FORTUNE CHOICE DEVELOPMENT LIMITED

and



and

FORTUNE ASCENT PROPERTY **MANAGEMENT LIMITED**

and

CHINA EVERBRIGHT BANK CO. LTD., HONG **KONG BRANCH**

PRINCIPAL DEED OF MUTUAL COVENANT **INCORPORATING MANAGEMENT AGREEMENT**

of

TUEN MUN TOWN LOT NO. 500

MAYER BROWN 好士 打

DPYT/ATSY/17554974

<u>INDEX</u>

Page
SECTION I Definitions and Interpretation2
SECTION II Rights and Obligations of Owners
SECTION III Additional Rights of the First Owner24
SECTION IV Manager and Management Charges
SECTION V Manager's Powers54
SECTION VI Exclusions and Indemnities
SECTION VII Owners' Committee
SECTION VIII Meeting of Owners80
SECTION IX Extinguishment of Rights85
SECTION X Miscellaneous Provisions89
FIRST SCHEDULE Allocation of Undivided Shares and Management Shares
SECOND SCHEDULE Rights, Privileges and Easements
THIRD SCHEDULE Covenants, Provisions and Restrictions
FOURTH SCHEDULE Fire Safety Management Plan
FIFTH SCHEDULE Schedule of Works and Installations

THIS PRINCIPAL DEED OF MUTUAL COVENANT INCORPORATING MANAGEMENT AGREEMENT made the) day of June 2021

BETWEEN:-

- (1) FORTUNE CHOICE DEVELOPMENT LIMITED (福彩發展有限公司) whose registered office is situate at 17th Floor, One Island East, Taikoo Place, 18 Westlands Road, Quarry Bay, Hong Kong (hereinafter called the "First Owner" which expression shall where the context so admits include his successors and assigns) of the first part;
- Bay, Tuen Mun, New Territories (hereinafter called the "First Assignee" which expression shall where the context so admits include his executors, administrators and assigns) of the second part;
- for tune Ascent Property Management Limited (升裕物業管理 有限公司) whose registered office is situate at 23rd Floor, China Evergrande Centre, 38 Gloucester Road, Wanchai, Hong Kong (hereinafter called the "Manager" which expression shall where the context so admits include its successors appointed in accordance with the provisions herein) of the third part; and
- (4) CHINA EVERBRIGHT BANK CO. LTD., HONG KONG BRANCH of 30th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong in its capacity as security agent for the benefit of the Secured Parties (as defined in the Building Mortgage referred to below) (hereinafter called the "Security Agent") of the fourth part.

WHEREAS:-

- (A) Immediately prior to the Assignment to the First Assignee hereinafter referred to, the First Owner is the registered owner and is in possession of the Land subject to the Building Mortgage and upon issue of the Certificate of Compliance in respect of the Land will become entitled to a Government lease thereof for the residue of a term of 50 years commencing from the 24 July 2015 subject to and with the benefit of the Government Grant.
- (B) The First Owner has developed and is in the course of developing the Land in accordance with the Government Grant and the Building Plans.
- (C) For the purposes of sale the Land and the Development have been notionally divided into 73,000 equal Undivided Shares which have been allocated as provided in the FIRST SCHEDULE hereto.
- (D) The First Owner is in a position to assign or otherwise dispose of Undivided Shares together with the right to the exclusive use and occupation of a part or parts of the Development.

- (E) By a Partial Release/Reassignment dated 2 June 2021 and registered in the Land Registry prior to these presents, the First Assignee's Unit (as hereinafter defined) was released/reassigned by the Security Agent (acting in its capacity as security agent for the benefit of the Secured Parties) to the First Owner freed and absolutely discharged and released from the Building Mortgage.
- (F) By an Assignment bearing even date herewith and made between the First Owner of the one part and the First Assignee of the other part and for the consideration therein expressed the First Owner assigned unto the First Assignee All Those 20 equal undivided 73,000th parts or shares of and in the Land and the Development Together with the sole and exclusive right to hold use occupy and enjoy All That on the of TOWER 1 of the Development (the "First Assignee's Unit") Subject to and with the benefit of the Government Grant.
- (G) The parties hereto have agreed to enter into these presents for the purpose of making provisions for the management, maintenance, repair, renovation, insurance and service of the Land and the Development and the Common Areas and Facilities therein and for the purpose of defining and regulating the rights, interests and obligations of the Owners in respect thereof and to provide for apportionment of the expenses of such management, maintenance, repair, renovation, insurance and service to be borne by the Owners.
- (H) The Director of Lands has given his approval to this Deed in accordance with Special Condition No.(20)(a) of the Government Grant.

NOW THIS DEED WITNESSETH as follows: -

SECTION I

1. Definitions and Interpretation

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

"Authority"

means the Secretary for Home Affairs;

"Authorized Person"

means Dr. Lu Yuen Cheung, Ronald of Ronald Lu & Partners (Hong Kong) Limited, which expression shall include any other authorized person as defined in Section 2(1) of the Buildings Ordinance (Cap. 123) for the time being appointed by the First Owner in the place of the said Dr. Lu Yuen Cheung, Ronald;

"Bicycle Parking Space"

means a parking space provided in accordance with Special Condition No.(25) of the Government Grant for the parking of bicycles belonging to the residents

of the Residential Units and their bona fide guests, visitors or invitees. The total number of Bicycle Parking Spaces provided in accordance with Special Condition No.(25) of the Government Grant is 121;

"Bicycle Parking Space In Phase 1"

means all those thirty nine (39) Bicycle Parking Spaces situated on the basement floor within Phase 1, which are for the purpose of identification only shown and coloured brown and marked nos. B1 to B6, B27 to B32 and B41 to B67 on the plans nos. A/DMC/01 and A/DMC/02 annexed to this Deed, and the accuracy of which is certified by or on behalf of the Authorized Person;

"Brown Edged Red Area"

means "the Brown Edged Red Area" as referred to in Special Condition No.(32)(a) of the Government Grant and shown coloured Brown Edged Red on the plan annexed to the Government Grant;

"Building Management Ordinance"

means the Building Management Ordinance (Cap. 344) and any statutory amendments, modifications or re-enactments thereof from time to time in force;

"Building Mortgage"

means the Building Mortgage dated 13 February 2018 and registered in the Land Registry by Memorial No.18022202320186 and a Confirmatory Building Mortgage dated 31 August 2018 and registered in the Land Registry by Memorial No.18091202390203 both made between the First Owner as mortgagor and the Security Agent (acting in its capacity as security agent for the benefit of the Secured Parties) and as the same may from time to time be modified, varied or supplemented;

"Building Plans"

means the general building plans and specifications in respect of the Development or in respect of any part or parts of the Development approved by the Building Authority under reference no. BD 2/9161/15 and includes any approved amendments thereto;

"Car Parking Rules"

means the rules and regulations (if any) as the Manager may from time to time make or implement, with the approval of the Owners' Committee (only after it has been formed) or the Owners' Corporation (if formed), governing the Carpark;

"Carpark"

means the whole of the carpark situated on the basement floor and the ground floor of the Development (excluding the areas and driveways forming part of the Estate Common Areas and Facilities In Phase 1, the Residential House Common Areas and Facilities, the Residential Common Areas and Facilities in Phase 1 and the Residential Tower Common Areas and Facilities in Phase 1) constructed in accordance with the carpark layout plans approved by and

deposited with the Director of Lands in accordance with Special Condition No. (30) of the Government Grant and intended for the access and parking of motor vehicles, motor cycles and bicycles belonging to the residents of the Residential Units and their bona fide guests, visitors or invitees, and comprising the Bicycle Parking Spaces, the Residential Car Parking Spaces, the Residential Motor Cycle Parking Spaces, the Visitors' Parking Spaces and the Residential Car Parking Spaces for Disabled Persons and the Carpark Common Areas and Facilities;

"Carpark Common Areas and Facilities"

means collectively the Carpark Common Areas and Facilities In Phase 1 and those parts to be designated as the carpark common areas and facilities in a Sub-Deed of Phase 2;

"Carpark Common Areas and Facilities In Phase 1"

means those part of the Carpark situated within Phase 1 which are intended for the common use and benefit of the Carpark as a whole and not just any particular part thereof, which are, subject to the provisions of this Deed and any Sub-Deed, to be used by the resident(s) of the Residential Units and their bona fide guest(s), visitor(s) or invitee(s), in common with all other resident(s) of the Residential Units and their bona fide guest(s), visitor(s) or invitee(s). The Carpark Common Areas and Facilities In Phase 1 are for the purpose of identification only shown and coloured indigo on the plans nos. A/DMC/01 to A/DMC/08 (both inclusive), A/DMC/12, A/DMC/18 and A/DMC/22 annexed to this Deed, and the accuracy of which is certified by or on behalf of the Authorized Person, which said parts include but not limited to: -

- (a) that part of the Carpark situated within Phase 1 (except the Bicycle Parking Spaces, the Residential Car Parking Spaces, the Residential Motor Cycle Parking Spaces, the Visitors' Parking Spaces and the Residential Car Parking Spaces for Disabled Persons);
- (b) driveways and ramps in the Carpark situated within Phase 1 and the passageways and staircases leading to and from the Carpark, duct shafts, electricity rooms, electricity ducts, exhaust fan rooms, fan rooms and electrical and mechanical installation and equipment exclusively used for the Carpark as a whole; and
- (c) such other areas and facilities within Phase 1 to be designated for the common use and benefit of the Carpark

PROVIDED THAT where appropriate, if (i) any parts of the Carpark situated within Phase 1 covered by paragraph (a) of the definition of "common part" set out in section 2 of the Building Management Ordinance and/or (ii) any parts specified in Schedule 1 to the Building Management Ordinance and included under paragraph (b) of the definition of "common parts" set out in section 2 of the Building Management Ordinance shall also be covered by the provisions hereinbefore, provided that such parts shall be deemed to have been

included as, and shall form part of, the Carpark Common Areas and Facilities In Phase 1,

but shall exclude the Estate Common Areas and Facilities In Phase 1, the Residential Common Areas and Facilities In Phase 1, the Residential Tower Common Areas and Facilities In Phase 1 and the Residential House 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 Government Grant have been complied with to his satisfaction in relation to the whole of the Land;

"Club House"

means those parts of the Development for the use as a club house including but not limited to the Recreational Areas and Facilities and the landscape areas for the common use and benefit of all the residents of the Houses and the Residential Towers and their bona fide visitors;

"Club House Rules"

means such rules and regulations (if any) set down by the Manager from time to time with the approval of the Owners' Committee (only after it has been formed) or the Owners' Corporation (if formed) in accordance with the provisions of this Deed for the proper or more efficient management of the Club House;

"Common Areas and Facilities"

means the Common Areas and Facilities In Phase 1 and the Common Areas and Facilities In Phase 2;

"Common Areas and Facilities In Phase 1"

means the Estate Common Areas and Facilities In Phase 1, the Residential Common Areas and Facilities In Phase 1, the Residential Tower Common Areas and Facilities In Phase 1, the Residential House Common Areas and Facilities and the Carpark Common Areas and Facilities In Phase 1 in accordance with this Deed;

"Common Areas and Facilities In Phase 2"

means those areas and facilities of and within Phase 2 as may from time to time be designated as the estate common areas and facilities of Phase 2, the residential common areas and facilities of Phase 2, the residential tower common areas and facilities of Phase 2 and the carpark common areas and facilities of Phase 2 in accordance with the Sub-Deed(s);

"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 Land 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;

"Deed"

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

"Development"

means the whole of the development comprising Phase 1 and Phase 2 erected on the Land known as "Emerald Bay (恆大 • 珺瓏灣)", No.8 Kwun Chui Road, Tuen Mun, New Territories, Hong Kong in accordance with the Government Grant and the Building Plans;

"Electric Vehicle Parking Spaces"

means the parking spaces for motor vehicles or motor cycles in the Development which are provided with electricity charging services for electric motor vehicles or electric motor cycles and "Electric Vehicle Parking Space" means any one of them;

"Estate Common Areas and Facilities"

means collectively the Estate Common Areas and Facilities In Phase 1 and those parts to be designated as the estate common areas and facilities in a Sub-Deed of Phase 2;

"Estate Common Areas and Facilities In Phase 1"

means those parts within Phase 1 which are intended for the common use and benefit of the Development as a whole and not just any particular part thereof and which are, subject to the provisions of this Deed and any Sub-Deed, to be used by each Owner and occupier of the Development in common with all other Owners and occupiers of the Development. The Estate Common Areas and Facilities In Phase 1 are for the purpose of identification only shown and coloured yellow and yellow cross-hatched black on the plans nos. A/DMC/01 to A/DMC/08 (both inclusive), A/DMC/12, A/DMC/15, A/DMC/17 and A/DMC/29 annexed to this Deed, and the accuracy of which is certified by or on behalf of the Authorized Person. The Estate Common Areas and Facilities In Phase 1 include but not limited to: -

- (a) such foundations, columns, beams, slabs and other structural supports and elements that do not belong to or do not form part of the Carpark Common Areas and Facilities In Phase 1, the Residential Common Areas and Facilities In Phase 1, the Residential House Common Areas and Facilities and the Residential Tower Common Areas and Facilities In Phase 1;
- (b) accessible lavatory, cable riser ducts, cable riser, driveways/E.V.A. (emergency vehicular access), duct rooms, carpark shuttle lift lobbies, emergency generator rooms, E&M service corridors, flushing water pump rooms, F.S. control & sprinkler control valve rooms, F.S & sprinkler water pump rooms, F.S. & sprinkler water tank & pump rooms, guard rooms, LV switch rooms, the Greenery Areas In Phase 1 (in so far as they do not form part of the Residential Common Areas

and Facilities In Phase 1, the Residential Tower Common Areas and Facilities In Phase 1 and the Residential House Common Areas and Facilities), master water meter rooms, Management Office (2), owners' committee offices, planters, plinth, potable & flushing water pump rooms, potable water pump rooms, refuse & material recovery chambers, refuse storage & material recovery chambers, sprinkler control valve cabinets, street hydrant water pump rooms, switch rooms, the Slope Structures within the Land, staircases, TBE rooms (telecommunications and broadcasting equipment rooms), transformer rooms, voids and W.M.C. (water meter cabinets);

(c) the communal aerial, lightning conductor equipment, fire protection and fire-fighting system, signal receivers, sewers, drains, storm water drains, water course, cables, pipes, wires, ducts, flushing mains, fresh water mains, plant and machinery and other like installations, facilities or services situated within Phase 1 serving the Development as a whole,

but shall exclude the Residential Common Areas and Facilities In Phase 1, the Residential Tower Common Areas and Facilities In Phase 1, the Residential House Common Areas and Facilities and the Carpark Common Areas and Facilities In Phase 1:

"Estate Rules"

means the rules and regulations as the Manager may make from time to time pursuant to the provisions of this Deed and any Sub-Deed for the proper or more efficient management of the Development or any part or parts thereof, including but not limited to the Club House Rules, the Car Parking Rules and the Fit-out Rules;

"Fire Safety Management Plan"

means the fire safety management plan and measures relating to the Open Kitchen Units required to be implemented by the Buildings Department, the Fire Services Department and any other relevant Government authority, which includes any addition, amendment, modification, revision 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;

"Fit-out Rules"

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

"Flat"

means a self-contained unit (including (if any) stairhood, balcony (including the glass balustrade thereof), garden (including the interior part of the fence walls thereof, that is, the side facing the relevant Flat and the interior half of the fence walls of the garden), roof, utility platform (including the glass balustrade thereof) and windows thereof) in a Residential Tower intended to be used for private residential purpose and occupation in accordance with the Building Plans as set out in the FIRST SCHEDULE hereto;

"FRR Wall"

means the full height wall of a minimum of 600 mm width and having fire resistance rating of not less than -/30/30 adjacent to the open kitchen and exit door of the Open Kitchen Unit as shown by red solid line on the plans nos. A/DMC/12, A/DMC/13, A/DMC/14 and A/DMC/16;

"Government"

means the Government of the Hong Kong Special Administrative Region;

"Government Grant"

means the Agreement and Conditions of Sale dated 24th July 2015 and registered in the Land Registry as New Grant No. 22161 and as the same may be extended, modified, amended, varied, renewed or supplemented from time to time:

"Green Area"

means the future public roads referred to and defined as "the Green Area" and "the Green Edged Red Area" under Special Condition No.(2)(a)(i)(I) of the Government Grant and shown coloured green and green edged red respectively on the plan annexed to the Government Grant;

"Green Area Structures"

means 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 referred to and defined as "the Structures" under Special Condition No.(2)(a)(i)(II) of the Government Grant;

"Green Edged Red Area Passageway Structures"

means (if any) the vehicular and pedestrian passageway existing within the Green Edged Red Area with structures, surfaces, gullies, sewers, drains, fire hydrants, services, street lights, traffic signs, street furniture, road markings and plant constructed, installed and provided thereon referred to and defined as "the Green Edged Red Area Passageway Structures" under Special Condition No.(3)(b)(ii) of the Government Grant;

"Green Hatched Black Area"

means the area referred to and defined as "the Green Hatched Black Area" under Special Condition No.(37)(a) of the Government Grant and shown coloured Green Hatched Black on the plan annexed to the Government Grant;

"Greenery Areas"

means those parts of the Development referred to in Special Condition No. (14)(b) of the Government Grant planted with trees, shrubs or other plants for the purpose of landscape which include the horizontal greening and vertical greening;

"Greenery Areas In Phase 1"

means the Greenery Areas situated within Phase 1. The locations and the sizes (in area) of the Greenery Areas In Phase 1 are for the purpose of identification only (a) shown and coloured yellow cross-hatched black, brown stippled black, brown stippled-hatched black and violet cross black for horizontal greening and marked with pink lines for vertical greening on the Greenery Areas plan no. A/DMC/29 annexed to this Deed; and (b) shown and coloured brown and marked "VERTICAL GREENERY" on the plans nos. A/DMC/12, A/DMC/18 and A/DMC/22 annexed to this Deed, and the accuracy of which is certified by or on behalf of the Authorized Person. The Greenery Areas In Phase 1 shall form part of the Estate Common Areas and Facilities In Phase 1, the Residential Common Areas and Facilities;

"Houses"

means the 22 houses constructed or to constructed on the Land and the Development for residential use in accordance with the Building Plans and the Government Grant and as set out in the FIRST SCHEDULE hereto (and in respect of each House shall include the entire walls enclosing the House provided that where any of such enclosing walls is a common or dividing wall which separates two adjoining Houses then only the part of that wall from the middle thereof to the surface facing the relevant house shall be included, and include (if any) balcony (including the glass balustrade thereof), garden, flat roof, roof, stairhood, Manoeuvring Area, windows and 2 House Car Parking Spaces thereof) and "House" shall be construed accordingly;

"House Car Parking Space"

means any of the parking spaces of the Houses provided in and forming part of the Houses (2 parking spaces for each House) in accordance with the car park layout plans approved by and deposited with the Director of Lands in accordance with Special Condition No.(23)(a)(i)(II) of the Government Grant for the parking of motor vehicle belonging to the residents of the Houses and their bona fide guests visitors or invitees. The total number of House Car Parking Spaces provided in accordance with Special Condition No. (23)(a)(i)(II) of the Government Grant is 44;

"Land"

means all that piece or parcel of ground registered in the Land Registry as Tuen Mun Town Lot No. 500;

"maintain"

means to repair, uphold, support, rebuild, renew, overhaul, pave, purge, scour, cleanse, empty, amend, keep, tend, replace and decorate or such of the foregoing as may be applicable in the circumstances and in the interest of good estate management and "maintenance" shall be construed accordingly;

"Maintenance Manual for the Works and Installations"

means the maintenance manual for the Works and Installations as mentioned in Clause 10.10 of Section X as may from time to time be amended or revised in accordance with the provisions of this Deed;

"Management Expenses"

means all expenses, costs, charges and outgoings necessarily and reasonably incurred by the Manager in relation to the management and maintenance of the Development as a whole provided in this Deed;

"Management Shares"

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

"Manager"

means any other person who for the time being is, for the purposes of this Deed, appointed as the manager to manage the Land and the Development pursuant to the provisions of this Deed;

"Manager's Remuneration"

means the remuneration of the Manager as provided herein;

"Manoeuvring Area"

means the manoeuvring area forming part of a House for the purpose of manoeuvring the parking of motor vehicles in the House Car Parking Spaces of such House;

"NIA"

means the Noise Impact Assessment Report approved by the Director of Lands and including any subsequent amendment(s) thereto;

"Noise Mitigation Measures"

means the noise mitigation measures (i.e. acoustic window, acoustic fin, acoustic window with horizontal fin) as proposed in the noise impact assessment submitted to, and approved by, the Director of Lands, which have been carried out and implemented for the Development in accordance with Special Condition No. (41) of the Government Grant;

"Non-enclosed Areas In Phase 1"

means: -

the balconies of Residential Units that are situated in Phase 1 which are for the purpose of identification only shown stippled black and marked "BAL" on the plans nos. A/DMC/09, A/DMC/10, A/DMC/11, A/DMC/13, A/DMC/14, A/DMC/16, A/DMC/26, A/DMC/27 and A/DMC/28 annexed to this Deed, and the accuracy of which is certified by or on behalf of the Authorized Person;

- (b) the covered areas underneath the balcony of First Floor of Tower 1, First Floor of Tower 1A, First Floor of Tower 2, First Floor of Tower 2A respectively of Phase 1 and House;
- (c) the utility platforms of the Flats that are situated in Phase 1 which are for the purpose of identification only shown cross hatched black and marked "U.P." on the plans nos. A/DMC/09, A/DMC/10, A/DMC/13, A/DMC/14 and A/DMC/16 annexed to this Deed, and the accuracy of which is certified by or on behalf of the Authorized Person; and
- (d) the covered areas underneath the utility platform of First Floor of Tower 1, First Floor of Tower 1A, First Floor of Tower 2, First Floor of Tower 2A respectively of Phase 1 and House;

"Occupation Permit"

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

"Open Kitchen Unit"

means a Residential Unit which the kitchen is of open kitchen design, i.e. the kitchen is not separated from the rest of the Residential Unit by full enclosure comprising wall and door;

"Owner"

shall be as defined in the Building Management Ordinance and means a person who for the time being appears from the records at the Land Registry to be the owner of any Undivided Share is vested and is registered as such under the Land Registration Ordinance (Cap. 128) and every joint tenant or tenant in common of any such Undivided Share and a registered mortgagee or chargee in possession of such Undivided Share or any registered mortgagee or chargee who has foreclosed;

"Owners' Committee"

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

"Owners' Corporation"

means the owners' corporation of the Land and the Development incorporated in accordance with the provisions of the Building Management Ordinance;

"Parking Space"

means a Residential Car Parking Space, a House Car Parking Space or a Residential Motor Cycle Parking Space;

"Phase"

means either Phase 1 or Phase 2;

"Phase 1"

means the first phase of the Development comprising (inter alia) Tower 1, Tower 1A, Tower 2, Tower 2A, 22 Houses, part of the Carpark and the Common Areas and Facilities In Phase 1, consisting of 732 Flats, 22 Houses, 44 House Car Parking Spaces, 79 Residential Car Parking Spaces and 8 Residential Motor Cycle Parking Spaces;

"Phase 2"

comprises the final phase of the Development comprising (inter alia) Tower 3, Tower 3A, Tower 5 and Tower 5A, part of the Carpark and the Common Areas and Facilities In Phase 2, consisting of 1,228 Flats, 78 Residential Car Parking Spaces and 12 Residential Motor Cycle Parking Spaces;

"Recreational Areas and Facilities"

means and includes the recreational facilities and facilities ancillary thereto provided in accordance with Special Condition No.(12) of the Government Grant, which form part of the Club House of the Development for recreational purpose to be used by the residents of the Residential Units and their bona fide visitors, and for the purpose of identification only shown and coloured brown hatched black and brown stippled-hatched black on the plans nos. A/DMC/01 to A/DMC/08 (both inclusive) and A/DMC/29 annexed to this Deed, and the accuracy of which is certified by or on behalf of the Authorized Person, which said parts include but not limited to the indoor swimming pool, the outdoor swimming pool and jacuzzi. The Recreational Areas and Facilities (which under the plans hereto are denoted as "Residential Recreational Facilities") shall form part of the Residential Common Areas and Facilities In Phase 1;

"Residential Accommodation"

means those parts of the Development constructed on the Land intended for residential purpose in accordance with the Building Plans comprising the Houses, the Residential Towers, the Residential Common Areas and Facilities and the Residential House Common Areas and Facilities;

"Residential Car Parking Spaces"

means all those parking spaces in the Carpark provided in accordance with Special Condition No.(23)(a)(i)(I) of the Government Grant for the parking of motor vehicles belonging to the residents of the Residential Towers and their bona fide guests visitors or invitees. The seventy nine (79) Residential Car Parking Spaces that are situated in Phase 1 are numbered R45 to R110 and R189 to R201 respectively and are for the purpose of identification only numbered R45 to R110 and R189 to R201 on the plans nos. A/DMC/01, A/DMC/02, A/DMC/03 and A/DMC/04 annexed to this Deed, and the accuracy of which are certified by or on behalf of the Authorized Person;

