Dated the day of 20

SURE STRONG CORPORATION LIMITED
確堅有限公司

And

[●]

and

EMPEROR PROPERTY MANAGEMENT (HK) LIMITED
英皇物業管理(香港)有限公司

and

THE BANK OF EAST ASIA, LIMITED
(東亞銀行有限公司)

DEED OF MUTUAL COVENANT AND MANAGEMENT AGREEMENT

of

TUEN MUN TOWN LOT NO. 490

MAYER BROWN
好士打

KPYW/PHCH/16527036

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THIS DEED OF MUTUAL COVENANT AND MANAGEMENT AGREEMENT
made the day of

BETWEEN:-

(1) **SURE STRONG CORPORATION LIMITED** 確堅有限公司 whose registered office is situate at 28th Floor, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong (hereinafter called the "**First Owner**" which expression shall where the context so admits include its successors and assigns) of the first part;

(2) [●] (hereinafter called the "**First Assignee**" which expression shall where the context so admits include his executors, administrators, successors and assigns) of the second part;

(3) **EMPEROR PROPERTY MANAGEMENT (HK) LIMITED** 英皇物業管理**(**香港**)** 有限公司 whose registered office is situate at 28th Floor, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong (hereinafter called the "**DMC Manager**" which expression shall where the context so admits include its successors appointed in accordance with the provisions herein) of the third part; and

(4) **THE BANK OF EAST ASIA, LIMITED (**東亞銀行有限公司**)** whose registered office is situate at No. 10 Des Voeux Road Central, Hong Kong (the "**Lender**" which expression shall where the context so admits include its successors and assigns) of the fourth part.

WHEREAS:-

(A) Immediately prior to the Assignment to the First Assignee hereinafter referred to the First Owner is the registered owner and is in possession of the Land (as hereinafter defined) and upon the issuance of the Certificate of Compliance (as hereinafter defined) in respect of the Land will become entitled to a Government lease thereof for the residue of a term of 50 years commencing from 16 January 2014 subject to and with the benefit of the Government Grant (as hereinafter defined).

(B) The Land is as at the date of this Deed charged to the Lender under a Mortgage (as hereinafter defined).

(C) The First Owner has developed and is in the course of developing the Land in accordance with the Government Grant and the Building Plans (as hereinafter defined).

(D) For the purposes of sale, the Land and the Development (as hereinafter defined) have been notionally divided into 3,446 equal Undivided Shares (as hereinafter defined) which have been allocated as provided in the FIRST SCHEDULE hereto.

(E) The First Owner has already obtained the Certificate of Compliance (as hereinafter defined) and is entitled to assign or otherwise dispose of the Undivided Shares together with the right to the exclusive use and occupation of a part or parts of the Development.

(F) By a Partial Release bearing even date but executed immediately prior to the Assignment hereinafter referred to, inter alia, the First Assignee's Unit (as hereinafter defined) was released/reassigned by the Lender to the First Owner freed and absolutely discharged and released from the Mortgage (as hereinafter defined).

(G) By an Assignment bearing even date herewith and made between the First Owner of the one part and the First Assignee of the other part and for the consideration therein expressed the First Owner assigned unto the First Assignee All Those [●] equal undivided [●] 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/Those] [●] of the Development (the "**First Assignee's Unit**") Subject to and with the benefit of the Government Grant.

(H) 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, the Archaeological Deposit Areas, the Brown Area and the Green Hatched Black Areas (all as hereinafter defined) therein and for the purpose of defining and regulating the rights, interests and obligations of the Owners (as hereinafter defined) in respect thereof and to provide for apportionment of the expenses of such management, maintenance, repair, renovation, insurance and service to be borne by the Owners.

(I) The Director of Lands has given his approval to this Deed in accordance with Special Condition No.(15)(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 :-

"**Accessible Parking Space**"

means the parking space in the Development provided in accordance with Special Condition No.(18)(b)(i) of the Government Grant for the parking of motor vehicles by disabled persons as defined in the Road Traffic Ordinance (Cap. 374 of the laws of Hong Kong), any regulations made thereunder and any amending legislation, and belonging bona fide guests, visitors or invitees of the residents of the Development, and which for the purpose of identification only is shown coloured **Yellow** and marked "VISITOR/DIS. CP17" on the Lower Ground Floor plan of the DMC Plans. The Accessible Parking Space is also a Visitor's Parking Space;

"**Archaeological Deposit Areas**"

means the archaeological deposit area and its buffer zone as referred to in Special Condition No. (34) of the Government Grant and as shown edged red on the plan annexed to the Government Grant;

"**auditor**"

means a certified public accountant in Hong Kong;

"**Authority**"

means the Secretary for Home Affairs;

"**Authorized Person**"

means Choy Ka Hung of SPIRAL Architectural Design Limited, and any other replacement authorized person for the time being appointed by the First Owner;

"**Brown Area**"

means the Brown Area as referred to in Special Condition No. (27)(a) of the Government Grant and as shown coloured brown on the plan annexed to the Government Grant;

"**Building Management Ordinance**"

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

"**Building Plans**"

means the general building plans and specifications in respect of the Development or in respect of any part or parts of the Development prepared by the Authorized Person and approved by the Building Authority under reference No. BD2/9048/14 and includes any amendment thereto as approved by the Building Authority;

"**Capital Expenditure**"

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

"**Car Parking Rules**"

means the rules and regulations as the Manager may from time to time make or implement (with the approval of the Owners' Committee, if and when it is formed) governing the driveways, emergency vehicular access (EVA), the Visitor's Parking Spaces, the Residential Car Parking Spaces and the Residential Motor Cycle Parking Space;

"**Certificate of Compliance**"

means the certificate or letter from the Director of Lands certifying that the Purchaser (as defined in the Government Grant) has complied with all the positive obligations imposed in the Government Grant;

"**Common Areas and Facilities**"

means and includes :-

(a) solid wall including the glass balustrade(s) surrounding the lot boundary, lightning post, sprinkler water tank, sprinkler fire hydrant tank, fire service tank, refuse storage and material recovery chambers, RC parapet walls, metal canopy, fire prevention and fighting equipment and apparatus, security systems and apparatus, pipe ducts, hose reels, street hydrant/sprinkler/fire service water pump room, water pump room, sewage treatment plant room, flushing water plant room, master water meter room, common staircases, landings, exhaust air ducts, sprinkler CV/F.S. and sprinkler inlets, water meter cabinet, potable check meter cabinets, potable water plant room, fire service control room, transformer room, switch room, aluminium feature, air duct, driveways, emergency vehicular access (EVA), open passageway, those parts of the Slope Structures within the Land and the Development, Landscaped Areas, vertical green, planters not forming any part of a Unit including planters on retaining walls, planter wall, flat roofs not forming any part of a Unit, canopy above the driveway leading to the Lower Ground Floor, bored pile wall and screen wall, fibre glass tank, recycle pump sump, R.C. plinths, sump pump room, smoke vents, cat ladders, sunken court, metal gates, metal grille, FRR 120 glass doors, cable trench, common driveway, ramp, fan rooms, surface channels, covered channels, common fence walls including those portions of the fence wall adjoining or facing the open passageway and the emergency vehicular access/driveway (EVA), those fence walls adjoining the Greenery Area, towngas valve cabinet, extra low voltage room, telecommunications and broadcasting equipment room, aerials, meters, lighting, drains, channels, sewers, wires, cables, pumps, sanitary fittings, electrical installations, fittings, equipment and apparatus, disabled lift, protected lobby(ies) to a required staircase, ventilation system, open A/C plant area, R.C. parapets, communal landscape areas, those parts of the unexcavated land within the Land and the Development;

(b) the Recreational Facilities;

(c) the Visitor's Parking Spaces;

(d) such areas and facilities of and in the Land and the Development intended for common use and benefit of the Development as a whole and not just for any individual Owner; and

which are for the purpose of identification shown coloured **Yellow, Yellow Hatched Black, Yellow Stippled black** on the DMC Plans;

(e) those Noise Mitigation Measures not forming any part of a Unit and are intended for common use and benefit of the Development as a whole and not just for any individual Owner which are for the purpose of identification shown as **Yellow Solid Line** and marked "SOLID

WALL" on the Noise Mitigation Measure Ground Floor Plan of the DMC Plans; and

(f) such other areas and facilities of and in the Land and the Development designated as Common Areas and Facilities in accordance with this Deed

PROVIDED THAT where appropriate, if any parts of the Development:-

(i) are covered by paragraph (a) of the definition of "common parts" set out in section 2 of the Building Management Ordinance and/or

(ii) fall within the categories as 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,

then such parts shall be deemed to have been included as, and shall form part of, the Common Areas and Facilities.

"**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 issuance of the Certificate of Compliance;

"**Development**"
means the whole of the development constructed or in the course of construction on the Land in accordance with the Government Grant and the Building Plans and known as "Seaside Castle 畔海";

"**Development Rules**"
means the rules supplemental to this Deed governing the Development or any part or parts thereof from time to time in force made pursuant to the provisions of this Deed and including without limitation the Car Parking Rules, the Recreational Facilities Rules and the Fit-out Rules;

"**DMC Plans**"
means the plans annexed to this Deed for identifying various parts of the Development including the noise mitigation measures and certified by the Authorized Person as to their accuracy;

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

"**Government**"
means the Government of Hong Kong;

"**Government Grant**"
means the Agreement and Conditions of Sale registered in the Land Registry as New Grant No.21745 and as the same may be modified, amended, varied or supplemented from time to time;

"**Greenery Area**"
means the area or areas provided in accordance with Special Condition No.(9)(b)(ii) of the Government Grant and which for the purpose of identification only are shown and coloured **Yellow Stippled Black** on the DMC Plans;

"**Green Hatched Black Areas**"
means the areas shown coloured green hatched black on the plan annexed to the Government Grant as more particularly defined in the Government Grant and on which geotechnical investigations, slope treatment, landslide preventive, mitigation and remedial works are required to be carried out and completed in accordance with Special Condition No.(32) of the Government Grant and which (including all land, slope treatment works, earth-retaining structures, drainage and any other works therein and thereon) are required to be maintained to the satisfaction of the Director of Lands;

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

"**Land**"
means all that piece or parcel of ground registered in the Land Registry as Tuen Mun Town Lot No. 490;

"**Landscaped Areas**"
means the area or areas provided in accordance with Special Condition No.(9) of the Government Grant including the Greenery Area;

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

"**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**"

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

"**Management Expenses**"

means expenses, costs and charges and necessarily and reasonably incurred in the management and maintenance of the Land and the Development and the Common Areas and Facilities therein to be borne by the Owners as provided in this Deed which, except for the purpose of Clause 4.3 of Section IV of this Deed, shall include the Manager's Remuneration;

"**Management Shares**"

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

"**Manager**"

means the DMC Manager or any other person who for the time being is, for the purposes of this Deed, managing the Development pursuant to the provisions of this Deed and in the absence of any such appointment, the Owners' Committee shall act as the Manager;

"**Manager's Remuneration**"

means the remuneration of the Manager as provided herein;

"**Mortgage**"

means the Legal Charge/Mortgage dated 31 March 2021 and made between the First Owner as borrower and the Lender as lender and registered in the Land Registry by Memorial No. 21041302580302 and as the same may from time to time be modified, varied or supplemented;

"**NIAR**"

means the noise impact assessment prepared by the First Owner in accordance with Special Condition No.(37)(a) of the Government Grant and approved by the Director of Lands under Special Condition No.(37)(b);

"**Noise Mitigation Measures**"

means the noise mitigation measures which have been implemented for the Development in accordance with the NIAR and which (insofar as the same are capable of being showing on plans) are for the purpose of identification shown as **Yellow Solid Line, Turquoise Dash Line** or coloured **Orange** and respectively marked "SOLID WALL", "FIXED GLAZING" and "ACOUSTIC BALCONY" on the noise mitigation measure plans of the DMC Plans;

"**Non-enclosed Areas**"

means :-

(a) the balconies or the acoustic balcony (as the case may be) of the Residential Houses which are for the purpose of identification only

shown and marked "BAL." or "ACOUSTIC BAL" (as the case may be) on the Second Floor Plan of the DMC Plans and the covered areas underneath such balconies or acoustic balcony (as the case may be); and

(b) the utility platforms of the Residential Houses which are for the purpose of identification only shown and marked "UTILITY PLATFORM" on the DMC Plans and the covered areas underneath such utility platforms;

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

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

"**Owners' Committee**"
means a committee of the Owners of the Development established under the provisions of this Deed;

"**Owners' Corporation**"
means the corporation of the Owners incorporated under Section 8 of the Building Management Ordinance;

"**Recreational Facilities**"
means the recreational facilities and facilities ancillary thereto comprising, inter alia, the gymnasium, store and lavatories constructed or to be constructed in accordance with Special Condition No.(7)(a) of the Government Grant and which are (in so far as the same are capable of being shown on plans) for the purpose of identification shown coloured **Yellow** and marked "RESIDENTS' RECREATIONAL FACILITIES" on the Lower Ground Floor Plan of the DMC Plans;

"**Recreational Facilities Rules**"
means such rules and regulations set down by the Manager (with the approval of the Owners' Committee of the Owners' Corporation, if and when it is formed) from time to time with specific application to the Recreational Facilities and the use and enjoyment thereof;

"**Residential Car Parking Space**"

means each of the 16 parking spaces in the Residential Houses provided in accordance with Special Condition No.(18)(a)(i)(II)(B) of the Government Grant and intended for the parking of motor vehicles belonging to the residents of the Residential Houses and their bona fide guests, visitors or invitees, and "Residential Car Parking Spaces" shall be construed accordingly;

"**Residential House**"

means each of the eight (8) individual houses constructed on the Land and the Development for private residential purposes in accordance with the Building Plans and the Government Grant and designated as House 1, House 2, House 3, House 5, House 6, House 7, House 8 and House 9 and in respect of each Residential House shall include, without limitation, the carport within a Residential House (including two Residential Car Parking Spaces on Lower Ground Floor as set out in the FIRST SCHEDULE hereto), private garden, flat roof(s), the roof(s) above, the Non-enclosed Areas forming part of the relevant Residential House, all walls and partitions (whether load bearing or structural or not) of or within a Residential House, the columns, beams, floor slabs and other structural supports of or within a Residential House, all windows, glass balustrades, railing (including for the avoidance of doubt, any lighting fittings installed within or on such railing (if any)), balcony (including for the avoidance of doubt, any lighting fittings installed within the balcony), utility platform (including, for the avoidance of doubt, any lighting fittings installed within such utility platform), acoustic balcony (if any) (including the sound absorptive materials at the ceiling and soffit on top thereof), air-conditioning plant area (if any), staircase, entrance lobby, planter, pipe duct (if any), sink, water meter cabinet, electric meter cabinet, gas meter cabinet, F.S. (fire service) pump & 2M3 tank room (if any), F.S. (fire service) plant room (if any), lift and lift shaft serving exclusively a Residential House, aluminium fins (if any), cat ladder (if any), fixed glazing forming part of the Noise Mitigation Measures and serving exclusively a Residential House and which is for the purpose of identification shown as Turquoise Dash Line and marked "FIXED GLAZING" on the Noise Mitigation Measure Ground Floor Plan, First Floor Plan, Second Floor Plan and Third Floor Plan of the DMC Plans, swimming pool on roof, filtration and A/C (air-conditioning) plant area, external walls and the inner half of the fence wall adjoining the private garden of and appertaining to a Residential House and dividing one Residential House from its neighbouring Residential House and shall in the case of each Residential House also include all the structure which serve to support exclusively the Residential House and no other part of the Development, and "**Residential Houses**" shall be construed accordingly;

"**Residential Motor Cycle Parking Space**"

means a parking space in the Development provided in accordance with Special Condition No.(18)(c)(i) of the Government Grant and intended for the parking of motor cycle belonging to the residents of the Development and their bona fide guests, visitors or invitees, and which for the purpose of identification only is marked "MOTORCYCLE" on the Lower Ground Floor plan of the DMC Plans;

"**Schedule of Works and Installations**"

means the Schedule of Works and Installations as set out under the FOURTH SCHEDULE hereto;

"**Slope Maintenance Manual**"

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

"**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 the Brown Area and the Green Hatched Black Areas as required by the Government Grant or this Deed to be maintained by the Owners and for the purpose of identification are shown and coloured **Red** on the slope plan certified by the Authorised Person as to its accuracy and annexed hereto;

"**Special Fund**"

means the special fund maintained by the Manager pursuant to Clause 4.12 hereof;

"**Sub-Deed**"

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

"**this Deed**"

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

"**Undivided Shares**"

means those equal undivided parts or shares of and in the Land and the Development allocated to various parts of the Development in accordance with the FIRST SCHEDULE hereto or in accordance with any Sub-Deed and "**Undivided Share**" shall be construed accordingly;

"**Unit**"

means a Residential House, the Residential Motor Cycle Parking Space or any part of the Development to which Undivided Shares have been or will be allocated in accordance with this Deed or any Sub-Deed and is intended for the exclusive use, occupation and possession by the Owner thereof and "**Units**" shall be construed accordingly;

"**Visitor's Parking Spaces**"

mean the parking spaces in the Development provided in accordance with Special Condition No.18(a)(iii) of the Government Grant and intended for the parking of motor vehicles belonging to the bona fide guests, visitors or invitees

of the residents of the Development, and which for the purpose of identification only are shown coloured **Yellow** and respectively marked "VISITOR/DIS. CP17" and "VISITOR CP18" on the Lower Ground Floor plan of the DMC Plans;

"**window**"
in relation to any Residential House, means:-

(a) any louvres and openable window of a Residential House; and

(b) any non-openable window of a Residential House,

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

"**Works and Installations**"
means all major works and installations in the Land and the Development (whether forming part of the Common Areas and Facilities or not) requiring regular maintenance on a recurrent basis as listed out in the Schedule of Works and Installations.

1.2 In this Deed, words importing the singular number shall include the plural number and vice versa, and words importing the masculine, feminine or neuter gender shall include the others of them and words importing persons shall include corporations and vice versa.

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

SECTION II

2. Rights and Obligations of Owners

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

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

2.3 Each Undivided Share and the full and exclusive right and privilege to hold, use, occupy and enjoy any part of the Development shall be held by the person or persons from time to time entitled thereto subject to and with the benefit of the rights and privileges provided in the SECOND SCHEDULE hereto.

