

THIS DEED made the 4th day of November 2024.

BETWEEN:

- (1) **STAR VALUE INVESTMENTS LIMITED 星樺投資有限公司**, whose registered office is situate at Room 2501, 25/F, Alexandra House, 18 Chater Road, Central, Hong Kong (hereinafter called "First Owner" which expression shall where the context so admits include its successors and assigns) of the first part;
- (2) **SAVILLS PROPERTY MANAGEMENT LIMITED 第一太平戴維斯物業管理有限公司** whose registered office is situate at Rooms 805-813, 8/F, 1111 King's Road, Taikoo Shing, Hong Kong (hereinafter called "the DMC Manager") of the second part; and
- (3) **NG KA LAI (吳嘉麗)** of FLAT C, 9th Floor, ARUNA, Hong Kong (hereinafter called "the Covenantee Owner" which expression shall where the context so admits include his executors, administrators and assigns and in the case of a corporation its successors and assigns) of the third part.

WHEREAS:

- (1) Immediately prior to the assignment to the Covenantee Owner of the premises hereinafter referred to, the First Owner was in exclusive possession of the Land (as hereinafter defined) HELD from the Government hereinafter defined for the residue of the term of years and upon such terms and conditions as are set out in the First Schedule hereto.
- (2) The First Owner has erected the Development on the Land and has obtained the Occupation Permit from the Building Authority.
- (3) For the purpose of sale, the Land and the Development have been notionally divided into 31742 equal undivided parts or shares which are more particularly set out in the Second Schedule hereto.
- (4) For the purpose of fixing and determining the amount to be contributed by each Owner to the management expenses of the Development, Management Shares shall be allocated to the part or parts of the Development in the manner as are more particularly provided in the Third Schedule hereto.
- (5) By an Assignment bearing even date herewith and made between the First Owner of the one part and the Covenantee Owner of the other part, the First Owner assigned unto the Covenantee Owner All Those 190 equal undivided 31,742nd parts or shares of and in the Land and the Development Together with the full and exclusive right and privilege to

hold use occupy and enjoy All That FLAT C on the NINETH FLOOR of the Development ("the First Unit").

(6) The parties hereto have agreed to enter into this Deed to provide for the proper management, operation, servicing, maintenance, repair, decoration, renovation, improvement and insurance of the Land and the Development and for the purposes of defining and regulating the rights interests and obligations of themselves and all subsequent owners in respect of the Land and the Development.

NOW THIS DEED WITNESSETH as follows:

SECTION I

DEFINITIONS

In this Deed, the following words and expressions shall have the following meanings ascribed to them except where the context otherwise requires or permits:

"Areas for Air-conditioning"	means the air-conditioner platforms (complying with the criteria set out in Appendix B of the Code of Practice on Access for External Maintenance 2021 or as amended or substituted from time to time) provided on balconies or utility platforms of Residential Units which air-conditioner platforms are for the purpose of identification shown marked "A/C" on the Plans.
"Authorized Person"	means Chan Wan Ming of P&T Architects Limited, and any other replacement authorized person for the time being appointed by the First Owner.
"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. BD 2/2045/19 and includes any amendment thereto as approved by the Building Authority.
"Commercial Common Areas"	means all those areas or parts of the Land and the Development the right to the use of which is designated for common use and benefit of the Owners and occupiers of all the Shops and is not given by this Deed or otherwise to the First Owner or the Owner of any individual Shop and is not otherwise specifically assigned other than to the Manager on trust for the benefit of all Owners and which, without limiting the generality of the foregoing, include sump pump pit and such areas within the meaning of "common parts" as defined in Section 2 of the Ordinance but shall exclude the Development Common Areas and the Residential Common Areas. For the purpose of identification, the Commercial Common Areas

are shown coloured Indigo on the Plans.

“Commercial Common Facilities”	means all those installations and facilities in the Commercial Common Areas used in common by or installed for the common benefit of the Owners and occupiers of all the Shops and not for the exclusive use or benefit of any individual Shop or the Development as a whole.
“Commercial Exterior Walls”	means the portions of the external walls of the Development which are for the purpose of identification shown coloured Brown, Red, Violet and Grey respectively on the Plans, or any part or parts thereof. For the avoidance of doubt, the “Commercial Exterior Wall(s)” held with and forming part of a Shop include, without limitation, louvers immediately above the shop front (if any) held with and forming part of such Shop. “Commercial Exterior Wall(s)” shall be construed accordingly.
“Chairman”	means the chairman of the Owners' Committee appointed in accordance with the provisions hereof from time to time.
“Common Areas”	means all of the Commercial Common Areas, the Development Common Areas and the Residential Common Areas.
“Common Areas and Facilities”	means all of the Common Areas and all of the Common Facilities.
“Common Facilities”	means all of the Commercial Common Facilities, the Development Common Facilities and the Residential Common Facilities.
“Deed”	means this Deed of Mutual Covenant Incorporating Management Agreement as amended or varied from time to time.
“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 “ARUNA 弦岸”.
“Development Common Areas”	means all those areas or parts of the Land and the Development the right to the use of which is designated for the common use and benefit of the Owners and occupiers of the Units and is not otherwise specifically assigned other than to the Manager on trust for the benefit of all Owners and which include, without limiting the generality of the foregoing:- (a) transformer room, refuse storage & material recovery chamber, telecommunication and broadcasting equipment (which constitutes the areas for the installation or use of

aerial broadcast distribution or telecommunications network facilities);

- (b) fire lift lobby(ies) (excluding the fire lift lobby(ies) forming part of the Residential Common Areas);
- (c) required staircase and protected lobby(ies) to a required staircase (excluding those forming part of the Residential Common Areas);
- (d) external walls of the Development (not forming part of the Residential Common Areas, the Shops, the Residential Units and the Signage Areas) which are for the purpose of identification shown coloured Yellow on the plans (Drawing Nos. DMC-05 and DMC-06) of the Plans;

PROVIDED THAT where appropriate, if (1) any parts of the Development covered by paragraph (a) of the definition of “common parts” set out in section 2 of the Ordinance and/or (2) any parts specified in the Schedule 1 to the Ordinance (unless they are specified or designated in an instrument registered in the Land Registry as being for the exclusive use, occupation or enjoyment of an Owner) shall also be covered by the provisions hereinbefore provided in this definition of “Development Common Areas”, such parts shall be deemed to have been included as, and shall form part of, the Development Common Areas,

but shall exclude the Commercial Common Areas, the Residential Common Areas and such areas within the Development the exclusive right and privilege to hold, use, occupy and enjoy of which belongs to any particular Owner.

Development Common Areas are for the purpose of identification shown coloured Yellow on the Plans.

“Development
Common Facilities”

means all those installations and facilities in the Development Common Areas used in common by or installed for the common benefit of all the Units of the Development as part of the amenities thereof and not for the exclusive benefit of any individual Unit.

“Fire Safety Management Plan”	means the fire safety management plan of the Open Kitchen Units of the Development, a copy of which is to be deposited at the management office of the Development pursuant to the provisions of this Deed. As at the date of this Deed, the Fire Safety Management Plan includes, without limitation, those requirements set out in the Fifth Schedule hereto.
“Fitting Out Rules”	means the rules regulating the fitting out of the Residential Units and the Shops as made, revoked, amended and supplemented by the Manager from time to time pursuant to the provisions of this Deed.
“Government”	means the Government of Hong Kong.
“Government Grant”	means the Government Lease more particularly described in the First Schedule hereto as modified by any subsequent variations or modifications thereof (if any) as approved by the Director of Lands.
“Green and Innovative Features”	means all those green and innovative features which are exempted from the calculation of gross floor area or site coverage or both of the Development by the Building Authority and the Director of Lands, which comprise utility platforms, balconies, Areas for Air-conditioning and non-structural prefabricated external walls and where possible and for the purpose of identification only, they are shown on the Plans.
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China.
“House Rules”	means the rules which have been or may be made in accordance with the Ordinance and pursuant to this Deed by the Manager relating to the use, operation and maintenance of the Development from time to time.
“Land”	means all those pieces or parcels of land registered in the Land Registry as Section A of Aplichau Inland Lot No. 46, Section B of Aplichau Inland Lot No. 46, Section C of Aplichau Inland Lot No. 46 and The Remaining Portion of Aplichau Inland Lot No. 46.
“maintain”	means operate, service, repair, uphold, support, rebuild, overhaul, pave, purge, scour, cleanse, empty, amend, replace, renovate, improve and decorate or any of such of the foregoing as may be applicable in the circumstances and are in the interest of good estate management.
Maintenance and Repair Access	means the maintenance and repair access which are for the purpose of identification shown coloured Green cross-hatched Black on the

Plans.

“management”	means all duties and obligations to be performed and observed by the Manager pursuant to the provisions of this Deed.
“Management Budget”	means the annual budget prepared by the Manager in accordance with Subsection D of Section VI of this Deed.
“management expenses ”	means all expenses, costs and charges necessarily and reasonably incurred or to be incurred for the management of the Land and the Development, including Manager's Remuneration.
“management fund”	means all monies received, recovered or held by the Manager pursuant to this Deed except only the Manager’s Remuneration and the Special Fund.
“Management Shares”	means the shares allocated or to be allocated to the Units of the Development as set out in the Third 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 person who for the time being is, for the purpose of this Deed, managing the Development.
“Manager's Remuneration”	means the remuneration payable to the Manager pursuant to the provisions of this Deed.
“month”	means calendar month.
“Non-enclosed Areas”	means all those balconies, utility platforms, the Areas for Air-conditioning, covered areas underneath the balconies, covered areas underneath the utility platforms and covered areas underneath the Areas for Air-conditioning. The locations of such balconies and utility platforms are for the purpose of identification shown marked with “+” and marked “BAL” and “UP” on the Plans.
“Occupation Permit”	means an Occupation Permit (including a temporary Occupation Permit) relating to the Development issued by the Building Authority.
“Open Kitchen”	means the open kitchen (if any) provided within a Residential Unit, and such open kitchen is for the purpose of identification shown and marked “O KIT” on the Plans.
“Open Kitchen Unit”	means a Residential Unit with an Open Kitchen.

“Ordinance”	means the Building Management Ordinance (Chapter 344 of the Laws of Hong Kong).
“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 Ordinance.
“person”	means a natural person, a legal person, a body corporate or unincorporated or other judicial person, partnership, firm, joint venture or trust.
“Plans”	means the plans (certified as to their accuracy by or on behalf of the Authorized Person) annexed to this Deed.
“Recreational Facilities”	means all recreational facilities including, but not limited to, resident's recreational facilities: gymnasium, male toilet, female toilet and unisex accessible toilet, other areas and facilities and all ancillary equipment, facilities and structures provided within the Development which shall only be used by the residents of the Development and their bona fide visitors. The Recreational Facilities are for the purpose of identification shown coloured Green square hatched Black on the Plans.
“Residential Common Areas”	means all those areas or parts of the Land and the Development the right to the use of which is designated for common use and benefit of the Owners and occupiers of Residential Units and is not otherwise specifically assigned other than to the Manager on trust for the benefit of all Owners and which, without limiting the generality of the foregoing, include:- (a) the Recreational Facilities;

- (b) lifts, lift pits, covered landscaped and play area, and swimming pool;
- (c) maintenance flat roof(s) (excluding the flat roof(s) forming part of the Residential Units) and common flat roof(s) (excluding the flat roof(s) forming part of the Residential Units);
- (d) fire lift lobby(ies) (excluding the fire lift lobby(ies) forming part of the Development Common Areas);
- (e) required staircase and protected lobby(ies) to a required staircase (excluding those forming part of the Development Common Areas);
- (f) the Maintenance and Repair Access;
- (g) access to access opening for operating CCTV imaging device for drainage inspection and working space for maintenance;
- (h) the parapet wall enclosing the flat roof (which flat roof is held with and forms part of the Residential Unit) which parapet wall is for the purpose of identification shown coloured Green on the Plans;
- (i) the parapet wall enclosing the roof (which roof is held with and forms part of the Residential Unit) which parapet wall is for the purpose of identification shown coloured Green on the Plans;
- (j) the non-structural prefabricated external walls (which are for the purpose of identification shown coloured Green hatched Black on the Plans;
- (k) external walls (including the curtain wall system (other than such part or parts of the curtain wall system forming part of the Residential Units and other than the Shop 5 Curtain Wall System which shall form part of Shop 5) but excluding the plaster and other internal covering of the external walls (which include the curtain wall system) enclosing a Residential Unit which said plaster and other internal covering shall form part of the Residential Unit). The external walls which form part of the Residential Common Areas are for the purpose of identification

shown coloured Green and Green hatched Black on the plans (Drawings Nos. DMC-05 and DMC-06) of the Plans

but shall exclude the Commercial Common Areas, the Development Common Areas and such areas within the Development the exclusive right and privilege to hold, use, occupy and enjoy of which belongs to any particular Owner.

Residential Common Areas are for the purpose of identification shown coloured Green, Green hatched Black, Green square hatched Black and Green cross-hatched Black on the Plans.

“Residential Common Facilities” means all those installations and facilities in the Residential Common Areas used in common by or installed for the common benefit of all the Residential Units and not for the exclusive use or benefit of any individual Residential Unit or the Development as a whole.

“Residential Unit” means a unit within the Development designated for private residential purposes and to which equal Undivided Shares in the Land and the Development have been or may be allocated including, without limitation:-

- (a) balcony (if any), utility platform (if any) and/or flat roof (if any) and/or roof (if any) held with and forming part of such Residential Unit;
- (b) glass balustrades enclosing a balcony (if any) and utility platform (if any) held with and forming part of such Residential Unit;
- (c) glass balustrade(s) (if any) enclosing a flat roof (if any) held with and forming part of the Residential Unit;
- (d) glass balustrade(s) (if any) enclosing a roof (if any) held with and forming part of the Residential Unit;
- (e) the parapet wall which separates (i) the roof held with and forming part of a Residential Unit from (ii) the Residential Common Areas on the roof of the Development;
- (f) Areas for Air-conditioning (if any);
- (g) metal railing(s) enclosing the Areas for Air-conditioning (if any);

- (h) the plaster and other internal covering of the external walls (which include the curtain wall system) enclosing such Residential Unit;
- (i) windows (whether openable or non-openable) (including glass panes, window frames and sealant around window frames) and openable windows (including their components) in the curtain wall system enclosing such Residential Unit;
- (j) (where a Residential Unit (“the first-mentioned Residential Unit”) has a common partition wall or a common fence wall or a common parapet wall which separates it from the adjoining Residential Unit) the inner half of the common partition wall facing the first-mentioned Residential Unit or (as the case may be) the inner half of the common fence wall facing the first-mentioned Residential Unit or (as the case may be) the inner half of the common parapet wall facing the first-mentioned Residential Unit (whereas the remaining part of the common partition wall or (as the case may be) the remaining part of the common fence wall or (as the case may be) the remaining part of the common parapet wall shall form part of the adjoining Residential Unit);
- (k) the parapet wall which separates (i) the flat roof held with and forming part of a Residential Unit from (ii) the maintenance flat roof which forms part of the Residential Common Areas;

and in respect of which an Owner, as between himself and other Owners or occupiers of other parts of the Development, is entitled to the exclusive possession.

“Shop”

means a self-contained unit for use as a shop for commercial purposes and to which equal Undivided Shares in the Land and the Development have been or may be allocated, including, without limitation, Commercial Exterior Wall(s), shop front (if any), air-conditioning platform(s) (if any), toilet(s) (if any), staircases (if any) and grease trap(s) (if any) held with or forming part of such Shop. The Shops are for the purpose of identification marked “SHOP 1”, “SHOP 2”, “SHOP 3” and “SHOP 5” respectively on the Plans. For the avoidance of doubt, Shop 5 includes, without limitation, the Shop 5 Curtain Wall System. For the avoidance of doubt,

- (a) the Commercial Exterior Wall(s) held with and forming part of Shop 1 is/are for the purpose of identification shown coloured Brown on the Plans;

- (b) the Commercial Exterior Wall(s) held with and forming part of Shop 2 is/are for the purpose of identification shown coloured Red on the Plans;
- (c) the Commercial Exterior Wall(s) held with and forming part of Shop 3 is/are for the purpose of identification shown coloured Violet on the Plans; and
- (d) the Commercial Exterior Wall(s) held with and forming part of Shop 5 is/are for the purpose of identification shown coloured Grey on the Plans.

“Shop 5 Curtain Wall System” means such part or parts of the curtain wall system of the Development held with or forming part of Shop 5, which part or parts is/are for the purpose of identification shown coloured Pink on the Plans.

“Signage Areas” means the portions of the external walls of the Development which are for the purpose of identification shown coloured Orange and marked “SIGNAGE AREA 1”, “SIGNAGE AREA 2”, “SIGNAGE AREA 2A”, “SIGNAGE AREA 3” and “SIGNAGE AREA 5” on the Plans, or any part or parts thereof. “Signage Area” shall be construed accordingly.

“Slopes and Retaining Walls” as defined in Clause 38(a) of Subsection A of Section V of this Deed.

“Special Fund” means a special fund to be set up by the Manager pursuant to the provisions of this Deed for expenditure in relation to the management of the Development of a capital and non-recurring nature for the purpose of paragraph 4 of Schedule 7 to the Ordinance.

“Sub-Deed” means any sub-deed of mutual covenant to be entered into in respect of any part of the Land and the Development and “Sub-Deeds” shall be construed accordingly.

“Undivided Share” means an equal undivided part or share of and in the Land and of and in the Development allocated in accordance with the provisions of this Deed or a Sub-Deed (if any).

“Unit” means any premises in the Development which is referred to in this Deed or any Sub-Deed(s) and to which equal Undivided Shares in the Land and the Development have been or may be allocated and of which the Owner, as between himself and other Owners or occupiers of other parts of the Development, is entitled to the

exclusive possession, being a Residential Unit, a Shop or a Signage Area.

“Works and Installations”

as defined in Clause 10(a) of Section X of this Deed.

SECTION II

EXCLUSIVE RIGHTS OF FIRST OWNER AND COVENANTING OWNER

1. The First Owner shall at all times hereafter subject to and with the benefit of the Government Grant and this Deed have the sole and exclusive right and privilege to hold, use, occupy and enjoy to the exclusion of the Covenanting Owner the whole of the Land and the Development together with the appurtenances thereto and the entire rents and profits thereof save and except All That the First Unit and save and except the Common Areas and Facilities.
2. The Covenanting Owner shall at all times hereafter subject to and with the benefit of the Government Grant and this Deed have the full and exclusive right and privilege to hold, use, occupy and enjoy to the exclusion of the First Owner All That the First Unit together with the appurtenances thereto and the entire rents and profits thereof.
3. Subject to Section VIII hereof, the respective grants hereinbefore contained shall in each case be for the residue of the term of years set out in the First Schedule hereto.
4. Each Undivided Share and the sole and exclusive right and privilege to hold, use, occupy and enjoy any part of the Development shall be held by the Owner from time to time of such Undivided Share subject to and with the benefit of the easements, rights, privileges and obligations, and the covenants and provisions contained in this Deed.
5.
 - (a) Nothing in this Deed conflicts with or is in breach of the conditions of the Government Grant. If any provision contained in this Deed conflicts with the Government Grant, the Government Grant shall prevail.
 - (b) All Owners (including the First Owner) and the Manager covenant with each other to comply with the conditions of the Government Grant so long as they remain as Owners or (as the case may be) the Manager. The covenants and provisions of this Deed are binding on all Owners and the benefit and burden thereof are annexed to the Land and the Development and to the Undivided Share(s) in respect thereof.
 - (c) The Conveyancing and Property Ordinance (Chapter 219 of the Laws of Hong Kong) and any statutory amendments modifications or re-enactments thereof for the time being in force shall apply to this Deed.
6. Every Owner shall have the full right and liberty without reference to any other Owner or any person who may be interested in any other Undivided Share(s) in any way whatsoever and without the necessity of making such other Owner or such person a party to the transaction to sell, assign, mortgage, charge, 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 sole and exclusive right and privilege to hold, use, occupy and enjoy such part(s) of the

Development which may be held therewith PROVIDED THAT any such transaction shall be expressly subject to and with the benefit of this Deed.

7. (a) The sole and exclusive right and privilege to hold, use, occupy and enjoy any part of the Development shall not be sold, assigned, mortgaged, charged, leased or otherwise dealt with separately from the Undivided Share(s) with which the same is held PROVIDED ALWAYS that the provisions of this Clause, subject to the Government Grant, do not extend to any lease, tenancy or licence with a term not exceeding ten years.

(b) The right to the exclusive use occupation and enjoyment of any balcony, utility platform, flat roof and/or roof shall not be sold assigned mortgaged charged leased or otherwise dealt with separately from the Residential Unit with which the balcony, utility platform, flat roof and/or roof is/are held.

