

DATED 26th November **2021**

FULL WELL ENGINEERING LIMITED
(裕滿工程有限公司)

and



and

CUSHMAN & WAKEFIELD PROPERTY MANAGEMENT LIMITED
(戴德梁行物業管理有限公司)

**DEED OF MUTUAL COVENANT
AND MANAGEMENT AGREEMENT**

of

AVA 228,
No. 228 Tai Nan Street, Kowloon, Hong Kong
erected on

New Kowloon Inland Lot No.1064, New Kowloon Inland Lot No.325, New Kowloon
Inland Lot No.415, New Kowloon Inland Lot No.274, New Kowloon Inland Lot No.410
and New Kowloon Inland Lot No.411

BAKER & MCKENZIE
Hong Kong

Ref: ELC/SMW/10114326-50524858
CON: 87788
177457055-v5\AP_DMS

THIS DEED is made on the 26th day of November 2021

BETWEEN:

- (1) **FULL WELL ENGINEERING LIMITED (裕滿工程有限公司)**, whose registered office is situate at Room 1103A, 11th Floor, Carnarvon Plaza, No.20 Carnarvon Road, Tsim Sha Tsui, Kowloon, Hong Kong (the “**First Owner**”);
- (2) [REDACTED]
[REDACTED] (the “**First Assignee**”); and
- (3) **CUSHMAN & WAKEFIELD PROPERTY MANAGEMENT LIMITED (戴德梁行物業管理有限公司)**, whose registered office is situate at Unit 1607, NEO, 123 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong (the “**Company**”).

NOW THIS DEED WITNESSES as follows:

1. DEFINITIONS

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

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

“**Authorized Person**” means Tsui Tack Kong of T.K. Tsui & Associates Ltd. of 3rd Floor, Hing Lung Commercial Building, 68-74 Bonham Strand, 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;

“**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;

CONTENTS

<u>Number</u>	<u>Clause Heading</u>	<u>Page</u>
1.	DEFINITIONS.....	1
2.	INTERPRETATION.....	12
3.	RECITALS	14
3.1	First Owner's title	14
3.2	The Development.....	14
3.3	Allocation of Shares.....	14
3.4	Assignment to the First Assignee	14
3.5	Purpose of Deed	14
3.6	Assignment of Common Parts Shares.....	14
4.	RIGHTS AND OBLIGATIONS OF OWNERS.....	14
4.1	First Owner	14
4.2	First Assignee.....	14
4.3	Rights of all Owners	14
4.4	Owners bound by this Deed	14
4.5	Right to assign without reference to other Owners.....	15
4.6	Right to Occupy not to be dealt with separately from Shares.....	15
4.7	Owner to be responsible for acts or omissions of occupiers.....	15
5.	ADDITIONAL RIGHTS	15
5.1	First Owner	15
5.2	Owner of a Shop	15
6.	POWER OF ATTORNEY	15
6.1	Power	15
6.2	Covenant in assignment	16
7.	APPOINTMENT OF MANAGER	17
7.1	Appointment of the Company as Manager	17
7.2	Termination of Manager's Appointment by the Manager or Owner's Committee.....	17
7.3	Termination of Manager's appointment by Owners' Corporation	18
7.4	Obligations after Manager's appointment ends	20
8.	DUTIES AND POWERS OF MANAGER	20
8.1	General Management	20
8.2	Manager's acts and decisions binding on Owners	21
8.3	Manager not liable to Owners except in certain circumstances	21
8.4	Limitation of Manager's power on improvements to Common Parts	21
8.5	Works.....	21
8.6	Compliance with Land Grant.....	21
8.7	Communications among Owners	21

8.8	Increase of power supply	22
8.9	Fire safety.....	22
9.	MANAGER’S REMUNERATION	22
9.1	Manager’s Remuneration	22
9.2	Manner of Payment.....	23
9.3	Increase in monthly deduction	23
9.4	Year–end adjustments	24
9.5	Other Expenses	24
10.	MANAGEMENT EXPENSES	24
10.1	Management Expenses.....	24
10.2	Budget	25
10.3	Payment of Monthly Management Fees	26
10.4	Special Fund.....	30
10.5	Management Fees Deposits and Common Utilities Deposits	35
10.6	Owners’ interest in Management Funds	36
10.7	Debris Removal Charge	37
10.8	Manager’s discretion in respect of contributions.....	38
10.9	Notional credits	38
10.10	Contracts entered into by Manager	39
10.11	Shares held by First Owner.....	40
10.12	Interest and Collection Charge on late payment	41
10.13	Civil action taken by Manager	41
10.14	Registration of Charge against Shares of defaulting Owner	41
10.15	Order for sale	42
10.16	Keeping of accounts.....	42
10.17	Manager to open and maintain bank account	43
10.18	Inspection of accounts.....	44
10.19	Financial Year	44
11.	OWNERS’ MEETINGS	44
11.1	First and Subsequent Meetings	44
11.2	Convening	45
11.3	Notice.....	45
11.4	Service of notice	45
11.5	Quorum	45
11.6	Chairman	45
11.7	Record	45
11.8	Voting	45
11.9	Proxies.....	46
11.10	Procedure	46
11.11	Resolutions.....	47
11.12	Lack of notice	47
12.	OWNERS’ COMMITTEE.....	47
12.1	Election & meetings.....	47
12.2	Functions	48
12.3	Remuneration	48
12.4	Membership	48
12.5	Eligibility for election	49

12.6	Removal of Committee members	49
12.7	Election of the Chairman	51
12.8	Resolutions.....	51
12.9	Records and Minutes.....	52
12.10	Contracts entered into by the Owners' Committee.....	52
13.	EXTINGUISHMENT OF RIGHTS	52
13.1	Damage to Development.....	52
13.2	Provisions applicable to meeting	53
14.	MISCELLANEOUS PROVISIONS.....	54
14.1	Owners to notify Manager when ceasing to be Owner	54
14.2	Common Parts Shares held by Manager	54
14.3	No conflict with Land Grant	54
14.4	Cessation of liabilities.....	55
14.5	Public notice boards etc.	55
14.6	Service of Notice.....	55
14.7	Co-Owners and Owners of Sub-divided Units	55
14.8	Deed binding on executors etc.	56
14.9	Chinese translation and copies of the Plans.	56
14.10	Owners' Incorporation	57
14.11	Works and Installations.....	57
14.12	Common areas among some but not all Owners	58
14.13	Copy of Schedules 7 and 8 to the Ordinance.....	58
14.14	Green and innovative and other features	59
Schedule 1	Allocation of Shares.....	60
Schedule 2	Management Shares	63
Schedule 3	Part A - Rights of Owners.....	66
	Part B - Rights to which Owners are Subject	67
Schedule 4	Common Parts.....	68
Schedule 5	Owners' Covenants.....	69
Schedule 6	Additional Rights of the First Owner	75
Schedule 7	Additional Rights of the Owner of a Shop	79
Schedule 8	Powers of Manager.....	81
Schedule 9	Works and installations.....	92
Execution		93
Appendix 1	The Plans.....	96
Appendix 2	Copy of Fire Safety Management Plan	97

- (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 4 and shall also include those areas of the Development which are (for identification purpose) coloured indigo, yellow, green and violet on the Plans.

