpose of gaining access to and from and for all purposes connected with or incidental to the proper use and enjoyment of the Commercial Loading and Unloading Spaces,

PROVIDED THAT in exercising the above rights of use, no Owner shall interfere with or permit or suffer to be interfered with the general amenities, equipment or services provided for the Lot and the Development and that each Owner shall comply with the rules (if any) made by the Manager in respect thereof, the House Rules and other regulations (if any) from time to time in force in respect of the same.

#### 4. **Right of way to use the Commercial Common Areas and Facilities**

In addition to the above rights and privileges, the Owner of each Undivided Share in the Commercial Accommodation for the time being, his tenants, servants, agents, lawful occupants and their bona fide guests, visitors or invitees shall have the full right and liberty (in common with all persons having the like right) (but SUBJECT ALWAYS TO the provisions of the Conditions, this Deed, the Sub-Deed(s), the House Rules and the rights of the Manager and the First Owner provided in this Deed) to go pass or repass over and along and to use the Commercial Common Areas and Facilities for the purposes for which they are designed and for all purposes connected with or incidental to the proper use and enjoyment of their Commercial Units PROVIDED THAT in exercising such rights of use, no Owner shall interfere with or permit or suffer to be interfered with the general amenities, equipment or services provided for the Lot and the Development and that each Owner shall comply with the rules (if any) made by the Manager in respect thereof, the House Rules and other regulations (if any) from time to time in force in respect of the same.

### **Part B**

The following are the rights and privileges subject to which the Owner of each Undivided Share and the exclusive right to hold, use, occupy and enjoy his premises is held:-

- (a) Manager's right of entry

The full right and privilege of the Manager at all reasonable times upon prior reasonable notice (except in the case of emergency) with or without workmen, contractors and others and with or without equipment and apparatus to enter into and upon his premises for the purposes of carrying out necessary repairs to the Development or any part or parts thereof or any of the Common Areas and Facilities therein or to abate any hazard or nuisance which does or may affect the Common Areas and Facilities or other Owners PROVIDED THAT the Manager shall cause as

little disturbance as possible and shall forthwith make good any damage caused thereby at his own costs and expense and shall be liable for negligent, wilful or criminal acts of the Manager, its staff, contractors, workmen and/or persons authorised by the Manager in the course of exercising the aforesaid rights;

(b) Rights of the First Owner

Rights of the First Owner set forth in Sections II and III of this Deed; and

(c) Other rights

Rights and privileges equivalent to those set forth in sub-clauses (b), (c) and (d) of Clause I of Part A of this Second Schedule.

## THE THIRD SCHEDULE

### COVENANTS, PROVISIONS AND RESTRICTIONS

**1. No structural alteration**

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

**2. Not to vitiate insurance**

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

**3. Not to partition**

No Owner shall at any time exercise or attempt to exercise any statutory or common law right to partition the Lot or the Development or any of the Residential Units or Carpark Units therein. For the avoidance of doubt, this restriction on partitioning shall not apply to the Commercial Units. An Owner of the Commercial Unit shall have the right without the necessity of making any Owner entitled to the exclusive use, occupation and enjoyment of any part or parts of the Lot or the Development outside the part or parts of the Lot or the Development in question a party thereto to partition or subdivide his Commercial Unit or any part thereof and to enter into Sub-Deed(s) (in the case of the First Owner) or sub-deed(s) of mutual covenant (in the case of any other Owners) in respect of any part or parts of the Commercial Unit owned by him PROVIDED THAT such Sub-Deed(s) (in the case of the First Owner) or such sub-deed(s) of mutual covenant (in the case of any other Owners) shall not conflict with the provisions of this Deed or any previous Sub-Deed(s) or any previous sub-deed(s) of mutual covenant nor affect the rights, interests or obligations of the other Owners bound by any other previous Sub-Deed(s) or any other previous sub-deed(s) of mutual covenant and shall be subject to the approval of the Director of Lands, unless otherwise waived.