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

2.5 Subject to the Government Grant, 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(s) in any way whatsoever and without the necessity of making such other Owners or other persons a party to the transaction to sell, assign, mortgage, lease, license or otherwise dispose of or deal with his Undivided Share(s) 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 Residential Motor Cycle Parking Space shall not be:-

(i) assigned except

(I) together with Undivided Shares giving the right of exclusive use and possession of a Residential House; 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 House; or

(ii) underlet except to residents of a Residential House;

(c) the two Residential Car Parking Spaces forming part of a Residential House shall not be assigned, mortgaged, leased or licensed separately from such Residential House;

AND in any event not more than three (3) in number of the total of the Residential Car Parking Spaces and the Residential Motor Cycle Parking Space shall be assigned to the Owner or underlet to the resident of any one Residential House.

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, subject to the Government Grant, shall not extend to leases or tenancies or licences the terms of which shall not exceed ten (10) years.

(b) The right to the exclusive use, occupation and enjoyment of the carport within a Residential House (including the Residential Car Parking Spaces) and any balcony(ies), acoustic balcony (if any), flat roof(s), roof(s), staircase(s), utility platform(s), air-conditioning plant area(s), private garden(s), lift(s), swimming pool(s), external walls or fence walls appertaining to a Residential House shall not be sold, assigned, mortgaged, charged, leased or otherwise dealt with separately from a Residential House with which the carport within a Residential House (including the Residential Car Parking Spaces), such balcony(ies), acoustic balcony (if any), flat roof(s), roof(s), staircase(s), utility platform(s), air-conditioning plant area(s), private garden(s), lift(s), swimming pool(s), external walls or fence walls is held.

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

(b) 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 Development Rules.

2.8 Upon execution of this Deed, the First Owner shall assign to the Manager as trustee for all Owners free of costs or consideration the Undivided Shares allocated to the Common Areas and Facilities together with the Common Areas and Facilities subject to and with the benefit of the Government Grant and this Deed. In the event the Manager shall resign or be dismissed or on termination of his appointment or be wound up or a receiving order be made against it and another manager appointed in its stead in accordance with the provisions of this Deed, then the outgoing Manager or the liquidator or the receiver (as the case may be) shall assign free of costs or consideration such Undivided Shares to the new manager upon the same trust PROVIDED THAT if an Owners' Corporation is formed it may require the Manager for the time being or its liquidator or receiver (as the case may be) to assign such Undivided Shares and transfer the management responsibility to it free of costs or consideration and in which event the Manager shall assign free of costs the Undivided Shares allocated to the Common Areas and Facilities and transfer free of costs the management responsibility to the Owners' Corporation which shall hold such Undivided Shares on trust for the benefit of all the Owners.

SECTION III

3. Additional Rights of the First Owner

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

(a) 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 passed at an Owners' meeting convened under this Deed, the right to apply to negotiate and agree with the Government to amend, vary or modify the Government Grant (including the plan(s) annexed thereto) in such manner as the First Owner may 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

PROVIDED THAT:-

(i) the exercise of this right shall not interfere with an Owner's right to hold, use, occupy and enjoy his Unit or impede or restrict the access to or from such Unit;

(ii) any exercise of this right affecting the Common Areas and Facilities shall require the prior written approval of the Owners' Committee (or the Owners' Corporation, if formed); and

(iii) 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).

(c) The right to enter into and upon all parts of the Land and the Development (save and except those parts of the Land and the Development the sole and exclusive right to the use enjoyment and occupation of which have been assigned or otherwise disposed of to an Owner) with all necessary equipment, plant and materials for the purposes of completing the construction of 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 right of the First Owner to enter the Land and the Development (save and except those parts as aforesaid) to carry out such works shall extend equally to all necessary contractors, agents,

workers and other persons authorised by the First Owner. The First Owner in pursuance of such works may from time to time issue in writing to the Owners instructions as to the areas or parts of the 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 affect the use occupation and enjoyment of or prevent the access to or egress from any Unit of the Owners when carrying out such works and shall make good any damage or loss that may be caused by or arise from such construction works.

(d) The right to affix, maintain, alter, renew and remove any one or more signs, masts, aerials, antennae, satellite dish, cables, telecommunication system, lightning conductors, lighting, chimneys, flues, pipes or any other structures, facilities and other fixtures of whatsoever kind on or within (1) any part or parts of the Development the exclusive right to hold, use, occupy and enjoy which has not been assigned and (2) subject to the prior written approval by a resolution of Owners at an Owners' meeting convened under this Deed, any part or parts of the Common Areas and Facilities for the purposes of supplying utility services to the Land (but not to the land adjoining the Land and the Development)

PROVIDED THAT:-

(i) they shall not interfere with the use and enjoyment by other Owners and occupiers of the Units owned or occupied by them or impede or restrict the access to or from the Units by the Owners and occupiers thereof;

(ii) where any such sign, mast, aerial, antennae, satellite dish, cables, telecommunication system, lightning conductor, lighting, chimneys, flues, pipes or any other structures, facilities or other fixtures are located within the Common Areas and Facilities the exercise of such rights shall also be subject to the prior written approval of the Owners' Committee (or the Owners' Corporation, if formed) and they 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 for the benefit of all the Owners; and

(iii) the First Owner shall at his own expense make good all damage caused when exercising its right granted under this sub-clause (d)

AND the right to enter into and upon any part of the Development (save and except those parts of the Development the sole and exclusive right to the use enjoyment and occupation of which have been assigned 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. Any payment received for the approval shall be credited to the Special Fund.

(e) The right to change the name of the Development 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) The right to dedicate to the public any part or parts of the Land and the Development owned by the First Owner for the purposes of passage with or without vehicles or in such manner as the First Owner shall in its absolute discretion deem fit PROVIDED THAT in making such dedication the First Owner shall not interfere with an Owner's right to hold, use, occupy and enjoy his Unit or impede or restrict an Owner's right of access to and from his Unit.

(g) Subject to the prior written approval by a resolution of Owners passed at an Owners' meeting convened under this Deed, the right to adjust or re-align the boundary of the Land and to negotiate and agree with the Government in connection therewith and for that purpose to effect any surrender, extension or regrant

PROVIDED THAT:-

(i) such adjustment or re-alignment shall not affect 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);

(iii) any money received as a result of exercise of this right shall be credited to the Special Fund; and

(iv) if the First Owner is to effect any surrender of any part of the Land as a result of the adjustment or re-alignment of the boundary of the Land, the surrender shall be restricted to the part of the Land which has not been sold or assigned by the First Owner only.

(h) The right to enter into a Sub-Deed in respect of any part or parts of the Development still owned by the First Owner PROVIDED THAT such Sub-Deed shall not conflict with the provisions of this Deed nor affect the rights, interests or obligations of the other Owners bound by any other previous Sub-Deed and shall be subject to the approval of the Director of Lands, unless the requirement of approval is otherwise waived by the Director of Lands.

(i) Subject to the prior written approval by a resolution of the Owners passed 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, pedestrian bridges, gardens, open spaces, nullahs and culverts, recreational areas and facilities, refuse collection and disposal areas and facilities, drainage system and 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.

(j) Subject to the prior written approval by a resolution of the Owners passed at an Owners' meeting convened under this Deed and subject to compliance with 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 nullahs and culverts, refuse collection and disposal areas and facilities, drainage system and water and electricity storage, transformation and supply systems) over any part or parts of the Common Areas and Facilities or to grant any similar rights by licence for the benefit of any adjoining or neighbouring lands on such terms and conditions and to such persons as the First Owner shall deem appropriate

PROVIDED THAT:-

(i) the exercise of this right shall not 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 beneficial receipt from the exercise of such right shall form part of the Special Fund.

(k) Subject to the Government Grant and this Deed, the right without the concurrence or approval of other Owners to adjust and/or allocate and from time to time re-allocate the Undivided Shares retained by the First Owner to any of the Units and the Undivided Shares relating thereto and the fraction which each such Undivided Share bears to the whole PROVIDED THAT such adjustment, allocation and/or re-allocation :-

(i) shall be subject to the approval of the Director of Lands as to the basis of allocating the undivided shares;

(ii) will not affect other Owners' sole and exclusive right and privilege to hold use and occupy their part or parts of the Development;

(iii) will not adversely affect other Owners' right, interest and enjoyment in the Development;

(iv) will not increase the proportion of other Owners' contribution to the Management Expenses; and

PROVIDED FURTHER THAT the total number of the Undivided Shares shall remain the same after such adjustment, allocation or re-allocation.

(l) Subject to the prior approval of the Owners by a resolution passed at an Owners' meeting convened under this Deed, the right to designate and declare from time to time by deed any part or parts of the Land and the Development the sole and exclusive right to hold, use, occupy and enjoy of which, and to receive the rents and profits in respect of which, is vested in the First Owner to be additional Common Areas and Facilities and to sub-allocate Undivided Shares thereto whereupon with effect from such designation or declaration as aforesaid such additional Common Areas and Facilities shall form part of the Common Areas and Facilities and the Owners shall contribute to the maintenance and upkeep of the same as if they were part of the Common Areas and Facilities and the Undivided Shares of such additional Common Areas and Facilities shall as soon as practicable thereafter be assigned to the Manager or the Owners' Corporation (as the case may be) in accordance with this Deed on trust for and on behalf of all the Owners PROVIDED THAT:-

(i) no Owner or the Manager shall re-convert or re-designate such additional Common Areas and Facilities to the relevant Owner's own use or benefit;

(ii) all the Undivided Shares allocated to such additional Common Areas and Facilities shall be vested in the Manager in accordance with the provisions of this Deed free of costs or consideration; and

(iii) the First Owner shall prepare or cause to be prepared a set of the plans showing the additional Common Areas and Facilities certified as to their accuracy by or on behalf of the Authorized Person to be kept at the management office of the Manager for inspection by all the Owners during normal business office hours of the Manager free of costs and charges.

Notwithstanding anything contained in the foregoing provision to the contrary, the exercise of the above rights and privileges shall not interfere with the other Owners' right to hold, use occupy and enjoy their Units and shall not impede other Owners' access to their Units.

(m) The right to use the company logo of the group of companies of which the First Owner forms part as part of the overall design of the signage and/or the logo of the Development.

3.2 The Owners hereby jointly and severally and irrevocably APPOINT the First Owner (excluding its successors and assigns) as their attorney and grant unto the First Owner the full right power and authority to do all acts deeds matters and things and to execute and sign seal and as their act and deed deliver such deed or deeds and to sign such

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

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

"The Purchaser covenants with the Vendor (excluding the Vendor's successors assigns) and attorneys to the intent that such covenants shall bind the Property and the owner or owners thereof for the time being and other person or persons deriving title under the Purchaser (each and all of whom including the Purchaser is and are hereinafter included in the expression the "Covenanting Purchaser") and shall enure for the benefit of the Development and be enforceable by the Vendor and its successors and assigns that :-

(i) the Covenanting Purchaser confirms and acknowledges the covenants, rights, entitlements, exceptions and reservations granted and conferred on Sure Strong Corporation Limited 確堅有限公司 (the "Company" which expression shall include its successors and attorneys) under Clause 3.1 of a Deed of Mutual Covenant and 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 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 not exceeding 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 passed by a majority of votes of the Owners voting either personally or by proxy at an Owners' meeting convened for the purpose of removing the Manager without compensation and supported by Owners of not less than fifty per cent (50%) of the

Undivided Shares in aggregate (excluding those Undivided Shares allocated to the Common Areas and Facilities) and by the Owners' Committee giving to the Manager not less than three (3) months' notice of termination in writing; or

(iv) in the event that the Manager is wound up or has a receiving order made against it.

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

(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 DMC Manager for the payment to it of a sum equal to the amount of remuneration which would have accrued to it during that period;

(3) such notice is accompanied by a copy of the resolution terminating the DMC Manager's appointment; and

(4) such notice and the copy of the resolution is given to the DMC Manager within fourteen (14) days after the date of the meeting.

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

(1) by delivering them personally to the DMC Manager; or

(2) by sending them by post to the DMC Manager at its last known address.

(iv) For the purposes of 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 Manager other than the DMC 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 DMC Manager's appointment.

(vi) Clause 4.1(c)(v) operates without prejudice to any other power there may be in a contract for the appointment of the Manager other than the DMC Manager to terminate the appointment of the Manager.

(vii) If a notice to terminate a Manager's appointment is given under this Clause 4.1(c):-

(1) no appointment of a new Manager shall take effect unless the appointment is approved by a resolution of the Owners' Committee (if any); and

(2) if no such appointment is approved under 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) (i) 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 fourteen (14) days of the date its appointment ends, deliver to the Owners' Committee (if any) or the Manager appointed in its place any movable property in respect of the control, management and administration of the Land and the Development that is under its control or its custody or possession, and that belongs to the Owners' Corporation (if any) or the Owners.

(ii) If the Manager's appointment ends for any reason, the Manager shall within two (2) months of the date the Manager's appointment ends (and in the case of sub-clause (ii)(3) below, on the date of termination of the Manager's appointment):-

(1) prepare 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 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;

(2) deliver to the Owners' Committee (if any) or the Manager appointed in its place any books or records of accounts, papers, documents and other records which are required for the purposes of Clause 4.1(d)(ii)(1) and have not been delivered under Clause 4.1(d)(i); and

(3) assign the Undivided Shares of the Common Areas and Facilities to the new Manager unless the same have already been vested in the Owners' Corporation.

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

4.3 (a) The annual Manager's Remuneration for the performance of its duties hereunder shall be twenty per cent (20%) of the total annual Management Expenses reasonably and necessarily incurred in the proper and efficient management of the Land and the Development (excluding the Manager's Remuneration, the Government rent, any Capital Expenditure or expenditure drawn out of the Special Fund PROVIDED THAT by a resolution of Owners at an Owners' meeting convened under this Deed, any Capital Expenditure or expenditure drawn out of the Special Fund may be included for calculating the Manager's Remuneration at the aforesaid percentage or at such lower rate as the Owners may consider appropriate).

(b) The Manager's Remuneration shall be the net remuneration of the Manager for its services as Manager and shall not include the costs, expenses and fees for any staff, facilities, legal, professional, accounting and administration services and all disbursements and out-of-pocket expenses reasonably and 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 Expenses.

(c) No variation of the percentage referred to in Clause 4.3(a) above may be made except with the approval by a resolution of Owners duly passed at a meeting of Owners convened under this Deed.

(d) The Manager's Remuneration shall be paid in advance on the first day (or such other day as the Manager may deem appropriate) of each calendar month by deductions made by the Manager from the monthly Management Expenses collected from the Owners.

4.4 Payment of the Manager's Remuneration hereunder shall be in advance by twelve (12) equal monthly instalments payable by the Owners and any adjustment payment or deduction that needs to be made to bring the amount paid to the Manager by way of remuneration for the year in question to the correct amount for such year will be made within twenty-one (21) days from the completion of the auditing of the management accounts for such year as provided in Clause 4.28 hereof.

4.5 (a) Subject to Clauses 4.5(c), (e) and (f) below, the total amount of Management Expenses payable by the Owners during any period of twelve (12) months adopted by the Manager as the financial year in respect of the management of the Land and the Development shall be the total estimated Management Expenses during that year as specified by the Manager in accordance with Clause 4.5(b) below.

(b) The Manager shall prepare the annual management 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 March. In respect of each financial year, the Manager shall:-

(i) prepare a draft annual management budget setting out the proposed estimated Management Expenses during the financial year;

(ii) send a copy of the draft annual management budget to the Owners' Committee or, where there is no Owners' Committee, display a copy of the draft annual management 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 management budget a notice inviting each Owner to send his comments on the draft annual management budget to the Manager within a period of fourteen (14) days from the date the draft annual management budget was sent or first displayed;

(iv) after the end of that period, prepare an annual management budget specifying the estimated Management Expenses during the financial year;

(v) send a copy of the annual management budget to the Owners' Committee or, where there is no Owners' Committee, display a copy of the annual management 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 Clause 4.5(b) above 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 estimated Management Expenses specified in the annual management 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 management budget has been sent or displayed in accordance with Clause 4.5(b)(v) above and the Manager wishes to revise it, he shall follow the same procedures in respect of the revised annual management budget as apply to the draft annual management budget and the annual management budget by virtue of Clause 4.5(b) above.

(e) Where a revised annual management budget is sent or displayed in accordance with Clause 4.5(d) above, the total amount of the Management Expenses for that financial year shall be the total Management Expenses or estimated Management Expenses specified in the revised annual management 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 management budget or revised annual management

budget for a financial year is sent or first displayed in accordance with Clauses 4.5(b) or (d) above, the Owners' Corporation decides, by a resolution of the Owners, to reject the annual management budget or revised annual management budget, as the case may be, the total amount of Management Expenses for the financial year shall, until another annual management budget or revised annual management budget is sent or displayed in accordance with Clauses 4.5(b) or (d) above and is not so rejected under this Clause 4.5(f), be deemed to be the same as the total amount of Management Expenses (if any) for the previous financial year, together with an amount not exceeding ten per cent (10%) of that total amount as the Manager may determine.

(g) If any Owner requests in writing the Manager to supply him with a copy of any draft annual management budget, annual management budget or revised annual management budget, the Manager shall, on payment of a reasonable copying charge, supply a copy to that person.