To avoid doubt, the expression shall exclude any system, equipment, facility, machinery, fixture, fitting or Conduit which serves only one Unit;

“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;

“Davit Arm Rack” means any rack for installation, connection or erection of davit arm system(s) marked “DAVIT ARM RACK” on the Plans;

“Decoration Deposit” means the Decoration Deposit referred to in Schedule 8, paragraph 26;

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

“Development” means the development erected on the Land known as AVA 228, No. 228 Tai Nan Street; 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 indigo on the Plans (**“Coloured Areas”** in this definition);
- (b) all glazing, window panes, window frames, doors, door frames, louvres, louvre frames of the Coloured Areas;
- (c) all internal finishes (including plastering, paints, wallpapers) of the Coloured Areas;
- (d) internal partitions (whether structural or load bearing or not) inside the Coloured Areas;

- (e) all structural or load bearing elements of the Development (save to the extent forming part of any Unit, the Residential Common Parts, the Upper Floors Common Parts or the Shops Common Parts);
- (f) the Transformer Room Facilities;
- (g) the foundations of the Development;
- (h) those parts of the façade, external walls or parapets of the Development which are for identification purpose coloured indigo on the elevation plans forming part of the Plans (including the glazing, windows, window panes, window frames, louvers, louvers frames, external finishes, claddings and architectural fins and features thereon, if any); and
- (i) 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 Shops; or
 - (ii) do not form part of the Residential Common Parts, Upper Floors Common Parts and Shops 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 Shops; or
- (b) do not form part of the Residential Management Expenses, Upper Floors Management Expenses and Shops 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”**, **“Estimated Upper Floors**

Management Expenses” and **“Estimated Shops 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 ■ Shares and the attached Right to Occupy ■ on the ■ 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 or utility platform held with and forming part of such domestic unit, each balcony or utility platform forming part of any domestic unit is, for the purpose of identification, hatched black (in the case of a balcony) or stippled black (in the case of a utility platform) on the Plans; and
 - (ii) any flat roof or roof held with and forming part of such domestic unit;
- (b) railings or glass balustrades enclosing a balcony, utility platform, flat roof or roof held with and forming part of such domestic unit;
- (c) all glazing, window panes and window frames (including those of the operable windows installed to the curtain wall), 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, flat roof 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, flat roof or roof held with and forming part of the domestic unit) from another domestic unit (or any balcony, utility platform, flat roof or roof

held with and forming part of that other domestic unit) or from any area coloured as Common Parts on the Plans;

- (ii) in the case of any Flat on 2/F of the Development, the entire thickness of the parapet separating the flat roof held with and forming part of the domestic unit from any area coloured as Common Parts on the Plans, excluding the finishes on the side of that parapet facing the Common Parts concerned;
- (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), and any beam supporting that ceiling slab, but excluding any slab separating any balcony or utility platform held with and forming part of a domestic unit from any balcony or utility 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, flat roof 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 flat roof or roof held with and forming part of the domestic unit (including the FSI and their associated systems, equipment, facilities, machinery, fixtures, fittings, Conduits inside that 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, flat roof 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) and curtain walls forming part of thereof, all external parapets of the Development, and external finishes, claddings and features thereon, if any; and
- (m) any Davit Arm Rack; and
- (n) any Conduits located inside such domestic unit, or any balcony, utility platform, flat roof or roof held with and forming part of the domestic unit, which do not exclusively serve the domestic unit or any flat roof or roof held

therewith, or any part thereof;

“**FSI**” shall have the meaning ascribed to it in the Fire Safety Management Plan;

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

“**Ground Floor Shops**” means the Shops on the Ground Floor of the Development collectively and “**Ground Floor Shop**” means any of them;

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

“**Land**” means the parcel of land registered in the Land Registry as New Kowloon Inland Lot No.1064, New Kowloon Inland Lot No.325, New Kowloon Inland Lot No.415, New Kowloon Inland Lot No.274, New Kowloon Inland Lot No.410 and New Kowloon Inland Lot No.411; and, where the context permits, shall include the Development thereon;

“**Land Grant**” means, collectively, the Lease of New Kowloon Inland Lot No.1064 dated 29th January 1926, the Lease of New Kowloon Inland Lot No.325 dated 13th June 1923, the Lease of New Kowloon Inland Lot No.415 dated 13th June 1923, the Lease of New Kowloon Inland Lot No.274 dated 13th June 1923, the Lease of New Kowloon Inland Lot No.410 dated 13th June 1923 and the Lease of New Kowloon Inland Lot No.411 dated 26th September 1923 including all amendments, variations, modifications or extensions thereof or waivers 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 in the Development, the covered areas beneath the balconies in the Development, the utility platforms in the Development, the covered areas beneath the balconies and the utility platforms in the Development;

“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;

“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 on the Plans (collectively the **“Coloured Areas”** in this definition);
- (b) all glazing, window panes, window frames, doors, door frames, louvers and louver frames of any Coloured Areas;
- (c) all internal finishes (including plastering, paints, wallpapers) of the Coloured Areas;
- (d) internal partitions (whether structural or load bearing or not) inside the Coloured 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 Areas from any domestic unit in the Development (or of any balcony, utility platform, flat roof 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;

- (f) the inner half of any structural or load bearing element (including ceiling or floor slab of the Coloured Areas) separating the Coloured 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 Areas);
- (g) those parts of the façade, external walls (and any curtain wall forming part thereof (and the frames, glass, cast-in anchors and other components of the curtain wall system)) or parapets of the Development on or above the 2nd Floor of the Development (including the external finishes, claddings and architectural fins and features thereon, if any, and including the grille or louvers surrounding air-conditioner platforms, and the slabs of air-conditioner platforms and finishes thereon, excluding those parts of the façade, external walls or parapets of the Development which are (for identification purpose) coloured indigo on the Plans;
- (h) any water-proofing system on the top of the floor slab of any Coloured Areas;
- (i) the structural and load bearing elements of the Development which only serves or supports different Flats and/or any Coloured Areas;
- (j) any Davit Arm Rack;
- (k) any A/C platforms in the Coloured Areas; and
- (l) 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;

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

“Shop” means a non-domestic unit in the Development in respect of which the Right to Occupy belongs to the Owner of the Shares allocated to that non-domestic unit, which is (for identification purpose) coloured:

- (i) pink on the Plans in the case of Shop 1 on the Ground Floor;
- (ii) pink hatched black on the Plans in the case of Shop 2 on the Ground Floor;
- (iii) pink cross hatched black on the Plans in the case of Shop 3 on the Ground

