

DATED 7th day of October 2024

LANADA (BVI) COMPANY LIMITED

and



and

INVENTOR PROPERTY SERVICE COMPANY LIMITED
(智臻物業服務有限公司)

DEED OF MUTUAL COVENANT
AND MANAGEMENT AGREEMENT

of

BONDLANE I (連方 I), No.233 Yee Kuk Street,
Kowloon, Hong Kong

erected on

THE REMAINING PORTION OF SUB-SECTION 1 OF SECTION A OF
NEW KOWLOON INLAND LOT NO.976,
THE REMAINING PORTION OF SUB-SECTION 2 OF SECTION A OF
NEW KOWLOON INLAND LOT NO.976,
THE REMAINING PORTION OF SUB-SECTION 3 OF SECTION A OF
NEW KOWLOON INLAND LOT NO.976,
THE REMAINING PORTION OF SUB-SECTION 4 OF SECTION A OF
NEW KOWLOON INLAND LOT NO.976,
THE REMAINING PORTION OF SUB-SECTION 5 OF SECTION A OF
NEW KOWLOON INLAND LOT NO.976,
THE REMAINING PORTION OF SECTION A OF
NEW KOWLOON INLAND LOT NO.976 AND
THE REMAINING PORTION OF NEW KOWLOON INLAND LOT NO.980

**Baker
McKenzie.**

貝克·麥堅時律師事務所

BAKER & McKENZIE
14th Floor, One Taikoo Place,
979 King's Road, Quarry Bay,
Hong Kong



註冊摘要編號 Memorial No.:
24103101670028

本文書於2024年10月31日在土地註冊處
以上述註冊摘要編號註冊。

This instrument was registered in the
Land Registry by the above Memorial
No. on 31 October 2024.

Joyce Tam

土地註冊處處長
Land Registrar

Ref: EDC:KACW:10153827-51030404
CON: 93252



DOC
註冊摘要編號 Memorial No.:
24103101670028

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THIS DEED is made on the 7th day of October 2024

BETWEEN:

- (1) **LANADA (BVI) COMPANY LIMITED**, a company incorporated under the laws of the British Virgin Islands with limited liability, whose registered office is situate at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands and the principal place of business in Hong Kong is situate at Room A, 43/F, Bank of China Tower, 1 Garden Road, Central, Hong Kong (the “**First Owner**”);
- (2) [REDACTED] of [REDACTED] (the “**First Assignee**”); and
- (3) **INVENTOR PROPERTY SERVICE COMPANY LIMITED (智臻物業服務有限公司)** whose registered office is situate at Room 1607, NEO, 123 Hoi Bun Road, Kwun Tong, Hong Kong (the “**Company**”).

NOW THIS DEED WITNESSES as follows:

1. DEFINITIONS

In this Deed the following definitions apply unless the context otherwise requires:

“**Adjacent Land and Development**” means the HTS Lot and the HTS Development both as defined in the Deed of Mutual Grant;

“**Advance Payment**” means a sum equal to 2 months’ Monthly Management Fees payable for a Unit during the first Financial Year;

“**Authorized Person**” means Leung Heung Kwan, Ellis of Andrew Lee King Fun & Associates Architects Limited of 19th Floor, Universal Trade Centre, 3 Arbuthnot Road, Central, Hong Kong or any other authorized person as defined in Section 2(1) of the Buildings Ordinance (Cap. 123) for the time being appointed by the First Owner in his place;

“**Budget**” means, in relation to a Financial Year, the budget of the Management Expenses which is prepared and sent or (as the case may be) displayed in accordance with Clause 10.2(a) by the Manager and has not been rejected under Clause 10.2(e), including all revisions thereto made in compliance with Clause 10.2(c); and “**approval**”, when used in relation to the Budget, means the preparation and sending or (as the case may be) displaying of the budget in accordance with Clause 10.2(a) and the fact of its not being rejected under Clause 10.2(e) and “**approve**”, when used in relation to the Budget, shall be construed accordingly;

“**Building Plans**” means the plans for the development of the Development approved by the Director of Buildings and, where required, the Director of Lands, and all approved amendments thereto;

“**Commercial Accommodation**” means the non-domestic unit in the Development, which is for identification purpose coloured Red on the Plans (collectively the

“Coloured Red Areas” in this definition), in respect of which the Right to Occupy belongs to the Owner of the Shares allocated to such non-domestic unit, including:

- (a) all shopfront, glazing, window panes, window frames, doors, door frames, louvers, louver frames of the Coloured Red Areas;
- (b) all lavatories and sanitary appliances in the Coloured Red Areas;
- (c) all internal finishes (including plastering, paints, wallpapers) of the Coloured Red Areas;
- (d) all non-structural or non-load bearing internal partitions of the Coloured Red Areas;
- (e) the inner half of any non-structural or non-load bearing elements separating the Coloured Red Areas from any area coloured as Common Parts on the Plans;
- (f)
 - (i) the upper half of any floor slab of that non-domestic unit separating the Coloured Red Areas from any area coloured as Common Parts on the Plans and the lower half of any ceiling slab of that non-domestic unit separating the Coloured Red Areas from any area coloured as Common Parts on the Plans, and any beam supporting that ceiling slab;
 - (ii) the entire thickness of any slab separating Coloured Red Areas from any other Coloured Red Areas, and any beam supporting that slab;
- (g) water-proofing system on the floor slab of the Coloured Red Areas;
- (h) any external wall (and Signs, external finishes, claddings and features thereon), façade and shop front of that non-domestic unit coloured as Red on the elevation plans forming part of the Plans;
- (i) any flat roof and outdoor staircase in the Coloured Red Areas and the glass balustrades enclosing such flat roof and outdoor staircase;
- (j) the lift located in the Coloured Red Areas and its associate fittings, fixtures, equipment, installations, lift shaft and lift pit; and
- (k) all systems, equipment, facilities, machinery, fixtures, fittings, Conduits serving exclusively any or some of the above;

but shall exclude (notwithstanding paragraphs (a) to (k) of this definition):

- (l) structural or load bearing elements enclosing, adjoining or inside the Coloured Red Areas other than any matter included in paragraph (f) or (i) of this definition;
- (m) any Conduits located inside the Coloured Red Areas which do not exclusively serve that non-domestic unit or any part thereof;

“Common Parts” means all areas, systems, equipment, facilities, machinery, fixtures,

fittings, Conduits or other matters in the Land:

- (a) which are intended for the common use and benefit of different Owners, occupiers, licensees or invitees of the Land or any part thereof;
- (b) as will fall within the definition of “common parts” in section 2 of the Ordinance; or
- (c) which are from time to time designated by the First Owner to be Common Parts in accordance with this Deed.

The expression shall include (subject to the provisions of this Deed) the matters referred to in Schedule 1 to the Ordinance and shall also include those areas of the Development which are (for identification purpose) coloured Yellow, Yellow Hatched Black, Yellow Stippled Black, Green and Green Hatched Black on the Plans. To avoid doubt, the expression shall exclude any system, equipment, facility, machinery, fixture, fitting or Conduit which serves only one Unit;

“**Covered Landscape Areas**” means those areas of the Development which are (for identification purpose) coloured Yellow Stippled Black on the Plans;

“**Common Parts Shares**” means the Shares allocated to the Common Parts under this Deed;

“**Common Utilities Deposits**” means the water, electricity, gas and other utilities deposits in respect of the Common Parts;

“**Conduits**” includes sewers, drains, pipes, wires, cables, ducts, risers, gutters, flues, watercourses, fibres and any medium for the passage or transmission of soil, sewage, water, gas, electricity, air, smoke, information or other matters, and associated equipment and structures;

“**Debris Removal Charge**” means a sum equal to one month’s Monthly Management Fees payable for the Flat concerned during the first Financial Year;

“**Decoration Deposit**” means the Decoration Deposit referred to in Schedule 7, paragraph 26;

“**Deed of Mutual Grant**” means the Deed of Mutual Grant of Easement and Rights dated 7th October 2024 and registered in the Land Registry by Memorial No. 24103001620018 whereby, among other things, (i) certain rights or easement to use part or parts of the Common Parts is granted to or conferred upon the owners, occupiers and licensees of the Adjacent Land and Development and (ii) certain right or easement to use part or parts of the common parts built or to be built on the Adjacent Land and Development is granted or conferred upon the Owners, occupiers and licensees of the Land and the Development, and shall include any other documents having the effect of a variation or modification thereof;

“**Development**” means the development erected on the Land known as “**BONDLANE I**” (連方 I); and shall include all systems, equipment, facilities, machinery, fixtures,

fittings and Conduits from time to time provided or installed therein;

“Development Common Parts” means:

- (a) those areas of the Development which are (for identification purpose) coloured Green and Green Hatched Black on the Plans (**“Coloured Green Areas”** in this definition);
- (b) all glazing, window panes, window frames, doors, door frames, louvres, louvre frames of the Coloured Green Areas;
- (c) all internal finishes (including plastering, paints, wallpapers) of the Coloured Green Areas;
- (d) internal partitions (whether structural or load bearing or not) inside the Coloured Green Areas;
- (e) all structural or load bearing elements of the Development (save to the extent forming part of any Unit and the Residential Common Parts);
- (f) the Transformer Room Facilities;
- (g) the foundations of the Development;
- (h) those parts of the façade, external walls or parapets (including the glazing, windows, window panes, window frames, louvers, louvers frames, external finishes, claddings and architectural fins and features thereon, if any) of the Development which are for identification purpose coloured Green on the elevation plans forming part of the Plans;
- (i) the Slope Structures within the Land (if any);
- (j) the Setback Area; and
- (k) those Common Parts which:
 - (i) are provided or installed for the common use and benefit of the Owners, occupiers, licensees or invitees of different Flats and the Commercial Accommodation; or
 - (ii) do not form part of the Residential Common Parts;

“Development Management Expenses” means all Management Expenses which, in the opinion of the Manager:

- (a) are attributable to the Development Common Parts, or for the common benefit of the Owners, occupiers, licensees or invitees of different Flats and the Commercial Accommodation; or
- (b) do not form part of the Residential Management Expenses;

“Development Rules” means rules governing the Land from time to time in force made under this Deed;

“Estimated Management Expenses” means any of the following (as the case may be):

- (a) the proposed Management Expenses set out in the approved Budget for the Financial Year in question;
- (b) if and for so long as Clause 10.2(b)(i) applies, the Management Expenses (if any) for the previous Financial Year; and
- (c) if and for so long as Clause 10.2(e) applies, the Management Expenses for the previous Financial Year, together with the additional amount permitted under Clause 10.2(e);

and the expressions **“Estimated Development Management Expenses”** and **“Estimated Residential Management Expenses”** shall be construed accordingly;

“Financial Year” means 1st January to 31st December in any year except that the first Financial Year shall start on the date of this Deed and end on:

- (a) 31st December of the same year; or
- (b) if this Deed is executed after 30th September of that year, 31st December of the next year;

or such other period as may be decided by the Manager under Clause 10.19;

“Fire Safety Management Plan” means the fire safety management plan a copy of which is annexed to this Deed as Appendix 2;

“First Assignee’s Unit” means [REDACTED] Shares and the attached Right to Occupy [REDACTED] of the Development;

“Flat” means a domestic unit in the Development, in respect of which the Right to Occupy belongs to the Owner of the Shares allocated to such domestic unit, including:

- (a)
 - (i) any balcony, utility platform or air-conditioner platform held with and forming part of such domestic unit, each balcony, utility platform or air-conditioner platform forming part of any domestic unit is, for the purpose of identification, marked “BAL.” (in case of a balcony) or “UP.” (in case of a utility platform) or “A/C” (in case of an air-conditioner platform) on the Plans; and
 - (ii) any roof held with and forming part of such domestic unit;
- (b) railings or glass balustrades enclosing a balcony, utility platform, air-conditioner platform or roof held with and forming part of such domestic unit;

- (c) all glazing, window panes and window frames, doors, door frames, louvres, louvre frames of the domestic unit;
- (d) all sanitary appliances in the domestic unit;
- (e) all internal finishes (including plastering, paints, wallpapers) of such domestic unit (or of any balcony, utility platform, air-conditioner platform or roof held with and forming part of the domestic unit);
- (f) all non-structural or non-load bearing internal partitions of the domestic unit;
- (g)
 - (i) the inner half of any non-structural or non-load bearing elements (including any non-structural or non-load bearing wall and parapet) separating that domestic unit (or of any balcony, utility platform, air-conditioner platform or roof held with and forming part of the domestic unit) from another domestic unit (or any balcony, utility platform, air-conditioner platform or roof held with and forming part of that other domestic unit) or from any area coloured as Common Parts on the Plans;
 - (ii) notwithstanding (i) above, the entire thickness of any parapet separating a roof held with and forming part of that domestic unit from any area coloured as Common Parts on the Plans, excluding finishes on the side of that parapet facing the area coloured as Common Parts on the Plans;
- (h)
 - (i) the upper half of any floor slab of that domestic unit (or any roof held with and forming part of that domestic unit) separating that domestic unit (or any roof held with and forming part of that domestic unit) from any other domestic unit and the lower half of any ceiling slab of that domestic unit separating that domestic unit from any other domestic unit (or any roof held with and forming part of that other domestic unit) but excluding any slab separating any balcony or utility platform or air-conditioner platform held with and forming part of a domestic unit from any balcony or utility platform or air-conditioner platform held with and forming part of another domestic unit; and
 - (ii) the entire thickness of any floor slab separating the domestic unit and any roof held with and forming part of that domestic unit;
- (i) water-proofing system on the floor slab of the domestic unit or any balcony, utility platform, air-conditioner platform or roof held with and forming part of such domestic unit; and
- (j) all systems, equipment, facilities, machinery, fixtures, fittings, Conduits serving exclusively the domestic unit and/or any roof held with and forming part of the domestic unit;

but shall exclude (notwithstanding paragraphs (a) to (j) of this definition):

- (k) structural or load bearing elements enclosing, adjoining or inside the domestic unit (or any balcony, utility platform, air-conditioner platform or roof held with

and forming part of the domestic unit) other than any matter included in paragraph (h) of this definition;

- (l) the entire façade, all external walls (whether structural or not), all external parapets of the Development, and external finishes, claddings and features thereon, if any; and
- (m) any Conduits located inside such domestic unit, or any balcony, utility platform, air-conditioner platform or roof held with and forming part of the domestic unit, which do not exclusively serve the domestic unit or any balcony, utility platform, air-conditioner platform or roof held therewith, or any part thereof;

“Geotechnical Guidelines” means “Geoguide 5 - Guide to Slope Maintenance” (as amended or substituted from time to time) and any other relevant geotechnical guidelines or regulations issued by the Geotechnical Engineering Office or any other Government department from time to time;

“Government” means the Government of Hong Kong and any relevant statutory authority or body;

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

“Land” means the parcels of land registered in the Land Registry as The Remaining Portion of Sub-Section 1 of Section A of New Kowloon Inland Lot No.976, The Remaining Portion of Sub-Section 2 of Section A of New Kowloon Inland Lot No.976, The Remaining Portion of Sub-Section 3 of Section A of New Kowloon Inland Lot No.976, The Remaining Portion of Sub-Section 4 of Section A of New Kowloon Inland Lot No.976, The Remaining Portion of Sub-Section 5 of Section A of New Kowloon Inland Lot No.976, The Remaining Portion of Section A of New Kowloon Inland Lot No.976 and The Remaining Portion of New Kowloon Inland Lot No.980; and, where the context permits, shall include the Development thereon;

“Land Grant” means the Government Leases in respect of New Kowloon Inland Lot No.976 and New Kowloon Inland Lot No.980 respectively including all amendments, variations, modifications or extensions thereof or waivers, licences, or consents or no-objections by the Government of or in relation to any provision contained therein, made or effected from time to time after the date of the Land Grant;

“Management Expenses” means the Management Expenses more particularly described in Clause 10.1;

“Management Fees Deposit” means a sum equal to 3 months’ Monthly Management Fees payable for a Unit during the first Financial Year;

“Management Funds” means all moneys held by the Manager under this Deed including payments on account of Monthly Management Fees, Advance Payments, Management Fees Deposits, Common Utilities Deposits, Debris Removal Charges and the Special Fund;

“Management Shares” means the management shares allocated to the Units in accordance with Schedule 2;

“Manager” means the Company or any other manager from time to time appointed as manager of the Land under this Deed and, in the absence of any such appointment, the Owners’ Committee;

“Manager’s Remuneration” means the remuneration to the Manager for managing the Land under this Deed;

“Monthly Management Fees” means the monthly management fees payable by an Owner in respect of each Unit which he has the Right to Occupy, calculated in accordance with Clause 10.3(c);

“Non-enclosed Areas” means the balconies, utility platforms and air-conditioner platforms in the Development and the covered areas beneath such balconies, utility platforms and air-conditioner platforms;

“Ordinance” means the Building Management Ordinance (Cap. 344);

“Owner” means a person who for the time being appears from the records at the Land Registry to be the owner of a Share and a registered mortgagee in possession of a Share; and for this purpose, **“registered mortgagee”** means:

- (a) a person to whom the interest of a person referred to above in the Development has been mortgaged or charged under a mortgage or charge which has been registered in the Land Registry; and
- (b) a person in whose favour a charge upon a Unit has been created by virtue of any Ordinance;

“Owners’ Committee” means a Committee of the Owners formed under Clause 12;

“Owners’ Corporation” means a corporation of Owners formed under the Ordinance;

“Plans” means the plans annexed to this Deed as Appendix 1, the accuracy of which has been certified by or on behalf of the Authorized Person;

“Recreational Facilities” means those areas of the Development which are (for identification purpose) coloured Yellow Hatched Black on the Plans and the recreational and sporting facilities from time to time provided in such areas;

“Residential Common Parts” means those Common Parts which are, in the opinion of the Manager, provided or installed for the common use and benefit of Owners, occupiers, licensees or invitees of different Flats; and shall include:

- (a) those areas of the Development which are (for identification purpose) coloured Yellow, Yellow Hatched Black and Yellow Stippled Black on the Plans (collectively the **“Coloured Yellow Areas”** in this definition);

- (b) all glazing, window panes, window frames, doors, door frames, louvers and louver frames of any Coloured Yellow Areas;
- (c) all internal finishes (including plastering, paints, wallpapers) of the Coloured Yellow Areas;
- (d) internal partitions (whether structural or load bearing or not) inside the Coloured Yellow Areas;
- (e) the inner half of any non-structural or non-load bearing element (including any non-structural or non-load bearing wall and parapet) separating the Coloured Yellow Areas from any domestic unit in the Development (or of any balcony, utility platform, air-conditioner platform or roof held with and forming part of the domestic unit) or from any area which is coloured on the Plans as another type of Common Parts or as Commercial Accommodation;
- (f) the inner half of any structural or load bearing element (including ceiling or floor slab of the Coloured Yellow Areas) separating the Coloured Yellow Areas from any area which is coloured on the Plans as another type of Common Parts, and any beam supporting that ceiling slab (if that element is a ceiling slab of the Coloured Yellow Areas);
- (g)
 - (i) those parts of the façade, external walls or parapets (including the glazing, windows, window panes, window frames, louvers, louvers frames, external finishes, claddings and architectural fins and features thereon, if any) of the Development below the Fifth Floor of the Development which are for identification purpose coloured Yellow on the elevation plans forming part of the Plans; and
 - (ii) those parts of the façade, external walls and any non-structural prefabricated external walls forming part thereof (the locations of which are for identification purpose indicated with Red Dotted Lines on the Plans) or parapets of the Development on or above the Fifth Floor of the Development (including the external finishes, claddings and architectural fins and features thereon, if any)
- (h) any water-proofing system on the top of the floor slab of any Coloured Yellow Areas;
- (i) the structural and load bearing elements of the Development which only serves or supports different Flats and/or any Coloured Yellow Areas;
- (j) the lifts located in the Coloured Yellow Areas and associate fittings, fixtures, equipment, installations, lift shafts and lift pits;
- (k) the Recreational Facilities;
- (l) the Covered Landscape Areas;
- (m) the Supports, Connections and Openings for the Covered Footbridge;

- (n) the gondola system of the Development;
- (o) all systems, equipment, facilities, machinery, fixtures, fittings, Conduits serving exclusively any or some of the above;

“Residential Management Expenses” means all Management Expenses which are, in the opinion of the Manager, attributable to the Residential Common Parts or for the common benefit of Owners, occupiers, licensees or invitees of different Flats;

“Right to Occupy” means the exclusive right and privilege of an Owner, vis-à-vis the other Owners, and the Manager or (as the case may be) the Owners’ Corporation as owner of the Common Parts Shares, to hold, use, occupy and enjoy a Unit attached to any Share owned by him and to receive the rents and profits arising from the Unit;

“Setback Area” means those areas of the Development which are (for identification purpose) coloured Green Hatched Black on the Plans;

“Share” means an equal undivided share in the Land and the Development;

“Sign” includes any sign, visual display, hoarding, showcase, signboard, bill plate, fascia, poster, advertisement, banner or other similar fixture or fitting (illuminated or otherwise);

“Slope Maintenance Manuals” means the slope maintenance manual(s) for the Slope Structures, prepared pursuant to the Geotechnical Guidelines, if any;

“Slope Structures” means all slopes, slopes treatment works, retaining walls and other structures within or outside the Land, to be maintained by the grantee (and its successors and assigns) under the Land Grant, if any;

“Special Fund” means the fund referred to in Clause 10.4;

“Special Fund Initial Contribution” means a sum equal to 2 months’ Monthly Management Fees payable for a Unit during the first Financial Year;

“Supports, Connections and Openings for the Covered Footbridge” means the supports, connections and openings provided or to be provided within the Land for receiving the covered footbridge constructed or to be constructed above the service lane outside the boundaries of the Land and connecting the Adjacent Land and Development;

“Transformer Room Facilities” means the transformer room(s) in the Development (which is for identification purpose marked “TRANSFORMER ROOM” on Ground Floor Plan of the Plans), cable accommodations and associated facilities;

“Unit” means a Flat or the Commercial Accommodation; and shall, where the context permits, include the Shares allocated to and the attached Right to Occupy that Flat or the Commercial Accommodation;

“W&I Maintenance Manual” shall have the meaning given in Clause 14.11 and shall

include all revisions thereto made in accordance with this Deed; and

“**Works and Installations**” means the works and installations in the Development from time to time listed out in Schedule 8.

2. **INTERPRETATION**

In this Deed, unless the context otherwise requires:

- (a) words importing the singular include the plural and vice versa;
- (b) words importing any gender include every gender;
- (c) words importing persons include firms, companies, corporations and unincorporated bodies and vice versa;
- (d) references to Clauses, Schedules and Appendices are references to the relevant clause in or schedule or appendix to this Deed;
- (e) the index and headings to the Clauses, Schedules, Appendices and paragraphs shall not affect the interpretation of this Deed;
- (f) references to a specific ordinance include any extension, modification or re-enactment of that ordinance and any delegated legislation made under it;
- (g) references to any obligation on any person not to do any act or thing include an obligation not to allow that act or thing to be done by another person;
- (h) without prejudice to any other provisions of this Deed, references to any Government bureau, department or official shall include a reference to any other Government bureau, department or official from time to time substituting the first mentioned Government bureau, department or official or performing (in whole or in part) such of the functions performed by the first mentioned Government bureau, department or official on the date of execution of this Deed as are relevant for the purpose of this Deed;
- (i) references to “**law**” include all rules of common law and equity, ordinances, subsidiary and subordinate legislation, orders, rules and regulations, any other matters having the force of law, any notice, order, demand or communication of a similar nature issued pursuant to any of the above or any order, decree, judgment, award or decision of any court or tribunal;
- (j) references to “**losses**” or “**liabilities**” include all liabilities, damage, loss, damages, costs, disbursements, expenses, claims and proceedings;
- (k) references to any Unit, Flat, the Commercial Accommodation, the Common Parts, the Development Common Parts, the Residential Common Parts, the Slope Structures, the Development and the Land are references to each and every part thereof;

- (l) references to “**management of the Land**” means the control, management, maintenance and administration of the Land and include the performance of the Manager’s duties and the exercise of the powers of the Manager under this Deed and “**manage**” shall be construed accordingly;
- (m) where under this Deed, the First Owner has the power or right to make any decision, form any opinion or give or withhold any consent or approval, such power or right may be exercised in its absolute discretion and shall be final and binding on the Owners;
- (n) where under this Deed the Manager has the power or right to make any decision, form any opinion or give or withhold any consent or approval, such power or right shall be exercised in its reasonable discretion and shall be final and binding on the Owners;
- (o) any consent, approval or authorisation to be given by the First Owner or the Manager must be prior consent, approval or authorisation in writing and signed by it or on its behalf to be effective under this Deed;
- (p) the rights of the Owner of the Commercial Accommodation may be exercised in accordance with this Deed by an Owner of a part of the Commercial Accommodation in respect of the part which he has the Right to Occupy; and
- (q) in construing this Deed, the *ejusdem generis* rule of construction shall not apply.

3. **RECITALS**

- 3.1 First Owner’s title. Immediately before the assignment to the First Assignee referred to in Clause 3.4, the First Owner was the registered owner and was in possession of the Land.
- 3.2 The Development. The Development consists of, inter alia:
 - (a) a podium structure containing the Commercial Accommodation and the Recreational Facilities; and
 - (b) a residential tower thereabove containing the Flats.
- 3.3 Allocation of Shares. For the purposes of sale, the Land has been notionally divided into Shares which have been allocated as provided in Schedule 1.
- 3.4 Assignment to the First Assignee. By an assignment of the same date as this Deed made between the First Owner and the First Assignee, the First Owner assigned the First Assignee’s Unit to the First Assignee.
- 3.5 Purpose of Deed. The parties have agreed to enter into this Deed to define the rights and obligations of the Owners, regulate the management of the Land and apportion the Management Expenses.

- 3.6 Assignment of Common Parts Shares. Immediately after the execution of this Deed, the First Owner shall assign to and vest in the Company all Common Parts Shares and Common Parts free of costs or consideration.

4. **RIGHTS AND OBLIGATIONS OF OWNERS**

- 4.1 First Owner. The First Owner shall have the Right to Occupy the entire Land (other than the First Assignee's Unit and the Common Parts) subject to and with the benefit of this Deed and the Deed of Mutual Grant.
- 4.2 First Assignee. The First Assignee shall, subject to and with the benefit of this Deed and the Deed of Mutual Grant, have the Right to Occupy the First Assignee's Unit to the exclusion of the First Owner.
- 4.3 Rights of all Owners. Each Owner shall hold his Share(s) and the attached Right to Occupy subject to and with the benefit of this Deed and the Deed of Mutual Grant and the rights contained in Schedule 3.
- 4.4 Owners bound by this Deed and the Deed of Mutual Grant. Without prejudice to the rights of:
- (a) the First Owner in Clause 5.1 and Schedule 5; and
 - (b) the Owner of the Commercial Accommodation in Clause 5.2 and Schedule 6;
- each Owner shall observe and perform the covenants contained in Schedule 4 and the Deed of Mutual Grant.
- 4.5 Right to assign without reference to other Owners. Subject to the Land Grant, this Deed and the Deed of Mutual Grant, every Owner shall have the right without reference to the other Owners or the Manager to sell, assign, charge, mortgage, lease, licence or otherwise dispose of or deal with his Shares together with the attached Right to Occupy if such transaction is expressly made subject to and with the benefit of this Deed and the Deed of Mutual Grant.
- 4.6 Right to Occupy not to be dealt with separately from Shares. The Right to Occupy any Unit shall not be sold, assigned, charged, mortgaged, leased, licensed or otherwise disposed of or dealt with separately from the Shares to which it is attached other than by a lease or tenancy or a contractual licence.
- 4.7 Owner to be responsible for acts or omissions of occupiers. Each Owner shall be responsible for and shall indemnify the Manager and the other Owners and occupiers of the Land and their licensees against all losses incurred by it or them as the direct or indirect result of the act or omission of himself or any occupier of the Unit which he has the Right to Occupy or their respective licensees or invitees or in any way owing to the overflow of water or escape of fire, smoke or fumes or any other emission therefrom.

5. ADDITIONAL RIGHTS

- 5.1 First Owner. The rights set out in Schedule 5 are excepted and reserved to the First Owner so long as it remains the beneficial owner of any part of the Land and may be exercised by the First Owner without the concurrence of any other Owner, the Manager, the Owners' Corporation or any other person. For the avoidance of doubt, such 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 5.2 and Schedule 6 as Owner of the Commercial Accommodation.
- 5.2 Owner of the Commercial Accommodation. The Owner of the Commercial Accommodation shall have the additional rights set out in Schedule 6 which may be exercised without the concurrence of any other Owner, the Manager, the Owners' Corporation or any other person.

6. POWER OF ATTORNEY

6.1 Power.

- (a) The Owners hereby jointly and severally and irrevocably appoint the First Owner as their agent and attorney and grant to the First Owner the power to do all things and to execute as their own act such deeds and to sign such documents as may be reasonably required for or incidental to the exercise of the First Owner's rights conferred by Clause 5.1 and Schedule 5.
- (b) the Owners hereby jointly and severally and irrevocably appoint each Owner on whom rights are conferred under Clause 5.2 and Schedule 6 as their agent and attorney and grant to such Owner the power to do all things and to execute as their own acts such deeds and to sign such documents as may be reasonably required for or incidental to the exercise of the rights of such Owner conferred by Clause 5.2 and Schedule 6.