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

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

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

(a) No Owner (including the First Owner) shall have the right to convert any part of the Common Areas and Facilities to his own use or for his own benefit unless approved by the Owners' Committee. Any payment received for the approval shall be credited to the Special Fund.

(b) No Owner (including the First Owner) shall have the right to convert or designate any of his own areas to be Common Areas and Facilities unless the approval by a resolution of Owners at an Owners' meeting convened under this Deed has been obtained. No Owner (including the First Owner) shall have and the Manager shall not have the right to re-convert or re-designate the Common Areas and Facilities to his or its own use or benefit.

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

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

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

No Owner shall use or permit or suffer the part of the Development owned by him to be used for any illegal or immoral purpose nor shall he do, cause or permit or suffer to be done any act or thing which may be or become a nuisance or annoyance to or cause damage to the other Owners and occupiers for the time being of the Development.

**8. Not to use for offensive purpose, etc.**

(a) No Owner shall use or permit or suffer any part of the Development owned by him to be used except in accordance with the Conditions, the Occupation Permit, this Deed, any Sub-Deed(s) and any Ordinances and Regulations from time to time applicable thereto.

(b) Subject to Clause 9.11 of this Deed, no Owner shall use or cause or permit any Unit to be used for industrial or godown purposes or for the purpose of mahjong school, funeral parlour, coffin shop, temple, buddhist hall, columbarium, grave or for the performance of the ceremony known as "Ta Chai (打齋)" or any similar ceremony or as a boarding house, apartment house, dance hall, music hall or for any noisy or offensive trade or business.

**9. User and alienation restriction**

(a) No Residential Unit shall be used for any purpose other than for private residential purpose and in particular shall not be used for any form of

commercial letting in bed spaces or cubicles, and no Carpark Units shall be used other than for the purpose of parking private motor vehicles licensed under the Road Traffic Ordinance (Cap.374), any regulations made thereunder and any amending legislation and the Carpark Units 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 and no structure or partitioning shall be erected thereon without the prior consent in writing of the Manager and only one (1) private motor vehicle shall be parked in each Residential Car Parking Space or Commercial Car Parking Space and only one (1) motorcycle shall be parked in each Residential Motorcycle Parking Space or Commercial Motorcycle Parking Space, SAVE AND EXCEPT that subject to Special Condition No.(14) of the Conditions, the First Owner may use the relevant part(s) of the Development as show flat(s) and/or sales office and related marketing facilities on such scale and for such period or periods of operation as it shall in its discretion consider appropriate subject to the Conditions.

- (b) The Residential Car Parking Spaces and the Residential Motor Cycle Parking Spaces shall not be:-
- (i) assigned except
    - (A) together with Undivided Shares in the Lot giving the right of exclusive use and possession of a Residential Unit or Residential Units in the Development; or
    - (B) to a person who is already the Owner of Undivided Shares in the Lot with the right of exclusive use and possession of a Residential Unit or Residential Units; or
  - (ii) underlet except to residents of the Residential Units

PROVIDED THAT in any event not more than three (3) in number of the total of the Residential Parking Spaces and the Residential Motor Cycle Parking Spaces shall be assigned to the Owner or underlet to the resident of any one Residential Unit in the Development.

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

No partitioning shall be erected or installed in a Residential Unit which does not leave clear access for fire exits and no windows shall be wholly or partially blocked or the light and air therefrom in any way obstructed.

**11. Not to erect advertising sign, etc. on the Carpark Unit, flat roof or balcony of the Residential Unit**

No Owner shall erect or place or cause or permit to be erected or placed any advertising sign or other structure on any Carpark Unit or flat roof or the balcony or the acoustic balcony forming part of or belonging to his Residential Unit or any other part thereof and the Manager shall have the right to demand to remove anything erected or placed on the Carpark Unit or flat roof or the balcony or the acoustic balcony forming part of or belonging to his Residential Unit or any part thereof in

contravention of this provision at the cost and expense of the Owner erecting or placing the same.