Floor;

- (iv) pink stippled black on the Plans in the case of Shop 5 on the Ground Floor;
- (v) pink with black crosses on the Plans in the case of Shop 6 on the Ground Floor;
- (vi) pink dashed black on the Plans in the case of Shop 7 on the Ground Floor;
- (vii) pink with black hexagons on the Plans in the case of Shop 8 on the Ground Floor;
- (viii) pink with black squares on the Plans in the case of Shop 9 on the Ground Floor;
- (ix) orange on the Plans in the case of Shop 1 on the First Floor;
- (x) orange hatched black on the Plans in the case of Shop 2 on the First Floor; or
- (xi) orange cross hatched black on the Plans in the case of Shop 3 on the First Floor;

including:

- (a) all glazing, window panes, window frames, doors, door frames, louvers, louver frames of such non-domestic unit;
- (b) all sanitary appliances in the non-domestic unit;
- (c) all internal finishes (including plastering, paints, wallpapers) of such non-domestic unit;
- (d) all non-structural or non-load bearing internal partitions of such non-domestic unit;
- (e) the inner half of any non-structural or non-load bearing elements separating that non-domestic unit from another non-domestic unit or from any area coloured as Common Parts on the Plans;
- (f) the upper half of any floor slab of that non-domestic unit separating that non-domestic unit from any other non-domestic unit and the lower half of any ceiling slab of that non-domestic unit separating that non-domestic unit from any other non-domestic unit, and any beam supporting that ceiling slab;
- (g) water-proofing system on the floor slab of such non-domestic unit;
- (h) any external wall (and external finishes, claddings and features thereon), façade and shop front of that non-domestic unit coloured as part of that non-domestic unit on the Plans; and

- (i) all systems, equipment, facilities, machinery, fixtures, fittings, Conduits serving exclusively any or some of the above;

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

- (j) structural or load bearing elements enclosing, adjoining or inside such non-domestic unit other than any matter included in paragraph (f) or (h) of this definition;
- (k) any Conduits located inside such non-domestic unit which do not exclusively serve that non-domestic unit or any part thereof;

“Shops 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 Shops; and shall include:

- (a) those areas of the Development which are (for identification purpose) coloured violet on the Plans (collectively the **“Coloured Areas”** in this definition);
- (b) all glazing, window panes, window frames, doors, door frames, louvers and louver frames of any Coloured Areas;
- (c) all internal finishes (including plastering, paints, wallpapers) of the Coloured Areas;
- (d) internal partitions (whether structural or load bearing or not) inside the Coloured Areas;
- (e) the inner half of any non-structural or non-load bearing element separating the Coloured Areas from any non-domestic unit in the Development or from any area which is coloured on the Plans as another type of Common Parts;
- (f) the inner half of any structural or load bearing element (including ceiling or floor slab of the Coloured Areas) separating the Coloured 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 Areas);
- (g) any water-proofing system on the top of the floor slab of any Coloured Areas;
- (h) the structural and load bearing elements of the Development which only serves or supports Shops and/or any Coloured Areas; and
- (i) all systems, equipment, facilities, machinery, fixtures, fittings, Conduits serving exclusively any or some of the above;

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

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

“**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;

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

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

“**Upper Floors 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 Upper Floor Shops; and shall include:

- (a) those areas of the Development which are (for identification purpose) coloured green on the Plans (collectively the “**Coloured Areas**” in this definition);
- (b) all glazing, window panes, window frames, doors, door frames, louvers and louver frames of any Coloured Areas;
- (c) all internal finishes (including plastering, paints, wallpapers) of the Coloured Areas;
- (d) internal partitions (whether structural or load bearing or not) inside the Coloured Areas;
- (e) the inner half of any non-structural or non-load bearing element separating the Coloured Areas from any non-domestic unit in the Development or from any area which is coloured on the Plans as another type of Common Parts;
- (f) the inner half of any structural or load bearing element (including ceiling or floor slab of the Coloured Areas) separating the Coloured 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 Areas);
- (g) the lifts located in the Coloured Areas and associate fittings, fixtures, equipment, installations, lift shafts and lift pits;
- (h) those parts of the façade, external walls or parapets of the Development which are for identification purpose coloured green on the elevation plans forming part of the Plans (including the glazing, windows, window panes, window frames, louvers, louvers frames, external finishes, claddings and architectural

fins and features thereon, if any);

- (i) any water-proofing system on the top of the floor slab of any Coloured Areas;
- (j) the structural and load bearing elements of the Development which only serves or supports different Flats and Upper Floor Shops and/or any Coloured Areas; and
- (k) all systems, equipment, facilities, machinery, fixtures, fittings, Conduits serving exclusively any or some of the above;

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

“Upper Floor Shops” means the Shops on the First Floor of the Development collectively and **“Upper Floor Shop”** means any of them;

“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 9.

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, Shop, the Development Common Parts, the Upper Floors Common Parts, the Shops Common Parts, the Residential Common Parts, the Common Parts, 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 a Shop may be exercised in accordance with this Deed by an Owner of a part of the Shop in respect of the part he owns; 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 different Shops on the Ground Floor and the First Floor of the Development; 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.
- 4.2 First Assignee. The First Assignee shall, subject to and with the benefit of this Deed, 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 rights contained in Schedule 3.
- 4.4 Owners bound by this Deed. Without prejudice to the rights of:
- (a) the First Owner in Clause 5.1 and Schedule 6; and
 - (b) the Owner of a Shop in Clause 5.2 and Schedule 7;
- each Owner shall observe and perform the covenants contained in Schedule 5.

- 4.5 Right to assign without reference to other Owners. Subject to the Land Grant and this Deed, 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.
- 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 6 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 7 as Owner of a Shop.
- 5.2 Owner of a Shop. The Owner of a Shop shall have the additional rights set out in Schedule 7 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 6.
- (b) the Owners hereby jointly and severally and irrevocably appoint each Owner on whom rights are conferred under Clause 5.2 and Schedule 7 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 7.

- 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 Full Well Engineering 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 7 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 “**Covenantee Purchaser**”) and shall enure for the benefit of New Kowloon Inland Lot No.1064, New Kowloon Inland Lot No.325, New Kowloon Inland Lot No.415, New Kowloon Inland Lot No.274, New Kowloon Inland Lot No.410 and New Kowloon Inland Lot No.411 and the buildings thereon known as AVA 228 (collectively, the “**Land**”) and be enforceable by the Vendor and each Relevant Owner that:-

- (a) the Covenantee 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 Covenantee Purchaser hereby acknowledges and confirms the rights conferred by Clause 5.1 and Schedule 6, Clause 5.2 and Schedule 7 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 Covenantee 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 Covenantee 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 Owner’s 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 8 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 8 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;
 - (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 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 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 8, paragraph 7(b) if the Owner of a Shop requires the Manager to increase the supply of electricity to that Shop in order that that Shop may be used for any activity which requires electricity supply over and above the level supplied to that Shop at the time of the request.