- 6.2 Covenant in assignment. An Owner (other than the First Owner) shall not be entitled to assign his Shares unless the assignment includes the following covenant:

"The Purchaser hereby covenants with the Vendor for itself and as agent of each of Lanada (BVI) Company Limited and Owners (as defined in a Deed of Mutual Covenant and Management Agreement registered in the Land Registry by Memorial No. *[insert memorial no. here]*) (the "**Deed of Mutual Covenant**") on whom rights are conferred by Clause 5.2 and Schedule 6 of the Deed of Mutual Covenant and their respective successors, assigns and attorneys (collectively referred to as the "**Relevant Owners**") and each is individually referred to as a "**Relevant Owner**") to the intent that this covenant shall bind the Property and the owner or owners thereof for the time being and other person or persons deriving title under the Purchaser (each and all of whom including the Purchaser is and are hereinafter included in the expression the "**Covenanting Purchaser**") and shall enure for the benefit of The Remaining Portion of Sub-Section 1 of Section A of New Kowloon Inland Lot No.976, The Remaining Portion of Sub-Section 2 of Section A of New Kowloon Inland Lot No.976, The Remaining Portion of Sub-Section 3 of Section A of New Kowloon Inland Lot No.976,

The Remaining Portion of Sub-Section 4 of Section A of New Kowloon Inland Lot No.976, The Remaining Portion of Sub-Section 5 of Section A of New Kowloon Inland Lot No.976, The Remaining Portion of Section A of New Kowloon Inland Lot No.976 and The Remaining Portion of New Kowloon Inland Lot No.980 and the buildings thereon known as “**BONDLANE I**” (連方 I) (collectively, the “**Land**”) and be enforceable by the Vendor and each Relevant Owner that:-

- (a) the Covenanting Purchaser will notify the Manager (as defined in the Deed of Mutual Covenant) in writing of any change of ownership of the Property within one month from the date of the Assignment in respect thereof;
- (b) the Covenanting Purchaser hereby acknowledges and confirms the rights conferred by Clause 5.1 and Schedule 5, Clause 5.2 and Schedule 6 of the Deed of Mutual Covenant (collectively, the “**Additional Rights**” and each an “**Additional Right**”) and hereby covenants not to do or permit to be done anything which will affect the exercise of the Additional Rights by a person lawfully entitled to exercise them;
- (c) the Covenanting Purchaser hereby irrevocably appoints each Relevant Owner to be its agent and attorney and grants to each Relevant Owner, with full power of delegation, the full right, power and authority acting singly to do all things and to execute as its own act such deeds and to sign such documents as may be reasonably required for or incidental to the exercise of the Additional Rights granted to the Relevant Owner. If the Relevant Owner comprises more than one person, the Covenanting Purchaser hereby appoints such persons (such appointment shall be joint and several so that each of such persons may act singly or jointly with the other(s)) as its agents and attorneys and grants to such persons, with full power of delegation, the full right, power and authority, whether acting singly or jointly with the other or any or all of the others to do all things and to execute, as the act of any of such person or the joint act of such person and the others or any or all of the others, as the case may be, such deeds and to sign such documents as may be reasonably required for or incidental to the exercise of the said rights;
- (d) the Covenanting Purchaser shall abide by the provisions in the Deed of Mutual Covenant to be observed and performed by an Owner (as defined in the Deed of Mutual Covenant);
- (e) the Covenanting Purchaser will at all times hereafter perform observe and comply with all the covenants by or on the part of the Purchaser contained in this Assignment; and
- (f) in the event of the Covenanting Purchaser selling or otherwise disposing of the Property, the Covenanting Purchaser shall sell or otherwise dispose of the Property upon the condition that the purchaser or assignee thereof shall enter into the same binding covenants on terms similar in scope and extent as the covenants (a), (b), (c), (d) and (e) and this covenant (f) hereinbefore contained;

Provided That upon the Covenanting Purchaser complying with and performing the covenant (f) hereinbefore contained the Covenanting Purchaser shall not be liable for

any breach of the aforesaid covenants (a), (b), (c), (d) and (e) 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 (a), (b), (c), (d), (e) and (f) as aforesaid.”

7. APPOINTMENT OF MANAGER

7.1 Appointment of the Company as Manager. Subject to the provisions of the Ordinance, the parties (other than the Company) appoint the Company to undertake the management of the Land from (and inclusive of) the date of this Deed for an initial term of 2 years until terminated in accordance with this Clause 7, and the Company accepts such appointment.

7.2 Termination of Manager’s Appointment by the Manager or Owners’ Committee.

- (a) The appointment of the Manager may be terminated without compensation as follows:
 - (i) prior to the formation of the Owners’ Corporation, at any time by service of not less than 3 calendar months’ notice in writing to the Manager by the Owners’ Committee following a resolution passed by a majority of votes of Owners voting either personally or by proxy in an Owners’ meeting and supported by Owners of not less than 50% of all Shares in aggregate (excluding the Common Parts Shares) being passed at an Owners’ meeting; or
 - (ii) by the Manager serving notice in accordance with Clause 7.2(b).
- (b) No resignation of the Manager shall take effect unless he has previously given not less than 3 months’ notice in writing of his intention to resign:
 - (i) by sending such a notice to the Owners’ Committee; or
 - (ii) 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.
- (c) The notice referred to in Clause 7.2(b)(ii) may be given:
 - (i) by delivering it personally to the Owner; or
 - (ii) by sending it by post to the Owner at his last known address; or
 - (iii) by leaving it at the Owner’s Unit or depositing it in the letter box for that Unit.
- (d) If the Manager’s appointment is terminated or comes to an end by whatever reason, the Owners’ Committee shall by a majority resolution appoint a substitute or new Manager and the provisions contained in this Clause 7 shall

apply to the substitute or new Manager (other than the provisions relating to the initial term of 2 years). Until appointment of the substitute or new Manager, the Owners' Committee shall act as the Manager.

7.3 Termination of Manager's appointment by Owners' Corporation

- (a) Subject to Clause 7.3(d), at a general meeting convened for the purpose, an Owners' Corporation may, by a resolution:
 - (i) passed by a majority of the votes of the Owners voting either personally or by proxy; and
 - (ii) supported by the Owners of not less than 50% of the Shares in aggregate, terminate by notice the Company's appointment without compensation.
- (b) A resolution under Clause 7.3(a) shall have effect only if:
 - (i) the notice of termination of appointment is in writing;
 - (ii) provision is made in the resolution for a period of not less than 3 months' notice or, in lieu of notice, provision is made for an agreement to be made with the Company for the payment to the Company of a sum equal to the amount of Manager's Remuneration which would have accrued to the Company during that period;
 - (iii) the notice is accompanied by a copy of the resolution terminating the Company's appointment; and
 - (iv) the notice and the copy of the resolution is given to the Company within 14 days after the date of the meeting.
- (c) The notice and the copy of the resolution referred to in Clause 7.3(b)(iv) may be given:
 - (i) by delivering them personally to the Company; or
 - (ii) by sending them by post to the Company at its last known address.
- (d) For the purposes of Clause 7.3(a):
 - (i) only the Owners of Shares who pay or who are liable to pay the Management Expenses relating to those Shares shall be entitled to vote;
 - (ii) the reference in Clause 7.3(a)(ii) to "the Owners of not less than 50% of the Shares in aggregate" shall be construed as a reference to the Owners of not less than 50% of the Shares in aggregate who are entitled to vote.
- (e) If a contract for the appointment of a Manager other than the Company contains no provision for the termination of the Manager's appointment, Clauses 7.3(a),

- (b), (c) and (d) apply to the termination of the Manager's appointment as they apply to the termination of the Company's appointment.
- (f) Clause 7.3(e) operates without prejudice to any other power there may be in a contract for the appointment of a Manager other than the Company to terminate the appointment of the Manager.
- (g) If a notice to terminate a Manager's appointment is given under this Clause 7.3:
- (i) no appointment of a new Manager shall take effect unless the appointment is approved by a resolution of the Owners' Committee (if any); and
 - (ii) if no such appointment is approved under Clause 7.3(g)(i) 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.
- (h) If any person has given an undertaking in writing to, or has entered into an agreement with, the Government to manage or be responsible for the management of the Land, and the Owners' Corporation has appointed a Manager under Clause 7.3(g)(ii), the Owners' Corporation shall be deemed to have given to that person an instrument of indemnity under which the Owners' Corporation shall be liable to indemnify that person in respect of any act or omission by the Manager appointed under Clause 7.3(g)(ii) that may otherwise render that person liable for a breach of that undertaking or agreement.
- (i) This Clause 7.3 is subject to any notice relating to the Land that may be published by the Secretary for Home Affairs (or any other Government officer replacing him) under Section 34E(4) of the Ordinance but does not apply to any single manager referred to in that Section to the intent that this Clause 7.3 shall not apply if and for so long as the Secretary for Home Affairs (or any other Government officer replacing him) has made a notification that paragraph 7 of Schedule 7 of the Ordinance is not applying to the Development pursuant to Section 34E(4) of the Ordinance.

7.4 Obligations after Manager's appointment ends.

- (a) Subject to Clause 7.4(b), if the Manager's appointment ends for any reason, it shall, as soon as practicable after its appointment ends, and in any event within 14 days of the date its appointment ends, deliver to the Owners' Committee (if any) or the Manager appointed in its place any movable property in respect of the control, management and administration of the Land 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, it shall within two 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 ended; and

(2) a balance sheet as at the date its appointment ended,

and shall arrange for that account and balance sheet to be audited by an accountant or by some other independent auditor specified in a resolution of the Owners' Committee (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 account, papers, documents and other records which are required for the purposes of Clause 7.4(b)(i) and have not been delivered under Clause 7.4(a).

8. DUTIES AND POWERS OF MANAGER

8.1 General Management. The Manager shall manage the Land in a proper manner in accordance with this Deed (and shall for the avoidance of doubt exercise its power under paragraph 2 of Schedule 7 to take out and update the insurance as referred to in that paragraph). Except as otherwise provided in this Deed, the Manager shall have the powers set out in Schedule 7 and the power to do anything else which it considers is necessary or expedient for the proper management of the Land.

8.2 Manager's acts and decisions binding on Owners. Subject to the provisions of the Ordinance, all acts and decisions of the Manager done or arrived at in accordance with this Deed shall bind the Owners and each Owner hereby irrevocably appoints the Manager as its agent in respect of any matter concerning the Common Parts duly authorised under this Deed and to enforce the provisions of this Deed against the other Owners.

8.3 Manager not liable to Owners except in certain circumstances. The Manager, its employees, agents or contractors shall not be liable to any Owner or other person whomsoever for anything done or omitted in pursuance or purported pursuance of this Deed not being an act or omission involving criminal liability, dishonesty or negligence and the Owners shall (subject to section 34L of the Ordinance) indemnify the Manager, its employees, agents and contractors from and against all losses arising directly or indirectly from any such act or omission not involving criminal liability, dishonesty or negligence. Without limiting the generality of this, the Manager, its employees, agents or contractors shall not be liable for any liabilities arising directly or indirectly from:

(a) any defect in or failure or malfunction of any of the Common Parts or the Slope Structures;

- (b) any failure, malfunction or suspension of the supply of water, gas, electricity or other utility services to, from or for the Land;
- (c) fire, flood or the overflow or leakage of water;
- (d) the activity of termites, cockroaches, rats, mice or other pests or vermin; or
- (e) theft or burglary;

unless it can be shown that such liabilities were caused by an act or omission of the Manager, its employees, agents or contractors involving criminal liability, dishonesty or negligence and Provided That the Monthly Management Fee shall not cease to be payable on account thereof.

- 8.4 Limitation of Manager's power on improvements to Common Parts. The Manager shall not effect any improvements to the Common Parts or facilities or services costing more than 10% of the current Budget without the prior approval by a resolution of Owners at an Owners' meeting.
- 8.5 Works. Notwithstanding anything in this Deed, the Manager shall not be under any liability to carry out any works (including those relating to the Slope Structures, 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 the Owners.
- 8.6 Compliance with Land Grant. The Manager shall, for so long as he remains to be the Manager, observe and comply with all provisions of the Land Grant.
- 8.7 Communications among Owners. The Manager shall consult (either generally or in any particular case) the Owners' Corporation at a general meeting of the Owners' Corporation and adopt the approach decided by the Owners' Corporation on the channels of communication among Owners on any business relating to the management of the Land.
- 8.8 Increase of power supply. Subject to Clause 8.4 (unless all expenses incurred or to be incurred by the Manager under this Clause will be borne by the Owner concerned), the Manager shall exercise its power under Schedule 7, paragraph 7(b) if the Owner of the Commercial Accommodation requires the Manager to increase the supply of electricity to the Commercial Accommodation in order that the Commercial Accommodation may be used for any activity which requires electricity supply over and above the level supplied to the Commercial Accommodation at the time of the request.

9. MANAGER'S REMUNERATION

- 9.1 Manager's Remuneration. The Manager's Remuneration in a Financial Year shall be 10% of the total Management Expenses incurred in the Financial Year Provided That:
 - (a) such percentage may be reviewed by a resolution at meetings of the Owners;
 - (b) for the purpose of this Clause 9.1, Management Expenses shall not include:

- (i) any capital expenditure or expenditure drawn out of the Special Fund (in this Clause 9.1, “**Capital Expenditure**”) save to the extent that the same has been permitted by a resolution passed at an Owners’ meeting for inclusion for the purpose of calculating the Manager’s Remuneration; and
- (ii) the Manager’s Remuneration; and
- (c) the Owners may by a resolution passed at an Owners’ meeting decide that a percentage lower than that provided under the previous provisions of this Clause 9.1 shall, for the purpose of calculating the Manager’s Remuneration, be applied to the Capital Expenditure included under Clause 9.1(b)(i).

9.2 Manner of Payment. The Manager’s Remuneration shall be paid to the Manager in advance on the first day of each month of the Financial Year concerned by deductions made by the Manager from the Monthly Management Fees collected from the Owners. Such deductions shall be in priority to all other payments to be made out of the Management Funds. The amount of each deduction shall be:

$$\frac{a}{b}$$

where:

“a” is the amount which would be payable as Manager’s Remuneration in the Financial Year if the Estimated Management Expenses were the actual Management Expenses incurred in the Financial Year; and

“b” the total number of months in that Financial Year.

9.3 Increase in monthly deduction. If, as a result of a revision of the Budget in accordance with Clause 10.2(c) or the approval of a Budget, the amount of Estimated Management Expenses is increased, each deduction to be made by the Manager in the Financial Year under Clause 9.2 shall be increased by:

$$\frac{c - d}{e}$$

where:

“c” is the amount which would be payable as Manager’s Remuneration in the Financial Year if the Estimated Management Expenses set out in the revised or approved Budget were the actual Management Expenses incurred in the Financial Year;

“d” is the amount which would be payable as Manager’s Remuneration in the Financial Year if the Estimated Management Expenses before the revision or approval of the Budget were the actual Management Expenses incurred in the Financial Year; and

“e” is the number of further deductions which the Manager is entitled to make in the Financial Year under Clause 9.2.

9.4 Year-end adjustments. If the total amount deducted under Clauses 9.2 and 9.3 by the Manager in a Financial Year:

- (a) exceeds the amount of Manager’s Remuneration calculated in accordance with Clause 9.1, the amount of the excess shall be set off against subsequent deductions to be made by the Manager until the whole excess has been set off; or
- (b) falls short of the amount of Manager’s Remuneration calculated in accordance with Clause 9.1, the Manager shall be entitled to make such deduction(s) from Monthly Management Fees collected from the Owners until the whole amount of the shortfall has been deducted.

9.5 Other Expenses. The Manager’s Remuneration shall be the net remuneration of the Manager for its services as Manager and shall not cover disbursements and expenses properly incurred by the Manager in performing its services under this Deed. Without limiting the generality of the foregoing, the Manager is not required to disburse or provide from the Manager’s Remuneration the cost of providing any staff, facilities, accountancy services or other professional supervision for the Land, such cost shall be a direct charge on the Management Funds.

10. MANAGEMENT EXPENSES

10.1 Management Expenses. Management Expenses shall be the expenses, costs and charges necessarily and reasonably incurred in the management of the Land under this Deed including (without limitation) the following:

- (a) the charges for the supply and consumption of fuel, oil, electricity, gas, water, telephone and other utility services serving the Common Parts;
- (b) the payment of Government rent (if not apportioned) and all sums (other than the premium paid for the grant of the Land) payable under the Land Grant;
- (c) the cost of employing staff involved with the management of the Land including staff uniform, salary, bonus, over-time pay, long service pay, medical and dental scheme payments and other benefits;
- (d) legal, accounting, surveying and other professional fees properly incurred by the Manager in exercising or performing its powers and duties under this Deed;
- (e) administrative expenses of the Manager relating specifically to the Manager exercising or carrying out its powers and duties under this Deed including (without limitation) costs for administrative support charged by the head office of the Manager, rent and other office overheads;

- (f) all charges, assessments, impositions and other outgoings payable by the Owners in respect of the Common Parts;
- (g) all expenses and sums payable under or pursuant to the Deed of Mutual Grant and any costs, charges, expenses and other outgoings properly incurred by the Manager in the performance of any duty or in the exercise of any power under the Deed of Mutual Grant;
- (h) the cost of postage, stationery and other sundry items incurred by the Manager in connection with the management of the Development;
- (i) all expenses incurred in relation to the Slope Structures; and
- (j) the Manager's Remuneration.

10.2 Budget.

- (a) In respect of each Financial Year, the Manager shall:
 - (i) prepare a draft Budget setting out the proposed Management Expenses during the Financial Year;
 - (ii) send a copy of the draft Budget to the Owners' Committee or, where there is no Owners' Committee, display a copy of the draft Budget in a prominent place in the Development, and cause it to remain so displayed for at least 7 consecutive days;
 - (iii) send or display, as the case may be, with the copy of the draft Budget a notice inviting each Owner to send his comments on the draft Budget to the Manager within a period of 14 days from the date the draft Budget was sent to the Owners' Committee or first displayed;
 - (iv) after the end of that period, prepare a Budget specifying the total proposed Management Expenses during the Financial Year; and
 - (v) send a copy of the Budget to the Owners' Committee or, where there is no Owners' Committee, display a copy of the Budget in a prominent place in the Development, and cause it to remain so displayed for at least 7 consecutive days.
- (b) Where, in respect of a Financial Year, the Manager has not complied with Clause 10.2(a) before the start of that Financial Year, the proposed Management Expenses for that year shall:
 - (i) until it has so complied, be deemed to be the same as the total amount of Management Expenses (if any) for the previous Financial Year; and
 - (ii) when it has so complied, be the total proposed Management Expenses specified in the Budget for that Financial Year, and the amount that the

Owners shall contribute towards the Management Expenses shall be calculated and adjusted accordingly.

- (c) Where a Budget has been sent or displayed in accordance with Clause 10.2(a)(v) and the Manager wishes to revise it, it shall follow the same procedures in respect of the revised Budget as apply to the draft Budget and Budget by virtue of Clause 10.2(a).
- (d) Where a revised Budget is sent or displayed in accordance with Clause 10.2(c), the proposed Management Expenses for that Financial Year shall be the total Management Expenses or proposed Management Expenses specified in the revised Budget and the amount that the Owners shall contribute towards the Management Expenses shall be calculated and adjusted accordingly.
- (e) If there is an Owners' Corporation and, within a period of one month from the date that a Budget or revised Budget for a Financial Year is sent or first displayed in accordance with Clause 10.2(a) or (c), the Owners' Corporation decides, by a resolution of the Owners, to reject the Budget or revised Budget, as the case may be, the proposed Management Expenses for the Financial Year shall, until another Budget or revised Budget is sent or displayed in accordance with Clause 10.2(a) or (c) and is not so rejected under this Clause 10.2(e), 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.
- (f) If any Owner requests in writing the Manager to supply him with a copy of any draft Budget, Budget or revised Budget, the Manager shall, on payment of a reasonable copying charge, supply a copy to that Owner.
- (g) The Budget shall set out, in separate sections:
 - (i) the proposed Development Management Expenses; and
 - (ii) the proposed Residential Management Expenses.
- (i) In relation to the proposed Residential Management Expenses under Clause 10.2(g)(ii), the Manager may take into account any payments to be made and any receipts to be obtained pursuant to the Deed of Mutual Grant and any agreement, contract and undertaking, and this section of the Budget shall comprise the following sub-sections:
 - (i) the first section shall cover any expenditure which is, in the opinion of the Manager, attributable to such part or parts of the Residential Common Parts the right or easement to use the same is granted to or conferred upon the owners, occupiers and licensees of the Adjacent Land and Development pursuant to the Deed of Mutual Grant;
 - (ii) the second section shall cover all the expenditure which is, in the opinion of the Manager, attributable to such part or parts of the common parts in the Adjacent Land and Development the right or easement to use the

same is granted to or conferred upon the Owners, occupiers and licensees of the Land and the Development and payable by the Owners of the Land and the Development pursuant to the Deed of Mutual Grant; and

- (iii) the third section shall cover all expenditure which is, in the opinion of the Manager, not covered by paragraphs (i) and (ii).

10.3 Payment of Monthly Management Fees.

- (a) Each Owner (except the First Owner) shall pay to the Manager the Advance Payment in respect of each Unit which he has the Right to Occupy on the date of the completion of the purchase of his Unit from the First Owner.
- (b) Each Owner shall in respect of each Unit which he has the Right to Occupy pay to the Manager in advance on the first day of each month (following the expiry of the period in respect of which any Advance Payment has been paid) the Monthly Management Fees and such Owner shall be personally liable to make such payments whether or not his Unit is vacant or occupied and whether it has been let or licensed or is occupied by the Owner himself.
- (c) The Monthly Management Fees payable by an Owner in respect of each Unit which he has the Right to Occupy shall be:

$$\frac{f}{g} + h$$

where:

- “f” is the total contribution to the Estimated Management Expenses which the Owner is required to make under Clause 10.3(d) for the Unit concerned;
- “g” is the total number of months in the Financial Year; and
- “h” is the total amount of increases in Monthly Management Fees under Clause 10.3(g)(v).
- (d) The contribution of an Owner to the Estimated Management Expenses for each Unit which he has the Right to Occupy shall be ascertained according to the following principles and formulae:
 - (i) The Owner of a Unit shall, in respect of each Unit which he has the Right to Occupy, contribute to the Estimated Development Management Expenses in the following proportion:

$$\frac{i}{j}$$

where:

“i” is the number of Management Shares allocated to the Unit; and

“j” is the total number of Management Shares.

- (ii) The Owner of a Flat shall contribute to the Estimated Residential Management Expenses in the following proportion:

$$\frac{k}{l}$$

where:

“k” is the number of Management Shares allocated to the Flat; and

“l” is the total number of Management Shares allocated to all Flats.

- (e) If, during any period of time, the total Monthly Management Fees received by the Manager in respect of all the Units are insufficient to meet the Management Expenses, the Manager may require each Owner to make a contribution to such deficiency.
- (f) If, as a result of a revision of the Budget in accordance with Clause 10.2 or the approval of the Budget, the Estimated Management Expenses are increased, the Manager may require the Owners to contribute to the increase.
- (g) In ascertaining the contribution to be made by an Owner under Clause 10.3(e) or (f), the provisions of Clause 10.3(d) shall, mutatis mutandis, apply so that any part of the deficiency or increase determined by the Manager to be attributable to:
- (i) the Development Common Parts, or expenses for the common benefit of the Owners, occupiers, licensees or invitees of different Flats and the Commercial Accommodation, or expenses not covered by Clause 10.3(g)(ii), shall be borne by the Owners in the proportion set out in Clause 10.3(d)(i); and
- (ii) the Residential Common Parts, or expenses for the common benefit of Owners, occupiers, licensees or invitees of different Flats, shall be borne by the Owners of the Flats in the proportion set out in Clause 10.3(d)(ii).

The contribution which an Owner is required to make under Clause 10.3(e) or (f) shall be made in such manner as the Manager may determine including:

- (iii) payment in one lump sum within 14 days of notification by the Manager; or
- (iv) by increasing the Monthly Management Fees payable by the Owner by such amount and over such period as the Manager may determine.

- (h) If there is any surplus after payment of all the Management Expenses, such surplus shall be held by the Manager and shall be applied towards payment of future Management Expenses in the following manner:
 - (i) any part of the surplus determined by the Manager to be attributable to contributions made by the Owners towards the Development Management Expenses or Estimated Development Management Expenses shall be notionally credited to all the Units and be taken into account when preparing the section of future Budget(s) dealing with Development Management Expenses or used for covering Development Management Expenses or Estimated Development Management Expenses; and
 - (ii) any part of the surplus determined by the Manager to be attributable to contributions made by the Owners of the Flats towards the Residential Management Expenses or Estimated Residential Management Expenses shall be notionally credited to all the Flats and be taken into account when preparing the section of future Budget(s) dealing with Residential Management Expenses or used for covering Residential Management Expenses or Estimated Residential Management Expenses.
- (i) No Owner may be called upon to pay more than his appropriate share of Management Expenses, having regard to the number of Management Shares allocated to the Unit and the provisions of this Deed.

10.4 Special Fund.

- (a) The Manager shall establish and maintain as trustee for all Owners one Special Fund to provide for expenditure of a capital nature or of a kind not expected by it to be incurred annually including expenses for the renovation, improvement and repair of the Common Parts, the purchase, setting up, replacement, improvement and addition of installations, systems, equipment, tools, plant and machineries for the Common Parts and the costs of relevant investigation works and professional services and the expense of preparing the revised Schedule 8 and/or the revised W&I Maintenance Manual under Clause 14.11 (in this Clause 10.4, the “**Non-Recurrent Expenditure**”).
- (b) Each Owner (except the First Owner) shall, in respect of each Unit which he has the Right to Occupy, pay to the Manager on the date of completion of the purchase of his Unit from the First Owner the Special Fund Initial Contribution in respect of that Unit as an initial payment to the Special Fund, unless the First Owner has already paid the Special Fund Initial Contribution in respect of that Unit under Clause 10.11(b).
- (c) (i) 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.

- (ii) If there is no Owners' Corporation, each Owner shall pay to the Manager such amount of further periodic contribution to the Special Fund at such time as determined by a resolution of Owners at an Owners' meeting convened under this Deed.
- (d) All contributions to the Special Fund (including for the avoidance of doubt all Special Fund Initial Contributions) and all other amounts required by this Deed to be credited to the Special Fund shall be non-refundable and non-transferable.
- (e) The Manager shall open and maintain at a bank within the meaning of section 2 of the Banking Ordinance (Cap. 155) an interest bearing account. The title of the account shall refer to the Special Fund for the Development and all contributions to the Special Fund (including for the avoidance of doubt all Special Fund Initial Contributions) and all other amounts required by this Deed to be credited to the Special Fund shall be deposited by the Manager into the account. The Manager shall use such account exclusively for the purpose referred to in Clause 10.4(a).
- (f) Without prejudice to the generality of Clause 10.4(e), if there is an Owners' Corporation, the Manager shall open and maintain one or more segregated interest-bearing accounts, each of which shall be designated as a trust account or client account, for holding money received by it from or on behalf of the Owners' Corporation in respect of the Special Fund.
- (g) The Manager shall display a document showing evidence of any account opened and maintained under Clause 10.4(e) or (f) in a prominent place in the Development.
- (h) The Manager shall without delay pay all money received by it in respect of the Special Fund into the account opened and maintained under Clause 10.4(e) or, if there is an Owners' Corporation, the account or accounts opened and maintained under Clause 10.4(f).
- (i) 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 shall 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 Land.
- (j) The Special Fund shall be notionally divided into the following parts, namely:
 - (i) **"Special Fund (Flats)";** and
 - (ii) **"Special Fund (Commercial)".**
- (k) Contributions to the Special Fund (including for the avoidance of doubt all Special Fund Initial Contributions) made by:
 - (i) the Owners of the Flats shall be notionally credited to Special Fund (Flats); and

- (ii) the Owner of the Commercial Accommodation shall be notionally credited to Special Fund (Commercial).
- (l) Funds notionally credited to each part of the Special Fund shall be applied as follows:
 - (i) Non-Recurrent Expenditure relating to the Development Common Parts, or which are for the common benefit of the Owners, occupiers, licensees or invitees of different Flats, and the Commercial Accommodation or which is not covered by Clause 10.4(l)(ii) and Clause 10.4(l)(iii), shall only be paid out of different parts of the Special Fund as follows:

- (1) the amount to be paid out of Special Fund (Flats) is:

$$A \times \frac{B}{C}$$

where:

- “A” is the total amount of such Non-Recurrent Expenditure;
- “B” is the total number of Management Shares allocated to all Flats; and
- “C” is the total number of Management Shares; and

- (2) the amount to be paid out of Special Fund (Commercial) is:

$$D \times \frac{E}{F}$$

where:

- “D” is the total amount of such Non-Recurrent Expenditure;
- “E” is the number of Management Shares allocated to the Commercial Accommodation; and
- “F” is the total number of Management Shares.

- (ii) Non-Recurrent Expenditure relating to the Residential Common Parts, or which is for the common benefit of Owners, occupiers, licensees or invitees of different Flats, shall only be paid out of Special Fund (Flats).
- (iii) Non-Recurrent Expenditure which is for the common benefit of Owners, occupiers, licensees or invitees of the Commercial Accommodation, shall only be paid out of Special Fund (Commercial).

(m) Unless otherwise specifically provided in this Deed, where any provision of this Deed requires any amount to be credited to the Special Fund, the following provisions shall apply:

(i) where the amount is received in relation to the Residential Common Parts (including any approval or consent given in relation thereto under this Deed or the Ordinance), the amount shall be credited to Special Fund (Flats);

(ii) in any other case:

(1) the following proportion of the amount shall be credited to the Special Fund (Flats):

$$\frac{M}{N}$$

where:

“M” is the total number of Management Shares allocated to all Flats; and

“N” is the total number of all Management Shares;

(2) the following proportion of the amount shall be credited to the Special Fund (Commercial):

$$\frac{O}{P}$$

where:

“O” is the total number of Management Shares allocated to the Commercial Accommodation; and

“P” is the total number of all Management Shares.