8. Each and every Owner covenants with the First Owner with the intent that the covenants, rights, entitlements, exceptions and reservations herein conferred upon the First Owner shall bind each and every Owner and their respective successors and assigns and are intended to run and shall run with the Land and the Development and any interest therein and shall apply notwithstanding any provisions to the contrary contained in this Deed that the First Owner shall for as long as it remains the beneficial owner of any Undivided Share of and in the Land and the Development have the right at any time or times and from time to time as it shall deem fit to do all or any of the following acts or deeds and to exercise all or any of the following rights which are hereby expressly excepted and reserved unto the First Owner without the concurrence or approval of any other Owner, the Manager or any other person interested in the Land and the Development except otherwise provided in the following sub-clauses:

(a) The full and unrestricted right privilege and power free of charge at all reasonable times hereafter to enter into and upon all parts of the Land (save and except those parts of the Development which have been sold or assigned by the First Owner for the exclusive use of other Owners) with all necessary equipment plant and materials for the purpose of completing the Development or any part thereof in accordance with the Building Plans and for such purposes to carry out all such works in under or over the Land as it may from time to time see fit provided that nothing herein shall absolve the First Owner from obtaining any Government approval which may be required for the same. The rights of the First Owner to enter the Land (save and except those parts aforesaid) to carry out such works shall extend equally to all contractors agents workers and other persons authorized by the First Owner. The First Owner in pursuance of such work may from time to time issue in writing to the Owners instructions as to the areas or parts of the Land (save and except those parts aforesaid) that the Owners his/their servants agents or licensees may or may not use or have access to or over while such works are being carried out Provided that:

- (i) the First Owner shall at its own expense make good all damage caused to other Owners as a result of its acts in the course of the exercise of the rights under this sub-clause;
 - (ii) the First Owner shall ensure that the least disturbance and inconvenience will be caused to any Owner or any occupier of a Unit; and
 - (iii) the First Owner shall ensure that an Owner's sole and exclusive right and privilege to hold use and enjoy his Unit and the unimpeded access to and from his Unit shall not be affected.
- (b) The right to change, amend, vary, add to or alter the Building Plans for the Development or any part thereof (save and except those parts of the Development which have been sold or assigned by the First Owner for the exclusive use of other Owners) existing at the date hereof at its own cost and expense without the concurrence or approval of the Owners 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 Buildings, the Director of Lands and/or any other statutory 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 which he owns or impede or restrict the access to and from his Unit.
- (c) Subject to Clause 11 of Section X of this Deed, the right to enter into a Sub-Deed or Sub-Deeds in respect of any part or parts of the Land and the Development owned by the First Owner Provided that such Sub-Deed or Sub-Deeds shall not conflict with the provisions of the Government Grant or this Deed or any other Sub-Deed.
- (d) The exclusive, full and unrestricted right and privilege from time to time to designate and/or re-designate the floor numbering and unit numbering of any part of the Development vested in the First Owner provided that any such designation and/or re-designation shall not cause damage or loss to any other parts of the Development and the Owners thereof and Provided further that such designation and/or re-designation shall accord with the Building Plans and Provided further that the exercise of the right under this Clause 8(d) shall not interfere with other Owner's sole and exclusive right and privilege to hold, use, occupy and enjoy his Unit or impede the Owner's access to and from his Unit.
- (e) Subject to the approval of the Owners at an Owners' meeting convened under this Deed being obtained, the authority and right for the First Owner to negotiate and agree with the Government at its own cost and expense any amendment, alteration, variation or addition to the terms and conditions of the

Government Grant and to execute any documents in the name of the First Owner only and/or on behalf and in the name of all or some Owners in connection therewith without the necessity of joining in any other Owner, provided that such amendment, alteration, variation or addition or such documents shall not in any way affect or interfere with an Owner's sole and exclusive right and privilege to hold, use, occupy and enjoy his Unit or impede or restrict the access to or from his Unit. Any benefit, payment or compensation received in relation to or incidental to such amendments, alteration, variation or addition or document shall be credited to the Special Fund.

- (f) Notwithstanding and without prejudice to the generality of anything hereinbefore contained, subject to the approval of the Owners at an Owners' meeting convened under this Deed being obtained, the First Owner further reserves the right at its own cost and expense to apply to, negotiate and agree with the Government with a view to amending, varying or modifying the Government Grant (including the plan(s) annexed thereto) or any conditions thereof for installing on government land pipes, sewers, subways or other facilities whether serving exclusively the Development or any part thereof 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 Owners and any such amendment, variation or modification shall be binding on all the Owners Provided always that such amendment, variation or modification shall not in any way affect or interfere with any Owner's sole and exclusive right and privilege to hold, use, occupy and enjoy his Unit or impede or restrict the access to or from any such Unit Provided That nothing herein shall impose any obligation on the First Owner to make any modification to the Government Grant or to enter into any other documents referred to above. Any payment received in relation to or incidental to such amendments, variation or modification of the Government Grant (including the plan(s) annexed thereto) or any conditions thereof shall be credited to the Special Fund.
- (g) The full right and power to designate and declare by deed or in writing any area or part or parts of the Land or the Development the sole and exclusive right to hold, use, occupy and enjoy of which and to receive the rents and profits therefrom is for the time being owned by the First Owner to be additional Residential Common Areas or Development Common Areas or Commercial Common Areas whereupon with effect from such designation or declaration such area or part or parts shall form part of the relevant type of Common Areas as hereinbefore defined and the Owners or relevant Owners shall contribute to the maintenance and upkeep of the same as if they were part of the relevant type of Common Areas Provided that
 - (i) such designation are for the benefit of all Owners or the relevant Owners and the approval by a resolution of Owners at an Owners'

meeting convened under this Deed has been obtained ;

- (ii) the exercise of the rights of the First Owner under this sub-clause (g) shall not in any way interfere with any other Owner's exclusive right to hold, use, occupy and enjoy the Unit which such other Owner owns and his rights and interests under this Deed in respect of such Unit and shall not restrict or impede such other Owner's right of access to and from the Unit which such other Owner owns;
- (iii) the First Owner shall not re-convert or re-designate the Common Areas to his own use or benefit; and
- (iv) all the Undivided Shares allocated to the additional Common Areas shall be assigned to and vested in the Manager in accordance with the provisions of this Deed by a separate deed.

For the avoidance of doubt, nothing in this sub-clause (g) shall affect or prejudice the exercise of the right by the First Owner under sub-clause (c) of this Clause 8 of Section II of this Deed or the exercise of the right by the First Owner under Clause 11(c) of Section II of this Deed as the Owner of the Shop(s).

- (h) The right for the First Owner without the necessity of joining any other Owners as a party but subject to the provisions of this Deed from time to time to permit all members of the public at all times and for all lawful purposes freely and with or without payment of any nature to pass and repass on foot over and along any part of the Common Areas and in the name of all Owners to negotiate with Government and to surrender, dedicate or assign any part of the Land (save and except those parts of the Development which have been sold or assigned by the First Owner for the exclusive use of other Owners) to the Government or the public as the case may be and to accept from Government such land in exchange for or in addition to the Common Areas as Government shall grant Provided that in making such surrender, dedication or assignment, the First Owner shall not interfere with any Owner's exclusive right to hold, use and occupy the part of the Development to which he is entitled or unreasonably impede or restrict the Owner's access to and from any such part of the Development and Provided Further That the exercise of the right under this sub-clause shall not contravene the terms and conditions contained in the Government Grant and Provided further that any benefit, payment or compensation received shall be credited to the Special Fund and Provided further that if any land is granted by the Government and added to the Common Areas as aforesaid, such additional Common Areas together with any Undivided Shares allocated thereto shall be assigned to and vested in the Manager in accordance with the provisions of this Deed by a separate deed.

For the avoidance of doubt, the aforesaid rights may be exercised by the First Owner together

with any other rights which the First Owner may also be entitled to exercise under Clause 11 and Clause 12 of Section II of this Deed as the Owner of the Shop(s) and under Clause 13 of Section II of this Deed as the Owner of the Signage Areas.

9. In connection with the exercise of or incidental to the First Owner's rights mentioned in the preceding Clause 8 of Section II of this Deed, each Owner agrees that the First Owner may without joining the Owners sign and/or seal and execute such deed(s) or document(s) as it or they consider(s) necessary or desirable and each Owner do hereby irrevocably appoint the First Owner as his attorney (who may act through such officers or employees as the attorney may from time to time appoint) to exercise effect and perform and/or to sign and/or seal and execute any deed(s) and document(s) on his behalf and as his act and deed to deliver such deed(s) and document(s) as shall be required in connection with the exercise of such rights by the First Owner to effectuate any of the aforesaid purposes and such Owner hereby covenants that he will ratify and confirm all that the First Owner as such attorney as aforesaid shall lawfully do or cause to be done by virtue of this Deed and that the power of attorney hereby given shall bind the executor or executors and the administrator or administrators and the successor or successors and assign or assigns of such Owner and shall not be revoked by the death incapacity or the winding up (as the case may be) of such Owner.

10. An Owner shall not assign his Unit unless the relevant assignment includes the following covenants:

“The Purchaser hereby covenants with the Vendor for itself and, if applicable, as agent for Star Value Investments Limited (referred to as “Developer”) to the intent that these covenants shall run with the Property and be binding on the Purchaser his executors administrators successors in title and assigns and the owner or owners thereof for the time being and any other person or persons deriving title under the Purchaser (each and all of whom including the Purchaser is and are hereinafter included in the expression “the Covenantee Purchaser”) and shall enure for the benefit of the Undivided Share(s) of and in the Land and the Development held by the Vendor and/or (as the case may be) the Developer and be enforceable by the Vendor and/or (as the case may be) the Developer that:

- (i) the Covenantee Purchaser grants confirms and acknowledges the rights liberty and privileges conferred on the Developer as the First Owner under Clause 8 of Section II of the Deed of Mutual Covenant incorporating Management Agreement and the Covenantee Purchaser shall not do or permit anything to be done which will affect the exercise of the said rights liberty and privileges by the Developer.
- (ii) The Covenantee Purchaser hereby appoints the Developer acting singly to be its attorney (who may act through such officers or employees, as the Developer may from time to time appoint) and grants unto the Developer the full right power and authority to do all acts matters and things and to execute and sign seal and as the act of

the Covenantee Purchaser deliver such deed and to sign such documents or instruments as may be necessary for the exercise of or incidental to the exercise of the rights liberty and privileges conferred on the Developer as the First Owner under Clause 8 of Section II of the Deed of Mutual Covenant incorporating Management Agreement as aforesaid and that the Covenantee Purchaser will ratify and confirm all that the Developer shall lawfully do or cause to be done and that the power of attorney hereby given shall bind the executor(s) and the administrator(s) and the successor(s) and the assigns of the Covenantee Purchaser and shall not be revoked by the Covenantee Purchaser or by the death incapacity or the winding up (as the case may be) of the Covenantee Purchaser.

- (iii) the Covenantee Purchaser shall abide by the provisions in the Deed of Mutual Covenant incorporating Management Agreement as if the same terms and covenants on the part of the Covenantee Owner set out therein are made directly by the Covenantee Purchaser.
- (iv) The Covenantee Purchaser shall not assign the Property unless the relevant assignment includes the same binding covenants as the covenants (i), (ii), (iii) and (iv) herein contained.

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

11. For the avoidance of doubt and notwithstanding any provisions herein contained, the Owner of a Shop, or any part(s) thereof, shall have the right at any time(s), and from time to time as he shall think 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 partition and sub-divide the Shop, or any part(s) thereof, owned by him into such number of portions (subject to compliance with the Buildings Ordinance (Chapter 123 of the Laws of Hong Kong) and any other relevant ordinances, regulations, codes of practice and by-laws applicable thereto and this Deed) as such Owner shall think fit.
- (b) The right to allocate, re-allocate and/or sub-allocate the Undivided Shares and/or Management Shares to the Shop, or any part(s) thereof owned by him, PROVIDED THAT the total number of Undivided Shares and Management Shares allocated to the Shop as specified in this Deed shall remain unaltered and PROVIDED FURTHER THAT

the exercise of this right shall not interfere with another Owner's right to hold, use, occupy and enjoy the Unit which he owns.

- (c) Subject to Clause 11 of Section X of this Deed, the right to enter into one or more Sub-Deed(s) in respect of the Shop, or any part(s) thereof, with any other Owner or Owners of the sub-divided portion(s) of the Shop, or any part(s) thereof, to regulate and define their rights and obligations Provided That no such Sub-Deed(s) shall conflict with any provision hereof or any conditions of the Government Grant or any other Sub-Deed(s).
- (d) The right to allocate toilet(s) (if any) or other area(s) or facility(ies) (if any) within any Shop, or any part(s) thereof, for the exclusive use of any sub-divided portion(s) of the Shop, or any part(s) thereof.
- (e) The right to designate or re-designate or alter the user of the Shop, or any part(s) thereof owned by him, without the concurrence or approval of any other Owners or other person having an interest in the Land and the Development and no such designation, re-designation or alteration shall give the other Owners any right of action against such Owner, but nothing herein shall absolve such Owner from complying with the terms of the Government Grant, applicable ordinances, regulations, by-laws and codes of practice and the requirements of obtaining, if necessary, the approval of the Director of Lands, the Director of Buildings and/or any other statutory or Government authorities pursuant to the Government Grant and/or any applicable ordinances or regulations made thereunder and PROVIDED THAT the exercise of this right shall not interfere with any other Owner's right to hold, use, occupy and enjoy the Unit that such other Owner owns or impede such other Owner's access to and from his Unit.
- (f) Subject to the provisions of this Deed and the House Rules, the right to alter, re-arrange or demolish the interior structure of such Shop, or any part thereof, owned by him and to replace or construct or re-construct the same and/or any interior structure in such manner as such Owner thinks fit without the concurrence or approval of the other Owners, but nothing herein shall absolve such Owner from complying with the terms of the Government Grant, applicable ordinances, regulations, by-laws and codes of practice and the requirements of obtaining, if necessary, the approval of the Director of Lands, the Director of Buildings and/or any other statutory or Government authorities pursuant to the Government Grant and/or any applicable ordinances or regulations made thereunder and PROVIDED THAT the exercise of this right shall not interfere with another Owner's right to hold, use, occupy and enjoy the Unit that the other Owner owns or impede the other Owner's access to and from his Unit.

- (g) Subject to the provisions of this Deed and the House Rules, the right to make or install in the Shop, at his own expense, any partitions, additions, improvements, lights, fittings, fixtures and decorations which can be installed, fixed and removed without structural alteration or damage and without affecting the existing design or external appearance or the façade or elevations of the Development, and the right to remove all or any of the same at his expense.
- (h) The right to alter, re-arrange or demolish the Commercial Exterior Wall(s) forming part of his Shop, or any part thereof, owned by him and to replace or construct or re-construct the same in such manner as such Owner thinks fit without the concurrence or approval of the other Owners and without the consent or approval of the Manager, but nothing herein shall absolve such Owner from complying with the terms of the Government Grant, applicable ordinances, regulations, by-laws and codes of practice and the requirements of obtaining, if necessary, the approval of the Director of Lands, the Director of Buildings and/or any other statutory or Government authorities pursuant to the Government Grant and/or any applicable ordinances or regulations made thereunder.
- (i) Notwithstanding any provision herein contained (including Clause 17 of Subsection A of Section V), the Owner of a Shop or any part thereof and his servants, agents, permitted licensees and lawful tenants or occupants shall have the exclusive right (without the consent in writing of the Manager), subject to the prior approval or consent having been obtained from the relevant Government authorities or department if such approval or consent is required and subject also to compliance with all ordinances, legislations and regulations or other permit, consent or requirement from time to time applicable thereto, to display, install, erect, affix or permit to be displayed, installed, erected or affixed on and to the Commercial Exterior Wall(s) forming part of his Shop, signage(s) or logo(s), posters and other fixtures, advertising signs, structures or installations whatsoever (whether illuminated or not) together with the right to remove, repair, maintain, service or replace the same and to carry out all necessary works thereto at his own expense PROVIDED ALWAYS THAT the rights and interests of the other Owners shall not be adversely affected And PROVIDED FURTHER THAT the Owner of the Shop shall be responsible for and at his own cost and expense keep and maintain in good condition the Commercial Exterior Wall(s) forming part of his Shop and shall indemnify the Manager and all other Owners from all loss, damages, actions, claims, proceedings and demands, costs and expenses arising directly and indirectly from the display, installation, erection, affixing, use or removal of any signage, logos, fixtures or advertising signs, structures or installations by him or any defect or any non-repair thereof And PROVIDED FURTHER THAT before carrying out any

works in relation to the Commercial Exterior Wall(s) forming part of his Shop effect and keep at all times during the carrying out of such works comprehensive third party insurance cover in such amount and scope as shall be determined by the Manager or the Owners' Committee and with a reputable insurance company as shall be approved by the Manager and endorsing the respective interests of the Manager, all Owners of the Development and the Owners' Corporation (if formed).

12. For the avoidance of doubt and notwithstanding any provisions herein contained, and in addition and without prejudice to Clause 11 of this Section II, the Owner of Shop 5 shall have the right at any time(s), and from time to time as he shall think 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 alter, re-arrange or demolish the Shop 5 Curtain Wall System, or any part thereof, owned by him and to replace or construct or re-construct the same in such manner as such Owner thinks fit without the concurrence or approval of the other Owners and without the consent or approval of the Manager, but nothing herein shall absolve such Owner from complying with the terms of the Government Grant, applicable ordinances, regulations, by-laws and codes of practice and the requirements of obtaining, if necessary, the approval of the Director of Lands, the Director of Buildings and/or any other statutory or Government authorities pursuant to the Government Grant and/or any applicable ordinances or regulations made thereunder.

13. Notwithstanding any provision herein contained (including Clause 17 of Subsection A of Section V), the Owner of a Signage Area or any part thereof and his servants, agents, permitted licensees and tenants or lawful occupants shall have the exclusive right (without the consent in writing of the Manager), subject to the prior approval or consent having been obtained from the relevant Government authorities or department if such approval or consent is required and subject also to compliance with all ordinances, legislations and regulations or other permit, consent or requirement from time to time applicable thereto, to display, install, erect, affix or permit to be displayed, installed, erected or affixed on and to his Signage Area, signage(s) or logo(s), posters and other fixtures, advertising signs, structures or installations whatsoever (whether illuminated or not) together with the right to remove, repair, maintain, service or replace the same and to carry out all necessary works thereto at his own expense PROVIDED ALWAYS THAT the rights and interests of the other Owners shall not be adversely affected And PROVIDED FURTHER THAT the Owner of the Signage Area shall be responsible for and at his own cost and expense keep and maintain in good condition the Signage Area and shall indemnify the Manager and all other Owners from all loss, damages, actions, claims, proceedings and demands, costs and expenses arising directly and indirectly from the display, installation, erection, affixing, use or removal of any signage, logos, fixtures or advertising signs, structures or installations by him or any defect or any non-repair thereof And PROVIDED FURTHER THAT before carrying out any works in relation to the Signage Areas effect and keep at all times during the carrying out of such works comprehensive third party insurance cover in such amount and scope as shall be determined by the Manager or the

Owners' Committee and with a reputable insurance company as shall be approved by the Manager and endorsing the respective interests of the Manager, all Owners of the Development and the Owners' Corporation (if formed).

SECTION III

EASEMENTS, RIGHTS AND PRIVILEGES THE BENEFIT OF WHICH IS HELD WITH EACH RESIDENTIAL UNIT OR SHOP OR SIGNAGE AREA

A. Residential Units

1. The Owner of a Residential Unit shall have the benefit of the following easements, rights and privileges subject to the provisions of this Deed, the Fitting Out Rules, the House Rules and subject to the rights of the First Owner and the Manager and the payment by the Owner of his due proportion of the management expenses and Special Fund contributions and any other payments payable pursuant to this Deed :

- (a) Full right and liberty for the Owner for the time being, his tenants, visitors, servants, agents, lawful occupants and licensees (in common with all persons having the like right) to go pass or repass, over and along the Residential Common Areas and the Development Common Areas and to use the Residential Common Facilities and the Development Common Facilities for all purposes connected with the proper use and enjoyment of such Residential Unit.
- (b) The right to subjacent and lateral support and to shelter and protection from the other parts of the Development.
- (c) The free and uninterrupted passage and running of water, sewage, electricity, ventilation, telephone and various other services from and to the Residential Unit owned by the Owner through the sewers, drains, watercourses, cables, pipes and wires which now are or may at any time hereafter be, in, under or passing through such Residential Unit or the Development or any part or parts thereof for the proper use and enjoyment of the Residential Unit owned by the Owner.
- (d) The right for any Owner with or without workmen plant equipment and materials at all reasonable times after obtaining (except in the case of emergency) the consent of the Manager or (as the case may be) the Owner of the relevant Unit (which consent shall not be unreasonably withheld) to enter upon other parts of the Land and the Development as may be necessary for the purpose of carrying out any works for the maintenance and repair of his Residential Unit (such work not being the responsibility of the Manager under this Deed and which cannot practically be carried out without such access) causing as little disturbance as possible and forthwith making good any damage caused thereby.

2. The Owners of the Residential Units shall have no right to enter upon any part of the Land and the Development save as expressly herein provided, it being understood that

all work necessary for the maintenance and repair of the Land and the Development as a whole shall be carried out by the Manager who shall have the right to enter in or upon any part of the Land and/or the Development for that purpose as herein provided.

B. Shops

1. The Owner of a Shop shall have the benefit of the following easements, rights and privileges subject to the provisions of this Deed, the Fitting Out Rules, the House Rules and subject to the rights of the First Owner and the Manager and the payment by the Owner of his due proportion of the management expenses and Special Fund contributions and any other payments payable pursuant to this Deed :

- (a) Full right and liberty for the Owner for the time being, his tenants, visitors, servants, agents, lawful occupants and licensees (in common with all persons having the like right) to go pass or repass, over and along the Commercial Common Areas and the Development Common Areas and to use the Commercial Common Facilities and the Development Common Facilities for all purposes connected with the proper use and enjoyment of such Shop.
- (b) The right to subjacent and lateral support and to shelter and protection from the other parts of the Development.
- (c) The free and uninterrupted passage and running of water, sewage, gas, electricity, ventilation, telephone and various other services from and to the Shop owned by the Owner through the sewers, drains, watercourses, cables, pipes and wires which now are or may at any time hereafter be, in, under or passing through such Shop or the Development or any part or parts thereof for the proper use and enjoyment of the Shop owned by the Owner.
- (d) The right for any Owner with or without workmen plant equipment and materials at all reasonable times after obtaining (except in the case of emergency) the consent of the Manager or (as the case may be) the Owner of the relevant Unit (which consent shall not be unreasonably withheld) to enter upon other parts of the Land and the Development as may be necessary for the purpose of carrying out any works for the maintenance and repair of the Shop owned by the Owner (such work not being the responsibility of the Manager under this Deed and which cannot practically be carried out without such access) causing as little disturbance as possible and forthwith making good any damage caused thereby.