8.9 Fire safety.

- (a) The Manager shall assist the Owners of the Flats to carry out, and shall arrange and coordinate the annual maintenance and check referred to in paragraph 11(b) of Schedule 5 and submit the maintenance certificate to the Fire Services Department.
- (b) The Manager shall observe and comply with the Fire Safety Management Plan and shall take such actions as the Manager may reasonably decide to prevent Owners from carrying out any illegal alteration of the FSI.
- (c) The Manager shall display permanent notices at the Common Parts (such as in lift lobbies and on public notice boards) to remind Owners and occupants not to remove or tamper any FSI.
- (d) The Manager shall arrange annual check and maintenance against the FSI forming part of the Common Parts to be conducted by the Manager's registered fire service installation contractor;
- (e) The Manager shall arrange staff training (at a frequency to be reasonably determined by the Manager) for the management staff of the Development in relation to fire safety management including the course of actions to be carried out by them in case of fire;
- (f) The Manager shall arrange for a fire drill of the Development to be carried out twice annually; and
- (g) The Manager shall have the powers to do anything which it considers necessary or expedient for performing any of its duties set out in (a) to (f) of this Clause 8.9.

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) the cost of postage, stationery and other sundry items incurred by the Manager in connection with the management of the Development; and
- (h) 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;
 - (ii) the proposed Residential Management Expenses;
 - (iii) the proposed Upper Floors Management Expenses; and
 - (iv) the proposed Shops Management Expenses.

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)(vi).

(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.

(iii) The Owner of a Flat or a Upper Floor Shop shall contribute to the Estimated Upper Floors Management Expenses in the following proportion:

$$\frac{m}{n}$$

where:

“**m**” is the number of Management Shares allocated to the Flat or the Upper Floor Shop; and

“**n**” is the total number of Management Shares allocated to all Flats and Upper Floor Shops.

- (iv) The Owner of a Shop shall contribute to the Estimated Shops Management Expenses in the following proportion:

$$\frac{o}{p}$$

where:

“**o**” is the number of Management Shares allocated to the Shop; and

“**p**” is the total number of Management Shares allocated to all Shops.

- (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 Shops, or expenses not covered by Clauses 10.3(g)(ii) to (iv), shall be borne by the Owners in the proportion set out in Clause 10.3(d)(i);
 - (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);
 - (iii) the Upper Floors Common Parts, or expenses for the common benefit of Owners, occupiers, licensees or invitees of different Flats and Upper Floor Shops, shall be borne by the Owners of the Flats and Upper Floor Shops in the proportion set out in Clause 10.3(d)(iii); and
 - (iv) the Shops Common Parts, or expenses for the common benefit of Owners, occupiers, licensees or invitees of different Shops, shall be

borne by the Owners of Shops in the proportion set out in Clause 10.3(d)(iv).

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:

- (v) payment in one lump sum within 14 days of notification by the Manager; or
 - (vi) 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;
 - (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;
 - (iii) any part of the surplus determined by the Manager to be attributable to contributions made by the Owners of Flats and Upper Floor Shops towards the Upper Floors Management Expenses or Estimated Upper Floors Management Expenses shall be notionally credited to all Flats and Upper Floor Shops and be taken into account when preparing the section of future Budget(s) dealing with Upper Floors Management Expenses or used for covering Upper Floors Management Expenses or Estimated Upper Floors Management Expenses; and
 - (iv) any part of the surplus determined by the Manager to be attributable to contributions made by the Owners of the Shops towards the Shops Management Expenses or Estimated Shops Management Expenses shall be notionally credited to all the Shops and be taken into account when preparing the section of future Budget(s) dealing with Shops Management Expenses or used for covering Shops Management Expenses or Estimated Shops 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 a 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 9 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)";
 - (ii) "Special Fund (Ground Floor Shops)"; and
 - (iii) "Special Fund (Upper Floor Shops)".
- (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);
 - (ii) the Owners of the Ground Floor Shops shall be notionally credited to Special Fund (Ground Floor Shops); and
 - (iii) the Owners of the Upper Floor Shops shall be notionally credited to Special Fund (Upper Floor Shops).
- (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 Shops or which is not covered by Clauses 10.4(l)(ii) to (iv), 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;

- (2) the amount to be paid out of Special Fund (Ground Floor Shops) 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 all the Ground Floor Shops; and

“F” is the total number of Management Shares; and

- (3) the amount to be paid out of Special Fund (Upper Floor Shops) is:

$$G \times \frac{H}{I}$$

where:

“G” is the total amount of such Non-Recurrent Expenditure;

“H” is the number of Management Shares allocated to all the Upper Floor Shops; and

“I” 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 relating to the Upper Floors Common Parts, or which is for the common benefit of Owners, occupiers, licensees or invitees of different Flats and Upper Floor Shops, 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:

$$M \times \frac{N}{O}$$

where:

“M” is the total amount of such Non-Recurrent Expenditure;

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

“O” is the total number of Management Shares allocated to all Flats and all Upper Floor Shops;

- (2) the amount to be paid out of Special Fund (Upper Floor Shops) is:

$$P \times \frac{Q}{R}$$

where:

“P” is the total amount of such Non-Recurrent Expenditure;

“Q” is the number of Management Shares allocated to the Upper Floor Shops; and

“R” is the total number of Management Shares allocated to all Flats and all Upper Floor Shops.

- (iv) Non-Recurrent Expenditure relating to the Shops Common Parts, or which is for the common benefit of Owners, occupiers, licensees or invitees of different Shops, shall only be paid out of different parts of the Special Fund as follows:

- (1) the amount to be paid out of Special Fund (Ground Floor Shops) is:

$$S \times \frac{T}{U}$$

where:

“S” is the total amount of such Non-Recurrent Expenditure;

“T” is the total number of Management Shares allocated to all Ground Floor Shops; and

“U” is the total number of Management Shares allocated to all Shops;

- (2) the amount to be paid out of Special Fund (Upper Floor Shops) is:

$$V \times \frac{W}{X}$$

where:

“V” is the total amount of such Non-Recurrent Expenditure;

“W” is the number of Management Shares allocated to the Upper Floor Shops; and

“X” is the total number of Management Shares allocated to all Shops.