10.5 Management Fees Deposits and Common Utilities Deposits.

- (a) (i) Each Owner (except the First Owner) shall, in respect of each Unit which he has the Right to Occupy, pay to the Manager on the date of completion of the purchase of his Unit from the First Owner the Management Fees Deposit in respect of that Unit as security for the due payment of all Monthly Management Fees and other amounts payable by him under this Deed, unless the First Owner has already paid the Management Fees Deposit of that Unit under Clause 10.11. The Management Fees Deposit shall (subject to Clause 10.6) be non-refundable and shall not be set off by the Owner against Monthly Management Fees or any other amounts payable by him under this Deed.

- (ii) As at the date of this Deed, the First Owner has contributed to the Common Utilities Deposits in full and it is contemplated under any sale and purchase agreement of a Unit entered into or to be entered into by a purchaser and the First Owner that the First Owner will be reimbursed a due proportion of the Common Utilities Deposits by that purchaser, such due portion of Common Utilities Deposits (which shall (subject to Clause 10.6) be non-refundable) being in the same proportion that the number of Management Shares allocated to that Unit bears to the total number of Management Shares Provided That:
 - (1) an Owner shall not be required to contribute towards any such deposit payable in respect of any category of Common Parts for the Estimated Management Expenses of which the Owner is not liable to make any contribution under Clause 10.3(d); and
 - (2) a contribution to be made by an Owner towards any such deposit payable in respect of any category of the Common Parts for the Estimated Management Expenses of which the Owner is liable to make a contribution under Clause 10.3(d) shall be in the same proportion that the number of Management Shares allocated to his Unit bears to the total number of Management Shares allocated to such of the Units the respective Owners of which are liable to make a contribution under Clause 10.3(d) towards the Estimated Management Expenses of that category of Common Parts.
- (b) The Manager shall have the right to set off the Management Fees Deposit paid by an Owner against any sum of whatever nature which is payable by such Owner to the Manager under or in relation to this Deed. Notwithstanding the above, the Manager shall not be obliged to exercise the right of set-off and an Owner shall have no right to require the Manager to exercise the right of set-off, by way of mitigation of loss or otherwise, before pursuing other rights and remedies available to the Manager.
- (c) If at any time the Management Fees Deposit or the Common Utilities Deposits are disbursed in whole or in part or the amount of the Monthly Management Fees or the water, electricity, gas or other utilities deposit in respect of the Common Parts are increased, each Owner shall on the first day of the next month following demand by the Manager pay to the Manager in addition to the Monthly Management Fees:
 - (i) in the case of the Management Fees Deposit having been disbursed, an additional sum sufficient to replace the sum so disbursed;
 - (ii) in the case of the Common Utilities Deposits having been disbursed, a due proportion (ascertained according to Clause 10.5(a)(ii)(2)) of the amount so disbursed;

- (iii) in the case of an increase of Management Fees Deposit following an increase in the Monthly Management Fees, 3 times the amount of such increase; or
- (iv) in the case of an increase in any water, electricity or (if any) gas deposit in respect of the Common Parts, a due proportion (ascertained according to Clause 10.5(a)(ii)(2)) of the increase.

10.6 Owners' interest in Management Funds.

- (a) Subject to Clauses 10.6(b) and (c), upon any person ceasing to be the Owner of any Share he shall in respect of that Share cease to have any interest in the Management Funds to the intent that the Management Funds shall be held and applied for the management of the Land irrespective of changes in ownership of the Shares and the Management Fees Deposit and the due portion of Common Utilities Deposits in respect of a Unit shall be transferred into the name of the new Owner of the relevant Shares.
- (b) Upon the Land reverting to the Government, any balance of the Management Funds shall be divided between the Owners (immediately prior to such reversion in proportion to the Management Shares allocated to their respective Units) Provided That:
 - (i) any surplus which is notionally credited to a particular category of Units under Clause 10.3(h) shall be divided among the then Owners of that category of Units in proportion to the Management Shares respectively allocated to the Units concerned;
 - (ii) different parts of the Special Fund (or the balance thereof) referred to in Clauses 10.4(j)(i) and (ii) shall be divided among the then Owners of each category of Units respectively referred to in Clauses 10.4(k)(i) and (ii) in proportion to the Management Shares respectively allocated to the Units of the category concerned;
 - (iii) Management Fees Deposit and Common Utilities Deposit paid in respect of a Unit (or the balance thereof) shall be refunded to the then Owner of the Unit; and
 - (iv) subject to Clause 10.7(b), Debris Removal Charges (or the balance thereof) paid by Owners of the Flats shall be divided among the then Owners of the Flats in proportion to the Management Shares respectively allocated to the Flats.
- (c) In the case of an extinguishment of rights and obligations under Clause 13, a part of the balance of the Management Funds which is proportionate to the proportion borne by the Management Shares allocated to the Damaged Part (as defined in Clause 13.1) to the total number of Management Shares shall be divided between the Owners whose rights and obligations are extinguished under Clause 13 in proportion to the Management Shares allocated to their respective Units comprised in the Damaged Part Provided That the then Owner

of each Unit in the Damaged Part shall be entitled to the payments which he would be entitled under Clauses 10.6(b)(i) to (iv) upon the Land reverting to the Government.

10.7 Debris Removal Charge.

- (a) The Owner of a Flat (except the First Owner) shall (unless the First Owner has already paid the Debris Removal Charge of that Flat under Clause 10.11), in respect of each Flat which he has the Right to Occupy, pay to the Manager on the date of completion of the purchase of his Flat from the First Owner the Debris Removal Charge, which shall be non-refundable and non-transferable.
- (b) Any monies paid as Debris Removal Charge by the Owner of a Flat not used for debris collection or removal shall be paid into Special Fund (Flats).

10.8 Manager's discretion in respect of contributions. Notwithstanding anything contained in this Deed, the Manager shall be entitled to determine that an item of Management Expenses shall be paid by the Owner or Owners of the part or parts of the Land for which such item has been or will be incurred to the exclusion of all other Owners if:

- (a) the item of Management Expenses is not covered by insurance; and
- (b) the Manager is of the opinion that:
 - (i) it is attributable to any particular part or parts of the Land; and
 - (ii) Owners of other parts of the Land do not and will not receive any material benefit from it;

Provided That where the item of Management Expenses is to be borne by more than one Owner, the Manager may also determine the contribution to be made by each of such Owners to the item of Management Expenses.

10.9 Notional credits. Unless otherwise provided by this Deed, any income or receipt of whatever nature arising or which may arise from or is (in the Manager's opinion) attributable to the Common Parts shall, in so far as it arises or will (as estimated by the Manager) arise from or is (in the Manager's opinion) attributable to:

- (a) the Development Common Parts, be notionally credited to all the Units and be taken into account when preparing the section of future Budget(s) dealing with Development Management Expenses or used for covering Development Management Expenses or Estimated Development Management Expenses; or
- (b) the Residential Common Parts, be notionally credited to all the Flats and be taken into account when preparing the section of future Budget(s) dealing with Residential Management Expenses or used for covering Residential Management Expenses or Estimated Residential Management Expenses.

10.10 Contracts entered into by Manager.

- (a) Subject to Clauses 10.10(b) and 10.10(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 HK\$200,000 or such other sum in substitution therefor as the Secretary for Home Affairs may specify by notice in the Gazette unless—
 - (i) the supplies, goods or services are procured by invitation to tender; and
 - (ii) the procurement complies with the Code of Practice referred to in Section 20A(1) of the Ordinance.
- (b) Subject to Clause 10.10(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 Budget or such other percentage in substitution therefor as the Secretary for Home 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) Clauses 10.10(a) and (b) do not apply to any supplies, goods or services which but for this Clause 10.10(c) would be required to be procured by invitation to tender (referred to in this Clause 10.10(c) as “relevant supplies, goods or services”)—
 - (i) where there is an Owners' Corporation, if—

- (1) the relevant supplies, goods or services are of the same type as any supplies, goods or services which are for the time being supplied to the Owners' Corporation by a supplier; and
 - (2) the Owners' Corporation decides by a resolution of the Owners passed at a general meeting of the Owners' Corporation that the relevant supplies, goods or services shall be procured from that supplier on such terms and conditions as specified in the resolution, instead of by invitation to tender; or
- (ii) where there is no Owners' Corporation, if—
 - (1) the relevant supplies, goods or services are of the same type as any supplies, goods or services which are for the time being supplied to the Owners by a supplier; and
 - (2) the Owners decide by a resolution of the Owners passed at a meeting of 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.

10.11 Shares held by First Owner.

- (a) In respect of Shares allocated to a separate building or phase of the Development the construction of which has not been completed, the First Owner shall not be obliged to pay Monthly Management Fees or to contribute to Management Expenses except to the extent that the uncompleted separate building or phase of the Development benefits from any provisions in this Deed as to the management and maintenance of the Land.
- (b) If the First Owner remains the Owner of the Shares allocated to any Unit in a part of the Development the construction of which has been completed but which remain unsold 3 months after:
 - (i) the execution of this Deed; or
 - (ii) the date when the First Owner is in a position validly to assign such Shares;

whichever is the later, the First Owner shall, upon the expiry of the said three-month period, pay to the Manager the Special Fund Initial Contribution, the Management Fees Deposit and (if payable) the Debris Removal Charge in respect of that Unit.

10.12 Interest and Collection Charge on late payment.

- (a) If any Owner fails to pay the Manager any amount payable under this Deed within 30 days of demand, he shall pay to the Manager:

- (i) interest at 2% per annum above the prime rate from time to time specified by The Hongkong and Shanghai Banking Corporation Limited in respect of any payment in arrears from and including the due date to and including the date of payment; and
 - (ii) a collection charge not exceeding 10% of the amount due to cover the cost (in addition to legal costs (on a solicitor and own client basis) of proceedings) of the extra work occasioned by the default.
- (b)
 - (i) All monies paid to the Manager by way of interest and collection charges by the Owner of any Flat shall be credited to the Special Fund (Flats).
 - (ii) All monies paid to the Manager by way of interest and collection charges by the Owner of the Commercial Accommodation shall be credited to the Special Fund (Commercial).

10.13 Civil action taken by Manager.

- (a) All amounts which are due and payable by any Owner under this Deed (including amounts payable to the Manager under an indemnity contained in this Deed) together with interest and the collection charges as provided in Clause 10.12, all damages for any breach of this Deed and all legal costs (on a solicitor and own client basis) and other expenses (on a full indemnity basis) incurred in recovering or attempting to recover the same (whether by legal proceedings or otherwise) shall be recoverable by civil action at the suit of the Manager in its own name and/or as agent for the Owners.
- (b) In any action taken in accordance with Clause 10.13(a), the Manager is hereby authorised to act as the agent for and on behalf of the Owners and no Owner sued under this Deed shall be entitled to raise any defence of want of authority or take objection to the right of the Manager as plaintiff to sue for or to recover such amounts as are due.

10.14 Registration of Charge against Shares of defaulting Owner.

- (a) Any sum payable by an Owner under this Deed or adjudged by a court of law to be payable by an Owner to the Manager as manager of the Land, whether for a breach of this Deed or otherwise, including (without limitation) damages, interests, costs, expenses and collection charges, which has become due and remains outstanding for more than 30 days from and including the date on which they become payable, shall stand charged on the Share and the attached Right to Occupy of the defaulting Owner together with all legal costs (on a solicitor and own client basis) incurred in registering and enforcing the charge mentioned below.
- (b) The Manager shall be entitled (without prejudice to any other remedy under this Deed) to register a memorial of such charge in the Land Registry against the Unit of the defaulting Owner. Such charge shall remain valid and enforceable, notwithstanding that judgment has been obtained for the amount thereof, until such judgment has been satisfied.

10.15 Order for sale. Any charge registered under Clause 10.14(b) shall be enforceable as an equitable charge by action at the suit of the Manager for an order for sale of the Share of the defaulting Owner together with the attached Right to Occupy and Clause 10.13 shall apply equally to any such action.

10.16 Keeping of accounts.

- (a) 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. The Manager shall keep separate management accounts for:
 - (i) the Development Common Parts and the Development Management Expenses; and
 - (ii) the Residential Common Parts and the Residential Management Expenses.
- (b) Within one 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 a balance sheet 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.
- (c) 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.
- (d) Each income and expenditure account and balance sheet shall include details of the Special Fund and an estimate of the time when there will be a need to draw on that Fund, and the amount of money that will be then needed.
- (e) Prior to the formation of the Owners' Corporation, if the Owners at an Owners' meeting decide that any income and expenditure account and balance sheet for a Financial Year should be audited by an independent auditor of their choice, the Manager shall without delay arrange for such an audit to be carried out by that auditor.
- (f) If there is an Owners' Corporation and the Owners' Corporation decides, by a resolution of the Owners, that any income and expenditure account and balance sheet should be audited by an accountant or by some other independent auditor as may be specified in that resolution, the Manager shall without delay arrange for such an audit to be carried out by that person and:
 - (i) permit any Owner, at any reasonable time, to inspect the audited income and expenditure account and balance sheet and the report made by the

accountant or auditor in respect of the income and expenditure account and balance sheet; and

- (ii) on payment of a reasonable copying charge, supply any Owner with a copy of the audited income and expenditure account and balance sheet, or the report made by the accountant or auditor in respect of the income and expenditure account and balance sheet, or both, as requested by the Owner.

10.17 Manager to open and maintain bank account.

- (a) The Manager shall open and maintain an interest-bearing account and shall use that account exclusively in respect of the management of the Land.
- (b) Without prejudice to the generality of Clause 10.17(a), if there is an Owners' Corporation, the Manager shall open and maintain one or more segregated interest-bearing accounts, each of which shall be designated as a trust account or client account, for holding money received by it from or on behalf of the Owners' Corporation in respect of the management of the Land.
- (c) The Manager shall display a document showing evidence of any account opened and maintained under Clause 10.17(a) or Clause 10.17(b) in a prominent place in the Development.
- (d) Subject to Clauses 10.17 (e) and (f), the Manager shall without delay pay all money received by it in respect of the management of the Land into the account opened and maintained under Clause 10.17(a) or, if there is an Owners' Corporation, the account or accounts opened and maintained under Clause 10.17(b).
- (e) Subject to Clause 10.17(f), the Manager may, out of money received by it in respect of the management of the Land, retain or pay into a current account a reasonable amount to cover expenditure of a minor nature, but that amount shall not exceed such figure as is determined from time to time by a resolution of the Owners' Committee (if any).
- (f) The retention of a reasonable amount of money under Clause 10.17(e) or the payment of that amount into a current account in accordance with Clause 10.17(e) and any other arrangement for dealing with money received by the Manager shall be subject to such conditions as may be approved by a resolution of the Owners' Committee (if any).
- (g) Any reference in this Clause 10.17 to an account is a reference to an account opened with a bank within the meaning of Section 2 of the Banking Ordinance (Cap. 155), the title of which refers to the management of the Land.

10.18 Inspection of accounts. The Manager shall permit any Owner at any reasonable time to inspect the books or records of account and any income and expenditure account or balance sheet. The Manager shall upon payment of a reasonable copying charge supply any Owner with a copy of any record or document requested by him.

- 10.19 Financial Year. The Manager may upon giving 3 months' notice in writing to the Owners change the Financial Year at any time but only once in every 5 years, unless that change is previously approved by a resolution of the Owners' Committee (if any).

11. OWNERS' MEETINGS

11.1 First and Subsequent Meetings.

- (a) From time to time when circumstances require, there shall be meetings of the Owners to discuss and decide matters concerning the Land.
- (b) The first meeting of the Owners shall be convened by the Manager as soon as possible but not later than 9 months after the date of this Deed, to elect members of the Owners' Committee to be elected under Clause 12.1(a) and the chairman of the Owners' Committee to form the Owners' Committee or to appoint a management committee for the purpose of forming an Owners' Corporation under the Ordinance.
- (c) Until the incorporation of an Owners' Corporation, a meeting of the Owners shall be convened within a reasonable period of time after the expiry of a period of 24 months from:
 - (i) the conclusion of the first meeting of the Owners convened under Clause 11.1(b); or
 - (ii) the last meeting of the Owners convened under this Clause 11.1(c),for the purpose of electing members of the Owners' Committee to be elected under Clause 12.1(a). The Manager must convene such meetings.

11.2 Convening. An Owners' meeting may be convened by:—

- (a) the Owners' Committee;
- (b) the Manager; or
- (c) an Owner appointed to convene such a meeting by the Owners of not less than 5% of the Shares in aggregate.

11.3 Notice. Every Owners' meeting shall be convened by at least 14 days' notice in writing before the date of the meeting, which shall be given by the person convening the meeting to each Owner. The notice of meeting referred to in this Clause 11.3 shall specify—

- (a) the date, time and place of the Owners' meeting; and
- (b) the resolutions (if any) that are to be proposed at the meeting.

- 11.4 Service of notice. The notice of meeting referred to in Clause 11.3 may be given:
- (a) by delivering it personally to the Owner;
 - (b) by sending it by post to the Owner at his last known address; or
 - (c) by leaving it at the Owner's Unit or depositing it in the letter box for that Unit.
- 11.5 Quorum. No business shall be transacted at any Owners' meeting unless a quorum is present when the meeting proceeds to business. The quorum at an Owners' meeting shall be 10% of the Owners. In this Clause 11.5, the reference to "10% of the Owners" shall:
- (a) be construed as a reference to 10% of the number of persons who are Owners without regard to their ownership of any particular percentage of the total number of Shares; and
 - (b) not be construed as the Owners of 10% of the Shares in aggregate;
- 11.6 Chairman. An Owners' meeting shall be presided over by the chairman of the Owners' Committee or, if the meeting is convened under Clause 11.2(b) or (c), the person convening the meeting.
- 11.7 Record. The chairman shall cause a record to be kept of the persons present at the Owners' meeting and the proceedings thereof.
- 11.8 Voting. At an Owners' meeting:
- (a) an Owner shall have one vote in respect of each Share he owns;
 - (b) an Owner may cast a vote personally or by proxy;
 - (c) where 2 or more persons are the co-owners of a Share, the vote in respect of the 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 Clause 11.8(c)(i) or (ii), either by one of the co-owners personally or by a proxy appointed by one of the co-owners;
 - (d) where 2 or more persons are the co-owners of a Share and more than one of the co-owners seeks to cast a vote in respect of the 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 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; and
- (f) in regard to the removal of the chairman of the meeting, votes shall be cast by balloting supervised by the Manager.

11.9 Proxies.

- (a) An instrument appointing a proxy shall be in the form set out in Form 1 in Schedule 1A to the Ordinance, and:
 - (i) shall be signed by the Owner; or
 - (ii) if the Owner is a body corporate, shall, notwithstanding anything to the contrary in its constitution, be impressed with the seal or chop of the body corporate and signed by a person authorized by the body corporate in that behalf.
- (b) The instrument appointing a proxy shall be lodged with the chairman of the Owners' Committee or, if the meeting is convened under Clause 11.2(b) or (c), the person convening the meeting at least 48 hours before the time for the holding of the Owners' meeting.
- (c) 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.

11.10 Procedure. The procedure at a meeting of Owners shall be determined by the Owners.

11.11 Resolutions. Save as otherwise provided in this Deed, any resolution on any matter concerning the Land passed by a simple majority of votes at a duly convened Owners' meeting by Owners present in person or by proxy and voting shall be binding on all the Owners Provided That:

- (a) the notice convening the meeting shall have been duly given in accordance with Clause 11.3 and shall have specified the intention to propose a resolution concerning such matters;
- (b) no resolution purporting to be passed at any such meeting concerning any matter not mentioned in such notice shall be valid;
- (c) no resolution shall be valid to the extent that it purports to alter the provisions of or is otherwise contrary to this Deed; and
- (d) subject to the provisions of this Deed, a resolution may be passed as to the manner in which the powers and duties hereby conferred on the Manager are to be exercised or carried out.

11.12 Lack of notice. The accidental omission to give notice in accordance with Clause 11.3 to any Owner shall not invalidate the meeting or any resolution passed thereat.

12. OWNERS' COMMITTEE

12.1 Election & meetings.

- (a) There shall be established and maintained an Owners' Committee of the Land consisting of a chairman, a secretary and up to 3 other Committee members (i.e. up to 5 members).
- (b) The Owners' Committee shall meet when circumstances require and, in any event, not less than 2 times a year. A meeting of the Owners' Committee may be convened at any time by the chairman or any 2 members of the Owners' Committee.
- (c) 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.
- (d) The notice of meeting referred to in Clause 12.1(c) 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.
- (e) The notice of meeting referred to in Clause 12.1(c) may be given:
 - (i) by delivering it personally to the member of the Owners' Committee; or
 - (ii) by sending it by post to the member of the Owners' Committee at his last known address; or
 - (iii) by leaving it at the member's Unit or depositing it in the letter box for that Unit.
- (f) No business shall be transacted at a meeting of the Owners' Committee unless a quorum is present when the meeting proceeds to business and 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.
- (g) A meeting of the Owners' Committee shall be presided over by:
 - (i) the chairman; or
 - (ii) in the absence of the chairman, a member of the Owners' Committee appointed as chairman for that meeting.
- (h) The procedure at meetings of the Owners' Committee shall be determined by the Owners' Committee.

12.2 Functions. The functions of the Owners' Committee shall be limited to the following:

- (a) representing the Owners in all dealings with the Manager;
- (b) liaising with the Manager in respect of all matters concerning the Land; and
- (c) exercising all other powers and duties conferred on the Owners' Committee under this Deed.

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

12.4 Membership.

A Committee member elected under Clause 12.1(a) to serve on the Owners' Committee shall hold office until new members of the Owners' Committee elected in the next meeting held under Clause 11.1(c) take office unless:

- (a) he resigns by notice in writing to the Owners' Committee;
- (b) he ceases to be eligible for election as an Owners' Committee member under Clause 12.5(a);
- (c) he is removed from office by a resolution passed at an extraordinary general meeting convened under Clause 12.6;
- (d) he becomes bankrupt or insolvent or enters into a composition with his creditors or is convicted of a criminal offence other than a summary offence not involving his honesty or integrity; or
- (e) he becomes incapacitated by death or physical or mental illness.

A Committee member in respect of whom an event mentioned in Clauses 12.4(a) to (e) has occurred shall cease to hold office upon the occurrence of such event.

12.5 Eligibility for election.

- (a) Any of the following shall be eligible for election as an Owners' Committee member under Clause 12.1(a) if he is:
 - (i) the Owner of a Unit if he is an individual;
 - (ii) where a Unit is co-owned by more than one individual Owner, any one but not the other(s) of them; or
 - (iii) where the Owner of a Unit is a body corporate, any representative appointed by such Owner.

- (b) The appointment of a representative by a corporate body shall be in writing addressed to the Owners' Committee and may be revoked at any time on notice served on the Owners' Committee.
- (c) If an Owner owns more than one Units he shall be entitled to propose more than one candidate (but limited to one candidate for each Unit) to be eligible for election as Owners' Committee members.
- (d) Elected members of the Owners' Committee are eligible for re-election.

12.6 Removal of Committee members. An extraordinary meeting of the Owners may be convened for removing from office any member of the Owners' Committee.

12.7 Election of the Chairman.

- (a) A chairman of the Owners' Committee (including a chairman elected under Clause 12.7(b)) shall hold office until the conclusion of the next meeting of the Owners convened under Clause 11.1(c).
- (b) If the chairman of the Owners' Committee ceases to be a member of the Owners' Committee for any reason or if he resigns his chairmanship before the conclusion of the next meeting of the Owners convened under Clause 11.1(c), the members of the Owners' Committee shall elect one of themselves to be the chairman of the Owners' Committee.

12.8 Resolutions.

- (a) Resolutions of the Owners' Committee shall be passed by a simple majority by show of hands.
- (b) Each member present at the Owners' Committee meeting shall have one vote on a question before the Committee and if there is an equality of votes the chairman shall have, in addition to a deliberative vote, a casting vote.
- (c) No resolution purported to be passed at any meeting of the Owners' Committee concerning any matter not mentioned in the notice of meeting shall be valid.
- (d) No resolution of the Owners' Committee shall be valid to the extent that it purports to alter the provision of or is otherwise contrary to or inconsistent with this Deed.

12.9 Records and Minutes.

- (a) The Owners' Committee shall keep records and minutes of:
 - (i) the appointment of members, the secretary and the chairman of the Owners' Committee and all changes thereof; and
 - (ii) all resolutions and proceedings of the Owners' Committee.

- (b) Such records and minutes shall be kept where the Owners' Committee may from time to time determine and shall be open to inspection by any Owner on reasonable notice being given. Any such person shall also be entitled to extracts or copies thereof on paying reasonable charges therefor.
- 12.10 Contracts entered into by the Owners' Committee. 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 Affairs may specify by notice in the Gazette) or an amount which is or is likely to be more than 20% of the Budget of the Financial Year concerned (or such other percentage as the Secretary for Home Affairs may specify by notice in the Gazette), whichever is the lesser, must be by invitation to tender and the standards and guidelines as may be specified in a Code of Practice referred to in section 20A of the Ordinance shall apply to the Owners' Committee with any appropriate variations.

13. EXTINGUISHMENT OF RIGHTS

- 13.1 Damage to Development. If any part of the Development is damaged by fire, typhoon, earthquake, subsidence or other causes (which part shall be referred to as the "**Damaged Part**") so that it is substantially unfit for habitation, occupation or use, the Owners (the "**Affected Owners**" in this Clause 13) of not less than 75% of Shares relating to the Damaged Part (excluding any Common Parts Shares) (the "**Relevant Shares**") may convene a meeting of the Owners of the Damaged Part. At such meeting the Affected Owners may resolve:
- (a) that it is not practicable to reinstate the Damaged Part in which case the Affected Owners shall forthwith assign the Relevant Shares and the attached Right to Occupy to the Manager or such other person as may be resolved by the Affected Owners upon trust to dispose of them as soon as reasonably practicable by public auction or private treaty and to distribute the net proceeds of sale to the Affected Owners in proportion to the number of Relevant Shares previously held by each Affected Owner. All insurance money received in respect of the Damaged Part shall likewise be distributed amongst the Affected Owners; or
- (b) to rebuild or reinstate the Damaged Part in which case the Affected Owners shall pay any costs of reinstating the Damaged Part which are not recovered from the insurance thereof in proportion to the number of Relevant Shares held by each Affected Owner. Until such payment the same will be a charge upon the Relevant Shares of each Affected Owner and shall be recoverable as a civil debt by the Manager pursuant to Clause 10.13.
- 13.2 Provisions applicable to meeting. The following provisions shall apply to a meeting convened pursuant to Clause 13.1:
- (a) the meeting shall be convened by at least 14 days' notice in writing posted on the public notice boards of the Development (if existing but if not then posted on an appropriate part of the site of the Development and published in an

English and a Chinese language newspaper circulating in Hong Kong) specifying the time and place of the meeting;

- (b) no business shall be transacted unless a quorum is present when the meeting proceeds to business and the Owners of not less than 75% of the Relevant Shares present in person or by proxy shall be a quorum;
- (c) if within half an hour from the time appointed for the meeting a quorum is not present, the meeting shall be adjourned to the same time and day in the next week at the same place;
- (d) the meeting shall be presided over by an Owner or such other person appointed as chairman for that meeting;
- (e) the chairman shall cause a record to be kept of the persons present at the meeting and notes of the proceedings thereof;
- (f) every Affected Owner shall have one vote. Owners who are co-owners of a Unit which is part of the Damaged Part shall have one vote and in case of dispute the Owner whose name stands highest in relation to that Unit in the register kept at the Land Registry shall have the right to vote. The chairman of the meeting shall have no second or casting vote when there is an equality of votes;
- (g) votes may be given either personally or by proxy;
- (h) the instrument appointing a proxy shall be deposited with the chairman of the meeting at the meeting;
- (i) a resolution of not less than 75% majority passed at a meeting duly convened under this Clause 13.2 shall bind all the Affected Owners Provided That:
 - (i) the notice convening the meeting specified 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; and
 - (iii) no resolution shall be valid if it is contrary to this Deed; and
- (j) the Manager shall have the right to attend the meeting.

14. MISCELLANEOUS PROVISIONS

- 14.1 Owners to notify Manager when ceasing to be Owner. Each Owner shall notify the Manager when it ceases to be the Owner of any Share and notify the Manager of the name and address of the new Owner. Each Owner shall remain liable for all sums due and payable under this Deed and for the compliance with this Deed up to the date on which such notice is received by the Manager but without prejudice to the liability of the new Owner under this Deed.

14.2 Common Parts Shares held by Manager.

- (a) Notwithstanding anything in this Deed, the Common Parts Shares shall not carry any liability to contribute to the Management Expenses, or make any payment under this Deed, and the Common Parts Shares shall not carry any voting rights (at any meeting whether held under this Deed, the Ordinance or otherwise) or be taken into account in calculating the quorum at any meeting.
- (b) The Manager shall:
 - (i) hold all Common Parts Shares and Common Parts assigned to it as trustee for all Owners, subject to the Land Grant, this Deed and the Deed of Mutual Grant; and
 - (ii) assign the Common Parts Shares and the Common Parts free of costs and consideration to the successor of the Manager upon termination of its appointment as Manager.
- (c) The Owners' Corporation (when formed) may require the Manager to assign or transfer to it the Common Parts Shares and the Common Parts and the management responsibilities free of costs and consideration. The Common Parts Shares and the Common Parts assigned to the Owners' Corporation under this Deed shall be held by the Owners' Corporation in trust as provided in Clause 14.2(b), subject to the Land Grant and this Deed.