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

No Owner shall permit or suffer to be erected, affixed, installed or attached in or on or at the window or windows or door or doors or entrance or entrances of any part of his Residential Unit any metal grille or shutter or gate which shall in any way contravene the regulations of the Fire Services Ordinance (Cap.95) or other competent authority concerned from time to time in force and/or which may in any way impede the free and uninterrupted passage over, through and along any of the Common Areas and Facilities and the design of any metal grille or shutter or gate shall comply strictly in accordance with such guidelines and/or specifications that may from time to time be issued by the Manager and the subsequent installation shall follow strictly in accordance with the said guidelines and/or specifications.

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

Subject to the rights of the First Owner and the rights of the Owners of the Commercial Units herein provided, 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 or gate of a Residential Unit giving the Owner's or occupier's name).

**14. Not to store dangerous goods, etc. in Residential Unit**

No Owner shall store or permit to be stored in any Residential Unit any hazardous, dangerous, combustible or explosive goods or materials except such as may be reasonably required for the purpose of domestic cooking and heating.

**15. Not to store goods in Residential Unit**

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

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

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

**17. Not to install private aerial system, etc. and air-conditioning without Manager's consent**

(a) No Owner shall be entitled to connect any installation to the communal television and radio aerial system and cable television system (if any) installed

by the First Owner or the Manager except with the permission of the Manager and in accordance with any House Rules relating to the same. No Owner shall affix or install his own private aerial outside any part of the Development except with the prior written consent of the Manager.

- (b) No air-conditioning or other units shall without the prior written consent of the Manager be installed through any window or external wall of the Development other than at places designated for such purpose and all possible measures shall be taken to prevent excessive noise, condensation or dripping on to any part of the Lot or the Development. Every Owner shall also at his own cost and expense keep and maintain the air-conditioning or other units or plants (if any) serving exclusively his part of the Development in good repair and condition.

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

No Owner shall erect, install or otherwise affix or allowed to be erected, installed or otherwise affixed any external signs, signboards, notices, advertisements, flags, banners, poles, cages, shades, or other projections or structures whatsoever on the external surfaces of or extending outside the exterior of his Residential Unit or any part of the Development which is located on or above the Third Floor of the Development or be projected from any part of the Development which is located on or above the third floor of the Development.

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

No clothing or laundry shall be hung outside the Residential Unit or any part thereof (other than in the spaces specifically provided therefor) or in the Common Areas and Facilities.

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

No Owner shall keep, hang or exhibit or permit or suffer to be kept, hung or exhibited any washing, cloth, clothing or any unsightly objects or store or permit or suffer to be stored any utensils or other articles upon the flat roofs, roofs, external walls, balconies, entrance halls of the Development or any other areas.

**21. Not to erect or build upon the balcony, flat roof etc. of Residential Unit or the external wall of the Development**

No Owner shall without compliance with the Conditions erect or build or suffer to be erected or built on or upon the balcony (if any) or acoustic balcony (if any) or flat roof (if any) forming part of his Residential Unit or on any part of the external wall of the Development any structure whatsoever either of a permanent or temporary nature.

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

No Owner shall do or suffer or permit to be done anything whereby the flush or drainage system of the Development may be clogged or efficient working thereof may be impaired.



23. **Not to misuse water closets**

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

24. **No excessive noise**

No Owner shall make or cause or permit any disturbing noise in his part of the Development or do or cause or permit anything to be done which will interfere with the rights, comforts and convenience of other Owners or occupants of the Development.

25. **Pets**

No dogs, cats, birds or animals or fowls shall be kept or harboured in any part of the Development (other than trained guide dogs on leash for visually impaired persons or dogs, cats, birds or other animals or fowls that are kept for business being carried on in the Commercial Accommodation) if, (i) in the opinion of the Manager, such dog, cat, bird or animal or fowl is causing a nuisance or disturbance to other Owners or occupiers of the Development and (ii) if the same has been the cause of written complaint of at least two (2) other Owners or occupiers of the Development. In any event, no dogs shall be permitted in the Common Areas and Facilities unless carried or on leash.