"Residential Car Parking Spaces for Disabled Persons"

means all those parking spaces in the Carpark provided in accordance with Special Condition No.(23)(b)(i) of the Government Grant for the parking of motor vehicles by disabled persons as defined in the Road Traffic Ordinance (Cap. 374), any regulations made thereunder and any amending legislation, and belonging to the residents of the Residential Units and their bona fide

guests, visitors or invitees. The three (3) Residential Car Parking Spaces for Disabled Persons that are situated in Phase 1 are numbered V1, V3 and V4 respectively and are for the purpose of identification only numbered V1, V3 and V4 respectively on the plans nos. A/DMC/01 and A/DMC/04 annexed to this Deed, and the accuracy of which are certified by or on behalf of the Authorized Person. The total number of Residential Car Parking Spaces for Disabled Persons provided in accordance with Special Condition No.(23)(b)(i) of the Government Grant is 3;

"Residential Common Areas and Facilities"

means collectively the Residential Common Areas and Facilities In Phase 1 and those parts to be designated as the residential common areas and facilities in a Sub-Deed of Phase 2;

"Residential Common Areas and Facilities In Phase 1"

means those parts within Phase 1 which are intended for the common use and benefit of the Residential Accommodation as a whole, and not just any particular part thereof, and which are, subject to the provisions of this Deed and any Sub-Deed, to be used by each Owner and occupier of the Residential Unit, in common with all other Owners and occupiers of the Residential Units. The Residential Common Areas and Facilities In Phase 1 are for the purpose of identification only shown and coloured brown, brown hatched black, brown stippled black and brown stippled-hatched black on the plans nos. A/DMC/01 to A/DMC/12 (both inclusive), A/DMC/18, A/DMC/22 and A/DMC/29 annexed to this Deed, and the accuracy of which is certified by or on behalf of the Authorized Person. The Residential Common Areas and Facilities In Phase 1 include but not limited to: -

- the Bicycle Parking Spaces In Phase 1, the Club House, canopies, common flat roofs, covered landscape areas, driveways/E.V.A. (emergency vehicular access), duct shafts, filtration plant rooms, the Greenery Areas In Phase 1 (in so far as those parts form part of the Residential Common Areas and Facilities), glass canopies, hard paved, landscaped areas, lawn, planters, R.C. platform (reinforced concrete platform), the Recreational Common Areas and Facilities, the Residential Car Parking Space for Disabled Persons that are situated in Phase 1, the Residential Loading and Unloading Bay In Phase 1, staircase, the Visitors' Parking Spaces that are situated in Phase 1 and water features; and
- (b) all lifts, wires, cables, ducts pipes and drains and all mechanical and electrical installations and equipment exclusively for the Residential Accommodation as a whole

PROVIDED THAT where appropriate, if (i) any parts of the Residential Accommodation situated within Phase 1 covered by paragraph (a) of the definition of "common part" set out in section 2 of the Building Management Ordinance and/or (ii) any parts specified in Schedule 1 to the Building Management Ordinance and included under paragraph (b) of the definition of

"common parts" set out in section 2 of the Building Management Ordinance shall also be covered by the provisions hereinbefore, provided that such parts shall be deemed to have been included as, and shall form part of, the Residential Common Areas and Facilities In Phase 1,

but shall exclude the Estate Common Areas and Facilities In Phase 1, the Residential Tower Common Areas and Facilities In Phase 1, the Residential House Common Areas and Facilities and the Carpark Common Areas and Facilities In Phase 1;

"Residential House Common Areas and Facilities"

means those parts within Phase 1 which are intended for the common use and benefit of the Houses as a whole, and not just any particular part thereof, and which are, subject to the provisions of this Deed and any Sub-Deed, to be used by each Owner and occupier of the Houses in common with all other Owners and occupiers of the Houses. The Residential House Common Areas and Facilities are for the purpose of identification only shown and coloured violet and violet cross black on the plans nos. A/DMC/01, A/DMC/03 to A/DMC/05 (both inclusive), A/DMC/07, A/DMC/08 and A/DMC/29 annexed to this Deed, and the accuracy of which is certified by or on behalf of the Authorized Person. The Residential House Common Areas and Facilities include but not limited to:

(a) the carpark shuttle lift lobbies, driveways, sub-main L.V. switch room (sub-main low voltage switch room), guard room, P.D. (pipe ducts), planters, E.V.A. (emergency vehicular access), the Greenery Areas In Phase 1 (in so far as they form part of the Residential House Common Areas and Facilities), TBE room (telecommunications and broadcasting equipment room),

but shall exclude the Estate Common Areas and Facilities In Phase 1, the Residential Common Areas and Facilities In Phase 1, the Residential Tower Common Areas and Facilities In Phase 1 and the Carpark Common Areas and Facilities In Phase 1;

"Residential Loading and Unloading Bay In Phase 1"

means all those spaces provided in accordance with Special Condition No. (24)(a) of the Government Grant for the loading and unloading of goods vehicles for the Residential Accommodation in accordance with Special Condition No.(24)(b) of the Government Grant. The two (2) Residential Loading and Unloading Bays that are situated in Phase 1 are for the purpose of identification only shown and coloured brown and marked "LOADING/UNLOADING BAY L1" and "LOADING/UNLOADING BAY L2" on the plans nos. A/DMC/05, A/DMC/06, A/DMC/07 and A/DMC/08 annexed to this Deed, and the accuracy of which are certified by or on behalf of the Authorized Person. The total number of Residential Loading and Unloading Bays provided in accordance with Special Condition No. (24)(b) of the Government Grant is 4;

"Residential Motor Cycle Parking Spaces"

means all those parking spaces provided in accordance with Special Condition No. (23)(c)(i) of the Government Grant for the parking of motor cycles belonging to the residents of the Residential Units and their bona fide guests, visitors or invitees. The eight (8) Residential Motor Cycle Parking Spaces that are situated in Phase 1 are for the purpose of identification only numbered M1 – M8 on the plans nos. A/DMC/01 and A/DMC/02 annexed to this Deed, and the accuracy of which are certified by or on behalf of the Authorized Person. The total number of Residential Motor Cycle Parking Spaces provided in accordance with Special Condition No.(23)(c)(i) of the Government Grant is 20;

"Residential Towers"

means the multi-storeyed towers constructed on the Land for residential use in accordance with the Building Plans and the Government Grant and comprising Tower 1, Tower 1A, Tower 2, Tower 2A, Tower 3, Tower 3A, Tower 5 and Tower 5A and "Residential Tower" shall be construed accordingly;

"Residential Tower Common Areas and Facilities"

means collectively the Residential Tower Common Areas and Facilities In Phase 1 and those parts to be designated as the residential tower common areas and facilities within Phase 2;

"Residential Tower Common Areas and Facilities In Phase 1"

means those parts within Phase 1 which are intended for the common use and benefit of the Residential Towers as a whole, and not just any particular part thereof, and which are, subject to the provisions of this Deed and any Sub-Deed, to be used by each Owner and occupier of the Residential Towers, in common with all other Owners and occupiers of the Residential Towers. The Residential Tower Common Areas and Facilities In Phase 1 are for the purpose of identification only shown and coloured green on the plans nos. A/DMC/01 to A/DMC/03 (both inclusive), A/DMC/05 to A/DMC/7 (both inclusive), A/DMC/09 to A/DMC/17 (both inclusive), A/DMC/19 and A/DMC/23 annexed to this Deed, and the accuracy of which is certified by or on behalf of the Authorized Person. The Residential Tower Common Areas and Facilities In Phase 1 include but not limited to: -

- (a) The external walls of the Residential Towers of Phase 1: -
 - (i) including the non-structural prefabricated external walls, the exterior part (including the exterior surface thereof) of the fence walls of the garden which form parts of a Flat (that is, the side facing outside the Flat and the exterior half of the fence walls of the garden), the claddings and the architecture fins and features thereon, the curtain wall structure of the Residential Towers of Phase 1 (except the openable parts of the curtain wall structure and such pieces of glass panels wholly enclosing a Flat, which said openable parts and glass panels shall form parts of the relevant Flats, the glass balustrades or railings of

the balconies, utility platforms, flat roofs or specified parts of the roofs which form parts of the relevant Flats), and for the avoidance of doubt, any glass panel forming part of the curtain wall structure of the Residential Towers of Phase 1 that does not wholly enclose a Flat but extends across two or more Flats shall form part of the Residential Tower Common Areas and Facilities In Phase 1;

- (ii) but excluding those parts enclosing the Estate Common Areas and Facilities In Phase 1, the Residential House Common Areas and Facilities and the Carpark Common Areas and Facilities In Phase 1; and
- common areas for maintenance, P.D. W/. ALUM. ARCH. FEATURE (b) (pipe duct with aluminum architecture feature), R.C. plinth (reinforced concrete plinth), A/C platforms (including the louvers or grilles thereof (if any)), air ducts, canopies, carpark lift lobbies, caretaker's counters, common flat roofs, curtain walls (excluding windows forming part of the Flats), duct shafts, E.D. (electricity ducts), electricity rooms, E.M.R. (electricity meter rooms), entrance lobbies of Residential Towers, exhaust air ducts, ELV (extra low voltage rooms), fan rooms, flat roofs (common area), flushing water pump rooms, F.S. inlets, gondola and likewise installation system, the Greenery Areas In Phase 1 (in so far as they form part of the Residential Tower Areas and Facilities), H.R. (hose reels), horizontal acoustic fins, lifts, lift lobbies, lift machine rooms, lift platforms, lift shafts, maintenance flat roofs, management offices, P.D. (pipe ducts), pipe wells, planters, potable water pump room, R.S.M.R.RM (refuse storage and material recovery rooms), roof (for common), sprinkler control valve cabinets, staircases, T.R.S. (temporary refuse storage spaces), W.M.C. (water meter cabinets), caretaker, the covered areas underneath the balconies and the covered areas underneath the utility platforms which are respectively for the purpose of identification only marked "COVER OF BAL. BELOW" and "COVER OF U.P. BELOW" on the plans nos. A/DMC/15 and A/DMC/17, wider common corridors and lift lobbies (which are for the purpose of identification only shown and coloured green hatched black on the plans nos. A/DMC/12, A/DMC/13, A/DMC/14 and A/DMC/16 annexed to this Deed, and the accuracy of which is certified by or on behalf of the Authorized Person),

but shall exclude the Estate Common Areas and Facilities In Phase 1, the Residential Common Areas and Facilities In Phase 1, the Residential House Common Areas and Facilities and the Carpark Common Areas and Facilities In Phase 1;

"Residential Unit"

means a Flat or a House in the Residential Accommodation intended to be used for private residential purpose and occupation in accordance with the

Building Plans to which Undivided Shares have been or will be allocated under this Deed, which includes but not limited to: -

- (a) the openable parts of the curtain wall structure of the Residential Towers wholly enclosing the Flat;
- (b) such pieces of glass panels forming part of the curtain wall structure of the Residential Towers wholly enclosing the Flat;
- (c) the internal walls and partitions (whether load bearing or structural or not) of or within the Residential Unit;
- (d) the inner half of any walls (other than the external walls of the Residential Towers) and partitions (whether load bearing or structural or not) separating the Residential Unit or any part thereof from any other part(s) of the Development;
- (e) the columns, beams, floor slabs (and in the event of the floor slab is separating the Residential Unit from other part of parts of the Development, the upper half of such floor slab), ceiling slabs (and in the event the ceiling slab is separating the Residential Unit from other part or parts of the Development, the lower half of such ceiling slab) and other structural supports of or within the Residential Unit; and
- (f) the glass balustrades or railings of the balconies, utility platforms, flat roofs or specified parts of roofs held with and forming part of such Residential Unit as approved under the Building Plans,

and "Residential Units" shall be construed accordingly;

"Slope Structures"

means all slopes, slope treatment works, earth retaining structures, retaining walls, and other related structures within or outside the Land and the Development and including the Green Hatched Black Area, as required by the Government Grant or this Deed or any Sub-Deed to be repaired, maintained by the Owners and are for the purpose of identification only shown and coloured grey on the Slopes Structures Plans nos. A/DMC/30, A/DMC/31 and A/DMC/32 annexed to this Deed, and the accuracy of which is at the scale of not less than 1:500 and is certified by or on behalf of the Authorized Person, and it includes all the slope structures existing as at the date of this Deed;

"Special Fund"

means the Special Fund maintained by the Manager pursuant to Clause 4.12 of this Deed for the expenditure of a capital nature and non-recurring nature in relation to the management of the Development for the purpose of paragraph 4 of Schedule 7 to the Building Management Ordinance;

"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"

means those equal undivided parts or shares of and in the Land and the Development allocated in accordance with the FIRST SCHEDULE hereto and any Sub-Deed(s);

"Unit"

means a Flat, a House, a Residential Car Parking Space, a House Car Parking Space, a Residential Motor Cycle Parking Space, or any part of the Development to which Undivided Shares have been allocated under this Deed or any Sub-Deed(s) in respect of which that Owner has the full and exclusive right and privilege to hold use occupy and enjoy and shall have the same definition as "flat" under the Building Management Ordinance, save and except the Common Areas and Facilities, and shall have the same definition as "flat" under the Building Management Ordinance;

"Visitors' Parking Spaces"

means all those visitors' parking spaces provided in accordance with Special Condition No.(23)(a)(iii) of the Government Grant for the parking of motor vehicles belonging to the bona fide guests, visitors or invitees of the residents of the Residential Units. The ten (10) Visitors' Parking Spaces that are situated in Phase 1 are for the purpose of identification only shown and coloured brown and numbered V1 to V10 respectively on the plans nos. A/DMC/01, A/DMC/03 and A/DMC/04 annexed to this Deed, and the accuracy of which are certified by or on behalf of the Authorized Person. The total number of Visitors' Parking Spaces provided in accordance with Special Condition No.(23)(a)(iii) of the Government Grant is 22;

"window"

in relation to any Residential Unit, means: -

- (a) any louvres and openable window of a Residential Unit;
- (b) any non-openable window of a Residential Unit (including (if any) fixed window and maintenance access panel);
- (c) any vision panel of the curtain walls wholly enclosing or fronting a Residential Unit, excluding any vision panel of the curtain walls that does not wholly enclose a Residential Unit but extends across two or more Residential Units; and
- (d) any glass wall of a Residential Unit,

together with all the glass of windows, window frames thereof (if any), sealant, hinges and all related fixing and ironmongery, and "windows" shall be construed accordingly;

"Works and Installations"

means 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 as set out in the FIFTH SCHEDULE hereto and subject to any revision as provided in this Deed.

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

SECTION II

2. Rights and Obligations of Owners

- 2.1 The First Owner shall at all times hereafter, subject to and with the benefit of the Government Grant and this Deed, have the sole and exclusive right and privilege to hold, use, occupy and enjoy to the exclusion of the First Assignee the whole of the Land and the Development together with the appurtenances thereto and the entire rents and profits thereof SAVE AND EXCEPT the First Assignee's Unit assigned to the First Assignee as aforesaid and SUBJECT TO the rights and privileges granted to the First Assignee by the aforesaid Assignment and SUBJECT TO the provisions of this Deed and any Sub-Deed(s).
- 2.2 The First Assignee shall at all times hereafter subject to and with the benefit of the Government Grant, this Deed and any Sub-Deed(s) have the full and exclusive right and privilege to hold, use, occupy and enjoy to the exclusion of the First Owner the First Assignee's Unit assigned to the First Assignee by the said Assignment together with the appurtenances thereto and the entire rents and profits thereof.
- 2.3 Each Undivided Share and the sole and exclusive right and privilege to hold, use, occupy and enjoy any part of the Development and to receive rents and profits therefrom 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 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 so far as the same relate to such Undivided Share held by him or them, and such Owner shall comply with the Estate Rules from time to time in force so far as the same are binding on such Owner.
- 2.5 Subject to the Government Grant, this Deed and any Sub-Deed(s), every Owner shall have the full right and liberty without reference to the other Owners or other persons who may be interested in any other Undivided Share or Shares in any way whatsoever and without the necessity of making such other Owners or other persons a party to the transaction to sell, assign, mortgage, charge, lease, license or otherwise dispose of or deal with his Undivided Shares or interest of and in the Land and the Development, 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: -

- (a) any such sale, assignment, mortgage, lease or licence shall be made expressly subject to and with the benefit of this Deed; and
- (b) the Parking Spaces shall not be: -

- (i) assigned except
 - (I) together with Undivided Shares giving the right of exclusive use and possession of a Residential Unit; or
 - (II) to a person who is already the Owner of Undivided Shares in the Land and the Development with the right of exclusive use and possession of a Residential Unit; 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 Car Parking Spaces, the House Car 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.

- 2.6 (a) The right to the exclusive use, occupation and enjoyment of any part of the Land or the Development shall not be sold, assigned, mortgaged, charged, leased or otherwise dealt with separately from the Undivided Share with which the same is held PROVIDED THAT the provisions of this Clause shall, subject to the Government Grant, not extend to leases or tenancies in respect of any Unit or part of the Land and the Development the terms of which shall not exceed ten (10) years in the aggregate including any right of renewal.
 - (b) The right to the exclusive use, occupation and enjoyment of (if any) stairhood, balcony, garden, roof and utility platform appertaining to a Flat shall not be sold, assigned, mortgaged, charged, leased or otherwise dealt with separately from a Flat with which (if any) such balcony, garden, roof and utility platform are held.
 - (c) The right to the exclusive use, occupation and enjoyment of (if any) balcony, garden, flat roof, roof, stairhood, Manoeuvring Area and the House Car Parking Spaces appertaining to a House shall not be sold, assigned, mortgaged, charged, leased or otherwise dealt with separately from a House with which (if any) such balcony, garden, flat roof, roof, stairhood, Manoeuvring Area and the House Car Parking Spaces are held.
- 2.7 (a) Every Owner, his tenants, servants, agents, invitees, visitors and licensees shall have the full right and liberty (in common with the Manager and others having like rights) to go pass and repass over and along and to use the Estate Common Areas and Facilities for all purposes connected with the proper use and enjoyment of his Unit.
 - (b) Every Owner of a Residential Unit, his tenants, servants, agents, invitees, visitors and licensees shall have the full right and liberty (in common with the Manager and others having like rights) to go pass and repass over and along and to use the Residential Common Areas and Facilities for all purposes connected with the proper use and enjoyment of his Residential Unit.

- (c) Every Owner of a Residential Unit, his tenants, servants, agents, invitees, visitors and licensees shall have the full right and liberty (in common with the Manager and others having like rights) to go pass and repass over and along and to use the Carpark Common Areas and Facilities for all purposes connected with the proper use and enjoyment of the Visitors' Parking Spaces and the Residential Car Parking Space for Disabled Persons.
- (d) Every Owner of a Flat, his tenants, servants, agents, invitees, visitors and licensees shall have the full right and liberty (in common with the Manager and others having like rights) to go pass and repass over and along and to use the Residential Tower Common Areas and Facilities for all purposes connected with the proper use and enjoyment of his Flat.
- (e) Every Owner of a House, his tenants, servants, agents, invitees, visitors and licensees shall have the full right and liberty (in common with the Manager and others having like rights) to go pass and repass over and along and to use the Residential House Common Areas and Facilities for all purposes connected with the proper use and enjoyment of his House.
- (f) Every Owner of a Residential Car Parking Space, his tenants, servants, agents, invitees, visitors and licensees shall have the full right and liberty (in common with the Manager and others having like rights) to go pass and repass over and along and to use the Carpark Common Areas and Facilities for all purposes connected with the proper use and enjoyment of his Residential Car Parking Space.
- (g) Every Owner of a Residential Motor Cycle Parking Space, his tenants, servants, agents, invitees, visitors and licensees shall have the full right and liberty (in common with the Manager and others having like rights) to go pass and repass over and along and to use the Carpark Common Areas and Facilities for all purposes connected with the proper use and enjoyment of his Residential Motor Cycle Parking Space.
- (h) 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 Estate Rules.
- 2.8 (a) (i) Upon execution of this Deed, the First Owner shall assign to the Manager as trustee for all Owners free of costs or consideration the Undivided Shares allocated to the Common Areas and Facilities In Phase 1 together with the Common Areas and Facilities In Phase 1 subject to and with the benefit of the Government Grant and this Deed.
 - (ii) upon issuance of the consent to assign in respect of Phase 2 or certificate of compliance of the Land, whichever is the earlier, and execution of the Sub-Deed in respect of Phase 2, the First Owner shall assign to the Manager as trustee for all Owners free of costs or consideration the Undivided Shares allocated to the Common Areas and Facilities In Phase 2 together with the Common Areas and

Facilities In Phase 2 subject to and with the benefit of the Government Grant, this Deed and any Sub-Deed.

- (b) In the event the Manager shall resign or be dismissed or wound up or a receiving order made against it and another manager appointed in its stead in accordance with these presents, then the Manager or the liquidator or the receiver (as the case may be) shall assign free of costs or consideration the Undivided Shares allocated to the Common Areas and Facilities In Phase 1 together with the Common Areas and Facilities In Phase 1 to the new manager upon the same trust.
- (c) If an Owners' Corporation is formed, it may require the Manager for the time being or its liquidator or receiver (as the case may be) to assign the Undivided Shares allocated to the Common Areas and Facilities In Phase 1 together with the Common Areas and Facilities In Phase 1 and transfer the management responsibility to it free of costs or consideration and in which event, the Manager shall assign free of costs or consideration the Undivided Shares allocated to the Common Areas and Facilities In Phase 1 together with the Common Areas and Facilities In Phase 1 and transfer free of costs or consideration the management responsibility to the Owners' Corporation which shall hold the Undivided Shares allocated to the Common Areas and Facilities In Phase 1 together with the Common Areas and Facilities In Phase 1 on trust for the benefit of all the Owners.

SECTION III

3. Additional Rights of the First Owner

- 3.1 Each and every Owner covenants with the First Owner with the intent that the covenants, rights, entitlements, exceptions and reservations herein conferred upon the First Owner shall bind each and every Owner and their respective successors and assigns and are intended to run and shall run with the Land and the Development and any interest therein that the First Owner 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 (whether acting by itself or by any of the professionals, contractors and agents engaged, appointed or employed by the First Owner) at any time or times and from time to time as it shall deem fit to do all or any of the following acts or deeds and to exercise all or any of the following rights: -
 - (a) The right to change, amend, vary, add to or alter the Building Plans existing at the date hereof in respect of the parts of the Development which have not been sold or assigned by the First Owner without the concurrence or approval of any Owner or any of the parties hereto but nothing herein shall absolve the First Owner from the requirements of obtaining the prior written consent of the Director of Lands or other Government authorities pursuant to the Government Grant
 - PROVIDED THAT any such change, amendment, variation, addition or alteration shall not interfere with an Owner's right to hold, use, occupy and enjoy his Unit or impede or restrict the access to and from such Unit;
 - (b) Subject to the prior written approval by a resolution of Owners at an Owners' meeting convened under this Deed, the right to apply to, negotiate and agree with the Government to amend, vary, modify, accept or enter into the Government Grant (including the plan(s) annexed thereto) or any condition thereof, or to obtain waiver, no-objection letter or licence (hereinafter collectively called "the Variation") in so far as the same relates to the Land and the Development or any part thereof, from time to time for such purposes and in such manner and in its absolute discretion as the First Owner shall decide or 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, and the Variation shall bind on any Owner of the Land and the Development

PROVIDED THAT: -

- (i) the exercise of this right shall not interfere with an Owner's right to hold, use, occupy and enjoy his Unit or impede or restrict the access to or from such Unit;
- (ii) if any exercise of this right should affect the Common Areas and Facilities or any Unit(s), then any benefit, concession or compensation,

whether monetary or otherwise, acquired as a result of such exercise of this right shall accrue to all Owners or the relevant Owner(s) concerned (as the case may be) and any payment received shall be credited into the Special Fund;

- The right to enter into and upon all parts of the Land and the Development (c) (save and except those parts of the Land and the Development the sole and exclusive right to the use enjoyment and occupation of which have been sold or assigned by the First Owner or otherwise disposed of to an Owner) with or without contractors, agents, workers, and other persons authorised by the First Owner, and with or without all necessary equipment, plant, materials and machinery for the purposes of completing the other parts of the Development and may, for such purpose, carry out all such works in, under, on or over the Land and the Development (save and except those parts as aforesaid) as it may from time to time see fit. The First Owner in pursuance of such works may from time to time issue in writing to the Owners instructions as to the areas or parts of the Land and the Development (save and except those parts 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 is reasonably possible to the Owners and shall not interfere with or affect the use occupation and enjoyment of or prevent or impede the access to or egress from any Unit of the Owners when carrying out such works and shall at the First Owner's costs and expenses make good any damage or loss that may be caused by or arise from such construction works;
- (d) Subject to the prior written approval by a resolution of Owners at an Owners' meeting convened under this Deed, the right to affix, maintain, alter, repair, service, replace, renew and remove any masts, aerials, antennae, satellite dish, cables, telecommunication system, lightning conductors, lighting, chimneys, flues, pipes, conduits, plants, machinery, equipment, transmitters, transponders, receivers, or any other structures, facilities and other fixtures of whatsoever kind on or within any part or parts of the Common Areas and Facilities for the purpose of supplying utility services to the Land only and such other areas of the Development the exclusive right to hold, use, occupy and enjoy which has not been sold or assigned

PROVIDED THAT: -

- (i) the exercise of this right shall not interfere with an Owner's right to hold, use, occupy and enjoy his Unit or impede or restrict an Owner's right of access to and from his Unit; and
- such mast, aerial, antennae, satellite dish, cables, telecommunication system, lightning conductors, lighting, chimneys, flues, pipes, conduits, plants, machinery, equipment, transmitters, transponders, receivers or any other structures, facilities or other fixtures of whatsoever kind shall be for the common use and enjoyment of all the Owners entitled to use such Common Areas and Facilities and any consideration received therefor shall be credited to the Special Fund

AND the right to enter into and upon any part of the Land and the Development (save and except those parts of the Land and the Development the sole and exclusive right to the use enjoyment and occupation of which have been sold or assigned by the First Owner or otherwise disposed of to an Owner) with or without workmen and equipment at all reasonable times on giving prior written notice (save in case of emergency) for any or all of the purposes aforesaid AND the right to license or otherwise permit or grant the right so to do to any other person (except where it concerns the Common Areas and Facilities) on such terms as the First Owner may deem fit, and any payment received for the approval must be credited to the Special Fund;

- (e) The right to change the name of the Development or any Phase or any part or parts thereof at any time and to execute any documents in the name of the First Owner in connection therewith without the necessity of joining in any other Owner upon giving six (6) months' prior written notice to the Owners;
- (f) Subject to the prior written approval by a resolution of Owners at an Owners' meeting convened under this Deed, the right to surrender or assign to the Government or dedicate to the public any part or parts of the Land and the Development owned and not yet sold or assigned by the First Owner which is required to be surrendered or assigned to the Government or dedicated to the public pursuant to the requirement under the Government Grant or whenever required by the Government 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 such surrender, assignment or dedication shall not interfere with an Owner's right to hold, use, occupy and enjoy his Unit or impede or restrict an Owner's right of access to and from his Unit, and any payment received shall be credited to the Special Fund;

- (g) Subject to the prior written approval by a resolution of Owners at an Owners' meeting convened under this Deed, the right to adjust or re-align the boundary of the Land and to negotiate and agree with the Government in connection therewith
 - PROVIDED THAT such adjustment or re-alignment shall not interfere with an Owner's right to hold, use, occupy and enjoy his Unit or impede or restrict an Owner's right of access to and from his Unit, and any payment received shall be credited to the Special Fund;
- (h) Subject to the prior written approval by a resolution of Owners at an Owners' meeting convened under this Deed, the right 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, footbridges, pedestrian bridges, subways, gardens, open spaces, nullahs and culverts, recreational areas and facilities, sewage treatment plants and facilities, refuse collection and disposal areas and facilities, drainage system and gas, water and

electricity storage, transformation and supply systems) over any adjoining or neighbouring lands or to obtain any similar rights by modification of the Government Grant or licence for the benefit of the Land and the Development on such terms and conditions and from such persons as the First Owner shall deem fit and all expenses shall be paid out of the management funds

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 an Owner's right of access to and from his Unit shall not be impeded, and any payment received shall be credited to the Special Fund;

(i) Subject to the prior written approval by a resolution of Owners at an Owners' meeting convened under this Deed and subject to the Government Grant, the right to grant any rights, rights of way or easements or quasi-easements (including but not limited to the right to use any roads, passageways, walkways, footpaths, footbridges, 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 part or parts of the Common Areas and Facilities or to grant any similar rights by licence for the benefit of any adjoining or neighbouring lands on such terms and conditions and to such persons as the First Owner shall deem appropriate

PROVIDED THAT the exercise of this right shall not contravene the provisions of the Government Grant and shall not interfere with an Owner's right to hold, use, occupy and enjoy his Unit or impede or restrict an Owner's right of access to and from his Unit, and any consideration or payment received therefor shall be credited to the Special Fund.