4.6 Subject to the provisions of this Deed, the annual management budget shall cover the Management Expenses for the proper and efficient management and maintenance of the Land and the Development (including but not limited to the Common Areas and Facilities) and without limiting the generality of the foregoing shall include the following costs, charges and expenses:-

(a) the expenses for management, maintenance, operation, repair and cleansing of all Common Areas and Facilities and the lighting thereof and the provisions and operation of emergency generators and lighting for the Common Areas and Facilities;

(b) the expenses for cultivation, irrigation and maintenance of the lawns and planters and landscaped areas on the Common Areas and Facilities including but not limited to the Landscaped Areas;

(c) the cost of all electricity, water, telephone and other utilities serving the Common Areas and Facilities;

(d) the provision of security guard services for the Development and the cost of employing caretakers, watchmen, cleaners, lift operators (if any), attendants, clubhouse staff, management staff and gardeners and such other staff to manage and administer the Common Areas and Facilities;

(e) the licence fee (if any) payable to the Government for laying of drains and channels and the cost and expense of maintaining such areas or drains and channels whether within or outside the Land that are required to be maintained under the Government Grant;

(f) the Government rent payable under the Government Grant (but only if no apportionment or separate assessments have been made for individual Units);

(g) Manager's Remuneration calculated in accordance with Clause 4.3 of this Deed for providing its services hereunder;

(h) insurance for the Land and the Development including but not limited to (i) 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, (ii) third party liability, public and/or occupiers' liability, (iii) employees' liability, or any other insurance policy considered necessary by the Manager;

(i) a reasonable sum for contingencies;

(j) legal and accounting fees and all other professional fees and costs properly incurred by the Manager in carrying out the services provided under this Deed;

(k) the costs and expenses of refuse collection, storage and disposal in respect of the Land and the Development and the Common Areas and Facilities;

(l) all reasonable costs incurred in connection with the Common Areas and Facilities;

(m) any tax payable by the Manager on any of the sum held by it under the provisions of this Deed PROVIDED THAT any tax payable on the Manager's Remuneration shall be borne and paid by the Manager;

(n) the cost of operating the shuttle bus services (if any) to and from the Development;

(o) any other costs, charges and expenses properly incurred by the Manager in the performance of any duty or in the exercise of any power under this Deed;

(p) the cost and expense of inspecting maintaining reinstating repairing the Slope Structures, foundations, columns and other structures constructed or to be constructed and reinstating and making good the same in the event of any landslip, subsidence or falling away and the drains nullahs sewers pipes watermains and channels and such other areas whether within or outside the Land or that are required to be maintained under the Government Grant or for the proper functioning of the Development;

(q) the cost of upholding, maintaining and repairing a paved way with associated street furniture, traffic aids, street lighting, sewers, drains and other structures on the Brown Area and the cost of repairing, maintaining and managing the Brown Area and everything forming a portion of or pertaining to it under this Deed and/or pursuant to the Government Grant;

(r) the cost of carrying out any construction, maintenance, renewal or repair work ("Works") (as defined in Special Condition No. (34) of the Government Grant), any diversion, relaying, repairing, making good or reinstatement to the satisfaction of the Director of Lands of any damage, disturbance or obstruction caused to the Land or the Brown Area or the Green Hatched Black Areas or the Archaeological Deposit Areas or any part of them or any of the Services (as defined in Special Condition No. (34) of the Government Grant) pursuant to

Special Condition No. (34) of the Government Grant (such obligations and rights with respect to the Green Hatched Black Areas shall absolutely determine upon being notified by the Government to that effect in accordance with Special Condition No. (32)(b) of the Government Grant); and

(s) any other items of expenditure which 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 or such proportionate part thereof and for such purposes, the Manager shall be entitled to apportion any such items of expenditure which relate to the administration and/or management and/or maintenance of the Land and the Development as well as any other land(s) and development(s) in such manner as shall be determined in the reasonable discretion of the Manager having regard to the relevant circumstances.

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

PROVIDED THAT:-

(1) in the event that a Sub-Deed is entered into in respect of any part of the Development and in the Sub-Deed any areas and facilities are designated as common areas and common facilities as a consequence of which the same thereby become part of the Common Areas and Facilities (other than the existing designated Common Areas and Facilities), a new section of the annual management budget shall be established by the Manager such section to cover all estimated expenditure which in the opinion of the Manager (whose decision shall be conclusive save for manifest error) is specifically referable to such common areas and common facilities and such expenditure shall be borne by the Owners of that part of the Development in accordance with the provisions of the Sub-Deed; and

(2) Subject to the prior written approval of the Owners' Committee (or the Owners' Corporation, if formed), if the Manager is of the opinion that the adopted annual management budget and/or the sharing of the amounts of Management Expenses assessed under any part of the adopted annual management 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 management budget in such manner as the Manager may (but subject to compliance with the procedures applicable to the draft annual management budget, the annual management budget and the revised annual management budget as provided in this Deed) think fit and to prepare new management budget in the modified manner as aforementioned and the modified management budget shall be binding (save for manifest error) on all Owners and provided always that the Manager's determination of the amount of

contribution payable by each Owner as aforesaid shall (in the absence of manifest error) be conclusive and binding on all Owners.

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

PROVIDED THAT:-

(I) No Owner may be called upon to pay more than his appropriate share of the Management Expenses, having regard to the number of Undivided Shares and Management Shares, as the case may be, allocated to his Unit;

(II) The First Owner shall make payments and contributions towards the Management Expenses which are of recurrent nature in respect of those Units and Undivided Shares unsold; and

(III) All outgoings including Management Expenses 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 and each Owner shall be personally liable to make the above payment to the Manager whether or not his Unit is vacant or occupied and whether or not it has been let or leased to tenant or is occupied by the Owner himself or any other person.

4.10 If the total contributions receivable as aforesaid under the annual management 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 management budget applies shall make good a due proportion of the estimated deficiency by making a further contribution to the Manager such further contribution being calculated in the same manner as in Clause 4.8 hereof and shall be payable to the Manager monthly in advance from the date specified in the written notices given by the Manager to the Owners.

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 Land and the Development for the issuance of Certificate of Compliance which shall be borne solely by the First Owner (which expression shall for the purpose of this Clause exclude its assigns);

(b) All existing and future taxes, rates, assessments, property tax, water rates (if separately metered), Government rent payable under the Government Grant

which has been separately assessed and charged by the Government against each Owner and outgoings of every description for the time being payable in respect of any Unit which shall be borne by the Owner for the time being thereof;

(c) The expenses for keeping in good and tenantable repair and condition of the main structure, the external and interior fixtures and fittings, walls, the inner half of the fence wall adjoining the private garden of and appertaining to a Residential House and dividing one Residential House from its neighbouring Residential House, floors, windows, railing of the balconies, acoustic balcony (if any), utility platforms, air-conditioning plant areas, swimming pools and doors and flat roof, roof of any Unit together with the plumbing, electrical installations, plant, equipment, apparatus, fixed glazing forming part of the Noise Mitigation Measures and serving exclusively a Residential House, installations or services thereof not forming part of the Common Areas and Facilities 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 a Special Fund designated for the Common Areas and Facilities which shall be applied towards payment of Capital Expenditure relating to the Common Areas and Facilities, which includes but is not limited to, expenses for the renovation, improvement and repair of the Common Areas and Facilities, the purchase, setting up, replacement, improvement and addition of installations, systems, equipment, tools, plant and machineries for the Common Areas and Facilities, the costs and maintaining and repairing the Slope Structures in compliance with the Government Grant and the costs of the relevant investigation works and professional services. This part of the Special Fund shall be held by the Manager as trustee for all Owners for the time being and such fund shall not be refundable or transferable.

(b) Except where the First Owner has made payments in accordance with Clause 4.12(c) below, each Owner being the first assignee of his Unit shall upon the assignment of his Unit from the First Owner pay to the Manager an initial contribution to the Special Fund designated for the Common Areas and Facilities an amount equivalent to $2/12^{th}$ of the first year's budgeted Management Expenses payable in respect of his Unit under Clause 4.8.

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

(c) The First Owner shall in respect of any Units which have been completed and remain unsold for three (3) months after (i) the date of this Deed or (ii) the date on which it is in a position validly to assign those Undivided Shares attributable to the Units (i.e. when the Consent to Assign or Certificate of Compliance has been issued), whichever is the later, make the initial contribution to the Special Fund in the respective amount specified in Clause 4.12(b) above.

(d) Each Owner shall also on demand pay to the Manager such further periodic contributions to the Special Fund payable in respect of his Unit. The amount to be contributed in each financial year and the time when those contributions will be payable will be determined by a resolution of the Owners at an Owners' meeting convened under this Deed. If there is an Owners' Corporation, the Owners' Corporation shall determine, by a resolution of the Owners, the amount to be contributed to the Special Fund by the Owners in any financial year, and the time when those contributions shall be payable.

(e) All money received for the Special Fund must be deposited by the Manager with a bank within the meaning of section 2 of the Banking Ordinance (Cap.155 of the laws of Hong Kong) in separate interest-bearing account(s) (the title(s) of which shall refer to the Special Fund for the Development) opened and maintained by the Manager designated exclusively for the purpose of the Special Fund. Except in a situation considered by the Manager to be an emergency, money must not be paid out of the Special Fund unless it is for a purpose approved by the Owners' Committee. 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 Clause 4.12(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 Clauses 4.12(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 account opened and maintained under Clause 4.12(e) or, if there is an Owners' Corporation, the account or accounts opened and maintained under Clause 4.12(f).

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 upon the assignment of his Unit from the First Owner deposit with the Manager as security for the due payment of all amounts which may be or become payable by him under this Deed a sum equal to $3/12^{th}$ 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 three (3) times the then monthly contribution.

(b) Each Owner being the first assignee of his Unit shall upon the assignment of his Unit from the First Owner pay to the Manager in advance a sum equal to $1/12^{th}$ of the first year's budgeted Management Expenses payable in respect of his Unit.

(c) Each Owner being the first assignee of a Unit (other than the Residential Motor Cycle Parking Space) shall upon the assignment of his Unit (other than the Residential Motor Cycle Parking Space) from the First Owner pay to the Manager a debris removal fee which shall be non-refundable and non-transferable of not more than a sum equal to $1/12^{th}$ of the first year's budgeted Management Expenses payable in respect of his Unit (other than the Residential Motor Cycle Parking Space) for the removal of debris arising from decoration works carried out in his Unit (other than the Residential Motor Cycle Parking Space). The debris removal fee not used to pay for debris collection or removal shall be credited to the Special Fund.

(d) Each Owner being the first assignee of a Unit shall upon the assignment of his Unit from the First Owner pay to the Manager his due share (to be decided by the number of Undivided Shares allocated to his Unit) of the deposits paid for public water and electricity meters and for the supply of other utilities to the Common Areas and Facilities and which deposits or balance thereof (as the case may be) shall be non-interest bearing and non-refundable but transferable.

(e) The First Owner shall pay the deposit under Clause 4.13(a) and the debris removal fee under Clause 4.13(c) in respect of the Units which have been completed and remain unsold for three (3) months after (i) the date of this Deed or (ii) the date on which it is in a position validly to assign those Undivided Shares attributable to the Units (i.e. when the Consent to Assign or Certificate of Compliance has been issued), whichever is the later.

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

4.15 The Manager may charge a reasonable administrative fee for granting and processing any consent required from the Manager pursuant to these presents PROVIDED THAT such administrative fee shall be credited to the Special Fund.

4.16 All moneys, income, fees, charges, penalties or other consideration received by the Manager in respect of the grant of franchises, leases, tenancy agreements, licences or permission for the use of any part of the Common Areas and Facilities or enforcement of the provisions of this Deed or any Development Rules shall be paid into and form part of the management funds and in so far as they arise from or are attributable to the Common Areas and Facilities be credited to the annual management budget to the

intent that in each case the credit or estimated credit shall be taken into account in the preparation of the annual management budget or revised annual management budget.

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 two per cent (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 due date until the actual date of payment (both dates inclusive); and

(b) A collection charge of not exceeding ten per cent (10%) of the amount due, to cover the cost (in addition to legal costs of proceedings as hereinafter mentioned) of the extra work occasioned by the default.

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

4.19 In the event of any Owner failing to pay any sum due and payable by him in accordance with the provisions of this Deed or failing to pay any damages awarded by any court for breach of any of the terms or conditions of this Deed within thirty (30) days from the date on which the same become payable, the amount thereof together with interest and the collection charge at the rate and for the amount as specified in Clause 4.17 hereof together with all costs and expenses which may be incurred in recovering or attempting to recover the same including the legal expenses referred to in Clause 4.18 hereof and in registering the charge hereinafter referred to shall stand charged on the Undivided Share or Shares of the defaulting Owner and the Manager shall be entitled without prejudice to any other remedy hereunder to register a Memorial of such charge in the Land Registry against the Undivided Share or Shares of the defaulting Owner. Such charge shall remain valid and enforceable as hereinafter mentioned notwithstanding that judgment has been obtained for the amount thereof unless and until such judgment has been satisfied in full.

4.20 Any charge registered in accordance with Clause 4.19 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 binding on such Owner and of the Development Rules made hereunder and of recovering damages for the breach, non-observance or non-performance thereof. The provisions of Clause 4.18 of 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.

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, form part of the management funds.

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

4.25 Any person ceasing to be the Owner of any Undivided Share or Shares in the Land and the Development shall in respect of the Undivided Share or Shares of which he ceases to be the Owner thereupon cease to have any interest in the funds held by the Manager including the deposit paid under Clauses 4.13(a) and (c) hereof 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

PROVIDED THAT:-

(a) any such deposit shall be transferred into the name of the new Owner of such Undivided Share or Shares but the contribution(s) towards the Special Fund shall be neither refundable to any Owner by the Manager nor transferable to any new Owner; and

(b) upon the Land reverting to the Government and no further Government lease being obtainable, any balance of the said funds, or in the case of extinguishment of rights and obligations as provided in Clause 9.1 hereof, an appropriate part of the said funds, shall be divided proportionately between the Owners contributing to the Management Expenses immediately prior to such reversion or, in the case of extinguishment of rights and obligations as aforesaid, between

the Owners whose rights and obligations are extinguished, in both case in proportion to the number of Management 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 following 31st day of March and thereafter the financial year shall commence on the 1st day of April and shall terminate on the 31st day of March 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 formed).

4.27 (a) The Manager shall open and maintain an interest-bearing account in the name of the Manager and 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 Clause 4.27(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 Clauses 4.27(a) or (b) above in a prominent place in the Development.

(d) Subject to Clauses 4.27(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 Clause 4.27(a) above or, if there is an Owners' Corporation, the account or accounts opened and maintained under Clause 4.27(b) above.

(e) Subject to Clause 4.27(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 formed).

(f) The retention of a reasonable amount of money under Clause 4.27(e) above or the payment of that amount into a current account in accordance with Clause 4.27(e) and any other arrangement for dealing with money received by the Manager shall be subject to such conditions as may be approved by a resolution of the Owners' Committee (if formed).

(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

of the laws of Hong Kong), the title of which refers to the management of the Land and the Development.

(h) The Manager shall maintain proper books or records of accounts and other financial records. The Manager shall keep all bills, invoices, vouchers, receipts and other documents referred to in such books or records of accounts for at least six (6) years.

4.28 Within one (1) month after each consecutive period of three (3) months or such shorter period as the Manager may select, the Manager shall prepare a summary of income and expenditure and a balance sheet in respect of that period and shall display a copy of the summary and balance sheet in a prominent place of the Development and cause it to remain so displayed for at least seven (7) consecutive days. Within two (2) months after the end of each financial year the Manager shall prepare an income and expenditure account and balance sheet in respect of such closed financial year and display copies of the same in a prominent place of the Development and cause it to remain so displayed for at least seven (7) consecutive days. The income and expenditure account and balance sheet shall within six (6) months after the close of each financial year be audited and certified by 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 may require the income and expenditure account and balance sheet to be audited by an independent auditor of their choice) as providing an accurate summary of all items of income and expenditure during such closed financial year. Each income and expenditure account and balance sheet shall include details of the Special Fund and an estimate of the time when there will be a need to draw on the Special Fund, and the amount of money that will be needed.

4.29 (a) The Manager shall at any reasonable time permit any Owner to inspect any of the books or records of accounts and any income and expenditure account or balance sheet 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. Powers and Duties of Manager

5.1 Subject to the provisions of the Building Management Ordinance, the management of the Land and the Development shall be undertaken by the Manager for an initial period of two (2) years from the date of this Deed and shall continue until terminated as provided under Clause 4.1 of 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 and the Slope Structures duly authorised in accordance with the provisions of this Deed and subject to provisions of the Building Management Ordinance the Manager has the authority to act for and behalf of all Owners in accordance with the provisions of this Deed. In addition to the other powers expressly provided in this Deed, the Manager shall have authority to do all such acts and things as may be necessary or expedient for or in connection with the Land and the Development and the management thereof including in particular but without in any way limiting the generality of the foregoing :-

(a) To demand, collect and receive all amounts payable by Owners under the provisions of this Deed;

(b) (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 Residential Car Parking Space or the Residential Motor Cycle Parking Space without the consent of the Owner or lawful occupier of such Residential Car Parking Space or such Residential Motor Cycle Parking Space or any vehicle parked in any Visitor's 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 such Residential Car Parking Spaces or such Residential Motor Cycle Parking Space;

(ii) To manage, maintain and control the use of the Accessible Parking Space and the Visitor's Parking Spaces and subject to the prior approval of the Owners' Committee (if already formed) or the Owners' Corporation (if formed) to fix reasonable charges for the use thereof PROVIDED THAT all income deriving from the Accessible Parking Space and the Visitor's Parking Spaces shall form part of the management funds;

(c) Unless otherwise directed by the Owners' Corporation, to insure and keep insured the Common Areas and Facilities and the Manager as comprehensively as reasonably possible and in particular to the full new reinstatement value

against loss or damage by fire and such other risks as the Manager shall reasonably deem fit, public liability, occupiers' liability and liability as employer of the employees of the Manager employed within or exclusively in connection with the management of the Land and 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 collection points in the Development;

(e) To keep in good order and repair the lighting of the Common Areas and Facilities;

(f) To keep the Common Areas and Facilities in a clean and sanitary state and condition;

(g) To repair, maintain, clean, paint or otherwise treat or decorate as appropriate, those external walls, architectural fixtures and fittings thereof, elevations and façade forming part of the Common Areas and Facilities but excluding windows and window frames except those situated in the Common Areas and Facilities;

(h) To choose from time to time the colour and type of façade of the Development, including that of the Residential Houses;

(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 facilities as the Manager shall at its reasonable discretion deem necessary or desirable (PROVIDED THAT except with the prior approval by a resolution of Owners at an Owners' meeting convened under this Deed, the Manager will not carry out any improvement or provision of additional facilities or services which involves expenditure in excess of ten per cent (10%) of the current annual budget) and to keep the fire fighting equipment in accordance with any laws and regulations applicable thereto and whenever it shall be necessary 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 may be 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 either on or off the Development refuse collection facilities to the satisfaction of the Food and Environmental Hygiene Department;

(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 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 T.V. 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 any thing 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 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 damage caused thereby to the satisfaction of the Manager;

(v) To appoint a solicitor or other appropriate legal counsel to advise upon any point which arises in the management of the Development necessitating

professional legal advice and with authority to accept service on behalf of all the Owners for the time being of the Land and the Development of all legal proceedings relating to the Land and the Development (except proceedings relating to the rights or obligations of individual Owners) and subject to prior approval of the Owners' Committee (if any) or the Owners' Corporation (when formed) 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 (or any provision amending or in substitution for the same) 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;

(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;

(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 and the fire safety system of the Development with power to bind all Owners as to any policy adopted or decision reached or action taken in relation to any such dealings;