2. The Owners of the Shops shall have no right to enter upon any part of the Land and the Development save as expressly herein provided, it being understood that all work necessary for the maintenance and repair of the Land and the Development as a whole shall be carried out by the Manager who shall have the right to enter in or upon any part of the Land and/or the Development for that purpose as herein provided.

3. For the avoidance of doubt, the Owners of the Shops shall have no right to use the Recreational Facilities.

C. Provisions applicable to the Owner of Shop 5 only

1. In addition and without prejudice to Clause B1 of this Section III, the Owner of Shop 5, so long as he remains as the Owner of Shop 5, shall additionally have the benefit of the following easements, rights and privileges subject to the provisions of this Deed, the Fitting Out Rules, the House Rules and subject to the rights of the First Owner and the Manager and the payment by the Owner of his due proportion of the management expenses and Special Fund contributions and any other payments payable pursuant to this Deed:

- (a) Full right and liberty for the Owner of Shop 5 for the time being, his tenants, visitors, servants, agents, lawful occupants and licensees who is or are person(s) with disabilities together with one or more accompanying persons (in common with all persons having the like right) to go pass or repass over and along the fire lift lobby on the Ground Floor (forming part of the Residential Common Areas) and the lifts (forming part of the Residential Common Areas) for the purposes of access and egress to and from Shop 5.
- (b) Full right and liberty for the Owner of Shop 5 for the time being, his tenants, visitors, servants, agents, lawful occupants and licensees (in common with all persons having the like right) to go pass or repass over and along the fire lift lobby on the Ground Floor (forming part of the Residential Common Areas) and the lifts (forming part of the Residential Common Areas) for the purpose of escape in case of emergency.

D. Signage Areas

1. The Owner of a Signage Area shall have the benefit of the following easements, rights and privileges subject to the provisions of this Deed, the Fitting Out Rules, the House Rules and subject to the rights of the First Owner and the Manager and the payment by the Owner of his due proportion of the management expenses and Special Fund contributions and any other payments payable pursuant to this Deed :

- (a) Full right and liberty for the Owner for the time being, his tenants, visitors, servants, agents, lawful occupants and licensees (in common with all persons having the like right) to go pass or repass, over and along the Development Common Areas and to use the Development Common Facilities for all purposes connected with the proper use and enjoyment of such Signage Area.
- (b) The right to subjacent and lateral support and to shelter and protection from the other parts of the Development.
- (c) The free and uninterrupted passage and running of water, sewage, gas, electricity, ventilation, telephone and various other services from and to the Signage Area owned by the Owner through the sewers, drains, watercourses,

cables, pipes and wires which now are or may at any time hereafter be, in, under or passing through such Signage Area or the Development or any part or parts thereof for the proper use and enjoyment of the Signage Area owned by the Owner.

- (d) The right for any Owner with or without workmen plant equipment and materials at all reasonable times after obtaining (except in the case of emergency) the consent of the Manager or (as the case may be) the Owner of the relevant Unit (which consent shall not be unreasonably withheld) to enter upon other parts of the Land and the Development as may be necessary for the purpose of carrying out any works for the maintenance and repair of the Signage Area owned by the Owner (such work not being the responsibility of the Manager under this Deed and which cannot practically be carried out without such access) causing as little disturbance as possible and forthwith making good any damage caused thereby.

2. The Owner(s) of the Signage Areas shall have no right to enter upon any part of the Land and the Development save as expressly herein provided, it being understood that all work necessary for the maintenance and repair of the Land and the Development as a whole shall be carried out by the Manager who shall have the right to enter in or upon any part of the Land and/or the Development for that purpose as herein provided.

3. For the avoidance of doubt, the Owner(s) of the Signage Areas shall have no right to use the Recreational Facilities.

SECTION IV

EASEMENTS, RIGHTS AND PRIVILEGES SUBJECT TO WHICH EACH RESIDENTIAL UNIT OR SHOP OR SIGNAGE AREA IS HELD

A. Residential Units

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

- (a) The Manager shall have full right and privilege at all reasonable times subject to reasonable prior written notice (except in the case of emergency) with or without agents, surveyors, workmen and others to enter into go pass or repass over along and upon each Residential Unit for the purpose of carrying out necessary repairs to the Development or to abate any hazard or nuisance which does or may affect the Common Areas or the Common Facilities or other Owners Provided that the Manager shall in the exercise of such right ensure that the least disturbance is caused to the Units and shall at his own costs and expense repair any damage so caused and shall be liable for the negligent, wilful or criminal acts of the Manager, his employees and contractors.
- (b) Easements, rights and privileges of the Owners of other Residential Units under Clause A1 of Section III hereof.
- (c) Easements, rights and privileges of the Owners of the Shops under Clause 11 of Section II hereof and Clause B1 and Clause C of Section III hereof.
- (d) Easements, rights and privileges of the Owner(s) of the Signage Areas under Clause D of Section III hereof.
- (e) Easements, rights and privileges of the First Owner under Clause 8 of Section II hereof.

B. Shops

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

- (a) The Manager shall have full right and privilege at all reasonable times subject to reasonable prior written notice (except in the case of emergency) with or without agents, surveyors, workmen and others to enter into go pass or repass over along and upon each Shop for the purpose of carrying out necessary repairs to the Development or to abate any hazard or nuisance which does or may affect the Common Areas or the Common Facilities or other Owners

Provided that the Manager shall in the exercise of such right ensure that the least disturbance is caused to the Units and shall at his own costs and expense repair any damage so caused and shall be liable for the negligent, wilful or criminal acts of the Manager, his employees and contractors.

- (b) Easements rights and privileges of the Owners of other Shops under Clause 11 of Section II hereof and Clause B1 and Clause C of Section III hereof.
- (c) Easements rights and privileges of the Owners of the Residential Units under Clause A1 of Section III hereof.
- (d) Easements, rights and privileges of the Owner(s) of the Signage Areas under Clause D of Section III hereof.
- (e) Easements, rights and privileges of the First Owner under Clause 8 of Section II hereof.

C. Signage Areas

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

- (a) The Manager shall have full right and privilege at all reasonable times subject to reasonable prior written notice (except in the case of emergency) with or without agents, surveyors, workmen and others to enter into go pass or repass over along and upon each Signage Area for the purpose of carrying out necessary repairs to the Development or to abate any hazard or nuisance which does or may affect the Common Areas or the Common Facilities or other Owners Provided that the Manager shall in the exercise of such right ensure that the least disturbance is caused to the Units and shall at his own costs and expense repair any damage so caused and shall be liable for the negligent, wilful or criminal acts of the Manager, his employees and contractors.
- (b) Easements, rights and privileges of the Owner(s) of other Signage Areas under Clause D of Section III hereof.
- (c) Easements rights and privileges of the Owners of the Shops under Clause 11 of Section II hereof and Clause B1 and Clause C of Section III hereof.
- (d) Easements rights and privileges of the Owners of the Residential Units under Clause A1 of Section III hereof.
- (e) Easements, rights and privileges of the First Owner under Clause 8 of Section II hereof.

D. Provisions applicable to the Owners of Flat A on 5th Floor, Flat D on 5th Floor and Flat E on 5th Floor (each of them is for the purpose of this Clause referred to as “**Relevant Residential Unit**”)

In addition and without prejudice to Clause A(a) of this Section IV, the Manager shall have full right and privilege, at all reasonable times subject to reasonable prior written notice (except in the case of emergency) with or without agents, surveyors, workmen and others, to enter into, go, pass and repass over, along and upon the Relevant Residential Unit for the purposes of access and egress to and from the Maintenance and Repair Access (which form part of the Residential Common Areas) located within the flat roof held with and forming part of the Relevant Residential Unit and carrying out necessary repairs to the Development or to abate any hazard or nuisance which does or may affect the Common Areas or Common Facilities or other Owners Provided that the Manager shall, in the exercise of such right, ensure that the least disturbance is caused to the Relevant Residential Unit and shall, at the Manager's own cost and expense, make good and repair any damage so caused and shall be liable for negligent, wilful or criminal acts of the Manager, his agent, surveyors, workmen, employees and contractors.

E. Provisions applicable to all Owners

1. The Manager shall have full right and authority to control and manage the Common Areas and Facilities or any part thereof subject to the provisions of this Deed, the Government Grant and the Ordinance.

SECTION V

COVENANTS PROVISIONS AND RESTRICTIONS TO BE OBSERVED
AND PERFORMED BY THE OWNERS

A. Covenants provisions and restrictions to be observed and performed by the Owners

1. Every Owner on ceasing to be the Owner of any Unit of the Development shall forthwith notify the Manager in writing of such cessation and of the name and address of the new Owner and without prejudice to the liability of the new Owner, every such Owner shall remain liable for all sums payable in accordance with the provisions of this Deed and for the observance and performance of the terms and conditions hereof up to the date of such cessation.

2. Each Owner shall promptly pay and discharge all existing and future taxes rates assessments and outgoings of every kind and description for the time being assessed or payable in respect of the Unit owned by him and shall indemnify the other Owners from and against all liability therefor.

3. Each Owner shall pay to the Manager on the due date his due proportion of the management expenses and Special Fund as hereinafter provided.

4. No Owner shall make or allow to make any structural alterations or additions to the Unit owned by him which may damage or affect the rights of other Owners or interfere with the use and enjoyment of any other part or parts of the Development whether in separate or common occupation nor shall the Manager make any structural alterations to any part of the Development which will interfere with or affect the rights of Owners. No Owner shall use cut injure alter or interfere with any part or parts of the Common Areas or any of the Common Facilities or any equipment or apparatus on in or upon the Land or the Development not being equipment or apparatus for the exclusive use and benefit of any individual Owner. An Owner shall not be prevented from taking legal action against another Owner in respect of a breach of this Clause.

5. No Owner shall permit or suffer to be done any act or thing in contravention of the covenants and conditions in the Government Grant under which the Land is held from the Government or whereby any insurance on the Development or any part thereof may become void or voidable or whereby the premium for any such insurance may be increased and in the event of any breach of this Clause by an Owner in addition to any other liability incurred thereby such Owner shall pay the amount of any increase in premium caused by or on account of such breach. In the event of the Development or any part thereof being damaged or destroyed by fire or other perils at any time and the insurance money under any insurance against fire or such perils effected thereon being wholly or partially irrecoverable by reason solely or in part of any act or default of such Owner as aforesaid, then and in such event, such Owner shall pay to the other Owners the whole or (as the case may be) a fair proportion of the

cost of completely rebuilding or reinstating the same.

6. Each Owner shall be responsible for and shall indemnify the Manager all other Owners and occupiers of any part of the Development against all actions proceedings claims and demands whatsoever arising out of or in respect of any loss or damage to any person or property caused by or as the result of the act or negligence of such Owner or any occupier of any part of the Development owned by him or any person using such part of the Development with his consent express or implied or by or through or in any way owing to the overflow of water gas or other effluent therefrom.

7. Each Owner shall be responsible to the Manager and the other Owners for the time being for the acts and omissions of all persons occupying with his consent express or implied the Unit owned by him and shall pay all costs charges and expenses incurred in repairing or making good any loss or damage caused by the act neglect or default of any such person. In the case of loss or damage which the Manager is responsible to make good or repair, such costs charges and expenses shall be recoverable by the Manager as hereinafter provided and in the case of loss or damage suffered by other Owners or occupiers of any part of the Development which the Manager is not responsible to repair or make good, such costs charges and expenses together with all other damages recoverable by law shall be recoverable by the person or persons sustaining the loss or damage.

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

9. No Owner shall do or permit or suffer to be done and each Owner shall take all possible steps to prevent his tenants occupiers or licensees from doing any act deed matter or thing which in any way interferes with or affects or which is likely to interfere with or affect the maintenance of the Development.

10. Each Owner shall notwithstanding the obligations of the Manager to maintain the Development, at his own costs and expenses, keep the Unit (including, without limitation, the Green and Innovative Features forming part of such Unit) in respect of which he is entitled to exclusive possession use and/or enjoyment and those fixtures fittings services or facilities which exclusively serve the same whether or not they are located inside his Unit in good repair and condition and shall be responsible for the financial support and maintenance of the same to the satisfaction of the Manager and in a manner so as to avoid any loss damage nuisance or annoyance to the Owners or occupiers of any other part or parts of the Development. The expenses of keeping in good and tenantable repair and condition the interior of each Unit (including, without limitation, the Green and Innovative Features forming part of such Unit) and all the fixtures and fittings and all plumbing and other utility fittings and services therein or appertaining thereto (whether or not they are located inside or outside the Unit) and all the windows, window frames and doors thereof shall be borne by such Owner who is entitled to the sole and exclusive use occupation and enjoyment thereof.

11. No partitioning shall be erected or installed 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.

12. No Owner shall use or permit or suffer his Unit to be used for any illegal or immoral purpose and no Owner shall use or permit or suffer the Unit owned by him to be used for any purpose other than that permitted by the Government Grant and the Building Authority and in accordance with any applicable ordinance or other regulations or any Government or other permit consent or requirement from time to time applicable thereto and in particular no Owner shall use or permit or suffer any part of the Development to be used as a 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 for any offensive trade or business or cause or permit or suffer to be done any act or thing in his Unit which may be in contravention of the terms and conditions in the Government Grant or become a nuisance or annoyance to or cause danger to the other Owners or occupiers for the time being of any other part or parts of the Development.

13. No part of the Common Areas shall be obstructed or incumbered nor shall any articles boxes material refuse or any other matter or things be placed or left thereon nor shall any part of such Common Areas be used for any business or private purpose and no Owner will do or suffer or permit to be done anything in such Common Areas as may be or become a nuisance or cause annoyance to any other Owners or occupiers of the Development.

14. The refuse storage and material recovery chamber and/or garbage disposal areas (if any) shall be used only in the manner prescribed by and subject to the House Rules.

15. No Owner shall have the right to enter into any areas housing the Common Facilities or to alter repair connect to or in any other way interfere with or affect the working of the Common Facilities without the prior written consent of the Manager and Provided that if such consent is given, the least disturbance shall be caused and any damage caused thereby shall be made good by the Manager at the expense of such Owner.

16. No Owner shall be entitled to connect to any aerial or other antenna installed by the Manager except with the permission of the Manager and in accordance with any House Rules relating to the same. No Owner shall affix or install his own private aerial or antenna outside any part of the Development.

17. Subject to the rights of the First Owner and the rights of the Owners of the Shops and the rights of the Owner(s) of the Signage Areas herein provided, no Owner shall do or permit to be done any act or thing which may or will alter the external appearance of the Development or any part thereof and in particular no external shades, awnings, fences, metal grilles, partitions or any other structure shall be placed, installed, exhibited, affixed, erected or attached or caused or permitted to remain in, about, on or at any part of the external wall, flat roof(s), roof(s) or top roof(s) of the Development or any part thereof.

18. Subject to the rights of the First Owner and the rights of the Owners of the Shops and the rights of the Owner(s) of the Signage Areas herein provided, no external signs

signboards notices advertisements flags banners poles cages brackets flowers shelves or other projections or structures whatsoever extending outside the exterior of the Development shall be erected installed or otherwise affixed or projected from the Development or any part thereof without the prior written consent of the Manager and (if necessary) the Director of Lands and/or other relevant Government authorities and no Owner shall erect affix install or attach or permit or suffer to be erected affixed installed or attached in or on external part of or to be displayed from any Unit any advertising or other sign of any description without the prior written approval of the Manager and (if necessary) the Director of Lands and/or other relevant Government authorities.

19. 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 in the course of the proper disposal thereof and in using the facilities for such disposal provided by the Manager.

20. (a) All Owners (including the First Owner) as long as they remain Owners shall at all times observe and comply with the conditions of the Government Grant and this Deed.

(b) All Owners as long as they remain Owners shall at all times observe and perform the House Rules.

21. Each Owner may at his own expenses install in the Unit owned by him additions improvements fixtures fittings and decoration and may remove the same Provided however that no such installation or removal shall cause any structural damage or interfere with the proper enjoyment and use of any other part of the Development.

22. Clothing or laundry shall not be hung outside any Unit (other than in the spaces specifically provided therefor) or in the Common Areas.

23. No Owner shall do or suffer or permit to be done anything whereby the flushing or drainage system of the Development may be clogged or the efficient working thereof may be impaired or the supply of water, electricity or gas shall be affected or likely to be affected.

24. No Owner shall store or permit or suffer to be stored in the part of the Development owned by him or in any other area any hazardous dangerous explosive or combustible goods or materials except such as may be permitted by licence issued by the Fire Services Department under the Dangerous Goods Ordinance (Chapter 295 of the Laws of Hong Kong) or other competent authority concerned and in any event only with the prior written approval of the Manager.

25. No Owner shall cause any damage to or interfere in any way with the Common Areas and/or the Common Facilities.

26. No Owner shall do anything in the Development whereby excessive noise vibration or resonance or other form of disturbance is created to the detriment of the Development or other persons in or outside the Land Provided that the determination of the Manager as to whether any such noise vibration or resonance or other form of disturbance is excessive shall be conclusive and Provided Further that in the event of a breach hereof by the Owner the defaulting Owner shall make good any damage caused thereby to the Development or any part or parts thereof or to the occupants thereof and Provided Further that the making good of such damage as aforesaid shall be without prejudice to any further right which the Manager may exercise by virtue of such breach.

27. No Owner shall alter or permit or suffer to be altered any part of the sprinkler system, the fire fighting equipment or the fire prevention system installed in any part of the Development except that such alteration shall be carried out by the Manager or a registered contractor appointed or approved by the Manager at the expense of such Owner causing the alteration in accordance with the Fire Service (Installation Contractors) Regulations (Chapter 95A of the Laws of Hong Kong) and with the prior approval of the Manager and the Fire Services Department.

28. The Maintenance and Repair Access shall not be used for any purpose other than providing adequate access to the outer surface of external walls, claddings, curtain walls, windows and roofs of the Development or projections from the external walls, claddings, curtain walls and roofs.

29. No Owner shall use the Common Areas or any part thereof for the purpose of drying laundry or hanging or placing or storing any dustbins garbage cans furniture machinery goods or chattels or other things thereon or therein.

30. No Owner (excluding the Owners of the Shops) shall install any furnace boiler or other plant or equipment or use any fuel in any part of the Development that might in any circumstance produce smoke, gas, liquid, solid or otherwise or that may constitute a breach of the provisions of the Government Grant or any ordinance or any amendment thereof.

31. Each Owner shall comply with and observe all ordinances, by-laws, regulations and rules for the time being in force in Hong Kong, including but not limited to those governing the control of any form of pollution (including noise and water pollution), whether aerial or otherwise, and for the protection of the environment.

32. No Owner shall discharge or permit or suffer to be discharged unto any public sewer, storm-water drain or channel without the prior written consent of the Manager and the Director of Environmental Protection.

33. Each Owner shall at his own expense and to the satisfaction of the Director of Fire Services provide access for fire appliances and fire personnel to the Land and the Development and shall permit access thereof for such purposes and at such time or times as the said Director may require. Each Owner shall throughout the term of the Government Grant maintain the said access at his own expense and to the satisfaction for the said Director.

34. Each Owner shall observe and perform all the covenants agreements and conditions contained in the Government Grant and on the part of the Owner to be observed and performed so far as the same relate to the Undivided Shares of the Land and the part of the Development owned by such Owner and such Owner shall from time to time and at all times keep the other Owners of the Development fully indemnified from and against all proceedings costs claims and expenses on account of any failure to perform and observe any of the said covenants agreements and conditions so far as they relate as aforesaid.

35. All complaints touching or concerning the Land and the Development shall be made in writing to the Manager.

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

(a) No Owner (including the First Owner) shall have the right to convert or designate as Common Areas and Facilities such part(s) of the Development the sole and exclusive right and privilege to hold, use, occupy and enjoy the same as may be held by him unless the approval by a resolution of the Owners at an Owners' meeting convened under this Deed has been obtained. Neither the Owners (including the First Owner) nor the Manager shall have the right to re-convert or re-designate the Common Areas and Facilities to his own use or for his own benefit.

(b) Notwithstanding the preceding sub-clause (b), an Owner (including the First Owner) may convert or designate any of his own areas as Common Areas for the common use or benefit of some but not all the Owners ("the Affected Owners"); and in that event, only the approval of the Affected Owners will be required Provided That no expenses for the maintenance or management of such Common Areas shall be borne or paid by any other Owners who do not share in the common use or benefit thereof. The Affected Owners may not reconvert or re-designate any such Common Areas to the own use or benefit of one or more of them unless it is so provided for when the area in question was so converted or designated.

37. The Recreational Facilities shall not be used for any purpose other than for recreational purposes. The Recreational Facilities shall be for the exclusive use of the Owners of the Residential Units and residents and their bona fide visitors only as indicated on the approved building plans and such area shall not be used for any purpose or by any other persons without the prior consent of the Building Authority.

38. (a) The Owners shall at their own costs and expenses maintain and carry out all works in respect of any and all slopes (if any), slope treatment works (if any), retaining walls (if any) and other structures (if any) within or outside the Land (collectively "the Slopes and

Retaining Walls” (if any)) as required by the Government Grant and in accordance with the Geoguide 5-Guide to Slope Maintenance issued by the Geotechnical Engineering Office (as amended or substituted from time to time) and the maintenance manual for the Slopes and Retaining Walls (“the Slope Maintenance Manual”) prepared in accordance with such Geoguide 5.

(b) The Manager shall have full authority of 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 Slopes and Retaining Walls (if any) in compliance with the conditions of the Government Grant and in accordance with the Slope Maintenance Manual and all guidelines issued from time to time by the appropriate Government departments regarding the maintenance of slopes and retaining walls. For the purpose of this sub-clause, the reference to “the Manager” includes the Owners’ Corporation, if formed.

(c) All Owners shall pay the Manager all costs lawfully incurred or to be incurred by the Manager in carrying out maintenance, repair and any other works in respect of the Slopes and Retaining Walls (if any).