(j) Without prejudice to the generality of Clause 3.1(h) and Clause 3.1(i) above and subject to the prior written approval by a resolution of Owners at an Owners' meeting convened under this Deed and subject to the Government Grant, the right, with or without joining any other Owner, to enter into any deed or deeds of grant of easement with the owners and/or occupiers of the adjacent land at any time or times and on such terms and subject to such conditions 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 shall not interfere with any Owner's right to hold, use, occupy and enjoy his Unit or be in conflict with the terms and conditions of this Deed

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 an Owner's right of access to and from his Unit, and any consideration or payment received therefor shall be credited to the Special Fund;

(k) The right without the necessity of making any Owner entitled to the exclusive use occupation and enjoyment of any Unit a party to enter into Sub-Deed(s) in

respect of Phase 2 for the purpose of further defining and regulating the rights, interests and obligations of the Owners, and to designate and declare by the Sub-Deed(s) any portion of Phase 2 which have not been sold or assigned by the First Owner to be the Estate Common Areas and Facilities In Phase 2, the Residential Common Areas and Facilities In Phase 2, the Residential Tower Common Areas and Facilities In Phase 2 and the Carpark Common Areas and Facilities In Phase 2 (as the case may be) whereupon with effect from such designation and declaration such Estate Common Areas and Facilities In Phase 2, Residential Tower Common Areas and Facilities In Phase 2 and Carpark Common Areas and Facilities In Phase 2 shall form part of the Estate Common Areas and Facilities, Residential Tower Common Areas and Facilities and Carpark Common Areas and Facilities (as the case may be) as provided in this Deed and the Owners shall contribute to the management expenses thereof accordingly in accordance with this Deed

PROVIDED THAT such Sub-Deed(s) shall be subject to the terms and conditions of the Government Grant, shall not conflict with the provisions of this Deed, shall not affect the rights, interests, obligations of the other Owners and shall be subject to the prior written approval of the Director of Lands, unless otherwise waived;

(1) Subject to the relevant government authorities and in accordance with the relevant ordinances and regulations, the right to carry out any construction works for the part or parts of the Development which have not been sold or assigned by the First Owner for implementation of and in accordance with any amended Building Plans and/or the Government Grant (with or without the Variation as aforesaid), and to do everything necessary therefor or incidental thereto including but not limited to the demolition and/or construction and/or relocation of any part thereof (whether structural or otherwise)

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 an Owner's right of access to and from his Unit;

(m) At all times hereafter but subject to and with the benefit of the Government Grant, this Deed and any Sub-Deed(s) insofar as they relate thereto, the full and unrestricted right without interfered by any other Owner to assign, mortgage, charge, lease, license, part with possession of or otherwise deal with the Undivided Shares retained by the First Owner (other than the Undivided Shares in respect of the Common Areas and Facilities), and to assign, mortgage, charge, lease or license the full and exclusive right and privilege to hold, use, occupy and enjoy any such Unit with the Development held therewith

PROVIDED THAT such dealings shall not contravene the terms and conditions of the Government Grant, this Deed and any Sub-Deed(s)

PROVIDED FURTHER 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 an Owner's right of access to and from his Unit;

(n) Subject to the prior written approval by a resolution of Owners at an Owners' meeting convened under this Deed and subject to the Government Grant, the right to enter into and upon any part of the Land and the Development (including the Common Areas and Facilities) to construct maintain lay alter remove re-route and renew drains, pipes, cables, sewers and other installations, fittings, chambers and other structures within the Land and the Development or partly within the Land and the Development and the adjoining land to for the purpose of supplying utilities services and recreational facilities to the Land and the Development only

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 an Owner's right of access to and from his Unit shall not be impeded, and any payment received shall be credited to the Special Fund;

(o) The right and liberty to utilize the part or the parts of the Development which have not been sold or assigned by the First Owner in whole or in part of the balance of the maximum plot ratio, buildable floor area and/or site coverage of the Land for the time being and at any time permitted under the Buildings Ordinance (Cap. 123) or under the Government Grant or otherwise including any concessions or bonus which may be granted by the Building Authority

PROVIDED FURTHER THAT the exercise of any of the above rights by the First Owner under this Clause 3.1 shall not: -

- (1) interfere with the other Owners' right to hold, use, occupy and enjoy their Units; and
- (2) impede or restrict other Owners' right of access to and from their Units.
- 3.2 The Owners hereby jointly and severally and irrevocably APPOINT the First Owner as their attorney and grant unto the First Owner the full right power and authority to do all acts deeds matters and things and to execute and sign seal and as their act and deed deliver such deed or deeds and to sign such documents or instruments as may be necessary for the exercise of or incidental to the First Owner's rights mentioned in Clause 3.1 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.

3.3 Every Assignment by an Owner of his Unit shall include a covenant in substantially the following terms: -

"The Purchaser covenants with the Vendor and 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 Covenanting Purchaser (each and all of whom including the Purchaser is and are hereinafter included in the expression "the Covenanting Purchaser") and shall enure for the benefit of the Development and be enforceable by the Vendor and its successors and assigns that: -

- the Covenanting Purchaser confirms and acknowledges the covenants, rights, entitlements, exceptions and reservations granted and conferred on Fortune Choice Development Limited ("the Company" which expression shall include its respective successors and attorneys) under Clause 3.1 of a Principal Deed of Mutual Covenant incorporating Management Agreement dated the [] day of [] and the Covenanting Purchaser shall not do or permit anything to be done which will in any way affect or hinder the exercise of the said rights by the Company;
- (ii) the Covenanting 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 Covenanting 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 Covenanting Purchaser deliver such deeds and to sign such documents or instruments as may be necessary for the exercise of or incidental to the exercise of the rights conferred on the Company as aforesaid with the full power of delegation and the Covenanting Purchaser hereby further covenants to do all acts deeds matters and things and to execute sign seal and deliver such deed or deeds and to sign such documents or instruments as may be necessary to give effect to such appointment and grant; and
- (iv) in the event of the Covenanting Purchaser selling or otherwise disposing of the Property, the Covenanting Purchaser shall sell or otherwise dispose of the Property upon the condition that the purchaser or assignee thereof shall enter into the same binding covenants on terms similar in scope and extent as the covenants (i), (ii) and (iii) hereinbefore contained

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

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

SECTION IV

4. Manager and Management Charges

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

- (c) Subject to Clause 4.1(c)(iv), at a general meeting convened for the purpose, the Owners' Corporation may, by a resolution: -
 - (1) passed by a majority of the votes of the Owners voting either personally or by proxy; and
 - (2) supported by the Owners of not less than fifty per cent (50%) of the Undivided Shares in aggregate (excluding the Undivided Shares allocated to the Common Areas and Facilities),

terminate by notice the appointment of the Manager without compensation.

- (ii) The resolution under Clause 4.1(c)(i) shall have effect only if: -
 - (1) such notice of termination of appointment is in writing;
 - (2) provision is made in the resolution for a period of not less than three (3) months' notice or, in lieu of notice, provision is made for an agreement to be made with the Manager for the payment to it of a sum equal to the amount of remuneration which would have accrued to it during that period;
 - (3) such notice is accompanied by a copy of the resolution terminating the Manager's appointment; and
 - (4) such notice and the copy of the resolution is given to the 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)(4) may be given: -
 - (1) by delivering them personally to the Manager; or
 - (2) by sending them by post to the Manager at its last known address.
- (iv) For the purposes of Clause 4.1(c)(i): -
 - (1) only the Owners of Undivided Shares who pay or who are liable to pay contribution towards the Management Expenses relating to those Undivided Shares shall be entitled to vote;
 - (2) the reference in Clause 4.1(c)(i)(2) 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 new Manager other than the Manager contains no provision for the termination of the Manager's appointment, Clauses 4.1(c)(i), (ii), (iii) and (iv) apply to the termination of the Manager's appointment as they apply to the termination of the 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 a new Manager other than the 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): -
 - (1) no appointment of a new Manager shall take effect unless the appointment is approved by a resolution of the Owners' Committee (if any); and
 - if no such appointment is approved under Clause 4.1(c)(vii)(1) 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 Authority under Section 34E(4) of the Building Management Ordinance but does not apply to any single manager referred to in that section.
- (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)(2) above, the Owners' Corporation shall be deemed to have given to that person an instrument of indemnity under which the Owners' Corporation shall be liable to indemnify that person in respect of any act or omission by the Manager appointed under Clause 4.1(c)(vii)(2) above that may otherwise render that person liable for a breach of that undertaking or agreement.
- (d) Subject to Clause 4.1(d)(ii), if the Manager's appointment ends for any reason, it shall, as soon as practicable after its appointment ends, and in any event within 14 days of the date its appointment ends, deliver to the Owners' Committee (if any) or the Manager appointed in its place any movable property in respect of the control, management and administration of the Land and the Development that is under its control or in its custody or possession, and that belongs to the Owners' Corporation (if any) or the Owners.

- (ii) If the Manager's appointment ends for any reason, the Manager shall within two (2) months of the date the Manager's appointment ends: -
 - (1) prepare (i) an income and expenditure account for the period beginning with the commencement of the financial year in which the Manager's appointment ends and ending on the date the Manager's appointment ended; and (ii) a balance sheet as at the date the Manager's appointment ended, and shall arrange for that account and balance sheet to be audited by 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
 - 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 4.1(d)(ii)(1) and have not been delivered under Clause 4.1(d)(i).
- In the event of the Manager giving notice as hereinbefore provided or in the case of 4.2 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 in accordance with Clause 7.6 of this Deed 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 and the Owners' Committee shall on behalf of the Owners enter into a management agreement with such new manager defining its rights, duties and obligations. Notwithstanding anything hereinbefore contained, it is hereby declared and agreed that subject to the provisions of the Building Management Ordinance, at no time shall the Land and the Development be without a responsible duly appointed manager to manage the Land and the Development or any part or parts thereof after the execution of this Deed.
- The annual remuneration of the Manager for the performance of its duties hereunder shall be 10% of the total annual expenses, costs and charges reasonably and necessarily incurred in the good and efficient management of the Land and the Development (for the purpose of calculating the Manager's Remuneration, the total annual expenses, costs and charges shall exclude the Manager's Remuneration itself, the Government rent, any capital expenditure or expenditure drawn out of the Special Fund PROVIDED THAT by a resolution of Owners at an Owners' meeting convened under this Deed, any capital expenditure or expenditure drawn out of the Special Fund may be included for calculating the Manager's Remuneration at the rate of 10%, or at any lower rate as the Owners may consider appropriate). The Manager's Remuneration shall be the net remuneration of the Manager for its services as Manager and shall not include the costs, expenses, salary, bonuses, fringe benefits,

severance payment and fees for any staff employed within the Land and the Development, facilities, legal, professional, accounting and administration services and all disbursements and out-of-pocket expenses properly incurred in the course of carrying out its duties hereunder which said costs, expenses, fees and disbursements shall be a direct charge on the management funds. No variation of the percentage of the annual remuneration of the Manager may be made except with the approval by a resolution of Owners duly passed at a meeting of Owners convened under this Deed.

- Payment of the Manager's Remuneration hereunder shall be payable by the Owners in advance on the first day of each calendar month by twelve (12) equal calendar monthly instalments in a year and any adjustment in the payment day of the Manager's Remuneration has to be approved by the Owners' Committee (if any) or the Owners' Corporation (if formed).
- 4.5 (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 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) The Manager shall prepare the annual budget for the ensuing year in consultation with the Owners' Committee (if formed) except the first budget which shall cover the period from the date of this Deed until the following 31st day of December. In respect of each financial year, the Manager shall: -
 - (i) prepare a draft annual budget setting out the proposed expenditure during the financial year;
 - (ii) send a copy of the draft annual budget to the Owners' Committee or, where there is no Owners' Committee, display a copy of the draft annual 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 annual budget a notice inviting each Owner to send his comments on the draft annual budget to the Manager within a period of 14 days from the date the draft annual budget was sent or first displayed;
 - (iv) after the end of that period, prepare an annual budget specifying the total proposed expenditure during the financial year;
 - (v) send a copy of the annual budget to the Owners' Committee or, where there is no Owners' Committee, display a copy of the annual 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 subclause (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 annual 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 an annual budget has been sent or displayed in accordance with subclause (b)(v) of this Clause and the Manager wishes to revise it, he shall follow the same procedures in respect of the revised annual budget as apply to the draft annual budget and the annual budget by virtue of sub-clause (b) of this Clause.
- (e) Where a revised annual budget is sent or displayed in accordance with subclause (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 annual 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 an annual budget or revised annual 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 annual budget or revised annual budget, as the case may be, the total amount of Management Expenses for the financial year shall, until another annual budget or revised annual 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 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 annual budget, annual budget or revised annual 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" includes all costs, charges and expenses to be borne by the Owners, including the remuneration of the Manager.
- The annual budget shall cover the Management Expenses for the Common Areas and Facilities, the Green Area, the Green Area Structures, the Green Edged Red Area Passageway Structures, the Green Hatched Black Area and the Brown Edged Red Area including without limiting the generality of the foregoing: -
 - (a) the expenses for the maintenance, operation, repair, cleansing, painting, decorating, improving and keeping in good condition of the Common Areas

- and Facilities and the lighting thereof and the provisions and operation of emergency generators and lighting for the Common Areas and Facilities;
- (b) the expenses for the cultivation, irrigation, control, operation, management, inspection and maintenance of the lawns and planters and landscaped areas on the Common Areas and Facilities;
- (c) the charges for the supply and consumption of all electricity, gas, water, telephone and other utilities serving the Common Areas and Facilities;
- (d) the remuneration and related expenses for the provision of property management services for the Land and the Development and the cost (including but not limited to salaries, bonuses, fringe benefits, severance payment and medical insurance) of employing caretakers, watchmen, cleaners, clubhouse staff, management staff, clerical staff, accountants and gardeners and such other staff to manage and administer the Land and the Development and the Common Areas and Facilities therein and the expenses of purchasing or hiring all necessary plant, equipment and machinery;
- (e) the cost and expense of inspecting, maintaining, repairing the foundations, columns and other structures (except those structures forming parts of individual Units) constructed or to be constructed for the support of Development and drains, nullahs, sewers, pipes, water mains and channels and such other areas whether within or outside the Land that are required to be maintained under the Government Grant;
- (f) the Government rent of the Land payable under the Government Grant (but only if no apportionment or separate assessments have been made for individual Units), and that the same shall be included as part of the Management Expenses and the Government rent (if any) in respect of the Common Areas and Facilities;
- (g) the Manager's Remuneration calculated in accordance with Clause 4.3 of this Deed for providing its services hereunder;
- (h) the premia for insurance of the Common Areas and Facilities 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 against third party, or public and/or occupiers' liability or employees' liability or any other insurance policy considered necessary by the Manager;
- (i) a reasonable sum for contingencies;
- (j) legal and accounting fees and surveying fees and all other professional fees and costs properly and necessarily incurred by the Manager in carrying out the services provided under this Deed or any Sub-Deed(s);
- (k) the expenses of refuse collection, storage and disposal of rubbish from the Development;

- (l) all cost incurred in connection with the management and maintenance of the Common Areas and Facilities;
- (m) any tax payable by the Manager on any of the sum held by it under the provisions of this Deed and any Sub-Deed(s) PROVIDED THAT any tax payable on the Manager's Remuneration shall be borne and paid by the Manager;
- (n) all cost lawfully incurred or to be incurred in inspecting, carrying out, repairing and maintaining the Slope Structures the maintenance of which is the liability of the Owners under the Government Grant 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 maintenance manual for the Slope Structures;
- (o) the cost of inspecting, repairing, maintaining and managing the Green Area, the Green Area Structures, the Green Edged Red Area Passageway Structures, the Green Hatched Black Area and the Brown Edged Red Area under this Deed and/or pursuant to the Government Grant;
- (p) the cost and expenses of inspecting, managing, maintaining, repairing and replacing the electric vehicle chargers and associated equipment (if any) provided for the Visitors' Parking Spaces, and the electricity charges of the electric vehicle chargers serving the Visitors' Car Parking Spaces and the Residential Car Parking Spaces for Disabled Persons;
- (q) any other items of expenditure which in the reasonable opinion of the Manager are necessary for the administration, management and maintenance of the Land and the Development, including but not limited to all staff, facilities, office, accountancy, professional, supervisory and clerical expenses reasonably and necessarily incurred by the Manager in respect thereof;
- (r) the licence fees (if any) payable to the Government for laying of drains, nullahs, sewers, pipes, water mains and channels which exclusively serve the Development within or under the Government land adjacent to the Land;
- (s) the cost and expenses for the control, operation, management, inspection, repairing and maintenance of the Recreational Areas and Facilities;
- (t) the cost and expenses for the control, operation, management, inspection, repairing, replacing and maintenance, including any regular maintenance, of the permanent artificial lighting system at the staircases which form part of the Common Areas and Facilities and its back-up automatically activated emergency lighting system;
- (u) the cost and expenses for the control, operation, management, inspection, repairing, replacing and maintenance of such parts of the Noise Mitigation Measures which form part of the Common Areas and Facilities;

- (v) the cost and expenses for the control, operation, management, inspection, repairing, replacing and maintenance of the horizontal and vertical greening which forms part of the Common Areas and Facilities;
- (w) the cost and expenses for the control, operation, management, inspection, repairing, replacing and maintenance of the trellis;
- (x) the cost and expenses incurred in connection with the environmental control and protection in respect of the Land and the Development and the Common Areas and Facilities;
- (y) the cost and expenses for carrying out and implementing the plans of the Fire Safety Management Plan and the fire services system serving the Open Kitchen Units;
- (z) the cost and expenses incurred by the Manager for the control, operation, management, inspection, repairing, replacing, maintenance and reinstatement of the transformer rooms, cable accommodations and all associated facilities and ancillary electricity installation equipment and facilities for the supply of electricity to the Development;
- (aa) any other cost, charges and expenses properly and reasonably incurred by the Manager in the performance of any duty or in the exercise of any power under this Deed and any Sub-Deed(s) in respect of any part or parts of the Land and the Development.
- 4.7 The Manager shall prepare the annual budget showing the total management expenditure of the Development for the ensuing year, which shall be divided into the following parts: -
 - (a) The first part shall cover all expenditure which in the opinion of the Manager (whose decision shall be conclusive save for manifest error) is to be expended for the benefit of all Owners or required for the proper management and maintenance of the Land, the Development, the Estate Common Areas and Facilities, the Slope Structures, the Greenery Area, the Green Area, the Green Area Structures, the Green Edged Red Area Passageway Structures, the Green Hatched Black Area and the Brown Edged Red Area.
 - (b) The second 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 Residential Common Areas and Facilities;
 - (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 Residential Tower Common Areas and Facilities;
 - (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 Residential House Common Areas and Facilities; and

(e) The fifth 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.