(cc) To enter into contracts and to engage, appoint, employ, remunerate and dismiss consultants, other professional property management companies, contractors, agents or sub-managers to perform and carry out management works of the Land and the Development or any part thereof on such terms and conditions as the Manager deems fit, PROVIDED THAT the Manager shall not transfer or assign its rights duties or obligations under this Deed to any such persons and such persons shall remain responsible to the Manager. For the avoidance of doubt, the Manager shall at all times be responsible for the management and control of the whole Development;

(dd) To enter into contracts and to engage, employ, remunerate and dismiss solicitors, architects, accountants and other professional advisers and consultants to give advice to the Manager and work on all matters related to the management of the Land and the Development and the performance of the Manager's powers and duties hereunder and to recruit and employ such workmen, servants, watchmen, caretakers, recreational facilities/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 on such terms as the Manager shall in its reasonable discretion decide and to provide accommodation, uniforms, working clothes, tools, appliances, cleaning and other materials and all equipment necessary therefor;

(ee) To enforce the due observance and performance by the Owners of the terms and conditions of the Government Grant and this Deed 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 require all Owners or occupiers of the Units to maintain the Units owned or occupied by them in a satisfactory manner;

(gg) 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 together with particulars of the default or breach on the public notice boards of the Development;

(hh) Subject to the prior approval by a resolution of Owners at an Owners' meeting convened under this Deed and subject to the Government Grant, to grant or obtain such easements, quasi-easements, rights, privileges and licences 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 adversely 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;

(ii) Subject to the prior approval by a resolution of Owners at an Owners' meeting convened under this Deed and subject to the Government Grant, to grant rights of way or access or use at any level to the owners or occupiers of any other premises adjoining the Land or to such person and persons and upon such terms and conditions as the Manager may think fit in respect of the Common Areas and Facilities and in return to obtain the grant of similar right of way or access or use from such owners, occupiers or persons PROVIDED THAT:-

(i) the exercise of this right shall not adversely interfere with an Owner's right to hold, use, occupy and enjoy his Unit or impede or restrict the access to or from such Unit;

(ii) any benefits obtained from the exercise of this right shall accrue to the Owners of the Development; and

(iii) any payment received shall be credited to the Special Fund;

(jj) Subject to the prior approval by a resolution of Owners at an Owners' meeting convened under this Deed, to grant easements and rights of any other kind to the owners and occupiers of adjoining properties to construct, lay, maintain, remove and renew drains, pipes, cables, irrigation pipes, and other installations, fittings, chambers, and other equipment and structures within the Common Areas and Facilities which the Manager shall in its absolute discretion deem appropriate and in return to obtain the grant of similar easements and rights from such owners and occupiers PROVIDED THAT:-

(i) the exercise of this right shall not adversely interfere with an Owner's right to hold, use, occupy and enjoy his Unit or impede or restrict the access to or from such Unit;

(ii) any benefits obtained from the exercise of this right shall accrue to the Owners of the Development; and

(iii) any payment received shall be credited to the Special Fund;

(kk) To deal with all enquiries, complaints, reports and correspondence relating to the Development as a whole;

(ll) Subject to the prior approval by a resolution of Owners at an Owners' meeting convened under this Deed (or the approval of the Owners' Corporation, if formed), to grant franchises, leases, tenancy agreements and licences to other persons to use such of the Common Areas and Facilities and on such terms and conditions and for such consideration as the Manager shall reasonably think fit PROVIDED THAT:-

(i) such use shall not be in breach of the Government Grant;

(ii) the exercise of this right shall not adversely interfere with an Owner's right to hold, use, occupy and enjoy his Unit or impede or restrict the access to or from such Unit;

(iii) the exercise of this right shall be for the benefit of the Land and the Development and shall not adversely interfere with the Owners' enjoyment of the Common Areas and Facilities; and

(iv) all income arising therefrom shall form part of the management funds and be dealt with in accordance with the provisions of this Deed;

(mm) To remove any bird or animal from the Development 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 complaint of at least two (2) other Owners or occupiers of the Development PROVIDED THAT this sub-clause shall not apply to trained guide dogs on leash for the visually impaired persons;

(nn) To provide such Christmas, Chinese New Year and other festive decorations, to organize such festive celebrations or activities for the Development and to host festive events or banquets within or outside the Development as the Manager shall in its reasonable discretion consider desirable;

(oo) From time to time with the approval of the Owners' Committee (only after it has been formed) to make, revoke or amend the Development Rules as it shall deem appropriate which shall not be inconsistent with this Deed, the Building Management Ordinance or the Government Grant;

(pp) To give or withhold its written consent or approval to anything which requires its written consent or approval pursuant to this Deed PROVIDED THAT the Manager shall not unreasonably withhold its consent or approval and to impose conditions or additional conditions including payment of reasonable administrative fees relative thereto (such fees shall be credited to the Special Fund);

(qq) 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;

(rr) To do all things which the Manager shall in its discretion deem necessary or desirable for the purposes of maintaining and improving all facilities and services in or on the Development for the better enjoyment or use of the Development by its Owners occupiers and their licensees PROVIDED THAT any improvement to facilities or services which involves expenditure in excess of ten per cent (10%) of the current annual management budget shall be subject to the prior approval by a resolution of Owners at an Owners' meeting convened under this Deed;

(ss) Subject to the prior approval by a resolution of Owners at an Owners' meeting convened under this Deed, in the event that the Government agrees to take over or resume any part or parts of the Common Areas and Facilities to surrender the same or any part thereof to the Government and the Manager is HEREBY APPOINTED the lawful attorney to execute and sign all relevant documents on behalf of all the Owners for such purpose including matters relating to payment of compensation PROVIDED THAT any benefit or monetary compensation so obtained shall be used for the common benefit of all the Owners and be credited into the management funds, as the case may be;

(tt) Subject to the prior approval by a resolution of Owners at an Owners' meeting convened under this Deed and subject to the Government Grant, to grant such easements, quasi-easements, rights, privileges and licences to and to enter into such arrangements and agreements with the Government or the general public or any person or persons and upon such terms and conditions in respect of any part or parts of the Common Areas and Facilities as the Manager may in its reasonable discretion think fit PROVIDED THAT any such easements, quasi-easements, rights, privileges and licences shall not interfere with any Owner's right to hold, use, occupy and enjoy the part of the Development which he owns or impede or restrict the access to and from any such part of the Development and PROVIDED FURTHER THAT the Manager's exercise of the rights granted under this sub-clause (tt) shall not adversely interfere with the Owners' enjoyment of the Common Areas and Facilities and is for the benefit of the Land and the Development and all income arising therefrom shall form part of the management funds and be dealt with in accordance with the provisions of this Deed;

(uu) Subject to the prior approval of the Owners' Committee (only after it has been formed) and subject to the Government Grant:-

(i) to make rules and regulations governing the use of the Recreational Facilities; and

(ii) to let, hire, lease or license all or any part of the Recreational Facilities to the residents of the Development and their bona fide visitors for the purpose of operating the same for such period and on such conditions as the Manager shall in its discretion think fit,

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

(vv) (i) If the Manager thinks so desirable, to provide appropriate and sufficient waste separation and recovery facilities including, but not limited to, waste separation bins at such locations within the Common Areas and Facilities as it may consider suitable and convenient to facilitate waste separation and recovery by the Owners and occupiers of the Development. In such event, the Manager shall ensure that the recovery facilities shall consist of material that will not cause any fire hazard and shall be placed in locations so as not to cause obstruction to any fire escape route, and that recyclable materials recovered from the facilities or through the regular cleansing process shall be properly collected, stored, and sent for recycling. The Manager shall also maintain the facilities so provided in an environmentally acceptable and hygienic manner to avoid creating nuisance to the Owners and occupiers of the Development;

(ii) To organize any activities as the Manager may consider appropriate to promote the environmental awareness of the Owners and occupiers of the Development and to encourage them to participate in such activities with a view to improving the environmental conditions of the Development;

(iii) To organize environmental or recycling activities or initiatives through the collaboration or engagement of contractors;

(iv) Subject to the provisions of this Deed, to make Development Rules to require the Owners and occupiers of the Development to dispose of their rubbish properly for waste separation and recycling purposes;

(ww) To take all steps necessary or expedient for complying with the Government Grant and any Government requirements concerning the Development or any part thereof;

(xx) 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;

(yy) To maintain all areas, open spaces and other facilities (including but not limited to the Greenery Area, the Landscaped Areas and those parts of the Noise Mitigation Measures not forming any part of a Residential House as are required to be maintained under the provisions of the Government Grant;

(zz) To enforce the due observance and performance by the Owners or any person occupying any part of the Development through under or with the consent of any such Owner of the terms and conditions of this Deed, any relevant Sub-Deed and the Development Rules made hereunder, and to take action including the commencement and conduct and defence of legal proceedings to enforce the due observance and performance thereof and/or to recover damages for any breach non-observance or non-performance thereof;

(aaa) 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;

(bbb) To engage suitable qualified personnel to inspect, keep and maintain in good substantial repair and condition, and carry out any necessary works in respect of, the Slope Structures (if any) in compliance with 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, the Slope Maintenance Manual (if any) and all guidelines issued from time to time by appropriate Government departments regarding the maintenance of the Slope Structures PROVIDED THAT the Manager 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 the costs of the required works from all Owners and PROVIDED FURTHER THAT the obligations, responsibilities and rights with respect to the Green Hatched Black Areas (though forming a part of the Slope Structures) shall absolutely determine upon being notified by the Government to that effect in accordance with Special Condition No. (32)(b) of the Government Grant;

(ccc) Subject to prior approval of the Owners' Committee or the Owners' Corporation (if formed) and if the Manager shall in its discretion deem fit to operate or enter into contract with any other person for the operation of the shuttle bus services for the use and benefit of the Owners or occupiers for the time being of the Land and the Development whether on its own or together with the manager and/or owners of other neighbouring premises 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 service such fares as the Manager may think reasonable;

(ddd) To maintain, manage and repair the Brown Area in accordance with this Deed and the Government Grant;

(eee) To arrange inspection and certification of the fire safety provisions within the Common Areas and Facilities from time to time or at such regular intervals as the Manager shall deem appropriate; and

(fff) To do all such other things as are reasonably incidental to the management of the Land and the Development.

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

(a) To ban vehicles or any particular category of vehicles from the Land or any particular parts thereof either generally or during certain hours of the day or night PROVIDED THAT the right of the Owners of the Units to the proper use and enjoyment of their respective Units in accordance with the provisions of the Government Grant and these presents shall not be affected;

(b) To remove and impound any vehicle parked anywhere on the Common Areas and Facilities not so designated for parking or which shall cause an obstruction 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 damage caused to such vehicles during or as a consequence of such removal shall be the sole responsibility of the Owner thereof;

(c) 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;

(d) To manage and control the Accessible Parking Space and the Visitor's Parking Spaces for the benefit and use of the residents of the Development and their bona fide guests, visitors and invitees;

(e) To charge the Owners for the temporary use of electricity, water or other utilities supplied by the Manager and for the collection and removal of fitting out or decoration debris (if any) PROVIDED THAT such charges shall be paid into the management funds;

(f) To charge the Owners for all costs and consultants' fees incurred in approving their fitting out or decoration plans submitted for approval by the Manager in accordance with the provisions of this Deed and Development Rules;

(g) To charge the Owners for the use of water supplied otherwise than through the individual meters of the Owners at such rates as are from time to time determined by the Manager provided such charges shall be paid into the management funds;

(h) From time to time to make rules and regulations governing the supply and use of fresh and flushing water to all parts of the Development, the payment and recovery of charges for installation, disconnection, reconnection and readings of meters, damage to meters and default interest to a like extent as are from time to time made by the Government; and

(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.

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:-

(a) 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;

(b) replacing, repairing and maintaining any of the fresh or flushing water mains and pipes serving any part of the Land whether or not the same belong exclusively to any Unit;

(c) inspecting the toilets and the sanitary provisions therein and to replace or repair any part or parts of a toilet which shall leak at the relevant Owner's cost and expense where the Manager is of the view that such leakage might affect part or parts of the Development or the Common Areas and Facilities or any part thereof;

(d) inspecting, repairing, replacing and maintaining the sprinkler system, fire fighting equipment or door hold open device forming part of the Common Areas and Facilities for compliance with the Fire Services Ordinance (Cap. 95 of the laws of Hong Kong) or any by-laws or regulations made thereunder;

(e) inspecting repairing, replacing and maintaining the lifts, lift doors, lift control panels, access card system (if any) and their ancillary provisions forming part of the Common Areas and Facilities for the compliance with the Lifts and Escalators Ordinance (Cap. 618 of the laws of Hong Kong) or any by-laws or regulations made thereunder

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

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

5.5 All acts and decisions of the Manager reasonably arrived at in accordance with the provisions of this Deed in respect of any of the matters aforesaid shall be binding in all respects on all the Owners for the time being.

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

public notice boards of the Development and a copy thereof shall be supplied to each Owner on request on payment of reasonable copying charges.

(b) Such Development Rules shall be supplementary to the terms and conditions contained in this Deed and must not in any way conflict with such terms and conditions. In case of inconsistency between such Development Rules and the terms and conditions of this Deed the terms and conditions of this Deed shall prevail. The Development Rules and any amendments thereto must not be inconsistent with or contravene the Building Management Ordinance or the Government Grant.

(c) Neither the Manager nor the Owners' Committee shall be held liable for any loss or damage however caused arising from any non-enforcement of such Development Rules or non-observance thereof by any third party.

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

5.8 (a) Subject to the provisions in Schedule 7 to the Building Management Ordinance and to Clauses 5.8(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 Clause 5.8(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 twenty per cent (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) Clauses 5.8(a) and (b) above do not apply to any supplies, goods or services which but for this Clause 5.8(c) would be required to be procured by invitation to tender (referred to in this Clause 5.8(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.

5.9 In addition to the powers of the Manager provided in this Deed, the Manager shall have all the powers of a corporation incorporated under the Building Management Ordinance or any other ordinance amending extending or re-enacting the same insofar as it may lawfully exercise such powers.

SECTION VI

6. Exclusions and Indemnities

6.1 The Manager shall not be liable to the Owners' Committee or the Owners or any of them or to any person or persons whomsoever whether claiming through, under or in trust for any Owner or otherwise, for or in respect of any act, deed, matter or thing done or omitted in pursuance or purported pursuance of the provisions of this Deed or the instructions from the Owners' Committee or the Owners, not being an act or omission involving criminal liability, dishonesty or negligence on the part of the Manager, its employees, agents or contractors, and the Owners shall fully and effectually indemnify the Manager from and against all actions, proceedings, claims and demands whatsoever arising directly or indirectly out of or in connection with any such act, deed, matter or thing done or omitted as aforesaid not being an act or omission involving criminal liability, dishonesty or negligence on the part of the Manager, its employees, agents or contractors and all costs and expenses in connection therewith. For the avoidance of doubt, no Owner will be required to indemnify the Manager or its employees, agents or contractors from and against any action, proceeding, claim and demand whatsoever arising out of such act or omission. Without in any way limiting the generality of the foregoing, the Manager shall not be held liable for any damage, loss or injury caused by or in any way arising out of

(a) any defect in or failure or breakdown of the lifts, fire and security services equipment, air-conditioning indoor units 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, white ants, cockroaches, rats, mice or other pests or vermin, or

(e) theft, burglary or robbery within the Development; or

(f) any act of God, force majeure or circumstances beyond the control of the Manager;

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

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

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

SECTION VII

7. Owners' Committee

7.1 As soon as practicable but not later than nine (9) months from the date of this Deed, the Manager shall convene the first 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 not fewer than three (3) members and not more than five (5) members, or such number of members as the Owners may decide from time to time by resolution at a meeting of the Owners.

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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 draft annual management budget, the annual management budget and the revised annual management budget prepared by the Manager;

(d) the reviewing and approval of the Development Rules made from time to time by the Manager;

(e) to elect or appoint a manager to take the place of the Manager in accordance with the provisions of Clause 4.2 hereof;

(f) the appointment of accountants for audit of the annual accounts prepared by the Manager;

(g) to convene meetings of all the Owners;

(h) to act as the Manager during such period when no Manager is appointed; and

(i) the exercise of all other powers and duties conferred on the Owners' Committee by virtue of these presents.

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

(a) Any Owner and, in the event of an Owner being a corporate body, any representative appointed by such Owner. The appointment of a representative by a corporate body shall be in writing addressed to the Owners' Committee and may be revoked at any time on notice in writing being given to the Owners' Committee.

(b) The husband or wife of any Owner or any adult member of the family of any Owner duly authorised by the Owner which authorisation shall be in writing addressed to the Owners' Committee and may be revoked at any time on notice in writing being given to the Owners' Committee PROVIDED THAT such husband or wife or such adult member of the family resides in the Development

PROVIDED THAT not more than one person from a Unit may stand for election or be appointed as a committee member of the Owners' Committee.

7.5 A member of the Owners' Committee shall retire from office at every alternate annual meeting following his appointment or election but shall be eligible for re-appointment or 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 or the person appointing or authorising him ceases to be an Owner of the Undivided Shares; or

(g) he resides abroad.

In any of the events provided for in Clauses 7.5(a), (c), (d), (e) or (f), the Manager shall convene a meeting of the Owners to fill the casual vacancy thereby created.

7.6 A meeting of the Owners' Committee may be convened at any time by the chairman or any two (2) members of the Owners' Committee PROVIDED THAT one such meeting to be known as the annual meeting shall be held once in 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 fifty per cent (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 time by the Owners' Committee unless a quorum is present when the meeting proceeds to business. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members of the Owners' Committee, shall be dissolved.

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

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

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

(a) (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 or any Sub-Deed;

(ii) A resolution put to the vote of the meeting shall be decided on a show of hands only;

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

(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 election 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.

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 who are not members of the Owners' Committee to serve on such sub-committees.

7.16 Subject to the provisions in Schedule 7 to the Building Management Ordinance, the procurement of any supplies, goods or services by the Owners' Committee that involves an amount in excess of or likely to be in excess of the sum 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 twenty per cent (20%) of the annual 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(1) 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 Land and the Development and in regard to such meetings the following provisions shall apply :-

(a) A meeting of Owners may be convened by :-

(i) the Owners' Committee;

(ii) the Manager; or

(iii) an Owner appointed to convene such a meeting by the Owners of not less than five per cent (5%) of the Undivided Shares in aggregate excluding the Undivided Shares allocated to the Common Areas and Facilities.