- (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 a category of Common Parts (including any approval or consent given in relation thereto under this Deed or the Ordinance):

- (1) the amount shall be credited to the part of the Special Fund contributed by the Category of Owners (as defined below) who are responsible under Clause 10.3 to contribute to the Management Expenses or Estimated Management Expenses relating to that category of Common Parts; and

- (2) if more than one Category of Owners (as defined below) are responsible for contributing to the Management Expenses or Estimated Management Expenses relating to that category of Common Parts, the following proportion of such amount shall be credited to the part of the Special Fund contributed by each Category of Owners concerned:

$$\frac{Y}{Z}$$

where:

“Y” is the total number of Management Shares allocated to the Units of that Category of Owners; and

“Z” is the total number of Management Shares allocated to all Units of all Categories of Owners concerned; and

for the purpose of this Clause 10.4(m), a “Category of Owners” means the groups of Owners respectively referred to in Clauses 10.4(k)(i), (ii) and (iii); and

- (ii) in any other case, the following proportion of the amount shall be credited to the part of the Special Fund contributed by each Category of Owners:

$$\frac{AA}{BB}$$

where:

“AA” is the total number of Management Shares allocated to the Units of that Category of Owners; and

“BB” 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), (ii) and (iii) shall be divided among the then Owners of each category of Units respectively referred to in Clauses 10.4(k)(i), (ii) and (iii) 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;
- (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;
- (c) the Upper Floors Common Parts, be notionally credited to all the Flats and Upper Floor Shops and be taken into account when preparing the section of future Budget(s) dealing with Upper Floors Management Expenses or used for covering Upper Floors Management Expenses or Estimated Upper Floors Management Expenses; or
- (d) the Shops Common Parts, be notionally credited to all the Shops and be taken into account when preparing the section of future Budget(s) dealing with Shops Management Expenses or used for covering Shops Management Expenses or Estimated Shops 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 any Ground Floor Shop shall be credited to the Special Fund (Ground Floor Shops).
 - (iii) All monies paid to the Manager by way of interest and collection charges by the Owner of any Upper Floor Shop shall be credited to the Special Fund (Upper Floor Shops).

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;
 - (ii) the Residential Common Parts and the Residential Management Expenses;
 - (iii) the Upper Floors Common Parts and the Upper Floors Management Expenses; and
 - (iv) the Shops Common Parts and the Shops 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 2 other Committee members Provided That:
 - (i) the Owners of the Flats are entitled to elect up to 3 Committee members; and
 - (ii) the Owners of the Shops are entitled to elect up to 1 Committee member.
- (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 resident in Hong Kong:
 - (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.

- (a) An extraordinary meeting of the Owners of the Flats may be convened for:
 - (i) removing from office any member of the Owners' Committee elected by such Owners under Clause 12.1(a)(i); and/or
 - (ii) electing a new member of the Owners' Committee to replace any member of the Owners' Committee elected by such Owners under Clause 12.1(a)(i) who has:

- (1) ceased to be such member under Clause 12.4; or
 - (2) been removed as provided in Clause 12.6(a)(i) above.
- (b) The following shall apply to a meeting referred to in Clause 12.6(a):
 - (i) The meeting may be convened by the Manager or Owner(s) of not less than 5% of the Shares allocated to the Flats.
 - (ii) No business shall be transacted at such a meeting unless a quorum is present when the meeting proceeds to business. The quorum at such a meeting shall be 10% of the Owners of the Flats. For the purpose of this Clause 12.6(b)(ii), the reference to “10% of the Owners of the Flats” shall be construed as a reference to 10% of the number of persons who are Owners of the Flats without regard to their ownership of any particular percentage of the total number of Shares allocated to the Flats and not be construed as the Owners of 10% of the Shares allocated to all Flats. If a quorum is not present within half an hour of the time appointed for the meeting, the meeting shall stand adjourned to the same day in the next week at the same time and place. Notwithstanding the above, if all Flats are owned by one Owner, such Owner (present in person or by proxy) shall constitute the quorum.
 - (iii) The Owner elected as chairman at such a meeting shall be the chairman of the meeting.
 - (iv) Resolutions in the meeting shall be passed by a simple majority of votes of the Owners of the Flats present in person or by proxy and voting Provided That if all Flats are owned by one Owner, the vote(s) of that Owner shall be sufficient to pass the resolution concerned. In the case of equality of votes, the chairman of the meeting shall have a second or casting vote.
 - (v) Subject to Clauses 12.6(b)(i) to (iv), the provisions of Clause 11 shall apply, mutatis mutandis, to such a meeting.
- (c) An extraordinary meeting of the Owners of the Shops may be convened for:
 - (i) removing from office any member of the Owners’ Committee elected by such Owners under Clause 12.1(a)(ii); and/or
 - (ii) electing a new member of the Owners’ Committee to replace any member of the Owners’ Committee elected by such Owners under Clause 12.1(a)(ii) who has:
 - (1) ceased to be such member under Clause 12.4; or
 - (2) been removed as provided in Clause 12.6(c)(i) above.

- (d) The following shall apply to a meeting referred to in Clause 12.6(c):
- (i) The meeting may be convened by the Manager or Owner(s) of not less than 5% of the Shares allocated to the Shops.
 - (ii) No business shall be transacted at such a meeting unless a quorum is present when the meeting proceeds to business. The quorum at such a meeting shall be 10% of the Owners of the Shops. For the purpose of this Clause 12.6(d)(ii), the reference to “10% of the Owners of the Shops” shall be construed as a reference to 10% of the number of persons who are Owners of the Shops without regard to their ownership of any particular percentage of the total number of Shares allocated to the Shops and not be construed as the Owners of 10% of the Shares allocated to all Shops. If a quorum is not present within half an hour of the time appointed for the meeting, the meeting shall stand adjourned to the same day in the next week at the same time and place. Notwithstanding the above, if all Shops are owned by one Owner, such Owner (present in person or by proxy) shall constitute the quorum.
 - (iii) The Owner elected as chairman at such a meeting shall be the chairman of the meeting.
 - (iv) Resolutions in the meeting shall be passed by a simple majority of votes of the Owners of the Shops present in person or by proxy and voting Provided That if all Shops are owned by one Owner, the vote(s) of that Owner shall be sufficient to pass the resolution concerned. In the case of equality of votes, the chairman of the meeting shall have a second or casting vote.
 - (v) Subject to Clauses 12.6(d)(i) to (iv), the provisions of Clause 11 shall apply, mutatis mutandis, to such a meeting.

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 amounts in excess of HK\$200,000 (or such other sum as the Secretary for Home Affairs may specify by notice in the Gazette) or an average annual expenditure of more than 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 and this Deed; 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 1 month of 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.

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 of 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 9 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 9 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 9 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 from 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 9 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 6, 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. Each of the larger lift shafts (each marked "LIFT SHAFT" on the Plans) shall only be used as a lift shaft.

SCHEDULE 1

Allocation of Shares

**Part 1
General Allocation of Shares**

<i>PART OF THE DEVELOPMENT CONCERNED</i>	<i>SHARES</i>
Flats	2,874 (Note 1)
Shops	341 (Note 2)
Common Parts	10
TOTAL	3,225

Notes:

- 1. Allocation of Shares among the Flats is shown in Part 2.**
- 2. Allocation of Shares among the Shops is shown in Part 3.**

Part 2

Allocation of Shares among the Flats

Shares are allocated to the Flats as follows.