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

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

- 4.8 Each Owner shall contribute to the budgeted Management Expenses in the following manner: -
 - (a) Each Owner of a Unit shall contribute his due proportion of the budgeted Management Expenses under the first part of the annual budget which proportion shall be equal to the Management Shares of his Unit divided by the total Management Shares of the Development;
 - (b) Each Owner of a Residential Unit shall contribute his due proportion of the budgeted Management Expenses under the second part of the annual budget which proportion shall be equal to the Management Shares of his Residential Unit divided by the total Management Shares of all Residential Units;
 - (c) Each Owner of a Flat shall contribute his due proportion of the budgeted Management Expenses under the third part of the annual budget which proportion shall be equal to the Management Shares of his Flat divided by the total Management Shares of all Flats;
 - (d) Each Owner of a House shall contribute his due proportion of the budgeted Management Expenses under the fourth part of the annual budget which proportion shall be equal to the Management Shares of his House divided by the total Management Shares of all Houses; and

- (e) (i) Each Owner of a Residential Unit shall further contribute a fraction of a fair proportion of the budgeted Management Expenses under the fifth part of the annual budget, in which,
 - (A) the numerator of the said fraction shall be the Management Shares of his Residential Unit and the denominator shall be the total Management Shares of all Residential Units; and
 - (B) the numerator of the said fair proportion shall be the total gross floor area of all Bicycle Parking Spaces, all Visitors' Parking Spaces and all Residential Car Parking Spaces for Disabled Persons and the denominator shall be the total gross floor area of all Residential Car Parking Spaces, all Residential Motor Cycle Parking Spaces, all Bicycle Parking Spaces, all Visitors' Parking Spaces and all Residential Car Parking Spaces for Disabled Persons;
 - (ii) Each Owner of a Residential Car Parking Space or a Residential Motor Cycle Parking Space shall contribute a fraction of a fair proportion of the budgeted Management Expenses under the fifth part of the annual budget, in which: -
 - (A) the numerator of the said fraction shall be the Management Shares of his Residential Car Parking Space or Residential Motor Cycle Parking Space (as the case may be) and the denominator shall be the total Management Shares of all Residential Car Parking Spaces and all Residential Motor Cycle Parking Spaces; and
 - (B) the numerator of the said fair proportion shall be the total gross floor area of all Residential Car Parking Spaces and all Residential Motor Cycle Parking Spaces and the denominator shall be the total gross floor area of all Residential Car Parking Spaces, and all Residential Motor Cycle Parking Spaces all Bicycle Parking Spaces, all Visitors' Parking Spaces and all Residential Car Parking Spaces for Disabled Persons

- (I) no Owner may be called upon to pay more than his appropriate share of the Management Expenses, having regard to the number of Undivided Shares and Management Shares, as the case may be, allocated to his Unit;
- (II) The First Owner shall make payments and contributions for those expenses which are of a recurrent nature in respect of those Units and Undivided Shares unsold, provided however the First Owner shall not be obliged to make payments and contributions in respect of Units and Undivided Shares allocated to Phase 2, the construction of which has not been completed, except to the

extent that Phase 2 benefits from provisions in this Deed as to management and maintenance (for instance, the costs of managing and maintaining slopes, or as to security provided by the management of the completed parts) of the Development; and

- (III) All outgoings including Management Expenses and any Government rent up to and inclusive of the date of assignment of the Units shall be paid by the First Owner. An Owner must not be required to make any payment or reimburse the First Owner for these outgoings.
- 4.9 For the avoidance of doubt, it is hereby expressly provided that the First Owner's liability to make the aforesaid payments shall in no way be reduced by reason of the fact that any of the Units remains unsold. Each Owner shall be personally liable to make the above payment to the Manager whether or not his Unit is vacant or occupied and whether or not it has been let or leased to tenant or is occupied by the Owner himself or any other person

- (i) the First Owner shall not be obliged to make payments and contributions in respect of Units and Undivided Shares allocated to Phase 2, the construction of which has not been completed, except to the extent that Phase 2 benefits from provisions in this Deed and any Sub-Deed(s) as to management and maintenance of the Development; and
- (ii) the Owners of the Units in Phase 1 (other than the First Owner) shall not be responsible for the Management Expenses (if any) in relation to or attributable to the parts of the Common Areas and Facilities In Phase 2 before such said parts in Phase 2 are open for use and enjoyment in accordance with the provisions of this Deed and any Sub-Deed(s).
- 4.10 (a) If the total contributions receivable as aforesaid under the annual budget by the Manager shall in the opinion of the Manager be insufficient to meet the costs and expenses for such management and services then each Owner to whom the annual budget applies shall make good a due proportion of the estimated deficiency by making a further contribution to the Manager such further contribution being calculated in the same manner as in Clause 4.8 of this Deed 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.
 - (b) In the event of a surplus of income over expenditure for a financial year, the surplus shall be treated as an accumulated surplus for the following financial year.
- 4.11 Notwithstanding anything herein contained and for the avoidance of any doubt, the Management Expenses payable by the Owners in accordance with this Deed shall not include: -

- (a) Any sum attributable or relating to the completion of the construction of the Development for the issuance of the Certificate of Compliance which shall be borne solely by the First Owner (which expression shall for the purpose of this Clause exclude its assigns);
- (b) All existing and future taxes, rates, assessments, property tax, water charges (if separately metered), Government rent payable under the Government Grant which has been separately assessed and charged by the Government against each Owner and outgoings of every description for the time being payable in respect of any Unit which shall be borne by the Owner for the time being thereof;
- (c) The expenses for keeping in good and tenantable repair and condition of the external and interior fixtures and fittings, walls, floors, windows and doors, garden, flat roof and roof of any Unit together with the plumbing, electrical installations, plant, equipment, apparatus, installations or services thereof not forming part of the Common Areas and Facilities which shall be solely borne by the Owner for the time being of such Unit.
- 4.12 (a) For the purpose of paragraph 4 of Schedule 7 to the Building Management Ordinance, there shall be established and maintained by the Manager one Special Fund and the Special Fund shall be held by the Manager as trustee for all Owners for the time being and such fund shall be neither refundable nor transferrable with 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 Estate Common Areas and Facilities towards payment of expenditure of a capital nature or of a kind not expected to be incurred annually, which includes but is not limited to, expenses for the renovation, improvement and repair of the Estate Common Areas and Facilities, the purchase, setting up, replacement, improvement and addition of installations, systems, equipment, tools, plant and machineries for the Estate Common Areas and Facilities and the costs of the relevant investigation works and professional services.
 - (ii) A separate account of the Special Fund designated for the Residential Common Areas and Facilities towards payment of expenditure of a capital nature or of a kind not expected to be incurred annually, which includes but is not limited to, expenses for the renovation, improvement and repair of the Residential Common Areas and Facilities, the purchase, setting up, replacement, improvement and addition of 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.
 - (iii) A separate account of the Special Fund designated for the Residential Tower Common Areas and Facilities towards payment of expenditure of a capital nature or of a kind not expected to be incurred annually,

which includes but is not limited to, expenses for the renovation, improvement and repair of the Residential Tower Common Areas and Facilities, the purchase, setting up, replacement, improvement and addition of installations, systems, equipment, tools, plant and machineries for the Residential Tower Common Areas and Facilities and the costs of the relevant investigation works and professional services.

- (iv) A separate account of the Special Fund designated for the Residential House Common Areas and Facilities towards payment of expenditure of a capital nature or of a kind not expected to be incurred annually, which includes but is not limited to, expenses for the renovation, improvement and repair of the Residential House Common Areas and Facilities, the purchase, setting up, replacement, improvement and addition of installations, systems, equipment, tools, plant and machineries for the Residential House Common Areas and Facilities and the costs of the relevant investigation works and professional services.
- (v) A separate account of the Special Fund designated for the Carpark Common Areas and Facilities towards payment of expenditure of a capital nature or of a kind not expected to be incurred annually, which includes but is not limited to, expenses for the renovation, improvement and repair of the 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.
- (b) Except where the First Owner has made payments in accordance with Clause 4.12(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 Estate Common Areas and Facilities an amount equivalent to $2/12^{th}$ of the first part of the first year's budgeted Management Expenses payable in respect of his Unit under Clause 4.8(a) of this Deed;
 - (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 $2/12^{th}$ of the second part of the first year's budgeted Management Expenses payable in respect of his Residential Unit under Clause 4.8(b) of this Deed;

- (iii) each Owner being the first assignee of his Flat shall upon the assignment of his Flat from the First Owner pay to the Manager an initial contribution to the relevant part of the Special Fund designated for the Residential Tower Common Areas and Facilities an amount equivalent to $2/12^{th}$ of the third part of the first year's budgeted Management Expenses payable in respect of his Flat under Clause 4.8(c) of this Deed;
- (iv) each Owner being the first assignee of his House shall upon the assignment of his House from the First Owner pay to the Manager an initial contribution to the relevant part of the Special Fund designated for the Residential House Common Areas and Facilities an amount equivalent to $2/12^{th}$ of the fourth part of the first year's budgeted Management Expenses payable in respect of his House under Clause 4.8(d) of this Deed;
- (v) (A) 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 Carpark Common Areas and Facilities an amount equivalent to 2/12th of the fifth part of the first year's budgeted Management Expenses payable in respect of his Residential Unit under Clause 4.8(e)(i) of this Deed;
 - (B) each Owner being the first assignee of his Residential Car Parking Space or Residential Motor Cycle Parking Space shall upon the assignment of his Residential Car Parking Space or Residential Motor Cycle Parking Space (as the case may be) 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 2/12th of the fifth part of the first year's budgeted Management Expenses payable in respect of his Residential Car Parking Space or Residential Motor Cycle Parking Space (as the case may be) under Clause 4.8(e)(ii) of this Deed

PROVIDED THAT if an Owner is liable to contribute to more than one part of the Special Fund, the Manager shall apportion such initial total contribution to such component(s) of the Special Fund in accordance with the aforesaid proportion.

(c) The First Owner shall in respect of Units in any Phase the construction of which has been completed and which 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 such Units (i.e. when the Consent to Assign or Certificate of Compliance in respect of that Phase has been issued), whichever is the later, make the initial contribution to the Special Fund in the respective amount specified in Clause 4.12(b) above.

- (d) Each Owner shall also on demand pay to the Manager such further periodic contributions to the relevant part(s) of the Special Fund payable in respect of his Unit. The amount to be contributed in each financial year and the time when those contributions will be payable will be determined by a resolution of the Owners' meeting convened under this Deed. If there is an Owners' Corporation, the Owners' Corporation shall determine, by a resolution of the Owners, the amount to be contributed to the relevant part(s) of the Special Fund by the Owners in any financial year, and the time when those contributions shall be payable.
- (e) The Manager shall open and maintain at a bank within the meaning of Section 2 of the Banking Ordinance (Cap. 155) an interest-bearing account, the title of which shall refer to the Special Fund for the Development, and shall use that account exclusively for the purpose referred to in sub-paragraph (a). All money received for the Special Fund must be deposited by the Manager with the said interest-bearing account Development designated for the purpose of the Special Fund. Except in a situation considered by the Manager to be an emergency, no money shall be paid out of the Special Fund unless it is for a purpose approved by a resolution of the Owners' Committee (if any). The Manager must not use the Special Fund for the payment of any outstanding Management Expenses arising from or in connection with the day-to-day management of the Development.
- (f) Without prejudice to the generality of sub-clause (e) above, if there is an Owners' Corporation, the Manager shall open and maintain one or more segregated interest-bearing accounts, each of which shall be designated as a trust account or client account, for holding money received by it from or on behalf of the Owners' Corporation in respect of the Special Fund.
- (g) The Manager shall display a document showing evidence of any account opened and maintained under sub-clause (e) or (f) above in a prominent place in the Development.
- (h) The Manager shall without delay pay all money received by him in respect of the Special Fund into the accounts opened and maintained under sub-clause
 (e) above or, if there is an Owners' Corporation, the account or accounts opened and maintained under sub-clause (f) above.
- 4.13 Except where the First Owner has made payments in accordance with Clause 4.13(e) below: -
 - (a) Each Owner being the first assignee of his Unit shall before he is given possession of his Unit 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 2/12th of the first year's budgeted Management Expenses payable in respect of his Unit which deposit or balance thereof (as the case may be) shall be non-interest bearing and non-refundable but transferable and shall not be set off against any contribution payable by him under this Deed

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 two (2) times the then monthly contribution.

- (b) Each Owner being the first assignee of his Unit shall before he is given possession of his Unit pay to the Manager in advance a sum equal to 2/12th of the first year's budgeted Management Expenses payable in respect of his Unit which shall be non-refundable and non-transferable.
- (c) Each Owner being the first assignee of a Residential Unit shall before he is given possession of his Residential Unit pay to the Manager a debris removal fee which shall be non-refundable and non-transferable of not more than a sum equal to 1/12th of the first year's budgeted Management Expenses payable in respect of his Residential Unit in such sum as reasonably determined by the Manager for the removal of debris arising from decoration works carried out in his Residential Unit. The debris removal fee not used to pay for debris collection or removal shall be credited to the Special Fund.
- (d) Each Owner being the first assignee of a Unit shall before he is given possession of his Unit pay to the Manager his due share (to be decided by the number of Management Shares allocated to his Unit) of the deposits paid for public water and electricity meters and for the supply of other utilities to the Common Areas and Facilities and which deposits or balance thereof (as the case may be) shall be non-interest bearing and non-refundable but transferable.
- (e) The First Owner shall pay the deposit under Clause 4.13(a) of this Deed and the debris removal fee under Clause 4.13(c) of this Deed in respect of Units in any Phase the construction of which has been completed and which 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 such Units (i.e. when the Consent to Assign or Certificate of Compliance in respect of that Phase has been issued), whichever is the later.
- (f) In the event where any Owner shall carry out any fitting out work in his own Residential Unit, such Owners shall pay to the Manager a sum of HK\$5,000.00 in respect of each Residential Unit owned by such Owner as deposit for securing the payment of the cost of making good any damages to the Common Areas and Facilities caused by or resulting from the initial decoration and fitting out of or the delivery of furniture items to his Residential Unit. Such cost shall be reasonably fixed by the Manager whose decision shall be final and binding upon the Owner. If the Owner fails to pay on demand the said cost or any part thereof, the Manager shall have the power to apply the said deposit towards such costs and to further recover any deficit from the Owner. Upon completion of the decoration and fitting out work of and the delivery of furniture items to his Residential Unit, if the Owner

receives no demand for payment of the aforesaid costs or has made such payment, the Manager shall within thirty (30) days at the request of the Owner refund the deposit but without interest.

- 4.14 Contributions and payments to be made by each Owner under this Deed shall normally be made in advance on the first day of each calendar month.
- 4.15 The Manager must not charge any fee other than a reasonable administrative fee for granting and processing any consent required from the Manager pursuant to these presents PROVIDED THAT such consent shall not be unreasonably withheld and that such administrative fee shall be credited to the Special Fund.
- 4.16 (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 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 all Owners.
 - (b) All moneys, income, fees, charges, penalties or other consideration received by the Manager in respect of the grant of 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 Estate Rules shall be paid into and form part of the Special Fund (if so required under any provision of this Deed and any Sub-Deed(s)) or the management funds.
- 4.17 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 of 2% per annum above the prime rate quoted from time to time by The Hongkong and Shanghai Banking Corporation Limited for the number of days for which it remains unpaid from the date immediately after the due date until and including the actual date of payment; and
 - (b) A collection charge of not exceeding 10% of the amount due, to cover the cost (in addition to legal costs of proceedings as hereinafter mentioned) of the extra work occasioned by the default.
- All amounts which become payable by any Owner in accordance with the provisions of this Deed and any 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 and any 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 and any 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.

- 4.19 In the event of any Owner failing to pay any sum due and payable by him in accordance with the provisions of this Deed and any 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 and any Sub-Deed(s) within thirty (30) days from the date on which the same become payable:
 - the amount of the sum due and payable by the Owner together with interest and the collection charge at the rate and for the amount as specified in Clause 4.17 of this Deed together with all costs and expenses which may be incurred in recovering or attempting to recover the same including the legal expenses referred to in Clause 4.18 of this Deed; or
 - (b) (as the case may be) the amount of damages awarded by the court,

and the legal expenses 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.

- 4.20 Any charge registered in accordance with Clause 4.19 of this Deed shall be enforceable as an equitable charge by action at the suit of the Manager for an order for sale of the Undivided Share or Shares of the defaulting Owner together with the right to the exclusive use, occupation and enjoyment of the part of the Development held therewith and the provisions of Clause 4.18 of this Deed shall apply equally to any such action.
- 4.21 The Manager shall without prejudice to anything herein mentioned further have power to commence proceedings for the purpose of enforcing the observance and performance, by any Owner and any person occupying any part of the Development through, under or with the consent of any such Owner, of the covenants, conditions and provisions of this Deed and any Sub-Deed(s) binding on such Owner and of the Estate Rules made hereunder and of recovering damages for the breach, non-observance or non-performance thereof. The provisions of Clause 4.18 of this Deed shall apply to all such proceedings.
- 4.22 Subject to Clause 9.1 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, and any surplus thereof shall form part of the Special Fund.

- 4.23 Where any insurance money, compensation, damages, costs and expenses or refunds are received or recovered (as the case may be) by the Manager in respect of any matter or thing for which any claim has been made against an Owner as provided in Clauses 4.17 to 4.21 of this Deed the same shall, after deduction of any costs or expenses reasonably incurred out of the pocket of the Manager in recovering the same, be credited to the Special Fund.
- 4.24 All money paid to the Manager by way of interest and collection charges shall be credited to the Special Fund.
- 4.25 Any person ceasing to be the Owner of any Undivided Share or Shares in the Land and the Development shall in respect of the Undivided Share or Shares of which he ceases to be the Owner thereupon cease to have any interest in the funds held by the Manager including the deposit paid under Clauses 4.13(a) and (d) of this Deed and his contribution(s) towards the Special Fund under Clause 4.12 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 Land and the Development

- (a) any such deposit shall be transferred into the name of the new Owner of such Undivided Share or Shares but the contribution(s) towards the Special Fund shall be neither refundable to any Owner by the Manager nor transferable to any new Owner; and
- (b) upon the Land reverting to the Government and no further Government lease being obtainable, any balance of the said funds, or in the case of extinguishment of rights and obligations as provided in Clause 9.1 of this Deed, an appropriate part of the said funds, shall be divided proportionately between the Owners contributing to the Management Expenses immediately prior to such reversion or, in the case of extinguishment of rights and obligations as aforesaid, between the Owners whose rights and obligations are extinguished, in both case in proportion to the number of Undivided Shares held by such Owners.
- 4.26 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 31st day of December in that year unless that period shall be less than six months in which event the first financial year shall run until the 31st day of December in the following year. 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).

- 4.27 (a) The Manager shall open and maintain an interest-bearing account to be held on trust by the Manager for and on behalf of all the Owners for the time being of the Land and the Development and the Manager shall use that account exclusively in respect of the management of the Land and the Development.
 - (b) Without prejudice to the generality of sub-clause (a) above, if there is an Owners' Corporation, the Manager shall open and maintain one or more segregated interest-bearing accounts, each of which shall be designated as a trust account or client account, for holding money received by him from or on behalf of the Owners' Corporation in respect of the management of the Development.
 - (c) The Manager shall display a document showing evidence of any account opened and maintained under sub-clause (a) or (b) above in a prominent place in the Development.
 - (d) Subject to sub-clauses (e) and (f) below, the Manager shall without delay pay all money received by the Manager in respect of the management of the Land and the Development into the account opened and maintained under sub-clause (a) above or, if there is an Owners' Corporation, the account or accounts opened and maintained under sub-clause (b) above.
 - (e) Subject to sub-clause (f) below, the Manager may, out of money received by the Manager in respect of the management of the Land and the Development, retain or pay into a current account a reasonable amount to cover expenditure of a minor nature, but that amount shall not exceed such figure as is determined from time to time by a resolution of the Owners' Committee (if any).
 - (f) The retention of a reasonable amount of money under sub-clause (e) above or the payment of that amount into a current account in accordance with sub-clause (e) above and any other arrangement for dealing with money received by the Manager shall be subject to such conditions as may be approved by a resolution of the Owners' Committee (if any).
 - (g) Any reference in this Clause to an account is a reference to an account opened with a bank within the meaning of section 2 of the Banking Ordinance (Cap.155), the title of which refers to the management of the Land and the Development.
 - (h) The Manager shall maintain proper books or records of accounts and other financial records and shall keep all bills, invoices, vouchers, receipts and other documents referred to in those books and records for at least six (6) years.
- 4.28 (a) Within one (1) month after each consecutive period of three (3) months, or such shorter period as the Manager may select, the Manager shall prepare a summary of income and expenditure and a balance sheet in respect of that period and shall display a copy of the summary and balance sheet in a

prominent place of the Development for display for at least seven (7) consecutive days.

- Within two (2) months after the close of each financial year, the Manager shall (b) prepare an income and expenditure account and balance sheet in respect of such closed financial year and display copies of the same in a prominent place of the Development for display for at least seven (7) consecutive days. The income and expenditure account and balance sheet shall within six (6) months after the close of each financial year be audited and certified by a firm of certified public accountants appointed by the Manager (provided that prior to the formation of the Owners' Corporation, the Owners at an Owners' meeting convened under this Deed shall have the power to require the income and expenditure account and balance sheet to be audited by an independent auditor of their choice) as providing an accurate summary of all items of income and expenditure during such closed financial year. Each income and expenditure account and balance sheet shall include details of the Special Fund and an estimate of the time when there will be a need to draw on the Special Fund, and the amount of money that will be then needed.
- 4.29 (a) The Manager shall permit any Owner, at any reasonable time, to inspect any of the books or records of accounts and any income and expenditure account or balance sheet prepared pursuant to this Deed. 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, the Manager shall without delay arrange for such an audit to be carried out by that person and: -
 - (i) permit any Owner, at any reasonable time, to inspect the audited income and expenditure account and balance sheet and the report made by the accountant or auditor in respect of the income and expenditure account and balance sheet; and
 - (ii) on payment of a reasonable copying charge, supply any Owner with a copy of the audited income and expenditure account and balance sheet, or the report made by the accountant or auditor in respect of the income and expenditure account and balance sheet, or both, as requested by the Owner.

SECTION V

5. Manager's Powers

- Subject to the provisions of the Building Management Ordinance, the Government Grant, this Deed and any Sub-Deed(s), the management of the Land and the Development shall be undertaken by the Manager for an initial period of two (2) years from the date of this Deed and shall continue until terminated as provided under Clause 4.1 of 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 any Sub-Deed(s) and subject to provisions of the Building Management Ordinance, the Manager has the authority to act for and on behalf of all Owners in accordance with the provisions of this Deed and any Sub-Deed(s). In addition to the other powers expressly provided in this Deed and any Sub-Deed(s), the Manager shall have authority to do all such acts and things as may be necessary or expedient for or in connection with the management of the Land and the Development including in particular but without in any way limiting the generality of the foregoing: -
 - (a) To demand, collect and receive all amounts payable by Owners under the provisions of this Deed;
 - (b) (i) To manage, maintain and control the common driveways and parking areas on the Land and the Development and to remove any cars, pedal bicycles, skateboards, motorcycles and other vehicles parked in any area not reserved for parking or loading and unloading or any vehicles parked in any Parking Space without the consent of the Owner or lawful occupier of such Parking Space or any vehicle parked in any Visitors' Parking Spaces, Residential Car Parking Spaces for Disabled Persons or Bicycle Parking 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 the Parking Spaces, the Visitors' Parking Spaces, the Residential Car Parking Spaces for Disabled Persons and the Bicycle Parking Spaces;
 - (ii) To manage, maintain and control the use of the Visitors' Parking Spaces, the Residential Car Parking Spaces for Disabled Persons and the Bicycle Parking Spaces and subject to the prior approval of the Owners' Committee (only after it has been formed) or the Owners' Corporation (if formed) to fix reasonable charges for the use thereof PROVIDED THAT all income deriving therefrom shall form part of the management funds for the Residential Common Areas and Facilities;
 - (iii) To manage, maintain and control the use of the Residential Loading and Unloading Bay In Phase 1 and subject to the prior approval of the Owners' Committee (only after it has been formed) or the Owners'

Corporation (if formed) to fix reasonable charges for the use thereof PROVIDED THAT all income deriving therefrom shall form part of the management funds for the Residential Tower Common Areas and Facilities;

- (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 or such other risks as the Manager shall reasonably deem fit, public liability, occupiers' liability and employer's liability for the employees employed within the Development in connection with the management of the Development with some reputable insurance company or companies in the name of the Manager for and on behalf of the Owners according to their respective interests and in such sum or sums as the Manager shall deem fit and to pay all premia required to keep such insurance policies in force and, without limiting the generality of the foregoing, if the Manager considers so desirable, to procure block insurance for the Development as a whole 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 storage and material recovery chamber in the Development;
- (e) To keep in good order and repair and condition the lighting of the Common Areas and Facilities;
- (f) To keep the Common Areas and Facilities in a clean and sanitary state and condition;
- (g) To repair, improve, renovate, maintain, clean, paint or otherwise treat or decorate as appropriate, the structure and fabric of the Development, the external walls (excluding the external walls of the Houses), architectural fixtures and fittings thereof, elevations, façade, canopies, architectural features, fixtures and fittings thereof forming part of the Common Areas and Facilities but excluding windows and window frames except those situated in the Common Areas and Facilities PROVIDED THAT the Manager shall have the power at the expense of the Owner concerned to replace broken window glass if any such shall be broken and remain unreplaced for seven (7) days (except in emergency) after the Manager shall have served a notice on the Owner or occupier of the Unit concerned requiring him to replace the same;
- (h) To choose from time to time the colour and type of façade of the Development, including that of the Common Areas and Facilities and the Residential Units;
- (i) To keep all the sewers, drains, watercourses and pipes forming part of the Common Areas and Facilities free and clear from obstructions;

- (j) To 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 except with the prior approval by a resolution of Owners at an Owners' meeting convened under this Deed, the Manager will not carry out any improvement or provision of additional facilities or services which involves expenditure in excess of 10% of the current annual management budget) 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 Land or any part thereof by reason of any maintenance or other works carried out by the Manager as herein provided and to make good any such damage;
- (l) To paint, white-wash, tile or otherwise treat as may be appropriate the exterior of the Development and the Common Areas and Facilities at such intervals as the same may reasonably require to be done;
- (m) To replace any glass in the Common Areas and Facilities that has been broken;
- (n) To keep the Common Areas and Facilities well lighted and in a tidy condition;
- (o) To keep in good order and repair the ventilation of the enclosed part or parts of the Common Areas and Facilities;
- (p) 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 the refuse collection facilities of the Development to the satisfaction of the relevant Government authorities;
- (q) To prevent unauthorised obstruction of the Common Areas and Facilities and to remove and impound any structure article or thing causing the obstruction;
- (r) 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 Development or any part thereof;

- (s) To provide and maintain as the Manager deems reasonably necessary security force, watchmen, porters, caretakers, closed circuit television system and burglar alarms and other security measures in the Development at all times;
- (t) To maintain and operate or contract for the maintenance and operation of the communal radio or television aerials, or cable television system (if any) which serve the Development;
- (u) To remove any structure or installation, signboard, advertisement, sunshade, bracket, fitting, obstruction, device, aerial or anything in or on the Development or any part thereof which is illegal, unauthorised or which contravenes the terms herein contained or any of the provisions of the Government Grant or this Deed or any Sub-Deed(s)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;
- To appoint a solicitor or other appropriate legal counsel to advise upon any (v) point which arises in the management of the Development necessitating professional legal advice and with authority to accept service on behalf of all the Owners for the time being of the Land and the Development of all legal proceedings relating to the Land and the Development (except proceedings relating to the rights or obligations of individual Owners) and to commence, conduct, carry on and defend in its own name legal and other proceedings touching or concerning the Land and the Development or the management thereof, and, in particular but without limiting the foregoing, in all proceedings in which the Government shall be a party and at all times within seven (7) days of being requested so to do by the Director of Lands or other competent authority 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 (Cap. 4A) (or any provision amending or in substitution for the same) or the Government Grant or otherwise;
- (w) To prevent (by legal action if necessary) any person including an Owner from occupying or using any part of the Land and the Development in any manner in contravention of the Government Grant or this Deed or any Sub-Deed(s) or the Estate Rules;
- (x) To prevent (by legal action if necessary) and to remedy any breach by any Owner or other person occupying or visiting the Development of any provisions of the Government Grant or this Deed or any Sub-Deed(s) or the Estate Rules;
- (y) To prevent any person detrimentally altering or injuring any part or parts of the Development or any of the Common Areas and Facilities thereof;
- (z) To prevent any person from overloading the floors of the Development or any part or parts thereof;