(b) The person convening the meeting of the Owners shall, at least fourteen (14) days before the date of the meeting, give notice of the meeting to each Owner. Such notice of meeting shall specify:-

(i) the date, time and place of the meeting; and

(ii) the resolutions (if any) that are to be proposed at the meeting.

(c) The notice of meeting referred to in Clause 8.1(b) above may be given -

(i) by delivering it personally to the Owner;

(ii) by sending it by post to the Owner at his last known address; or

(iii) by leaving it at the Owner's Unit or depositing it in the letter box for that Unit.

(d) The quorum at a meeting of Owners shall be 10% of the Owners present in person or by proxy. 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.

(e) A meeting of Owners shall be presided over by the chairman of the Owners' Committee or, if the meeting is convened under Clause 8.1(a)(ii) or (iii) above, the person convening the meeting.

(f) The chairman shall cause a record to be kept of the persons present at the meeting and the proceedings thereof.

(g) At a meeting of the Owners :-

(i) an Owner shall have one vote in respect of each Undivided Share he owns;

(ii) an Owner may cast a vote personally or by proxy;

(iii) where 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 Clause 8.1(g)(iii)(A) or (B), either by one of the co-Owners personally or by a proxy appointed by one of the co-Owners;

(iv) where 2 or more persons are the co-Owners of an Undivided Share and more than one of the co-Owners seeks to cast a vote in respect of the Undivided Share, only the vote that is cast, whether personally or by proxy, by the co-Owner whose name, in order of priority, stands highest in relation to that Undivided Share in the register kept at the Land Registry shall be treated as valid; and

(v) if there is an equality of votes the person presiding over the meeting shall have, in addition to a deliberative vote, a casting vote.

(h) (i) An instrument appointing a proxy shall be in the form set out in Form 1 in Schedule 1A to the Building Management Ordinance, and

(A) shall be signed by the Owner; or

(B) if the Owner is a body corporate, shall, notwithstanding anything to the contrary in its constitution, be impressed with the seal or chop of the body corporate and signed by a person authorized by the body corporate in that behalf.

(ii) The instrument appointing a proxy shall be lodged with the chairman of the Owners' Committee or, if the meeting is convened under Clause 8.1(a)(ii) or (iii) above, the person convening the meeting at least forty-eight (48) hours before the time for the holding of the meeting.

(iii) A proxy appointed by an Owner to attend and vote on behalf of the Owner shall, for the purposes of the meeting, be treated as being the Owner present at the meeting.

(i) The procedure at a meeting of Owners shall be as is determined by the Owners.

(j) Save as otherwise herein provided any resolution on any matter concerning the Development passed by a simple majority of votes at a duly convened meeting by the Owners present in person or by proxy and voting shall be binding on all the Owners of the Development Provided as follows:-

(i) The notice convening the meeting shall have been duly given and shall have specified the intention to propose a resolution or resolutions concerning such matters.

(ii) No resolution purporting to be passed at any such meeting concerning any matter not mentioned in such notice shall be valid.

(iii) No resolution shall be valid to the extent that it purports to alter or amend the provisions of or is otherwise contrary to this Deed or any Sub-Deed.

(k) The accidental omission to give notice as aforesaid to any Owner shall not invalidate the proceedings at any meeting or any resolution passed thereat.

(l) 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

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

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

Development and be recoverable as a civil debt. The resolution is to be binding upon all the Owners of the damaged part(s).

9.2 The following provisions shall apply to a meeting convened as provided in Clause 9.1 hereof :-

(a) The person convening such meeting of the Owners shall, at least fourteen (14) days before the date of the meeting, give notice of the meeting to each Owner. Such notice of meeting shall specify:

(i) the date, time and place of the meeting; and

(ii) the resolutions (if any) that are to be proposed at the meeting.

(b) The notice of meeting referred to Clause 9.2(a) shall be posted on the public notice boards of or a prominent place in the Development and may be given :

(i) by delivering it personally to the Owner;

(ii) by sending it by post to the Owner at his last known address; or

(iii) by leaving at the Owner's Unit or depositing it in the letter box for that Unit.

(c) No business shall be transacted at any meeting unless a quorum is present when the meeting proceeds to business and Owners present in person or by proxy who in the aggregate have vested in them not less than seventy-five per cent (75%) of the total number of Undivided Shares of the part of the Development (excluding the Undivided Shares allocated to the Common Areas and Facilities) so affected in question shall be a quorum.

(d) If within half an hour from the time appointed for the meeting a quorum is not present the meeting shall stand adjourned to the same time and day in the next week at the same place, and if at such adjourned meeting a quorum be not present the Owners present shall be deemed to constitute a quorum.

(e) The Chairman of the Owners' Committee 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 :

(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 Clause 9.2(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 Register shall be treated as valid; and

(v) if there is an equality of votes, the person presiding over the meeting shall have, in addition to a deliberative vote, a casting vote.

(h) (i) An instrument appointing a proxy shall be in the form set out in Form 1 in Schedule 1A to the Building Management Ordinance, and

(1) shall be signed by the Owner; or

(2) if the Owner is a body corporate, shall notwithstanding anything to the contrary in its constitution, be impressed with the seal or chop of the body corporate and signed by a person authorized by the body corporate in that behalf.

(ii) The instrument appointing a proxy shall be lodged with the chairman of the Owners' Committee or the person convening the meeting at least forty-eight (48) hours before the time for the holding of the meeting.

(iii) A proxy appointed by an Owner to attend and vote on behalf of the Owner shall, for the purposes of the meeting, be treated as being the Owner present at that meeting.

(i) A resolution passed at a duly convened meeting by a seventy-five per cent (75%) majority of votes of such Owners present in person or by proxy and voting in proportion to the number of Undivided Shares in the relevant part of the Development so affected in question (excluding the Undivided Shares allocated to the Common Areas and Facilities) held at such meeting shall be binding on all the Owners of the Development or (as the case may be) the relevant part of the Development PROVIDED as follows:-

(i) the notice convening the meeting shall specify the intention to propose a resolution concerning such matter;

(ii) any resolution purported to be passed at any such meeting concerning any other matter shall not be valid;

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

(j) A resolution in writing signed by Owners who in the aggregate have vested in them for the time being not less than seventy-five per cent (75%) of the Undivided Shares allocated to the part of the Development so affected in question (excluding the Undivided Shares allocated to the Common Areas and Facilities) shall be as valid and effectual as if it had been passed at a duly convened meeting of such Owners.

(k) The accidental omission to give notice as aforesaid to any Owner shall not invalidate the meeting or any resolution passed thereat.

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

SECTION X

10. Miscellaneous Provisions

10.1 (a) No provision of this Deed shall prejudice the operation 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 terms and conditions of the Government Grant in so long as they remain as Owners and the Manager shall comply with the terms and conditions of the Government Grant so long as it remains as the Manager.

(d) The provisions of Schedule 7 and Schedule 8 to the Building Management Ordinance shall be incorporated in and form part of this Deed by reference and shall bind all the Owners and the Manager and shall prevail over any other provision in this Deed that is inconsistent with them.

10.2 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 Subject to Clause 10.2 above, 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.

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

10.5 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 notwithstanding that such party shall not personally occupy the same PROVIDED THAT where notice is to be given to an Owner who is a mortgagor, such notice may also be served on the mortgagee, if a company, at its registered office or last known place of business in Hong Kong and, if an individual, at his last known address. All notices required to be given to the Manager shall be sufficiently served if sent by prepaid post addressed to or if by hand left at the registered office of the Manager.

10.6 Each Owner who is not an occupier in the Development shall provide the Manager with an address in Hong Kong for service of notices under the provisions of this Deed.

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 the management office of the Manager within one (1) month after the date hereof for inspection by all Owners free of costs and for taking of copies by the Owners at their expense and upon payment of a reasonable charge. All charges received must be credited to the Special Fund. In the event of any dispute arising out of the interpretation of the Chinese translation and the English version of this Deed, the English version shall prevail.

(b) The First Owner shall deposit a copy of Schedules 7 and 8 to the Building Management Ordinance (English and Chinese versions) in the management office of the Manager 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 the management office of the Manager 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 hereunder, 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 hereunder.

10.10 (a) The Schedule of Works and Installations which will require regular maintenance on a recurrent basis is incorporated into this Deed in the FOURTH SCHEDULE hereto.

(b) The First Owner shall compile 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 list of items of the Works and Installations requiring routine maintenance;

(v) Recommended frequency of routine maintenance inspection;

(vi) Checklist and typical inspection record sheets for routine maintenance inspection;

(vii) Recommended maintenance cycle of the Works and Installations.

(c) 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 the management office of the Manager for inspection by the Owners free of charge and taking copies at their own expense and on payment of a reasonable charge. All charges received shall be credited into the Special Fund.

(d) (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 their Units including those part or parts of the Works and Installations forming part of their Units.

(e) All costs incidental to the preparation of the first Schedule of Works and Installations and the first Maintenance Manual for the Works and Installations shall be borne by the First Owner.

(f) The Owners may, by a resolutions passed at an Owners' meeting convened under this Deed, decide on revisions to be made to the Schedule of Works and Installations and the Maintenance Manual for the Works and Installations as may be necessary (e.g. the addition of works and installations in the Land and the Development, the updating of maintenance strategies in step with changing requirements, etc.) in which event the Manager shall procure a qualified professional or consultant to prepare the revised Schedule of Works and Installations and the revised Maintenance Manual for the Works and Installations within such time as may be prescribed by the Owners in an Owners' meeting convened under this Deed.

(g) All costs 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 shall be paid out of the Special Fund.

(h) The Manager shall deposit the revised Maintenance Manual for the Works and Installations in the management office of the Manager within one (1) month after the date of its preparation for inspection by the Owners free of charge and taking copies at their own expense and on payment of a reasonable charge. All charges received shall be credited into the Special Fund.

10.11 (a) The Owners shall at their own expense maintain and carry out all works in respect of the Slope Structures in accordance with the "Geoguide 5 – Guide to Slope Maintenance" issued by the Geotechnical Engineering Office (as amended or substituted from time to time) and the Slope Maintenance Manual.

(b) The Manager (which for the purpose of this Clause shall include the Owners' Corporation) is hereby given full authority by the Owners to engage suitable qualified personnel to inspect, keep and maintain in good substantial repair and condition, and carry out any necessary works in respect of, the Slope Structures in compliance with the Government Grant and in accordance with the Slope Maintenance Manual and all guidelines issued from time to time by the appropriate Government department regarding the maintenance of the Slope Structures.

(c) The Owners shall be responsible for the payment to the Manager of all costs lawfully incurred or to be incurred by the Manager in carrying out such

maintenance repair and any other works in respect of the Slope Structures.

(d) The Manager shall not be personally liable for carrying out these requirements of the conditions of the Government Grant which shall remain the responsibility of the Owners if, having used all reasonable endeavours, it has not been able to collect the costs of the required works from all Owners.

(e) The First Owner shall deposit a full copy of the Slope Maintenance Manual in the management office of the Manager within one (1) month after the date of this Deed for inspection by the Owners free of charge and taking copies upon payment of reasonable charges. All charges received shall be credited to the Special Fund.

(f) For the avoidance of doubt, the obligations, responsibilities and rights with respect to the Green Hatched Black Areas (though forming a part of the Slope Structures) shall absolutely determine upon being notified by the Government to that effect in accordance with Special Condition No. (32)(b) of the Government Grant.

10.12 The First Owner shall deposit a full copy of the NIAR in the management office of the Manager during normal office hours for inspection by the Owners free of charge and taking copies upon payment of reasonable charges. All charges received shall be credited to the Special Fund.

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

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

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

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

THE FIRST SCHEDULE ABOVE REFERRED TO

Allocation of Undivided Shares and Management Shares

A. Residential Houses

Description	Undivided Share	Management Share
House 1 (with Residential Car Parking Spaces nos. CP1 & CP2 on LG floor)	494	494
House 2 (with Residential Car Parking Spaces nos. CP3 & CP4 on LG floor)	442	442
House 3 (with Residential Car Parking Spaces nos. CP5 & CP6 on LG floor)	437	437
House 5 (with Residential Car Parking Spaces nos. CP7 & CP8 on LG floor)	434	434
House 6 (with Residential Car Parking Spaces nos. CP9 & CP10 on LG floor)	347	347
House 7 (with Residential Car Parking Spaces nos. CP11 & CP12 on LG floor)	349	349
House 8 (with Residential Car Parking Spaces nos. CP13 & CP14 on LG floor)	349	349
House 9 (with Residential Car Parking Spaces nos. CP15 & CP16 on LG floor)	493	493
Sub-Total:	3,345	3,345

Remark: There is no designation of House 4.

B. Residential Motor Cycle Parking Space

Description	Undivided Share	Management Share
MOTORCYCLE	1	1
Sub-Total:	1	1

C. Common Areas and Facilities

Description	Undivided Share	Management Share
Common Areas and Facilities	100	0
Sub-Total:	100	0

Total Undivided Shares for the Development: **3,446**
Total Management Shares for the Development: **3,346**

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 his Unit shall have the benefit of the following rights and privileges SUBJECT TO the provisions of the Government Grant, this Deed, the Development Rules and the rights of the Manager and the First Owner as provided in this Deed and the payment by the Owner of his due proportion of the Management Expenses and the Special Fund contributions and any other payments payable pursuant to this Deed but the non-payment of the same would not result in the interruption to the supply of electricity, water, gas, telecommunications or other utilities to the Unit of such Owner or in preventing such Owner's access to his Unit:-

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

   (c) The right for any Owner with or without workmen plant equipment and materials at all reasonable times upon reasonable prior appointment (except in the case of emergency) to enter upon other parts of the Land and the Development for the purpose of carrying out any works for the maintenance and repair of his Unit 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 Paragraph 1(c), conducting media means pipes, wires, cables, sewers, drains, water courses, trunking, ducts, flues, gutters, gullies, channels, conduits and other media.

2. (a) In addition to the above easements, rights and privileges, the Owner of each Unit 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, the Development Rules and the rights of the Manager and the First Owner provided in this Deed) for the Owner for the time being, his tenants, servants, agents, lawful occupants and their bona fide visitors (in common with all persons having the like right) to go pass or repass over and along and to use the Common Areas and Facilities for the purposes for which they are designed and for the purpose of accessing the Visitor's Parking Spaces and the Residential Motor Cycle Parking Space PROVIDED THAT in exercising such rights of use no Owner shall interfere with or permit or suffer to

be interfered with the general amenities, equipment or services provided and that each Owner shall comply with the Development Rules.

(b) For the avoidance of doubt, Owners shall have no right to enter upon any part of the Land and the Development save as expressly herein provided.

Part B

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

(a) The full rights and privileges of the Government specifically excepted and reserved in the Government Grant.

(b) The full right and privilege of the Manager at all reasonable times on reasonable notice (except in an emergency) with or without agents, surveyors, workmen and others and with or without equipment and apparatus to enter into and upon his Unit for the purposes of carrying out inspection, maintenance, repairs, cleansing, improvement, relocation, replacement or examination of or to the Land or the Development or any part or parts thereof or any of the Common Areas and Facilities therein or any other apparatus and equipment used or installed for the benefit of the Land or the Development or any part or parts thereof as part of the amenities thereof or to abate any hazard or nuisance which does or may affect the Common Areas or Facilities or other Owners and not for any individual Owner for his own purposes or enjoyment 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;

(c) Rights of the First Owner set forth in Section III of this Deed;

(d) Easements, rights and privileges equivalent to those set forth in Paragraphs 1(b) and (c) of Part A of this Second Schedule.

THE THIRD SCHEDULE ABOVE REFERRED TO

Covenants, Provisions and Restrictions

1. No Owner shall make any structural alteration to any part of the Development owned by him (including but not limited to the external walls, structure or façade of the Unit or any services, facilities, installation or fixture therein) which may damage or affect or interfere with the right of other Owner(s) or the use and enjoyment of any other part or parts of the Development whether in separate or common occupation (in particular the supply of water, electricity or other utilities) nor shall any Owner use, cut, injure, damage, alter or interfere with any part or parts of the Common Areas and Facilities or any equipment or apparatus on, in or upon the Land and the Development 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 Land or 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 provision by any Owner, in addition to any other liability incurred thereby, such Owner shall pay to the Manager the amount of any increase in premium caused by or on account of such breach.

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

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 Land or 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 approved by the Owners' Committee. Any payment received for the approval shall be credited to the Special Fund.

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

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

7. 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 and any Ordinances and Regulations from time to time applicable thereto.

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

(c) No Residential House shall be used for any purpose other than for private residential purpose and in particular shall not be used for any form of commercial letting in bed spaces or cubicles.

(d) No Residential Car Parking Space shall be used other than for the parking of motor vehicles licensed under the Road Traffic Ordinance (Cap. 374 of the laws of Hong Kong), any regulations made thereunder and any amending legislation belonging to the residents of the Development and their bona fide guests, visitors or invitees.

(e) No Residential Motor Cycle Parking Space shall be used other than for the parking of one motor cycle licensed under the Road Traffic Ordinance (Cap. 374 of the laws of Hong Kong), any regulations made thereunder and any amending legislation belonging to the residents of the Development and their bona fide guests, visitors or invitees.

(f) No Visitor's Parking Space shall be used other than for the parking of motor vehicles licensed under the Road Traffic Ordinance (Cap. 374 of the laws of Hong Kong), any regulations made thereunder and any amending legislation belonging to the bona fide guests, visitors or invitees of the residents of the Development.

(g) No Accessible Parking Space shall be used other than for the parking of motor vehicles by disabled persons as defined in the Road Traffic Ordinance (Cap. 374 of the laws of Hong Kong), any regulations made thereunder and any amending legislation and belonging to the residents of the Development and their bona fide guests, visitors or invitees.

(h) The Accessible Parking Space, the Visitor's Parking Spaces, the Residential Car Parking Spaces and the Residential Motor Cycle Parking Space shall not be used for the storage, display or exhibiting of motor vehicles for sale or

otherwise or for the provision of car cleaning and beauty services and no structure or partitioning shall be erected thereon.

(i) The Landscaped Areas shall not be used for any other purpose without the prior consent of the Director of Lands.

PROVIDED THAT subject to the Government Grant, the First Owner may use any Unit(s) and such other part(s) of the Land and the Development (save and except those parts of the Land and the Development the sole and exclusive right to the use enjoyment and occupation of which have been assigned or otherwise disposed of to an Owner) for the purposes of a sales office and show flats and related marketing activities.