Flat Floor(s)	A	B	C	D	E	F	G	H
2/F	19*	19*	13*	13*	13*	13*	19*	21*
3/F	20	22	14	14	14	14	22	24
5/F	20	22	14	14	14	14	22	24
6/F	20	22	14	14	14	14	22	24
7/F	20	22	14	14	14	14	22	24
8/F	20	22	14	14	14	14	22	24
9/F	20	22	14	14	14	14	22	24
10/F	20	22	14	14	14	14	22	24
11/F	20	22	14	14	14	14	22	24
12/F	20	22	14	14	14	14	22	24
15/F	20	22	14	14	14	14	22	24
16/F	20	22	14	14	14	14	22	24
17/F	20	22	14	14	14	14	22	24
18/F	20	22	14	14	14	14	22	24
19/F	20	22	14	14	14	14	22	24
20/F	20	22	14	14	14	14	22	24
21/F	20	22	14	14	14	14	22	24
22/F	20	22	14	14	14	14	22	24
23/F	20	22	14	14	14	14	22	24
25/F	21#	23#	15#	15#	15#	15#	23#	25#
Total	2,874							

Notes:

- (1) There are no 4th, 13th, 14th and 24th floors.
- (2) * denotes those Flats which include the flat roof held therewith.
- (3) # denotes those Flats which include the roof held therewith.

Part 3

Allocation of Shares among the Shops

Shares are allocated to the Shops as follows.

Shop Floor	1	2	3	5	6	7	8	9
G/F	51	47	55	16	54	16	18	20
1/F	22	20	22	--	--	--	--	--
Total	341							

Notes:

(1) There is no designation of Shop 4.

SCHEDULE 2

Management Shares

Part 1
General Allocation of Management Shares

<i>PART OF THE DEVELOPMENT CONCERNED</i>	<i>MANAGEMENT SHARES</i>
Flats	2,874 (Note 1)
Shops	341 (Note 2)
TOTAL	3,215

Notes:

- 1. Allocation of Management Shares among the Flats is shown in Part 2.**
- 2. Allocation of Management Shares among the Shops is shown in Part 3.**

Part 2

Allocation of Management Shares among the Flats

Management Shares are allocated to the Flats as follows.

Flat Floor(s)	A	B	C	D	E	F	G	H
2/F	19*	19*	13*	13*	13*	13*	19*	21*
3/F	20	22	14	14	14	14	22	24
5/F	20	22	14	14	14	14	22	24
6/F	20	22	14	14	14	14	22	24
7/F	20	22	14	14	14	14	22	24
8/F	20	22	14	14	14	14	22	24
9/F	20	22	14	14	14	14	22	24
10/F	20	22	14	14	14	14	22	24
11/F	20	22	14	14	14	14	22	24
12/F	20	22	14	14	14	14	22	24
15/F	20	22	14	14	14	14	22	24
16/F	20	22	14	14	14	14	22	24
17/F	20	22	14	14	14	14	22	24
18/F	20	22	14	14	14	14	22	24
19/F	20	22	14	14	14	14	22	24
20/F	20	22	14	14	14	14	22	24
21/F	20	22	14	14	14	14	22	24
22/F	20	22	14	14	14	14	22	24
23/F	20	22	14	14	14	14	22	24
25/F	21#	23#	15#	15#	15#	15#	23#	25#
Total	2,874							

Notes:

- (1) There are no 4th, 13th, 14th and 24th floors.
- (2) * denotes those Flats which include the flat roof held therewith.
- (3) # denotes those Flats which include the roof held therewith.

Part 3

Allocation of Management Shares among the Shops

Management Shares are allocated to the Shops as follows.

Shop Floor	1	2	3	5	6	7	8	9
G/F	51	47	55	16	54	16	18	20
1/F	22	20	22	--	--	--	--	--
Total	341							

Notes:

(1) There is no designation of Shop 4.

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, 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) without prejudice to the generality of the foregoing 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
 - (ii) 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

Common Parts

Subject to the express provisions of this Deed, the Common Parts include (to the extent existing and to the extent not forming part of any Unit):

- (a) External walls and load bearing walls, foundations, columns, beams and other structural supports.
- (b) Walls enclosing passageways, corridors and staircases.
- (c) The roofs, chimneys, gables, gutters, lightning conductors, satellite dishes and ancillary equipment, aerials and aerial cables.
- (d) Parapet walls, fences and boundary walls.
- (e) Vents serving 2 or more Units.
- (f) Water tanks, reservoirs, pumps, wells, sewers, sewage treatment plants, drains, soil pipes, waste pipes, channels, water-courses, gutters, ducts, downpipes, cables, conduits, refuse chutes, hoppers and refuse container chambers.
- (g) Cellars, toilets, water closets, wash houses, bathhouses, kitchens and caretakers' flats.
- (h) Passageways, corridors, staircases, landings, light wells, staircase window frames and glazing, hatchways, roofways and outlets to the roofs and doors and gates giving access thereto.
- (i) Lifts, escalators, lift shafts and machinery and apparatus used in connection therewith and the housing thereof.
- (j) Lighting apparatus, air conditioning apparatus, central heating apparatus, fire fighting equipment and installations intended for the use and benefit of all of the owners generally and any room or chamber in which such apparatus, equipment or installation is fitted or installed.
- (k) Fixtures situated in a Unit which are used in connection with the enjoyment of any other Unit or other portion of the building.
- (l) Lawns, gardens and playgrounds and any other recreational areas.
- (m) Swimming pools, tennis courts, basketball courts, squash courts and premises containing or housing any other sporting or recreational facilities.
- (n) Clubhouses, gymnasiums, sauna rooms and premises containing health or leisure facilities.
- (o) Slopes, gradients and retaining walls including sea walls (if any) comprising or forming part of any land which is in common ownership with the Development.

SCHEDULE 5

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, 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)".
- (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 in such a way as to give rise to 2 or more reasonable complaints from Owners to the Manager (whose decision on the reasonableness of the complaint shall be final and binding on the Owners).
 - (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 store in any Unit any dangerous or combustible goods Provided That the storage of such goods in a Shop in amounts which are reasonable in the ordinary course of the business carried out in that Shop shall not be a breach of this covenant if:
 - (i) such storage 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
 - (ii) any increase in premia for any insurance taken or to be taken out by the Manager under this Deed as a result of such storage is borne by the Owner making the storage.
 - (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, flat roof or roof forming part of his Flat only as a balcony, utility platform, flat roof or (as the case may be) roof in connection with the use and enjoyment of the Flat.
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, flat roof or roof forming part of his Flat 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) Not to make any structural alteration to any part of the Development which will interfere with or affect the rights of any other Owner and 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, flat roof or roof forming part of his Flat.
 - (g) Not to do anything whereby any Non-enclosed Areas, flat roof or any roof forming part of his Flat 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, flat roof or roof forming part of his Flat.