- (aa) To prevent any person from overloading any of the electrical installations and circuits or any of the mains or wiring in the Development;
- (bb) To have the sole right to represent all the Owners in all matters and dealings with the Government or any statutory body or any utility or other competent authority or any other person whomsoever in any way touching or concerning the Land and the Development as a whole or the Common Areas and Facilities, the Fire Safety Management Plan (including but not limited to all fire services installations required to be installed pursuant to the Fire Safety Management Plan) and the fire safety system of the Development with power to bind all Owners as to any policy reasonably adopted or decision reasonably reached or action reasonably taken in relation to any such dealings;
- Subject to Clause 5.8 below, to enter into contracts and to engage, appoint, employ, remunerate and dismiss consultants, other professional property management companies, contractors, agents or sub-managers to carry out various aspects of the management works or management works in respect of certain area(s) of the Development 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 and any Sub-Deed(s) 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;
- (dd) Subject to Clause 5.8 below, to enter into contracts and to engage, employ, remunerate and dismiss solicitors, architects, accountants, surveyors and other professional advisers and consultants to give advice to the Manager and work on all matters related to the management of the Land and the Development and the performance of the Manager's powers and duties hereunder and to recruit and employ such workmen, servants, watchmen, caretakers, clubhouse staff, management staff, clerical staff, accountants, gardeners and other staff and attendants as may from time to time be necessary to enable the Manager to perform any of its powers and duties in accordance with this Deed and any Sub-Deed(s) on such terms as the Manager shall in its reasonable discretion decide;
- (ee) To enforce the due observance and performance by the Owners and occupiers of the terms and conditions of the Government Grant and this Deed and any Sub-Deed(s) and the Estate Rules 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;
- (ff) To post the number of the Unit whose Owner or occupant is in default or in breach of the terms and conditions of this Deed or any Sub-Deed(s) together with particulars of the default or breach on the public notice boards of the Development after prior written notice to the defaulting Owner if the defaulting Owner fails to remedy his default or breach after a reasonable period of time has been given to him to do so;

(gg) Subject to the prior written approval of Owners at an Owners' meeting convened under this Deed and subject to the Government Grant, to grant or obtain such easements, quasi-easements, rights, privileges, licences, and informal arrangements as it shall in its absolute discretion consider necessary to ensure the efficient management of the Land and the Development

PROVIDED THAT: -

- (i) the exercise of this right shall not interfere with an Owner's right to hold, use, occupy and enjoy his Unit or impede or restrict the access to or from such Unit; and
- (ii) any payment received shall be credited to the Special Fund;
- (hh) Subject to the prior written approval of Owners at an Owners' meeting convened under this Deed and subject to the Government Grant, to grant rights of way or access or use the Common Areas and Facilities at any floor level (other than the floor level of the Residential Accommodation, the Recreational Areas and Facilities and the Club House) to the owners or occupiers of any other premises adjoining the Land and upon such terms and conditions as the Manager may think fit

- (i) any benefit thereof shall accrue to the Owners and on behalf of the Owners to obtain a grant of similar rights in respect of such adjoining premises;
- (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 payment received shall be credited to the Special Fund;
- (ii) Subject to the prior written approval of Owners at an Owners' meeting convened under this Deed and subject to the Government Grant, to grant easements and rights of any other kind to the owners and occupiers of adjoining properties to construct, lay, maintain, remove and renew drains, pipes, cables, irrigation pipes, and other installations, fittings, chambers, and other equipment and structures within the Land which the Manager shall in its absolute discretion deem appropriate PROVIDED THAT: -
 - (i) any benefit thereof shall accrue to the Owners and on behalf of the Owners to obtain a grant of similar easements and rights from owners or managers of such adjoining properties;

- (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 payment received shall be credited to the Special Fund;
- (jj) To deal with all enquiries, complaints, reports and correspondence relating to the Development as a whole;
- (kk) Subject to the approval of the Owners' Committee (only after it has been formed) or the Owners' Corporation (if formed), to grant licences to other persons to use such of the Common Areas and Facilities and on such terms and conditions and for such consideration as the Manager shall reasonably think fit PROVIDED THAT: -
 - (i) such use shall not be in breach of the Government Grant and all income arising therefrom shall form part of the management funds and be dealt with in accordance with the provisions of this Deed and any Sub-Deed(s);
 - (ii) the exercise of this right shall not interfere with the Owners' enjoyment of the Common Areas and Facilities; and
 - (iii) 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 and from his Unit;
- (11) To remove any bird or animal from the Development, if (i) in the opinion of the Manager, such bird or animal is causing a nuisance or disturbance to other Owners or occupiers of the Development or (ii) if the same has been the cause of written complaint of at least four (4) other Owners or occupiers of the Development received by the Manager and in the opinion of the Manager justified PROVIDED THAT this sub-clause shall not apply to trained guide dogs on leash for the visually impaired residents;
- (mm) To provide such Christmas, Chinese New Year and other festive decorations, to organize such festive celebrations or activities for the Development and to host festive events within the Development as the Manager shall in its reasonable discretion consider desirable;
- (nn) From time to time with the approval of the Owners' Committee (only after it has been formed) or the Owners' Corporation (if formed) to make, revoke or amend the Estate Rules as it shall deem appropriate which shall not be inconsistent with the Building Management Ordinance or the Government Grant, this Deed or any Sub-Deed(s);
- (00) To give or withhold its written consent or approval to anything which requires its written consent or approval pursuant to this Deed and any Sub-Deed(s) (PROVIDED THAT the Manager shall not unreasonably withhold its consent

or approval) and shall not charge any fee other than a reasonable administrative fee for issuing the consent or approval (such administrative fees for granting of such consent or approval shall be held by the Manager and credited to the Special Fund);

- (pp) 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;
- (qq) To do all things which the Manager shall in its discretion deem necessary or desirable for the purposes of maintaining and improving all facilities and services in or on the Development for the better enjoyment or use of the Development by its Owners occupiers and their licensees PROVIDED THAT any improvement to facilities or services which involves expenditure in excess of 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;
- (rr) Subject to the prior approval of Owners at an Owners' meeting convened under this Deed, in the event that the Government agrees to take over or resume any part or parts of the Common Areas and Facilities to surrender the same or any part thereof to the Government and the Manager is HEREBY APPOINTED the lawful attorney to execute and sign all relevant documents on behalf of all the Owners for such purpose including matters relating to payment of compensation PROVIDED THAT: -
 - (i) any benefit or monetary compensation so obtained shall be used for the common benefit of all the Owners and be credited into the Special Fund; and
 - (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;
- (ss) Subject to the prior written approval of Owners' at an Owners' meeting convened under this Deed and subject to the Government Grant, to grant such easements, quasi-easements, rights, privileges and licences to and to enter into such arrangements and agreements with the Government or the general public 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: -
 - (i) any such easements, quasi-easements, rights, privileges and licences shall not interfere with any Owner's right to hold, use, occupy and enjoy the part of the Development which he owns or impede or restrict the access to and from any such part of the Development; and
 - (ii) all income arising therefrom shall be credited into the Special Fund;

- (tt) Subject to the prior approval of the Owners' Committee (only after it has been formed) or the Owners' Corporation (if formed): -
 - (i) to make rules and regulations governing the use of the Club House;
 - (ii) to appoint or employ agents, contractors or sub-managers to operate all or any part of the Club House

- (1) 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 Club House and the facilities therein; and
- any deficit in the operation of the Club House or any part thereof shall be charged to the management funds for the Residential Common Areas and Facilities;
- If the Manager thinks so desirable, to provide appropriate and (uu) (i) sufficient waste separation and recovery facilities including, but not limited to, waste separation bins at such locations within the Common Areas and Facilities as it may consider suitable and convenient to facilitate waste separation and recovery by the Owners and occupiers of the Development. In such event, the Manager shall ensure that the waste separation and 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 waste separation and recovery facilities or through the regular cleansing process shall be properly collected, stored, and sent for recycling. The Manager shall also maintain the facilities so provided in an environmentally acceptable and hygienic manner to avoid creating nuisance to the Owners and occupiers of the Development;
 - (ii) To organize any activities as the Manager may consider appropriate to promote the environmental awareness of the Owners and occupiers of the Development and to encourage them to participate in such activities with a view to improving the environmental conditions of the Development;
 - (iii) To organize environmental or recycling activities or initiatives through the collaboration or engagement of contractors;
 - (iv) Subject to the provisions of this Deed and any Sub-Deed(s) and with reference to guidelines on property management issued from time to time by the Director of Environmental Protection, to make the Estate Rules to require the Owners and occupiers of the Development to

dispose of their rubbish properly for waste separation and recycling purposes;

- (vv) To take all steps necessary or expedient for complying with the Government Grant and any Government requirements concerning the Development or any part thereof;
- (ww) To engage qualified personnel to inspect or carry out structural, building, condition or other surveys of the Development or any part thereof including the drains and channels within or outside the Land serving the Development as and when the Manager deems necessary or desirable;
- (xx) To maintain all areas, open spaces and other facilities as are required to be maintained under the provisions of the Government Grant;
- Full authority (for this purpose, shall include the Owners' Corporation in (yy) addition to the Manager) to engage suitable qualified personnel to inspect keep and maintain in good substantial repair and condition of the Slope Structures as required by the Government Grant and in accordance with "Geoguide 5 -Guide to Slope Maintenance" issued by the Geotechnical Engineering Office as amended from time to time and the maintenance manual for the Slope Structures and with such other guidelines issued from time to time by appropriate Government departments regarding the maintenance of slopes, retaining walls and related structures and to carry out any necessary works in relation thereto and to collect all cost lawfully incurred or to be incurred by the Manager in carrying out such necessary maintenance, repair and any other works in respect of the Slope Structures from the Owners in proportion to the Undivided Shares (excluding the Undivided Shares allocated to the Common Areas and Facilities) allocated to their parts of the Land and the Development and to collect such additional sums (in case of insufficient management funds) from time to time to cover all cost lawfully incurred or to be incurred in carrying out such maintenance and repair PROVIDED THAT the Manager (which for this purpose shall include the Owners' Corporation) shall not be personally liable for carrying out such maintenance and repair works, which shall remain the responsibility of the Owners if, having used all reasonable endeavours, the Manager has not been able to collect all cost so incurred or to be incurred from all Owners;
- (zz) 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;
- To implement the Fire Safety Management Plan and to issue any guideline or (aaa) direction from time to time relating to its implementation (including the arranging of regular visual inspection in every six months to ensure no alteration or removal of the fire safety provisions within the Open Kitchen Units, the arranging of inspection and certification at least once a year of the fire safety provisions within the Common Areas and Facilities and within the Open Kitchen Units (at the relevant Owners' expenses) by a registered fire services installations contractor and the arranging of fire drills for the occupants of the Development at least once a year) in accordance with the Fire Safety Management Plan, and where the Manager considers necessary, to enter with a registered fire services installations contractor, equipment and materials at all reasonable times on reasonable written notice (except in an emergency when no notice is required) and with the relevant Owner's consent any Open Kitchen Unit for the registered fire services installations contractor to carry out regular testing, maintenance, reinstatement, rectification, annual inspection and/or certification of the fire safety installations for open kitchen at that Owner's expenses or to verify observance and compliance of provisions set out in the FOURTH SCHEDULE hereto;
- (bbb) If the Manager shall in its discretion deem fit to operate or contract for the operation of shuttle bus services for the use and benefit of the Owners and residents for the time being of the Development and during such times and at such intervals and to such destinations as the Manager may think appropriate and to charge the users of the shuttle bus services such fares as the Manager may think reasonable PROVIDED THAT the prior written approval of the Owners' Committee (only after it has been formed) or the Owners' Corporation (if formed) is obtained for the exercise of the right under this subclause and any fares collected hereunder shall be credited to the management funds;
- (ccc) To provide or procure to provide value-added services, such as, taxi calling services, organizing festive events, lending first-aid kits and other tools and keeping of parcels at its discretion to the Owners and/or occupiers of the Development;
- (ddd) To inspect, clean, repair, maintain, replace or reinstate, control, operate, financially support and maintain the relevant part or parts of the Noise Mitigation Measures which form part of the Common Areas and Facilities;
- (eee) In respect of flat roof or roof or garden forming part of a Flat, at all reasonable times on prior written notice (except in case of emergency) to extend, maintain, operate, move and have access to, over and/or into or partly into the portion of airspace above the flat roof and/or roof or the parapet walls of the flat roof and/or roof or the garden of the Flat as may be determined by the

Manager, a tracked telescopic jib gondola and/or any jib, davit arm, other equipment or device of management including all jibs, brackets, hinges, posts or other related equipment (collectively referred to in this Deed as the "gondola"): -

- (i) to service, cleanse, enhance, maintain, repair, renovate, decorate, improve and/or replace any part of any exterior (other than such part or parts the exclusive right to use is vested in an Owner) of the Residential Towers, and
- (ii) to remain temporarily over and/or on the said airspace for such reasonable period as may be necessary

for the purpose of inspecting, rebuilding, repairing, renewing, maintaining, cleaning, painting or decorating all or any part of the Residential Common Areas and Facilities or the Residential Tower Common Areas and Facilities

- an Owner's right to hold, use, occupy and enjoy the Flats shall not be interfered with and his access to the Flats shall not be impeded; and
- (2) the Manager shall make good any damage caused thereby at its own costs and expenses and shall be liable for negligent, dishonesty, wilful or criminal acts of the Manager, its staff, agents, contractors or workmen and ensure that the least disturbance is caused;
- (fff) To repair, maintain, upkeep, improve, control and operate the Recreational Areas and Facilities, the Green Area, the Green Area Structures, the Green Edged Red Area Passageway Structures, the Green Hatched Black Area and the Brown Edged Red Area, the horizontal greening and the vertical greening, and to landscape, plant with trees and shrubs, flowers, bushes, grass and other vegetation on any part or parts of the Common Areas and Facilities as the Manager shall deem appropriate and maintain the same;
- (ggg) To ensure that no hawkers shall carry on business on any part of the Land or the Development and remove any hawker found to be so doing and to post up and display notices to the effect that hawker is prohibited on the Land and the Development prominently near all entrances of the Land and the Development;
- (hhh) To recruit and employ such staff as may from time to time be necessary to enable the Manager to perform any of its powers in accordance with this Deed and any Sub-Deed(s) on such terms as the Manager shall in its absolute discretion decide and to provide accommodation, uniforms, working clothes, tools, appliances, cleaning and other materials and all equipment necessary therefor;

- (iii) To control, manage and maintain the management offices, lavatory for watchmen and management staff and the Owners' Corporation or the Owners' Committee Office (which form part of the Estate Common Areas and Facilities);
- (jjj) To make payment to the Government on demand of the cost incurred by the Government in connecting the drains and sewers from the Land to the Government storm water drains and sewers which are required to be connected pursuant to the Government Grant;
- (kkk) Subject to the approval obtained from the relevant government authorities (if required) and having also obtained prior consent (which consent shall not be unreasonably withheld) from the Owners affected by the relevant works (except in case of emergency), to erect or place temporarily on the external wall, flat roof, roof, balcony, utility platform scaffolding or other equipment necessary for the proper repair of the plumbing facilities, the external walls and windows of the Residential Towers at reasonable time PROVIDED THAT: -
 - (i) the Manager shall cause as little disturbance as possible;
 - (ii) the Manager shall forthwith make good any damage caused thereby at its own costs and expense and shall be liable for negligent, dishonesty, wilful or criminal acts of the Manager, its staff, agents, contractors or workmen in the course of exercising the aforesaid rights;
 - (iii) an Owner's right to hold, use, occupy and enjoy his Unit shall not be interfered with and an Owner's right of access to and from his Unit shall not be impeded;
- (III) To repair and maintain the drains and channels and drainage system whether within or outside the Land serving the Development which is required to be maintained pursuant to the Government Grant;
- (mmm)To manage, maintain and control the Carpark Common Areas and Facilities, including but not limited to the lifts, landings and manoeuvring and circulation areas in accordance with the Government Grant and to remove any vehicles parked in any area not reserved for parking or any vehicles parked in any Parking Spaces without the consent of the Owners or occupier of such Parking Spaces 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 Parking Spaces, the Residential Loading and Unloading Bay In Phase 1, the Visitors' Parking Spaces and the Residential Car Parking Spaces for Disabled Persons;
- (nnn) At the request of the Owners' Corporation (if any), to transfer to the Owners' Corporation the management of the Land and the Development free of cost or consideration and to assign the Undivided Shares relating to the Common Areas and Facilities to the Owners' Corporation, without cost or consideration,

- for the benefit of the Owners and upon such assignment such Undivided Shares shall be held by the Owners' Corporation as trustee for all the Owners;
- (000) To manage, maintain, control and regulate the use of the Residential Loading and Unloading Bay In Phase 1, the Visitors' Parking Spaces and the Residential Car Parking Spaces for Disabled Persons and to charge users thereof (if so required) such fees as the Manager shall reasonably determine PROVIDED THAT all fees shall be credited to the management funds;
- (ppp) In the event of the covenants specified in Clause 45 of the Third Schedule hereto being in breach by the Owners of the Non-enclosed Areas In Phase 1, the Manager, without prejudice to the right of the other co-owners, shall have the right to demand the defaulting Owners to rectify the breach forthwith, and if necessary, to reinstate the Non-enclosed Areas In Phase 1 to their original state under the Building Plans and if the defaulting Owners shall fail to rectify the breach within fourteen (14) days from the notice given by the Manager, the Manager shall have the right to take such steps as he may in his absolute discretion consider necessary to secure compliance with the aforesaid covenants. The defaulting Owners shall pay to the Manager all cost incurred by the Manager for or in relation to the steps taken by the Manager for the aforesaid purpose;
- (qqq) To grant access to CLP Power Hong Kong Limited or its staff, contractors, workers or agents a free and unobstructed right of way and vehicular access to go pass and repass and through the Land and the Development to such areas of the Land and the Development as provided by the First Owner to CLP Power Hong Kong Limited to manage, control, maintain, repair and replace (if so required) any of the electrical installations or the electric vehicle chargers and associated equipment (if any) provided for the Residential Loading and Unloading Bay In Phase 1, the Visitors' Parking Spaces and the Residential Car Parking Spaces for Disabled Persons;
- (rrr) To manage, control, maintain, repair and replace (if so required) the electric vehicle chargers and associated equipment (if any) provided for the Residential Loading and Unloading Bay In Phase 1, the Visitors' Parking Spaces and the Residential Car Parking Spaces for Disabled Persons;
- (sss) To do all such other things as are reasonably incidental to the management of the Land and the Development.
- 5.2 Without limiting the generality of the other express powers of the Manager herein contained, the Manager shall have power: -
 - (a) To manage and control the parking of motor vehicles or motor cycles (as the case may be) in the Parking Spaces, the House Car Parking Spaces and the Visitors' Parking Spaces and to remove any motor vehicles or motor cycles parked in any area not reserved for parking or parked in any parking space without the permission of the Manager or (as the case may be) the Owner;

- (b) To impound and/or remove any motor vehicle or motor cycle parked anywhere on or in the Carpark Common Areas and Facilities not so designated for parking or which shall cause an obstruction or which is contrary to the provisions of this Deed, Sub-Deed(s) or any Estate Rules or the owner and/or the driver of such motor vehicle or motor cycle has defaulted in paying parking fees; and any damage caused to such motor vehicles or motor cycles during or as a consequence of such impoundment or removal shall be the sole responsibility of the owners and/or the drivers of such motor vehicles or motor cycles thereof;
- (c) To ban vehicles or any particular category of vehicles from the Land or any particular parts thereof either generally or during certain hours of the day or night PROVIDED THAT the right of the Owners of Parking Spaces to the proper use and enjoyment of such Parking Spaces in accordance with the provisions of the Government Grant and these presents shall not be affected;
- (d) To remove and impound any vehicle parked anywhere on the Common Areas and Facilities not so designated for parking or which shall cause an obstruction or which Owner has defaulted in paying parking fees (if any) or which Owner or driver is in breach of the Car Parking Rules and any reasonably foreseeable damage caused to such vehicles during or as a consequence of such removal shall be the sole responsibility of the Owner thereof;
- (e) To impose charges for any such removal 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.
- (f) To charge the Owners for the temporary use of electricity, water or other utilities supplied by the Manager PROVIDED THAT such charges shall be paid into the management funds and to charge the Owners for the collection and removal of fitting out or decoration debris (if any) PROVIDED THAT such charges not used to pay for debris collection or removal shall be credited to the Special Fund;
- (g) To charge the Owners for the use of fresh or flushing water supplied otherwise than through the individual meters of the Owners at such rates as are from time to time determined by the Manager provided such charges shall be paid into the management funds;
- (h) From time to time to make rules and regulations governing the supply and use of fresh and sea water to all parts of the Development, the payment and recovery of charges for installation, disconnection, reconnection and readings of meters, damage to meters and default interest to a like extent as are from time to time made by the Government PROVIDED THAT the rules and regulations and any amendments shall not be inconsistent with or contravene this Deed, the Building Management Ordinance or the provisions of the Government Grant;

- (i) To manage, repair, upkeep, maintain and to keep well-lighted the Common Areas and Facilities and to manage and maintain such other areas or drains and channels whether within or outside the Land that are required to be maintained under the Government Grant;
- (j) Subject to the approval of the Owners' Committee (only after it has been formed) or the Owners' Corporation (if formed), to charge a prescribed fee for entry into and/or use of the Club House, the Visitors' Parking Spaces, the Residential Car Parking Space for Disabled Persons, the Bicycle Parking Spaces, or any part thereof PROVIDED THAT all such prescribed fees collected relating to the Club House or any part thereof shall become part of the management funds to be utilised towards the maintenance, operation, repair and improvement of the Club House and the facilities therein and all such prescribed fees collected relating to the Visitors' Parking Spaces, the Residential Car Parking Space for Disabled Persons, the Bicycle Parking Spaces, or any part thereof shall form part of the management funds to be utilised towards the management, maintenance and repair of the Residential Common Areas and Facilities respectively;
- (k) Subject to the approval of the Owners' Committee (only after it has been formed) or the Owners' Corporation (if formed), to charge a prescribed fee for entry into and/or use of the Residential Loading and Unloading Bay In Phase 1, or any part thereof PROVIDED THAT all such prescribed fees collected shall form part of the management funds to be utilised towards the management, maintenance and repair of the Residential Tower Common Areas and Facilities;
- (1) To maintain, manage and repair the Greenery Area, the horizontal greening, the vertical greening, the Green Area, the Green Area Structures, the Green Edged Red Area Passageway Structures, the Green Hatched Black Area and the Brown Edged Red Area in accordance with the Government Grant, this Deed and any Sub-Deed(s).
- 5.3 The Manager shall have power to enter with or without workmen, contractors, public officers and others and with or without equipment and apparatus at all reasonable times on prior reasonable notice (except in case of emergency) into all parts of the Development including all parts of any Unit for the purposes of: -
 - (i) effecting necessary repair, replacement, maintenance and cleaning to any part or parts of the Development or the Common Areas and Facilities or for the exercise and carrying out of any of its powers under the provisions of this Deed;
 - (ii) replacing, repairing and maintaining any of the fresh or sea water mains and pipes serving any part of the Land whether or not the same belong exclusively to any Unit;
 - (iii) inspecting the toilets and the sanitary provisions therein and to repair any part or parts of a toilet which shall leak at the relevant Owner's cost and expense;

- (iv) inspecting, repairing, replacing and maintaining the sprinkler system, firefighting equipment or door hold open device forming part of the Common Areas and Facilities for compliance with the Fire Services Ordinance (Cap. 95) or any by-laws or regulations made thereunder;
- (v) inspecting repairing, replacing and maintaining the lifts, lift doors, lift control panels, access card system and their ancillary provisions forming part of the Common Areas and Facilities for the compliance with the Lifts and Escalators Ordinance (Cap. 618) or any by-laws or regulations made thereunder

- (1) the Manager shall cause as little disturbance as possible when carrying out such works and shall forthwith make good any damage caused thereby at its own costs and expense and shall be liable for negligent, dishonesty, wilful or criminal acts of the Manager, its staff, agents, contractors or workmen in the course of exercising the aforesaid rights; and
- (2) an Owner's right to hold, use, occupy and enjoy the Units shall not be interfered with and his access to the Units shall not be impeded.
- 5.4 The Common Areas and Facilities shall managed by the Manager who is hereby appointed to act as agent for and on behalf of all Owners duly authorised in accordance with the provisions of this Deed and any Sub-Deed(s) in respect of any matter concerning the Common Areas and Facilities.
- 5.5 All acts and decisions of the Manager reasonably arrived at in accordance with the provisions of this Deed in respect of any of the matters aforesaid shall be binding in all respects on all the Owners for the time being.
- 5.6 (a) Subject to the approval of the Owners' Committee (only after it has been formed) or the Owners' Corporation (if formed), the Manager shall have power from time to time to make, revoke and amend the Estate Rules regulating the use, occupation, maintenance and environmental control of the Land and the Development, the Common Areas and Facilities, protection of the environment of the Development and implementation of 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 Estate Rules shall be binding on all the Owners, their tenants, licensees, servants or agents. A copy of the Estate Rules from time to time in force shall be posted on the public notice boards of the Development and a copy thereof shall be supplied to each Owner on request on payment of reasonable copying charges. All charges received must be credited into the Special Fund.