14.3 No conflict with Land Grant. Nothing in this Deed shall conflict with or be in breach of the conditions in the Land Grant. If any provision contained in this Deed conflicts with the Land Grant, the Land Grant shall prevail.

14.4 Cessation of liabilities. Subject to Clause 14.1, each Owner shall on ceasing to be the Owner of any Share, cease to be liable for any matter or liabilities under this Deed other than in respect of any breach of this Deed by him prior to his ceasing to be an Owner.

14.5 Public notice boards etc. There shall be public notice boards at such places in the Development as the Manager may from time to time decide. There shall be exhibited on each of such public notice boards a copy of the Development Rules from time to time in force, all notices which are required under this Deed 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 3 consecutive days shall be due notice of the contents thereof to each Owner, his tenants and licensees.

14.6 Service of Notice.

- (a) Subject as otherwise provided in this Deed, all notices or demands to be served under this Deed shall be in writing and shall be sufficiently served if addressed to the party to whom the notices or demands are served and sent by prepaid post

to or left at the Unit or the letter box of the Unit of the party to be served notwithstanding that such party shall not personally occupy such Unit.

- (b) Where notice is to be given to an Owner who is a mortgagor, such notice may also be served on the mortgagee, if the mortgagee is a company, at its registered office or last known place of business in Hong Kong and, if he is an individual, at his last known residence.
- (c) All notices required to be given to the Manager shall be sufficiently served if addressed to the Manager and sent by pre-paid post or left at the registered office of the Manager.
- (d) Any Owner who does not occupy the Unit to which his Shares relate must provide the Manager with an address within Hong Kong for service of notices under this Deed.

14.7 Co-Owners and Owners of Sub-divided Units.

- (a) Co-owners of any Share, whether holding as joint tenants, tenants-in-common or otherwise, shall be jointly and severally liable to the Manager and other Owners for the performance of all obligations under this Deed which are to be performed by the Owner of the Share.
- (b) Where:
 - (i) a Unit has been sub-divided into different parts;
 - (ii) Shares and Management Shares allocated to that Unit have been sub-allocated among those parts; and
 - (iii) the Owner of the Shares sub-allocated to any such part has the exclusive right and privilege, vis-à-vis the Owners of other Shares allocated to the Unit, to hold, use, occupy and enjoy that part,

the Owner of the sub-allocated Shares shall be:

- (iv) liable for the payment of a Due Proportion (defined below) of any amount payable in respect of the Unit and for the performance of any obligation relating to that part of the Unit in respect of which he has such exclusive right and privilege to hold, use, occupy and enjoy;
- (v) entitled to a Due Proportion of any amount payable in respect of the Unit; and
- (vi) entitled to the benefit of and enforce any covenant in this Deed the breach of which will have a material adverse effect on the use and enjoyment of the part of the sub-divided Unit in respect of which he has such exclusive right and to privilege to hold, use, occupy and enjoy.

For the purpose of this Clause 14.7(b), “**Due Proportion**” means the proportion borne by the Shares allocated to the part of the Unit concerned to the total number of Shares allocated to that Unit under this Deed.

14.8 Deed binding on executors etc. This Deed shall bind the parties hereto and their respective executors, administrators, successors in title and assigns and the benefit and burden of the covenants in this Deed shall be annexed to and run with the Shares and the attached Right to Occupy, the Units and the Common Parts.

14.9 Chinese translation and copies of the Plans.

- (a) The First Owner shall at its own cost make a direct translation in Chinese of this Deed and shall deposit same and a copy of this Deed within one month after the date hereof in the management office of the Development. After the depositing of a copy of this Deed or the aforesaid direct translation, all Owners may inspect the same at the management office of the Development during normal office hours free of charge. A photocopy of the copy of this Deed or the said direct translation deposited shall be provided to any Owner upon request at the expense of such Owner and on the payment of a reasonable charge. Any monies paid as such a charge shall be credited to the Special Fund. In any dispute between the Chinese translation and the English document, the English version of this Deed shall prevail.
- (b) The Manager shall keep copies of the Plans in the management office of the Development. All Owners may inspect the same at the management office of the Development during normal office hours free of charge. A photocopy of the copies of the Plans deposited shall be provided to any Owner upon request at the expense of such Owner and on the payment of a reasonable charge. Any monies paid as such a charge shall be credited to the Special Fund.

14.10 Owners' Incorporation.

- (a) Nothing in this Deed shall prejudice the operation of the Ordinance. If any provisions contained in this Deed conflict with the Ordinance, the Ordinance shall prevail.
- (b) During the existence of an Owners' Corporation:
 - (i) the Manager's duties and powers under this Deed shall be vested in the Owners' Corporation;
 - (ii) general meetings of the Owners' Corporation shall take the place of the Owners' meetings under this Deed; and
 - (iii) the management committee of the Owners' Corporation shall take the place of the Owners' Committee under this Deed.
- (c) The Owners' Corporation shall have the same powers under this Deed as the Manager relating to the Slope Structures.

14.11 Works and Installations.

- (a) The First Owner shall at its own expense compile for the reference of the Owners and the Manager a maintenance manual for the Works and Installations (the “**W&I Maintenance Manual**”) which shall set out the following details:
 - (i) as-built record plans of the Development and the Works and Installations together with the necessary technical information (such as specifications of materials and design standard) for maintenance of all Works and Installations;
 - (ii) all warranties and guarantees (if any) provided by contractors (together with the names of the companies providing the warranty and the contact telephone numbers) in respect of all Works and Installations;
 - (iii) recommended maintenance strategy and procedures for the Works and Installations;
 - (iv) a list of items of the Works and Installations requiring routine maintenance and:
 - (1) the recommended frequency of routine maintenance inspection; and
 - (2) checklist and typical inspection record sheets for routine maintenance inspection;of such Works and Installations; and
 - (v) recommended maintenance cycle of the Works and Installations.
- (b) The First Owner shall deposit a full copy of the W&I Maintenance Manual at the management office of the Development within one month after the date hereof.
- (c) All Owners may inspect such deposited W&I Maintenance Manual at the management office of the Development during normal office hours free of charge. A copy of the W&I Maintenance Manual shall be provided to any Owner upon request at the expense of such Owner and on the payment of a reasonable charge. All such charges shall be credited to the Special Fund.
- (d) After the W&I Maintenance Manual has been deposited in accordance with Clause 14.11(b), the Owners may by a resolution at an Owners’ meeting revise, as may be necessary (e.g. the addition of works and installations in the Development, the updating of maintenance strategies in step with changing requirements, etc), Schedule 8 and/or the W&I Maintenance Manual, in which event the Manager shall procure from a qualified professional or consultant (as may be prescribed by a resolution at an Owners’ meeting) the revised Schedule 8 and/or the revised W&I Maintenance Manual (within such time as may be prescribed by a resolution at an Owners’ meeting) to be approved by a resolution

at an Owners' meeting. All costs incidental to the preparation of the revised Schedule 8 and/or the revised W&I Maintenance Manual shall, subject to Clause 10.4(i), be paid out of the Special Fund.

- (e) The Manager shall deposit the revised W&I Maintenance Manual at the management office of the Development within one month after the date of its preparation. Clauses 14.11(c) and (d) shall apply (*mutatis mutandis*) to the revised W&I Maintenance Manual.
- (f) The Manager shall use all reasonable endeavour to register the revised Schedule 8 at the Land Registry as soon as practicable after its approval by a resolution at an Owners' meeting.

14.12 Common areas among some but not all Owners. Notwithstanding paragraph 2 of Schedule 5, an Owner may convert or designate any part of his own Unit as common areas for the common use or benefit of some but not all Owners (the “**Affected Owners**” in this Clause 14.12), subject to the approval of the Affected Owners (but not any other Owner) and Provided That no expenses for the maintenance or management of such common areas shall be borne or paid by Owners other than the Affected Owners. 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. For the avoidance of doubt, such common areas shall not be regarded as forming part of the Common Parts and the Manager shall have no obligation to manage such common areas.

14.13 Copy of Schedules 7 and 8 to the Ordinance. 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. All Owners may inspect same at the management office of the Development during normal office hours free of charge. A photocopy of the copy of Schedules 7 and 8 to the Ordinance shall be provided to any Owner upon request at the expense of such Owner and on the payment of a reasonable charge. Any monies paid as such a charge shall be credited to the Special Fund.

14.14 Green and innovative and other features.

- (a) The Manager shall 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. The Manager shall carry out regular inspection of the concealed drainage pipes on a specified interval as proposed by the Authorized Person to alert any early signs of water leakage and pipe joints/pipe brackets conditions.
- (b) The parts of the staircases connecting Ground Floor, First Floor and Second Floor of the Development marked “ST-1” and “ST-2” on the Plans and forming part of the Development Common Parts may only be used as means of escape by an Owner and his tenants, licensees and invitees except with the approval of the Manager which said approval, without prejudice to the generality of Clause 2(n), may be subject to such conditions (including without limitation the nature of use, payment of a deposit and the taking of security measures) which the Manager may reasonably impose.

14.15 Fire Safety Management Plan.

- (a) Each Owner and the Manager shall observe and comply with the Fire Safety Management Plan.
- (b)
 - (i) Smoke detectors provided inside the Flats and at the common lobbies outside the Flats shall not be removed or obstructed.
 - (ii) Sprinkler head provided at the ceiling immediately above the open kitchen in a Flat shall not be removed or obstructed.
 - (iii) The full height wall having an FFR (fire resistance rating) of not less than -/30/30 adjacent to the exit door of a Flat (if provided) shall not be removed.
 - (iv) The Owner shall allow the fire service installations mentioned in (i) and (ii) above to be subject to annual or other maintenance, testing and commissioning conducted by the Manager's registered fire service installation contractor, and shall allow access to his Flat to the Manager and the aforesaid contractor for the purpose of carrying out the aforesaid maintenance, testing and commissioning, such maintenance, testing and commissioning shall be at the cost of the Owner concerned.
- (c) The Manager shall:
 - (i) assist the Owners of the Flats which contain open kitchens to carry out the maintenance, testing and commissioning referred to in Clause 14.15(b)(iv) and submit the maintenance certificate to the Fire Services Department at the cost of the Owner concerned;
 - (ii) arrange annual check and maintenance against the fire services installations forming part of the Common Parts to be conducted by the Manager's registered fire service installation contractor; and
 - (iii) have the powers to do anything which it considers necessary or expedient to enforce the Fire Safety Management Plan or performing any of its duties set out this Clause 14.15(c).

14.16 Slope Maintenance Manuals. The First Owner shall deposit a full copy of the Slope Maintenance Manuals (if any) in the management office of the Development within one month after the date of this Deed. After the depositing of the Slope Maintenance Manuals (if any), all Owners may inspect the same at the management office of the Development during normal office hours free of charge. A photocopy of the Slope Maintenance Manuals (if any) shall be provided to any Owner upon request at the expense of such Owner and on the payment of a reasonable charge. Any monies paid as such a charge shall be credited to the Special Fund.

14.17 Air-conditioner platform.

- (a) The air-conditioner platforms provided on balconies or on utility platforms of the Flats are designated as “areas for air-conditioning”.
- (b) Individual air-conditioner platforms must not be erected at the external walls of the building of the Development.

SCHEDULE 1

Allocation of Shares

**Part 1
General Allocation of Shares**

	<u>No. of Shares</u>
Flats	4,311
Commercial Accommodation	569
Common Parts	310
	<hr/>
Total no. of Shares :	<u>5,190</u>

Note: Allocation of Shares among the Flats is shown in Part 2.

Part 2

Allocation of Shares among the Flats

Floor	Flat	No. of Shares allocated to each Flat
5 th to 26 th Floors (19 storeys)	Unit A	22
	Unit B	37
	Unit C	27
	Unit D	25
	Unit E	25
	Unit F	27
	Unit G	27
	Unit H	22
27 th Floor	Unit A *	56
	Unit F *	45
27 th & 28 th Floors (Duplex)	Unit B *	51
	Unit C *	40
	Unit D *	40
	Unit E *	51

Notes:

1. “*” denotes that the Flat includes the roof held therewith.
2. There are no designations of 13th, 14th and 24th Floors.
3. There is no designation of Unit I.

SCHEDULE 2

Management Shares

Part 1 General Allocation of Management Shares

	<u>No. of Management Shares</u>
Flats	4,311
Commercial Accommodation	569
Common Parts	0
	<hr/>
Total no. of Management Shares :	<u>4,880</u>

Note: Allocation of Management Shares among the Flats is shown in Part 2.

Part 2

Allocation of Management Shares among the Flats

Floor	Flat	No. of Management Shares allocated to each Flat
5 th to 26 th Floors (19 storeys)	Unit A	22
	Unit B	37
	Unit C	27
	Unit D	25
	Unit E	25
	Unit F	27
	Unit G	27
	Unit H	22
27 th Floor	Unit A *	56
	Unit F *	45
27 th & 28 th Floors (Duplex)	Unit B *	51
	Unit C *	40
	Unit D *	40
	Unit E *	51

Notes:

1. “*” denotes that the Flat includes the roof held therewith.
2. There are no designations of 13th, 14th and 24th Floors.
3. There is no designation of Unit I.

SCHEDULE 3

PART A - RIGHTS OF OWNERS

1. Each Owner shall have the benefit of the following rights (in common with all persons having the like right):
 - (a) Right to use Common Parts. Subject to the rights of the Manager and the First Owner in this Deed and subject also to the Land Grant and the Deed of Mutual Grant, the right for the Owner and his tenants, licensees and invitees to use the Common Parts for all purposes connected with the proper use and enjoyment of his Unit Provided That:
 - (i) the Recreational Facilities and the Covered Landscape Area may only be used for such purposes by the residents of the Flats and their bona fide visitors and by no other person or persons, and only those persons with residents' cards or residents' permits will be allowed to enter into the Recreational Facilities; and
 - (ii) without prejudice to the generality of the foregoing and notwithstanding paragraph 1(a)(i) of Part A of this Schedule the Owners, tenants, licensees and invitees of any Unit may always make use of any Common Parts for the purpose of:
 - (1) escape or seeking refuge in case of a fire or other emergency; or
 - (2) obtaining access to and from their respective Units (or parts thereof) or any category of Common Parts which they are entitled to make use of, where such access cannot practically be obtained other than through the first mentioned Common Parts; and
 - (iii) in the event that the lift forming part of the Commercial Accommodation is not in operation due to malfunction, repair, maintenance, renovation or replacement, the Owner, occupiers, licensees or invitees of the Commercial Accommodation or a part thereof may use the lift marked "LIFT 2" on the Plans and such part of the Residential Common Parts for the purposes provided below:
 - (1) for the purpose of obtaining access to or from the part of the Commercial Accommodation on the First Floor of the Development if that Owner, occupier, licensee or invitee of the Commercial Accommodation or a part thereof is a disabled person or otherwise not physically fit to access to or from the part of the Commercial Accommodation on the First Floor of the Development through staircase; or
 - (2) for the purpose of transporting goods or other matters to or from the part of the Commercial Accommodation on the First Floor of

the Development where it is not practicable to transport the same through staircase;

which said use shall be under the direction and/or supervision of the Manager if the Manager considers appropriate; and

- (iv) nothing in this paragraph 1(a) shall prejudice any right granted under paragraphs 1(b) to (e) of Part A of this Schedule.
- (b) Right of support and shelter. The right to subjacent and lateral support and to shelter and protection from the other parts of the Land.
- (c) Right to passage of utility services. The right to uninterrupted passage and running of soil, sewage, water, gas, electricity, air, smoke, information and other utility services (if any) from and to his Unit through the Conduits which are now or may at any time be in, under or passing through the Land for the proper use and enjoyment of his Unit.
- (d) Right of entry to other parts of Land to repair. The right for any Owner with or without surveyors, workmen and others and with or without plant, equipment and materials at all reasonable times upon notice (except in an emergency when no notice is required and the entry may take place at all times) to enter upon other parts of the Land for the purpose of carrying out any works for the maintenance and repair of his Unit for the maintenance, repair, setting up, adjustment, replacement, improvement and addition of any systems, equipment, facilities, machinery, fixtures, fittings, Conduits serving his Unit (such works 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 reasonably possible and forthwith making good any damage thereby caused to any part of the Land.
- (e) Right to easements. All other easements, rights and privileges belonging or appertaining to the Land.

PART B - RIGHTS TO WHICH OWNERS ARE SUBJECT

1. Each Owner holds his Unit subject to the following:
 - (a) Land Grant. Any rights reserved to the Government in the Land Grant.
 - (b) First Owner's and Manager's rights of entry. The right (if any) for the First Owner and the Manager (or either of them) to enter his Unit as provided under this Deed.
 - (c) Other Rights. Rights and privileges equivalent to those contained in paragraph 1 of Part A of this Schedule.

SCHEDULE 4

Owners' Covenants

1. Use.

- (a) To comply with the terms of the Land Grant and all laws applicable to his Unit or the use of or any activity which may from time to time be carried out in or in relation to his Unit.
- (b) Not to use:
 - (i) a Flat other than for private residential use and without prejudice to the generality of the above, no Flat shall be used as a boarding house or for any form of commercial letting or occupancy in bed spaces or cubicles Provided That the First Owner may use any Flat owned by it as a show flat; and
 - (ii) any part of the Development other than for purposes from time to time permitted by the Land Grant and the law Provided That no part of the Development shall be used as a mahjong school, funeral parlour, coffin shop, temple (for the avoidance of doubt, "temple" shall not include church and chapel), Buddhist hall, garage for car repairing or any activity or purpose related to gambling (except any betting or similar activity undertaken or operated by the Hong Kong Jockey Club, or any purpose or other activity related thereto), the production, sale, storage, display or viewing of pornographic materials, funeral, burial, cremation or any form of ancestor worship or a ceremony known as "Ta Chai (打齋)", or any other immoral or illegal purpose.
- (c) Not to do anything whereby any insurance taken out by the Manager under this Deed may become void or voidable or whereby the premia for any such insurance may be increased and in the event of any breach of this covenant to pay to the Manager the amount of any increase in premium caused by such breach in addition to any other liability incurred thereby.
- (d) Not to do anything which interferes with or is likely to interfere with any construction work on the Land or the exercise or performance of the Manager's powers and duties under this Deed.
- (e) Not to use his Unit for any purpose or activity which is illegal, noxious, dangerous or offensive or which may be or become a nuisance to or cause damage or annoyance to any other Owner or occupier of the Land or neighbouring premises.
- (f) (i) Not to keep any pet or animal in any Flat if the same has been the cause of written complaint of at least four other Owners or occupiers of the Development received by the Manager.

- (ii) Where the keeping of pet or animal is permitted under paragraph 1(f)(i) of this Schedule, to at all times comply with all Development Rules and all laws (including without limitation the Dogs and Cats Ordinance (Cap.167)) applicable to the keeping, regulation or control of his pet or animal.
- (g) Not to cause the maximum floor loading-bearing capacity of any floor to be exceeded and in the event of any breach of this covenant to make good any damage caused thereby.
- (h) Not to install any gas supply to the domestic part of the Development.
- (i) Not to bring into or store in any Unit any dangerous or combustible goods
Provided That:
 - (i) the bringing into or storage of such goods in Commercial Accommodation in amounts which are reasonable in the ordinary course of the business carried out in the Commercial Accommodation or any part thereof;
 - (ii) the bringing into or storage of a reasonable amount of disposable LPG cylinders (i.e. cartridges) for portable cassette cookers bearing GU mark granted by Electrical and Mechanical Services Department in a Flat for domestic cooking in that Flat; or
 - (iii) the bringing into or storage of a reasonable amount of LPG cylinders in a roof forming part of a Flat for domestic cooking in that roof
 shall not be a breach of this covenant if:
 - (A) it will not result in:
 - (1) a contravention of any law;
 - (2) any policy of insurance taken out by the Manager under this Deed becoming void or voidable; or
 - (3) the Manager not being able to take out any insurance under this Deed; and
 - (B) any increase in premia for any insurance taken or to be taken out by the Manager under this Deed as a result of such bringing into the Unit or storage of the item is borne by the Owner of the Unit concerned.
- (i) Not to store goods in any Flat other than the personal and household possessions of the Owner or occupier.
- (j) Not to play mahjong in any Unit between midnight and 9 a.m. if any noise so created will be audible in any other Unit of the Land.

- (k) Not to alter, damage or interfere with Conduits which serve another part of the Land.
 - (l) Not to do anything which may obstruct any means of fire escape or refuge area in the Development and (where necessary) to permit Owners, occupiers, licensees and invitees of other parts of the Development to pass and repass through his Unit for the purpose of escaping or seeking refuge in the case of a fire or other emergency.
 - (m) To observe and comply with all Development Rules.
 - (n) To use a balcony, utility platform, air-conditioner platform, flat roof, or roof forming part of his Unit only as a balcony, utility platform, air-conditioner platform, flat roof or (as the case may be) roof in connection with the use and enjoyment of the Unit.
 - (o) To ensure that there is no overflow of water from his Unit.
2. Outgoings. To pay and discharge all taxes, rates and outgoings payable in respect of his Unit and to indemnify the other Owners against all liabilities in respect thereof Provided That all outgoings including Monthly Management Fees and Government rent payable in respect of a Unit up to and inclusive of the date of the first assignment of that Unit shall be paid by the First Owner.
3. Repair. To at his own expense inspect, maintain and carry out all necessary works for the maintenance of:
- (a) his Unit and without prejudice to the generality of the foregoing, the Owner of a Flat shall keep any balcony, utility platform, air-conditioner platform, flat roof, or roof forming part of his Unit in good and substantial repair and condition; and.
 - (b) the Development and the Works and Installations, subject to the provisions of this Deed.
4. Alterations.
- (a) (i) Not to make any structural alteration to any part of the Development which will interfere with or affect the rights of any other Owner.
 - (ii) Not to make any structural alteration to any part of the Development without first obtaining the consent of the Manager (except where the Owner making such alteration is the First Owner then such consent of the Manager shall not be required).
 - (b) (i) No Owner of a Flat shall install any air-conditioning units in any window or external wall of the Development other than at places designated for such purpose without the consent of the Manager.

- (ii) To take all possible measures to prevent excessive noise, condensation or dripping from any air-conditioning units.
- (c) Not to make any alteration to any fixture in the Development so as to or do anything which will affect or be likely to affect the supply or running of soil, sewage, water, electricity, gas, air, smoke, information or other matters to other parts of the Land or the normal functioning of the Common Parts.
- (d) Not to install at any entrance to a Flat any metal grille, shutter or gate:
 - (i) which contravenes the Fire Services Ordinance (Cap. 95); or
 - (ii) without the consent of the Manager.
- (e) Not to sub-divide a Flat or the Shares allocated to or the Right to Occupy a Flat Provided That this restriction shall not apply to the First Owner.
- (f) Not to erect, build or install any structure or other things, whether permanently or temporarily, in any balcony, utility platform, air-conditioner platform, flat roof, roof forming part of his Unit (except for the avoidance of doubt that air-conditioners may be placed on the air-conditioner platform).
- (g) Not to do anything whereby any Non-enclosed Areas, flat roof or any roof forming part of his Unit will be enclosed in whole or in part above safe parapet height other than as shown in the Building Plans.
- (h) Not to alter the design and location (as shown in the Building Plans) of any balcony, utility platform, air-conditioner platform, flat roof or roof forming part of his Unit.

5. Exterior of Development.

- (a) Not to, save with the consent of the Manager:
 - (i) do anything in any Flat which will or may, in the opinion of the Manager, alter or adversely affect the external appearance of the Development or the Land;
 - (ii) change the design, style or colour of the glass, glazing, frame, railing, guard, grille or other structure of any window forming part of his Flat; and
 - (iii) erect install affix or display any railing, guard, grille, shades on or to any window forming part of his Flat.
- (b) Not to connect any installation to the communal television, radio or telecommunications aerial, cable, satellite system or other similar apparatus or any Conduit installed by the First Owner or the Manager except in accordance with applicable Development Rules.

- (c) No Owner of a Flat shall fix or display any Signs, cages, shades or other items on the exterior of the Development.
- (d) Not to leave in any balcony, utility platform, air-conditioner platform, flat roof, or roof forming part of his Unit any matter which may, in the opinion of the Manager, adversely affect the appearance of the Development.
- (e) Not to use any balcony, flat roof, or roof forming part of his Unit for the drying of laundry above parapet height.

6. Common Parts.

- (a) Not to obstruct the Common Parts, leave any dustbins, refuse, furniture or other things nor do anything in or to the Common Parts which may be or become a nuisance to any other Owners or occupiers of the Land or any neighbouring premises.
- (b) Not to alter the Common Parts or do anything which may, in the opinion of the Manager, interfere with or damage the Common Parts or adversely affect the normal functioning of the Common Parts and to indemnify the Manager and the other Owners for all losses incurred by the Manager and/or the other Owners (or any or some of them) as a result of a breach of this covenant including all costs and expenses incurred by the Manager in repairing the damage to or removing the interference with or restoring the normal functioning of those of the Common Parts affected by the breach.
- (c) Not to bring any animal or pet into such Common Parts as the Manager may from time to time specify and when remaining in any Common Parts which an animal may be brought into to take all measures to prevent that animal or pet from causing any nuisance, danger, injury or damage.
- (d) Not to make any connection to any system, equipment, plant, facility or Conduit forming part of the Common Parts except with the consent of the Manager and in accordance with the Development Rules.
- (e) To follow instructions which may from time to time be given by the Manager in relation to refuse collection facilities in the Development.
- (f) Not to convert any of the Common Parts to his own use or for his own benefit unless the approval of the Owners' Committee has been obtained. Any payment received for the granting of such approval shall be credited to the Special Fund. All outgoings (including those for the supply of water, gas, electricity, telecommunication, information and other utility services) relating to such conversion shall be borne by the Owner carrying out that conversion solely and directly. Where the outgoings concerned is not exclusively related to that conversion, and it is not practicable to have a separate meter or other similar device for apportionment, the Manager may attribute a certain portion of the outgoings to that conversion as the Manager may reasonably consider appropriate.

7. Conduits.
- (a) Not to do anything whereby the flush or drainage system of the Land may be clogged or impaired.
 - (b) Not to allow any noxious, dangerous, poisonous, corrosive or objectionable effluent to be discharged into any Conduit on the Land and to ensure that discharged effluent will not corrode or be harmful to the flush or drainage system of the Land.
 - (c) Not to allow sewage or refuse water to flow from the Land onto any adjoining land or to allow any waste to be deposited on the Land and to remove all refuse and waste in a proper manner.
8. Partitioning. No Owner (except the First Owner acting in compliance with the Land Grant) shall at any time exercise or attempt to exercise any statutory or common law right to partition the Land and/or the Development.
9. Works.
- (a) To ensure that works to his Unit will be carried out in accordance with the law, the Land Grant, this Deed, the Deed of Mutual Grant and the Development Rules with sufficient safety and protection measures being implemented to the satisfaction of the Manager.
 - (b) To properly remove from the Land in accordance with directions which may be given by the Manager from time to time all debris, surplus building materials or other waste resulting from any works to his Unit.
 - (c) To pay the Decoration Deposit to the Manager prior to the commencement of works.
 - (d) To indemnify the Manager for all costs, expenses or losses which the Manager may incur or suffer as a result of the carrying out of any works to his Unit, or the acts or omissions of the Owner or its employees, agents, contractors or licensees in connection with such works, or the breach of any provision of this paragraph 9.
10. Compliance by tenant, etc. To take all reasonable steps to prevent the tenants, occupiers, licensees or invitees of his Unit from doing anything which may interfere with or affect the management of the Land or constitute a breach of the Land Grant, this Deed, the Deed of Mutual Grant or the Development Rules.
11. Maintenance of Slope Structures. To maintain and carry out at their own expense all works in respect of any and all Slope Structures as required by the Land Grant and in accordance with the Geotechnical Guidelines and the Slope Maintenance Manuals.

SCHEDULE 5

Additional Rights of the First Owner

1. **Common Parts.** The right to assign to the Manager without consideration the Common Part Shares and the Common Parts, which shall be held by the Manager in trust for the Owners in accordance with this Deed.
2. **Additional Common Parts.** Subject to the approval by a resolution passed at an Owners' meeting, the right to designate on such terms as it considers fit any part of the Land which it has the Right to Occupy to be additional Common Parts and, after such designation, the expense of maintaining such additional Common Parts shall be included in the Management Expenses Provided That such designation shall not adversely affect any Owner's Right to Occupy his Unit(s). Any additional Management Expenses arising from such designation shall be allocated in accordance with the principles set out in Clause 10.3(g). Neither the First Owner nor the Manager will have the right to re-convert or re-designate such additional Common Parts to his own use or benefit save as otherwise provided for when the area in question was so converted or designated.
3. **Amendments to Building Plans and other plans.** Subject to obtaining any necessary consent under the Land Grant and the law, the rights to:
 - (a) add to or amend the Building Plans or any plan or proposal (if any) prepared or which requires approval under the Land Grant (including master layout plans, landscaping proposals and car park layout plans) or any law; and
 - (b) carry out any works to implement such addition or amendment;Provided That:
 - (c) such rights may only be exercised in respect of any part of the Land which it has the Right to Occupy; and
 - (d) these rights shall not be exercised so as to impede or restrict access to or from any part of the Land which the First Owner does not have the Right to Occupy.
4. **Alterations.** Subject to all necessary approval under the Land Grant and the law having been obtained, the right to make structural alterations or additions to those parts of the Land which the First Owner has the Right to Occupy without the concurrence of any Owner or the Manager or any other person Provided That:
 - (a) any such structural alteration shall not interfere with or affect the rights of any other Owner; and
 - (b) all approvals required under the law and the Land Grant have been obtained.
5. **Fixtures.** The right for itself, the Manager and their licensees to install, affix, maintain, alter, renew and remove any Signs, plant, machinery, aerals and any other fixtures or facilities on or within the Common Parts and on the parts of the Land which

it has the Right to Occupy Provided That if this right is exercised in relation to the Common Parts:

- (a) written approval by a resolution of the Owners at an Owners' meeting is obtained prior to the exercise of such right;
- (b) access to and use and enjoyment of the Unit of any other Owner shall not be unreasonably affected; and
- (c) any consideration received from the exercise of this right shall be credited to the Special Fund.