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 flat roof or roof forming part of his Flat 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 Flat 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 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 or the Development Rules.
11. Fire Safety.
- (a) Not to remove, tamper or alter any FSI.
 - (b) To allow the FSI to be subject to annual check and maintenance conducted by the Manager's registered fire service installation contractor, to allow access to his Flat to the Manager and the Manager's registered fire service installation contractor for the purpose of carrying out such check and maintenance.
 - (c) To observe and comply with the Fire Safety Management Plan.

SCHEDULE 6

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, aerials 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 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) subject to paragraph 14(a)(ii) below, 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
 - (ii) the Sub-DMC does not conflict with this Deed.
- (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. 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.

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 7

Additional Rights of the Owner of a Shop

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 a Shop deems fit in any part of that Shop;
 - (b) alter any external wall (and external finishes, claddings and features thereon), façade or shop front forming part of his Shop as the Owner of the Shop deems fit; and
 - (c) adopt and change such design, colour scheme and materials for the front of his Shop as the Owner of a Shop deems fit

Provided That the appearance (including the type, design, style, size, height and material) of the shopfront of his Shop (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, his Shop, 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 that Shop such of the Shares and Management Shares allocated to that Shop 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 that Shop to which such Shares are sub-allocated; and
 - (iii) enter into a Sub-Deed of Mutual Covenant in relation to the sub-divided Shop (in this paragraph 2(b), the “**Sub-DMC**”) Provided that:
 - (1) subject to paragraph 2(b)(iii)(2) below, 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
 - (2) the Sub-DMC does not conflict with the provisions of this Deed.

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 his Shop only, in such manner as the Owner of that Shop may consider fit;
- (b) execute any document relating to such variation, modification, waiver or no-objection in the name of the Owner of that Shop 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 that Shop 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 that Shop 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 5, 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 Shop 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 8

Powers of Manager

1. Collection of Money. To demand and collect all money payable by the Owners under this Deed.
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 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 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.
 - (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 davit arm system(s) and 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, flat roof or roof forming part of any Flat or Shop 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 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.
- (i) 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.
- (j) 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 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, 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 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, 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 property, 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, 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 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 Flat to:
 - (i) cleanse, maintain, repair, replace or improve any Davit Arm Rack;
 - (ii) assemble, set up, move, relocate or dismantle any davit arm system(s) or gondola in any flat roof or roof forming part of a Flat; and
 - (iii) install, connect or erect davit arm system(s) or gondola to any Davit Arm Rack and operate the same in and from any flat roof or roof forming part of a Flat and in or through the airspace over any balcony, utility platform, flat roof or roof forming part of a Flat

Provided That the Manager shall at its 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 exercising such power pursuant to this paragraph 16(b).

- (c) 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(c) does not impose any obligation on the Manager to replace any broken window glass in any Unit.
- (d) To, without limitation to the generality of paragraph 16(a) of this Schedule, 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 Flat for the purpose of carrying out the annual maintenance and check referred to in paragraph 11(b) of Schedule 5 or for verifying or procuring compliance with paragraph 11 of Schedule 5 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(d).

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 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 (and in case of such inconsistency, this Deed 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, 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 Unit, to obtain from its Owner a refundable Decoration Deposit of a sum equal to 1 month's Monthly Management Fees payable for that Unit for the time being or of such amount as may from time to time be stipulated in the Development Rules.
- (b) 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 5, 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.

SCHEDULE 9

WORKS AND INSTALLATIONS

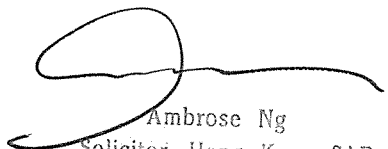
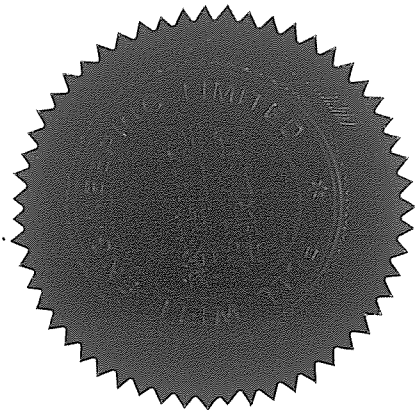
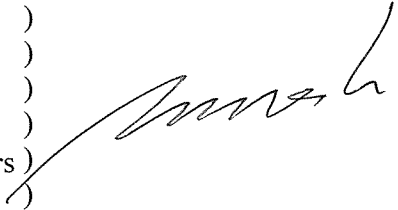
The following works and installations:

- (i) structural elements and party walls;
- (ii) external wall finishes/claddings and roofing materials;
- (iii) fire safety elements;
- (iv) plumbing system;
- (v) drainage system;
- (vi) fire services installations (including the FSI) and equipment;
- (vii) electrical wiring system and installations;
- (viii) lift installations;
- (ix) mechanical ventilation system;
- (x) window installations and louvre installations;
- (xi) security system; and
- (xii) Davit Arm Racks.

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

THE FIRST OWNER

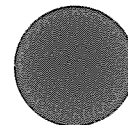
SEALED with the COMMON SEAL of)
FULL WELL ENGINEERING LIMITED)
(裕滿工程有限公司) and SIGNED by)
[REDACTED])
)
director(s)/person(s) duly authorized by the)
resolution of the Board of the directors)
whose signature(s) is/are verified by:)



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

THE FIRST ASSIGNEE

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



LEE FUNG LUN
Clerk to Messrs. Raymond T. M. Lau & Co.
Solicitors, Hong Kong SAR

I hereby verify the signature
of **LEE FUNG LUN**

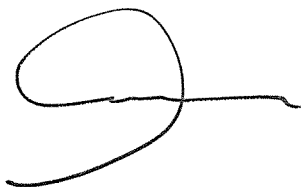

CHAN KAI YUNG ALBERT

.....
Solicitor, Messrs. Raymond T. M. Lau & Co.
Solicitors, Hong Kong SAR

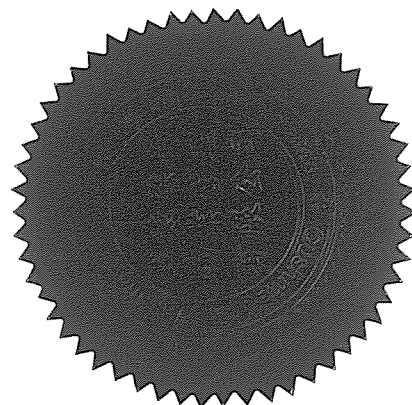
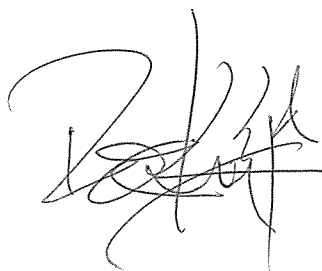
THE COMPANY