26. **Supervision of children**

Not to allow children to play in the Common Areas and Facilities (except such parts of the Recreational Areas and Facilities designed for children) and any damage to or discolouration to decorations in such areas and facilities by children shall be paid for by the Owner or occupier of the Unit in which the child or children concerned reside.

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

Subject to the rights of the First Owner and the rights of the Owners of the Commercial Units herein provided, no Owner shall paint or alter the outside of the Development including any part of the Development owned by him, or do or permit to be done any act or thing which may or will alter the façade or external appearance of the Development (including any part owned by him) without the prior consent in writing of the Manager.

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

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

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

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

30. **Not to contravene the Air Pollution Control Ordinance**

No Owner shall install any furnace, boiler or other plant or equipment or use any fuel 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 which may contravene the Air Pollution Control Ordinance (Cap. 311) or any amendments thereto.

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

No Owner shall make any alteration to or interfere with the sprinkler system or any other fire fighting equipment or suffer to be done anything to such sprinkler system or 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 or smoke detectors or alteration to the fire fighting equipment shall be required by any Owner then such works, subject to the prior approval of the Manager, shall be carried out by the Manager or any contractor appointed or approved by the Manager at the expense of such Owner and in such manner as the Manager shall in its absolute discretion think fit.

32. **Not to perform installation or repair works to the electrical wiring**

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

33. **Floor loading**

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

34. **Not to cut trees**

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

**35. Maintenance of Slope Structures**

- (a) The Owners shall at their own expense in the proportion of the number of Undivided Shares allotted to their respective Units maintain and carry out all works in respect of the Slope Structures (if any) as required by the Conditions and in accordance with the “Geoguide 5 - Guide to Slope Maintenance” issued by the Geotechnical Engineering Office as amended or substituted from time to time and the Slope Maintenance Manual.
- (b) The First Owner shall deposit a full copy of the Slope Maintenance Manual at the management office within one (1) month from the date of this Deed. The Slope Maintenance Manual shall be available for inspection by the Owners free of charge during the normal office hours of the Manager and the taking of copies by the Owners upon request on payment of reasonable copying charges. All charges received shall be credited to the Special Fund.

**36. To maintain the Green Area, the Existing Vehicular Access, the Structures and the Diverted Drains**

The Owners shall at their own expenses in the proportion of the number of Undivided Shares (excluding the Undivided Shares allocated to the Common Areas and Facilities) allotted to their respective Units maintain the Green Area, the Existing Vehicular Access, the Structures and the Diverted Drains (until possession of which is re-delivered to the Government) and to carry out such works thereon and thereto to the satisfaction of the Director of Lands and in observance and compliance with Special Conditions Nos.(4), (37)(d) and any other provisions of the Conditions.

**37. To pay Government rent**

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

**38. To observe the Conditions, etc.**

Every Owner (including the First Owner) shall covenant with each other to observe and comply with all terms and provisions of the Conditions and this Deed so long as he remains an Owner of an Undivided Share of the Development.

**39. Not to enclose the Non-enclosed Areas**

- (a) The Non-enclosed Areas shall only be used as balconies in relation to or in connection with use and enjoyment of the Residential Units for which they are provided and form part; and
- (b) The design and location of the Non-enclosed Areas under the Building Plans shall not be altered in any way; and
- (c) No fences, awnings, grilles or any structures or things shall be installed, exhibited, affixed, erected or attached to any of the Non-enclosed Areas

whereby the same shall be enclosed in whole or in part above safe parapet height other than as approved under the Building Plans; and