6. Entry to Carry Out Works.

- (a) The right to enter any part of the Land at all reasonable times to complete or commission the development of the Land or the Common Parts (including but not limited to, subject to the prior approval by the Government, constructing, completing or commissioning the footbridge (or part thereof) connecting the Development and the Adjacent Land and Development constructed or to be constructed within the boundary of the Land) and carry out any works to the Land it is permitted to carry out under this Deed and to license or otherwise permit any other person to do so on such terms as the First Owner deems fit Provided That:
 - (i) except in an emergency when no notice is required and the entry may take place at all times, this right may only be exercised by the First Owner upon giving notice to:
 - (1) the Manager, if this right is exercised in relation to the Common Parts; or
 - (2) the Owner who has the Right to Occupy the Unit concerned, if this right is exercised in relation to a Unit;
 - (ii) access to and use and enjoyment of the Unit of any other Owner shall not be unreasonably affected; and
 - (iii) the First Owner shall rectify any damage to the Land caused by the negligence acts or omissions of its employees and agents in the course of exercising such rights but otherwise the First Owner shall have no liability to the other Owners for any inconvenience, disturbance or loss that may be caused by such works.
- (b) The right to issue instructions to the Owners and occupiers of the Development and their respective licensees, visitors and invitees that they may or may not use any part of the Land while the works or activities referred to in paragraph 6(a) of this Schedule are being carried out.

- (c) Any right of entry of the First Owner under this paragraph 6 may be exercisable by the First Owner with or without surveyors, workmen and contractors and with or without plant, equipment, materials and machinery.
7. Name of Development. The right to change the name of the Development or any part thereof at any time or to assign to any Owner the said right and the First Owner and any assignee of such right shall not be liable to any Owner or other person for any losses resulting therefrom.
8. User. The right (subject to obtaining any necessary consent under the Land Grant and the law) to change the user of any part of the Land which the First Owner has the Right to Occupy.
9. Dedication to Public. The right to dedicate to the public any part of the Land which the First Owner has the Right to Occupy for the purposes of passage with or without vehicles or in such manner as the First Owner shall consider fit Provided That:
- (a) access to and use and enjoyment of the Unit of any other Owner shall not be unreasonably affected; and
 - (b) no Owner (except the First Owner) may claim any consideration or compensation or benefit offered by the Government for such dedication if the Building Authority permits the site coverage or the plot ratio for any building within the Land to exceed the permitted percentage site coverage or the permitted plot ratio (as the case may be) as a result of such dedication.
10. Boundaries of the Land. Subject to the prior approval of the Owners' Committee or the Owners' Corporation (if formed), the right to adjust the boundaries of the Land and to reach any agreement with the Government in connection therewith and for that purpose to effect any surrender, extension or re-grant of the Land Grant.
11. Surrender to Government. The right to surrender or assign any part of the Land which the First Owner has the Right to Occupy which is required to be surrendered or assigned to the Government.
12. Shares and Management Shares.
- (a) The right to re-allocate the Shares registered in the name of the First Owner.
 - (b) The right to adjust the number of Management Shares and the fraction which each Management Share bears to the whole.
13. Amendments to Land Grant. The right to:
- (a) apply to, negotiate and agree with the Government to vary or modify the Land Grant or any provision thereof, or to obtain any waiver or no-objection by the Government relating to any provision thereof, in such manner as the First Owner may consider fit;

- (b) execute any document relating to such variation, modification, waiver or no-objection in the name of the First Owner without joining in any other Owner; and
- (c) bind the other Owners to such variation, modification, waiver or no-objection or any document relating thereto executed by the First Owner as mentioned above;

Provided That:

- (d) an Owner's Right to Occupy and access to or from his Unit shall not be unreasonably affected;
- (e) the First Owner shall be solely responsible for any administrative fee and premium payable in respect of such variation, modification, waiver or no objection; and
- (f) the rights conferred by this paragraph 13 on the First Owner shall be restricted to and only exercisable in respect of the part of the Land which the First Owner has the Right to Occupy.

14. Sub-Deed of Mutual Covenant.

- (a) To enter into a Sub-Deed of Mutual Covenant (in this paragraph 14, the "**Sub-DMC**") in respect of any part of the Development the Shares relating to and the Right to Occupy which are beneficially owned by the First Owner Provided That
 - (i) the Sub-DMC shall be drafted in accordance with guidelines of the Law Society of Hong Kong if applicable (save to the extent waived by the Law Society of Hong Kong and save and except such guidelines already incorporated in the principal DMC and remain applicable to matters to be governed by the sub-DMC); and
 - (ii) if compliance of such Guidelines will be in conflict with the provisions of this Deed, those guidelines shall only apply to the extent necessary to avoid any such conflict.
- (b) To appoint a manager for the part of the Development for which a Sub-Deed of Mutual Covenant has been entered into.

15. Right of way, etc.

- (a) The right to obtain the grant of any easements, rights of way or any other rights of whatever nature whether proprietary, contractual or otherwise over or in relation to any adjoining or neighbouring land for the benefit of the Land on such terms and conditions as the First Owner considers fit Provided That the prior approval of the Owners' Committee (if formed) shall be obtained if payment out of the Management Funds is involved.

- (b) Subject to any restrictions contained in the Land Grant and the law and to the prior written approval of the Owners' Committee or the Owners' Corporation (if formed), the right to grant any easements, rights of way or any other rights of whatever nature whether proprietary, contractual or otherwise over or in relation to any part or parts of the Common Parts for the benefit of any adjoining or neighbouring land on such terms and conditions as the First Owner considers fit Provided That any benefit acquired out of the exercise of the right under this paragraph 15(b) by the First Owner shall in so far as it affects the Common Parts be held upon trust for all the Owners and, if such benefit is in monetary terms, shall be credited towards the Special Fund.
- (c) Without prejudice to the generality of paragraphs 15(a) and 15(b) above and subject to the prior written approval of the Owners' Committee or the Owners' Corporation (if formed), the rights (with or without joining any Owner):
 - (i) (1) to enter into a deed or deeds of grant of easement in favour of the owners and/or occupiers of the adjoining or neighbouring land; and
 - (2) to release or extinguish the Deed of Mutual Grant or any easement or right of way exercisable by the Owners of the Land over any adjoining or neighbouring land

at such time(s), on such terms and conditions and with such party(ies) as the First Owner may consider appropriate; and

- (ii) to vary, amend or otherwise alter the terms, conditions or covenants of or contained in the Deed of Mutual Grant or such deed or deeds referred to in sub-paragraph (i) above

Provided That:

- (iii) the exercise of the right under this paragraph 15(c) shall not affect the right of any Owner to the exclusive use and occupation of his Unit or impede or restrict the access to and from any part or parts of the Land and the Development; and
 - (iv) all monetary consideration (if any) received therefor shall be credited to the Special Fund.
- 16. Consideration received by the First Owner. Unless otherwise expressly provided in this Deed, the right to retain for its own use and benefit any consideration or benefit received or receivable by the First Owner or otherwise arising through the exercise of any right in this Schedule.
 - 17. Assignment. The right to assign, grant or licence any of its rights in this Schedule to another Owner or to the Manager.

SCHEDULE 6

Additional Rights of the Owner of the Commercial Accommodation

1. Erection of Signs and Shop Front, etc. Subject to the Land Grant and the law, to from time to time:
 - (a) install, amend and remove Signs as the Owner of the Commercial Accommodation deems fit in any part of the Commercial Accommodation;
 - (b) alter any external wall (and external finishes, claddings and features thereon), façade or shop front forming part of the Commercial Accommodation as the Owner of the Commercial Accommodation deems fit; and
 - (c) adopt and change such design, colour scheme and materials for the front of the Commercial Accommodation as the Owner of the Commercial Accommodation deems fit

Provided That the appearance (including the type, design, style, size, height and material) of the shopfront of the Commercial Accommodation or any part thereof (and any Sign if that Sign forms part of the shopfront) and any such alteration shall be subject to the approval of the Manager which shall not be unreasonably withheld (except where the Owner is the First Owner then such approval of the Manager shall not be required).

2. Sub-division.
 - (a) To sub-divide, in such manner as he deems fit, the Commercial Accommodation, the Shares allocated thereto under this Deed and the Right to Occupy attached to such Shares;
 - (b) Without prejudice to the generality of paragraph 2(a) above, to:
 - (i) sub-allocate to any part of the Commercial Accommodation such of the Shares and Management Shares allocated to the Commercial Accommodation under this Deed as he deems fit;
 - (ii) sell, assign, charge, mortgage or otherwise dispose of or deal with such sub-allocated Shares together with the Right to Occupy the part of the Commercial Accommodation to which such Shares are sub-allocated; and
 - (iii) enter into a Sub-Deed of Mutual Covenant in relation to the sub-divided Commercial Accommodation (in this paragraph 2(b), the “**Sub-DMC**”) Provided that:
 - (1) the Sub-DMC shall be drafted in accordance with guidelines of the Law Society of Hong Kong from time to time applicable (save to the extent waived by the Law Society of Hong Kong and save and except such guidelines already incorporated in the

principal DMC and remain applicable to matters to be governed by the sub-DMC); and

- (2) if compliance of such Guidelines will be in conflict with the provisions of this Deed, those guidelines shall only apply to the extent necessary to avoid any such conflict.

3. Amendments to Land Grant. The right to, subject to the approval of the First Owner (so long as it remains the beneficial owner of any part of the Land):

- (a) apply to, negotiate and agree with the Government to vary or modify the Land Grant or any provision thereof, or to obtain any waiver or no-objection by the Government relating to any provision thereof to the extent affecting the Commercial Accommodation only, in such manner as the Owner of the Commercial Accommodation may consider fit;
- (b) execute any document relating to such variation, modification, waiver or no-objection in the name of the Owner of the Commercial Accommodation without joining in any other Owner; and
- (c) bind the other Owners to such variation, modification, waiver or no-objection or any document relating thereto executed by the Owner of the Commercial Accommodation as mentioned above;

Provided That:

- (d) an Owner's Right to Occupy and access to or from his Unit shall not be adversely affected; and
- (e) the Owner of the Commercial Accommodation shall be solely responsible for any administrative fee and premium payable in respect of such variation, modification, waiver or no objection.

4. Amendments to Building Plans and other plans. Subject to obtaining any necessary consent under the Land Grant and the law, and subject to paragraph 4(a) of Schedule 4, the rights to:

- (a) add to or amend the Building Plans or any plan or proposal (if any) prepared or which requires approval under the Land Grant (including master layout plans, landscaping proposals and car park layout plans) or any law; and
- (b) carry out any works to implement such addition or amendment;

Provided That:

- (c) such rights may only be exercised in respect of the Commercial Accommodation which the Owner has the Right to Occupy; and
- (d) these rights shall not be exercised so as to impede or restrict access to or from any part of the Land which the Owner does not have the Right to Occupy.

SCHEDULE 7

Powers of Manager

1. Collection of Money. To demand and collect all money payable by the Owners under this Deed and the Deed of Mutual Grant.
2. Insurance.
 - (a) Subject to the direction of the Owners' Corporation (if formed), to insure on such terms as the Manager may determine:
 - (i) the Common Parts and the Slope Structures in their full new reinstatement values in respect of loss or damage by fire or other risks; and
 - (ii) the Owners and the Manager in respect of such public, third party and occupier's liability, employer's liability in respect of employees employed within or exclusively in connection with the management of the Land, and other risks and liabilities (including risks and liabilities arising from Slope Structures) as the Manager may decide in such amounts as the Manager deems fit,

with some reputable insurance company as comprehensively as reasonably and commercially possible in the name of the Manager and for and on behalf of the Owners according to their respective interests and to pay all premia required to keep such insurance policies in force. Such insurance could be a block insurance for the entire Development including areas which are not Common Parts.
 - (b) Subject to Clause 13.1, to pay out or apply all insurance money, compensation or damages recovered by the Manager in respect of any damage or loss to any Common Parts in the repair, rebuilding or reinstatement of that part of the Common Parts or the Slope Structures.
 - (c) To pay out or apply all insurance money, compensation or damages recovered by the Manager in respect of any public, third party, occupier's, employer's, or other liability in remedying or compensating the loss or other matter for which it was paid.
3. Repair, maintenance and improvement of Common Parts.
 - (a) To take all steps as the Manager may decide for putting and keeping the Common Parts in good and substantial repair, in a clean, tidy and proper working condition and appropriately decorated, landscaped, lit and ventilated.
 - (b) Subject always to Clause 8.4, where reasonably required, to rebuild, renew, improve and upgrade the Common Parts as it deems fit and build or install additional common facilities as it deems fit in each case to a standard commensurate with the status of the Development.

- (c) To replace any broken glass in the Common Parts.
- (d) To keep the Conduits forming part of the Common Parts free from obstructions and in proper working condition.
- (e) To cultivate, irrigate and maintain plant and landscaping works in the Common Parts, if any.
- (f) To operate the gondolas in the Development and for the avoidance of doubt the Manager may move and use a gondola in or through the airspace over any balcony, utility platform, air-conditioner platform, flat roof, or roof forming part of or any part of any Flat or the Commercial Accommodation Provided That the Manager shall at his own costs and expense repair and make good any damage so caused in exercising such power pursuant to this paragraph 3(f).

4. Control and operation and administration of Common Parts.

- (a) To have exclusive control over the Common Parts and to generally administer and manage the Common Parts.
- (b) To operate the Common Parts in such manner as the Manager deems fit.
- (c) To comply with and ensure compliance with all laws and provisions of the Land Grant which are applicable to the Common Parts or the Land as a whole.
- (d) To regulate pedestrian traffic in the Common Parts.
- (e) To prevent obstruction of the Common Parts.
- (f) If any article or vehicle is, in the Manager's opinion, causing obstruction of the Common Parts or is brought onto or remains in the Common Parts in contravention of this Deed or the Development Rules or parking fees payable in respect of any vehicle parked in areas comprised in the Common Parts have not been paid, to:
 - (i) remove and impound the article or vehicle concerned;
 - (ii) recover from the Owner who or whose tenant, licensee or visitor has brought the article onto the Common Parts (in this paragraph 4(f), the **"Defaulting Owner"**) all costs and expenses incurred by the Manager in the removal and impoundment and (as the case may be) the parking fees in default and other penalties and charges;
 - (iii) pending the recovery of such costs, expenses, parking fees, penalties and charges, claim a lien on the article or vehicle; and
 - (iv) if these amounts are not paid within a time which the Manager may in its absolute discretion determine, dispose of the article or vehicle in such

manner as the Manager may decide and apply the proceeds towards payment of the amounts secured by the lien;

Provided That the Defaulting Owner shall indemnify the Manager, its employees, agents and contractors and keep them fully indemnified for any losses incurred in exercising the Manager's powers under this paragraph 4(f).

- (g) To take all steps which the Manager considers appropriate for preventing any person from doing anything which may damage or interfere with the Common Parts or the normal functioning thereof.
- (h) To charge as the Manager deems fit a fee for the entry into and/or use of the Recreational Facilities (or any part thereof) Provided that all fees so received shall form part of the Management Funds.
- (i) To remove from the Common Parts any person who fails to comply with those of the Development Rules governing the use of the Common Parts or the conduct of any person using or present in the Common Parts.
- (j) Subject to the Land Grant, the law and Clause 8.4 and without prejudice to other rights and powers of the Manager, to carry out such works or other activities to or in the Common Parts in accordance with a resolution of the Owners' Committee.
- (k) To suspend, close or shut down the Common Parts for repairing or replacement which the Manager deems necessary.

5. Refuse Collection.

- (a) To prevent any decaying, noxious, excrementitious or other refuse matter from being deposited in the Land or any part thereof.
- (b) To arrange for refuse to be collected from different parts of and removed from the Land, and to maintain all refuse collection facilities in accordance with the requirements of any Governmental or other competent authority.

6. Prevention of Erosion. So far as reasonably possible, to prevent any refuse or other matter being deposited, washed, eroded or falling from the Land onto any neighbouring property and to remove any such refuse or other matter on or in the Land originating from any neighbouring property.

7. Utilities.

- (a) To make suitable arrangements for the supply of water, gas, electricity, telecommunication, information and other utility services to, from or for the Land.
- (b) Subject to Clause 8.4, to take such steps and make such arrangements from time to time as it considers appropriate to:

- (i) increase the supply of any utility to the Development when existing supply may not be sufficient to cope with current needs; or
- (ii) procure to be supplied to the Development any utility not previously supplied to the Development.

Without prejudice to the generality of the above, the Manager may (subject to Clause 8.4 and all approvals required under the law or the Land Grant having been obtained):

- (iii) install or permit any utility supplier to install additional plant, equipment and Conduits which are necessary for increasing the supply of or (as the case may be) supplying the utility concerned in such of the Common Parts as the Manager considers appropriate;
 - (iv) carry out all works to the Common Parts for the purpose of facilitating the installation of such additional plant, equipment and Conduits; and/or
 - (v) convert Common Parts currently used for other purposes for the installation of such additional plant, equipment and Conduits.
- (c) To install, maintain and operate as the Manager deems fit communal radio, television or telecommunication cables, aerials and satellite dishes, Conduits for the transmission of information and other similar apparatus serving the Development.
 - (d) To take all reasonable steps to prevent any person from overloading any of the electrical installations and circuits in the Development.
 - (e) To negotiate and enter into and perform contracts with operators or providers of telecommunication or internet services for the supply of such services to the Development Provided That the Manager shall not enter into any contract for the installation or use of aerial broadcast distribution or telecommunications network facilities or any contract for the provision of broadcast distribution network or telecommunications network services unless:
 - (i) the term of the contract does not exceed 3 years;
 - (ii) the right to be granted under the contract is non-exclusive and the contract provides for sharing the use of the facilities and network with other service providers; and
 - (iii) no Owner is required to make any payment in any form attributable to the installation or provision of the facilities or services unless he is a subscriber to the relevant services.

Without prejudice to the generality of the foregoing, to make all necessary connections as the Manager deems appropriate to enable the transmission of the services to occupants of the Development.

8. Security. To provide and maintain as the Manager deems fit security personnel, closed circuit T.V. systems, burglar alarms and other security measures for the Land.
9. Appointment of Lawyers. To appoint as it deems fit solicitors or legal counsel to advise upon any matter which arises in relation to the Land or this Deed and to grant them authority to accept service on behalf of the Owners of legal proceedings relating to the Land (except proceedings relating to the rights or obligations of individual Owners) and in all proceedings to which the Government is a party to appoint a solicitor who will undertake to accept service on behalf of the Owners (whether for the purpose of Order 10 Rule 1 of the Rules of the High Court or otherwise) within 7 days of being requested to do so by the Government.
10. Contracts.
 - (a) To appoint or employ agents, contractors or sub-managers (including professional property management companies) to carry out various aspects of the management of the Development or management in respect of certain area(s) of the Development Provided That the Manager shall not transfer or assign its rights, duties or obligations under this Deed to any such third parties (who must remain responsible to the Manager) and the Manager shall always remain responsible for the management and control of the whole Development.
 - (b) To appoint accountants to audit the management accounts and books and prepare the annual income and expenditure accounts and balance sheets.
11. Enforcement of Deed.
 - (a) To enforce and take all reasonable steps to ensure compliance with this Deed, the Deed of Mutual Grant and the Development Rules by the Owners, occupiers and licensees of the Land including by the commencement, conduct, defence and enforcement of legal proceedings (the provisions of Clause 10.13 applying to any such action) and by the registration and enforcement of charges in accordance with Clause 10.14.
 - (b) To recover all costs and expenses incurred by the Manager in relation to an exercise of its power under paragraph 11(a) of this Schedule from the defaulting Owner.
 - (c) To forbid any Owner who breaches this Deed and his tenants and licensees from using the Common Parts until the default is rectified save for the transmission of utility services (including telecommunication) and obtaining access to the Owner's Unit.
 - (d) To discontinue providing management services to any Owner who breaches this Deed.
 - (e) To remove any structure or installation or to demolish any building works in any part of the Land which are in contravention of this Deed, the Land Grant, the Deed of Mutual Grant or the law and to recover from the Owner of the Unit concerned all costs and expenses incurred by the Manager in connection with

the exercise of the power in this paragraph 11(e) and making good any damage thereby caused to any other part of the Land Provided That this paragraph 11(e) does not impose any obligation on the Manager to carry out any works or activities it is empowered to carry out under this paragraph 11(e).

- (f) Where an Owner defaults in:
 - (i) any repair or maintenance obligations under this Deed; or
 - (ii) carrying out any activity to his Unit which is required to be carried out under the law or this Deed;

to carry out to or in the Owner's Unit all necessary works or activities as the Manager considers appropriate to ensure compliance with this Deed or (as the case may be) the law, and to recover from the Owner all costs and expenses incurred by the Manager in connection with the exercise of the power in this paragraph 11(f) Provided That this paragraph 11(f) does not impose any obligation on the Manager to carry out any works or activities it is empowered to carry out under this paragraph 11(f).

- (g) To take such steps as the Manager deem appropriate for removing from the Land any animal the presence of which in the Land or any Unit constitutes a contravention of this Deed.
- (h) To remove from the Recreational Facilities, any person who fails to comply with or is in breach of any applicable Development Rules and to exclude any person who has been in persistent breach of such Development Rules from the use of the Recreational Facilities, for such reasonable period as the Manager shall in its discretion deem appropriate.
- (i) To post on the public notice boards of or other prominent places in the Development the unit number of any Owner who is in breach of this Deed together with particulars of the breach.

12. Dealings with Government.

- (a) To have the exclusive right to represent the Owners in dealings with the Government or any other competent authority or any other person concerning the Land as a whole or the Common Parts, with power to bind all Owners as to any policy adopted, decision reached or action taken in relation to any such dealings.
- (b) Subject to the approval of the Owners' Committee or the Owners' Corporation (if formed), to surrender to the Government any part of the Common Parts on such terms and conditions and by deeds and documents of form and substance as the Manager deems fit.
- (c) To comply with any legislation and lawful requirements of the Government and any competent authority.

- (d) To comply with and take all steps the Manager may decide to ensure the compliance with all provisions in the Land Grant applicable to the Land as a whole.
13. Grant and acceptance of leases, rights.
- (a) To, subject to the prior approval of the Owners' Committee or the Owners' Corporation (if formed), grant upon such terms as it considers appropriate:
 - (i) rights of way and other easements and rights of any other kind (whether constituting an interest in land or otherwise) over or relating to any Common Parts or any part of the Land not forming part of a Unit; and
 - (ii) franchises, leases or tenancy agreements in respect of and licences to use any Common Parts;

in either case to such persons (including, without limitations, owners or occupiers of any adjoining or neighbouring land, the Government or members of the general public). All income and receipts arising therefrom shall form part of the Management Funds.
 - (b) To obtain, upon such terms as the Manager deems fit but subject to the prior approval of the Owners' Committee or the Owners' Corporation (if formed), grant of easements, licences or rights of any other kind whether constituting an interest in land or otherwise which will, in the opinion of the Manager, benefit the Owners and occupiers of the Land and to perform all terms and conditions on which such a grant is made.
14. Common Parts Shares. To take an assignment of and hold the Common Parts Shares and the Common Parts on trust in accordance with this Deed.
15. Staff and professional consultants.
- (a) To employ such staff and on such terms as it deems fit to enable it to perform its powers and duties under this Deed and to provide such staff with any necessary accommodation, uniforms, working clothes and all materials and equipment.
 - (b) To retain the service of such professional consultants on such terms as it deems fit for the purpose of carrying out its powers and duties under this Deed.
16. Entry.
- (a) To enter with or without workmen, equipment or materials at all reasonable times on reasonable notice (except in an emergency when no notice is required and the entry may take place at all times) any part of the Land to access any Common Parts such access cannot practically be obtained without such entry or to exercise or carry out any of its powers or duties under this Deed (including without limitation to carry out necessary repairs to the Development or abate any hazard or nuisance which does or may affect the Common Parts or Owners

other than the Owner whose Unit are being entered under the power provided in this paragraph 16(a)) Provided That the Manager shall at his own costs and expense make good any damage and be responsible for any liability caused by the negligent, wilful or criminal acts or omissions of the Manager or its employees, agents or contractors in entering any part of the Land pursuant to this paragraph 16(a).

- (b) To replace broken window glass or glazing in any Unit which remains unreplaced for 7 days after the Manager has served a notice on the Owner or occupier of that Unit requiring him to replace the same Provided That this paragraph 16(b) does not impose any obligation on the Manager to replace any broken window glass in any Unit.

17. Development Rules.

With the approval of the Owners' Committee, if any, to make, revoke and amend Development Rules regulating:

- (a) the use, occupation, security, maintenance, fitting-out, decoration, renovation and environmental control of the Land or any part thereof;
- (b) the conduct of persons occupying, visiting or using the Common Parts and the conditions of such occupation, visit or use, including the payment of charges;
- (c) matters pertaining to the protection of the Common Parts; and
- (d) other matters pertinent to the beneficial management of the Land (including without limitation matters pertaining to the protection of the environment of the Land and the implementation of 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);

Provided That Development Rules made or amended in accordance with this paragraph 17 shall not be inconsistent with or contravene this Deed or the Deed of Mutual Grant (and in case of such inconsistency, this Deed and the Deed of Mutual Grant shall prevail), the Ordinance or the Land Grant. Such Development Rules shall bind the Owners, their tenants, licensees and invitees. A copy of the Development Rules shall be posted on the public notice boards of the Development and a copy shall be supplied to each Owner on request on payment of reasonable copying charges. For the avoidance of doubt, the Manager may make or amend such Development Rules before the formation of an Owners' Committee in which case the approval of the Owners' Committee is not required.

18. Sub-Deed of Mutual Covenant.

- (a) To act as manager under a Sub-Deed of Mutual Covenant relating to any part of the Development and exercise all powers and perform all duties under the Sub-Deed of Mutual Covenant.

- (b) Where a Sub-Deed of Mutual Covenant and/or Sub-Management Agreement or any similar deed or document is entered into in respect of any part of the Development and the Manager is not appointed Manager under the Sub-Deed or other deed or document, to do all things as the Manager considers appropriate for co-ordinating with the manager appointed under such Sub-Deed or other deed or document.
19. Consent. Subject as otherwise provided in this Deed, to give (with or without conditions) or withhold its consent to anything which requires its consent pursuant to this Deed and where any fee is imposed by the Manager as a consideration for the granting of such consent, such fee shall be held for the benefit of the Owners and be credited to the Special Fund. The Manager shall be entitled to charge not more than a reasonable administrative fee for processing and issuing the consent.
20. Complaints. To deal with all enquiries, complaints, reports and correspondence relating to the Land.
21. Festive decorations. To provide such Christmas, Chinese New Year and other festive decorations and to organize such festive celebrations or activities for the Development as it deems fit.
22. Meetings of Owners. To convene meetings of the Owners and to act as secretary in keeping the minutes of such meetings.
23. Acquisition of property. To purchase, hire or otherwise acquire as it deems fit movable property for use in relation to the Land.
24. Execution of documents. For the purpose of effecting any dealing or transaction relating to the Common Parts or the Common Parts Shares in accordance with this Deed or the Deed of Mutual Grant, to execute and enter into any deed or document without joining any Owner (including any previous Owner) as a party thereto, the intention being that:
- (a) the Manager, as trustee holding the Common Parts and the Common Parts Shares in accordance with this Deed, is empowered to execute and enter into such deed or document; and
- (b) such deed and document shall, upon execution by the Manager as trustee empowered as mentioned above, be binding on all Owners as beneficial owners of the Common Parts and the Common Parts Shares.
25. Environmental matters.
- (a) To provide appropriate and sufficient waste separation and recovery facilities consisting of materials that will not cause any fire hazard (including, but not limited to, waste separation bins) at such locations within the Common Parts:
- (i) as it may consider suitable and convenient to facilitate waste separation and recovery by Owners and occupiers of the Development; and

- (ii) so as not to cause obstruction to any fire escape route.
 - (b) To ensure that recyclable materials recovered from the waste separation and recovery facilities or through the regular cleaning process shall be properly collected, stored and sent for recycling.
 - (c) To maintain the waste separation and recovery facilities in an environmentally acceptable and hygienic manner to avoid creating nuisance to the Owners and occupiers of the Development.
 - (d) To organize on a regular basis activities it may consider appropriate to promote the environmental awareness of the Owners and occupiers of the Development and encourage Owners and occupiers of the Development to participate in such activities with a view to improving the environmental conditions of the Development.
 - (e) Subject to the approval of the Owners' Committee or the Owners' Corporation, if formed, to make Development Rules requiring Owners and occupiers of the Development to dispose of their rubbish properly for waste separation and recycling purposes.
26. Decoration Deposits.
- (a) If any works are to be carried out to a Flat, to obtain from its Owner a refundable Decoration Deposit of a sum equal to HK\$10,000 or of such amount as may from time to time be stipulated in the Development Rules.
 - (b) If any works are to be carried out to the Commercial Accommodation, to obtain from its Owner a refundable Decoration Deposit of a sum equal to HK\$20,000 or of such amount as may from time to time be stipulated in the Development Rules.
 - (c) Without prejudice to other rights and remedies of the Manager, to deduct from the Decoration Deposit any amount which an Owner is liable to pay to or indemnify the Manager under Schedule 4, paragraph 9(d) and to refund to the Owner concerned the balance (if any) of the Decoration Deposit without interest.
27. Transformer Room Facilities. To repair, maintain and reinstate the Transformer Room Facilities during the term of the Land Grant.
28. Geotechnical works. To inspect, keep and maintain in good and substantial repair and condition and carry out all necessary works in respect of the Slope Structures in compliance with the conditions of the Land Grant and in accordance with the Geotechnical Guidelines, the Slope Maintenance Manuals and all guidelines issued from time to time by the appropriate Government departments regarding the maintenance of the Slope Structures and to employ suitably qualified personnel for that purpose.
29. Deed of Mutual Grant.