(d) The Manager shall not be made personally liable for carrying out any such requirements in respect of the Slopes and Retaining Walls (if any) under the conditions of the Government Grant, which shall remain the responsibility of the Owners if, having used all reasonable endeavours, the Manager has not been able to collect the costs of the required works from all Owners.

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

39. (a) 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 Unit any metal grille or shutter or gate which shall in any way contravene this Deed or the regulations of the Fire Services Department or other competent authorities concerned from time to time in force and/or which may in any way impede the free and uninterrupted passage over, through or along any of the Common Areas.

(b) Any metal grille or shutter or gate shall be of such design and material as shall be approved by the Manager provided that such approval must not be unreasonably withheld and that the Manager must not charge any fee other than a reasonable administrative fee for issuing the approval and provided further that the fee shall be credited to the Special Fund. This sub-clause (b) shall not apply to the Shops.

40. No Owner shall permit or suffer to be installed any supply of gas as defined under the Gas Safety Ordinance (Chapter 51 of the Laws of Hong Kong) to the domestic part of the Development. No Owner shall permit or suffer any liquefied petroleum gas cylinders to be delivered to any domestic units of the Development.

41. Individual air-conditioner platforms (including all types of structures for supporting air-conditioner (such as metal frame) but excluding individual air-conditioner box / hood approved by the Building Authority) must not be erected at the external walls of the Development.

42. The covenants, provisions and restrictions set out in this Subsection A shall be subject to and without prejudice to the rights reserved to the First Owner under Clause 8 of Section II of this Deed and the rights reserved to the Owners of the Shops under Clause 11 of Section II of this Deed and the rights reserved to the Owner of Shop 5 under Clause 12 of Section II of this Deed and the rights reserved to the Owner(s) of the Signage Areas under Clause 13 of Section II of this Deed.

B. Covenants and provisions applicable to Owners of Residential Units

1. Without prejudice to the other provisions of this Deed, no Residential Unit shall be used for any purpose other than for private residential purposes and in particular no Residential Unit shall be used as an apartment house or for any form of commercial letting or occupancy in bed spaces or cubicles or as hostel or the like.

2. Subject to the rights of the First Owner and the rights of the Owners of the Shops and the rights of the Owners of the Signage Areas herein provided, no Owner shall erect or place or cause or permit to be erected or placed any advertising sign or structure on the flat roof(s) or roof(s) or top roof(s) (if any) of the Development or any part thereof and the Manager shall have the right to enter and to remove anything erected or placed on the flat roof(s) or roof(s) or top roof(s) (if any) of the Development or any part thereof in contravention of this provision at the costs and expenses of the Owner.

3. Subject to the rights of the First Owner and the rights of the Owners of the Shops and the rights of the Owners of the Signage Areas herein provided, no Owner shall erect, affix, install or attach or permit or suffer to be erected, affixed, installed or attached in or on or to be displayed from any Residential Unit or any part thereof (whether interior or exterior) or any window of such Residential Unit any advertising or other sign of any description.

4. Water closets and other water apparatus in the Development shall not be used for any purpose other than those for which they were constructed, nor shall any 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 Residential Unit it shall have been caused.

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

6. Bicycles, baby carriages or similar vehicles shall not be allowed to stand in any passageways or the Common Areas.

7. An Owner or occupier of a Residential Unit may bring on to or keep or harbour any dogs, cats, pets, livestock, live poultry, fowls, birds or animals in his Residential Unit in accordance with the House Rules PROVIDED THAT (a) no live poultry, birds or animals may be kept in any Residential Unit if the same have been the cause of reasonable written complaint to the Manager by at least 2 other Owners or occupiers of the Land and the Development, (b) trained guide dogs on leash for the blind may be brought into any part of the Development whilst guiding any person with disability in vision and (c) no dogs may be permitted in lifts or any parts of the Development intended for common use unless they are carried or on leash.

8. (a) The 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 this Deed, the Occupation Permit, the Buildings Ordinance (Chapter 123 of the Laws of Hong Kong) and such other ordinances, by-laws and regulations promulgated by the Government and (ii) be responsible for the financial support and maintenance of the same.

(b) No part of any balcony or the covered areas underneath the balcony shall be enclosed above safe parapet height, other than as under the Building Plans.

(c) No part of any utility platform or the covered areas underneath the utility platform shall be enclosed above safe parapet height, other than as under the Building Plans.

(d) No part of any Areas for Air-conditioning or the covered areas underneath the Areas for Air-conditioning shall be enclosed above safe parapet height.

(e) Balconies, utility platforms and covered area underneath the balconies and utility platforms (being the Non-enclosed Areas) shall only be used as balconies or utility platforms (as the case may be) or covered area underneath the balconies and utility platforms in relation to or in connection with the use and enjoyment of the Residential Units for which they are provided.

9. No Owner shall construct illegal structures on any flat roof(s) or roofs of the Development of whatsoever nature that contravene any ordinances, by-laws or regulations promulgated by the Government from time to time.

10. No Owner shall keep, hang or exhibit or permit or suffer to be kept, hung or exhibited any clothing, laundry or object(s) in the Common Areas or outside his Residential Unit or within such part(s) of his Residential Unit including (without limitation) on or in or upon or above any door, window, bay window or above parapet height in any balcony, utility platform, flat roof or roof or in any manner that may adversely affect the external appearance

of the Development.

11. (a) The Owner of each Open Kitchen Unit shall at his own costs and expenses observe and comply with and shall cause his tenants, licensees and/or occupants to observe and comply with the Fire Safety Management Plan (in particular the provisions set out in the Fifth Schedule hereto) and any guideline or direction to be issued or given by the Manager from time to time relating to the implementation of the Fire Safety Management Plan. In particular, the Owner of each Open Kitchen Unit shall maintain the fire services installation within his Open Kitchen Unit at his own costs and expenses and shall not alter, remove or obstruct any of the fire services installation.
 - (b) The Owner of each Open Kitchen Unit shall allow and shall cause his tenants, licensees and/or occupants to allow the Manager and/or the registered fire services installation contractor(s) appointed by the Manager to enter into the Open Kitchen Unit to carry out inspection of the fire services installation in his Open Kitchen Unit (at the cost and expense of the relevant Owner). Unless more frequent inspection is required by the Manager and/or the relevant Government authorities, such inspection will be carried out once a year. In case it is found that any Owner of the Open Kitchen Unit shall alter or remove or obstruct or fail to maintain the fire services installation, the Manager and/or the registered fire services installation contractor(s) appointed by the Manager shall be entitled to enter into his Open Kitchen Unit to carry out maintenance and/or reinstatement work and such Owner of the Open Kitchen Unit shall pay or indemnify the Manager the costs and expenses of the maintenance and/or reinstatement work.
 - (c) The First Owner (which expression, for the purpose of this sub-clause, shall exclude its successors and assigns) shall, within one month of the date of this Deed, cause to be deposited, at the fire lift lobby on the Ground Floor of the Development, a full copy of the Fire Safety Management Plan for inspection by the Owners free of charge, and for taking copies upon payment of a reasonable charge. All charges received for such copies shall be credited to the Special Fund.
12. All Owners of the Residential Units shall at all times observe and perform the Fitting Out Rules and the House Rules.
 13. The Owner of any flat roof or roof shall not:
 - (a) erect, affix or place or cause or permit or suffer to be erected, affixed or placed any structure or chattels whatsoever, whether of a permanent or temporary nature, on the walls of the flat roof or roof or any part of such walls; or

- (b) enclose or cause or permit or suffer to be enclosed any brackets, sockets or parts used or intended to be used in connection with any gondola or building maintenance unit(s).

14. The Owner of any flat roof or roof shall, at all reasonable times, subject to prior notice (except in an emergency) given by the Manager, provide free and uninterrupted access to the Manager and its agents and employees to affix, install, operate, manoeuvre, use, repair, maintain and clean the said brackets, sockets or parts (referred to in Clause 13 of this Subsection B of Section V above) and/or gondola and building maintenance unit(s) and associated equipment over and/or along the flat roof or roof or any part thereof for the purposes of inspecting, upgrading, rebuilding, repairing, renewing, maintaining, cleaning, painting or decorating the exterior walls or any parts of the Development (which form part of the Common Areas and Facilities) Provided that the rights of the Owner of the flat roof or roof to hold, use, occupy and enjoy his Unit and its flat roof or roof shall not be interfered with, and Provided that the Manager shall in the exercise of such right ensure that the least disturbance is caused to the Units and Provided Further that the Manager shall make good all damage caused by or arising from the exercise of such right of access and shall be liable for the negligent, wilful or criminal acts of the Manager, its employees and contractors.

15. No Owner shall use any portion of the common partition wall or the common fence wall or the common parapet wall separating his Residential Unit from the adjoining Residential Unit so as to interfere with the use and enjoyment of the Owner of the adjoining Residential Unit. No Owner shall erect any fence or any structure or protrusion (such as spikes or wire) on top of the common partition wall or the common fence wall or the common parapet wall without the written consent of the Owner of the adjoining Residential Unit and the written consent of the Manager. No Owner shall put structures of any kind (such as fish ponds) so near to the common partition wall or the common fence wall or the common parapet wall as to cause leakage of water to the other side of the common partition wall or the common fence wall or the common parapet wall or as to be likely to cause the common partition wall or the common fence wall or the common parapet wall to collapse. No Owner shall demolish or alter the common partition wall or the common fence wall or the common parapet wall provided that if an Owner owns both of the two adjoining Residential Units with the common partition wall or the common fence wall or the common parapet wall, he may demolish or alter the common partition wall or the common fence wall or the common parapet wall with the necessary approval of the Buildings Department and other relevant governmental authority (if required) and in compliance with the Government Grant, the Buildings Ordinance and other relevant laws, ordinances and regulations.

16. No Owner shall erect affix install or attach in or on or at or permit or suffer to be erected affixed installed or attached in or on or at the main entrance of his Residential Unit any metal gate.

17. Except with the prior written approval of the Manager, no Owner shall modify or permit or suffer to be modified the appearance of any balustrade forming part of his Residential Unit.

18. (a) No Owner shall install any air-conditioning unit fitting or plant or any other fitting or fixture through the windows or external walls of the Development (except in positions already provided for such purpose) without the prior written consent of the Manager and (if necessary) the Director of Lands and/or other relevant Government authorities to any such installations and the conditions of such consent having been complied with.

(b) No Owner shall alter or remove any part of the Areas for Air-conditioning (including any grille enclosing or attached to such Areas for Air-conditioning or any screen separating such Areas for Air-conditioning from any balcony or utility platform), whether for the purpose of installing, removing or maintaining any air-conditioning unit or otherwise. No structure or thing except air-conditioning unit shall be placed, installed, exhibited, affixed, erected or attached or caused or permitted to remain in, about, on or at any part of the Areas for Air-conditioning.

(c) No Owner shall use, cut, injure, alter, damage, remove or interfere with any common pipes, drains, sewers, services being in, under, over or adjacent to any part of the Common Areas, whether located on, within or adjacent to any Areas for Air-conditioning. The Manager shall have full right and privilege at all reasonable times, upon reasonable prior written notice (except in case of emergency), with or without agents, surveyors, workmen and others to enter into such part(s) of the Units for the purposes of effecting necessary inspection, repairs and maintenance works Provided that the Manager shall in the exercise of such right ensure that the least disturbance is caused to the Units and shall at his own costs and expense repair any damage so caused and shall be liable for the negligent, wilful or criminal acts of the Manager, his employees and contractors.

(d) The Areas for Air-conditioning shall not be used for any purpose other than for placing or installing air-conditioning units. The covered area underneath the Areas for Air-conditioning (excluding the covered areas underneath those Areas for Air-conditioning which form part of (i) the Residential Units on the 5th Floor and (ii) Flat A, Flat D and Flat E on the 6th Floor of the Development) shall not be used for any purpose other than placing or installing air-conditioning units.

19. The covenants, provisions and restrictions set out in this Subsection B shall be subject to and without prejudice to the rights reserved to the First Owner under Clause 8 of Section II of this Deed and the rights reserved to the Owners of the Shops under Clause 11 of Section II of this Deed and the rights reserved to the Owner of Shop 5 under Clause 12 of Section II of this Deed and the rights reserved to the Owner(s) of the Signage Areas under Clause 13 of Section II of this Deed.

C. Covenants and provisions applicable to Owners of the Shops

1. Subject to the rights and privileges reserved unto the First Owner, the Shops shall only be used for the purposes for which they are permitted under the Buildings Ordinance (Chapter 123 of the Laws of Hong Kong) and the Government Grant.

2. The design of a shop front shall comply with the relevant laws and Government regulations.

3. Notwithstanding anything contained in this Deed, an Owner of a Shop may exhibit advertising signs, name plates or lamp plates in relation to his business and may permit the exhibition of advertising signs, name plates or lamp plates in relation to the business of his lawful tenant or licensee in occupation of his Shop but, in any case, provided that the size and design of the same comply with the relevant laws and Government regulations and provided that any such sign or plate may only be exhibited on the shop front forming part of his Shop and provided also that any of the same so exhibited does not cause any nuisance to any other Owner or occupant of the Development. Each such Owner shall be solely responsible for and shall indemnify all other Owners, the First Owner and the Manager from all actions, proceedings, claims, demands, costs and expenses arising directly or indirectly from the affixing, installation, use or removal of any sign or plate exhibited on or from his Unit or any defect therein or non-repair thereof.

4. No Owner shall use any Shop for carrying on any business, trade or activity in contravention of any of the provisions of the Government Grant or in contravention of any restriction or prohibition imposed by any appropriate management or Government authority.

5. No Owner shall place in any part of a Shop, whether on the floor or otherwise, any machinery, equipment, installation, goods or merchandise which may cause the maximum floor loading-bearing capacity thereof to be exceeded, and in the event of any breach of this covenant, the Owner shall make good any damage caused thereby to that part of the Development affected or any fixtures and fittings therein at his own costs and expenses provided that the making good of such damage as aforesaid shall be without prejudice to any further or additional rights which may be exercised by the Manager in relation to such breach.

6. Every Owner of the Shops shall at all times observe and comply with the Fitting Out Rules.

7. In the case of any Owner operating a restaurant in his Shop or any part thereof, such Owner shall keep at his own expense all kitchens and cooking equipment and water apparatus and grease trap(s), if any, (whether or not they are installed inside his Unit) used by him and his servants agents licensees and customers in good clean sanitary and tenantable repair and condition in accordance with the regulations or by-laws of all Government authorities concerned.

8. The covenants, provisions and restrictions set out in this Subsection C shall be subject to and without prejudice to the rights reserved to the First Owner under Clause 8 of Section II of this Deed and the rights reserved to the Owners of the Shops under Clause 11 of Section II of this Deed and the rights reserved to the Owner of Shop 5 under Clause 12 of Section II of this Deed and the rights reserved to the Owner(s) of the Signage Areas under Clause 13 of Section II of this Deed.

SECTION VI

MANAGEMENT OF THE DEVELOPMENT

A. Appointment of Manager

1. The management of the Land and the Development shall be undertaken by the Manager subject to the Ordinance, the Government Grant, this Deed and all applicable laws.

2. (a) Subject to the provisions of the Ordinance, the DMC Manager, Savills Property Management Limited 第一太平戴維斯物業管理有限公司, is hereby appointed as the first manager to manage the Land and the Development for the initial term of TWO years from the date hereof and thereafter shall continue to manage the Development until its appointment is terminated in accordance with the provisions of this Deed.

(b) The appointment of the Manager shall be terminated:

(i) by resignation from such appointment by the Manager giving not less than three months' notice in writing of his intention to resign:-

(1) by sending such a 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.

Such notice referred to in sub-clause (b)(i)(2) of this clause 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 by depositing it in the letter box for that Unit; or

(ii) if the Manager is wound up or has a receiving order made against it.

(c) (i) Subject to sub-clause (c)(v) of this clause, at a general meeting convened for the purpose, an Owners' Corporation may, by a resolution passed by a majority of the votes of the Owners voting either personally or by proxy and supported by the Owners of not less than 50% of the Undivided Shares in aggregate, terminate by notice the DMC Manager's appointment without compensation.

- (ii) A resolution under sub-clause (c)(i) of this clause 2 shall have effect only if:
 - (1) the notice of termination of appointment is in writing;
 - (2) provision is made in the resolution for a period of not less than 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 him of a sum equal to the amount of the remuneration which would have accrued to him during that period;
 - (3) the notice is accompanied by a copy of the resolution terminating the DMC Manager's appointment; and
 - (4) the notice and the copy of the resolution is given to the DMC Manager within 14 days after the date of the meeting.
- (iii) The notice and the copy of the resolution referred to in sub-clause (c)(ii)(4) of this clause 2 may be given:
 - (1) by delivering them personally to the DMC Manager; or
 - (2) by sending them by post to the DMC Manager at his last known address.
- (iv) If a notice to terminate the Manager's appointment is given under this sub-clause (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 sub-clause (c)(iv)(1) of this clause 2 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.
- (v) For the purposes of sub-clause (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 sub-clause (c)(i) to the “Owners of not less than 50% of the Undivided Shares in aggregate” shall be construed as a reference to the Owners of not less than 50% of the Undivided Shares in aggregate who are entitled to vote.
 - (vi) 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, sub-clauses (c)(i), (c)(ii), (c)(iii) and (c)(v) of this clause apply to the termination of the Manager’s appointment as they apply to the termination of the DMC Manager’s appointment.
 - (vii) Sub-clause (c)(vi) of this clause operates without prejudice to any other power there may be in a contract for the appointment of a Manager other than the DMC Manager to terminate the appointment of the Manager.
 - (viii) 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 sub-clause (c)(iv)(2) of this clause 2, the Owners’ Corporation shall be deemed to have given to that person an instrument of indemnity under which the Owners’ Corporation shall be liable to indemnify that person in respect of any act or omission by the Manager appointed under that sub-clause that may otherwise render that person liable for a breach of that undertaking or agreement.
 - (ix) This sub-clause (c) is subject to any notice relating to the Development that may be published by the Secretary for Home and Youth Affairs under section 34E(4) of the Ordinance but does not apply to any single manager referred to in that section.
- (d) Prior to the formation of the Owners’ Corporation, the Owners’ Committee may at any time terminate the Manager’s appointment without compensation by a resolution passed by a majority of votes of Owners voting either personally or by proxy in an Owners’ meeting and supported by Owners of not less than 50% of the Undivided Shares in aggregate (excluding the Undivided Shares allocated to the Common Areas and Facilities) and by giving the Manager three months’ notice in writing.
- (e) Upon termination of the Manager's employment in whatever manner that may occur, the Owners' Committee shall immediately thereafter appoint another service company or agent in its stead and on appointment thereof, the Owners' Committee shall on behalf of the Owners enter into a management agreement with such service company or agent defining the rights duties and obligations of the Manager which rights duties and obligations shall be consistent with those set out in this Deed.

3. Subject to the provisions of the Ordinance, the Manager shall have the authority to do all such acts and things as may be necessary or expedient for the management of the Development for and on behalf of all Owners in accordance with the provisions of this Deed and each Owner irrevocably appoints the Manager as agent in respect of any matter concerning the Common Areas and Facilities and all other matters duly authorized under this Deed.

4. The Manager, so long as it remains as the Manager of the Development, shall be bound by and shall observe and perform and comply with the covenants and conditions set out in the Government Grant and all of the conditions duties and obligations herein provided and shall have all of the rights and privileges herein granted to the Manager.

B. Powers and duties of Manager

1. The Manager will manage the Land and the Development in a proper manner and in accordance with this Deed and except as otherwise herein expressly provided the Manager shall be responsible for and shall have full and unrestricted authority to do all such acts and things as may be necessary or requisite for the proper management of the Land and the Development. Without in any way limiting the generality of the foregoing, the Manager shall have the following duties and powers namely:

- (a) To employ a qualified architect or professional to carry out inspection of the Development (save only the interior of the Units) including the Common Areas and Facilities at such time or times as the Manager shall deem necessary (which inspection is necessary to facilitate the maintenance and management of the Development by the Manager including but not limited to carrying out inspections of windows and/or external walls of the Development and any other inspections as required by the relevant Government departments) and to prepare a report of such inspection which report will be kept at the management office of the Development and will be open to inspection by all Owners of any part of the Development and the Manager will furnish upon request to any such Owner a copy of the report at a reasonable charge PROVIDED THAT any charges or fee collected hereunder shall be credited to the Special Fund.
- (b) To put in hand and ensure the satisfactory completion of works necessary to maintain any of the Common Areas and Facilities including, without limitation, any Green and Innovative Features (save and except those forming part of any Units) so as to ensure that the same are maintained in a good clean and safe condition at all times and for this purpose to employ reputable and competent contractors and workmen.
- (c) To require that all the Owners or occupiers maintain the Units owned or occupied by them and if there shall be any default on the part of any such Owners or occupiers to put in hand any necessary maintenance and to take all

possible steps to recover the cost therefor from the defaulting Owner or occupier.

- (d) To paint wash tile or otherwise treat as may be appropriate the Common Areas at such intervals as the same may be reasonably required to be done.
- (e) To replace any glass in the Common Areas and Facilities that has been broken.
- (f) To keep all the Common Areas and Facilities properly lighted and ventilated.
- (g) To keep in good order and repair the ventilation of the enclosed Common Areas and Facilities.
- (h) To keep the Common Areas and all parts thereof in a clean sanitary and tidy condition.
- (i) To prevent any decaying noxious excrementitious or other refuse matter from being deposited on the Development or any part thereof and to remove all refuse from such 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 Director of Food and Environmental Hygiene.
- (j) To prevent the obstruction of all the Common Areas and Facilities and to remove any article or thing causing obstruction. If and whenever any article or thing shall be placed or stored on or in any part of the Common Areas and Facilities, the Manager or its agents, servants, caretakers or cleaners of the Development shall first give the defaulting party (if identifiable) reasonable prior written notice (except in the case of emergency) to remove the article or thing causing the obstruction. In the event that such defaulting party cannot be identified, the Manager shall have the right without giving any prior notice to the defaulting party to remove such article and thing from such part of the Common Areas and Facilities to another place or places as the Manager shall think fit. All costs and expenses incurred by the Manager for such removal shall be reimbursed upon demand to the Manager by the defaulting party and the defaulting party shall not claim against the Manager or its agents, servants, caretakers or cleaners for any loss or damage to such article or thing due to such removal.
- (k) To keep all the common sewers drains watercourse and pipes free and clear from obstructions.
- (l) To keep all the Common Facilities in good and working order and to extend or provide additional facilities as the Manager shall in its reasonable discretion deem necessary or desirable for the benefit of the Land and the Development.