- (b) Such Estate Rules shall be read in conjunction to the terms and conditions contained in this Deed and must not in any way conflict with such terms and conditions. In case of inconsistency between such Estate Rules and the terms and conditions of this Deed the terms and conditions of this Deed shall prevail. The Estate Rules and any amendments thereto must not be inconsistent with or contravene the Building Management Ordinance or the Government Grant.
- (c) The Owners' Committee shall not be held liable for any loss or damage however caused arising from any non-enforcement of such Estate Rules or non-observance thereof by any third party.
- (d) The Manager shall not be held liable for any loss or damage however caused arising from any non-enforcement of such Estate Rules or non-observance thereof by any third party, except that the Manager shall be liable for any loss or damage however caused arising from any act or omission involving criminal liability, dishonesty or negligence on the part of the Manager or his employees, agents or contractors.
- 5.7 The Manager shall 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 Land and the Development.
- 5.8 (a) Subject to sub-clauses (b) and (c) below, the Manager shall not enter into any contract for the procurement of any supplies, goods or services the value of which exceeds or is likely to exceed the sum of HK\$200,000 or such other sum in substitution therefor as the Authority may specify by notice in the Gazette unless: -
 - (i) the supplies, goods or services are procured by invitation to tender; and
 - (ii) the procurement complies with the Code of Practice referred to in section 20A(1) of the Building Management Ordinance.
 - (b) Subject to sub-clause (c) below, the Manager shall not enter into any contract for the procurement of any supplies, goods or services the value of which exceeds or is likely to exceed a sum which is equivalent to 20% of the annual management budget or such other percentage in substitution therefor as the Authority may specify by notice in Gazette unless: -
 - (i) if there is an Owners' Corporation: -
 - (1) the supplies, goods or services are procured by invitation to tender:
 - (2) the procurement complies with the Code of Practice referred to in section 20A(1) of the Building Management Ordinance; and

- (3) whether a tender submitted for the purpose is accepted or not is decided by a resolution of the Owners passed at a general meeting of the Owners' Corporation, and the contract is entered into with the successful tenderer; or
- (ii) if there is no Owners' Corporation: -
 - (1) the supplies, goods or services are procured by invitation to tender;
 - (2) the procurement complies with the Code of Practice referred to in section 20A(1) of the Building Management Ordinance; and
 - (3) whether a tender submitted for the purpose is accepted or not is decided by a resolution of the Owners passed at a meeting of the Owners convened and conducted in accordance with this Deed, and the contract is entered into with the successful tenderer.
- (c) Sub-clauses (a) and (b) above do not apply to any supplies, goods or services which but for this sub-clause (c) would be required to be procured by invitation to tender (referred to in this sub-clause (c) as "relevant supplies, goods or services"): -
 - (i) where there is an Owners' Corporation, if: -
 - (1) the relevant supplies, goods or services are of the same type as any supplies, goods or services which are for the time being supplied to the Owners' Corporation by a supplier; and
 - (2) the Owners' Corporation decides by a resolution of the Owners passed at a general meeting of the Owners' Corporation that the relevant supplies, goods or services shall be procured from that supplier on such terms and conditions as specified in the resolution, instead of by invitation to tender; or
 - (ii) where there is no Owners' Corporation, if: -
 - (1) the relevant supplies, goods or services are of the same type as any supplies, goods or services which are for the time being supplied to the Owners by a supplier; and
 - (2) the Owners decide by a resolution of the Owners passed at a meeting of the Owners convened and conducted in accordance with this Deed that the relevant supplies, goods or services shall be procured from that supplier on such terms and conditions as specified in the resolution, instead of by invitation to tender.

SECTION VI

6. Exclusions and Indemnities

- 6.1 The Manager and its employees shall not be liable to the Owners' Committee or the Owners or any of them or to any person or persons whomsoever whether claiming through, under or in trust for any Owner or otherwise, for or in respect of any act, deed, matter or thing done or omitted in pursuance or purported pursuance of the provisions of this Deed or the instructions from the Owners' Committee or the Owners, not being an act or omission involving criminal liability, dishonesty or negligence on the part of the Manager, its employees, agents or contractors. Without in any way limiting the generality of the foregoing, the Manager and its employees 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 the lifts, fire and security services equipment, air-conditioning plants and other facilities (if any) or the Common Areas and Facilities of or in the Development; or
 - (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 or dishonesty or negligence and PROVIDED THAT no owner will be required to indemnify the Manager or its employees, agents or contractors from and against any action, claim etc. arsing out of any act or omission involving criminal liability, dishonesty or negligence and PROVIDED FURTHER THAT the management contribution or any other charges payable under this Deed or any part thereof shall not be abated or cease to be payable on account thereof.

- 6.2 Each Owner shall be responsible for and shall indemnify the Manager, 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 Owner or any occupier of any Unit of which he has the exclusive use or any person using such Unit with his consent express or implied or by, or through, or in any way owing to the fire, overflow of water or leakage of electricity or gas therefrom.
- Each Owner shall be responsible for and shall indemnify the Manager, 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 this Deed and any Sub-Deed(s) or for which the Manager has in its reasonable discretion elected not to repair or make good, such costs, charges and expenses together with all other damages recoverable by law shall be recoverable by the person or persons sustaining the loss or damage.

SECTION VII

7. Owners' Committee

- 7.1 As soon as practicable 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.
- 7.2 The Owners' Committee shall consist of nine (9) members, or such number of members as the Owners may decide from time to time by resolution at a meeting of the Owners.
- 7.3 The functions of the Owners' Committee shall include the following: -
 - (a) the representing of the Owners in all dealings with the Manager;
 - (b) the undertaking of such other duties as the Manager may, with their approval, delegate to them;
 - (c) the reviewing of the annual budget and revised annual budget prepared by the Manager;
 - (d) the approval of the Estate Rules made from time to time by the Manager and any amendment or revocation thereof;
 - (e) to elect a manager to take the place of the Manager in accordance with the provisions of Clause 4.2 of this Deed;
 - (f) to liaise with the Manager in respect of all matters concerning the management of the Land and the Development;
 - (g) to convene meetings of all Owners;
 - (h) to act as the Manager during such period as no Manager is appointed;
 - (i) the appointment of accountants for audit of the annual accounts prepared by the Manager; and
 - (j) the exercise of all other powers and duties conferred on the Owners' Committee by virtue of these presents.
- 7.4 (a) Any Owner and, in the event of an Owner being a corporate body, any representative appointed by such Owner, shall be eligible for membership of the Owners' Committee. 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

PROVIDED THAT the Owner of a Phase shall not be entitled to elect or send their representatives to the Owners' Committee unless and until after the issuance of the relevant Occupation Permit covering the relevant Phase, and the holding of the annual general meeting of the Owners immediately following the issuance of the Occupation Permit.

- (b) If at any annual general meeting at which an appointment or election of a member should take place, the office of the retiring member is not filled, or if in any year no annual general meeting is held, the members may appoint a person, from amongst themselves, to fill the office of the retiring member till the next general meeting.
- 7.5 A member of the Owners' Committee shall retire from office at every alternate annual meeting following his appointment but shall be eligible for re-election but subject to this he shall hold office until: -
 - (a) he resigns by notice in writing to the Owners' Committee; or
 - (b) he ceases to be eligible or is not re-elected at the meeting of Owners at which he stands for re-election; or
 - (c) he becomes bankrupt or insolvent or enters into a composition with his creditors or is convicted of a criminal offence other than a summary offence not involving his honesty or integrity; or
 - (d) he becomes incapacitated by physical or mental illness or death; or
 - (e) he is removed from office by resolution of a duly convened meeting of Owners; or
 - (f) he ceases to be an Owner of a Unit in the Development.

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

- 7.6 A meeting of the Owners' Committee may be convened at any time by the chairman or any two 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 other business of which due notice is given in the notice convening the meeting.
- 7.7 The person or persons convening the meeting of the Owners' Committee shall, at least seven (7) days before the date of the meeting, give notice of the meeting to each member of the Owners' Committee. Such notice of meeting shall specify (i) the date,

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

- (a) by delivering it personally to the member of the Owners' Committee; or
- (b) by sending it by post to the member of the Owners' Committee at his last known address; or
- (c) by leaving it at the member's Unit or depositing it in the letter box for that Unit.
- 7.8 The quorum at a meeting of the Owners' Committee shall be 50% of the members of the Owners' Committee (rounded up to the nearest whole number) or 3 such members, whichever is the greater. No business shall be transacted at any meeting 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.
- 7.9 A meeting of the Owners' Committee shall be presided over by: -
 - (a) the chairman; or
 - (b) in the absence of the chairman, a member of the Owners' Committee appointed as chairman for that meeting.

The first chairman appointed pursuant to Clause 7.1 of this Deed 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.

- 7.10 The Manager shall act as the secretary to the Owners' Committee but not to vote thereat and shall cause a record of the persons present at the meetings of the Owners' Committee and the proceedings thereof to be kept.
- 7.11 The following provisions shall apply in all meetings of the Owners' Committee: -
 - (a) (i) All resolutions passed by a simple majority of votes at such meeting shall be binding on all the Owners but no such resolution shall be valid if it concerns any other matter not being the subjects contained in the notice convening the meeting or if it is contrary to the provisions of this Deed;
 - (ii) At a meeting of the Owners' Committee, each member present shall have one vote on a question before the Owners' Committee and if there is an equality of votes the chairman shall have, in addition to a deliberative vote, a casting vote.
 - (b) The procedure at meetings of the Owners' Committee shall be as is determined by the Owners' Committee.

- 7.12 The Owners' Committee and the members thereof shall not be liable to the Owners or any of them or to any person or persons whomsoever whether claiming through, under or in trust for any Owner or otherwise, for or in respect of any act, deed, matter or thing done or omitted in pursuance or in purported pursuance of the provisions of this Deed not being anything involving criminal liability or dishonesty or negligence by or on the part of any or all of the members of the Owners' Committee, and the Owners shall fully and effectually indemnify the Owners' Committee from and against all actions, proceedings, claims and demands whatsoever arising directly or indirectly out of or in connection with any act, deeds, matter or thing done or omitted as aforesaid which does not involve criminal liability, dishonesty or negligence on the part of the Owners' Committee or the members thereof and all costs and expenses in connection therewith.
- 7.13 No remuneration shall be payable to the Owners' Committee or any member thereof but such members shall be entitled to be reimbursed for all out-of-pocket expenses reasonably and necessarily incurred in carrying out their duties.
- 7.14 (a) The Owners' Committee shall cause to be kept records and minutes of: -
 - (i) the appointment and vacation of appointments of all its members and all changes therein;
 - (ii) all resolutions and notes of proceedings of the Owners' Committee;
 - (iii) the members present at all meetings.
 - (b) Such records and minutes shall be kept in such place as the Owners' Committee may from time to time determine and shall be open to inspection by any Owner on a reasonable notice being given and such Owner shall also be entitled to extracts thereof on paying reasonable charges therefor. All charges received must be credited into the Special Fund.
- 7.15 Nothing herein contained shall prevent the Owners' Committee from forming sub-committees for the recreation and welfare of the residents of the Development or for community concerns or to co-opt any person eligible under Clause 7.4 of this Deed who are not members of the Owners' Committee to serve on such sub-committees.
- 7.16 The provisions contained in Schedule 2 to the Building Management Ordinance shall apply to the management committee of the Owners' Corporation following the incorporation of the Owners thereunder which shall take the place of the Owners' Committee formed under this Deed and the provisions contained in Schedule 3 to the Building Management Ordinance shall apply to the meetings of the Owners' Corporation which shall take the place of the Owners' meetings convened under this Deed.
- 7.17 Subject to the provisions in Schedule 7 to the Building Management Ordinance, the procurement of supplies, goods or services by the Owners' Committee that involves an amount in excess of or likely to be in excess of HK\$200,000 (or such other sum as

the Authority may specify by notice in the Gazette) or an amount which is or is likely to be more than 20% of the annual management budget (or such other percentage as the Authority may specify by notice in the Gazette), whichever is the lesser, must be by invitation to tender and the standards and guidelines as may be specified in the Code of Practice referred to in Section 20A of the Building Management Ordinance will apply to the Owners' Committee with any appropriate variations.

SECTION VIII

8. Meeting of Owners

- 8.1 From time to time as occasion may require there shall be meetings of the Owners for the time being of the Undivided Shares to discuss and decide matters concerning the Development and in regard to such meetings the following provisions shall apply: -
 - (a) A meeting of Owners, other than the annual general meeting, may be validly convened by: -
 - (i) the Owners' Committee;
 - (ii) the Manager; or
 - (iii) an Owner appointed to convene such a meeting by the Owners for the time being of not less than 5% of the total number of Undivided Shares in aggregate (excluding the Undivided Shares allocated to the Common Areas and Facilities).
 - (b) The Owners' Committee shall convene: -
 - (i) the first annual general meeting of the Owners' Corporation not later than 15 months after the date of the registration of the Owners' Corporation;
 - (ii) an annual general meeting not earlier than 12 months, and not later than 15 months, after the date of the first or previous annual general meeting;
 - (iii) a general meeting of the Owners' Corporation at any time for such purposes as the Owners' Committee thinks fit.
 - (c) The person convening the meeting of the Owners shall, at least 14 days before the date of the meeting, give notice of the meeting to each Owner. Such notice of meeting shall specify: -
 - (i) the date, time and place of the meeting; and
 - (ii) the resolutions (if any) that are to be proposed at the meeting.
 - (d) The notice of meeting referred to in sub-clause (c) above may be given: -
 - (i) by delivering it personally to the Owner;
 - (ii) by sending it by post to the Owner at his last known address; or

- (iii) by leaving it at the Owner's Unit or depositing it in the letter box for that Unit.
- (e) 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 Land and the Development were divided; and
 - (ii) not be construed as the Owners of 10% of the Undivided Shares in aggregate.
- (f) A meeting of Owners shall be presided over by the chairman of the Owners' Committee or, if the meeting is convened under sub-clause (a)(ii) or (iii) above, the person convening the meeting.
- (g) The chairman shall cause a record to be kept of the persons present at the meeting and the proceedings thereof.
- (h) 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 (iii)(A) or (B) above, either by one of the co-Owners personally or by a proxy appointed by one of the co-Owners;
 - (iv) where 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.
- (i) An instrument appointing a proxy shall be in the form set out in Form 1 in Schedule 1A to the Building Management Ordinance, and: -
 - (A) shall be signed by the Owner; or
 - (B) if the Owner is a body corporate, shall, notwithstanding anything to the contrary in its constitution, be impressed with the seal or chop of the body corporate and signed by a person authorized by the body corporate in that behalf.
 - (ii) The instrument appointing a proxy shall be lodged with the chairman of the Owners' Committee or, if the meeting is convened under subclause (a)(ii) or (iii) above, the person convening the meeting at least 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.
- (j) The procedure at a meeting of Owners shall be as is determined by the Owners.
- (k) 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;
 - (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 but no such resolution shall be valid to the extent that it purports to take away or abrogate or prevent the exercise of any of the powers of the Manager;
 - (v) A resolution may be passed to dismiss the Manager by giving the Manager not less than three (3) months' notice in writing or in lieu of

such notice, with an agreement to be made with the Manager for the payment to the Manager of a sum equal to the amount of remuneration which would have accrued to him during that period, but no such resolution shall be valid unless such resolution is passed by the Owners of not less than 50% of the total number of Undivided Shares in the Development (excluding the Undivided Shares allocated to the Common Areas and Facilities);

- (vi) For the purposes of sub-clause (k)(v) above only: -
 - (A) only the Owners of Undivided Shares who pay or who are liable to pay the management contribution relating to those Undivided Shares shall be entitled to vote; and
 - (B) the reference in the said sub-clause (k)(v) to "the Owners of not less than 50% of the total number of Undivided Shares" shall be construed as a reference to the Owners of not less than 50% of the total number of Undivided Shares who are entitled to vote.
- (l) Notwithstanding the provisions of Clause 7.11(a)(i) and sub-clause (k) above, no resolution in respect of any of the matters hereinafter referred to shall be valid unless such resolution is passed by the Owners of not less than seventy-five per cent (75%) of the total number of Undivided Shares in the Development namely: -
 - (i) Upon the expiration of the said term of years to which the Owners are entitled under and by virtue of the Government Grant or in the event of the Government taking any action by way of earlier re-entry thereunder in such circumstances that the Owners for the time being may be entitled to a renewal or extension or re-grant thereof or to a new lease term upon such terms and conditions as the Government shall offer, whether and in what manner to pay any premium, rent or other charges and expenses payable in respect thereof and generally any other matter relating to the continuance or renewal of the Government Grant as aforesaid.
 - (ii) A resolution to rebuild or redevelop the Development (but excluding the resolutions passed or to be passed in accordance with Clauses 9.1 and 9.2 of this Deed in relation to any damaged part(s) of the Development).
- (m) The accidental omission to give notice as aforesaid to any Owner shall not invalidate the proceedings at any meeting or any resolution passed thereat.
- (n) For the avoidance of doubt and notwithstanding anything to the contrary abovementioned, 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 meeting

whether under this Deed, the Building Management Ordinance or otherwise and such Undivided Shares shall not be taken into account in determining the quorum of any meetings or for determining the total number of Undivided Shares in the Development referred to in this Section VIII and such Undivided Shares shall not carry any liability to pay charges under this Deed.

SECTION IX

9. Extinguishment of Rights

In the event of the whole or any part of the Development being so damaged by fire, 9.1 typhoon, earthquake, subsidence or other cause rendering it substantially unfit for habitation or use or occupation, (a) the Owners' Committee (b) the Manager or (c) the Owners of the Development holding not less than 75% of the Undivided Shares allocated to that damaged part(s) of the Development (excluding the Undivided Shares allocated to the Common Areas and Facilities) may convene a meeting of the Owners of such damaged part(s) of the Development (holding not less than seventyfive per cent (75%) of the total Undivided Shares of such damaged part(s) (excluding the Undivided Shares allocated to the Common Areas and Facilities)) and such meeting may resolve by a seventy-five per cent (75%) majority of those Owners present in person or by proxy 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 damaged part(s) of the Development then in such event the Undivided Shares representing such damaged part(s) of the Development shall be acquired by the Manager and the Owners (excluding the Owner of the Undivided Shares allocated to the Common Areas and Facilities) 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 (excluding the Owner of the Undivided Shares allocated to the Common Areas and Facilities) of such Undivided Shares in proportion to the respective number of Undivided Shares previously held by such former Owners (except the Manager) bears to the total number of Undivided Shares of such damaged part(s) of the Development in question (excluding the Undivided Shares allocated to the Common Areas and Facilities). All insurance money received in respect of any policy of insurance on such damaged part(s) of the Development shall likewise be distributed amongst such former Owners of Undivided Shares being assigned and sold to the Manager as aforesaid. 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 damaged part(s) of the Development

PROVIDED ALWAYS THAT if it is resolved to reinstate or rebuild such damaged part(s) of the Development, the Owners of such damaged part(s) of the Development shall pay the excess of the cost of reinstatement or rebuilding of the relevant damaged part(s) of the Development over and above the proceeds recoverable from the insurance of such damaged part(s) of the Development in proportion to the respective number of Undivided Shares held by them bears to the total number of Undivided Shares of the damaged part(s) of the Development in question (excluding the Undivided Shares allocated to the Common Areas and Facilities) respectively and that until such payment the same will become a charge upon their respective Undivided Shares allocated to the relevant damaged part(s) 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) of the Development.

- 9.2 The following provisions shall apply to a meeting convened as provided in Clause 9.1 of this Deed: -
 - (a) The person convening such meeting of the Owners of the damaged part(s) of the Development shall, at least 14 days before the date of the meeting, give notice of the meeting to each Owner. Such notice of meeting shall specify: -
 - (i) the date, time and place of the meeting; and
 - (ii) the resolutions (if any) that are to be proposed at the meeting.
 - (b) The notice of meeting referred to in sub-clause (a) above 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 of the Owners of the damaged part(s) of the Development unless a quorum is present when the meeting proceeds to business and Owners present in person or by proxy who in the aggregate have vested in them not less than seventy-five per cent (75%) of the total number of Undivided Shares of the damaged part(s) of the Development (excluding the Undivided Shares allocated to the Common Areas and Facilities) so affected in question shall be a quorum.
 - (d) If within half an hour from the time appointed for the meeting a quorum is not present the meeting shall stand adjourned to the same time and day in the next week at the same place.
 - (e) The Chairman of the Owners' Committee, or (in the absence of the Chairman of the Owners' Committee) the Owners present shall choose one of their members to be the chairman of the meeting, or the person convening such meeting 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) At such meeting of the Owners of the damaged part(s) of the Development: -
 - (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 that Undivided Share may be cast: -
 - (1) by a proxy jointly appointed by the co-Owners;
 - (2) by a person appointed by the co-Owners from among themselves; or
 - (3) if no appointment is made under this sub-clause (g)(iii)(1) or (2), 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 Chairman or the person presiding over the meeting shall have, in addition to a deliberative vote, a casting vote.
- (h) (i) An instrument appointing a proxy shall be in the form set out in Form 1 in Schedule 1A to the Building Management Ordinance, and: -
 - (1) shall be signed by the Owner; or
 - (2) if the Owner is a body corporate, shall notwithstanding anything to the contrary in its constitution, be impressed with the seal or chop of the body corporate and signed by a person authorized by the body corporate in that behalf.
 - (ii) The instrument appointing a proxy shall be lodged with the chairman of the Owners' Committee or the person convening the meeting at least 48 hours before the time for the holding of the meeting.
 - (iii) A proxy appointed by an Owner to attend and vote on behalf of the Owner shall, for the purposes of the meeting, be treated as being the Owner present at that meeting.
- (i) A resolution passed at a duly convened meeting by a seventy-five per cent (75%) majority of votes of those Owners present in person or by proxy and voting at such meeting shall be binding on all the Owners of the relevant damaged part(s) 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 and any Sub-Deed(s).
- (j) The accidental omission to give notice as aforesaid to any Owner of the damaged part(s) of the Development shall not invalidate the meeting or any resolution passed thereat.

SECTION X

10. Miscellaneous Provisions

- 10.1 (a) No provision of this Deed and any Sub-Deed(s) shall contradict, overrule or fail to comply with the provisions of the Building Management Ordinance and the Schedules thereto.
 - (b) No provision of this Deed shall conflict with or is in breach of the conditions of the Government Grant.
 - (c) All Owners (including the First Owner) shall comply with the conditions of the Government Grant in so long as they remain as the Owners and the Manager shall comply with the terms and conditions of the Government Grant so long as it remains as the Manager.
- Each Owner shall on ceasing to be the Owner of any Undivided Share and the Unit enjoyed therewith 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.
- 10.3 No person shall, after ceasing to be the Owner of any Undivided Share, 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 Unit held therewith 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.
- There shall be public notice boards (which may be in electronic form) at such prominent places in the Development as the Manager may from time to time determine. There shall be exhibited on each of such public notice boards a copy of the Estate Rules from time to time in force and all notices which under this Deed are required to be exhibited thereon and such other notices and announcements as the Manager may from time to time decide to exhibit or approve for exhibition thereon. Except in the case of a notice required by this Deed or by law to be served personally or in any other manner, the exhibition of a notice on such public notice boards for seven (7) consecutive days shall be due notice of the contents thereof to each Owner, his tenants, licensees, servants and agents.
- 10.5 Subject as hereinbefore provided in the case of notices to be affixed to the public notice boards, all notices or demands required to be served hereunder shall be sufficiently served if addressed to the party to whom the notices or demands are given and sent by prepaid post to or left at the Unit or the letter box thereof of which the party to be served is the Owner, except that: -
 - (a) where notice or demand is to be given to an Owner who is not an occupier in the Development, and such Owner has provided the Manager with an address

in the Hong Kong Special Administrative Region in accordance with Clause 10.6 below, then such notice or demand shall be sufficiently served if addressed to such Owner and sent by prepaid post to the said address provided in accordance with Clause 10.6 below; and

(b) 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 the Hong Kong Special Administrative Region and, if an individual, at his last known address.

All notices required to be given to the Manager shall be sufficiently served if sent by prepaid post addressed to or if by hand left at the registered office of the Manager.