- (a) Without prejudice to paragraph 13 of this Schedule and subject to the prior approval of the Owners' Committee or the Owners' Corporation (if formed):
 - (i) to enter into a deed or deeds of grant of easement any deed or deeds to vary, amend or otherwise alter the terms, conditions or covenants of or contained in the Deed of Mutual Grant; and
 - (ii) to release or extinguish the Deed of Mutual Grant or any easement or right of way exercisable by the Owners of the Land over any adjoining or neighbouring land

Provided That the exercise of the right under this paragraph 29(a) shall not affect the right of any Owner to the exclusive use and occupation of his Unit or impede or restrict the access to and from any part or parts of the Land and the Development.

- (b) To enforce, observe and perform the Deed of Mutual Grant and to take action in respect of any breach thereof.

SCHEDULE 8

WORKS AND INSTALLATIONS

The following works and installations:

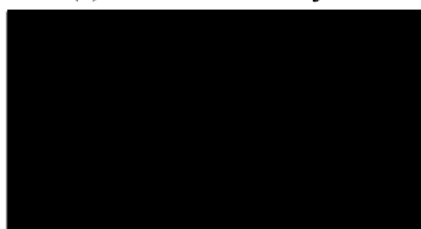
- (i) structural elements;
- (ii) external wall finishes and roofing materials;
- (iii) fire safety elements;
- (iv) plumbing system;
- (v) drainage system;
- (vi) fire services installations and equipment;
- (vii) electrical wiring and ELV system;
- (viii) lift installations;
- (ix) gas supply system;
- (x) the gondola system;
- (xi) hard and soft landscaping works;
- (xii) architectural feature works on external walls; and
- (xiii) central air-conditioning and ventilation system.

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

THE FIRST OWNER

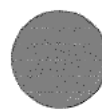
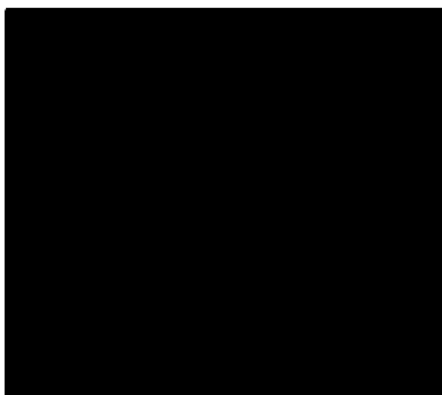
SEALED with the **COMMON SEAL** of
LANADA (BVI) COMPANY LIMITED
and **SIGNED** by [REDACTED]

whose signature(s) is/are verified by:



THE FIRST ASSIGNEE

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

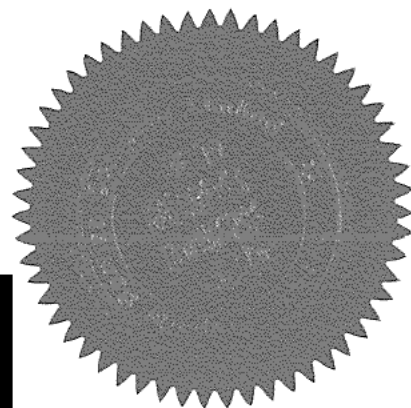


THE COMPANY

SEALED with the **COMMON SEAL** of)
INVENTOR PROPERTY SERVICE)
COMPANY LIMITED)
(智臻物業服務有限公司)
and **SIGNED** by [REDACTED])
)

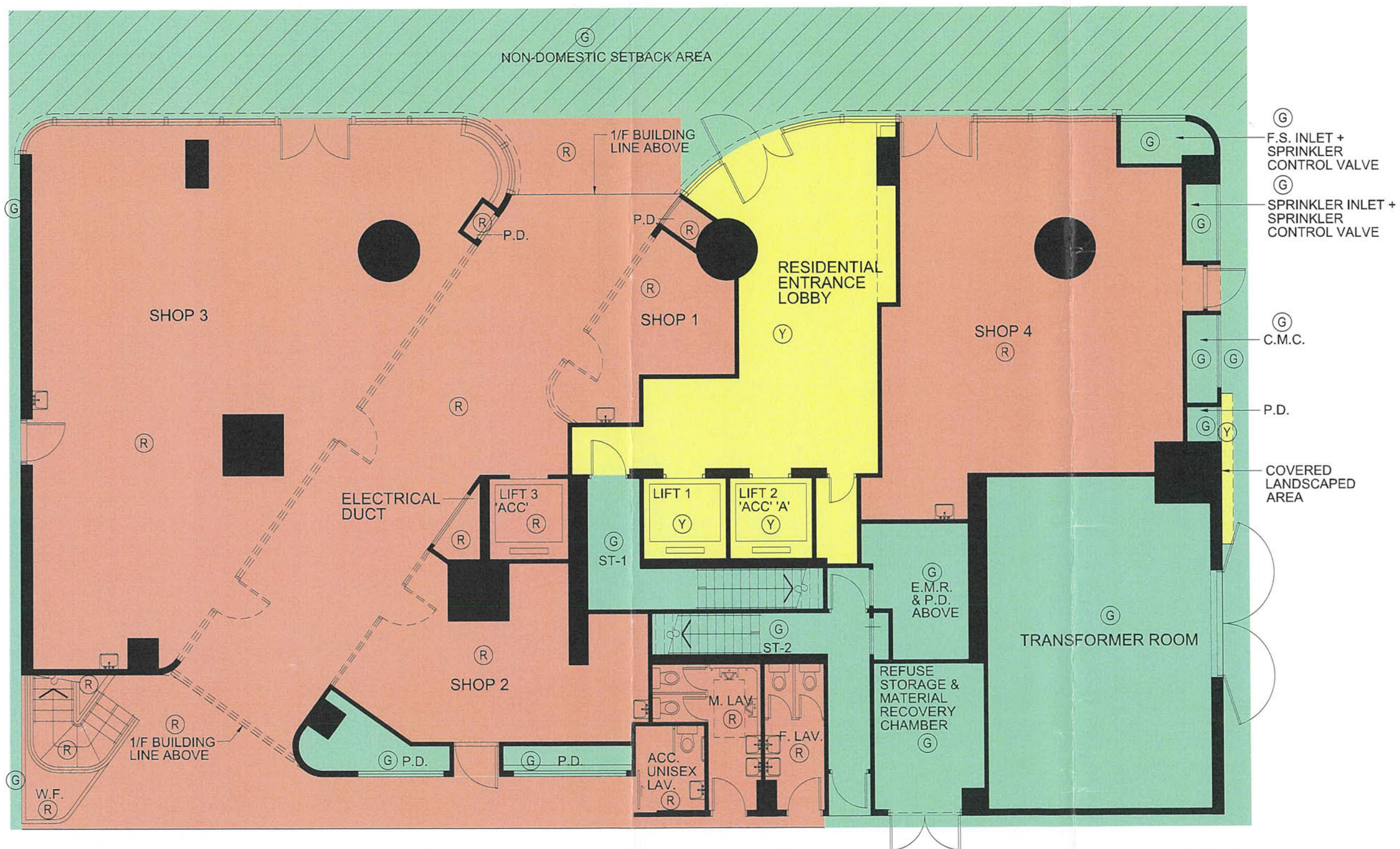
whose signature(s) is/are verified by:

[REDACTED]



APPENDIX 1

The Plans



0m 1m 2m 3m 5m 10m

GROUND FLOOR PLAN

I hereby certify the accuracy of this Plan

Leung Heung Kwan, Ellis
Authorized Person, Architect
Date: 17 SEPTEMBER 2024



註冊摘要編號 Memorial No.:
24103101670028 A3C

PROPOSED COMPOSITE RE-DEVELOPMENT AT
NOS.221-233 YEE KUK STREET, SHAM SHUI PO

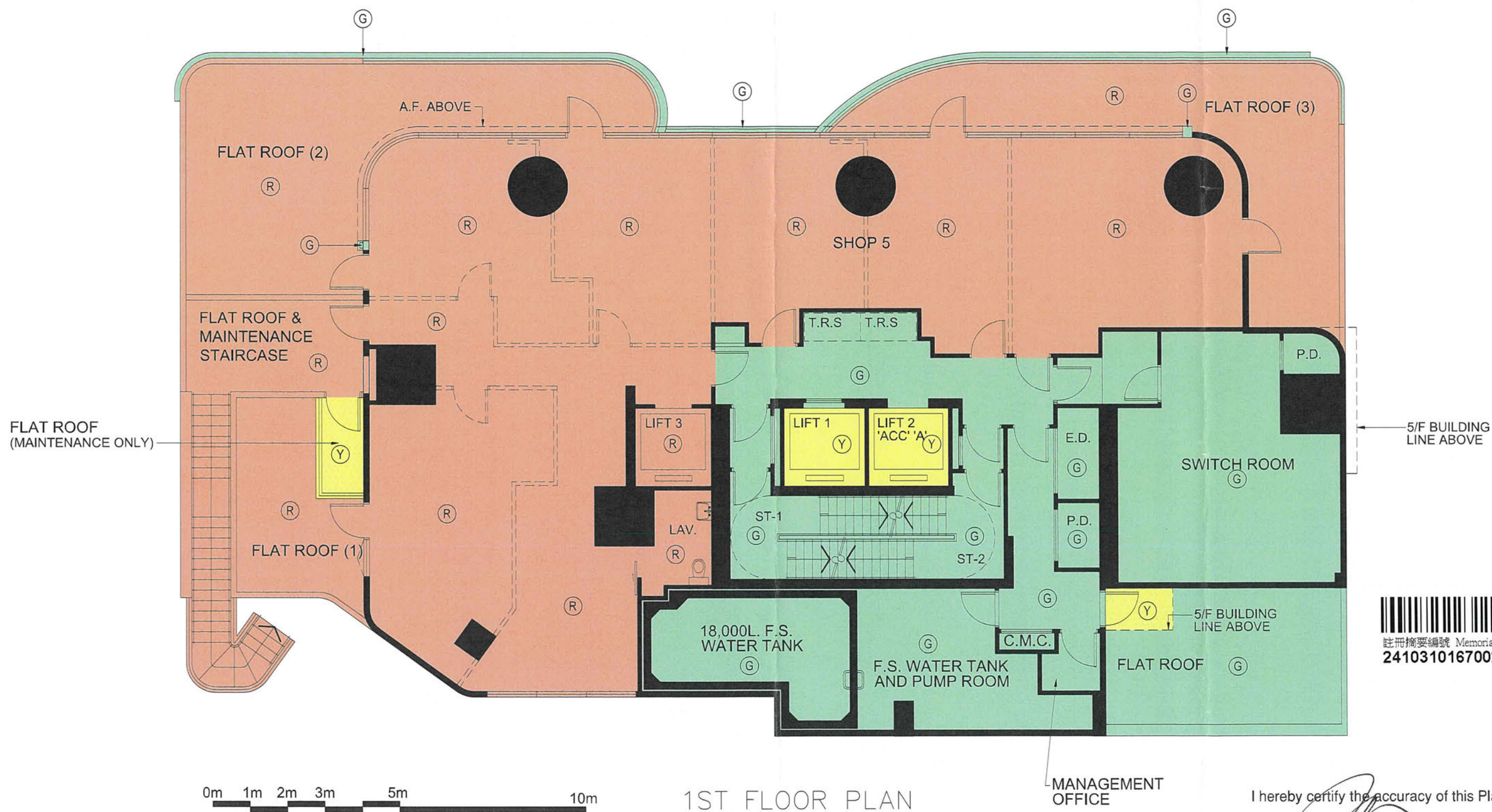
DMC PLAN
PLAN NO. : DMC - 01

LEGEND: (Y) RESIDENTIAL COMMON PARTS
(G) DEVELOPMENT COMMON PARTS
(R) COMMERCIAL ACCOMMODATION

(Y) RESIDENTIAL COMMON PARTS
(COVERED LANDSCAPE AREA)
(G) DEVELOPMENT COMMON PARTS
(SETBACK AREA)

REV. : -

DATE : SEP 2024



I hereby certify the accuracy of this Plan

Leung Heung Kwan, Ellis
Authorized Person, Architect
Date: 17 SEPTEMBER 2024

PROPOSED COMPOSITE RE-DEVELOPMENT AT
NOS.221-233 YEE KUK STREET, SHAM SHUI PO

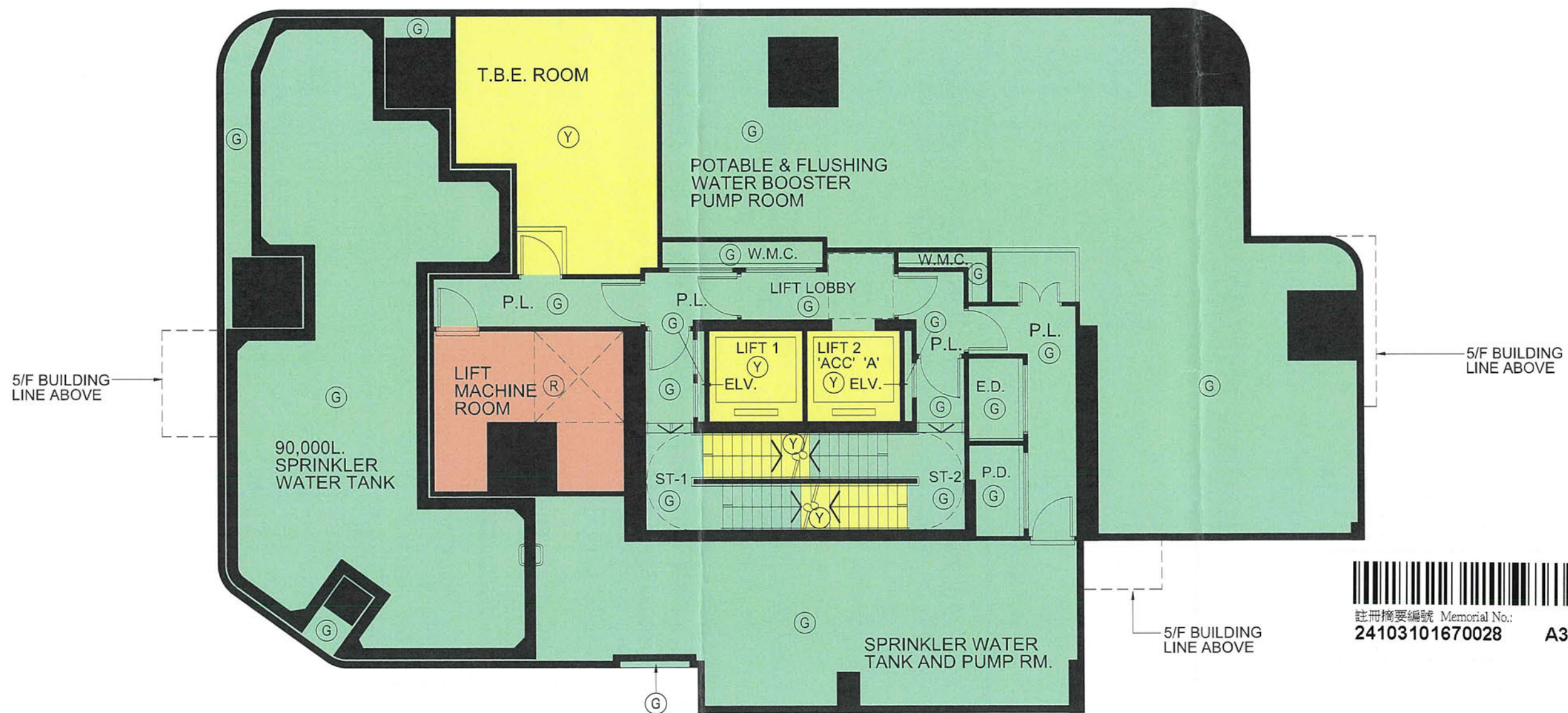
DMC PLAN
PLAN NO. : DMC - 02

LEGEND: (Y) RESIDENTIAL COMMON PARTS
(G) DEVELOPMENT COMMON PARTS
(R) COMMERCIAL ACCOMMODATION

(Y) RESIDENTIAL COMMON PARTS
(COVERED LANDSCAPE AREA)

REV. : -

DATE : SEP 2024



註冊摘要編號 Memorial No.:
24103101670028 A3C

0m 1m 2m 3m 5m 10m

2ND FLOOR PLAN

I hereby certify the accuracy of this Plan

Leung Heung Kwan, Ellis
Authorized Person, Architect
Date: 17 SEPTEMBER 2024

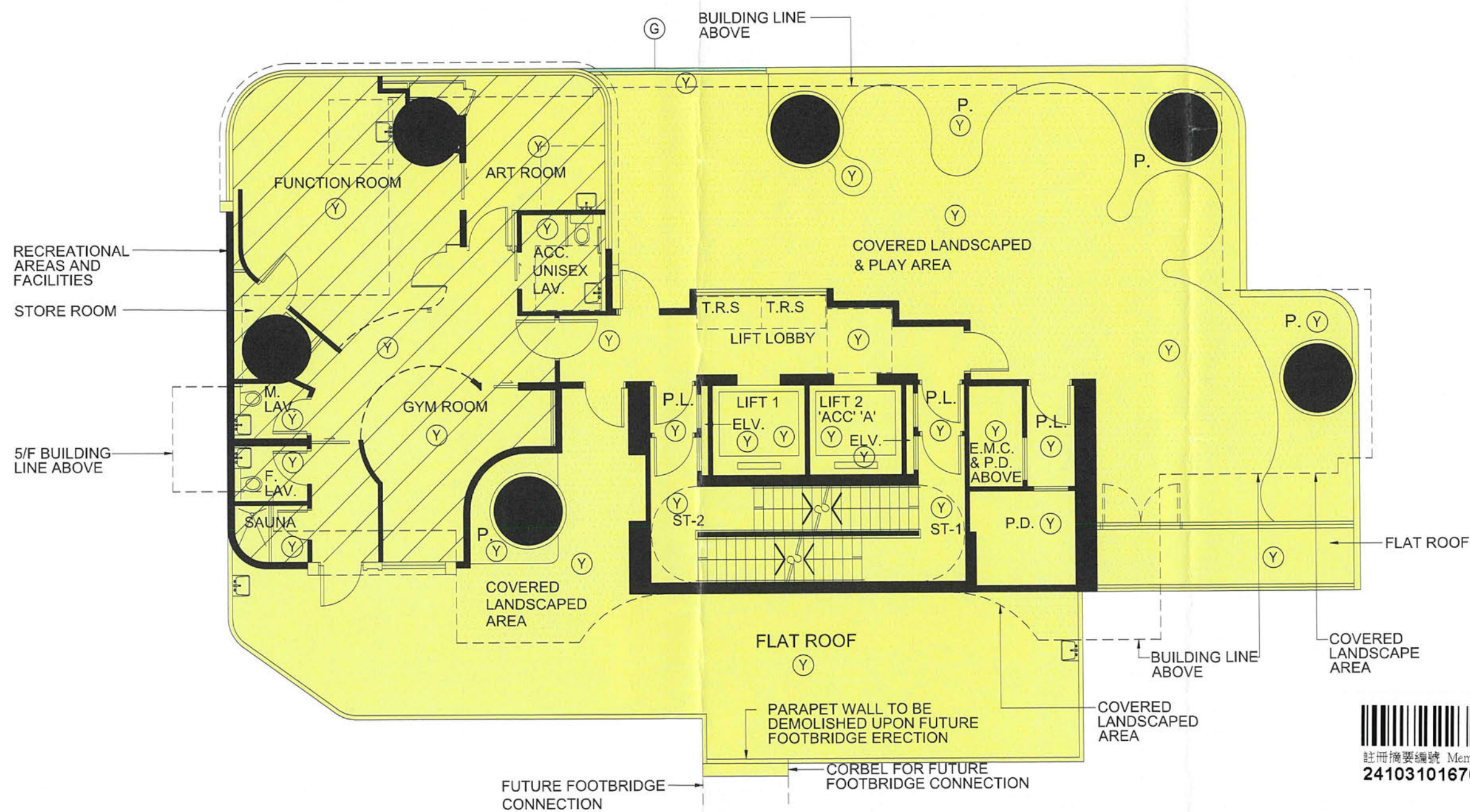
PROPOSED COMPOSITE RE-DEVELOPMENT AT
NOS.221-233 YEE KUK STREET, SHAM SHUI PO

DMC PLAN
PLAN NO. : DMC - 03

LEGEND: (Y) RESIDENTIAL COMMON PARTS
(G) DEVELOPMENT COMMON PARTS
(R) COMMERCIAL ACCOMMODATION

REV. : -

DATE : SEP 2024



3RD FLOOR PLAN

I hereby certify the accuracy of this Plan

Leung Heung Kwan, Ellis
Authorized Person, Architect
Date: 17 SEPTEMBER 2024

PROPOSED COMPOSITE RE-DEVELOPMENT AT
NOS.221-233 YEE KUK STREET, SHAM SHUI PO

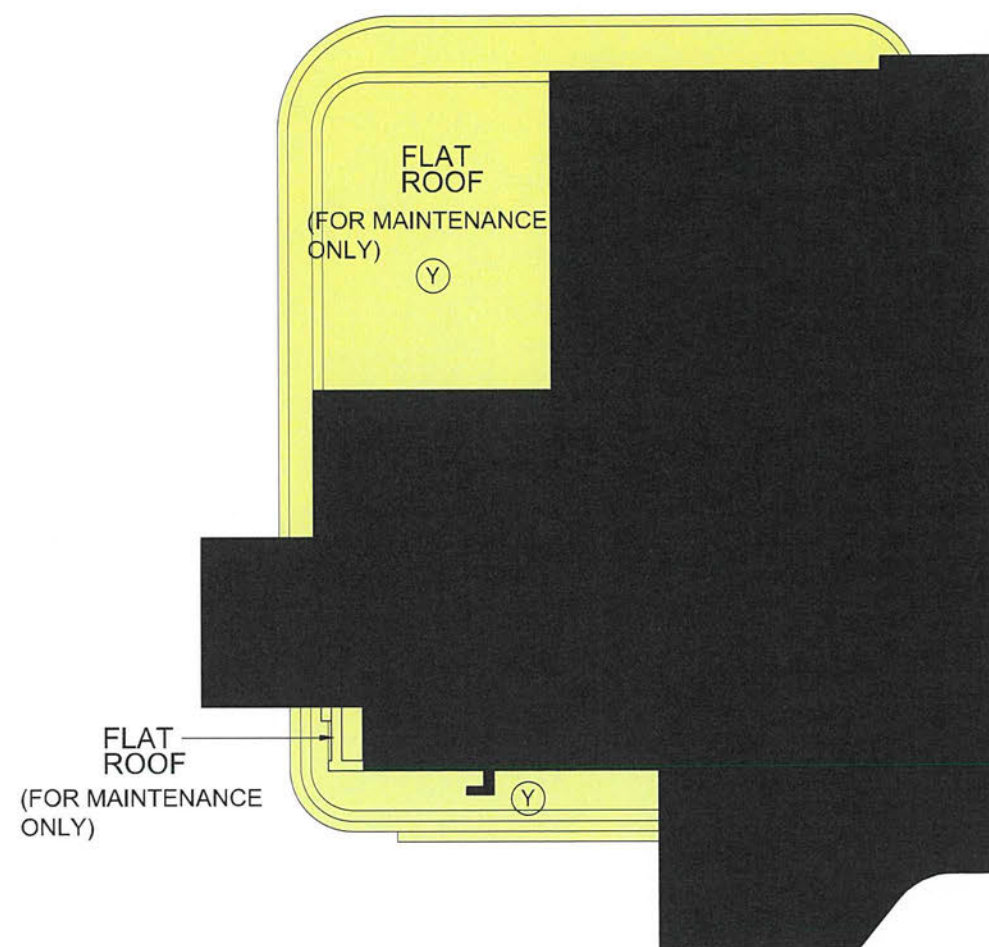
DMC PLAN
PLAN NO. : DMC - 04

LEGEND: (Y) RESIDENTIAL COMMON PARTS
(Y) RESIDENTIAL COMMON PARTS
(RECREATIONAL AREAS AND FACILITIES)