- (m) To keep all lighting equipment water and sewage systems in good and working order and in accordance with any laws and regulations applicable thereto and whenever it shall be necessary or convenient so to do at the Manager's reasonable discretion and to enter into contracts with third parties for the maintenance thereof. The Manager shall also be responsible for all works required for any alteration to the sewage system and future connection of the same to the public culvert to be constructed if so required by the Government and all costs and expenses for such works shall be borne by the Owners.
- (n) To prevent so far as is possible any refuse or other matter from 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 part of any Government or other 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 to the satisfaction of the Government.
- (o) To remove any structure installation signboard sunshade bracket fitting or other things in or on any part of the Development which have been erected in contravention of the terms of this Deed or of the regulations of the Buildings Ordinance (Chapter 123 of the Laws of Hong Kong) or any other ordinance and/or without the prior written permission of the Manager (or if such permission has been given upon the expiration or withdrawal of the same or if the conditions of such permission are in breach) and to demand and recover from the person by whom such structure or other things as aforesaid was erected or installed the cost of such removal and the making good of any damages thereby caused.
- (p) To maintain fire fighting equipment and fire alarms and to comply with all requirements of the Fire Services Department and generally so far as may be possible to maintain the Development safe from fire at all times.
- (q) To provide a security force watchmen porters and caretakers and to provide with and maintain burglar alarms and other security equipment and generally so far as may be possible to maintain security in the Development at all times.
- (r) To do all things which the Manager shall in its absolute discretion deem necessary or desirable for the purposes of maintaining and improving the Common Areas and Facilities for the better enjoyment or use of the Development by its Owners occupiers and their licensees provided that the prior approval by a resolution of the Owners at an Owners' meeting convened under this Deed is required for any improvement works of the Common Areas and Facilities which involve expenditure in excess of 10% of the current

annual Management Budget.

- (s) To appoint solicitors to advise on matters which arise in the management of the Land and the Development and which necessitate professional legal advice and with authority to accept service on behalf of all the Owners of all legal proceedings relating to the Land and the Development or any part thereof (except proceedings relating to the rights or obligations of individual Owners) and in particular but without limiting the foregoing in all proceedings in which the Government shall be a party and at all times within 7 days of being requested so to do by the Director of Lands or other competent officer to appoint a solicitor who shall undertake to accept service on behalf of all such Owners for the purpose of Order 10 Rule 1 of the Rules of High Court (or any provisions amending or in substitution for the same).
- (t) To prevent (by legal action if necessary) any person including an Owner from occupying or using otherwise than in accordance with the written permission of the Manager or the provisions of this Deed or the Government Grant or the Occupation Permit any of the Common Areas or any part of the Land and the Development.
- (u) To take all steps necessary or expedient for complying with the covenants and conditions contained in the Government Grant and any statutory or Government requirements concerning or relating to the Development for which no Owner or occupier of the Development is directly responsible.
- (v) To prevent (by legal action if necessary) and to take action to remedy any breach by any Owner or other person resident in or visiting the Land of any terms and conditions contained in the Government Grant and/or any statutory or Government legislation or regulations or this Deed.
- (w) To prevent any person detrimentally altering or injuring any part of the Development or any of the Common Areas and Facilities.
- (x) To demand collect and receive all amounts payable by Owners under the provisions of this Deed and any relevant Sub-Deed.
- (y) To pay and discharge out of all monies so collected all outgoings relating to the management of the Development or incurred by the Manager in accordance with this Deed.
- (z) Unless otherwise directed by the Owners' Corporation (if formed), to insure and keep insured to the full new reinstatement value in respect of the Common Areas and Facilities and all parts thereof as comprehensively as reasonably possible and in particular against loss or damage by fire or other risks and to effect insurance against public liability and occupiers' liability and employer's liability in respect of employees employed within or in connection with the

management of the Development and other liabilities in such items or in such amounts as the Manager may reasonably think fit and to procure (but not to be under any obligation to do so) block insurance for the Development as a whole or parts thereof including those areas which are not Common Areas and Facilities against loss or damage in such risk and in such amount as the Manager reasonably considers necessary, such insurance to be in the name of the Manager itself for and on behalf of all the Owners according to their respective interests and to pay all premia required to keep such insurance policies in force and updated.

- (aa) To keep proper records of accounts of all expenditure incurred by and of all payments made to the Manager in respect of carrying out its duties hereunder as hereinafter provided.
- (ab) To represent the Owners in all matters and dealings with Government or any utility or other competent authority or any other person whomsoever in any way touching or concerning the Land and the Development or the Common Areas and Facilities with power to bind all Owners as to any policy adopted or decision reached or action taken in relation to any such dealings so long as the same does not contravene or is not in conflict with any of the provisions of this Deed.
- (ac) To commence conduct carry on and defend legal and other proceedings touching or concerning the Land and the Development or the management thereof in the name of the Manager.
- (ad) 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 and the House Rules hereunder and to take action including the commencement and conduct of legal proceedings to enforce the due observance and performance thereof and/or to recover damages for any breach non-observance or non-performance thereof and the registration and enforcement of charges as hereinafter mentioned.
- (ae) To enforce the due observance and performance of the House Rules and the Fitting Out Rules.
- (af) To post and specify any Unit in default or in breach of the terms and conditions of this Deed as aforesaid together with particulars of the default or breach on the notice boards and/or other prominent spaces within the Development after prior written notice to the defaulting Owner if the defaulting Owner fails to remedy his default or breach after a reasonable period of time has been given to him to do so.
- (ag) To recruit dismiss and employ such staff as may from time to time be required

to perform and discharge its duties hereunder on such terms as the Manager shall in its absolute discretion decide and to provide accommodation within the Land uniforms working clothes tools appliance cleaning and other materials and all equipment necessary therefor.

- (ah) To take all reasonable actions to abate any nuisance affecting the Owners and occupiers of the Development or any Unit of the Development and for such purpose to enter into any part or Unit of the Development for the purpose of abating such nuisance when necessary upon reasonable notice (except in case of emergency) provided that the Manager shall in the exercise of such right ensure that the least disturbance is caused to the Units and shall at its own costs and expenses repair any damage caused thereby and shall be liable for negligent, wilful or criminal acts of the Manager, its employees, contractors or agents.
- (ai) To do all such other things as are reasonably incidental to the management of the Land and the Development.
- (aj) To repair and keep in good repair and condition the Common Facilities and the Common Areas and when necessary upon reasonable prior written notice (except in case of emergency) to enter into any part or any Unit of the Development for the purpose of carrying out necessary repairs to the Land and Development and the Common Areas and Facilities or to abate any hazard or nuisance which does or may affect the Common Areas and Facilities or other Owners Provided that the Manager shall in the exercise of such right ensure that the least disturbance is caused to the Units and shall at its own costs and expenses repair any damage so caused and shall be liable for negligent, wilful or criminal acts of the Manager, its employees and contractors and Provided Further That the exercise of such right shall not impede an Owner's access to and from his Unit.
- (ak) To install in or affix to and use (or permit any person to install in or affix to and use) any part of the Common Areas for the installation, erection and maintenance of flue pipes, conduits, aerials and/or dish installation (if any), apparatus, structures and/or other equipment relating to the broadcasting and/or reception of cable and/or satellite television and/or other telecommunication systems, plant, machinery and other apparatus or equipment (all of which upon such installation or erection shall form part of the Common Facilities) and to lease licence install affix erect place and maintain or contract for the leasing, licensing, installation and maintenance of communal radio and/or television aerials and/or satellite master antennae television system and/or cable television system which serve the Development or any part thereof and such apparatus, equipment, cables, wires, pipes, antennae or structures in relation thereto in accordance with Clause 10 of this Subsection B of Section VI of this Deed (where appropriate) and for such purposes to apply for all necessary licence(s) or consent(s) from the

Government and/or other relevant authorities provided that the written approval by a resolution of Owners at an Owners' meeting convened under this Deed has been obtained prior to the exercise of such rights and that such installation shall not unreasonably affect the enjoyment of the Development by the Owners and occupiers and shall not impede an Owner's access to and from his Unit. Any consideration received therefor shall be credited to the Special Fund.

- (al) Subject to the prior approval by a resolution of the Owners at an Owners' meeting convened under this Deed being obtained, to enter into and thereafter change amend vary add to alter or cancel any Deed(s) of Mutual Grant and/or Deed(s) of Mutual Grant and Release and/or any other Deed(s) and/or Agreement(s) whatsoever with any person(s) or corporation(s) in connection with the granting and/or reservations of rights, easements, rights of way, privileges, benefits, obligations and/or any other matters affecting the Land and the Development and/or any adjoining properties Provided that the Owners' right to occupy and enjoy their respective Units is not affected and their access to and from their respective Units is not impeded Provided further that any consideration received therefor shall be credited to the Special Fund Provided further that the exercise of all or any of the powers conferred upon the Manager under this sub-clause (al) shall not contravene the terms and conditions contained in the Government Grant and this Deed.
- (am) Subject to the prior approval by a resolution of the Owners at an Owners' meeting convened under this Deed being obtained, to grant such easements, quasi-easements, rights, privileges and licences to and to enter into such arrangements and agreements (whether formal or informal) with the Government or such other parties and upon such terms and conditions and with or without consideration in respect of any part or parts of the Common Areas as the Manager shall reasonably consider necessary to ensure efficient management of the Land and the Development PROVIDED THAT any charges or fee collected hereunder shall be credited to the Special Fund and Provided Further that such grant of easements, quasi-easements, rights, privileges and licences and such arrangements and agreements shall not contravene the terms and conditions contained in the Government Grant and this Deed and shall not affect an Owner's exclusive right to hold, use, occupy and enjoy his Unit or impede the access to and from his Unit.
- (an) Subject to the prior approval by a resolution of the Owners at an Owners' meeting convened under this Deed being obtained, to grant right 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 or persons and upon such terms and conditions as the Manager may think fit in respect of the Common Areas and Facilities and on behalf of the Owners to obtain a grant of similar rights in respect of such adjoining premises PROVIDED THAT such grant of rights of way or access or use shall not contravene the terms and conditions contained

in the Government Grant and shall not affect an Owner's exclusive right to hold, use, occupy and enjoy his Unit or impede the access to and from his Unit and any payment received pursuant to this sub-clause shall be credited to the Special Fund.

- (ao) Subject to the prior approval by a resolution of the Owners at an Owners' meeting convened under this Deed being obtained, to grant reasonable easements, rights of way, quasi-easements (if any), rights, privileges and/or licences to the Government, the First Owner or other owner(s) of any adjacent land and/or adjacent building or any person to use, connect to, construct, lay, maintain, remove, renew and/or replace any roads, passageways, walkways, footpaths, open spaces, nullahs and culverts, sewage treatment plant and facilities, refuse collection and disposal areas and facilities, drainage systems, drains, pipes, cables, irrigation pipes, pumps and other installation apparatus, fittings, chambers, and other equipment and structures at or within the Land and the Development on such terms as the Manager deems fit Provided that the exercise of all or any of the rights herein conferred upon the Manager shall not interfere with an Owner's right to the physical use and occupation of his Unit and Provided Further that such grant of easements, rights of way, quasi-easements (if any), rights, privileges and/or licences shall not contravene the terms and conditions contained in the Government Grant and shall not affect an Owner's exclusive right to hold, use, occupy and enjoy his Unit or impede the access to and from his Unit and all monetary consideration (if any) received therefor pursuant to this sub-clause shall be credited to the Special Fund.
- (ap) To impose charges, restrictions, regulations and conditions for the use of the Recreational Facilities, to remove any person thereon who fails to comply with or is in breach of any House Rules relating to the Recreational Facilities and to exclude any person who has been in persistent breach of such House Rules from the use of the Recreational Facilities for such period as the Manager shall in its discretion deem appropriate PROVIDED THAT the charges imposed shall be reasonable and PROVIDED FURTHER THAT any charges or fee collected hereunder shall be credited to the Special Fund.
- (aq) Subject to Clause 9 of this Subsection B of Section VI, to enter into contracts and to engage, employ, remunerate and dismiss solicitors, architects, accountants and other professional advisers and consultants, contractors, workmen, servants, agents, watchmen, caretakers and other building staff and attendants and to do all such things as are reasonably incidental to the management of the Development.
- (ar) To improve, control, operate and manage the Recreational Facilities and to landscape, plant with trees and shrubs, flowers, bushes, grass and other vegetation on any part or parts of the Common Areas and Facilities and maintain the same including any access steps staircases and ramps, whether

the same are within the Land.

- (as) To repair, maintain, clean, paint or otherwise treat or decorate as appropriate, the structure and fabric of the Development and the external walls, elevations and facade thereof but excluding those parts forming part of any Units such as (i) the windows forming part of the Residential Units (which includes but not limited to any openable window of the curtain wall system of the Development wholly enclosing or fronting a Residential Unit), (ii) the shop front forming part of the Shops, (iii) Commercial Exterior Walls forming part of the Shops, (iv) the Shop 5 Curtain Wall System forming part of Shop 5 and (v) the Signage Areas PROVIDED HOWEVER THAT the Manager shall have the power at the expense of the Owner concerned to replace broken window glass or window frames and carry out any other necessary repair works thereto if any such window glass or window frames shall be broken and remain unreplaced for seven (7) days without reasonable cause after the Manager shall have served a notice on the Owner or occupier of the Unit concerned requiring him to replace the same or if the window glass or window frames as replaced by the Owner or occupier of the Unit concerned does not comply with the standard (if any) prescribed in the House Rules.
- (at) To maintain any drainage system whether within or outside the Land which is required to be maintained pursuant to the provisions of the Government Grant.
- (au) Subject to the prior written approval by a resolution of the Owners at any Owners' meeting convened under this Deed being obtained, to make suitable arrangements for the supply, use or provision of water, gas and electricity and any other utility or service and any rights and privileges to or for the Land and the Development or any part thereof and to lease or licence any adjacent land or building or land or building in the vicinity for the use and benefit of the Land and the Development or any part thereof on such terms as the Manager deems fit .
- (av) To prevent any person from overloading the floors of the Development or any part or parts thereof.
- (aw) To prevent any person from overloading any of the electrical installations and circuits or any of the mains or wiring in the Development.
- (ax) To require that all Owners use the water supply properly.
- (ay) To deal with all enquiries, complaints, reports and correspondence relating to the Land and the Development as a whole.
- (az) To provide such Christmas, Chinese New Year and other festive decorations and to organize such festive celebrations or any social activities whether within or outside the Development as the Manager shall in its reasonable

discretion consider desirable to promote the neighbourhood relationship of the Owners or occupiers.

- (ba) Subject as otherwise provided in this Deed to give or withhold its written consent or approval to anything which requires its written consent or approval pursuant to this Deed or any relevant Sub-Deed and to impose conditions or additional conditions relating thereto provided that such consent or approval must not be unreasonably withheld and that Manager must not charge any fee other than a reasonable administrative fee for issuing the consent or approval and provided further that the fee shall be credited to the Special Fund.
- (bb) Subject to Paragraph 7 and Paragraph 15 both of Schedule 8 to the Ordinance and subject to Clause 13 of Subsection A of Section VII of this Deed and Clause 15 of Subsection B of Section VII of this Deed, from time to time to compile rules and regulations governing:
 - (i) the convening, conduct, and procedure of meetings of the Owners, the Owners' Committee and any sub-committees thereof;
 - (ii) the quorum for the conduct of business at any such meetings;
 - (iii) the establishment, appointment and constitution of sub-committees of the Owners' Committee;
 - (iv) the conduct of the ballot for the election or re-election of Owners as members of the Owners' Committee;
 - (v) all other matters to regulate the meetings of the Owners, the Owners' Committee and any sub-committees thereof and to facilitate the transaction of business thereat.
- (bc) To convene such meetings of the Owners as may be necessary or requisite and to act as secretary to keep the minutes of such meetings.
- (bd) Without prejudice to the Manager's obligations under this Deed, and subject to the Ordinance and the provisions of this Deed, to appoint or employ agents, contractors or sub-managers which may include professional property management companies to carry out the management, maintenance, operation and control of the Common Areas and Facilities or any part or parts thereof on such terms and conditions as the Manager shall reasonably think fit. For avoidance of doubt, the Manager shall not assign or transfer any of its duties or obligations under this Deed to such person or company and such person or company shall remain responsible to the Manager. The Manager shall at all times be responsible for the management and control of the whole Development.

- (be) To maintain all areas open spaces and facilities as are required to be maintained under the provisions of the Government Grant and in the manner as provided therein.
- (bf) The Manager shall have the right from time to time to appoint or employ agents, contractors or sub-managers (including professional property management companies) to perform and carry out all or any of its duties or obligations hereunder PROVIDED THAT the Manager shall not transfer or assign its duties or obligations hereunder to any such third parties who 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 Development in accordance with the provisions of this Deed and no provisions in this Deed shall operate to take away or reduce, or shall be construed to have the effect of taking away or reducing, such responsibility.
- (bg) 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 as the Manager may consider suitable and convenient to facilitate waste separation and recovery by the Owners and the occupiers of the Development and to 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 shall maintain the facilities in an environmentally acceptable and hygienic manner to avoid creating nuisance to the Owners and the occupiers of the Development. Such recyclable materials recovered from the waste separation and recovery facilities shall be properly collected, stored and sent for recycling if the Manager considers appropriate and fit to do so.
- (bh) To organize any activities as the Manager may consider appropriate on a regular basis to promote the environmental awareness of the Owners and the occupiers of the Development and to encourage the Owners and the occupiers of the Development to participate in such activities with a view to improving the environmental conditions of the Development.
- (bi) Subject to Clause 4 of this Subsection B of Section VI, to make House Rules to require the Owners and the occupiers of the Development to dispose of any rubbish properly for waste separation and recycling purposes.
- (bj) Subject to Clause 4 of this Subsection B of Section VI, to make House Rules to protect the environment of the Development and to implement noise abatement, waste reduction and recycling measures with reference to guidelines on property management issued from time to time by the Director of Environmental Protection.
- (bk) To inspect, maintain and carry out all necessary works for the maintenance of the Works and Installations (which form part of the Common Areas and Facilities).

- (bl) To ensure that the fitting out works relating to the Residential Units and the Shops are effected and completed strictly in accordance with the Fitting Out Rules and/or other fitting out works procedures from time to time set out by the Manager. All plans and designs are to be approved by the Manager in advance and the fitting out must in all respects be in strict compliance with the Government regulations relating thereto.
- (bm) To maintain, repair, operate, temporarily install, move, and have access to, over and/or on the external walls the gondola and to service, cleanse, enhance, maintain, repair, renovate, decorate, improve and/or replace any part of any exterior (which form part of the Common Areas) of the Development or any part thereof and, on prior reasonable notice to the relevant Owner, for the Manager, its servants, agents, contractors and persons duly authorized to have access to the external walls, flat roof(s), roof(s), top roof(s) and/or passages for the purposes of operating, installing, keeping, repairing, storing, maintaining, moving and/or parking the gondola and in this connection the Manager, its agents, contractors and duly authorized persons shall have the right to temporarily fence off the relevant part of such external walls, flat roof(s), roof(s), top roof(s) and/or passages PROVIDED THAT the Manager, in exercising any of its aforesaid rights, shall cause as little disturbance as reasonably practicable and shall make good any damage caused thereby.
- (bn) To remove any dogs, cats or other animals or fowls from the Land and the Development if such animals or fowls are the subjects of written complaints from at least 2 other Owners or occupiers of the Land and the Development Provided That this sub-clause shall not apply to trained guide dogs on leash for visually impaired persons and livestock, fish, poultry or other animal for business being carried out in the Shops or any part thereof. In any event, no dogs shall be permitted in the Common Areas and Facilities unless carried or on leash.
- (bo) To implement the Fire Safety Management Plan and to issue any guideline or direction from time to time relating to its implementation, including the carrying out (at the cost and expense of the relevant Owner) of annual inspection of the fire services installation within the Open Kitchen Units in accordance with the Fire Safety Management Plan.
- (bp) To remove metal grille or shutter or gate erected, affixed, installed or attached in, on or at the entrance or entrances of any Unit which shall in any way contravene this Deed or the regulations of the Fire Services Department or other authorities and/or which may in any way impede the free and uninterrupted passage over, through or along any of the Common Areas.
- (bq) To implement effective measures to restrict the installation of the supply of gas as defined under the Gas Safety Ordinance (Chapter 51 of the Laws of

Hong Kong) to the domestic part of the Development and delivery of liquefied petroleum gas cylinders to any domestic units of the Development.

- (br) To provide a suitable CCTV imaging device and trained personnel to operate the device, or secure a contract with a service provider for conducting inspection of the concealed drainage pipes by a suitable CCTV imaging device, and to arrange regular inspection of the subject pipework on a specified interval as proposed by the Authorized Person to alert any early signs of water leakage and pipe joints / pipe brackets conditions.