- 10.6 Each Owner who is not an occupier in the Development shall provide the Manager with an address in the Hong Kong Special Administrative Region for service of notices under the provisions of this Deed.
- 10.7 (a) 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 all management offices within one month after the date of this Deed for inspection by the 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 approved by the Director of Lands shall prevail.
 - (b) The First Owner shall deposit a copy of Schedules 7 and 8 to the Building Management Ordinance (English and Chinese versions) in all management offices 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.
- 10.8 A copy of plans showing the Common Areas and Facilities certified as to their accuracy by or on behalf of the Authorized Person are annexed to this Deed and shall be prepared by the First Owner and kept at all management offices and shall be available for inspection by the Owners during normal office hours free of costs and charges.
- 10.9 During the existence of an Owners' Corporation, the general meeting of the Owners' Corporation convened under the Building Management Ordinance shall take the place of the meeting of Owners convened under this Deed, and where a management committee of the Owners' Corporation is or has been appointed the management committee of the Owners' Corporation shall take the place of the Owners' Committee.
- 10.10 (a) The First Owner shall at its own cost and expense prepare the first Maintenance Manual for the Works and Installations 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 lists 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 after the date of this Deed, the First Owner shall deposit a full copy of the first Maintenance Manual for the Works and Installations in all management offices for inspection by the Owners free of charge and for taking of copies by the Owners at their own expense and upon payment of a reasonable charge 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 maintenance of the Development and the Units including those part or parts of the Works and Installations forming part of their Units.
- (d) The Owners may, by a majority resolutions passed at an Owners' meeting convened under this Deed, make, amend, revise and revoke the schedule of Works and Installations and the Maintenance Manual for the Works and Installations or any part thereof as the Owners shall deem fit, including but not limited to the addition of works and installations in the Development and the updating of maintenance strategies in step with changing requirements, in which event the Manager shall procure the revised schedule of Works and Installations and the revised Maintenance Manual for the Works and Installations or any amendments thereto from a qualified professional or

consultant within such time as may be prescribed by the said Owners' resolutions. All costs and expenses of and incidental to the preparation of the revised schedule of Works and Installations and the revised Maintenance Manual for the Works and Installations 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 and any subsequent amendments thereto in all management offices within one month after 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.
- The Owners shall at their own expense 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 and carry out all works in respect of the Slope Structures as required by the Government Grant and in accordance with the "Geoguide 5 Guide to Slope Maintenance" issued by the Geotechnical Engineering Office as amended from time to time and the maintenance manual for the Slope Structures.
 - (b) The First Owner shall deposit a full copy of the maintenance manual for the Slope Structures prepared in accordance with "Geoguide 5 Guide to Slope Maintenance" at all management offices within one month after the date of this Deed. The maintenance manual for the Slope Structures 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.
- 10.12 The First Owner shall deposit a full copy of the Fire Safety Management Plan in all management offices for inspection by the Owners free of charge and upon payment of a reasonable charge at their own expenses to cover the cost of copying the same PROVIDED THAT all charges received therefrom shall be credited into the Special Fund.

10.13 Green Area, Green Area Structures and Green Edged Red Area Passageway Structures

Notwithstanding anything herein contained and until such time as possession of the Green Area shall be redelivered or deemed to have been redelivered to the Government in accordance with the Government Grant, the Manager shall be responsible for the maintenance of the Green Area, the Green Area Structures, the Green Edged Red Area Passageway Structures and all structures, surfaces, gullies, sewers, drains, fire hydrants, services, street lights, traffic signs, street furniture, road markings and plant constructed, installed and provided thereon or therein in accordance with Special Condition Nos. (2)(a)(iii), (2)(a)(iv) and (3)(e)(ii) of the Government Grant and the Owners shall be responsible for the costs and expenses for

the maintenance and repair of the Green Area, the Green Area Structures, the Green Edged Red Area Passageway Structures and other structures thereon or therein as if they were part of the Common Areas and Facilities.

10.14 Brown Edged Red Area

- (a) The Manager shall uphold, maintain and repair the Brown Edged Red Area and everything forming a portion of or pertaining to it including but not limited to the paved way with the associated street furniture, traffic aids, street lighting, sewers, drains and other structures constructed thereon, all to be done to the satisfaction of the Director of Lands in accordance with Special Condition No.(32)(d) of the Government Grant and the Owners shall be responsible for the whole as if they were the absolute owner thereof.
- (b) The Owners shall not disturb or allow anybody to disturb the "Brown Edged Red Area Services" (as referred to and defined in Special Condition No. (32)(h) of the Government Grant) which are or may be upon, over, under or adjacent to the Brown Edged Red Area without the prior written approval from the Director of Lands.

10.15 Green Hatched Black Area

Notwithstanding anything herein contained and until such time as the obligations and rights of the Owners under Special Condition Nos. (37)(a) and (37)(b) of the Government Grant shall be determined in accordance with Special Condition No. (37)(c) of the Government Grant, the Manager shall be responsible for the maintenance of the Green Hatched Black Area including all land, slope treatment works, earth-retaining structures, drainage and any other works therein and thereon in accordance with Special Condition Nos. (37)(a) and (37)(b) of the Government Grant and the Owners shall be responsible for the costs and expenses for the maintenance and repair of the Green Hatched Black Area and other structures thereon or therein as if they were part of the Common Areas and Facilities.

Each Electric Vehicle Parking Space is equipped with an individual electric vehicle charger together with associated equipment. Despite the electric vehicle charger and its associated equipment belong to the Owner of the relevant Electric Vehicle Parking Space, the installation or affixing of such electric vehicle charger and associated equipment on such space(s) in the Carpark Common Areas and Facilities, the Estate Common Areas and Facilities and the Residential Common Areas and Facilities as designated by the First Owner before the execution of this Deed shall not be a breach of any provision in this Deed. For the avoidance of doubt, the aforesaid installation or affixing of electric vehicle charger and associated equipment in the Carpark Common Areas and Facilities, the Estate Common Areas and Facilities and the Residential Common Areas and Facilities shall be deemed to have been approved by the Manager. No relocation of the electric vehicle charger and its associated equipment shall be made.

- (b) The Owner of each Electric Vehicle Parking Space (except the Residential Car Parking Spaces for Disabled Persons and the Visitors' Parking Spaces) shall be solely responsible for the maintenance fee of his electric vehicle charger and associated equipment (which might be charged by the services provider of electric vehicle chargers) and the electricity charges for charging his own electric vehicle.
- Co The Owner of each Electric Vehicle Parking Space (except the Residential Car Parking Spaces for Disabled Persons and the Visitors' Parking Spaces) shall at his own costs and expenses carry out maintenance, repair or replacement of the electric vehicle charger and associated equipment for his Electric Vehicle Parking Space. When carrying out the maintenance, repair or replacement of his electric vehicle charger and associated equipment, the Owner of each Electric Vehicle Parking Space (including his authorized person) shall not interfere with or affect the other Owners' exclusive rights in respect of their relevant Units and their right to enjoy any part of the Common Areas and Facilities, and such Owner shall also at his own costs make good all damages and losses that may be caused by such works.
- 10.17 (a) Part of the Noise Mitigation Measures are installed within, at and/or appertaining certain Residential Units and form part of such Residential Units. Particulars and locations of such part of the Noise Mitigation Measures are listed in Appendix 6 of the NIA.
 - (b) Alteration of or tampering with such Noise Mitigation Measures (save and except for the maintenance, replacement or repair in accordance with subclause (c) below) is prohibited.
 - (c) The maintenance, replacement or repair of such Noise Mitigation Measures forming part of any Residential Units shall be made by the relevant Owners of such Residential Units in accordance with the standards as approved by the Manager. The Owners of such Residential Units shall use such materials as approved by the Manager in relation thereto.
 - (d) The First Owner shall deposit a copy of the NIA in all management offices of the Development within one month of the date of this Deed for reference by the Owners and the Manager free of charge. The Owners may take copies of the NIA at their own expense and upon payment of a reasonable charge. All charges received shall be credited to the Special Fund.

10.18 Covenants to the Security Agent (acting in its capacity as security agent for the benefit of the Secured Parties)

(a) In consideration of the Security Agent (acting in its capacity as security agent for the benefit of the Secured Parties) having entered into this Deed in its capacity as security agent for the benefit of the Secured Parties under the Building Mortgage, the First Owner hereby covenants with the Security Agent (acting in its capacity as security agent for the benefit of the Secured Parties) that the First Owner shall (i) fully observe and perform all the covenants

herein contained and to be observed and performed by the First Owner while any Undivided Share or interest in any part of the Land and the Development shall remain subject to the Building Mortgage and (ii) keep the Security Agent (acting in its capacity as security agent for the benefit of the Secured Parties) 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.

- Notwithstanding anything herein contained, until such time as the Security Agent (acting in its capacity as security agent for the benefit of the Secured Parties) enters into possession of the Land and the Development or exercises the power of sale conferred on the Security Agent (acting in its capacity as security agent for the benefit of the Secured Parties) under or in accordance with the Building Mortgage, the covenants and obligations in this Deed contained and the liability for making any payment under this Deed and the other burden and restrictions herein imposed shall not be binding upon the Security Agent (acting in its capacity as security agent for the benefit of the Secured Parties) and no liability for any payment under this Deed shall be binding on the Security Agent (acting in its capacity as security agent for the benefit of the Security Agent (acting in its capacity as security agent for the Security Agent (acting in its capacity as security agent for the Security Agent (acting in its capacity as security agent for the benefit of the Security Agent (acting in its capacity as security agent for the benefit of the Security Agent (acting in its capacity as security agent for the benefit of the Security Agent (acting in its capacity as security agent for the benefit of the Security Agent (acting in its capacity as security agent for the benefit of the Security Agent (acting in its capacity as security agent for the benefit of the Security Agent (acting in its capacity as security agent for the benefit of the Security Agent (acting in its capacity as security agent for the benefit of the Security Agent (acting in its capacity as security agent for the benefit of the Security Agent (acting in its capacity as security agent for the benefit of the Security Agent (acting in its capacity as security agent for the benefit of the Security Agent (acting in its capacity as security agent for the benefit of the Security Agent (acting in its capacity as security agent for the Security Agent (acting in its capa
- 10.19 The covenants and provisions of this Deed and any Sub-Deed(s) 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 the Common Areas and Facilities and to the Undivided Share or Shares held therewith.

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

THE FIRST SCHEDULE ABOVE REFERRED TO

Allocation of Undivided Shares and Management Shares

Section 1: Summary

Phase 1

Part	Unit	Undivided Shares	Management Shares
A.	Residential Units (Houses)	5,534	5,534
В.	Residential Units (Flats)	26,938	26,938
C.	Residential Car Parking Spaces	474	474
D.	Residential Motor Cycle Parking Spaces	8	8
E.	Common Areas and Facilities In Phase 1	3,046	0
	Total:	36,000	32,954

Phase 2

<u>Undivided Shares</u> 37,000 **<u>Management Shares</u>** 33,400

Total of Phase 1 and Phase 2:

Undivided Shares 73,000 Management Shares 66,354

Section 2: Schedule of Allocation

Phase 1

A. Residential Units (Houses)

House	Undivided Share	Management Share
A1	271	271
A2	276	276
A3	244	244
A5	252	252
A6	252	252
A7	253	253
A8	252	252
A9	252	252
A10	251	251
A11	245	245
A12	268	268
B1	248	248
B2	246	246
B3	248	248
B5	248	248
B6	248	248
B7	249	249
B8	242	242
B9	244	244
B10	249	249
B11	250	250
B12	246	246
Total:	5,534	5,534

Remark:

- 1. There are no Houses Nos. A4 and B4.
- 2. Each House includes the entire walls enclosing the House, (if any) balcony (including the glass balustrade thereof), garden, roof, flat roof, stairhood, Manoeuvring Area, windows and 2 House Car Parking Spaces thereof.

Residential Units (Flats) В.

Tower	Floor	Flat	Undivided Share	Management Share
10,1101		A ^	75	75
		В ^	74	74
		C ^	40	40
		D ^	40	40
	G/F	E ^	27	27
		F ^	34	34
		J ^	20	20
		К ^	18	18
		A *	74	74
		В *	74	74
		C #	39	39
		D *	40	40
	1/F	E *	30	30
		F #	35	35
		J #	22	22
		K #	20	20
		A *	$74 \operatorname{each} x 17 = 1,258$	$74 \operatorname{each} x 17 = 1,2$
		B *	$74 \operatorname{each} x 17 = 1,258$	$74 \operatorname{each} x 17 = 1,2$
Tower 1		C #	$39 \operatorname{each} x 17 = 663$	$39 \operatorname{each} x 17 = 663$
		D *	$40 \operatorname{each} x 17 = 680$	$40 \operatorname{each} x 17 = 680$
	2/F, 3/F, 5/F –	E *	$30 \operatorname{each} x 17 = 510$	$30 \operatorname{each} x 17 = 51$
	12/F, 15/F – 21/F	F #	$35 \operatorname{each} \times 17 = 595$	$35 \operatorname{each} x 17 = 59$
	(17 storeys)	G #	$21 \operatorname{each} x 17 = 357$	21 each x 17 = 357
		H #	$20 \operatorname{each} x 17 = 340$	$20 \operatorname{each} x 17 = 34$
		J #	$20 \operatorname{each} x 17 = 340$	20 each x 17 = 34
		K #	20 each x 17 = 340	20 each x 17 = 34
		A @	82	82
	1	B @	82	82
		C %	42	42
		D &	43	43
		E &	32	32
	22/F	F %	37	37
		G #	21	21
		H #	20	20
		J #	20	20
		K #	20	20
		Sub-Total:	7,402	7,402

- Note:
 1. There are no 4/F, 13/F and 14/F.

 There are no Flats G. H and I on There are no Flats G, H and I on G/F and 1/F of Tower 1.
- There is no Flat I on 2/F, 3/F, 5/F 12/F, 15/F 22/F of Tower 1.
- ^ means including garden thereof.
- * means including balcony and utility platform thereof.
- # means including balcony thereof.
- @ means including balcony and utility platform thereof and roof and stairhood thereabove.
- 8. & means including balcony and utility platform thereof and roof thereabove.
- 9. % means including balcony thereof and roof thereabove.

Tower	Floor	Flat	Undivided Share	Management Share
201102		A	75	75
		В ^	74	74
		C ^	32	32
	G/F	D ^	28	28
		G ^	29	29
		Н ^	18	18
		J ^	18	18
		A *	74	74
		В *	73	73
		C #	33	33
	1/F	D #	29	29
	===	G #	30	30
		Н #	20	20
		J #	20	20
		A *	$74 \operatorname{each} x 17 = 1,258$	74 each x 17 = 1,25
		В *	$73 \operatorname{each} \times 17 = 1,241$	$73 \operatorname{each} \times 17 = 1,24$
Tower 1A		C #	$33 \operatorname{each} x 17 = 561$	$33 \operatorname{each} x 17 = 561$
	2//F, 3/F, 5/F – 12/F,	D #	29 each x 17 = 493	$29 \operatorname{each} x 17 = 493$
	15/F - 21/F	E #	29 each x 17 = 493	$29 \operatorname{each} \times 17 = 493$
	(17 storeys)	F #	29 each x 17 = 493	$29 \operatorname{each} x 17 = 493$
	(, , , ,	G #	29 each x 17 = 493	$29 \operatorname{each} x 17 = 493$
		Н #	$20 \operatorname{each} x 17 = 340$	$20 \operatorname{each} x 17 = 340$
		J #	$20 \operatorname{each} x 17 = 340$	$20 \operatorname{each} x 17 = 340$
		A @	82	82
		В @	82	82
		C %	35	35
		D %	30	30
	22/F	E #	29	29
		F #	29	29
		G #	29	29
		Н #	20	20
	3	J #	20	20
		Sub-Total:	6,621	6,621

Note:

- 1. There are no 4/F, 13/F and 14/F.
- 2. There are no Flats E, F and I on G/F and 1/F of Tower 1A.
- 3. There is no Flat I on 2/F, 3/F, 5/F 12/F, 15/F 22/F of Tower 1A.
- 4. ^ means including garden thereof.
- 5. * means including balcony and utility platform thereof.
- 6. # means including balcony thereof.
- 7. @ means including balcony and utility platform thereof and roof and stairhood thereabove.
- 8. % means including balcony thereof and roof thereabove.

Tower	Floor	Flat	Undivided Share	Management Share
		A *	74 each x $17 = 1,258$	74 each x $17 = 1,258$
		В *	74 each x $17 = 1,258$	74 each x $17 = 1,25$
		C *	73 each x $17 = 1,241$	73 each x $17 = 1,24$
		D #	$30 \operatorname{each} x 17 = 510$	$30 \operatorname{each} x 17 = 510$
	2/F, 3/F, 5/F – 12/F,	E #	$29 \operatorname{each} x 17 = 493$	$29 \operatorname{each} x 17 = 493$
	15/F - 21/F	F #	$28 \operatorname{each} x 17 = 476$	$28 \operatorname{each} x 17 = 476$
	(17 storeys)	G #	$20 \operatorname{each} x 17 = 340$	$20 \operatorname{each} x 17 = 340$
		H #	$20 \operatorname{each} x 17 = 340$	$20 \operatorname{each} x 17 = 340$
		J #	$20 \operatorname{each} x 17 = 340$	$20 \operatorname{each} x 17 = 340$
		K #	$20 \operatorname{each} x 17 = 340$	$20 \operatorname{each} x 17 = 340$
T 0		L #	$29 \operatorname{each} x 17 = 493$	$29 \operatorname{each} x 17 = 493$
Tower 2	22/F	A @	82	82
		B @	82	82
		C @	82	82
		D %	32	32
		E #	29	29
		F #	28	28
		G #	20	20
		H #	20	20
		J #	20	20
		K #	20	20
		L #	29	29
		Sub-Total:	7,533	7,533

Note:

- There are no 4/F, 13/F and 14/F.
- 2.
- There is no Flat on G/F and 1/F of Tower 2.
 There is no Flat I on 2/F, 3/F, 5/F 12/F, 15/F 22/F of Tower 2.
 * means including balcony and utility platform thereof. 3.

- # means including balcony thereof.

 @ means including balcony and utility platform thereof and roof and stairhood thereabove.

 % means including balcony thereof and roof thereabove.

Tower	Floor	Flat	Undivided Share	Management Share
10001	2333	A *	73 each x $17 = 1,241$	73 each x $17 = 1,241$
		В #	$29 \operatorname{each} \times 17 = 493$	$29 \operatorname{each} x 17 = 493$
		C *	42 each x 17 = 714	$42 \operatorname{each} x 17 = 714$
	2/F - 3/F, $5/F - 12/F$,	D #	$35 \operatorname{each} \times 17 = 595$	$35 \operatorname{each} x 17 = 595$
	15/F – 21/F	E #	$20 \operatorname{each} x 17 = 340$	$20 \operatorname{each} x 17 = 340$
	(17 storeys)	F #	$20 \operatorname{each} x 17 = 340$	$20 \operatorname{each} x 17 = 340$
		G #	$29 \operatorname{each} x 17 = 493$	$29 \operatorname{each} x 17 = 493$
		Н #	$21 \operatorname{each} x 17 = 357$	$21 \operatorname{each} x 17 = 357$
		J #	$29 \operatorname{each} x 17 = 493$	$29 \operatorname{each} x 17 = 493$
Tower 2A		A @	82	82
		В %	31	31
		C &	45	45
		D %	37	37
	22/F	Е %	21	21
		F %	21	21
		G #	29	29
		Н #	21	21
		J #	29	29
		Sub-Total:	5,382	5,382

Note:

- 1. There are no 4/F, 13/F and 14/F.
- 2. There is no Flat on G/F and 1/F of Tower 2A.
- 3. There is no Flat I on 2/F, 3/F, 5/F 12/F, 15/F 22/F of Tower 2A.
- 4. * means including balcony and utility platform thereof.
- 5. # means including balcony thereof.
- 6. @ means including balcony and utility platform thereof and roof and stairhood thereabove.
- 7. & means including balcony and utility platform thereof and roof thereabove.
- 8. % means including balcony thereof and roof thereabove.

C. Residential Car Parking Spaces

Unit	Undivided Share	Management Share
79 Residential Car Parking Spaces (Nos. R45 – R110 and R189 – R201)	6 each	6 each
Total:	474	474

D. Residential Motor Cycle Parking Spaces

Unit	Undivided Share	Management Share
8 Residential Motor Cycle Parking Spaces (Nos. M1 – M8)	1 each	1 each
Total:	8	8

E. Common Areas and Facilities

Type	Undivided Share	Management Share
Common Areas and Facilities In Phase 1	3,046	0

THE SECOND SCHEDULE ABOVE REFERRED TO

Rights, Privileges and Easements

Part A

- 1. 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 SECOND SCHEDULE referred to as "his premises") shall have the benefit of the following rights and privileges SUBJECT TO the provisions of the Government Grant, this Deed, the Estate Rules and the rights of the Manager as provided in this Deed: -
 - (a) The right to subjacent and lateral support and to shelter and protection from the other parts of the Development SUBJECT as aforesaid;
 - (b) 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;
 - (c) The right for any Owner with or without workmen plant equipment and materials at all reasonable times upon reasonable prior notice and having obtained the consent of the Owners concerned (except in the case of emergency) to enter upon other 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 be practically 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
 - (d) All other easements, rights and privileges belonging to or appertaining to the Land and the Development or part thereof.
- 2. In addition to the above rights and privileges, the Owner of each Undivided Share attributable to the Residential Units shall have the full right and liberty subject to payment of the prescribed fees (if any) (but SUBJECT ALWAYS TO the provisions of the Government Grant, this Deed, any Sub-Deed(s), the Estate Rules and the rights of the Manager and the First Owner provided in this Deed) for the Owner for the time being, his tenants, servants, agents, lawful occupants and their bona fide visitors (in common with all persons having the like right) to go pass or repass over and along and to use the Club House for the purposes for which they are designed PROVIDED THAT in exercising such rights of use no Owner shall interfere with or permit or suffer to be interfered with the general amenities, equipment or services provided and that each Owner shall comply with the Estate Rules.

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) The full right and privilege of the Manager at all reasonable times on reasonable notice (except in an emergency) with or without agents, surveyors, workmen and others and with or without equipment and apparatus to enter into any Unit for the purposes of carrying out necessary repairs to the Development or to abate any hazard or nuisance which does or may affect the Common Areas and Facilities or other Owners and the Manager shall at his own costs and expenses repair any damage so caused and shall be liable for his or his employees' or contractors' negligent, wilful or criminal acts and ensure that the least disturbance is caused;
- (b) The full right and privilege of the Manager at all reasonable times on prior written notice (except in case of emergency) to extend, maintain, operate, move and have access to, over and/or into or partly into the portion of airspace above the flat roof and/or roof or the parapet walls of the flat roof and/or roof or the garden of the Flats as may be determined by the Manager the gondola:-
 - (i) to service, cleanse, enhance, maintain, repair, renovate, decorate, improve and/or replace any part of any exterior (other than such part or parts the exclusive right to use is vested in an Owner) of the Residential Accommodation; and
 - (ii) to remain temporarily over and/or on the said airspace for such reasonable period as may be necessary

for the purpose of inspecting, rebuilding, repairing, renewing, maintaining, cleaning, painting or decorating all or any part of the Residential Common Areas and Facilities and/or the Residential Tower Common Areas and Facilities

PROVIDED THAT:-

- (1) the use and enjoyment by the Owners of the Flats shall not be affected or prejudiced thereby; and
- (2) the Manager shall make good any damage caused thereby at its own costs and expenses and shall be liable for negligent, dishonesty, wilful or criminal acts of the Manager, its staff, agents, contractors or workmen and ensure that the least disturbance is caused;
- (c) The rights of the First Owner set forth in Section III of this Deed; and
- (d) The rights and privileges equivalent to those set forth in sub-clauses (a), (b), (c) and (d) of Clause 1 of Part A of this SECOND SCHEDULE.

THE THIRD SCHEDULE ABOVE REFERRED TO

Covenants, Provisions and Restrictions

- 1. An Owner must not make any structural alteration in his Unit which interfere with or affect the rights of other Owners. No Owner shall use, cut, injure, damage, alter or interfere with any part or parts of the Common Areas and Facilities or any equipment or apparatus on, in or upon the Land not being equipment or apparatus for his exclusive use and benefit.
- 2. No Owner shall permit or suffer to be done any act or thing in contravention of the terms and conditions of the Government Grant or whereby any insurance on the Development or any part thereof may become void or voidable or whereby the premia for any such insurance may be increased and in the event of any breach of this Clause 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. No Owner shall without the prior written consent of the Manager at any time exercise or attempt to exercise any statutory or common law right to partition the Land or the Development or any of the Units.
- 4. 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 Land and the Development.
- 5. (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 the approval of the Owners' Committee has been obtained. 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. Neither the Owner (including the First Owner) nor the Manager shall have the right to re-convert or re-designate the Common Areas and Facilities to his or its own use or benefit.
- 6. No part of the Common Areas and Facilities shall be obstructed or incumbered nor shall any refuse, matter or other things be placed or left thereon and no Owner shall do or suffer or permit to be done anything in the Common Areas and Facilities as may be or become a nuisance or cause annoyance to any other Owners or occupiers of any other part of the Development.
- 7. 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. (a) No Owner shall use or permit or suffer any part of the Development owned by him to be used except in accordance with the Government Grant, the Occupation Permit, this Deed, any Sub-Deed(s) and any Ordinances and Regulations from time to time applicable thereto.
 - (b) No Owner shall use or cause or permit any Unit to be used for industrial or godown purposes or for the purpose of pawn shop, mahjong school, funeral parlour, coffin shop, temple, buddhist hall or for the performance of the ceremony known as "Ta Chai (打齋)" or any similar ceremony or as a boarding house, apartment house, dance hall, music hall or for any noisy or offensive trade or business.
 - (c) 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 or occupancy in bed spaces or cubicles SAVE AND EXCEPT THAT the First Owner may use any such Residential Units owned by it as show flats for such period or periods of time for the launch of sale of Residential Units as it shall in its discretion consider appropriate PROVIDED THAT where any separate temporary structure is erected on part or parts of the Land and the Development for the purposes of a sales office and show flat(s) and the related marketing activities to facilitate the sale of building or buildings or any part or parts thereof erected on the Land in accordance with the Government Grant, the scale and period of operation of such sales office and show flat(s) and the related marketing activities shall be subject to the prior written approval of the Director of Lands and subject always to Special Condition No. (11) of the Government Grant.
 - (d) No Residential Car Parking Spaces shall be used other than for the parking of motor vehicles licensed under the Road Traffic Ordinance, any regulations made thereunder and any amending legislation belonging to the residents of the Residential Accommodation and their bona fide guests, visitors or invitees.
 - (e) No Residential Motor Cycle Parking Spaces shall be used other than for the parking of motor cycles licensed under the Road Traffic Ordinance, any regulations made thereunder and any amending legislation belonging to the residents of the Residential Accommodation and their bona fide guests, visitors or invitees.
 - (f) No Visitors' Parking Spaces shall be used other than for the parking of motor vehicles licensed under the Road Traffic Ordinance, any regulations made thereunder and any amending legislation belonging to the bona fide guests, visitors or invitees of the residents of the Residential Accommodation.
 - (g) No Residential Car Parking Space for Disabled Persons shall be used other than for the parking of motor vehicles by disabled persons as defined in the Road Traffic Ordinance, any regulations made thereunder and any amending

legislation, and belonging to the residents of the Residential Accommodation and their bona fide guests, visitors or invitees.