(Y) RESIDENTIAL COMMON PARTS
(COVERED LANDSCAPED AREA)
(G) DEVELOPMENT COMMON PARTS

REV. : -

DATE : SEP 2024



PART PLAN OF FLAT ROOF OF 3/F RESIDENT RECREATIONAL FACILITIES

0m 1m 2m 3m 5m 10m



註冊摘要編號 Memorial No.:
24103101670028 A3C

I hereby certify the accuracy of this Plan

Leung Heung Kwan, Ellis
Authorized Person, Architect
Date: 17 SEPTEMBER 2024

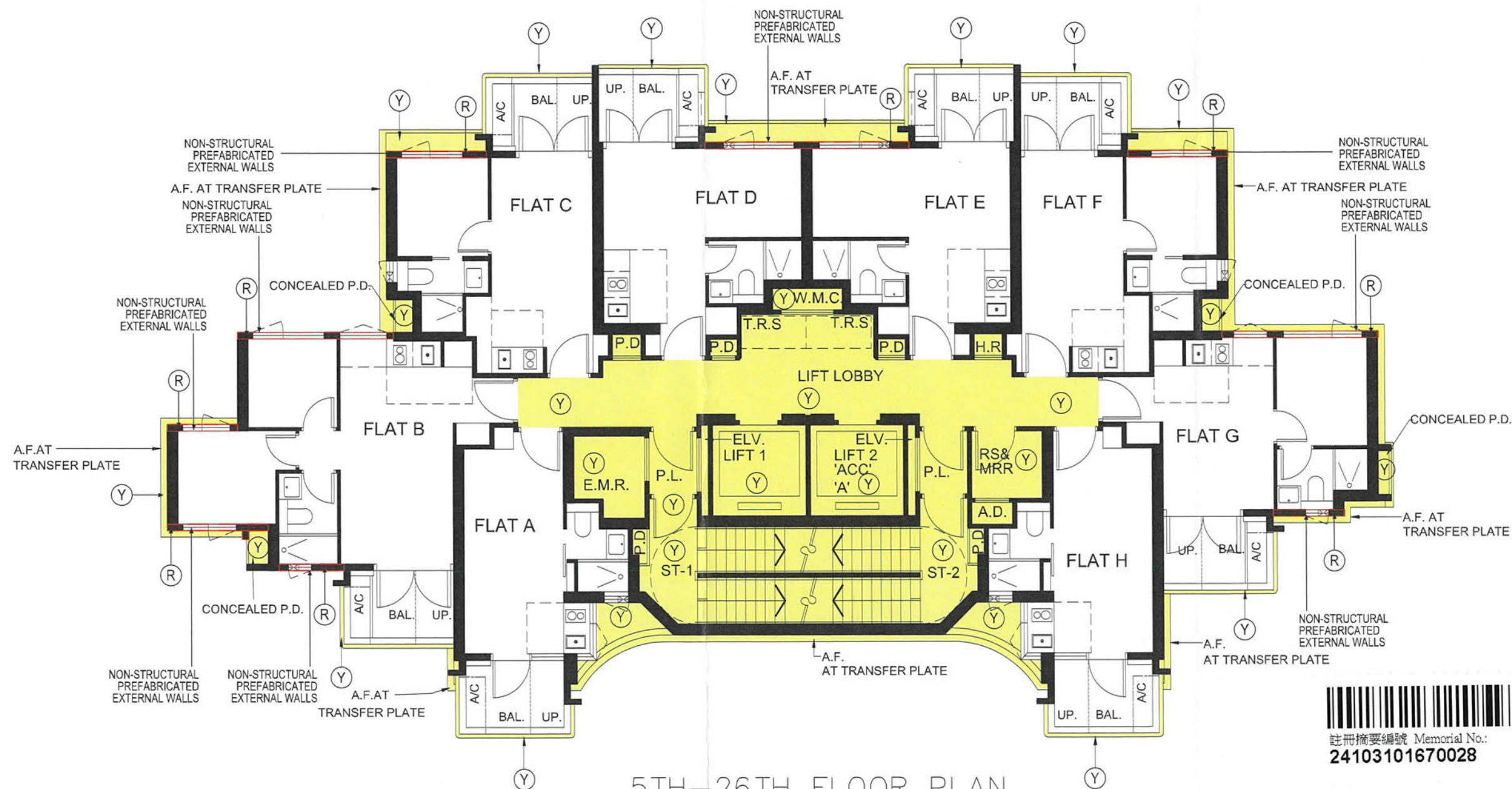
PROPOSED COMPOSITE RE-DEVELOPMENT AT
NOS.221-233 YEE KUK STREET, SHAM SHUI PO

DMC PLAN
PLAN NO. : DMC - 04A

LEGEND: (Y) RESIDENTIAL COMMON PARTS

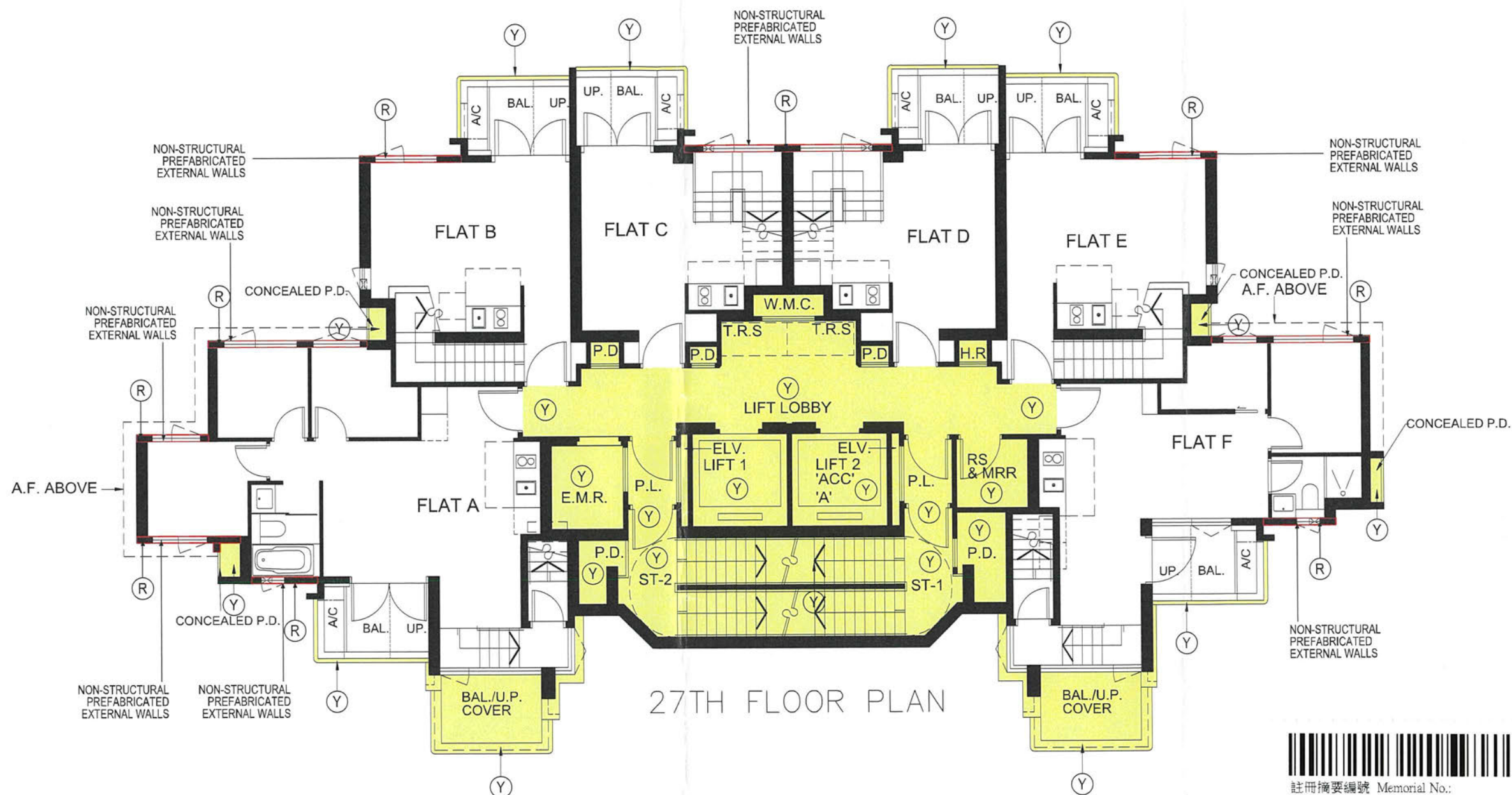
REV. : -

DATE : SEP 2024



註冊摘要編號 Memorial No.:
24103101670028 A3C

Leung Heung Kwan, Ellis
Authorized Person, Architect
Date: 17 SEPTEMBER 2024



註冊摘要編號 Memorial No.:
24103101670028 A3C

I hereby certify the accuracy of this Plan

Leung Heung Kwan, Ellis
Authorized Person, Architect
Date: 17 SEPTEMBER 2024

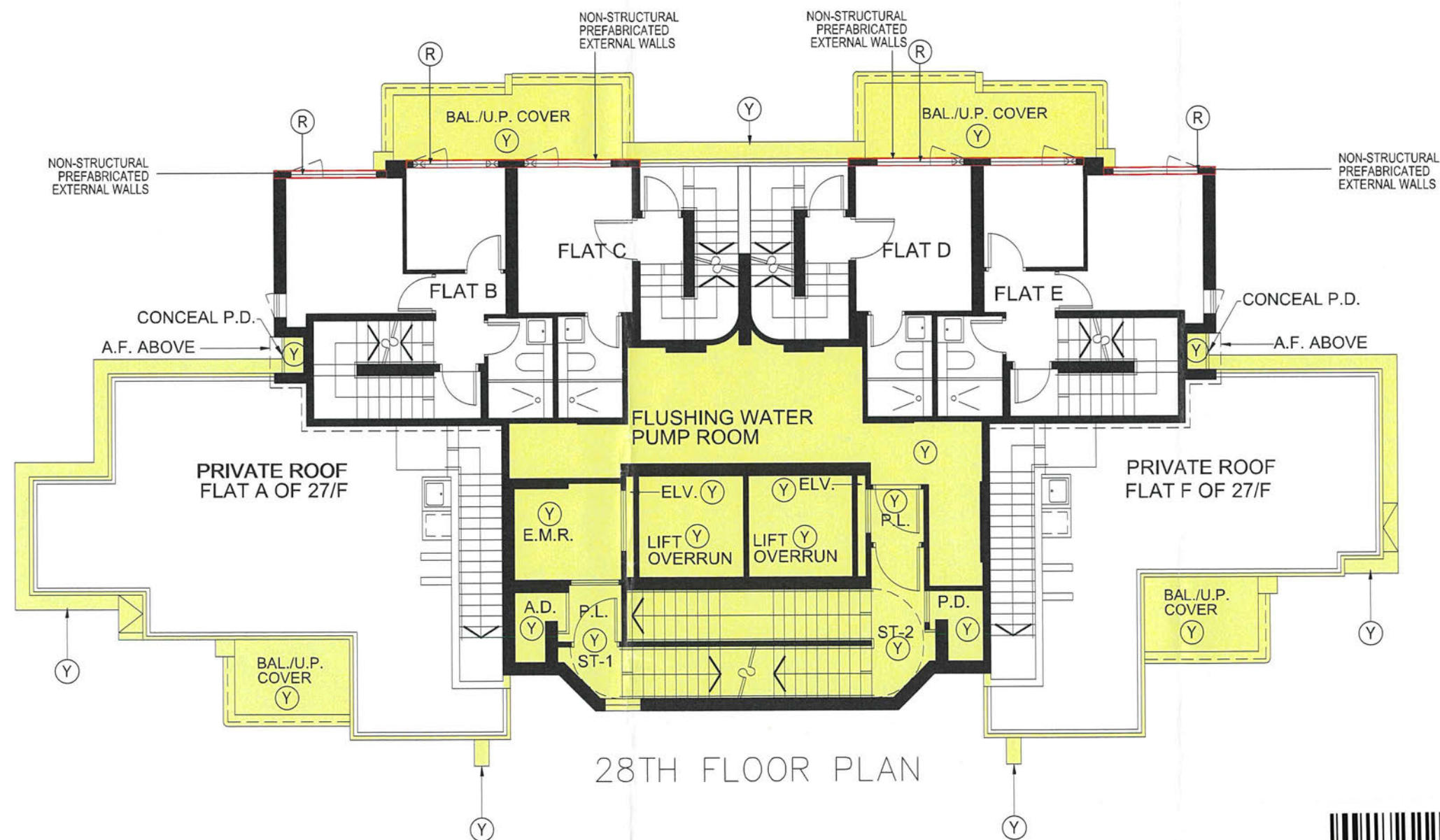
PROPOSED COMPOSITE RE-DEVELOPMENT AT
NOS.221-233 YEE KUK STREET, SHAM SHUI PO

DMC PLAN
PLAN NO. : DMC - 06

LEGEND: (Y) RESIDENTIAL COMMON PARTS (R) NON-STRUCTURAL PREFABRICATED EXTERNAL WALLS

REV. : -

DATE : SEP 2024



28TH FLOOR PLAN

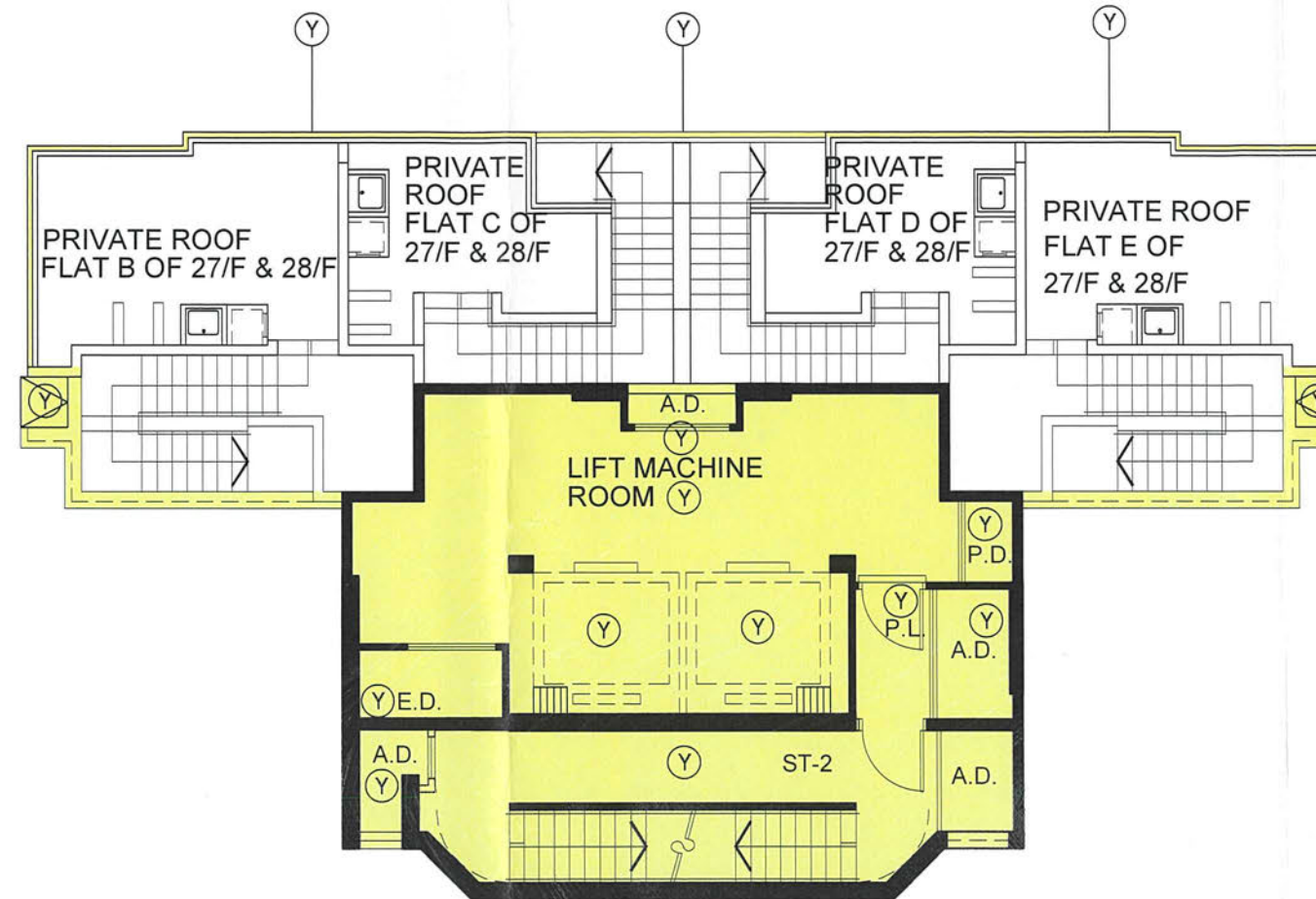
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註冊摘要編號 Memorial No.:
24103101670028 A3C

I hereby certify the accuracy of this Plan

Leung Heung Kwan, Ellis
Authorized Person, Architect
Date: 17 SEPTEMBER 2024



ROOF PLAN

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I hereby certify the accuracy of this Plan

Leung Heung Kwan, Ellis
Authorized Person, Architect
Date: 17 SEPTEMBER 2024

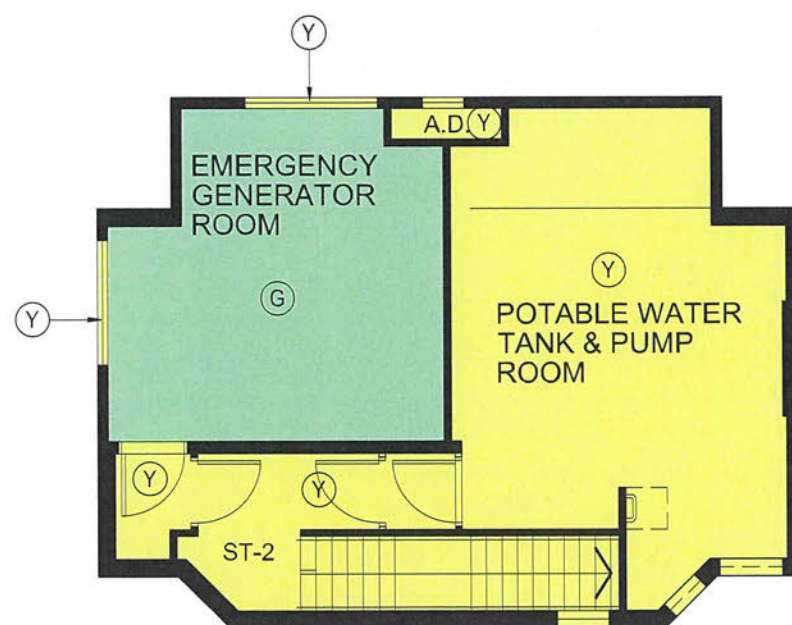
PROPOSED COMPOSITE RE-DEVELOPMENT AT
NOS.221-233 YEE KUK STREET, SHAM SHUI PO

DMC PLAN
PLAN NO. : DMC - 08

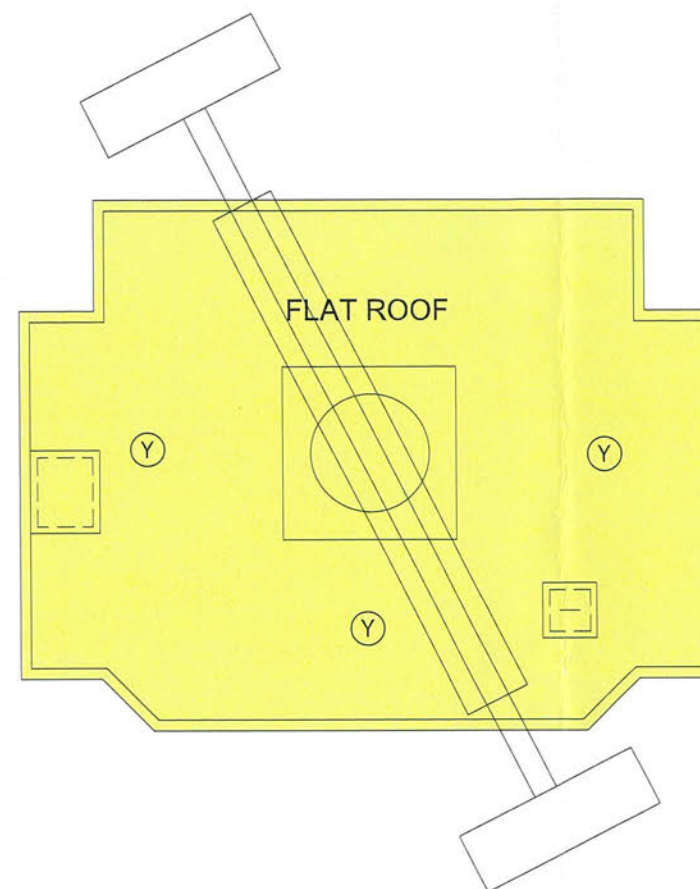
LEGEND: (Y) RESIDENTIAL COMMON PARTS

REV. : -

DATE : SEP 2024



GENERATOR ROOM PLAN



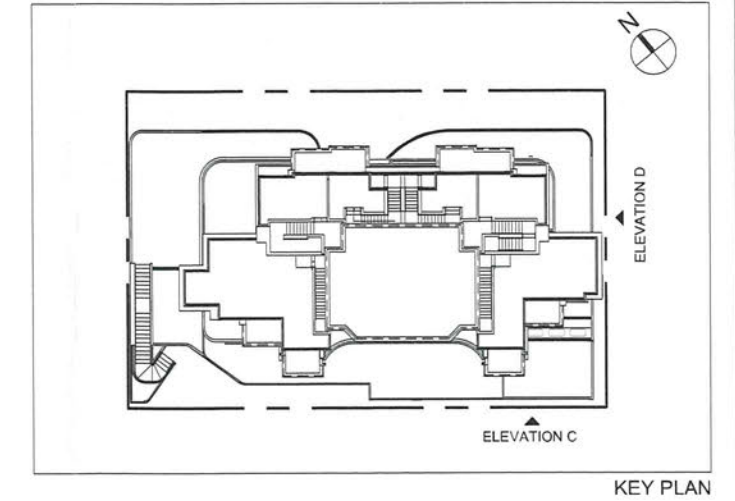
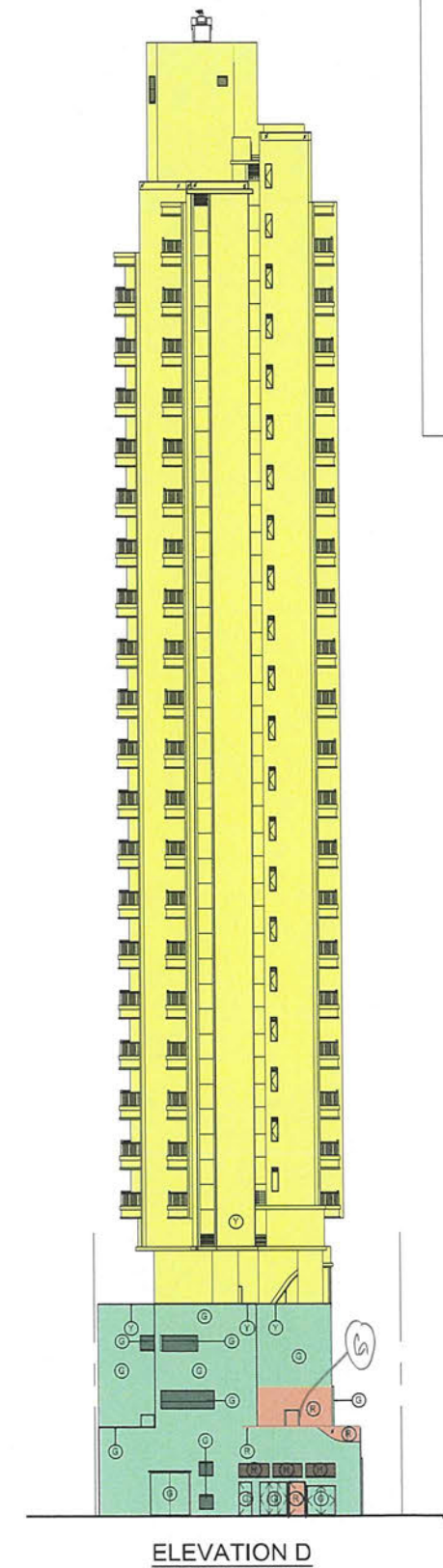
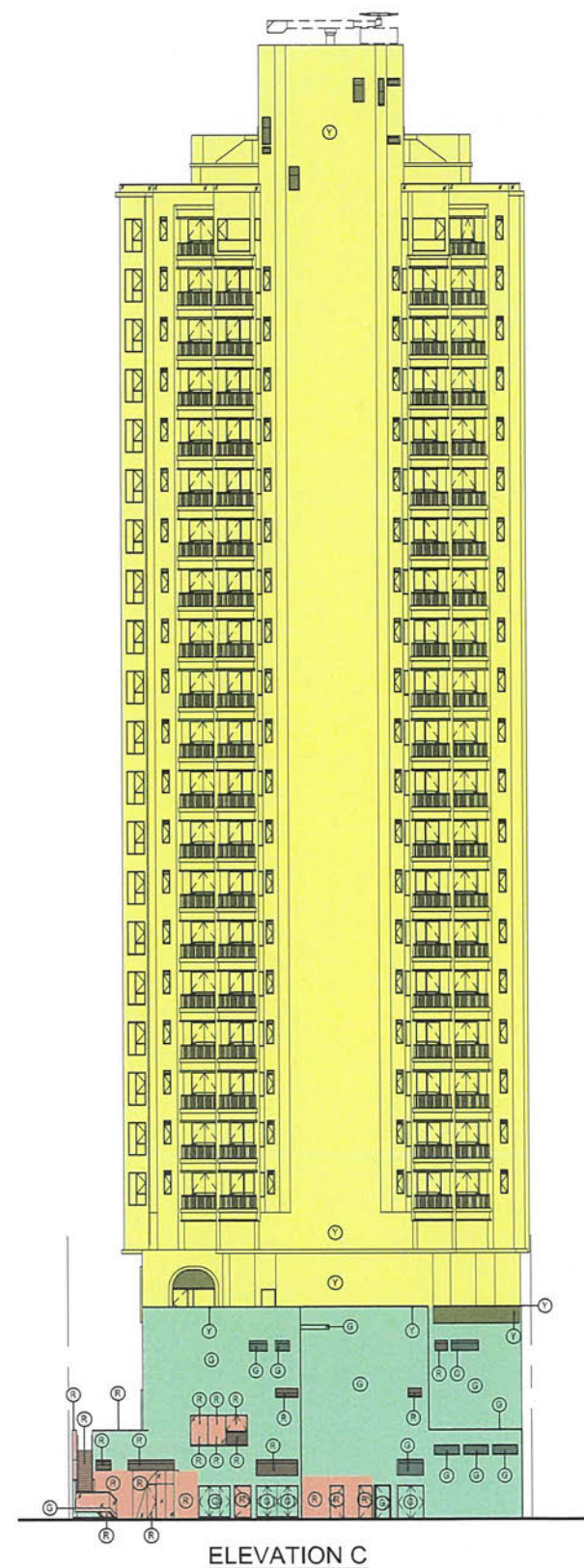
UPPER ROOF PLAN



註冊摘要編號 Memorial No.:
24103101670028 A3C

I hereby certify the accuracy of this Plan

Leung Heung Kwan, Ellis
Authorized Person, Architect
Date: 17 SEPTEMBER 2024



I hereby certify the accuracy of this Plan

Leung Heung Kwan, Ellis
Authorized Person, Architect
Date: 17 SEPTEMBER 2024

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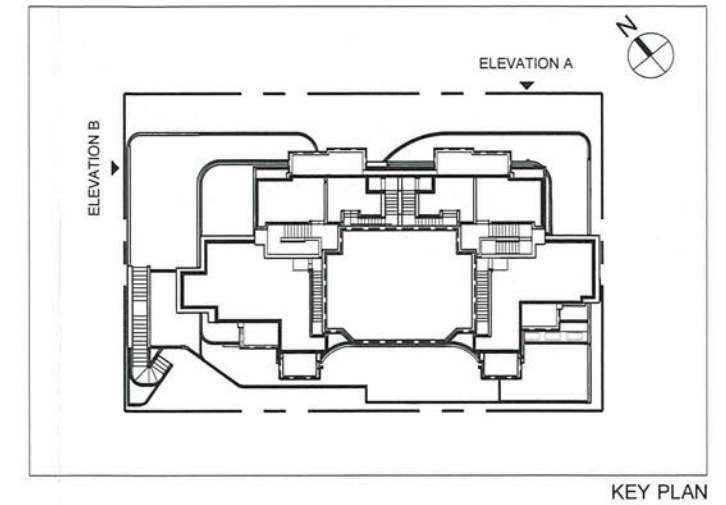
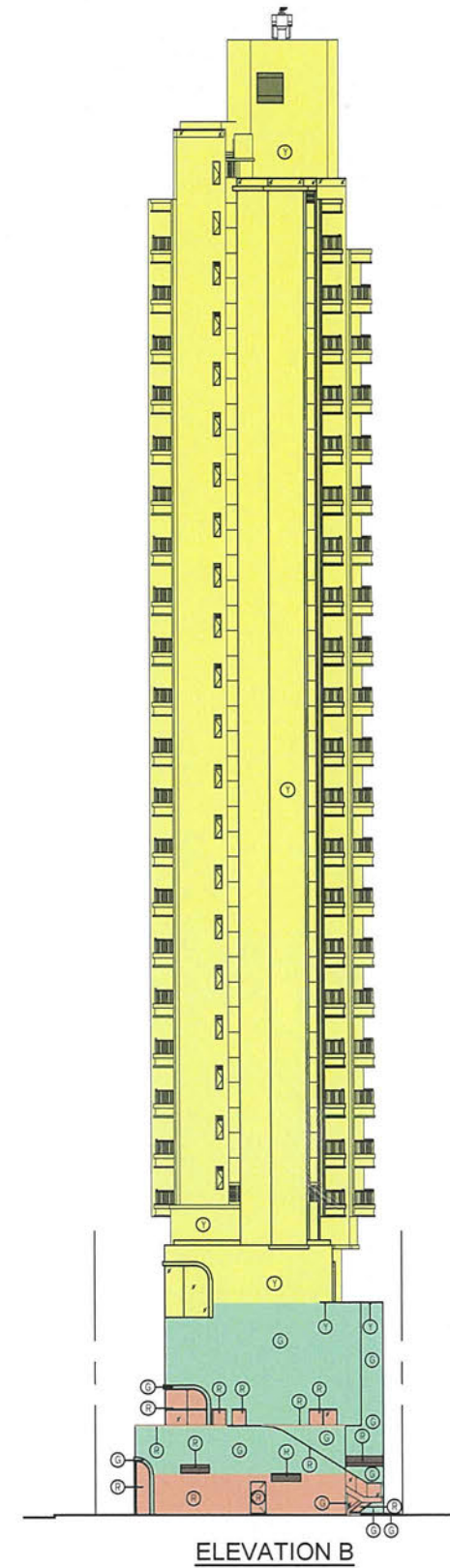
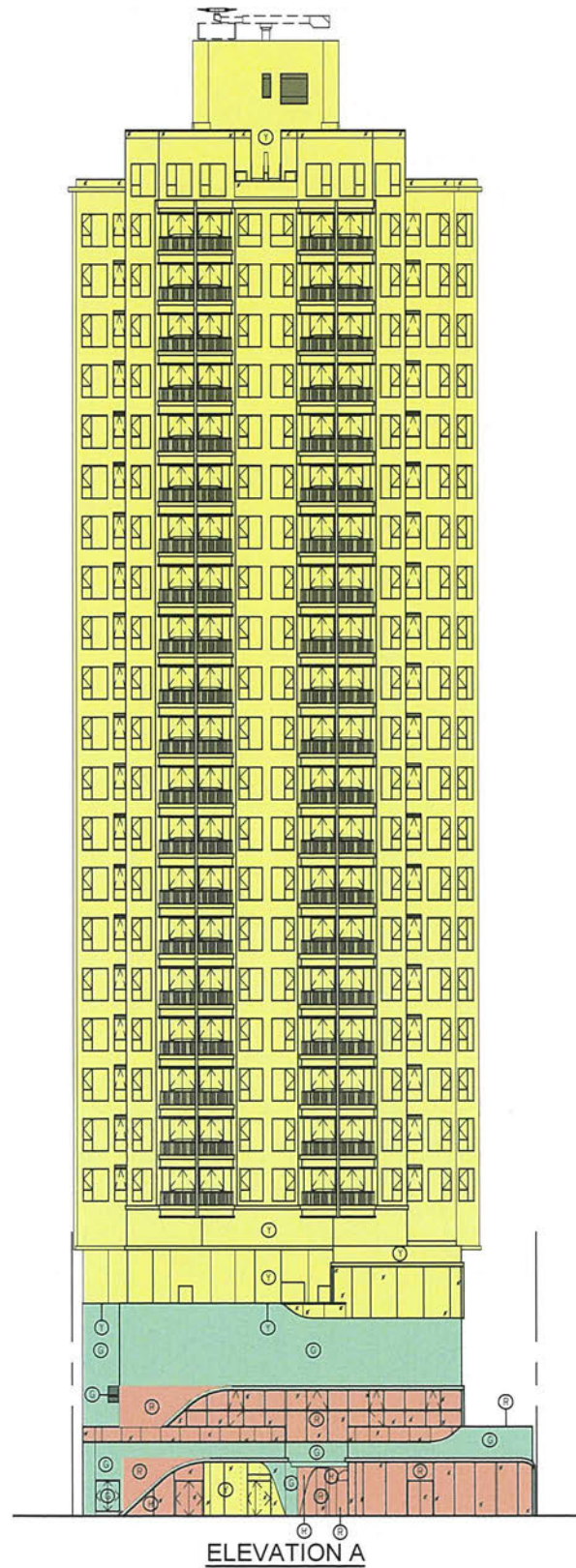
PROPOSED COMPOSITE RE-DEVELOPMENT AT
NOS.221-233 YEE KUK STREET, SHAM SHUI PO

DMC PLAN
PLAN NO. : DMC - 10

LEGEND: (Y) RESIDENTIAL COMMON PARTS (R) COMMERCIAL ACCOMMODATION
(G) DEVELOPMENT COMMON PARTS

REV. : -

DATE : SEP 2024



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註冊摘要編號 Memorial No.:
24103101670028 A3C

I hereby certify the accuracy of this Plan

Leung Heung Kwan, Ellis
Authorized Person, Architect
Date: 17 SEPTEMBER 2024

PROPOSED COMPOSITE RE-DEVELOPMENT AT
NOS.221-233 YEE KUK STREET, SHAM SHUI PO

DMC PLAN
PLAN NO. : DMC - 11

LEGEND: (Y) RESIDENTIAL COMMON PARTS
(G) DEVELOPMENT COMMON PARTS

(R) COMMERCIAL ACCOMMODATION

REV. : -

DATE : SEP 2024

APPENDIX 2

Copy of Fire Safety Management Plan

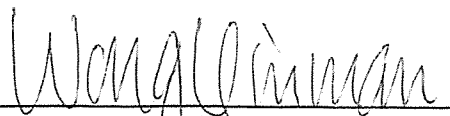
Fire Safety Management Plan
for Open Kitchen Provision
at the
Proposed Composite Re-Development at
Nos. 221-233 Yee Kuk Street,
Sham Shui Po
Kowloon
Hong Kong

Building Owner: Lanada (BVI) Company Limited

Architect: Andrew Lee King Fun & Associates

E&M Consultant: Consolidated Consulting Engineers Ltd.