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. No Owner shall erect or place or cause or permit to be erected or placed any advertising sign or other structure on any window, balcony, acoustic balcony, flat roof, roof, staircase, air-conditioning plant area, utility platform, private garden, swimming pool deck, external walls or fence walls 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 window, balcony, acoustic balcony, flat roof, roof, staircase, air-conditioning plant area, utility platform, private garden, swimming pool deck, external walls or fence walls 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 and no alterations may be made to the cladding on the external walls (which include, for the avoidance of doubt, cladding within the area of any balcony or any acoustic balcony or any utility platform) of the Development.

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 Unit any metal grille, shutter or gate.

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 Unit any sign of any description (except a small name plate outside the entrance door of a Unit giving the Owner's or occupier's name) that is not consistent with the use of such a Unit for private residential purposes and without the previous written approval of the Manager. Any such approval 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 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. No Owner shall use or permit or suffer the Unit owned by him to be used for any illegal or immoral purpose nor will he do cause or permit or suffer to be done any act or thing which may be or become an annoyance for or cause damage to the Owners or occupier for the time being.

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

15. No Owner shall cut, maim, alter, affix, interfere with or in any other way affect any pipes, valves, ducts, lightning conductors, communal television and radio aerial system, and/or cable television system (if any), fixtures or any other installation within any portion of the balconies, acoustic balconies, staircase, air-conditioning plant areas, utility platforms, flat roofs, roofs, private gardens 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 Development Rules relating to the same. No Owner shall affix or install his own private aerial outside any part of his Unit or the Development.

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

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

19. 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, banner, poster, sign or advertisement whatsoever.

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

21. No Owner shall hang or exhibit or permit or suffer to be 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 windows, staircase, flat roofs, roofs, air-conditioning plant areas, utility platforms, private gardens, balconies, acoustic balcony, swimming pool deck, external walls, fence walls, corridors, lift lobbies or any part of the Development 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 roofs, flat roofs, balconies, acoustic balcony, utility platforms, private gardens, swimming pool deck, external walls forming part of his Unit or the Development any structure whatsoever either of a permanent or temporary nature. The Manager shall have the right to enter the offending Owner's part of the Development and remove from such roofs, flat roofs, balconies, acoustic balcony, utility platforms, private gardens, swimming pool deck or external walls such structure at the cost of the offending Owner. Notwithstanding anything herein contained, no balcony or acoustic balcony or utility platform shall be enclosed in any manner other than as under the Building Plans.

23. No Owner shall do or suffer or permit to be done anything whereby the flush or drainage system of the Development (including but not limited to waste pipes, sewage waste drainage, connections to the main drainage stacks up to and including connections with sanitary appliances including baths, basins, showers, bidets and sinks) may be clogged or efficient working thereof may be impaired.

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 causing of noisy nuisance (e.g. playing of mahjong) in his part of the Development between 11:00 p.m. 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, shall be kept or harboured in any part of the Development PROVIDED THAT this Clause shall not apply to trained guide dogs on leash for the visually impaired persons. 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 Recreational Facilities designed for children) and any damage to or discolouration to decorations in such areas and facilities by children shall be paid for by the Owner or occupier of the Unit in which the child or children concerned reside.

29. Without prejudice 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.

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 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 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 of the laws of Hong Kong) or any amendments thereto.

33. No Owner shall make any alteration to or interfere with the sprinkler system, fire fighting equipment, fire alarm system, visual fire alarm system or door hold open device forming part of the Common Areas and Facilities or suffer to be done anything to such sprinkler system, fire fighting equipment, fire alarm system, visual fire alarm system or door hold open device which would constitute a breach of the Fire Services Ordinance (Cap. 95 of the laws of Hong Kong) or any by-laws or regulations made thereunder.

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 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 provision 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), 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 Development Rules, manage, repair, maintain and upkeep his Unit and all services and facilities installed therein or used in connected therewith.

(b) Subject to the provisions of this Deed, each Owner shall keep in good repair and maintain his Unit in good condition and all wirings and piping thereto which do not form part of the Common Areas and Facilities and all electrical and sanitary appliances thereto in good repair and condition and shall maintain the same at his sole expense 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 observe and comply with all terms and provisions of the Government Grant and this Deed so long as he remains as owner of an Undivided Share.

40. (a) The Non-enclosed Areas shall only be used as balcony or acoustic balcony or utility platform (as the case may be) in relation to or in connection with use and enjoyment of the Residential Houses for which they are provided;

(b) The design and location of the Non-enclosed Areas under the Building Plans shall not be altered in any way;

(c) The Non-enclosed Areas shall not be enclosed in whole or in part other than as approved under the Building Plans provided always that the Non-enclosed Areas shall not be enclosed above safe parapet height other than as approved under the Building Plans;

(d) Each Owner of the Non-enclosed Areas shall (i) at his own cost keep the interior of such Non-enclosed Areas in good and substantial repair and condition and shall use the same in all respects in compliance with the Occupation Permit, the Buildings Ordinance (Cap. 123 of the laws of Hong Kong) 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; and

(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 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 Units concerned (including the Non-enclosed Areas provided therein) and remove any structures which are installed, exhibited, affixed, erected or attached to the Non-enclosed Areas or the 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.

41. No Owner shall carry out or cause to be carried out any alteration (structural or otherwise), interior fitting out or any construction works whatsoever to any Unit save with the written approval of the Manager which approval shall not be unreasonably withheld, which works shall be carried out in accordance with the Fit-out Rules. The Fit-out Rules may prescribe that the Owner of a 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 Unit. Such decoration deposit shall be refunded by the Manager without interest to the Owner of the Unit after the Owner has notified the Manager in writing that the fitting-out or decoration of his Unit has been completed and upon the Manager being satisfied that this is the case.

42. No Owner shall alter, interfere with or remove, or permit or be suffered to be altered, interfered with or removed the relevant part or parts of the Noise Mitigation Measures which form part of his Unit except in accordance with the Building Plans. Each Owner shall at his own costs and expenses employ contractors nominated by the Manager to carry out repair, maintenance, replacement or reinstatement of the Noise Mitigation Measures which form part of his Unit.

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

44. Owners who have a dividing fence wall adjoining their respective Residential Houses shall each have the right to the use of the interior surface of the wall on his side. Neither Owner in respect of that wall shall use any portion of the wall so as to interfere with the use and enjoyment of the other Owner in respect thereof. Neither Owner shall put structures of any kind onto or so near to the wall as to cause leakage of water or damage to the other side of the wall or as to be likely to cause the wall to collapse. If the wall or any portion thereof, except the interior surface of one side, is damaged or injured from any cause, other than the act or negligence of either Owner, it shall be repaired or rebuilt at their joint cost and expense with each bearing half of such cost and expense and such Owners shall repair, rebuild or reinstate the wall forthwith.

45. Every Owner of the Units with flat roofs and/or Non-enclosed Areas shall at all times ensure that (a) the drains of the flat roofs and/or the Non-enclosed Areas of their respective Units are in good function and condition and shall ensure that there shall be no overflowing or leakage of water from their respective Units and the flat roofs and/or Non-enclosed Areas thereof into other parts of the Development (including without limitation the Common Areas and Facilities) and (b) the doors of the flat roofs and/or the Non-enclosed Areas forming part of their respective Units shall remain closed during inclement weather in order to ensure that there shall be no overflowing or leakage of water from the flat roofs and/or the Non-enclosed Areas into other parts of the Development (including without limitation the Common Areas and Facilities), failing which the Manager shall have the right to enter into the relevant Units in

accordance with Paragraph 1 (b) of Part B of the Second Schedule hereto for the purpose of carrying out any necessary works to stop such overflowing or leakage. The Owner of the relevant Unit causing such water overflow or leakage shall be wholly responsible for all the costs, expenses, loss and damage as may be incurred and/or suffered by the Manager and/or any other Owners.

THE FOURTH SCHEDULE ABOVE REFERRED TO

Schedule of Works and Installations

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

1. Electrical system:
   - (i) Switchboard and power distribution system
   - (ii) Lighting system
   - (iii) Lightning system
   - (iv) Telecom system
   - (v) Communal aerial broadcasting distribution system
   - (vi) Security and CCTV system
   - (vii) Assess control system
   - (viii) Building indication monitoring system and water leakage system
   - (ix) Electrical fencing system

2. Fire Safety System:
   - (i) Sprinkler system
   - (ii) Fire hydrant/hose reel system
   - (iii) Street fire hydrant system
   - (iv) Automatic and manual fire alarm system
   - (v) Sand buckets and fire extinguishers
   - (vi) Smoke extraction system

3. HVAC System:
   - (i) Air conditioning system
   - (ii) Ventilation system

4. Plumbing & Drainage System:
   - (i) Fresh water system
   - (ii) Flushing water system
   - (iii) Cleansing water system
   - (iv) Irrigation water system
   - (v) Sump pump system

(vi) Storm water disposal system

(vii) Foul water disposal system

5. Towngas system
6. Pool Filtration System
7. Sewage Treatment System
8. Planting in the Common Areas and Facilities
9. Planting in the Green Hatched Black Areas and the Brown Area
10. Structural elements
11. External wall finishes and roofing materials
12. The slope structures
13. Lift installations
14. Window installations

EXECUTED as a deed and **SEALED**)
with the Common Seal of the **First**)
Owner and **SIGNED** by)
)
)
)
whose signature(s) is/are)
verified by :-)

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

INTERPRETED to the First Assignee by :-

OR (where the First Assignee adopts common seal)

EXECUTED as a deed and **SEALED**)
with the Common Seal of the **First**)
Assignee in accordance with its articles)
of association and **SIGNED** by)
)
)
)
in the presence of:-)

OR (where the First Assignee does not adopt common seal)

EXECUTED as a deed by)
)
)
)
duly authorized for and on behalf of the)
First Assignee in the presence of:-)

EXECUTED as a deed and **SEALED** with the Common Seal of the **DMC Manager** in accordance with its articles of association and **SIGNED** by)

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

EXECUTED as a deed and **SEALED** with the Common Seal of the **Lender** in accordance with its articles of association and **SIGNED** by)

in the presence of:-)

OR

SIGNED, **SEALED** and **DELIVERED** by)

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

PROPOSED RESIDENTIAL DEVELOPMENT AT
TUEN MUN TOWN LOT 490, TAI LAM, TUEN MUN, NEW TERRITORIES, HONG KONG

PLAN AT LEVEL +2.45 1:200

LEGEND

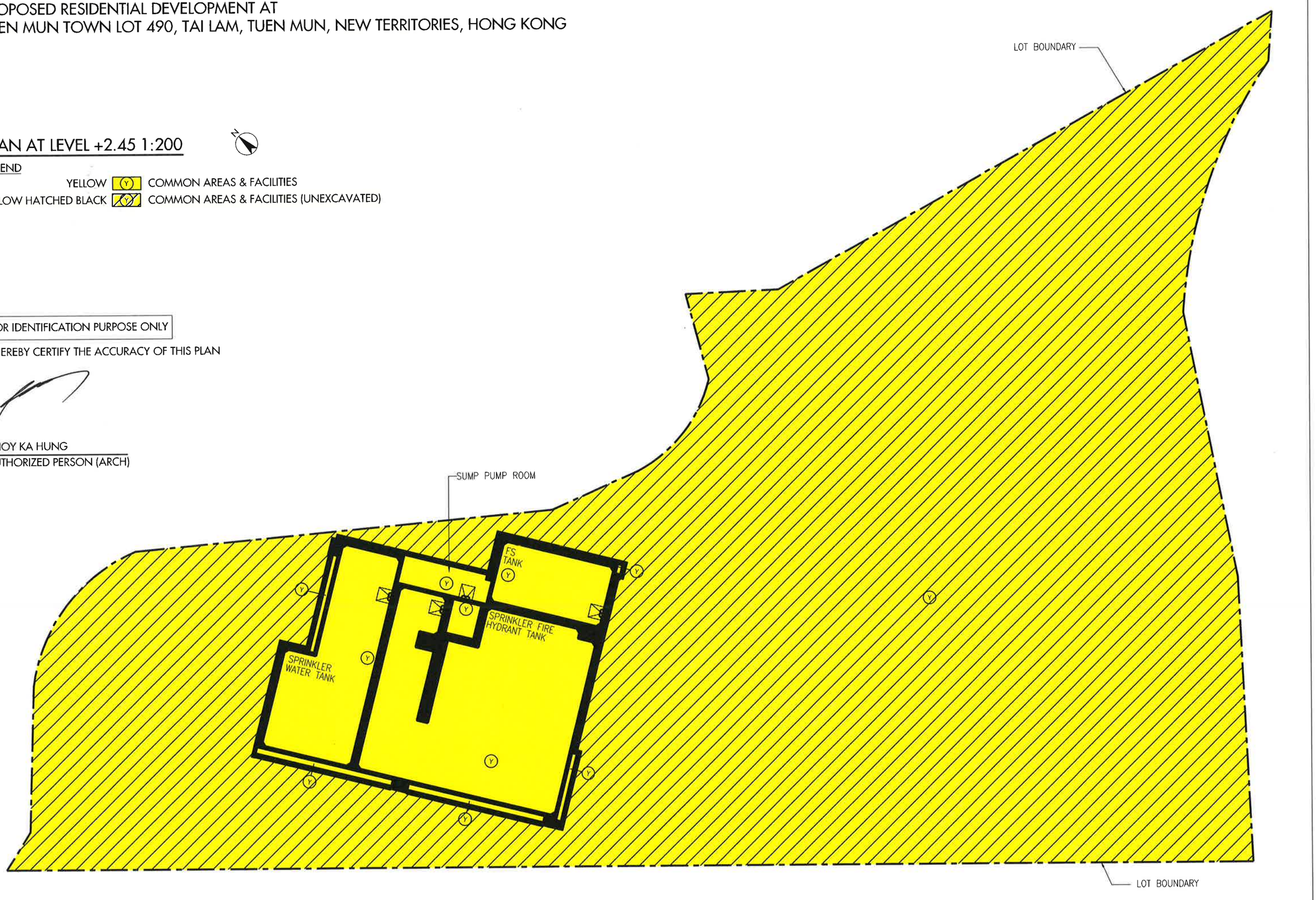
YELLOW (Y) COMMON AREAS & FACILITIES

YELLOW HATCHED BLACK (Y) COMMON AREAS & FACILITIES (UNEXCAVATED)

FOR IDENTIFICATION PURPOSE ONLY

I HEREBY CERTIFY THE ACCURACY OF THIS PLAN

CHOY KA HUNG
AUTHORIZED PERSON (ARCH)



13/11/2020

PROPOSED RESIDENTIAL DEVELOPMENT AT
TUEN MUN TOWN LOT 490, TAI LAM, TUEN MUN, NEW TERRITORIES, HONG KONG

LOWER GROUND FLOOR PLAN 1:200

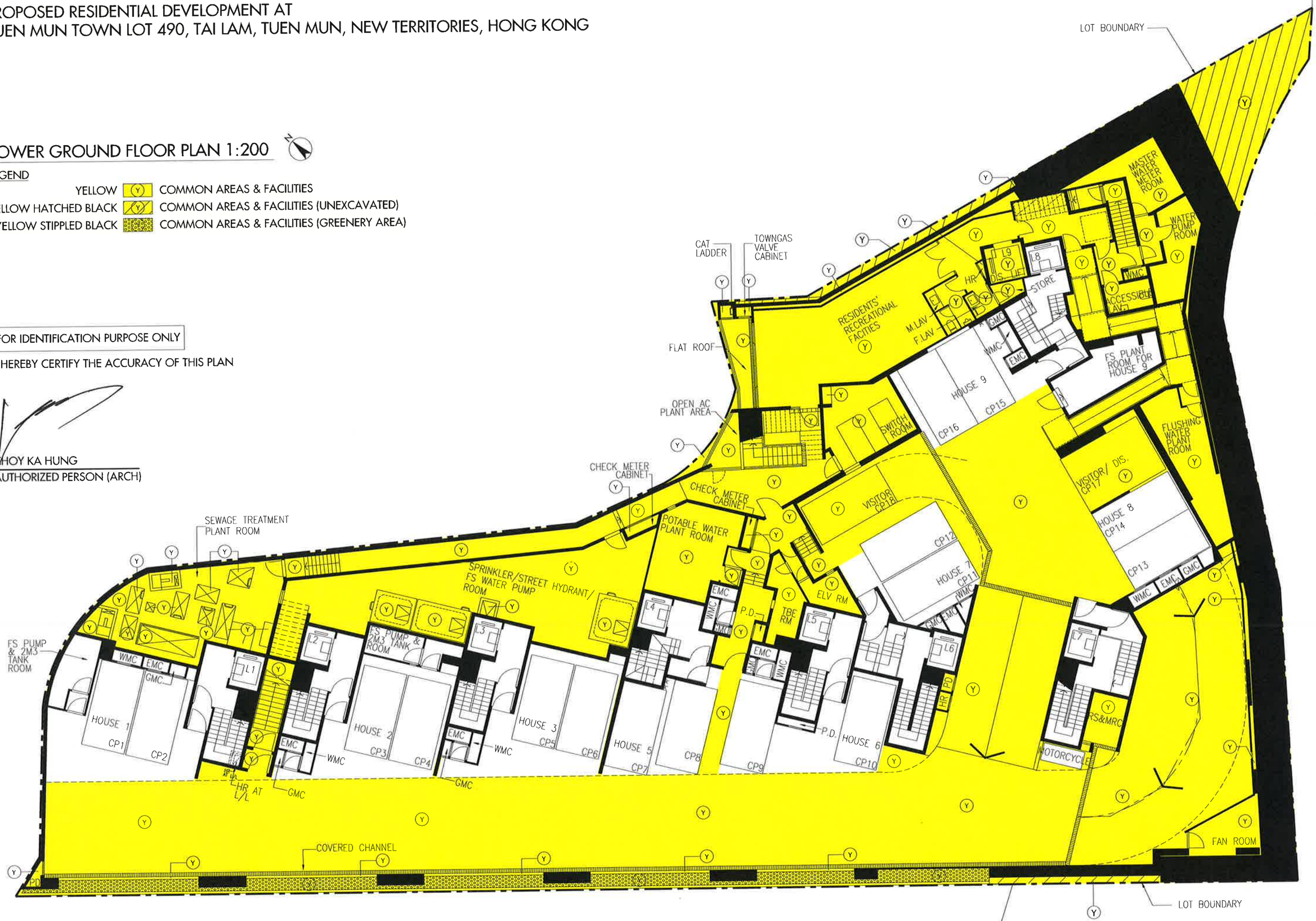
LEGEND

YELLOW	(Y)	COMMON AREAS & FACILITIES
YELLOW HATCHED BLACK	(Y)	COMMON AREAS & FACILITIES (UNEXCAVATED)
YELLOW STIPPLED BLACK		COMMON AREAS & FACILITIES (GREENERY AREA)