- (d) Each Owner of the Non-enclosed Areas shall (i) at his own cost keep the interior of such 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 Buildings Ordinance (Cap.123) and such other Ordinances, bye-laws and regulations promulgated by the Government from time to time; and (ii) be responsible for the financial support and maintenance of the same;
- (e) Each Owner of Residential Units with acoustic balconies shall maintain, replace or repair the acoustic balconies and appoint contractors for carrying out the maintenance, replacement and repair by using those materials as approved by the Manager; and
- (f) In the event of the above covenants being in breach, the Manager, without prejudice to the right of the other Owners, shall have the right to demand the defaulting Owner to remedy the breach forthwith and if necessary to reinstate the Non-enclosed Areas to their original state under the Building Plans and if the defaulting Owner shall fail to comply with the Manager's demand, the Manager shall have the right to take such steps as it may in its absolute discretion consider necessary to secure compliance with the aforesaid covenants, including but not limited to the right to enter upon the Residential Units concerned (including the Non-enclosed Areas provided therein) and to remove any fences, awning, grilles or any structures or things which are installed, exhibited, affixed, erected or attached to the Non-enclosed Areas or the Residential Units which are in breach of the aforesaid covenants at the cost of the defaulting Owner. The Manager shall recover from the defaulting Owner and the defaulting Owner shall pay to the Manager all costs incurred by the Manager for or in relation to the steps taken by the Manager for the aforesaid purpose.

**40. To observe all ordinances, bye-laws, etc.**

Every Owner shall comply with and observe all ordinances, bye-laws, regulations and rules for the time being in force in Hong Kong governing the control of any form of pollution, including air, noise, water and waste pollution, and for the protection of the environment.

**41. Not to interfere with the operation of the gondola**

No Owner shall do or permit or suffer to be done by his tenants, occupiers or licensees any act, deed, matter or thing or place any items in the roof and/or flat roof or the parapet walls of the roof and/or flat roof pertaining or belonging to its Residential Unit which in any way interferes with or affects or which is likely to interfere with or affect the operation of the gondola by the Manager at any time in the course of the management and/or the maintenance of the Development.

**42. Owner of Residential Unit with open kitchen to observe the Fire Safety Management Plan**

The Owner(s) of the relevant Residential Unit with open kitchen shall at his own cost and expense observe and comply with the Fire Safety Management Plan in particular the fire safety provisions set out in the Fifth Schedule, and any guideline or direction to be issued or given by the Manager from time to time relating to the implementation of the Fire Safety Management Plan and shall cause his tenants and other occupants of his Residential Unit to observe and comply with the same.

**43. Management and Maintenance of Party Wall**

- (a) The Owner of a Residential Unit in the Residential Accommodation has the right to use the interior surface of the Party Wall abutting his Residential Unit.
- (b) The repair and maintenance costs of the interior surface of the Party Wall abutting his Residential Unit shall be borne by that particular Owner of the Residential Unit.

**44. Maintenance of Landscaped Works**

The Owners shall at their own expense maintain and keep such part of the Landscaped Works (if any) in a safe, clean, neat, tidy and healthy condition all to the satisfaction of the Director of Lands.

**45. Noise Mitigation Measures**

No Owner shall alter, interfere with or remove, or permit or be suffered to be altered, interfered with or removed any part of the Noise Mitigation Measures and no Owner shall use or suffer or allow to be used the Noise Barrier (which forms a part of the Noise Mitigation Measures) or any part or parts thereof for advertising or for the display of any signs, notices, posters or banners whatsoever except with the prior written consent of the Manager and the Director of Lands.

**46. Owners of Commercial Units to maintain grease traps**

The Owners of the Commercial Units shall at their own cost and expense observe and comply with all guidelines or directions issued or given or to be issued or given by the Manager from time to time relating to the maintenance and cleaning of grease traps and shall cause their tenants and other occupants of their Commercial Units to observe and comply with the same.

**47. No building, structure, projection etc within Building Setback Areas**

No Owner shall erect or construct or permit or allow or suffer to be erected or constructed any building, structure, support for any building or buildings or any structure or structures, or projection within the Building Setback Areas (whether exclusively owned by that Owner or not) at the ground level or levels or within the air space extending upwards from the ground level or levels of the Building Setback Areas to a height of fifteen (15) metres, except with the prior written consent of the Manager and the Director of Lands and in conformity with any conditions imposed by

the said Director including the payment of any administrative fee and premium as the said Director may require.