Prepared by:



Ir Wong Kin Man

BEng (Hons), MSc (Eng), CEng, MCIBSE, MHKIE
Registered Professional Engineer

for and on behalf of
Consolidated Consulting Engineers Ltd

Version No : CCE 803B/FSMP-3

Date : 11 January 2024

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2. Development Descriptions
3. Provision of Fire Service Installations
4. Bounding Conditions
5. Maintenance Plan
6. Training Plan
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8. Endorsement of FSMP

Appendix A – FSMP Undertaking Letter

Appendix B – Exit Routes Plan for Open Kitchen Flats

Fire Safety Management Plan

1. Introduction

A Fire Safety Management Plan (FSMP) is to be implemented by the property manager of the subject development and must include the following procedures. It should be noted that this FSMP should be read in conjunction with other fire emergency plans that are considered necessary for the subject development. No alteration as stated in the Deed of Mutual Covenant (DMC) is allowed unless approval from the Buildings Department/Fire Services Department (BD/FSD) or relevant authorities prior approval and notifying the management staff (fire warden) in writing.

The authorized person should assist in compiling the fire safety management plan and advise the developer/owner/the future management office to gather a set of approved general building plans (with exit routes highlighted), the fire service installations plans and any relevant documents of the fire safety provisions installed from relevant authorities, for incorporating into the fire safety management plan.

The FSMP should be observed during the life of a building. Periodic review and audit to the procedures stated in the FSMP should be conducted for ensuring the adequacy of the existing fire safety provisions for accommodating any new changes occurred in the building. All the records of building alterations should be included in the fire safety management plan. A copy of FSMP should be kept at G/F lobby.

List of Responsible Persons (R/P) for the development: -

- i) Building Owner: Lanada (BVI) Company Limited
- ii) Authorized Person: Andrew Lee King Fun & Associates
- iii) E&M Consultant: Consolidated Consulting Engineers Ltd.

List of readerships for the FSMP: -

- i) Building Owner;
- ii) Authorized Person;
- iii) E&M Consultant;
- iv) Management Staff (Fire Warden); &
- v) Registered Fire Service Installation Contractor.

2. Development Descriptions

A residential development comprising a 21-storey domestic building with 4-level podium used as shops, recreational residential facilities, plant rooms and residential flats with open kitchen above ground floor. The usages of the building are listed as follows: -

<u>Floor</u>	<u>Usage</u>
G/F	Plant rooms and shops
1/F	Shops and flat roof
2/F	Covered landscape and plant rooms
3/F	Recreational residential facilities
5/F to 26/F	Residential Flats with open kitchen design
27/F	Residential Flats with open kitchen design
28/F	Residential Flats and plant rooms

3. Provision of Fire Service Installations

The proposed residential development will be provided with the following fire service installation provisions in accordance with the Codes of Practice for Minimum Fire Service Installations and Equipment (FSICoP): -

- i) Automatic Sprinkler System;
- ii) Fire Hydrant / Hose Reel System;
- iii) Fire Alarm System;
- iv) Fire Detection System;
- v) Visual Fire Alarm System;
- vi) Emergency Generator;
- vii) Emergency Lighting;
- viii) Exit and Directional Sign;
- ix) Fireman's Lift;
- x) Portable Hand-Operated Approved Appliances;
- xi) Ventilation / Air Conditioning Control System;

Moreover, in respect to the flats with open kitchen design the following fire service installation provisions in accordance with FSICoP: -

- xii) Automatic sprinkler system for the notional open kitchen area only;
- xiii) Addressable smoke detector(s) with sounder base for subjected flats with open kitchen except bedroom(s), vestibule(s), corridors of bedroom(s) and bathroom(s); and
- xiv) Addressable smoke detector(s) at the common area outside the flats with open kitchen except protected/smoke lobbies of staircase, hose reel cabinets, A.D., P.D., E.L.V., E.M.R. & RS & MRR.

3.1 Fire Safety Provisions

The following fire safety provisions will be provided to the subject flats: -

- Addressable smoke detector(s) with sounder base shall be provided at the living & dining area except bedroom(s), vestibule(s), corridors of bedroom(s) and bathroom(s). The alarm signal of the smoke detector(s) should be connected to the main fire alarm and control panel of the building and will not be linked to the Fire Services Communication Centre;
- Addressable smoke detector(s) shall be provided at the common area outside the flats with open kitchen except protected/smoke lobbies of staircase, hose reel cabinets, A.D., P.D., E.L.V., E.M.R & RS & MRR. The alarm signal of the smoke detector(s) will be connected to the main fire alarm and control panel, the common fire alarm system of the building and the Fire Services Communications Centre;
- Sprinkler head(s) will be provided to cover the notional open kitchen area. The alarm signal of the system will be connected to the main fire alarm and control panel, the common fire alarm system of the building and the Fire Services Communications Centre;
- A full height wall having an FRR of not less than -/30/30 will be provided adjacent to the flat exit door. The width of the wall will not be less than 600mm; and
- Fire Safety Management Plan (FSMP) shall be prepared in accordance with Part F of the Code of Practice for Fire Safety in Buildings 2011 and accepted by FSD before application for FSI inspection test.

4. Bounding Conditions

This FSMP and following conditions shall be incorporated into the fire safety management plan and DMC to ensure the implementation and operation of the following fire safety provision: -

- a) Smoke detectors provided inside the flats and at the common lobby outside the flats should not be removed or obstructed;
- b) Sprinkler head provided at the ceiling immediately above the open kitchen should not be removed or obstructed;
- c) The full height wall having an FRR of not less than -/30/30 adjacent to the flat exit door (if provided) should not be removed; and
- d) The fire service installation in (a) and (b) above should be subject to annual inspection conducted by the management's registered fire service installation contractor.

The management staff (fire warden) should assist the owners to carry out annual maintenance of the fire service installations and submit the maintenance certificate to the FSD. The owner should allow access for the registered fire service installation contractors to carry out annual check and maintenance.

4.1 Rights to Access the Flats

The management staff (fire warden) is empowered under the DMC to enter with or without workmen, equipment or materials at all reasonable times on reasonable notice to the affected Owner(s) (except in an emergency when no notice is required and the entry may take place at all times) any part of the Land to exercise or carry out any of its powers or duties under the DMC.

5. Maintenance Plan

5.1 Documentation

The maintenance plan will include the following documents and information: -

- a) Proposed general building plans with the exit routes highlighted (refer to Appendix B) (This proposed several building plans will be replaced by final approved general building plan before Occupation Permit application);
- b) Approved FSI Plans;
- c) Documents indicating the details/specification of the fire safety provisions installed;
- d) Period for regular maintenance of the fire safety provisions installed;
- e) Method statements for maintenance;
- f) Repair methods;
- g) Records of maintenance or repair works carried out;
- h) Housekeeping statements; and
- i) A copy of FS 251 for annual maintenance work shall be displayed at prominent location of the building for HKFSD's inspection in accordance with the FSD Circular Letter No. 2/2001.

5.2 Period for regular maintenance of the fire safety provisions installed

1) Outside the residential flats:

The management staff (fire warden) will conduct periodical inspection on the fire service installations including the active fire safety system to demonstrate the effectiveness of the systems. The management staff (fire warden) will also provide routine maintenance to ensure the system condition shall be consistent with that of the original installation standard. The fire service installations for the building for which a temporary occupation permit or occupation permit has been issued must be maintained, inspected and certified by a registered fire service installation contractor at least once in every 12 months. Annual inspection should cover all the FSI enhancements and relevant provisions in the fire safety strategy.

Moreover, any alterations, additions, modifications or maintenance works will only be carried out by a competent/registered contractor(s)/worker(s). Machinery should be properly maintained. In case of shutdown of fire service installation for inspection, maintenance, modification or repair, the fire safety procedures and measures should refer to the FSD Circular Letter Nos. 4/2010 and 1/2021.

The additional fire safety measures to be taken during the shutdown of the fire service systems or maintenance period include the following: -

- The contractor(s) shall inform the management staff (fire warden) and the affected residential units prior to the commencement of works.
- Portable fire extinguisher(s) will be positioned in the immediate area where the modifications or maintenance works are carried out and must be readily available to use in an emergency fire situation.
- The management staff (fire warden) shall check the locations/residential units which the modifications or maintenance works are carried out.

2) Inside the residential flats with open kitchen design:

Owner/occupants should be responsible for maintenance and annual inspection of the FSI within the flats with open kitchen design.

The inspection of the proposed FSI will be carried out annually as required by statutory regulations. The management staff (fire warden) will act as a coordinator and serve as the central contact point for owners/occupants on fire safety matters of the building. The property manager will send out notices to building owners/occupants advising them the date and time for the required inspection by a registered fire services contractor. During the annual inspection of the FSI, the management staff (fire warden) should inspect the flats with open kitchen design to ensure that all the proposed enhancements, including smoke detector and sprinkler are not removed and unauthorized alterations is not carried out.

The maintenance of the proposed enhancements will be monitored by the management staff (fire warden). Upon completion of the works, the management staff (fire warden) will inspect the flat to ensure that all the proposed enhancements remain in required condition and submit the maintenance certificate to the FSD.

2) **Inside the residential flats with open kitchen design (Cont'd):**

The management staff (fire warden) should assist the owners / tenants / occupiers to carry out annual maintenance of the fire service installations and submit the maintenance certificate to the Fire Services Department. The owners / tenants / occupiers should allow access for the registered fire service installation contractors to carry out annual check and maintenance.

5.3 Method statements for maintenance

5.3.1 The management staff (fire warden) is responsible to assist the annual inspection and maintenance of the FSI installed in the open kitchen units and at the common lobby conducted by the Registered Fire Service Installation Contractor.

1) Automatic sprinkler system

a) Sprinklers

Sprinklers not free from deposit (except paint) shall be carefully cleaned. Painted or distorted sprinklers shall be replaced.

b) Pipework and hangers

Pipework and hangers shall be checked for corrosion and painted as necessary.

c) Subsidiary stop valves

Subsidiary stop valves controlling the flow of water to sprinklers shall be manipulated to ensure that they are in working order, and securely refastened in the correct mode under FSD Circular Letter No. 4/2010.

d) Flow switches

Flow switches shall be checked for correct function.

2) Fire Detection system

a) Smoke Detectors

Smoke detectors should be checked for correct operation and sensitivity in accordance with the manufacturer's recommendations. Meanwhile, smoke detectors should be taken during the maintenance of systems in which the detector is itself coded. Moreover, a visual inspection should be made to confirm that all cable fittings and equipment are secure, undamaged and adequately protected. management staff (fire warden) shall ensure the reinstallation of all smoke detectors inside open kitchen conducted by RFSIC after a fire alarm.

3) Ventilation System

Ventilation system should be checked, inspected and maintained annually by the register ventilation contractor with building management to ensure the ventilation system is under normal operation. Meanwhile. The copy of AIC for annual maintenance works shall be displayed at G/F lobby.

Any defect(s) from above should be recorded in the log book and reported to the management staff (fire warden), owner(s) / occupant(s), and action should be taken to correct it.

5.3 Method statements for maintenance (Cont'd)

5.3.2 The management staff (fire warden) shall conduct quarterly routine inspection and maintenance on passive fire safety provisions and the rectification of any irregularities identified to the open kitchen units and at common lobby. When carrying out alteration, additions, renovation and repair works, the following items should be observed:

- (a) All means of escape should be maintained at all times. It should be free from obstruction and adequately signed and lit.
- (b) All fire rated doors along exits should be maintained and kept closed at all times.
- (c) All fire barriers should be maintained.
- (d) Alternative measures for ensuring adequate standard of fire safety should be provided if any means of escape, fire rated doors or fire barriers etc. have to be temporarily removed.
- (e) Flame-retardant sheetings should be used for covering the scaffoldings erected around the building.
- (f) Any inflammable and combustible materials to be kept in the building should be stored under safe custody and avoid accumulating excessive quantity. Attention is drawn to the Dangerous Goods Ordinance and Regulations (Cap. 295).
- (g) All relevant notifications to the Fire Services Department regarding temporary shutdown of fire service installations should be made in accordance with the Fire Services Department's requirements.
- (h) First-aid and firefighting equipment should be located where it is readily accessible. Training should be provided to all workers on the operation of the equipment.
- (i) Emergency plan should be established and appropriate training should be provided to all workers.
- (j) The fire rated walls adjacent to the open kitchen flats exit door remain intact.

The above requirements should be observed and brought to the attention of all concerned in carrying out alteration, additions, renovation and repair works under their supervision.

5.4 Repair Methods

Under the Fire Service (Installations and Equipment) Regulations (Cap. 95B) 7(1) and 9(1), only a registered contractor who satisfies the requirements under regulation 3A of the Fire Service (Installation Contractors) Regulations (Cap. 95A), should maintain, inspect or repair; and should issue maintenance certificate (FS 251) for any fire service installation. Meanwhile, Ventilating System shall be inspected by Registered Specialist Contractor (Ventilation Works) under the Building (Ventilating Systems) Regulations (Cap. 123J).

5.5 Records of maintenance or repair works carried out

The management staff (fire warden) should monitor the inspection to be carried out and keep proper records of such inspection which are easily retrievable when required.

The Registered Fire Service Installation Contractor (RFSIC) is required to submit the "Maintenance Report" to the management staff (fire warden) for record. Copies of the maintenance certificate (FS 251) and records of inspection issued by the RFSIC should be included in the maintenance report. Meanwhile, the Registered Specialist Contractor (Ventilating System) should be responsible for annual inspection and maintenance of Ventilating System. A copy of AIC for annual maintenance work shall display at G/F lobby.

In addition, all maintenance records / logs should be kept orderly at G/F lobby including:

- Maintenance and testing records
- Log of contractor's attendance
- A copy of final FSMP
- All records of building alteration

5.6 Action to be taken if any fault signal caused by the removal or defect smoke detectors installed inside the open kitchen units

- Upon receiving any fault signal, the management staff (fire warden) will go to the affected residential flat that identify from the main fire alarm and control panel at G/F lobby for conducting investigation.
- If the fault signal is due to the removal of smoke detector by the occupant, the management staff (fire warden) attempt to put the smoke detector turn into the base of the smoke detector by hand.
- The management staff (fire warden) would notify G/F lobby via walkie talkie for checking the fault signal is cancelled.
- If the system is back to the normal condition, the management staff (fire warden) should remind the occupant that the smoke detector(s) and sprinkler head(s) should not be removed or obstructed before leaving. The incident should be recorded and kept at G/F lobby.
- If the fault signal arises from unrecognized causes (the smoke detector is still mounting on the soffit / false ceiling).
- The management staff (fire warden) should report to G/F lobby and inform the corresponding Registered Fire Service Installation Contractor (RFSIC) for emergency repairing.

5.6 Action to be taken if any fault signal caused by the removal or defect smoke detectors installed inside the open kitchen units (Cont'd)

- Upon the arrival of the RFSIC, tell and direct him / her location of the affected residential flat.
- After the completion of the repairing, the main fire alarm and control panel will need to be reset following the signal cancellation.
- Check and ensure the fire alarm panel is at the normal condition. The incident should also be recorded and kept at G/F lobby.

5.7 Housekeeping statements:

The following requirements must be adhered to in order to ensure the performance of the fire safety systems is maintained:

- Egress paths must be maintained such that they are available for egress at all times.
- All fire rated construction installed for the purpose of providing an effective fire separation barrier must be constructed to achieve the required fire rating. This includes wall penetrations for building and fire services, dampers etc.
- Stairways and final exit doors must never be obstructed, and all exit doors must be capable of being opened easily and immediately from the inside while the building is occupied.
- Fire doors are provided in a building in order to contain smoke and fire gases. Fire doors to staircases must be kept closed when not in use.
- Rubbish and combustible waste including paper, cardboard, plastics films, wooden pallets and chemicals must not be allowed to accumulate in any area. Where large quantities of combustible waste are produced at the site it must be removed to an outdoor storage area or waste skip located away from the building.

The following sample checklist on housekeeping provides general guidelines and suggested actions that should be taken for the upkeep of fire safety provisions installed in the building. The list is not exhaustive: -

Sample Checklist on Housekeeping

Items	Action	Yes	No	N/A	Follow-up Action
1.0 – Means of Escape					
1.1	Exit routes are free from obstructions at all times.				
1.2	No unauthorized alteration(s) along the exit route.				
1.3	Metal gate or roller shutter is not installed across the exit routes.				
1.4	Doors or gates within common areas are readily openable from the inside without the use of a key.				
1.5	Doors or gates do not swing onto the exit routes reducing the effective width of the exit routes.				
1.6	Fire rated doors are self-closing and be kept closed at all times.				
1.7	Combustible linings are not installed within the exit routes.				
1.8	Adequate lighting is provided for the exit routes and is kept in good condition.				
1.9	Adequate signs are provided along the exit routes.				
1.10	The balustrades and handrails in the required staircases and along the exit routes are maintained in good condition.				
1.11	Any hold-open devices to all fire rated doors are tested for ensuring they are in good condition. (Particular attention is given to check any obstructions nearby the fire rated doors that are held open by hold-open devices in normal times.)				
2.0 – Fire Resisting Construction					
2.1	Fire rated doors for protected exits, fireman's lift lobbies, required staircases, plant rooms etc. are kept in good condition including the ironmongeries and glazed panels, if any.				
2.2	Fire rated doors and doors with smoke seal are kept in the closed position.				
2.3	Fire rated doors and doors with smoked seal have not been removed or replaced by doors of lower FRR than the approved ones.				
2.4	No unauthorized alteration(s) have been made to the fire resisting constructions.				
2.5	Fire barriers are kept in good condition and free of unprotected openings. The FRR is maintained.				
2.6	Non-emergency services such as electric cables and similar installations in required staircases are adequately enclosed by fire barriers. The fire barriers are kept in good condition. All access panels are kept in closed position.				
2.7	No unauthorized openings are formed in protected exits, in particular required staircase walls.				

Sample Checklist on Housekeeping

Items	Action	Yes	No	N/A	Follow-up Action
2.8	No penetrations are made through a fixed light.				
2.9	Fire shutters are not obstructed.				
2.10	Vision panels to fire rated doors remain intact.				
2.11	Penetrations within fire barriers are sealed with fire seals or fire stops.				
2.12	No exhaust fans, air-conditioning units or similar installations are installed in a protected exit, in particular required staircase.				
2.13	Smoke vents at basement and their outlets are not obstructed / blocked. Basement smoke extraction system is regularly inspected and checked by registered fire service installation contractor.				
3.0 – Access for Firefighting and Rescue					
3.1	Access to fireman's lifts is unimpeded from the street.				
3.2	The walls of fireman's lift lobby are kept in good condition and free of unprotected openings. The FRR is maintained.				
3.3	EVA is free from obstructions and is kept in good condition.				
4.0 – Others					
4.1	No change in Use Classification that may have fire safety implications.				
4.2	If open kitchens are provided, smoke detectors, sprinkler, other active fire safety provisions installed are not obstructed and can function properly. The fire rated wall adjacent to the flat exit door remains intact.				
4.3	Fire safety seminars and fire drills are organized regularly.				
4.4	Electrical installations in the building are inspected and checked by registered electrical contractors regularly.				
4.5	Appropriate fire safety precautionary works are provided when carrying out alteration, additions and repair works.				

6. Training Plan

6.1 Staff training:

- Management staff (fire warden) is trained to instruct building occupants to commence their evacuation.
- Management staff (fire warden) should attend the appropriate training courses organized by the Security and Guarding Services Industry Authority or other recognized organization for the use of fire-fighting extinguishers and fire hose reels.
- Must be fully familiar with the general emergency procedures, evacuation procedures and management plans.
- Must be fully familiar with the fire protection systems such as the location of local fire services control panel, fireman's lift, FS/Sprinkler inlets and FS related pump room(s).
- Staff training must include sequence of actions to be carried out in case of fire (numbers to ring, persons to notify, coordination with the management staff (fire warden) and refresh of knowledge keep the training record at guard room.
- Identification of the designated exit routes and assembly point is essential.
- Proper and regular training should be provided to staff annually for ensuring that they are familiar with the fire safety provisions installed and actions to be taken in case of fire. All new staff will be provided with a proper training and the existing staff will be provided with refreshment training once a year.
- Fire drills and fire safety seminars should be conducted at least once in every 12 months.
- Training records shall be kept and maintained at G/F lobby.
- Management staff (fire warden) should remind all occupants not to leave and keep attention during cooking.
- Routine inspections to the building shall be conducted quarterly.
- Management staff (fire warden) should ensure the implementation of the Training Plan.

6.2 Responsibilities of staff duties:

The development is managed 24 hours per day all year round and the management staff (fire warden) shall:

- To act as an overall co-ordinator on fire safety matters
- To identify the location of fire incident
- To determine the course of action during fire incident
- To initiate periodic fire drills and plan fire drill schedules
- To assist the evacuation of building occupants
- To inform FSD the location of fire incident
- To handover control to FSD
- To act as the central contact point for building occupants
- To handle and resolve the identified fire safety problem
- To dial 999 once fire is confirmed
- To actuate nearest manual call point
- To carry out firefighting if it is safe to do so
- To aid in evacuation of building occupants to a place of safety
- To notify building occupant to commence evacuation

6.3 Occupants training:

- Building occupants are trained to commence their evacuation and follow the evacuation procedures in case of fire.
- Building occupants should attend the appropriate training organized by the Security and Guarding Services Industry Authority or other recognized organization for the use of firefighting extinguishers, fire hose reels and manual fire alarm.
- All occupants should be reminded that the sprinkler system and smoke detection system shall not be removed or covered.
- All occupants shall allow the appointed RFSIC to inspect, check and maintain the existing FSI for open kitchen.
- The member of management staff (fire warden) should remind all occupants not to leave and keep attention during the cooking.

6.4 Fire evacuation drill

- Fire Drill and fire seminar should be carried out at least once a year to allow staff and to invite occupants to familiarize themselves with the procedure of emergency evacuation in the fire action plan. A seminar should be provided to management staff (fire warden) and occupants to familiarize the rundowns of the fire drill.
- The drill should be initiated by activating the fire alarm and all stages of the drill should be observed and a review of the drill should be held. Any deficiencies can then be noted and remedied.
- Fire drill and fire seminar records should be maintained at G/F lobby.

6.5 Training to occupants

- Educate occupants on awareness of reporting a fire, risk of fire and action to be taken in the event of fire via the various safety campaign such as fire safety talk, display of poster and distribute kitchen safety leaflet.
- Remind occupants to participate regular fire drill to familiarize themselves with the procedure of emergency evacuation in the fire action plan.
- Guide occupants to use of firefighting equipment including manual fire alarm system, hose reel system and portable fire extinguisher in case of fire.
- Remind occupants not to leave things unattended while cooking.
- Remind occupants that sprinkler system and smoke detection system within open kitchen unit should not be removed and obstructed.
- Remind owners should allow access to the Registered Fire Service Installation Contractors to carry out annual check and maintenance.

7. Fire Action Plan

7.1 General

- The management staff (fire warden) involved in responding to a fire incident and assisting in evacuation process is briefed and familiar with the evacuation procedures.
- The building is managed 24 hours per day all year around and provides a minimum of one staff for every shift at G/F lobby to coordinate with fire fighters for fire service intervention.
- The management staff (fire warden) will monitor the main fire alarm and control panel at G/F lobby and inform to Fire Services Department after verified a true fire.

7.2 Response to fire alarm signal from a residential flat with open kitchen unit if it is a false alarm and real fire alarm

- When a fire within the flat with open kitchen will be indicated by a fire alarm signal received on the main fire alarm and control panel at G/F lobby.
- The fire alarm signal of smoke detectors inside the flats with open kitchen will be linked to the main fire alarm and control panel at G/F lobby and the fire alarm system of that floor. Such fire alarm signal will **NOT** be transmitted to the Fire Services Communications Centre by direct telephone line.
- Once any fire alarm signal is received, the management staff (fire warden) will go to the flat of fire origin and investigate whether it is a false fire alarm signal or a real fire alarm signal. The target response time for the management staff (fire warden) to attend the highest flat of fire origin should be within 3 minutes.
- If it is a false alarm, the management staff (fire warden) would go back or immediately notify the watchman at G/F lobby via two-way radio (i.e., walkie talkie) and cancel the alarm signal from the main fire alarm and control panel at G/F lobby.
- Once any fault alarm signal is received, the management staff (fire warden) will reset the main fire alarm and control panel at G/F lobby.
- If it is a real fire signal, he/she will activate the nearest breakglass unit to alert the other occupants within the building for evacuation.
- The management staff (fire warden) should also report fire incidents to the Fire Services Department at the first instance via the emergency hotline (Phone number: 999) in case of a real fire.
- The management staff (fire warden) should attempt to put out the fire using portable fire extinguisher or fire hose reel if it is safe to do so.

7.3 Response to automatic fire alarm which activated by the smoke detectors at the lobby / sprinkler inside the open kitchen units if it is a false alarm and real fire alarm

- The fire alarm signal of smoke detectors at the entire lobbies outside the flats with open kitchen will be linked to the main fire alarm and control panel at G/F lobby and the fire alarm system of the whole building. Such fire alarm signal will be transmitted to the Fire Services Communication Centre by direct telephone line.
- The fire alarm signal of sprinkler heads for coverage of the notional open kitchen area will be linked to the main fire alarm and control panel at G/F lobby, the fire alarm system of the whole and to the Fire Services Communication Centre by direct telephone line.
- If the false alarm is caused by detector(s) at the lobby outside the flats with open kitchen, the alarm signal should only be reset by FSD personnel.
- Once any fire alarm signal is received, the management staff (fire warden) will go to the flat of fire origin and investigate whether it is a false fire alarm signal or a real fire alarm signal. The target response time for the management staff (fire warden) to attend the highest flat of fire origin should be within 3 minutes.
- The management staff (fire warden) should prevent occupants from using the lifts.
- The management staff (fire warden) should wait for the arrival of the firemen and report the fire incident and inform the firemen the location of fire as indicated on the main fire alarm and control at G/F lobby.
- Prevent people from entering the building.
- Assist occupants to the ultimate place of safety.
- Once the fire alarm signal is activated, occupants in the whole building will be evacuated to the ultimate place of safety. The management staff (fire warden) should be in charge of the evacuation process until the arrival of the FSD.
- If the safety condition permits, management staff Once the fire alarm signal is activated, occupants in the whole building will be evacuated to the ultimate place of safety. The management staff (fire warden) should be in charge of the evacuation process until the arrival of the FSD. should be maintained in the management office for communicating with persons with a disability are waiting for rescue in the temporary refuge spaces and inform the firefighters of the locations of the temporary refuge spaces where people are waiting for rescue.
- The management staff (fire warden) should attempt to put out the fire using portable fire extinguisher or fire hose reel if it is safe to do so.

8. Endorsement of FSMP

This fire safety management plan has been endorsed by the Owner to ensure the implementation of the fire safety management plan (see Appendix A).

Lanada (BVI) Company Limited

Our Ref: VPHK/OD/VK10_07_01_031

13 July 2021

By Hand

Director of Buildings
Buildings Department
7/F Cityplaza 3,
14 Taikoo Wan Road
Taikoo Shing
Hong Kong

Dear Sir/Madam,

Re : Letter of Undertaking – Open Kitchen
Proposed Composite Re-Development at Nos. 221-233 Yee Kuk Street, Sham
Shui Po, Kowloon

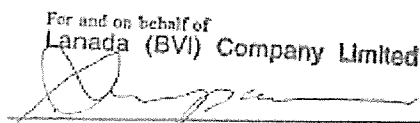
We, above Lanada (BVI) Company Limited as the owner of the captioned development hereby UNDERTAKE:

In accordance with Clause F5.8 of the Code of Practice for Fire Safety in Buildings 2011, fire safety management plan will be incorporated into the Deed of Mutual Covenant (DMC) to ensure the implementation and operation of the following fire safety provisions: -

1. Smoke detectors provided inside the flats and at the common lobby outside the flats will not be removed or obstructed;
2. Sprinkler head provided at the ceiling immediately above the open kitchen will not be removed or obstructed;
3. The full height wall having an FRR of not less than -/30/30 adjacent to the flat exit door will not be removed; and
4. The fire service installations in (1) and (2) above will be subject to annual check conducted by the management's registered fire service installation contractor.

Yours faithfully,

For and on behalf of
Lanada (BVI) Company Limited

For and on behalf of
Lanada (BVI) Company Limited

Authorized Signature.....
Authorised Signature(s)

SP/JL/ht

Appendix B – Exit Routes Plan for Open Kitchen Flats