2. In connection with the exercise of or incidental to the Manager's rights mentioned in the preceding Clause 1, each Owner agrees that the Manager may without joining the Owners sign and/or seal and execute such deed(s) or document(s) as it or they consider(s) necessary or desirable and each Owner hereby appoints the Manager as his attorney (who may act through such officers or employees, as the attorney may from time to time appoint) to exercise effect and perform and/or to sign and/or seal and execute any deed(s) and document(s) on his behalf (if necessary in conjunction with the Manager and/or other Owners) and as his act and deed to deliver such deed(s) and document(s) as shall be required in connection with the exercise of such rights by the Manager to effectuate any of the aforesaid purposes and such Owner hereby covenants that he will ratify and confirm all that the Manager as such attorney as aforesaid shall lawfully do or cause to be done by virtue of this Deed and that the power of attorney hereby given shall bind the executor or executors and the administrator or administrators and the successor or successors and assign or assigns of such Owner and shall not be revoked by the death incapacity or the winding up (as the case may be) of such Owner.

3. An Owner shall not assign his Unit unless the relevant assignment includes the following covenants:

“The Purchaser hereby covenants with the Vendor that the Purchaser acknowledges the rights conferred on Savills Property Management Limited 第一太平戴維斯物業管理有限公司 (and its successors) (“Manager”) as Manager under the Deed of Mutual Covenant incorporating Management Agreement and to the intent that these covenants shall run with the Property and be binding on the Purchaser his executors administrators successors in title and assigns and the owner or owners thereof for the time being and any other person deriving title under the Purchaser (each and all of whom including the Purchaser is and are hereinafter included in the expression “the Covenantee Purchaser”) and be enforceable by the Vendor and its successors and assigns (other than the Purchaser) and/or the Manager that:

- (i) the Covenantee Purchaser grants confirms and acknowledges the rights liberty and privileges conferred on the Manager under the Deed of Mutual Covenant incorporating Management Agreement aforesaid and the Covenantee Purchaser shall not do or permit anything to be done which will affect the exercise of the said rights liberty and

privileges by the Manager.

- (ii) The Covenanting Purchaser hereby appoints the Manager acting singly to be its attorney (who may act through such officers or employees as the Manager may from time to time appoint) and grants unto the Manager the full right power and authority to do all acts matters and things and to execute and sign seal and as the act of the Covenanting Purchaser deliver such deed and to sign such documents or instruments as may be necessary for the exercise of or incidental to the exercise of the rights liberty and privileges conferred on the Manager as aforesaid and that the Covenanting Purchaser will ratify and confirm all that the Manager shall lawfully do or cause to be done and that the power of attorney hereby given shall bind the executor(s) and the administrator(s) and the successor(s) and the assigns of the Covenanting Purchaser and shall not be revoked by the Covenanting Purchaser or by the death incapacity or the winding up (as the case may be) of the Covenanting Purchaser.
- (iii) the Covenanting Purchaser shall abide by the provisions in the Deed of Mutual Covenant incorporating Management Agreement as if the same terms and covenants on the part of the Covenanting Owner set out therein are made directly by the Covenanting Purchaser.
- (iv) The Covenanting Purchaser shall not assign the Property unless the relevant assignment includes the same binding covenants as the covenants (i), (ii), (iii) and (iv) herein 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), (iii) and (iv) hereinbefore contained.”

4. The Manager shall have power to make House Rules before the formation of the Owners' Committee for the purpose of regulating the use operation and maintenance of the Development and any of the structures facilities services or amenities thereof and the conduct of persons occupying using or visiting the same. It may (subject to the approval of the Owners' Committee if any) from time to time revoke and amend the House Rules. The House Rules and any amendments thereto must not be inconsistent with or contravene the provisions of this Deed, the Ordinance or the conditions of the Government Grant. Such House Rules shall be binding on all of the Owners and their tenants licensees servants or agents. A copy of the House Rules from time to time in force shall be posted on the public notice board in a prominent place in the Development and a copy thereof shall be supplied to each Owner on request free of charge.

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

6. The Manager shall have power to commence proceedings for the purpose of enforcing the observance and performance by any Owner or any person occupying any part of the Development through under or with the consent of any such Owner of the covenants conditions and provisions of this Deed and of the House Rules made hereunder and of recovering damages for the breach non-observance or non-performance thereof. The provisions of Clause 4 of Subsection E of this Section hereinafter appearing shall apply to all such proceedings.

7. The Manager shall have the right and power to require each Owner to pay a proportionate part of all the expenditure lawfully incurred or to be incurred for the provision, operation, necessary repair, decoration, renovation, improvement, management, upkeep and maintenance of the Slopes and Retaining Walls (if any) and related structure (if any) and the Common Areas and Facilities as provided in this Deed Provided that prior approval by a resolution of the Owners at an Owners' meeting convened under this Deed is required for any improvement works of the Common Areas and Facilities which involves expenditure in excess of 10% of the current annual Management Budget.

8. Notwithstanding any provision to the contrary herein contained, the Manager's rights and duties to manage the Development shall not include carrying out any improvements to facilities or services which involve expenditure in excess of 10% of the current annual Management Budget except with the prior approval by resolution of Owners at the meeting of Owners convened under this Deed.

9. (a) Subject to sub-clauses (b) and (c), 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 \$200,000.00 or such other sum in substitution therefor as the Secretary for Home and Youth Affairs may specify by notice in the Gazette unless:-

(i) the supplies, goods or services are procured by invitation to tender; and

(ii) the procurement complies with the Code of Practice referred to in section 20A(1) of the Ordinance.

(b) Subject to sub-clause (c), the Manager shall not enter into any contract for the procurement of any supplies, goods or services the value of which exceeds or is likely to exceed a sum which is equivalent to 20% of the annual Management Budget or such other percentage in substitution therefor as the Secretary for Home and Youth Affairs may specify by notice in the 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 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 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 Owners convened and conducted in accordance with this Deed, and the contract is entered into with the successful tenderer.

(c) Sub-clauses (a) and (b) do not apply to any supplies, goods or services which but for this sub-clause (c) would be required to be procured by invitation to tender (referred to in this sub-clause as "relevant supplies, goods or services"):-

(i) where there is an Owners' Corporation, if:-

- (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 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.

10. 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 to be entered into by the Manager shall be subject to the following conditions: -

- (a) the term of the contract shall not exceed 3 years;
- (b) the right to be granted under the contract shall be non-exclusive and shall provide for sharing the use of the facilities and network with other service providers; and
- (c) 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.

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

12. The Manager shall have power to make the Fitting Out Rules before the formation of the Owners' Committee for the purpose of regulating the fitting out of the Residential Units and the Shops. The Manager may (subject to the approval of the Owners' Committee, if any) from time to time revoke, amend and supplement the Fitting Out Rules. The Fitting Out Rules and any amendments thereto must not be inconsistent with or contravene the provisions of this Deed, the Ordinance or the conditions of the Government Grant. The Fitting Out Rules shall be binding on the Owners of the Residential Units and the Shops and all of their tenants, licensees, servants, employees, contractors and agents. A copy of the Fitting Out Rules from time to time in force shall be deposited with the management office of the Development and a copy thereof shall, on request by an Owner, be supplied to the Owner free of charge. The Manager shall be entitled to collect from the Owner or occupier of each Residential Unit and each Shop, prior to commencement of any works in connection with any repair, renovation, fitting out of, or any work to each Residential Unit and each Shop, a deposit as security for any damage or loss as may be caused to any of the Common Areas and Facilities or any other part of the Land and the Development. The amount of such deposit shall be HK\$10,000 or such other amount as may be stipulated in the Fitting Out Rules and subject to revision from time to time as the Manager reasonably thinks fit. All such deposit(s) collected shall be held by the Manager in a separate account and shall be refunded, without interest, to the Owner or occupier within 45 days of the Owner's written notification of completion of the works to each Residential Unit and each Shop, subject to the Manager's right to deduct from such deposit any sum necessary to

compensate for all damages or losses caused by any such works, or by the Owner or occupier of the Residential Unit or the Shop or his contractor, employee, agent or servant to any part of the Common Areas and Facilities or any other part of the Land and the Development, but without prejudice to the Manager's right to claim for and recover compensation and damages for any loss and damage incurred or suffered in excess of the amount of the deposit(s).

C. Manager's Remuneration

1. The Manager's Remuneration shall not exceed ten percent (10%) per annum (which percentage may not be varied except with the approval by a resolution of the Owners at a meeting of the Owners convened under this Deed) of the total annual management expenses of the Land and the Development (excluding (i) the Manager's Remuneration itself and (ii) any capital expenditure or expenditure drawn out of the Special Fund as referred to in Clause 10 of Subsection D of this Section VI) necessarily and reasonably incurred in the management of the Land and the Development provided that by a resolution of the Owners at an Owners' meeting convened under this Deed any capital expenditure or expenditure drawn out of the Special Fund may be included for calculating the Manager's Remuneration at the rate applicable under this clause or at such lower rate as considered appropriate by the Owners. Payment of the Manager's Remuneration shall be in advance in the manner as shall be determined by the Manager. Any over-payment of the Manager's Remuneration in the year in question shall be refunded and be paid by the Manager into the management fund within 21 days of the completion of the auditing of the annual accounts for such year as provided under Clause 5 of Subsection H of this Section and any adjustment payment that needs to be made by the Owners to bring the amount paid to the Manager by way of remuneration for the year in question to the correct amount for such year calculated in accordance with the first sentence of this clause shall likewise be made within 21 days of the completion of the auditing of the annual accounts for such year.

2. The sums payable to the Manager under the provisions aforesaid shall be the net remuneration of the Manager for its services as Manager and shall not include the costs and expenses for any staff, facilities, accountancy services or other professional supervision for the Land and the Development which costs and expenses shall be a direct charge upon the management fund or the Special Fund as appropriate.

D. Management Budget and contribution by Owners

1. (a) Subject to sub-clauses (c), (e), (f) and (h) of this Clause, the total amount of management expenses payable by the Owners during any period of 12 months adopted by the Manager as the financial year in respect of the management of the Land and the Development shall be the total proposed expenditure during that year as specified by the Manager in accordance with sub-clause (b) of this Clause.

(b) In respect of each financial year, the Manager shall:-

(i) prepare a draft annual budget to be called "the Management Budget" for

the financial year setting out the proposed expenditure of the Land and the Development during the financial year;

- (ii) send a copy of the draft Management Budget to the Owners' Committee or, where there is no Owners' Committee, display a copy of the draft Management Budget in a prominent place in the Development, and cause it to remain so displayed for at least 7 consecutive days;
 - (iii) send or display, as the case may be, with the copy of the draft Management Budget a notice inviting each Owner to send his comments on the draft Management Budget to the Manager within a period of 14 days from the date the draft Management Budget was sent or first displayed;
 - (iv) after the end of that 14-day period, prepare the Management Budget specifying the total proposed expenditure of the Land and the Development during the financial year; and
 - (v) send a copy of the Management Budget to the Owners' Committee or, where there is no Owners' Committee, display a copy of the Management Budget in a prominent place in the Development and cause it to remain so displayed for at least 7 consecutive days.
- (c) Where, in respect of a financial year, the Manager has not complied with sub-clause (b) of this clause before the start of that financial year (other than the first financial year), the total amount of management expenses for that year shall:-
- (i) until the Manager 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 the Manager has so complied with, be the total proposed expenditure specified in the Management Budget for that financial year, and the amount which the Owners shall contribute towards the management expenses shall be calculated and adjusted accordingly.
- (d) Where a Management Budget has been sent or displayed in accordance with sub-clause (b)(v) of this clause and the Manager wishes to revise it, he shall follow the same procedures in respect of the revised Management Budget as apply to the draft Management Budget and Management Budget by virtue of sub-clause (b) of this clause.
- (e) Where a revised Management Budget is sent or displayed in accordance with sub-clause (d) of this clause, the total amount of management expenses for that financial year shall be the total expenditure or proposed expenditure specified in the revised 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 1 month from the date that a Management Budget or revised Management Budget for a financial year is sent or first displayed in accordance with sub-clause (b) or (d) of this clause, the Owners' Corporation decides, by a resolution of the Owners, to reject the Management Budget or revised Management Budget, as the case may be, the total amount of management expenses for the financial year shall, until another Management Budget or revised Management Budget is sent or displayed in accordance with sub-clause (b) or (d) of this clause and is not so rejected under this sub-clause, be deemed to be the same as the total amount of management expenses (if any) for the previous financial year, together with an amount not exceeding 10% of that total amount as the Manager may determine.
- (g) If any Owner requests in writing the Manager to supply him with a copy of any draft Management Budget, Management Budget or revised Management Budget, the Manager shall, on payment of a reasonable copying charge, supply a copy to that person PROVIDED THAT any charges or fee collected hereunder shall be credited to the Special Fund.
- (h) For the purposes of this Clause, "expenditure" includes all costs, charges and expenses to be borne by the Owners, including the Manager's Remuneration.

2. The financial year for the purposes of the Management Budget shall be from 1st January to 31st December in each year (both days inclusive). The first Management Budget shall be prepared by the Manager before the date falling one month after the date of this Deed and shall cover the period from the date of this Deed until, if such date is on or before 30th September of the year, 31st December of that year, or if such date is after 30th September of the year, until 31st December of the following year.

3. The management expenses in the Management Budget shall include but not limited to the following:

- (a) Government Rents for the whole of the Land if there is no separate assessment or apportionment for individual Units;
- (b) the premia payable for the insurance of the Common Areas and Facilities against fire and other perils, third party and property owners' liability, employers' liability and other liabilities as the Manager deems fit;
- (c) charges for the supply and consumption of water, gas, electricity, telephone, central air-conditioning (if any) and other utilities to in and for, and any similar charges in connection with the management and maintenance of the Land and the Development other than the Units;

- (d) the cost and expenses of maintaining the foundations, columns and other structures constructed or to be constructed for the support of the Development and such other areas or drains, nullahs, sewers, pipes, watermains and channels whether within or outside the Land that are required to be maintained under the Government Grant;
- (e) the costs of lighting, repairing, maintaining, cleaning, painting, decorating and keeping in good condition the Common Areas and Facilities including, without limitation, any Green and Innovative Features (save and except those forming part of any Units) or any part thereof;
- (f) the costs of operating the Common Facilities;
- (g) remuneration for all management staff, accountants, caretakers, security guards, watchmen, cleaners and attendants and such other staff as may be required for the proper management of the Land and the Development;
- (h) the costs of refuse collection, storage and disposal in respect of the Land and the Development;
- (i) such solicitor and legal or other fees and costs which may be reasonably and properly incurred by the Manager in the performance of any duty or in the exercise of any power hereunder;
- (j) the costs of preparing annual accounts for the Owners and of having the same properly audited by an independent certified public accountant and all reasonable professional fees and costs incurred by the Manager including fees and costs of any accountants, auditors and/or any other consultants employed in connection with the accounts or the Manager's statements as hereinafter referred to;
- (k) the Manager's Remuneration;
- (l) any other costs, charges and expenses reasonably and necessarily incurred by the Manager in the performance of any duty or in the exercise of any power under this Deed or under any Sub-Deed or Sub-Deeds in respect of any part or parts of the Land and the Development;
- (m) all reasonable professional fees and costs incurred by the Manager including fees and costs of surveyors, rating surveyors, valuers, architects, engineers and others employed in connection with the management, maintenance and improvement of the Land and the Development;
- (n) the cost of postage, stationery, printing and other sundry items incurred by the Manager in connection with the management of the Land and the

Development;

- (o) headquarters' back-up, secretarial and accounting charges in connection with the management of the Land and the Development;
- (p) salaries, training activities and recruitment expenses, overtime pay, provision for severance payment and long services payment, fringe benefits (if any) and bonuses (if any) of such staff employed by the Manager and expenses of other support/back up services or facilities for the administration and management of the Land and the Development or such proportionate part thereof which are provided by the head office of the Manager for the Development as well as any other lands, estates and buildings as reasonably determined by the Manager to be attributable to the Development Provided That the Manager shall record in its books and records relating to the Development details of the expenses involved, the reason for incurring the same, the portion which the Development has to bear and the basis of apportioning such expenses among the developments and buildings involved

but such costs, charges and expenses shall exclude expenditure of a capital nature or of a kind not expected to be incurred annually, which shall be payable out of the Special Fund hereinafter mentioned. Expenditure of a capital nature or of a kind not expected to be incurred annually shall include but not limited to those relating to establishment, improvement and replacement of installations, systems, facilities, equipment and apparatus within or forming part of the Common Areas and Facilities Provided that prior approval by a resolution of the Owners at an Owners' meeting convened under this Deed is required for any improvement works referred to in this clause which involves expenditure in excess of 10% of the current annual Management Budget.

4. Each annual Management Budget shall be divided into the following parts:

- (a) Part A shall cover the estimated management expenses which in the opinion of the Manager are attributable to the Land and the Development and the Development Common Areas and the Development Common Facilities or for the benefit of all the Owners (excluding those estimated management expenses contained in Part B and Part C of the Management Budget);
- (b) Part B shall contain the estimated management expenses which in the opinion of the Manager are attributable solely to the Residential Units and the Residential Common Areas and the Residential Common Facilities or solely for the benefit of all the Owners of the Residential Units including but not limited to the expenditure for the operation, maintenance, repair, cleaning, lighting and security of the Recreational Facilities; and
- (c) Part C shall contain the estimated management expenses which in the opinion of the Manager are attributable solely to the Shops and the Commercial Common Areas and the Commercial Common Facilities or solely for the benefit of the Owners of the Shops.

5. Subject to Clause 1 of this Section above, the annual Management Budget shall be reviewed by the Owners' Committee (when it has been established pursuant to the provisions of this Deed) or by the Owners' Corporation (if formed), and in light of such review, the Manager may alter such Management Budget based on the suggestions of the Owners' Committee or the Owners' Corporation and the Management Budget as reviewed or altered as aforesaid shall be deemed adopted.

6. The Manager shall determine the amount which each Owner shall contribute towards the management expenses in accordance with the following principles:

- (a) Each Owner of a Unit of the Development shall contribute to the amount assessed under Part A of the annual Management Budget in the proportion which the number of the Management Shares allocated to his Unit bears to the total number of the Management Shares allocated to all Units of and in the Development;
- (b) Each Owner in addition to the amount payable under (a) above shall in respect of each Residential Unit of which he is the Owner contribute to the amount assessed under Part B of the annual Management Budget in the proportion which the number of Management Shares allocated to his Residential Unit bears to the total number of the Management Shares allocated to all Residential Units of and in the Development; and
- (c) Each Owner in addition to the amount payable under (a) above shall in respect of each Shop of which he is the Owner contribute to the amount assessed under Part C of the annual Management Budget in the proportion which the number of Management Shares allocated to the Shop owned by him bears to the total number of the Management Shares allocated to all the Shops of and in the Development

Provided however that notwithstanding any provisions to the contrary herein contained no Owner may be called upon to pay more than his appropriate share of the management expenses. The First Owner shall make payments and contributions towards the management expenses which are of a recurrent nature in respect of those Units and Undivided Shares unsold provided that it shall not be obliged to make the payments and contributions aforesaid in respect of the Units and Undivided Shares allocated to any part(s) of the Development the construction of which has not been completed except to the extent that such uncompleted part(s) benefit(s) from the provisions of this Deed as to management and maintenance of the Development.

7. The Manager shall determine the amount which each Owner shall contribute towards the management expenses in accordance with the provisions of this Deed and shall determine the time and place of payment and unless otherwise determined by the Manager each Owner shall on the first day of each and every calendar month (whether legally demanded or not) pay to the Manager a sum representing one-twelfth of such Owner's liability to contribute to the management expenses for that year.

8. (a) Without prejudice to the proviso in Clause 6 of this Subsection, in the event of

a deficiency occurring or seeming to the Manager likely to occur or if there shall be any change in circumstances which in the opinion of the Manager (whose decision shall be conclusive save for manifest error) require any revision to the Management Budget, the Manager may at any time during the financial year prepare a revised Management Budget in accordance with the procedures set out in Clause 1(b) of Subsection D of this Section. Such revised Management Budget shall be reviewed by the Owners' Committee and the provisions of Clauses 1(d) and 5 of Subsection D of this Section shall apply mutatis mutandis to the revised Management Budget as to the annual Management Budget. A revised Management Budget may be further revised as often as the Manager considers reasonably necessary.

- (b) The Manager shall also have the power, in the event of a revised Management Budget completed pursuant to and in accordance with sub-clause (a) hereof, to add to the amount to be contributed monthly by any Owner such additional amount as shall be necessary to meet revised estimated expenditure in any financial year to the intent that any such amounts shall form part of the monthly contribution of such Owner to the management expenses and be recoverable accordingly.
9. (a) Notwithstanding any provision to the contrary herein contained, the Manager shall be entitled in its discretion:
- (i) to charge the Owners a reasonable administrative fee for granting and processing any consent required from the Manager pursuant to this Deed which consent must not be unreasonably withheld Provided that no other fees can be charged for granting and processing such consent;
 - (ii) 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;
 - (iii) from time to time to make rules and regulations governing the supply and use of electricity air-conditioning water to the Common Areas and Facilities, 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 Government; and
- (b) the Manager shall be entitled in its discretion to enter with or without workmen at all reasonable times on prior written notice (except in case of emergency) upon all parts of the Land and the Development necessary for the purpose of replacing, repairing and maintaining any of the electricity water conduits lines mains and pipes serving any part of the Land and the Development whether or not the same belong exclusively to any Unit Provided that the Manager shall at his own expense repair any damage caused

thereby and shall be liable for its negligent, criminal or wilful acts or the negligent, criminal or wilful acts of its workmen or sub-contractors Provided further that the Manager shall ensure that the least disturbance and inconvenience are caused;

Provided always that all monies fees or charges received by the Manager under the provisions of this Clause shall be held by the Manager on trust for all the Owners for the time being and shall be credited to the Special Fund.