48. **No building, structure or support etc on over, above, under, below or within the Waterworks Reserve Area**

No Owner shall erect or construct or place on or permit or allow or suffer to be erected or constructed or placed on, over, above, under, below or within the Waterworks Reserve Area any building, structure or support for any building or buildings or structure or structures and no material or object of whatever nature shall be placed or stored within the Waterworks Reserve Area, except with the prior written consent of the Manager and the Director of Water Supplies. No Owner shall carry out or allow or suffer to be carried out any tree planting and site formation works which are prohibited within the Waterworks Reserve Area.

49. **No building, structure or projection over or above the Air Sensitive Areas**

No Owner shall erect or construct or place on or permit or allow or suffer to be erected or constructed or placed on, over or above the ground level or levels of the Air Sensitive Areas any building, structure or projection except with the prior written consent of the Manager and the Director of Lands.

50. **No grave or columbarium within the Lot**

No grave or columbarium shall be erected or made on the Lot, not shall any human remains or animal remains whether in earthenware jars, cinerary urns or otherwise be interred therein or deposited thereon.

**THE FOURTH SCHEDULE**  
**WORKS AND INSTALLATIONS**

- (a) structural elements;
- (b) external wall finishes and roofing materials;
- (c) fire safety elements;
- (d) central air-conditioning and ventilation system;
- (e) plumbing system;
- (f) drainage system;
- (g) fire services installations and equipment;
- (h) electrical wiring system;
- (i) lift installations (if any);
- (j) gas supply system;
- (k) mechanical ventilation systems;
- (l) window installations;
- (m) carpark control system;
- (n) cladding installation; and
- (o) security system.

## THE FIFTH SCHEDULE

### FIRE SAFETY PROVISIONS

1. An Owner of a Residential Unit with open kitchen shall be responsible for maintenance and annual inspection of the fire service installations within his Residential Unit.
2. An Owner of a Residential Unit with open kitchen shall not (i) remove or obstruct any smoke detectors provided inside the living room of his Residential Unit and at the common lobby outside his Residential Unit; (ii) remove or obstruct the sprinkler head provided at the ceiling immediately above the open kitchen of his Residential Unit; or (iii) remove the FRR Wall of his Residential Unit. Each Owner of the Residential Unit with open kitchen shall keep and maintain the fire safety provisions inside the Residential Unit in good condition at his own costs and expenses.
3. The Manager shall remind an Owner of a Residential Unit with open kitchen to carry out annual check and maintenance of the fire service installations. The Owner shall report and demonstrate to the Manager that he has carried out such annual check and maintenance of the fire service installations when so requested by the Manager. An Owner of a Residential Unit with open kitchen shall allow the registered fire services installation contractor(s) to enter with or without workmen, contractors, the Manager and others and with or without equipment and apparatus at all reasonable times on prior reasonable notice (except in case of emergency) into his Residential Unit to carry out (at the cost and expense of the relevant Owner) such annual check and maintenance of the fire service installations.
4. In the event that an Owner of a Residential Unit with open kitchen parts with possession of his Residential Unit, such Owner shall procure the tenant, licensee or occupier (as the case may be) to comply with the Fire Safety Management Plan, in particular the fire safety provisions set out under this Fifth Schedule, and make it a condition in the relevant agreement (if any).
5. The costs and expenses incurred by the Manager and/or the registered fire services installation contractor(s) for the maintenance and annual inspection of the fire service installations for Residential Units with open kitchen shall be borne by the relevant Owner on demand.



**The First Owner**

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

**The First Assignee**

**SIGNED SEALED** and **DELIVERED** by )  
 )  
the **First Assignee** (Holder of Hong Kong )  
 )  
Identity Card No. )  
 )  
in the presence of :- )

INTERPRETED to the First Assignee by :-

OR

**SEALED** with the Common Seal of the )  
 )  
**First Assignee** and **SIGNED** by )  
 )  
in the presence of :- )

**The DMC Manager**

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

**The Lender**

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

**OR**

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