- (h) No Bicycle Parking Spaces shall be used other than for the parking of bicycles belonging to the residents of the Residential Accommodation and their bona fide guests, visitors or invitees.
- (i) The Residential Car Parking Spaces, Residential Motor Cycle Parking Spaces, Visitors' Parking Spaces, Residential Car Parking Spaces for Disabled Persons and Bicycle Parking Spaces shall not be used for the storage, display or exhibiting of motor vehicles for sale or otherwise or for the provision of car cleaning and beauty services or for the storage, display or exhibiting of other articles, goods or things and no structure or partitioning shall be erected thereon.
- (j) The Residential Loading and Unloading Bay In Phase 1 shall not be used other than for the loading and unloading of goods vehicles in connection with the Residential Accommodation.
- (k) Except with the prior consent of the Building Authority, the Greenery Areas shall not be used other than as greenery

PROVIDED THAT subject to Special Condition No. (11) of the Government Grant, the First Owner may use any Unit(s) and such other part(s) of the Development which have not been sold or assigned by the First Owner for the purposes of a temporary sales office and temporary show flats and the related marketing activities but shall cause as little disturbance and inconvenience as is reasonably possible to the Owners.

- 9. No partitioning shall be erected or installed in a 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.
- 10. Subject to the rights of the First Owner herein provided, no Owner shall erect or place or cause or permit to be erected or placed any advertising sign or other structure on the flat roof, roof, balcony, utility platform or garden forming part of his Unit or any other part thereof and the Manager shall have the right to enter to remove anything erected or placed on the flat roof, roof, balcony, utility platform or garden of his Unit or any part thereof in contravention of this provision at the cost and expense of the Owner erecting or placing the same.
- 11. No Owner shall permit or suffer to be erected, affixed, installed or attached in or on or at the door or doors or entrance or entrances of any part of his Residential Unit any metal grille, 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.
- 12. 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 Residential Unit any

advertising or other sign of any description (except a small name plate outside the entrance door of a Residential Unit giving the Owner's or occupier's name) without the prior written approval of the Manager. Any such approval may be given subject to such conditions as the Manager may specify and shall be subject to revocation on reasonable notice.

- 13. 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.
- 14. 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.
- 15. No Owner shall cut, maim, alter, affix, interfere with, damage or in any other way affect any pipes, valves, ducts, lightning conductors, communal television and radio aerial system, and/or cable television system (if any), fixtures or any other installation within any portion of the flat roofs or external surfaces provided in the Development as part of the Common Areas and Facilities.
- 16. 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 Estate Rules relating to the same. No Owner shall affix or install his own private aerial outside any part of the Unit or Development.
- 17. No air-conditioning or other units shall be installed through any window or external wall of the Residential Unit other than at places designated for such purpose in the Residential Unit and all possible measures shall be taken to prevent excessive noise, condensation or dripping on to any part of the Land or the Development. Every Owner shall also at his own cost and expense keep and maintain the air-conditioning or other units (if any) serving exclusively his Unit in good repair and condition.
- 18. Subject to the rights of the First Owner herein provided, no Owner shall place, erect, install, exhibit, attach or otherwise affix or allowed to be placed, erected, installed, exhibited, attached or otherwise affixed or permitted to remain 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 or flat roof or roof of his Unit or any part of the Development or be projected from the Development or any part thereof except with the written consent of the Manager who may in its discretion impose conditions to the consent.
- 19. Subject to the rights of the First Owner herein provided, no Owner shall exhibit, display or allow or suffer to be exhibited or displayed on the external parts of any building or structure erected or to be erected on the Land any bill, notice, placard, poster, sign or advertisement whatsoever.
- 20. No clothing or laundry shall be hung outside the Unit or any part thereof (other than in the spaces specifically provided therefor) or in the Common Areas and Facilities.

- 21. 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, gardens, external walls or balconies of his Unit or any other areas which in the opinion of the Manager shall be undesirable or constitute a nuisance to other Owners or occupiers of the Development and the Manager shall have the right to remove such articles without notice at the cost of the offending Owner.
- 22. No Owner shall erect or build or suffer to be erected or built on or upon the flat roof, roof, garden, balcony, utility platform or external walls forming part of his Unit or the Development any wall, window, gate, door, curtain, external awning, canopy, partition, security bar, protection grilles or any other structure whatsoever either of a permanent or temporary nature. The Manager shall have the right to enter (including the offending Owner's part of the Development) and remove from such flat roof, roof, garden, balcony, utility platform or external walls of the Unit such structure at the cost of the offending Owner and to erect thereon scaffolding and other equipment necessary for repairing and maintaining the plumbing facilities, the external walls and windows of the Development.
- 23. 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 or the supply of water, electricity or gas shall be affected or likely to be affected and to pay the Manager on demand the reasonable cost for remedying such breakage, blockage or damage resulting from a breach of this Clause.
- 24. Not to use water closets and other water apparatus in the Development for any purpose other than those for which they were constructed nor shall any sweeping, rubbish, rags or any other articles be thrown into the same. Any damage resulting from misuse of any water closets or apparatus shall be paid for by the Owner or occupier in whose Unit it shall have been caused.
- 25. No Owner shall make or cause or permit any disturbing noise in his Unit or do or cause or permit anything to be done which will interfere with the rights, comforts and convenience of other occupants of the Development.
- 26. No Owner shall permit the playing of mahjong in his part of the Development between mid-night and 9 a.m. so as to cause disturbance to the Owners or occupiers of any other part of the Development.
- 27. Except with the Manager's consent, no bird or animal, other than a reasonable and usual number of normal household pets or trained guide dogs on leash for the blind may be brought into any part of the Development whilst guiding any person with disability in vision, shall be kept or harboured in any part of the Development. The Manager shall have the power and right to remove any animal from a Unit if, in the opinion of the Manager, such bird or animal is causing a nuisance or disturbance to other Owners or occupiers of the Development or if the same has been the cause of written complaint of at least four (4) other Owners or occupiers of the Development received by the Manager and in the opinion of the Manager justified. In any event no

dogs shall be permitted in the Common Areas and Facilities unless carried or on leash.

- 28. Not to allow children to play in the Common Areas and Facilities (except such parts of the Club House designed for children) and any wilful damage to or wilful 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.
- 29. Subject to the rights of the First Owner herein provided, no Owner shall paint the outside of the Development including any part of the Development owned by him, or do or permit to be done any act or thing which may or will alter the façade or external appearance of his Unit or the Development (including any part owned by him) or the colour of the window glass panes and the window frames of his Unit without the prior consent in writing of the Manager which consent shall not be unreasonably withheld.
- 30. 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.
- 31. Not to allow bicycles, baby carriages, skateboards or similar vehicles in the lifts unless the greatest care against damage to the lifts is exercised, and the same shall not be allowed to obstruct any Common Areas and Facilities.
- 32. 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 and which shall in the opinion of the Manager be excessive or unnecessary or which may contravene the Air Pollution Control Ordinance (Cap. 311) or any amendments thereto.
- 33. No Owner shall make any alteration to or interfere with the sprinkler system, fire fighting equipment or door hold open device forming part of the Common Areas and Facilities or suffer to be done anything to such sprinkler system, fire fighting equipment or door hold open device which would constitute a breach of the Fire Services Ordinance (Cap. 95) or any by-laws or regulations made thereunder. Every Owner shall permit the Manager and the relevant Government authorities to make the necessary inspection of the sprinkler system and fire fighting equipment within this Unit upon reasonable prior notice (except in the case of emergency). If any extension of such sprinkler heads or smoke detectors of such sprinkler systems or alteration to such fire fighting equipment or door hold open device shall be required by any Owner then such works, subject to the prior approval of the Manager, shall be carried out by 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.
- 34. 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.
- 35. 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.
- 36. No Owner shall interfere with, damage or cut any tree growing in the Common Areas and Facilities on the Land or adjacent thereto except with the prior written consent of the Director of Lands and in compliance with any conditions that may be imposed by the said Director and each Owner shall be responsible to remedy and indemnify the other Owners in respect of any breach of this Clause including a breach by the occupants of his Unit and their guests or visitors.
- 37. 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 and any Sub-Deed(s)), 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. (a) Each Owner shall at its own cost and expense and in compliance with the Government Grant, this Deed and the Estate Rules, manage, repair, maintain and upkeep his Unit and all services and facilities installed therein or used in connected therewith.
 - (b) Subject to the provisions of this Deed, each Owner shall keep and maintain his Unit and all wirings and piping thereto which do not form part of the Common Areas and Facilities and all electrical and sanitary appliances thereto in good repair and condition and shall maintain the same to the satisfaction of the Manager and in a manner so as to avoid any loss damage nuisance or annoyance to the Owners or occupiers of any other part or parts of the Land and the Development.
- 39. Every Owner shall keep the garden forming part of his Residential Unit in good, clean and tidy state and condition.
- 40. The Owners of the Houses which have a common wall adjoining their respective Houses or a common wall separating their Houses or a wall dividing the land upon which the Houses are constructed shall each have the right to the use of the interior surface of the wall on his side. Neither Owner shall use any portion of the wall so as to interfere with the use and enjoyment of the other Owner. Neither Owner shall erect any fence or any structure (including but not limited to spikes or wires) on top of the wall without the written consent of the other Owner. Neither Owner shall put structures of any kind (including but not limited to fish ponds) so near to the wall as to cause leakage of water to the other side of the wall or likely to cause the wall to collapse. If the wall or any portion thereof, except the interior surface of the one side,

- is damaged or injured from any cause, other than the act or negligence of either party, it shall be repaired or rebuilt at their joint cost and expense.
- 41. Each Owner who has a parapet wall enclosing the flat roof of his Flat and such parapet wall forms part of the Residential Tower Common Areas and Facilities shall have the right to use the interior surface of the parapet wall and shall repair and maintain the interior surface of such parapet wall at his cost and expense.
- 42. Each Owner shall have the right to use the interior surface of the party walls dividing his Residential Unit from the neighbouring Residential Units. No Owner shall use any portion of such party walls so as to interfere with the use and enjoyment of the other Owners. Except for the interior surface of such party walls which shall be repaired and maintained by the relevant Owner at his sole cost and expense, all such party walls shall be repaired and maintained at the joint cost and expense of the relevant Owners sharing in common such party walls.
- 43. Except in location (if any) originally provided for the purpose under the Building Plans, no Owner shall build a swimming pool, sauna, whirlpool, hot-tub or jacuzzi whether portable or otherwise or sink a well in any part of his Unit without the prior written consent of the Manager.
- 44. Every Owner (including the First Owner) and the Manager covenant with each other that they shall observe and comply with the terms and conditions of the Government Grant and this Deed and any Sub-Deed(s) so long as they remain as an Owner of an Undivided Share or the Manager of the Development.
- 45. (a) The Non-enclosed Areas In Phase 1 shall only be used as balcony or utility platform (as the case may be) in relation to or in connection with use and enjoyment of the Residential Units for which they are provided.
 - (b) The design and location of the Non-enclosed Areas In Phase 1 under the Building Plans shall not be altered in any way.
 - (c) The Non-enclosed Areas In Phase 1 shall not be enclosed above safe parapet height other than as under the Building Plans.
 - (d) Each Owner of the Non-enclosed Areas In Phase 1 shall (i) at his own cost keep the interior of such Non-enclosed Areas In Phase 1 in good and substantial repair and condition and shall use the same in all respects in compliance with the Occupation Permit, the Buildings Ordinance 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) 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 Owners to remedy the breach forthwith and if necessary to reinstate the Non-enclosed Areas In Phase 1 to their original state under the Building Plans and if the defaulting Owners 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 In Phase 1 provided therein) and remove any structures which are installed, exhibited, affixed, erected or attached to the Non-enclosed Areas In Phase 1 or the Residential Units which are in breach of the aforesaid covenants. 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.

- 46. Subject to Clause 1 of the THIRD SCHEDULE to this Deed, an Owner of Residential Unit shall carry out or cause to be carried out any fitting out or decoration works to any Unit in accordance with the Fit-out Rules. The Fit-out Rules may prescribe that the Owner of Residential Unit shall deposit and maintain with the Manager a refundable decoration deposit of HK\$5,000 or such other reasonable sum as may be determined by the Manager from time to time as security for the due observance and performance by the Owner of the Fit-out Rules when fitting-out or decorating his Residential Unit. Such decoration deposit shall be refunded by the Manager without interest to the Owner of Residential Unit within two (2) working days after the Owner has notified the Manager in writing that the fitting-out or decoration of his Residential Unit has been completed and upon the Manager being satisfied that this is the case.
- 47. No Owner of Flats 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 flat roof and/or roof or the parapet walls of the flat roof and/or roof or the garden of the Flats which in any way interferes with or affects or which is likely to interfere with or affect the operation of the gondola at any time in the course of the management and/or the maintenance of the Development.
- 48. Each Owner of Open Kitchen Units as set out in Part A of the FOURTH SCHEDULE hereto shall at his own costs and expenses observe and comply with the Fire Safety Management Plan, in particular the provisions set out in Part B of the FOURTH SCHEDULE hereto, 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 Flat to observe and comply with the same.
- 49. In addition to the covenants, provisions and restrictions contained in the THIRD SCHEDULE to this Deed, the Owner or Owners of the Parking Spaces or the Owner or Owners of the Houses shall be bound by and shall observe the following covenants, provisions and restrictions: -
 - (a) Each Owner of the Parking Spaces shall at its own cost and expense and in compliance with the Government Grant, this Deed and the Estate Rules, manage, repair, maintain and upkeep his Parking Space and all services and facilities installed therein or used in connected therewith and each Owner of the Houses shall at its own cost and expense and in compliance with the Government Grant, this Deed and the Estate Rules, manage, repair, maintain

- and upkeep the House Car Parking Spaces of his House and all services and facilities installed therein or used in connected therewith;
- (b) No part of the Carpark Common Areas and Facilities shall be obstructed or incumbered nor shall any refuse, matter or other things be placed or left thereon nor shall any part of the Carpark Common Areas and Facilities be used for any purposes except as provided under the Government Grant, this Deed and any Sub-Deed(s), and no Owner shall do or permit or suffer to be done anything in the Carpark Common Areas and Facilities as may be or become a nuisance or cause annoyance to any other Owners or occupiers of any other part of the Development;
- (c) Not to use or permit or suffer to be used any Parking Spaces or House Car Parking Spaces for the storage, display or exhibition of motor vehicles or motor cycles for sale or otherwise or for the provision of car cleaning and beauty services;
- (d) Not to permit or allow any motor vehicle or motor cycle parked in the Parking Space or any motor vehicle parked in the House Car Parking Space of which he is the Owner to deteriorate to a condition detrimental to the environmental appearance of the Development; and
- (e) Each Parking Space shall only be used for parking of one motor vehicle or one motor cycle (as the case may be) and each House Car Parking Space shall only be used for parking of one motor vehicle. The Manoeuvring Area shall not be used for parking of motor vehicle(s) or motor cycle(s).
- 50. The Recreational Areas and Facilities shall be for the exclusive recreational use of the residents of the Residential Units and their bona fide visitors and by no other person or persons and subject to the provisions of this Deed, any Sub-Deed(s) and the Estate Rules.
- 51. No grave or columbarium shall be erected or made on the Land and the Development, nor shall any human remains or animal remains whether in earthenware jars, cinerary urns or otherwise be interred therein or deposited thereon.
- 52. The Owners of those Flats enclosed with curtain wall structure shall be responsible for the maintenance, repair and replacement (if so required) of the openable parts and such pieces of glass panels of the curtain wall structure which form part of their respective Flats in accordance with the standards and requirements laid down by the Manager. Such Owners shall also be responsible for the cleaning of the inside surface of the non-openable parts of the curtain wall structure (including the glass panels) facing their respective Flats.
- 53. The Owners of those Residential Units consisting of any balconies, utility platforms, flat roofs or specified parts of roofs shall be responsible for the maintenance, repair and replacement (if so required) of the glass acoustic fins, glass balustrades or railings (as the case may be) of the balconies, utility platforms, flat roofs or specified parts of roofs of their respective Residential Units. No Owner shall change or replace the glass

balustrades and/or railings of the balconies, utilities platforms, flat roofs or specified parts of the roofs of their respective Residential Units except in accordance with the standards and requirements laid down by the Manager. The Owners of those Flats consisting glass acoustic fins shall also be responsible for the cleaning of the inside surface of the glass acoustic fins facing the balconies of their respective Flats.

54. Provision of Temporary Noise Abatement and Dust Protection Measures

Upon completion of Phase 1, the First Owner shall at its own expense provide necessary temporary noise abatement and dust protection measures within the Development in relation to the Units in Phase 1 as may be required by the Building Authority so as to minimise the inconvenience caused to the Owners of Units in Phase 1 from the continuing building works of Phase 2 of the Development on the Lot.

THE FOURTH SCHEDULE ABOVE REFERRED TO

Part A: Open Kitchen Units

Tower	Floor	Flat
	G/F	C, D, E, F, J, K
Т 1	1/F	C, D, E, F, J, K
Tower 1	2/F, $3/F$, $5/F - 12/F$,	C, D, E, F, G, H, J, K
	15/F - 22/F	
Tower 1A	G/F	C, D, G, H, J
	1/F	C, D, G, H, J
	2/F, $3/F$, $5/F - 12/F$,	C, D, E, F, G, H, J
	15/F - 22/F	
Tower 2	2/F, $3/F$, $5/F - 12/F$,	D, E, F, G, H, J, K, L
	15/F – 22/F	
Toxyon 2 A	Tower 2A 2/F, 3/F, 5/F – 12/F, B, C, D, E, F, G, H, J	B, C, D, E, F, G, H, J
1 ower 2A	15/F – 22/F	
	G/F	B, C, D, E, F, G, H, J, K, L, M, N, P
Tower 3	1/F	A, B, C, D, E, F, G, H, J, K, L, M, N, P
Tower 3	, , ,	A, B, C, D, E, F, G, H, J, K, L, M, N, P, Q, R
	15/F – 22/F	
	G/F	A, B, C, D, E, F, G, H, J, K, L, M, N, P
Tower 3A	1/F	A, B, C, D, E, F, G, H, J, K, L, M, N, P, Q
	2/F, $3/F$, $5/F - 12/F$,	A, B, C, D, E, F, G, H, J, K, L, M, N, P, Q
	15/F – 22/F	
Tower 5	G/F	A, B, C, D, E, F, G, H, J, K, L, M, N, P
	1/F	A, B, C, D, E, F, G, H, J, K, L, M, N, P, Q
	2/F, $3/F$, $5/F - 12/F$,	A, B, C, D, E, F, G, H, J, K, L, M, N, P, Q
	15/F – 22/F	
Tower 5A	G/F	B, C, D, E, F, G, H, J, K, L, M, N, P
	1/F	A, B, C, D, E, F, G, H, J, K, L, M, N, P
	2/F, $3/F$, $5/F - 12/F$,	A, B, C, D, E, F, G, H, J, K, L, M, N, P, Q, R
	15/F - 22/F	

Remark: There is no 4/F, 13/F and 14/F in all Residential Towers.

Part B: Provisions relating to the Fire Safety Management Plan

- 1. The Owners of the Open Kitchen Units shall at their own expense observe and comply with the Fire Safety Management Plan. Without prejudice to the generality of but in addition to the foregoing, the Owner of an Open Kitchen Unit shall observe and comply with the following provisions: -
 - (a) not to alter, remove, tamper or obstruct the sprinkler head(s) provided at the ceiling immediately above the open kitchen, fire detector(s) and alarm buzzer provided inside the Open Kitchen Units and at the common lobby outside the Open Kitchen Units except with the prior written approval of the Buildings Department, the Fire Services Department, all relevant Government authority or authorities and the Manager;
 - (b) not to alter or remove the FRR Wall of his Open Kitchen Unit except with the prior written approval of the Buildings Department, the Fire Services Department, all relevant Government authority or authorities and the Manager;
 - (c) to maintain and keep the fire services installations specified in the Fire Safety Management Plan and installed in his Open Kitchen Unit in good order and working condition; and
 - (d) to let, lease, license or otherwise part with the possession of his Open Kitchen Unit upon the condition that the tenant(s), lessee(s), licensee(s) or occupier(s) thereof shall agree to observe and comply with the provisions contained in this Deed relating to and/or applicable to Open Kitchen Units.
- 2. The Manager shall on behalf of the Owners of the Open Kitchen Units carry out and implement the plans relating to maintenance, inspection and check, staff training, fire action and fire prevention as set out in the Fire Safety Management Plan. Without limiting the generality of the foregoing, the Manager is hereby given full authority by the Owners of the Open Kitchen Units to engage or employ registered fire service installation contractors for the annual inspection and check, testing, keeping and maintaining in good substantial repair and condition, and carrying out any necessary works in respect of the fire services installations (including but not limited to fire detectors within the Open Kitchen Units and the common corridors, fire alarm system and the sprinkler system) as specified in and in accordance with the Fire Safety Management Plan and submit the maintenance certificate to the Fire Services Department.
- 3. The Manager and the registered fire service installation contractors engaged by the Manager shall have the power to enter with or without workmen, equipment or materials at all reasonable times on reasonable notice (except in an emergency when no notice is required) any Open Kitchen Unit to carry out check, inspection, testing or maintenance of the fire services installations therein (at the cost of the Owner of that Open Kitchen Unit) or verify observance and compliance of provisions referred to in Clause 1 of this FOURTH SCHEDULE above PROVIDED THAT the Manager shall be liable for and shall at its own costs and expenses repair and make good any damage

so caused and for its liability for the negligent, wilful or criminal acts of the Manager or the Manager's staff, employees, agents or contractors to the relevant Open Kitchen Unit(s) and reinstate the same causing least disturbance as is reasonably practicable.

- 4. The Manager shall prepare a separate management budget for the carrying out and implementation of the plans of the Fire Safety Management Plan and the fire services system serving the Open Kitchen Units exclusively. The Owners of each Open Kitchen Unit shall pay to the Manager his due share of the budgeted expenses for the carrying out and implementation of the plans of the Fire Safety Management Plan and the said fire services system on a monthly basis in accordance with and in proportion to the Management Shares allocated to his Open Kitchen Unit.
- 5. The First Owner shall deposit a copy of the Fire Safety Management Plan in the management office of the Development within one month of the date of this Deed for reference by the Owners and the Manager free of charge or taking copies by the Owners at their own expense and upon payment of a reasonable charge. All charges received shall be credited to the Special Fund.
- 6. The Manager shall ensure the latest version of the Fire Safety Management Plan will be kept at the management office of the Development for inspection by the Owners free of charge or taking copies by the Owners at their own expense and upon payment of a reasonable charge. All charges received shall be credited to the Special Fund.

THE FIFTH SCHEDULE ABOVE REFERRED TO

Schedule of Works and Installations

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

(a)	structural elements;
(b)	external wall finishes and roofing materials;
(c)	fire safety elements;
(d)	Slope Structures;
(e)	plumbing system;
(f)	drainage system;
(g)	fire services installations and equipment;
(h)	electrical wiring system;
(i)	lift installations;
(j)	gas supply system;
(k)	curtain wall, glass wall and window installations; and
(1)	gondola system.

SIGNED as a deed and **SEALED** with the Common Seal of the **First Owner** in accordance with the articles of association and **SIGNED** by

Zhang Zhao its director

duly authorised by board resolution of its directors whose signature(s) is/are verified by:-

3676

Wan Shiu Man Solicitor, Hong Kong SAR

Messrs. Baker & McKenzie

by the First Assignee (Holder of Hong Kong Identity Card No. in the presence of:-



Lo Wai Yee, Lila Legal Executive to Messrs. Baker & McKenzie

Solicitors, Hong Kong SAR

INTERPRETED to the First Assignee by:-

Lo Wai Yee, Lila Legal Executive to Messrs. Baker & McKenzie Solicitors, Hong Kong SAR

I hereby verify the signature of Lo Wai Yee, Lila

> Ambrose Ng Solicitor, Hong Kong SAR Messrs. Baker & McKenzie

SIGNED as a deed and SEALED with				
the Common Seal of the Manager in				
accordance with the articles of				
association and SIGNED by				
WANG Zhaoyu, person				

duly authorised by board resolution of its directors whose signature(s) is/are verified by:-



Wan Shiu Man Solicitor, Hong Kong SAR Messrs. Baker & McKenzie

EXECUTED and DELIVERED as a)	
deed by the Security Agent (acting in its)	
capacity as security agent for the benefit)	
of the Secured Parties) acting through		
Wu Yik Tin, Desmond)	
)	
)	
its lawful attorney, whose signature(s))	
is/are verified by :-)	

CHOI CHUN HIM Solicitor Baker & McKenzie Hong Kong SAR































