FOR IDENTIFICATION PURPOSE ONLY

I HEREBY CERTIFY THE ACCURACY OF THIS PLAN

CHOY KA HUNG
AUTHORIZED PERSON (ARCH)



13/11/2020

PROPOSED RESIDENTIAL DEVELOPMENT AT
TUEN MUN TOWN LOT 490, TAI LAM, TUEN MUN, NEW TERRITORIES, HONG KONG

GROUND FLOOR PLAN 1:200

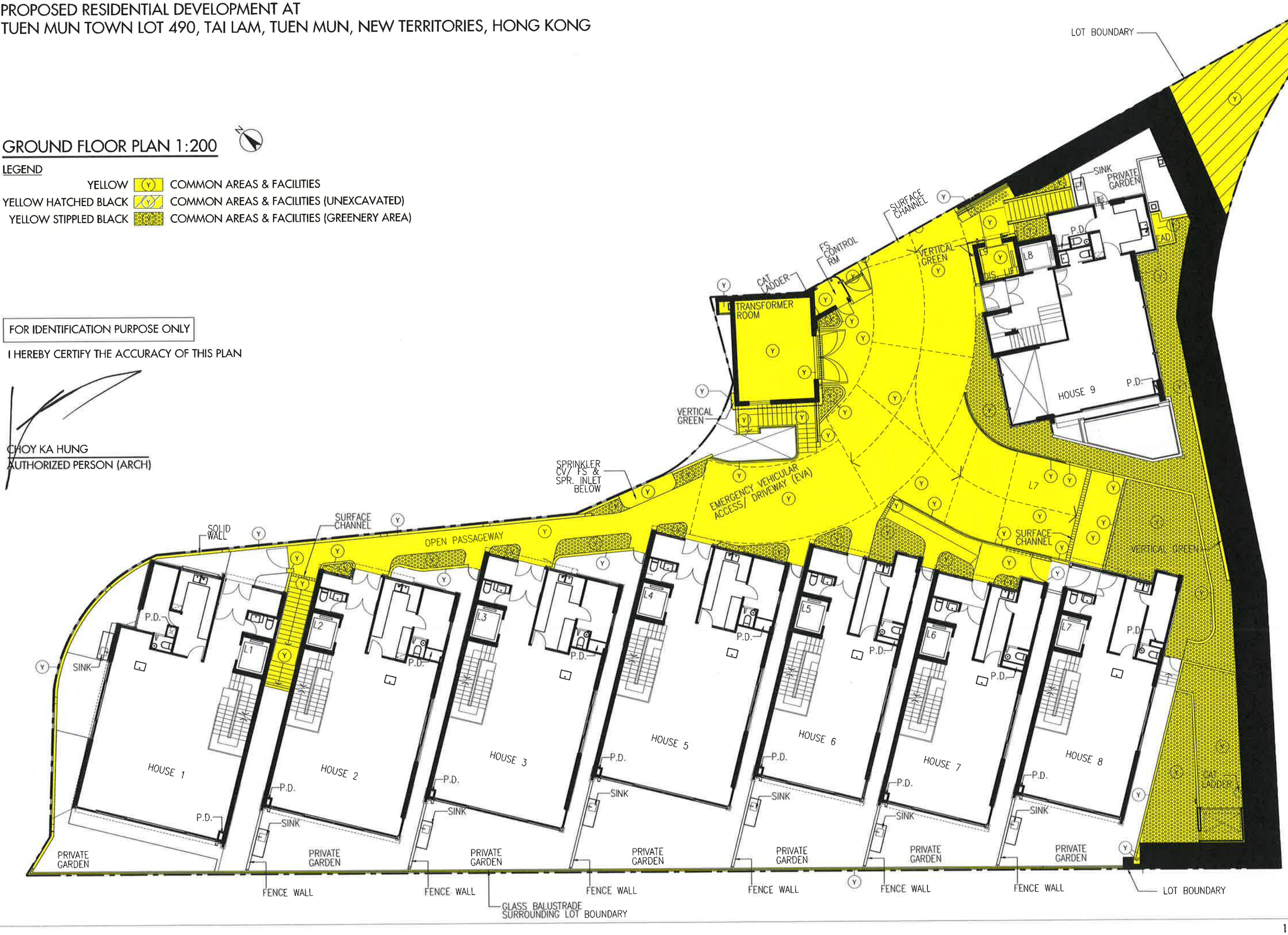
LEGEND

YELLOW	(Y)	COMMON AREAS & FACILITIES
YELLOW HATCHED BLACK	(Y)	COMMON AREAS & FACILITIES (UNEXCAVATED)
YELLOW STIPPLED BLACK		COMMON AREAS & FACILITIES (GREENERY AREA)

FOR IDENTIFICATION PURPOSE ONLY

I HEREBY CERTIFY THE ACCURACY OF THIS PLAN

CHOY KA HUNG
AUTHORIZED PERSON (ARCH)



13/11/2020

PROPOSED RESIDENTIAL DEVELOPMENT AT
TUEN MUN TOWN LOT 490, TAI LAM, TUEN MUN, NEW TERRITORIES, HONG KONG

FIRST FLOOR PLAN 1:200

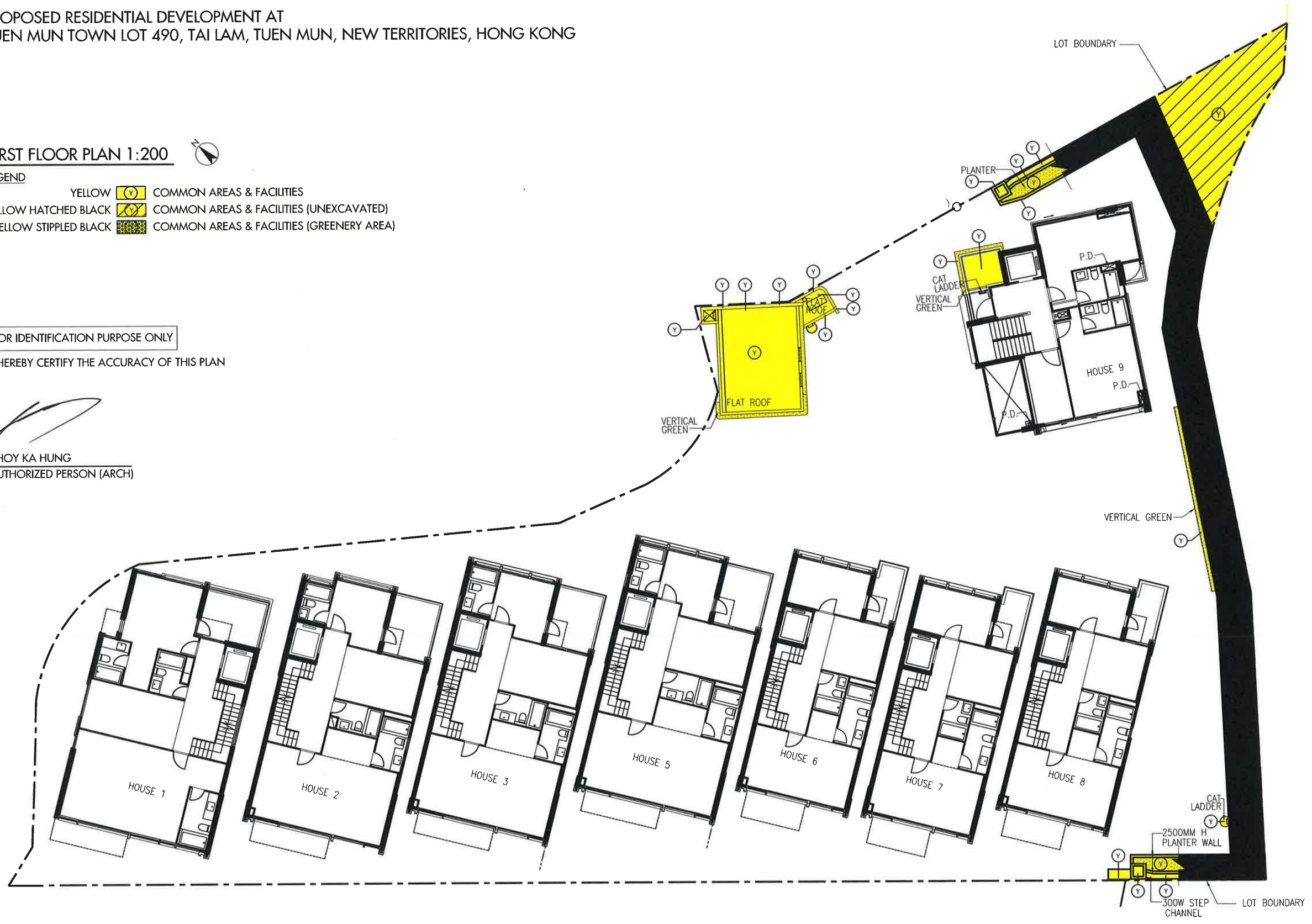
LEGEND

YELLOW	(Y)	COMMON AREAS & FACILITIES
YELLOW HATCHED BLACK	(Y)	COMMON AREAS & FACILITIES (UNEXCAVATED)
YELLOW STIPPLED BLACK		COMMON AREAS & FACILITIES (GREENERY AREA)

FOR IDENTIFICATION PURPOSE ONLY

I HEREBY CERTIFY THE ACCURACY OF THIS PLAN

CHOY KA HUNG
AUTHORIZED PERSON (ARCH)



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PROPOSED RESIDENTIAL DEVELOPMENT AT
TUEN MUN TOWN LOT 490, TAI LAM, TUEN MUN, NEW TERRITORIES, HONG KONG

SECOND FLOOR PLAN 1:200

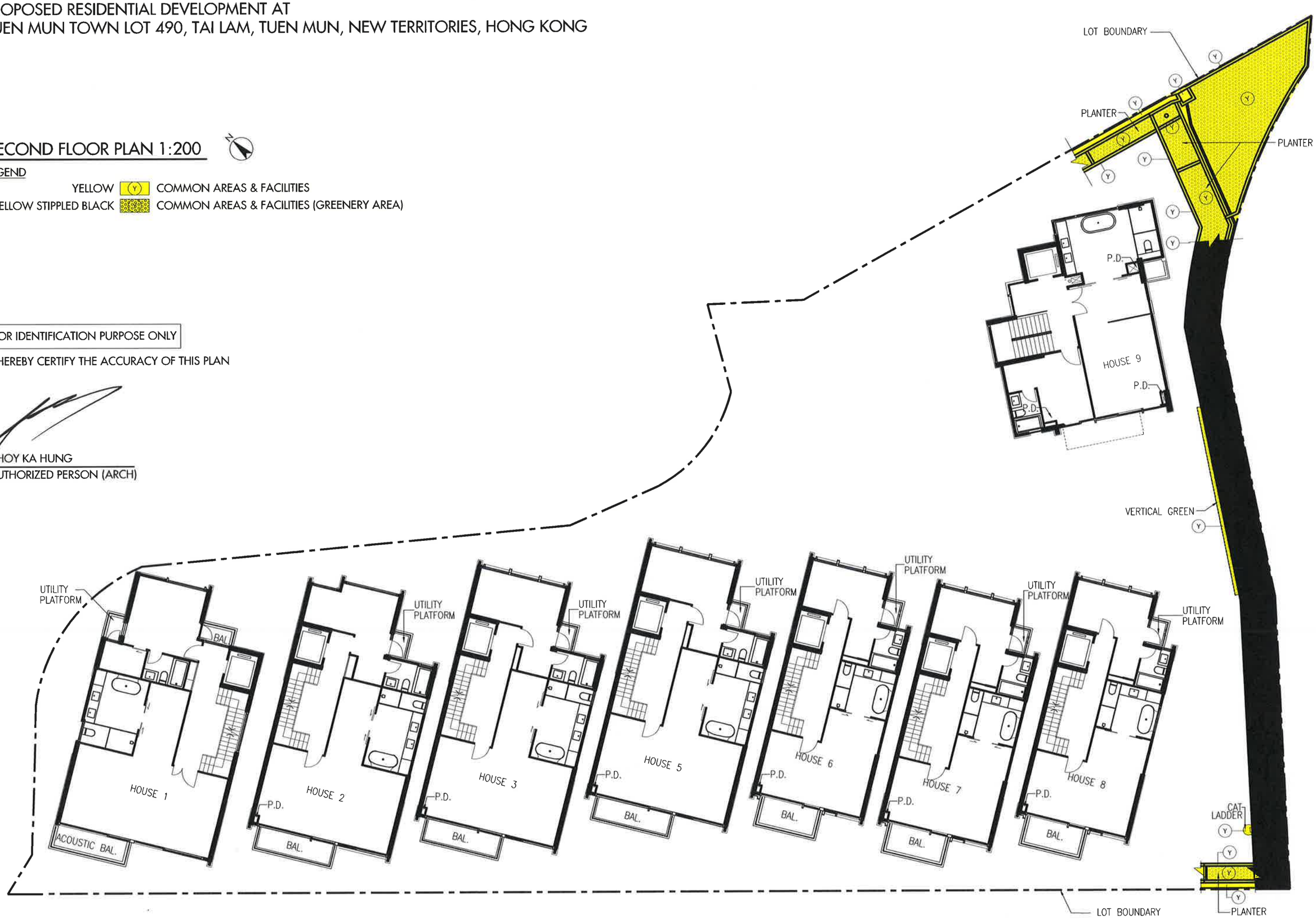
LEGEND

YELLOW	(Y)	COMMON AREAS & FACILITIES
YELLOW STIPPLED BLACK		COMMON AREAS & FACILITIES (GREENERY AREA)

FOR IDENTIFICATION PURPOSE ONLY

I HEREBY CERTIFY THE ACCURACY OF THIS PLAN

CHOY KA HUNG
AUTHORIZED PERSON (ARCH)



13/11/2020

PROPOSED RESIDENTIAL DEVELOPMENT AT
TUEN MUN TOWN LOT 490, TAI LAM, TUEN MUN, NEW TERRITORIES, HONG KONG

THIRD FLOOR & ROOF FLOOR PLAN 1:200

LEGEND

YELLOW (Y) COMMON AREAS & FACILITIES

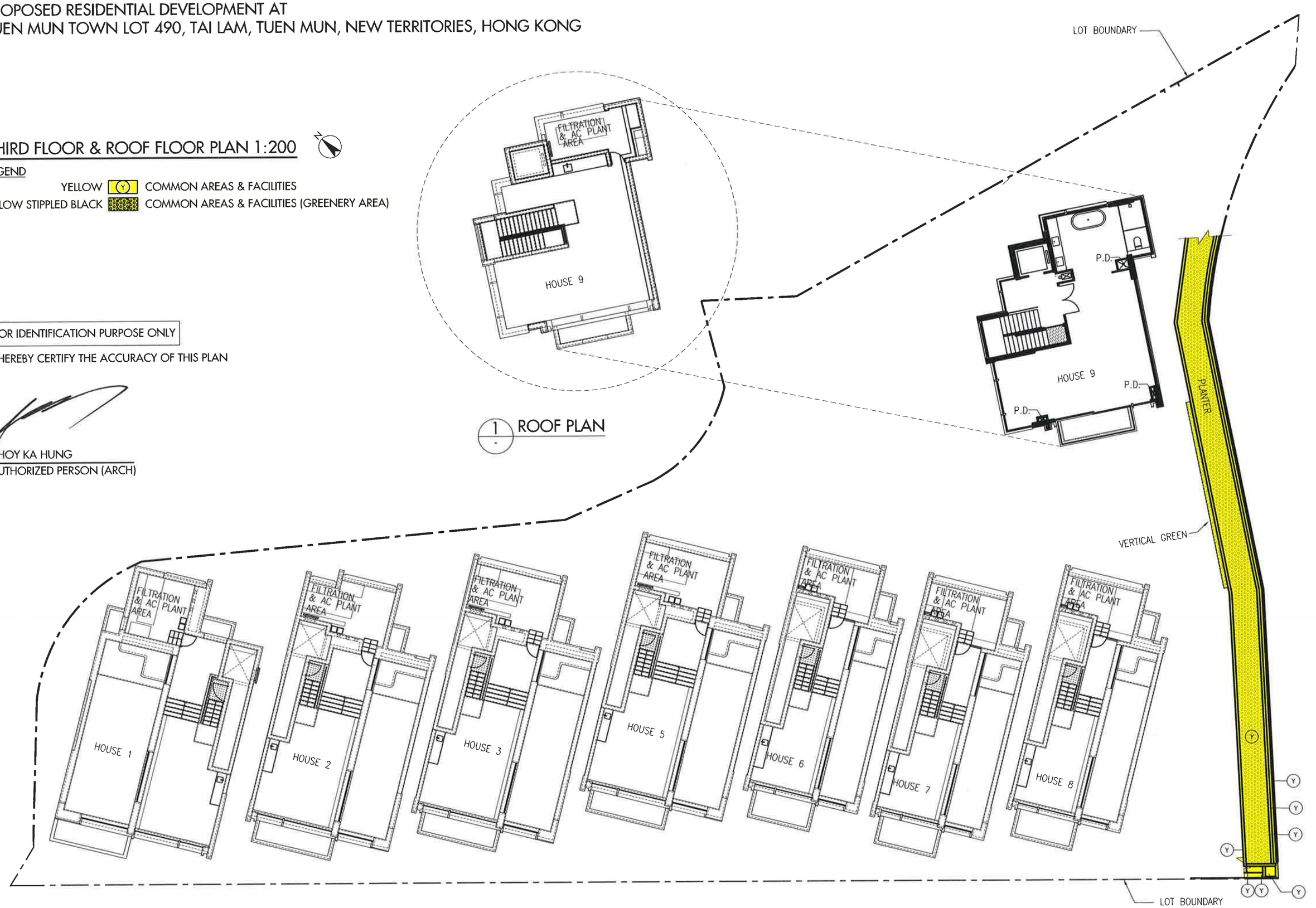
YELLOW STIPPLED BLACK COMMON AREAS & FACILITIES (GREENERY AREA)