10. (a) There shall be established and maintained by the Manager one Special Fund for the purpose of paragraph 4 of Schedule 7 to the Ordinance, which Special Fund comprises three sub-categories as follows:-
- (i) There shall be established and maintained by the Manager a sub-category of the Special Fund in respect of the Development Common Areas, the Development Common Facilities and any areas or facilities whether within or outside the Land that are required to be maintained by the Owners under the Government Grant for payment of expenditure of a capital nature or of a kind not expected to be incurred annually which shall include, inter alia, expenses for the renovation, improvement and repair of the Development Common Areas and the Development Common Facilities and the purchase, setting up, replacement, improvement and addition of installations, systems, equipment, tools, plant and machineries for the Development Common Areas and the Development Common Facilities and the costs of the relevant investigation works and professional services.
 - (ii) There shall be established and maintained by the Manager a sub-category of the Special Fund in respect of the Residential Common Areas and the Residential Common Facilities for payment of expenditure of a capital nature or of a kind not expected to be incurred annually which shall include, inter alia, expenses for the renovation, improvement and repair of the Residential Common Areas and the Residential Common Facilities and the purchase, setting up, replacement, improvement and addition of installations, systems, equipment, tools, plant and machineries for the Residential Common Areas and the Residential Common Facilities and the costs of the relevant investigation works and professional services.
 - (iii) There shall be established and maintained by the Manager a sub-category of the Special Fund in respect of the Commercial Common Areas and the Commercial Common Facilities for payment of expenditure of a capital nature or of a kind not expected to be incurred annually which shall include, inter alia, expenses for the renovation, improvement and repair of the Commercial Common Areas and the Commercial Common Facilities and the purchase, setting up,

replacement, improvement and addition of installations, systems, equipment, tools, plant and machineries for the Commercial Common Areas and the Commercial Common Facilities and the costs of the relevant investigation works and professional services.

- (b) (i) The Manager shall open and maintain at a bank within the meaning of section 2 of the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) an interest-bearing account, the title of which shall refer to the relevant sub-category of the Special Fund for the Development and that account shall be used exclusively for the purposes referred to in sub-clauses (a)(i), (a)(ii) or (a)(iii) above (as the case may be) and managed by the Manager on trust for all Owners.
 - (ii) All sums in each sub-category of such Special Fund shall be the property of the Owners.
 - (iii) Reference shall be made to each sub-category of the Special Fund in the annual accounts in respect of the management of the Development and an estimate shall be made in such accounts of the time when there will be a need to draw on the Special Fund, and the amount of money that will be then needed.
 - (iv) Without prejudice to the generality of Clause 10(b)(i) of this Subsection 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 Special Fund.
 - (v) The Manager shall display a document showing evidence of any account opened and maintained under Clause 10(b)(i) or Clause 10(b)(iv) in a prominent place in the Development.
- (c) Each Owner covenants with the other Owners that he shall make further periodic contributions to the Special Fund. The amounts to be contributed by the Owners to the Special Fund 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.
- (d) Except in a situation considered by the Manager to be an emergency, no money shall be paid out of the Special Fund unless it is for a purpose approved by a resolution of the Owners' Committee (if any). The Manager must not use the Special Fund for the payment of any outstanding management expenses

arising from or in connection with the day-to-day management of the Development.

- (e) The payments made by the Owners towards the Special Fund are neither refundable to any Owner by the Manager nor transferable to any new Owner.
- (f) The Manager shall without delay pay all money received by the Manager in respect of the Special Fund into the account opened and maintained under Clauses 10(b)(i) of this Subsection above or, if there is an Owners' Corporation, the account or accounts opened and maintained under Clause 10(b)(iv) of this Subsection above.

E. Security for and recovery of moneys due to Manager

1. Except where the First Owner has made payments in accordance with Clause 2 hereunder, the first Owner of each Unit shall upon the assignment of the Unit from the First Owner :

- (a) 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 equivalent to 3 months' monthly contribution of the first year's budgeted management expenses and such sum shall not be used to set off against monthly contribution of the management expenses or any other contributions to be made by him and such sum is non-refundable but transferable; and
- (b) pay to the Manager a sum equivalent to 2 months' monthly contribution of the first year's budgeted management expenses as payment in advance of the first 2 months' contribution of the first year's budgeted management expenses and such sum is neither refundable nor transferable;
- (c) pay to the Manager a sum equivalent to two months' monthly contribution of the first year's budgeted management expenses as his initial contribution to the Special Fund (in respect of such contribution, the Manager shall reasonably apportion such initial contribution amongst the relevant respective sub-categories of the Special Fund and in proportion to the number of Management Shares allocated to his Unit) and such sum is neither refundable nor transferable;
- (d) pay to the Manager a non-refundable and non-transferable debris removal charge in the sum equivalent to 1 month's monthly contribution of the first year's budgeted management expenses (in the case of a Residential Unit) or 1 month's monthly contribution of the first year's budgeted management expenses (in the case of a Shop) which shall be applied by the Manager towards the cost of removal from the Development of any debris or rubbish which may accumulate as a result of the initial fitting-out of the Units. Any debris removal charge paid but not used for debris collection or removal shall

be paid into and form part of the Special Fund; and

- (e) pay to the Manager a non-refundable but transferable sum to be determined by the Manager in the proportion which the number of the Management Shares allocated to his Unit bears to the total number of the Management Shares allocated to all Units of and in the Development as the contribution to the utility charge deposits for utilities such as electricity, water, gas for the Common Areas and Facilities.

For the avoidance of doubt (and in addition and without prejudice to the other rights of the Manager under this Deed), the Manager shall have the right to set off the deposit under the preceding Clause 1(a) of this Subsection against any sums payable by an Owner under this Deed. The Manager shall be under no obligation to exercise such right of set-off and in any proceedings by the Manager against an Owner in respect of any default in payment, such Owner shall have no right to require the Manager to mitigate its loss by exercising its right of set-off prior to its exercising its other rights under this Deed in respect of such default. If the Manager shall have exercised its right of set-off as aforesaid, it shall have the right to require the relevant Owner or his successor in title to replenish the deposit to an amount equivalent to 3 months' monthly management contribution of management expenses currently payable by him in respect of the part of the Development which he owns.

2. The First Owner shall also pay to the Manager the amounts payable under the preceding Clauses 1(a), (c) and (d) of this Subsection if he remains the owner of those Undivided Shares allocated to the Units in that part of the Development the construction of which has been completed and which remain unsold 3 months after the date of execution of this Deed.

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

- (a) Interest on the amount unpaid calculated from the date on which it first becomes due at a rate of not exceeding two per cent per annum above the prime rate from time to time specified by The Hongkong and Shanghai Banking Corporation Limited; and
- (b) A collection charge of not exceeding ten per cent of the amount due to cover the cost (other than legal costs of proceedings as hereinafter mentioned) of the extra work occasioned by the default.

4. 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 incurred in connection with recovering or attempting to recover the same shall be recoverable by civil action at the suit of the Manager and the claim in any such action may include a claim for the solicitor and own client costs of the Manager in such action. In any such action the Manager shall conclusively be deemed to be acting as the agent or agents for

and on behalf of the Owners as a whole and no Owner sued under the provisions of this Deed shall raise or be entitled to raise any defence of want of authority or take objection to the right of the Manager as plaintiff to sue or to recover such amounts as may be found to be due.

5. 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 30 days of the date on which the same became payable the amount thereof together with interest as aforesaid and the said collection charge and all costs and expenses which may be incurred in recovering or attempting to recover the same including the legal expenses referred to in Clause 4 of this Subsection and in registering the charge hereinafter referred to shall stand charged on the Undivided Share(s) of the defaulting Owner and the Manager may discontinue providing management services to the defaulting Owner and shall be entitled without prejudice to any other remedy hereunder to register a Memorial of such charge in the Land Registry against the Undivided Share(s) and the Unit or Units held therewith of the defaulting Owner. Such charge shall remain enforceable as hereinafter mentioned notwithstanding that judgment has been obtained for the amount thereof unless and until such judgment has been satisfied.

6. Any charge registered in accordance with the last preceding paragraph shall be enforceable as an equitable charge by action at the suit of the Manager for an order for sale of the Undivided Share(s) of the defaulting Owner together with the right to the exclusive use occupation and enjoyment of the Unit held therewith and the provisions of Clause 4 of this Subsection shall apply equally to any such action.

F. Application of monies received by Manager

1. Subject to Section VIII hereof, all insurance moneys compensation received or damages recoverable by the Manager in respect of any damage or loss suffered in respect of any part of the Land and the Development shall be expended by the Manager in the repair rebuilding or reinstatement of that part of the Land and the Development.

2. Where any compensation damages costs or expenses are received or recovered (as the case may be) by the Manager in respect of any matter or thing for which claim has been made against the Owners or any of them as provided in Clause 4 of Subsection E of this Section, the same shall after deduction of any costs or expenses incurred by the Manager in recovering the same be credited to the management fund.

3. All moneys paid to the Manager by way of interest and collection charges shall be credited to the Special Fund.

G. Owners' interest in funds

Any person ceasing to be an Owner of any Undivided Share(s) in the Land and the Development shall thereupon cease to have any interest in the funds held by the Manager including the deposit paid under Clauses 1(a) and (e) of Subsection E of this Section and the Special Fund to the intent that all such funds shall be held and applied for the management of

the Land and the Development irrespective of changes in the ownership of the Undivided Share(s) in the Land and the Development PROVIDED that any deposit paid under Clauses 1(a) and (e) of Subsection E of this Section shall be transferred into the name of the new Owner of such Undivided Share(s) AND PROVIDED further that upon the Land reverting to the Government or no renewal of the Government Grant being obtainable or upon the rights and obligations hereunder being extinguished as provided in Section VIII hereof, any balance of the said funds or in the case of extinguishment of rights and obligations as aforesaid an appropriate part of the said funds shall be divided between the then Owners of the Development in proportion to the respective contributions made by them or their respective predecessors under the provisions of Subsection D of this Section 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.

H. Management records and accounts

1. The financial year may not be changed more than once in every five (5) years unless that change is previously approved by a resolution of the Owners' Committee (if any).
2.
 - (a) The Manager shall open and maintain an interest-bearing account and shall use that account exclusively in respect of the management of the Development.
 - (b) Without prejudice to the generality of sub-clause (a) above, if there is an Owners' Corporation, the Manager shall open and maintain one or more segregated interest-bearing accounts, each of which shall be designated as a trust account or client account, for holding money received by the Manager from or on behalf of the Owners' Corporation in respect of the management of the Development.
 - (c) The Manager shall display a document showing evidence of any account opened and maintained under sub-clause (a) or (b) above in a prominent place in the Development.
 - (d) Subject to sub-clauses (e) and (f), the Manager shall without delay pay all money received by him in respect of the management of the Development into the account opened and maintained under sub-clause (a) or, if there is an Owners' Corporation, the account or accounts opened and maintained under sub-clause (b).
 - (e) Subject to sub-clause (f), the Manager may, out of money received by him in respect of the management of the Development, retain or pay into a current account a reasonable amount to cover expenditure of a minor nature, but that amount shall not exceed such figure as is determined from time to time by a resolution of the Owners' Committee (if any).
 - (f) The retention of a reasonable amount of money under sub-clause (e) or the payment of that amount into a current account in accordance with that

sub-clause and any other arrangement for dealing with money received by the Manager shall be subject to such conditions as may be approved by a resolution of the Owners' Committee (if any).

- (g) Any reference in this Clause 2 to an account is a reference to an account opened with a bank within the meaning of section 2 of the Banking Ordinance (Chapter 155 of the Laws of Hong Kong), the title of which refers to the management of the Development.

3. The Manager shall maintain proper books or records of account and other financial records and shall keep all bills, invoices, vouchers, receipts and other documents referred to in those books and records for at least 6 years.

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

5. Within 2 months after the end of each financial year, the Manager shall prepare an income and expenditure account and balance sheet for that year, display a copy of the income and expenditure account and balance sheet in a prominent place in the Development and cause it to remain so displayed for at least 7 consecutive days. Such accounts shall be audited by auditors appointed by the Manager provided always that prior to the formation of the Owners' Corporation, the Owners at an Owners' meeting convened under this Deed shall have power to require such annual accounts to be audited by an independent auditor of their choice. Each income and expenditure account and balance sheet shall include details of the Special Fund required by Clause 10 of Subsection D of this Section and an estimate of the time when there will be a need to draw on the Special Fund, and the amount of money that will be then needed.

6. The Manager shall:-

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

7. The Manager shall have power to appoint a firm of certified public accountants to audit the accounts and records of the Manager concerning the management of the Development and to certify the annual accounts prepared in accordance with the foregoing clauses and the accountant's fees shall be part of the management expenses. The Manager shall further have power to replace such firm and to appoint another firm in their place as it may deem necessary from time to time provided that the Owners' Committee or the

Owners at a meeting of the Owners may choose to appoint an auditor of their choice from time to time. 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:-

- (a) 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
 - (b) 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.
8. (a) Subject to sub-clause (b) of this Clause 8, if the Manager's appointment ends for any reason, he shall, as soon as practicable after its appointment ends, and in any event within 14 days of the date its appointment ends, deliver to the Owners' Committee (if any) or the Manager appointed in its place any movable property in respect of the control, management and administration of the Development that is under its control or in its custody or possession, and that belongs to the Owners' Corporation (if any) or the Owners.
- (b) If the Manager's appointment ends for any reason, he shall within 2 months of the date its appointment ends:
- (i) prepare:
 - (1) an income and expenditure account for the period beginning with the commencement of the financial year in which its appointment ends and ending on the date its appointment ends; and
 - (2) a balance sheet as at the date its appointment ends,

and shall arrange for that account and balance sheet to be audited by an accountant or by some other independent auditor specified in a resolution of the Owners' Committee (if any) or, in the absence of any such specification, by such accountant or other independent auditor as may be chosen by the Manager; and
 - (ii) deliver to the Owners' Committee (if any) or the Manager appointed in its place any books or records of accounts, papers, documents and other records which are required for the purposes of the preceding sub-clause (b)(i) of this Clause 8 and have not been delivered under sub-clause (a) of this Clause 8.

SECTION VII

A. Meetings of the Owners

1. An annual general meeting of the Owners of the Development shall be held at least once a year commencing with the year following that in which the Occupation Permit is issued. The Owners of the Development may meet from time to time as occasion may require to discuss and decide matters concerning the management of the Land and the Development.

2. (a) A meeting of the Owners of the Development may be convened by:-

- (i) the Owners' Committee;
- (ii) the Manager; or
- (iii) an Owner appointed to convene such a meeting by Owners of not less than 5% of the Undivided Shares in aggregate in the Land and the Development.

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

3. No business shall be transacted at any meeting unless a quorum is present when the meeting proceeds to business and 10% of the Owners shall be a quorum. For the purpose of this clause, the reference to "10% of the Owners" shall be construed as a reference to 10% of the number of the persons who are Owners without regard to their ownership of any particular percentage of the total number of Undivided Shares into which the Development is divided and shall not be construed as the Owners of 10% of the Undivided Shares in aggregate.

4. The only persons entitled to attend any such meeting and vote thereat shall be

Owners of the Development or the representative or representatives of the Owner or Owners of the Development duly appointed by the Owner or Owners in writing.

5. A meeting of the Owners shall be presided over by the Chairman of the Owners' Committee or, if the meeting is convened under Clause 2(a)(ii) or (iii) of this Subsection A, the person convening the meeting.

6. (a) All resolutions passed at such meeting by a majority of the Owners present in person or by proxy and voting shall be binding on all the Owners and the Manager of the Development Provided that such resolutions shall not be contrary to any of the covenants terms and conditions contained in this Deed and the Government Grant.

(b) An instrument appointing a proxy shall be in the form set out in Form 1 in Schedule 1A to the Ordinance, and shall be signed by the Owner, or if the Owner is a body corporate, shall notwithstanding anything to the contrary in its constitution, be impressed with the seal or chop of that body corporate and signed by a person authorized by the body corporate in that behalf.

(c) The instrument appointing a proxy shall be lodged with the Chairman of the Owners' Committee or, if the meeting is convened under Clause 2(a)(ii) or (iii) of this Subsection A, the person convening the meeting at least 48 hours before the time for the holding of the meeting.

(d) 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.

7. A resolution put to the vote of the meeting shall be decided by a majority of votes by a poll to be taken at such time and in such manner as the Manager shall direct.

8. At a meeting of the Owner,

(a) an Owner shall have one vote for each Undivided Share he owns;

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

(c) where 2 or more persons are the co-owners of an Undivided Share, the vote in respect of that Undivided Share may be cast:-

(i) by a proxy jointly appointed by the co-owners;

(ii) by a person appointed by the co-owners from amongst themselves;
or

(iii) if no appointment is made under (i) or (ii), either by one of the co-owners personally or by proxy appointed by one of the co-owners.

(d) Where two 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.

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

9. The Manager shall send a representative or representatives to all such meetings and a record of the persons present at the meeting and the proceedings thereof shall be kept.

10. The Manager shall convene the first meeting of the Owners as soon as possible but in any event not later than nine months after the date of this Deed (and to convene further and subsequent meetings if required) to (a) appoint an Owners' Committee and the chairman thereof; or (b) appoint a management committee for the purpose of forming an Owners' Corporation under the Ordinance. The first Chairman shall act until the first annual general meeting when the post of Chairman shall fall vacant and an election for Chairman shall be held. Thereafter a Chairman shall be elected at each annual general meeting for the ensuing year.

11. The function of the Owners' Committee is to represent the Owners of the Land and the Development in all dealings with the Manager and to undertake such other duties as the Manager may with the approval of the Owners' Committee delegate to the Owners' Committee and without in any way limiting the generality of the foregoing:

- (a) to liaise and consult with the Manager in respect of all matters concerning the management of the Land and the Development;
- (b) to apply if thought fit for registration as a corporation under the Ordinance;
- (c) prior to the formation of the Owners' Corporation, to remove the Manager of the Development with the sanction of a resolution at a meeting of the Owners of the Development duly convened and passed by a majority of votes of Owners voting either personally or by proxy in an Owners' meeting and supported by Owners holding not less than fifty percent (50%) of the Undivided Shares in aggregate (excluding the Undivided Shares allocated to the Common Areas and Facilities) in the Development and upon the giving to the Manager not less than three months' notice in writing;

- (d) to appoint (whether in place of any Manager removed or to fill any vacancy) any service company or agent as a Manager of the Development upon the termination of the then Manager's employment;
- (e) to undertake consider review and/or exercise all or any of the powers and duties conferred on the Owners' Committee by virtue of the provisions of this Deed.

12. Notwithstanding any provisions herein contained, the Undivided Shares allocated to the Common Areas and Facilities shall not be taken into account for the purpose of voting or calculating the quorum of any meeting. Accordingly, the Undivided Shares as referred to in Clause 8 of this Subsection shall not include the Undivided Shares allocated to the Common Areas and Facilities.

13. The procedure at a meeting of the Owners shall be as is determined by the Owners.

B. Meetings of the Owners' Committee

1. A meeting of the Owners' Committee may be convened at any time by the Chairman or any 2 members of the Owners' Committee.

2. In the election of the members to the Owners' Committee, the Owners shall endeavour to elect such number of representatives from the Owners for the time being of the Development to represent the Owners PROVIDED THAT the total number of representatives shall not be less than 5. For the time being and unless and until otherwise determined by a meeting of the Owners, there shall be 3 representatives for the Owners of the Residential Units, 1 representative for the Owners of the Shops and 1 representative for the Owners of the Signage Areas.

3. Any Owner (including any one or two or more co-owners) for the time being of the Undivided Share(s) in the Land and the Development shall be eligible for election to the Owners' Committee. In the event of an Owner being a corporate body, the representative(s) appointed by such Owner shall be eligible for such election. The appointment of a representative or representatives by a corporate body shall be in writing addressed to the Owners' Committee and may be revoked at any time on notice in writing given to the Owners' Committee.

4. A member of the Owners' Committee shall hold office until retirement from office at every alternate annual general meeting of Owners next following his appointment or election provided that:

- (a) He shall nevertheless cease to hold office if:
 - (i) he resigns by notice in writing to the Owners' Committee;

- (ii) he ceases to be eligible; or
 - (iii) he becomes bankrupt or insolvent or is convicted of a criminal offence other than a summary offence not involving dishonesty.
 - (b) If in any annual general meeting at which an election of the Owners' Committee should take place, the office of the retiring members or any of them is not filled, or if in any year no annual general meeting is held, the members of the Owners' Committee shall continue to be in office until the next annual general meeting.
5. Retiring members of the Owners' Committee shall be eligible for re-election.
6. Subject to Clause 2 above, the Owners' Committee may appoint any eligible Owner to fill any casual vacancy or as an additional member for the current term.
7. The Owners' Committee may continue to act notwithstanding any vacancies in the number provided that the number is not reduced below 3. In the event that the number is reduced below 3, the remaining member of the Owners' Committee may act but only for the purpose of calling for a meeting of the Owners to elect an Owners' Committee.
8. Any one or more members of the Owners' Committee may be removed from office by resolution passed at a meeting of the Owners and new members of the Owners' Committee may be elected in the place of those removed from office.
9. The Owners' Committee shall have full power to make rules and by-laws regulating the conduct and procedure of its meetings and the performance of its duties and obligations provided that no such regulation or by-laws shall be contrary to or inconsistent with the provisions of this Deed.
10. (a) The officers of the Owners' Committee ("Officers") shall be:
- (i) the Chairman;
 - (ii) the secretary; and
 - (iii) such other officers (if any) as the Owners' Committee may from time to time elect.
- (b) The Officers shall be elected by the Owners, such election to be held at or as soon as reasonably possible after the annual general meeting at which the Owners' Committee is elected and at such other times as may be necessary.
- (c) All casual vacancies of the Officers shall be filled by election or appointment by the members of the Owners' Committee as it may from time to time determine.

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

12. The quorum at a meeting of the Owners' Committee shall be 50% of the members of the Owners' Committee (rounded up to the nearest whole number), or 3 such members, whichever is the greater.

13. 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.

14. At a meeting of the Owners' Committee, each member present shall have 1 vote on a question before the Owners' Committee and if there is an equality of votes, the Chairman shall have, in addition to a deliberative vote, a casting vote.