FOR IDENTIFICATION PURPOSE ONLY

I HEREBY CERTIFY THE ACCURACY OF THIS PLAN

CHOY KA HUNG
AUTHORIZED PERSON (ARCH)

1 ROOF PLAN



13/11/2020

PROPOSED RESIDENTIAL DEVELOPMENT AT
TUEN MUN TOWN LOT 490, TAI LAM, TUEN MUN, NEW TERRITORIES, HONG KONG

SLOPE PLAN - SHOWING LOCATION OF THE SLOPE STRUCTURES, RETAINING WALL AND RELATED STRUCTURES 1:300

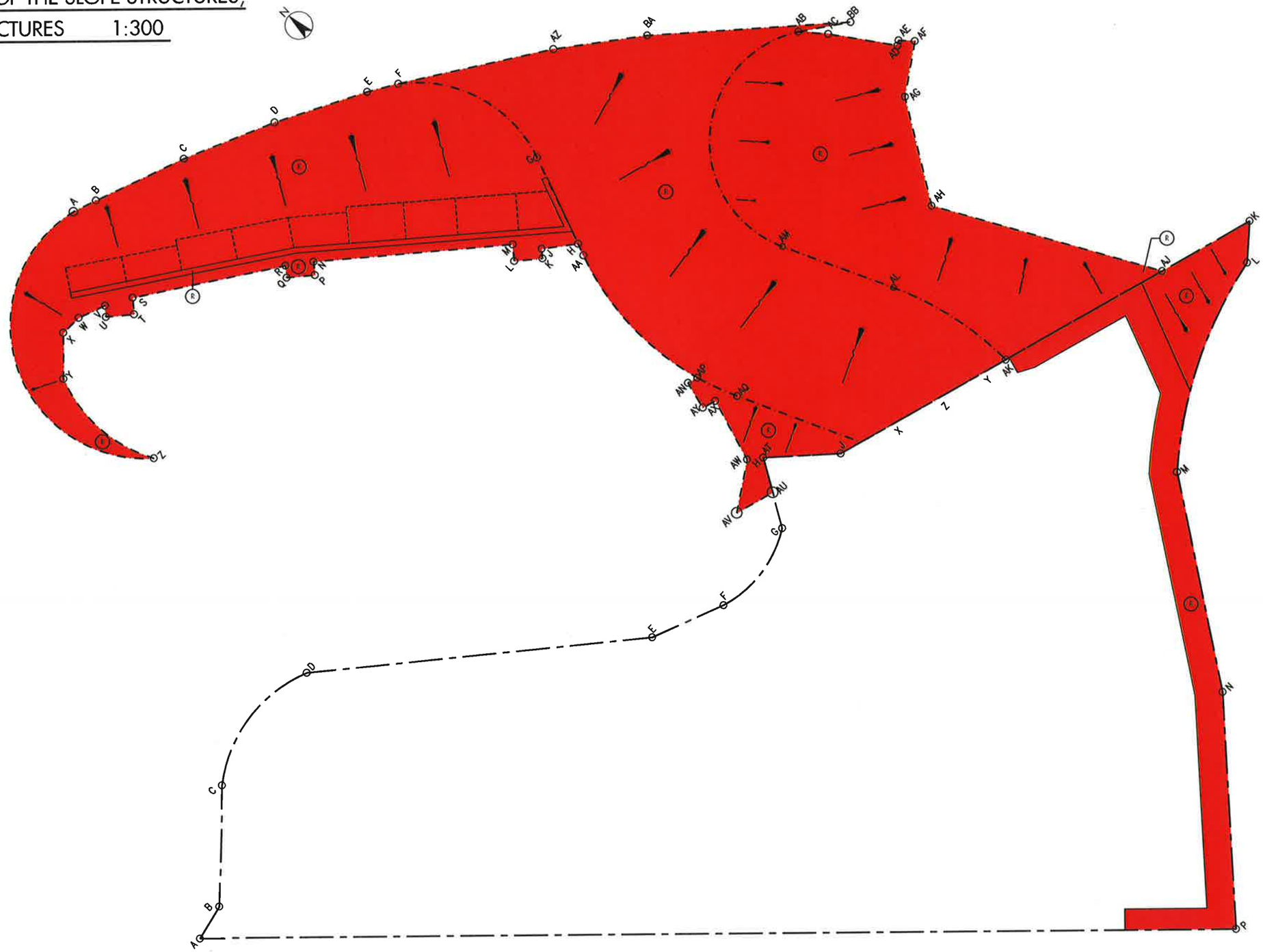
LEGEND

RED (R) SLOPE STRUCTURES

FOR IDENTIFICATION PURPOSE ONLY

I HEREBY CERTIFY THE ACCURACY OF THIS PLAN

CHOY KA HUNG
AUTHORIZED PERSON (ARCH)



13/11/2020

PROPOSED RESIDENTIAL DEVELOPMENT AT
TUEN MUN TOWN LOT 490, TAI LAM, TUEN MUN, NEW TERRITORIES, HONG KONG

NOISE MITIGATION MEASURE
GROUND FLOOR PLAN 1:200

LEGEND

YELLOW SOLID LINE — SOLID WALL

TURQUOISE DASH LINE — FIXED GLAZING

FOR IDENTIFICATION PURPOSE ONLY

I HEREBY CERTIFY THE ACCURACY OF THIS PLAN

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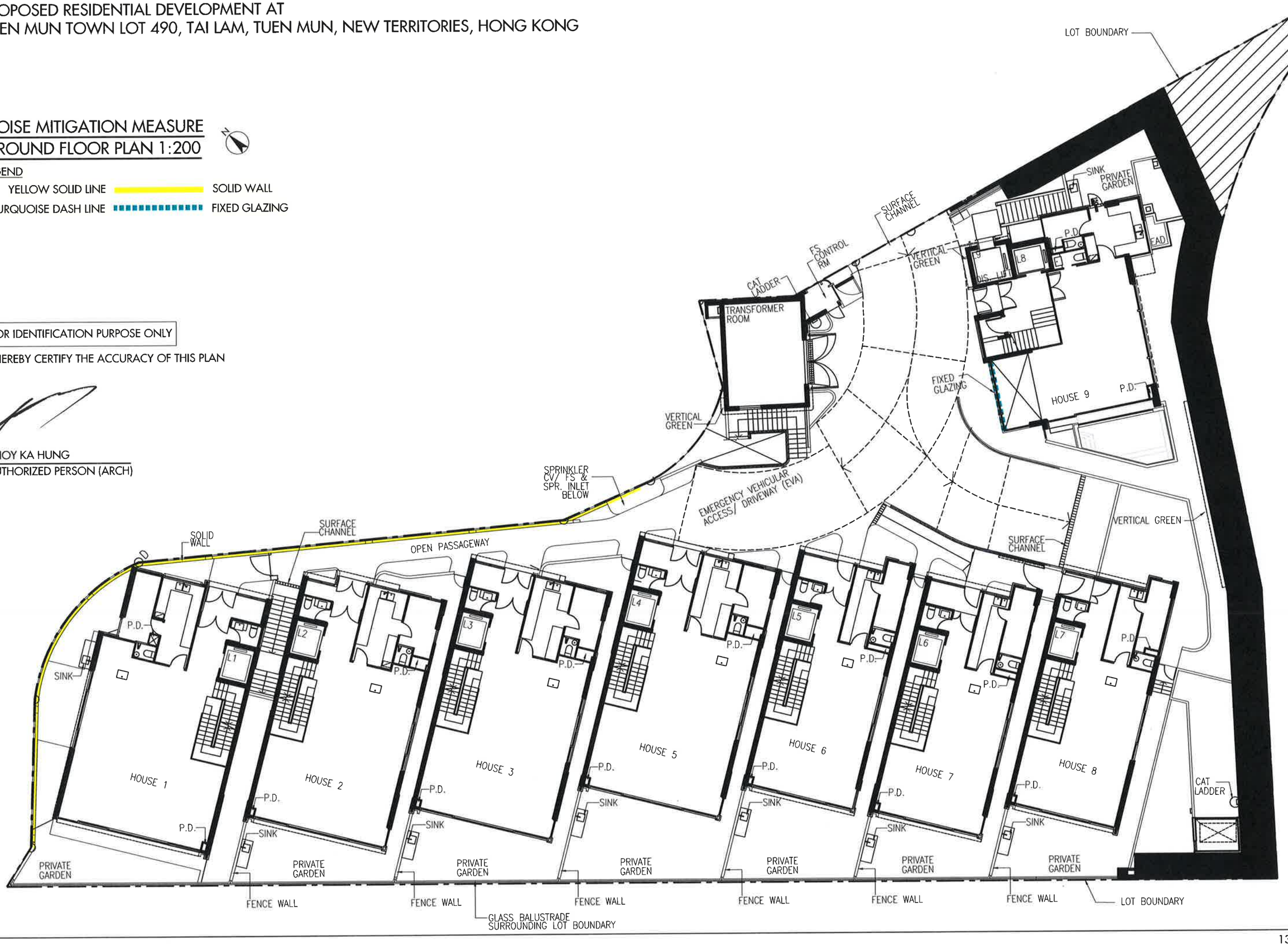
AUTHORIZED PERSON (ARCH)



13/11/2020

PROPOSED RESIDENTIAL DEVELOPMENT AT
TUEN MUN TOWN LOT 490, TAI LAM, TUEN MUN, NEW TERRITORIES, HONG KONG

NOISE MITIGATION MEASURE
FIRST FLOOR PLAN 1:200

LEGEND

TURQUOISE DASH LINE ▪▪▪▪▪▪▪▪▪▪▪▪▪▪ FIXED GLAZING

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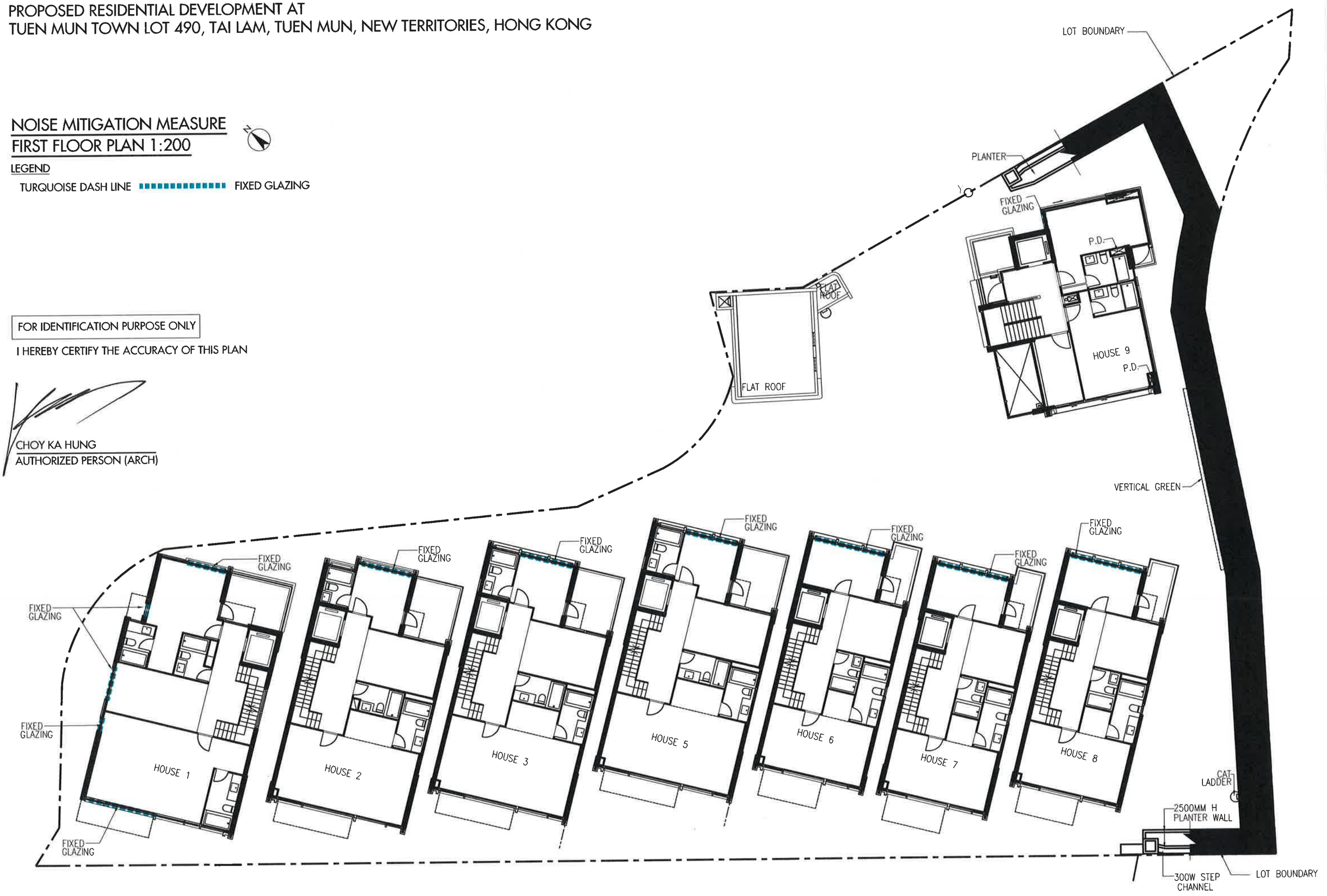
CHOY KA HUNG
AUTHORIZED PERSON (ARCH)



13/11/2020

PROPOSED RESIDENTIAL DEVELOPMENT AT
TUEN MUN TOWN LOT 490, TAI LAM, TUEN MUN, NEW TERRITORIES, HONG KONG

NOISE MITIGATION MEASURE
SECOND FLOOR PLAN 1:200

LEGEND

TURQUOISE DASH LINE — FIXED GLAZING

ORANGE — ACOUSTIC BALCONY

FOR IDENTIFICATION PURPOSE ONLY

I HEREBY CERTIFY THE ACCURACY OF THIS PLAN

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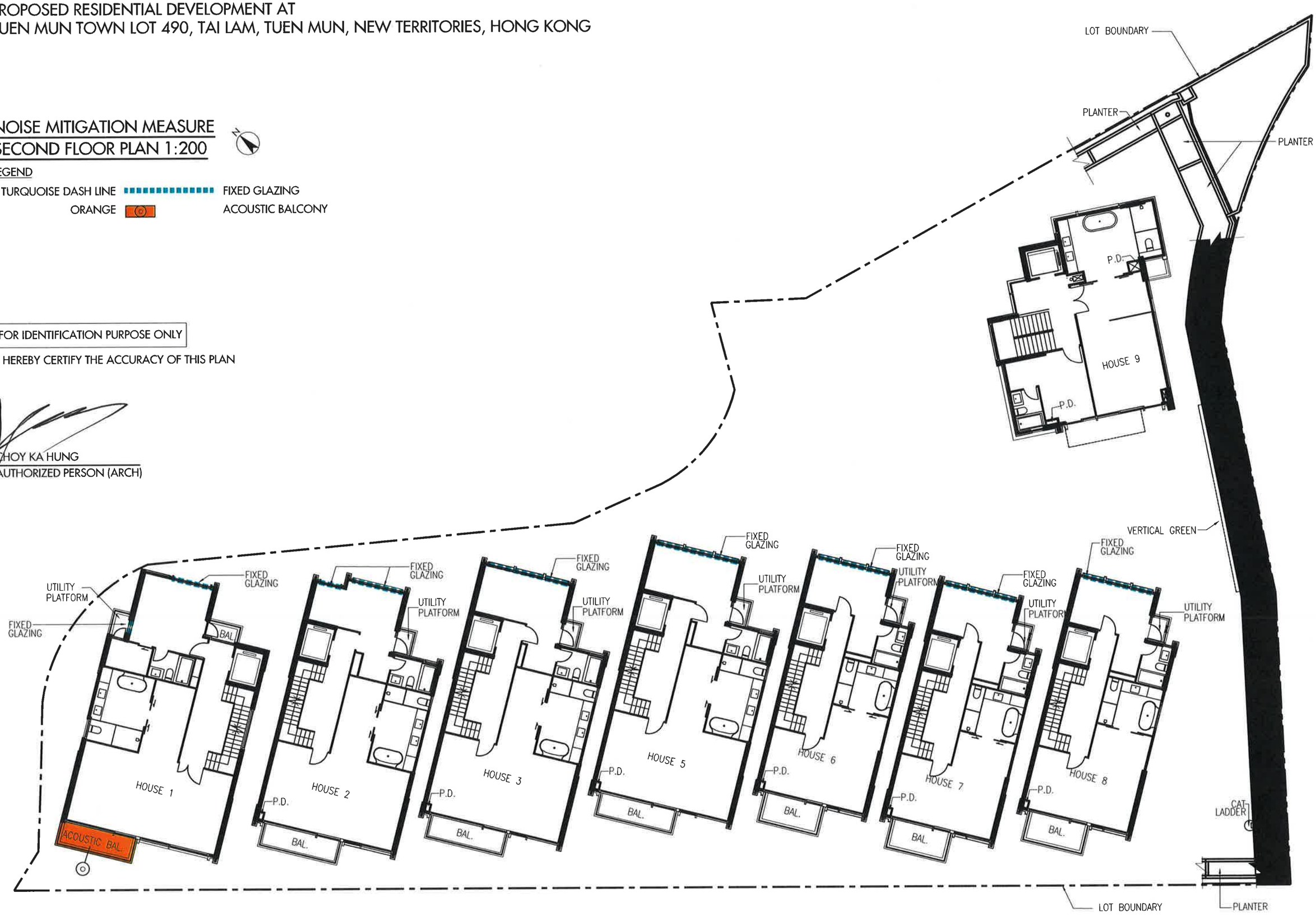

13/11/2020

PROPOSED RESIDENTIAL DEVELOPMENT AT
TUEN MUN TOWN LOT 490, TAI LAM, TUEN MUN, NEW TERRITORIES, HONG KONG

NOISE MITIGATION MEASURE
THIRD FLOOR PLAN 1:200

LEGEND

TURQUOISE DASH LINE ▪▪▪▪▪▪▪▪▪▪▪▪▪▪▪ FIXED GLAZING

FOR IDENTIFICATION PURPOSE ONLY

I HEREBY CERTIFY THE ACCURACY OF THIS PLAN

CHOY KA HUNG
AUTHORIZED PERSON (ARCH)

1 - ROOF PLAN

13/11/2020