15. The procedure at a meeting of the Owners' Committee shall be as is determined by the Owners' Committee.

C. Procurement of supplies, goods or services by the Owners' Committee

1. Subject to provisions in Schedule 7 to the Ordinance, the procurement of supplies, goods or services by the Owners' Committee that involves an amount in excess of or likely to be in excess of HK\$200,000 (or such other sum as the Secretary for Home and Youth Affairs may specify by notice in the Gazette) or an amount which is or is likely to be more than 20% of the Management Budget (or such other percentage as the Secretary for Home and Youth Affairs may specify by notice in the Gazette), whichever is the lesser, must be by invitation to tender and the standards and guidelines as may be specified in the Code of Practice referred to in section 20A of the Ordinance will apply to the Owners' Committee with any appropriate variations.

SECTION VIII

REINSTATEMENT

1. In the event of the whole or any part or parts of the Development being so damaged by fire typhoon earthquake subsidence or other cause so as to render the same substantially unfit for use or habitation or occupation, the Owners of not less than 75% of the Undivided Shares allocated to the damaged part(s) of the Development (excluding the Undivided Shares allocated to the Common Areas and Facilities) may convene a meeting of the Owners of the part or parts of the Development so affected, and such meeting may resolve in the manner prescribed in Clause 2 of this Section VIII that by reason of insufficiency of insurance monies changes in building law and/or regulations or any other circumstances whatsoever it is not practicable to reinstate and rebuild such part or parts of the Development, then and in such event the Undivided Shares in the Land and the Development representing such part or parts 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 either private treaty or public auction and to distribute the net proceeds of sale amongst the Owners of such Undivided Shares in proportion to the respective Undivided Shares previously held by such former Owners. All insurance moneys received in respect of any policy insurance on such part or parts of the Development shall likewise be distributed amongst such former Owners. In such event, all the rights privilege obligations and covenants of such Owners under this Deed or any other deed shall be extinguished so far as the same relate to such part or parts of the Development Provided Always That if it is resolved to reinstate or rebuild such part or parts of the Development, each Owner of such part or parts shall pay his due proportion of the excess of the cost of reinstatement or rebuilding of such part or parts over and above the proceeds from the insurance of such part or parts and that until such payment the same will be a charge upon his interest in the Land and the Development and be recoverable as civil debt. The resolution is to be binding upon all the Owners of the damaged part(s) of the Development.

2. Notwithstanding anything herein contained to the contrary, the following provisions shall apply to a meeting under the provisions of this Section:

- (a) Every such meeting shall be convened by at least 14 days' prior notice in writing given by the person convening such meeting either personally or by post addressed to the Owners at their last known addresses or by leaving the notices at the Owners' Units or depositing the notices in the letter boxes of their Units;
- (b) Subject to sub-clause (1) of this Clause 2, no business shall be transacted at any meeting unless a quorum is present throughout the meeting and Owners present in person or by proxy who in the aggregate have vested in them not less than seventy-five percent (75%) of the total number of Undivided Shares in the damaged part or parts of the Development shall be a quorum;

- (c) Subject to sub-clause (l) of this Clause 2, if within half an hour from the time appointed for the meeting a quorum be not present the meeting shall stand adjourned to the same time and day in the next week at the same place;
- (d) The Owners present in such meeting shall choose one of them to be the chairman of the meeting;
- (e) The chairman of the meeting shall cause a record to be kept of the persons present at the meeting and notes of the proceedings thereof;
- (f) Subject to sub-clause (l) of this Clause 2, every Owner shall have one vote for each Undivided Share vested in him and in the case of Owners who together are entitled to one such Undivided Share such Owners shall jointly have one vote for each such Undivided Share and in case of dispute the first named of such Owners shall have the right to vote;
- (g) Votes may be given either personally or by proxy;
- (h) An instrument appointing a proxy shall be in the form set out in Form 1 in Schedule 1A to the Ordinance, and shall be signed by the Owner, or if the Owner is a body corporate, shall, notwithstanding anything to the contrary in its constitution, be impressed with the seal or chop of that body corporate and signed by a person authorized by that body corporate in that behalf. The instrument appointing a proxy shall be lodged with the Chairman of the meeting or the person convening the meeting pursuant to this Deed, at least 48 hours before the time for the holding of the meeting. A proxy appointed by an Owner to attend and vote on behalf of the Owner, shall, for the purposes of the meeting, be treated as being the Owner present at the meeting;
- (i) Subject to sub-clause (l) of this Clause 2, a resolution passed by not less than seventy-five percent (75%) majority of the Owners present in person or by proxy and voting at a duly convened meeting of the Owners present in person or by proxy who in the aggregate have vested in them not less than seventy-five percent (75%) of the Undivided Shares allocated to the damaged part or parts of the Development shall be binding on all the Owners of such part or parts 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) Subject to sub-clause (l) of this Clause 2, a resolution in writing signed by Owners who in the aggregate have vested in them for the time being not less than seventy-five percent (75%) of the Undivided Shares allocated to the part or parts of the Development in question 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 Owners shall not invalidate the meeting or any resolution passed thereat;
- (l) Notwithstanding any provisions herein contained, the Undivided Shares allocated to the Common Areas and Facilities shall not be taken into account for the purpose of voting or calculating the quorum. Accordingly, the Undivided Shares as referred to in the Clauses 2(b), (f), (i) and (j) of this Section shall not include the Undivided Shares allocated to the Common Areas and Facilities.

SECTION IX

EXCLUSIONS AND INDEMNITIES

The Manager, its employees, agents or contractors and the Owners' Committee 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 to be done in pursuance or purported pursuance of the provisions of this Deed not being an act or omission involving criminal liability or dishonesty or negligence on the part of the Manager, its employees, agents or contractors or the Owners' Committee and the Owners shall fully and effectually indemnify the Manager, its employees, agents or contractors and the Owners' Committee from and against any action, proceeding, claim and demand whatsoever arising directly or indirectly out of or in connection with any such act, deed, matter or thing done or omitted to be done not involving criminal liability or dishonesty or negligence as aforesaid and all costs and expenses in connection therewith. For the avoidance of doubt, no provision of this Deed shall operate to require, or shall be construed to have the effect of requiring, any Owner to indemnify the Manager or its employees, agents or contractors from and against any action, proceedings, claim and demand whatsoever arising out of or in connection with any act or omission involving criminal liability, dishonesty or negligence on the part of the Manager or its employees, agents or contractors. Without in any way limiting the generality of the foregoing, the Manager, its employees, agents or contractors and the Owners' Committee shall not be held liable for any damage, loss or injury caused by or in any way arising out of:

- (a) any defect in or failure or breakdown of any of the Common Areas or the Common Facilities; or
- (b) any failure, malfunction or suspension of the supply of water, electricity or other utility or service to the Development; or
- (c) fire or flooding or the overflow or leakage of water or other effluent from anywhere whether within or outside the Development; or
- (d) the activity of termites, cockroaches, rats, mice or other pests or vermin; or
- (e) theft, burglary, robbery or crime within the Development;

unless it can be shown that such damage, loss or injury was caused by an act or omission of the Manager, its employees, agents or contractors and the Owners' Committee involving criminal liability or dishonesty or negligence and Provided that the 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.

SECTION X

MISCELLANEOUS

1. All outgoings (including Government rent, rates, management expenses) up to and inclusive of the date of the first assignment by the First Owner of each Unit shall be paid by the First Owner and no Owner shall be required to make any payment or reimburse the First Owner for such outgoings. Without prejudice to any provisions contained in this Deed, no person shall, after ceasing to be an Owner of any Undivided Share, be liable for any debts, liabilities or obligations under the covenants and provisions of this Deed in respect of such Undivided Share and the part of the Development held therewith except in respect of any breach, non-observance or non-performance by such person of any such covenants or provisions prior to his ceasing to be the Owner thereof.
2. Each Owner shall notify the Manager of the name and address in Hong Kong of the person authorized by him to accept service of process. Any Owner not occupying or using his Unit shall provide the Manager with an address in Hong Kong for service of notices under the provisions of this Deed, failing which the address of such Unit is deemed to be his address for service.
3. There shall be public notice boards at such prominent places in the Development as the Manager may from time to time determine. There shall be exhibited on each of such public notice boards a copy of the House 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 three consecutive days shall be due notice of the contents thereof to each Owner, his tenants, licensees, servants and agents.
4. Subject as hereinbefore provided in the case notices to be affixed to the public notice boards, all notices or demands required to be served hereunder shall be sufficiently served if served personally upon the party to be served or sent by post addressed to the party to whom the notices or demands are given at his last known address 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 chargor, such notice may also be served on the chargee, if a company, at its registered office or last known place of business in Hong Kong and, if an individual, at his last known place of business or residence. 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.
5. 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 Common Areas, the Common Facilities

and to the Undivided Shares held therewith.

6. (a) (i) No provision in this Deed shall contradict, overrule or fail to comply with or in any way be construed or constructed so as to contradict, overrule or fail to comply with the provisions of the Ordinance and the Schedules thereto.
 - (ii) The First Owner shall deposit a copy of Schedules 7 and 8 to the Ordinance (in both English and Chinese versions) in the management office of the Development for reference by all Owners free of costs and for taking copies at their own expense and upon payment of a reasonable charge. All charges received will be credited to the Special Fund.
 - (b) At any time after the formation and during the existence of the Owners' Corporation under the Ordinance, the Owners' meeting convened under this Deed shall be replaced and substituted by the general meeting of the Owners' Corporation and the Owners' Committee formed under this Deed shall be replaced and substituted by the management committee of the Owners' Corporation.
 - (c) Upon execution of this Deed, the First Owner shall assign the whole of the Undivided Shares in the Common Areas and Facilities together with the Common Areas and Facilities free of costs or consideration to the Manager appointed under this Deed who must hold the said Undivided Shares as trustee for all Owners and, if an Owners' Corporation is formed under the Ordinance, it may require the Manager, in accordance with this Deed to assign the Undivided Shares in the Common Areas and Facilities and transfer the management responsibilities to it free of costs or consideration, in which event, the Owners' Corporation must hold such Undivided Shares on trust for all the Owners. On termination of the Manager's appointment, the Manager must assign the Undivided Shares in the Common Areas and Facilities free of costs or consideration to its successor in office as the Manager who must hold the said Undivided Shares on trust for the benefit of all the Owners.
7. The First Owner shall at its own costs and expenses provide a direct translation in Chinese of this Deed and deposit a copy of this Deed and its Chinese translation at the management office of the Development within one month after the date of this Deed. Copies of this Deed and its Chinese translation shall be made available for inspection by all Owners free of costs at the management office of the Development. A copy of this Deed or its Chinese translation or both shall be supplied by the Manager to an Owner on request and upon payment of a reasonable charge. All charges received shall be credited to the Special Fund. In the event of dispute as to the effect or construction of this Deed and its Chinese translation, the English text of this Deed shall prevail.

8. A set of the plans annexed hereto showing the Common Areas and Facilities shall be kept at the management office of the Development for inspection by the Owners during normal office hours free of costs and charges.

9. The Undivided Shares allocated to the Common Areas and Facilities shall not carry any voting rights at any meeting whether under this Deed, the Ordinance or otherwise or liability to pay any fees or charges under this Deed. Such Undivided Shares shall not be taken into account for the purpose of calculating the quorum of any meeting under this Deed, the Ordinance or otherwise.

10. (a) The First Owner at its own costs and expenses has prepared a schedule of all major works and installations (“the Works and Installations”) in the Development, which require regular maintenance on a recurrent basis. The schedule of the Works and Installations is set out in the Fourth Schedule to this Deed (subject to revisions as provided for in sub-clauses (e) and (f) below).
- (b) The First Owner shall at its own costs and expenses prepare and compile for the reference of the Owners and the Manager a maintenance manual for the Works and Installations 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; and
 - (vii) recommended maintenance cycle of the Works and Installations.
- (c) The First Owner shall deposit a full copy of the maintenance manual for the Works and Installations in the management office of the Development within one month after the date of this Deed for inspection by all Owners free of charge and taking copies on payment of a reasonable charge. All charges received shall be credited to the Special Fund.

- (d) The Owners shall at their own costs and expenses inspect, maintain and carry out all necessary works for the maintenance of the Development and such parts of the Development the sole and exclusive right and privilege to hold, use, occupy and enjoy the same as may be held by the respective Owners including the Works and Installations.
- (e) The schedule and the maintenance manual for the Works and Installations may be revised in future to take into account any necessary changes, including but not limited to addition of works and installations in the Development and the updating of maintenance strategies in step with changing requirements.
- (f) The Owners may, by a resolution of the Owners at an Owners' meeting convened under this Deed, decide on revisions to be made to the schedule and the maintenance manual for the Works and Installations, in which event the Manager shall procure from a qualified professional or consultant the revised schedule and the revised maintenance manual for the Works and Installations within such time as may be prescribed by the Owners in an Owners' meeting convened under this Deed.
- (g) All costs incidental to the preparation of the revised schedule 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 Development within one month after the date of its preparation for inspection by all Owners free of charge and taking copies on payment of a reasonable charge. All charges received shall be credited to the Special Fund.

11. (a) Subject to sub-clause (b) below, all Sub-Deed(s) (if applicable) made under this Deed shall be drafted in accordance with the guidelines prescribed by the Law Society ("Guidelines") save and except those Guidelines already incorporated in this Deed and remain applicable to matters to be governed by the Sub-Deed.

(b) For drafting of a Sub-Deed, if compliance of the Guidelines will be in conflict with the provisions of this Deed, the Guidelines shall only apply to the extent necessary to avoid any such conflict. If a Sub-Deed fulfils all of the conditions set out in (i), (ii) and (iii) below, the Guidelines shall not be applicable to that Sub-Deed of Mutual Covenant:

- (i) where the Sub-Deed relates only to the internal sub-division of an existing unit and by the Sub-Deed there will be no alteration to the Common Areas or liability for management or other charges under this Deed; and
- (ii) where by virtue of the Sub-Deed, no area will be designated as common areas for the sub-divided units; and

- (iii) where the Sub-Deed has complied with paragraph 6 of the Guidelines in allocation of undivided shares and management shares.

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

13. The locations of Green and Innovative Features of the Development as at the date hereof are, where possible, shown on the Plans.

14. In this Deed (if the context permits or requires) words importing the singular number only shall include the plural number, and vice versa; words importing the masculine gender only shall include the feminine gender and the neuter gender; words importing persons shall include corporations and vice versa; references to clauses and schedules are to be construed as references to clauses of, and schedules to, this Deed.

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

THE FIRST SCHEDULE ABOVE REFERRED TO

The Government Grant

A Government Lease deemed to have been granted under and by virtue of the Government Leases Ordinance (Chapter 40 of the Laws of Hong Kong) for the further term of 75 years commencing immediately from the expiry of the initial term of 75 years from the 4th day of September 1923 created under the Conditions of Exchange No.1320, particulars of which are as follows:-

- (a) Term : 75 years commencing from the 4th day of September 1923 with a right of renewal for a further term of 75 years
- (b) Lot No. : Aplichau Inland Lots Nos. 46 and 47

THE SECOND SCHEDULE ABOVE REFERRED TO

(Allocation of Undivided Shares)

Summary of allocation of Undivided Shares

	<u>Description</u>	<u>No. of Undivided Shares</u>
1.	Residential Units	26500
2.	Shops	3409
3.	Signage Areas	833
4.	Common Areas and Facilities	1000
TOTAL UNDIVIDED SHARES :		31742

Allocation of Undivided Shares to each Residential Unit

Floor	Residential Unit	Number of Residential Unit	Number of Undivided Shares allocated to each Residential Unit
5/F	Flat A	1	293
	Flat B	1	271
	Flat C	1	190
	Flat D	1	229
	Flat E	1	225
6/F – 27/F	Flat A	19	294
	Flat B	19	271
	Flat C	19	190
	Flat D	19	252
	Flat E	19	254
28/F	Flat A	1	314
	Flat B	1	284
	Flat C	1	198
	Flat D	1	267
	Flat E	1	270
Total number of Undivided Shares allocated to Residential Units:			26500

Note:

13/F, 14/F and 24/F are omitted in the Development.

Allocation of Undivided Shares to each Shop

Floor	Shop	Number of Shop	Number of Undivided Shares allocated to each Shop
G/F	Shop 1	1	369
	Shop 2	1	337
	Shop 3	1	460
G/F and 1/F	Shop 5	1	2243
Total number of Undivided Shares allocated to Shops:			3409

Allocation of Undivided Shares to each Signage Area

Signage Area	Number of Signage Area	Number of Undivided Shares allocated to each Signage Area
Signage Area 1	1	94
Signage Area 2	1	91
Signage Area 2A	1	90
Signage Area 3	1	286
Signage Area 5	1	272
Total number of Undivided Shares allocated to Signage Areas:		833

THE THIRD SCHEDULE ABOVE REFERRED TO

(Allocation of Management Shares)

Summary of allocation of Management Shares

	<u>Description</u>	<u>No. of Management Shares</u>
1.	Residential Units	26500
2.	Shops	3409
3.	Signage Areas	833
TOTAL MANAGEMENT SHARES :		30742

Allocation of Management Shares to each Residential Unit

Floor	Residential Unit	Number of Residential Unit	Number of Management Shares allocated to each Residential Unit
5/F	Flat A	1	293
	Flat B	1	271
	Flat C	1	190
	Flat D	1	229
	Flat E	1	225
6/F – 27/F	Flat A	19	294
	Flat B	19	271
	Flat C	19	190
	Flat D	19	252
	Flat E	19	254
28/F	Flat A	1	314
	Flat B	1	284
	Flat C	1	198
	Flat D	1	267
	Flat E	1	270
Total number of Management Shares allocated to Residential Units:			26500

Note:

13/F, 14/F and 24/F are omitted in the Development.

Allocation of Management Shares to each Shop

Floor	Shop	Number of Shop	Management Shares allocated to each Shop
G/F	Shop 1	1	369
	Shop 2	1	337
	Shop 3	1	460
G/F and 1/F	Shop 5	1	2243
Total number of Management Shares allocated to Shops:			3409

Allocation of Management Shares to each Signage Area

Signage Area	Number of Signage Area	Number of Management Shares allocated to each Signage Area
Signage Area 1	1	94
Signage Area 2	1	91
Signage Area 2A	1	90
Signage Area 3	1	286
Signage Area 5	1	272
Total number of Management Shares allocated to Signage Areas:		833

THE FOURTH SCHEDULE ABOVE REFERRED TO

Works and Installations as at the date of this Deed :

- (i) structural elements;
- (ii) external wall finishes and roofing materials;
- (iii) fire safety elements;
- (iv) the slope structures (if applicable);
- (v) plumbing system;
- (vi) drainage system;
- (vii) fire services installations and equipment;
- (viii) electrical wiring system;
- (ix) lift installations (if applicable);
- (x) gas supply system;
- (xi) window installations; and
- (xii) other major items (e.g. central air-conditioning and ventilation system, swimming pool and filtration system etc.)

THE FIFTH SCHEDULE ABOVE REFERRED TO

The Fire Safety Management Plan includes, without limitation, the following requirements as at the date of this Deed:

- (1) Addressable sounder-based smoke detectors provided inside the Open Kitchen Units and addressable smoke detectors at the protected lobby outside the Open Kitchen Units should not be removed or obstructed;
- (2) Concealed type sprinkler head provided in the Open Kitchen area should not be removed or obstructed;
- (3) The full height wall having an FRR of not less than -/30/30 adjacent to the exit door of the Open Kitchen Unit should not be removed;
- (4) Self-closing devices of main entrance of the Open Kitchen Units should not be removed; and
- (5) The fire service installation in (1) and (2) above should be subject to annual maintenance conducted by the Manager's registered fire service installation contractor.

The fire safety management staff should assist the Owners to carry out annual inspection and maintenance of the fire service installations and the maintenance certificate will be submitted by the registered fire service installation contractor to the Fire Services Department. The Owner should allow access for the registered fire service installation contractor to carry out annual check and maintenance.

SEALED with the Common Seal of)

STAR VALUE INVESTMENTS LIMITED)

星樺投資有限公司,)

the First Owner,)

and SIGNED by)

whose signature(s) is/are verified by:)



SEALED with the Common Seal)

of SAVILLS PROPERTY)

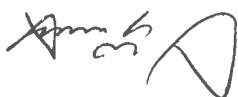
MANAGEMENT LIMITED)

第一太平戴維斯物業管理有限公司,)

the DMC Manager, and)

SIGNED by WONG LAI HUNG CATHERINE)

whose signature(s) is/are verified by:)



Ian Yip

SIGNED SEALED AND DELIVERED)

by the Covenantee Owner)

in the presence of:)

Emily Ng




Amy S.T. Ho
Clerk to Messrs. Katherine Y.W. Or & Co.
Solicitors, Hong Kong SAR

INTERPRETED to the Covenantee Owner by:-


Amy S.T. Ho
Clerk to Messrs. Katherine Y.W. Or & Co.
Solicitors, Hong Kong SAR

I hereby verify the signature
of Amy S.T. Ho


WILFRED S. W. CHIU
Solicitor, HKSAR
Katherine Y. W. Or & Co. Solicitors

Dated the 4th day of November 2024.

STAR VALUE INVESTMENTS LIMITED
星樺投資有限公司

and

SAVILLS PROPERTY MANAGEMENT LIMITED
第一太平戴維斯物業管理有限公司

and

NG KA LAI
(吳嘉麗)

DEED OF MUTUAL COVENANT INCORPORATING
MANAGEMENT AGREEMENT

OF

SECTION A OF APLICHAU INLAND LOT NO. 46,
SECTION B OF APLICHAU INLAND LOT NO. 46,
SECTION C OF APLICHAU INLAND LOT NO. 46, AND
THE REMAINING PORTION OF APLICHAU INLAND LOT NO. 46

KAO, LEE & YIP
SOLICITORS & NOTARIES
17TH FLOOR, GLOUCESTER TOWER
THE LANDMARK, CENTRAL
HONG KONG SAR

K/LWY/86315/MK/MM (CV)