SEALED with the COMMON SEAL of)
CUSHMAN & WAKEFIELD)
PROPERTY MANAGEMENT LIMITED)
(戴德梁行物業管理有限公司) and)
SIGNED by [REDACTED])

director(s)/person(s) duly authorized by the)
resolution of the Board of the directors)
whose signature(s) is/are verified by:)



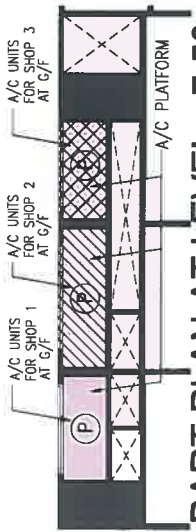
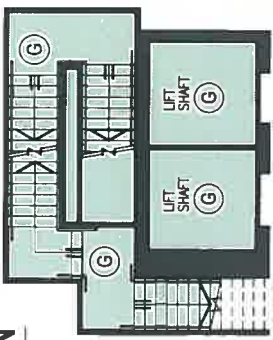
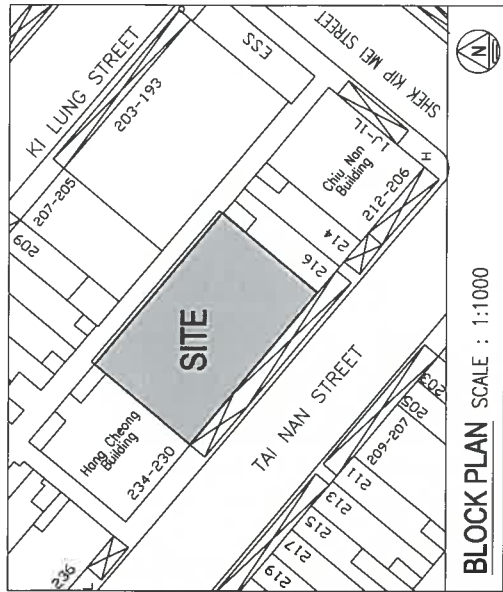
Ambrose Ng
Solicitor, Hong Kong SAR
Messrs. Baker & McKenzie



APPENDIX 1

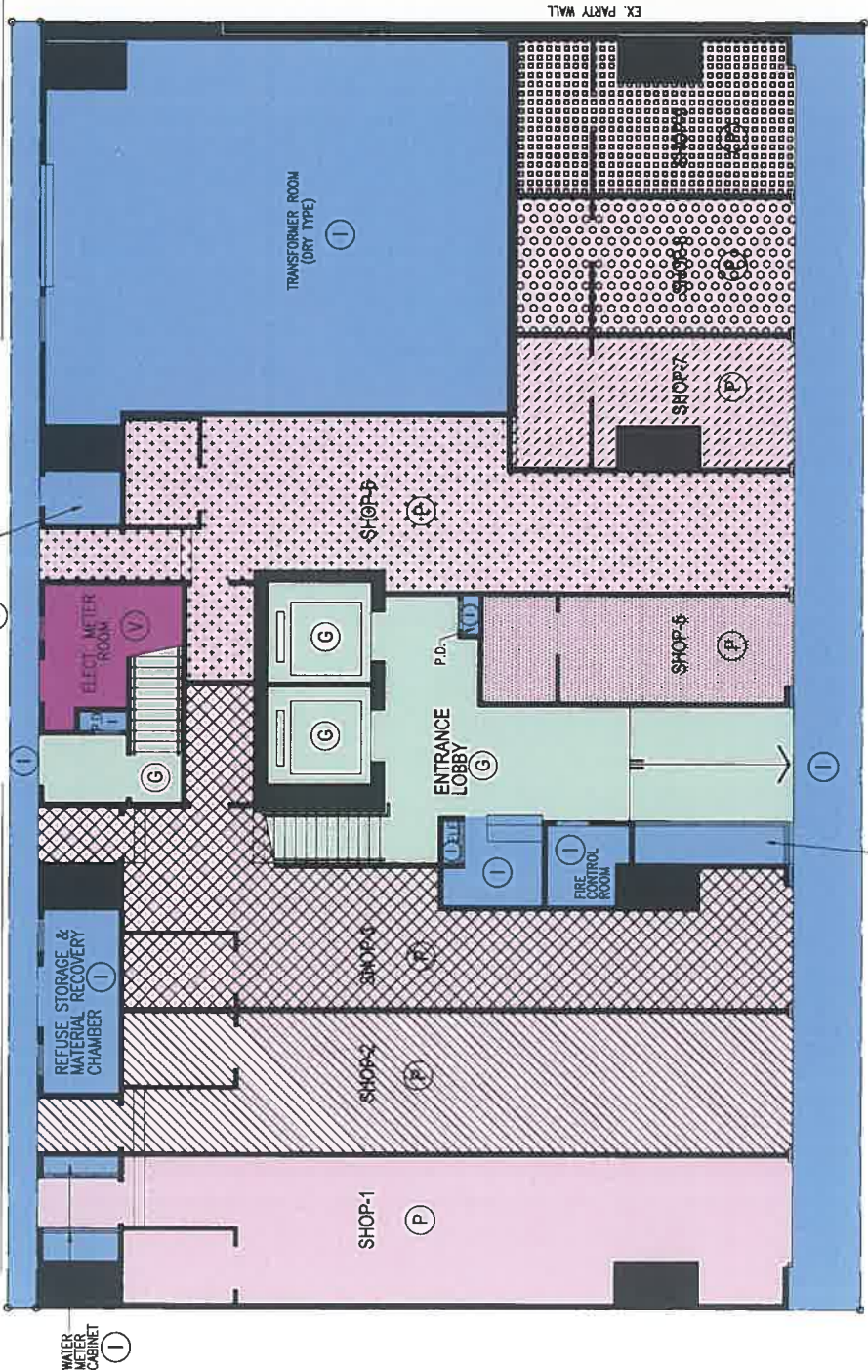
The Plans

PLAN OF DMC OF No. 228 TAI NAN STREET, KOWLOON



PART PLAN AT LEVEL +7.03

PART PLAN AT LEVEL +7.50



WATER METER CABINET
GAS CHAMBER
REFUSE STORAGE & MATERIAL RECOVERY CHAMBER
ELECT. METER ROOM
ENTRANCE LOBBY
TRANSFORMER ROOM (DRY TYPE)
SHOPS
SHOP-1
SHOP-2
SHOP-3
SHOP-4
SHOP-5
SHOP-6
SHOP-7
SHOP-8
SHOP-9
LIFT SHAFT
LIFT SHAFT
A/C UNITS FOR SHOP 1 AT G/F
A/C UNITS FOR SHOP 2 AT G/F
A/C UNITS FOR SHOP 3 AT G/F
A/C PLATFORM
EX. PARTY WALL
SPR. VALVE GROUP
2nos. SPR. INLET
2nos. FS INLET

GROUND FLOOR PLAN



LEGEND

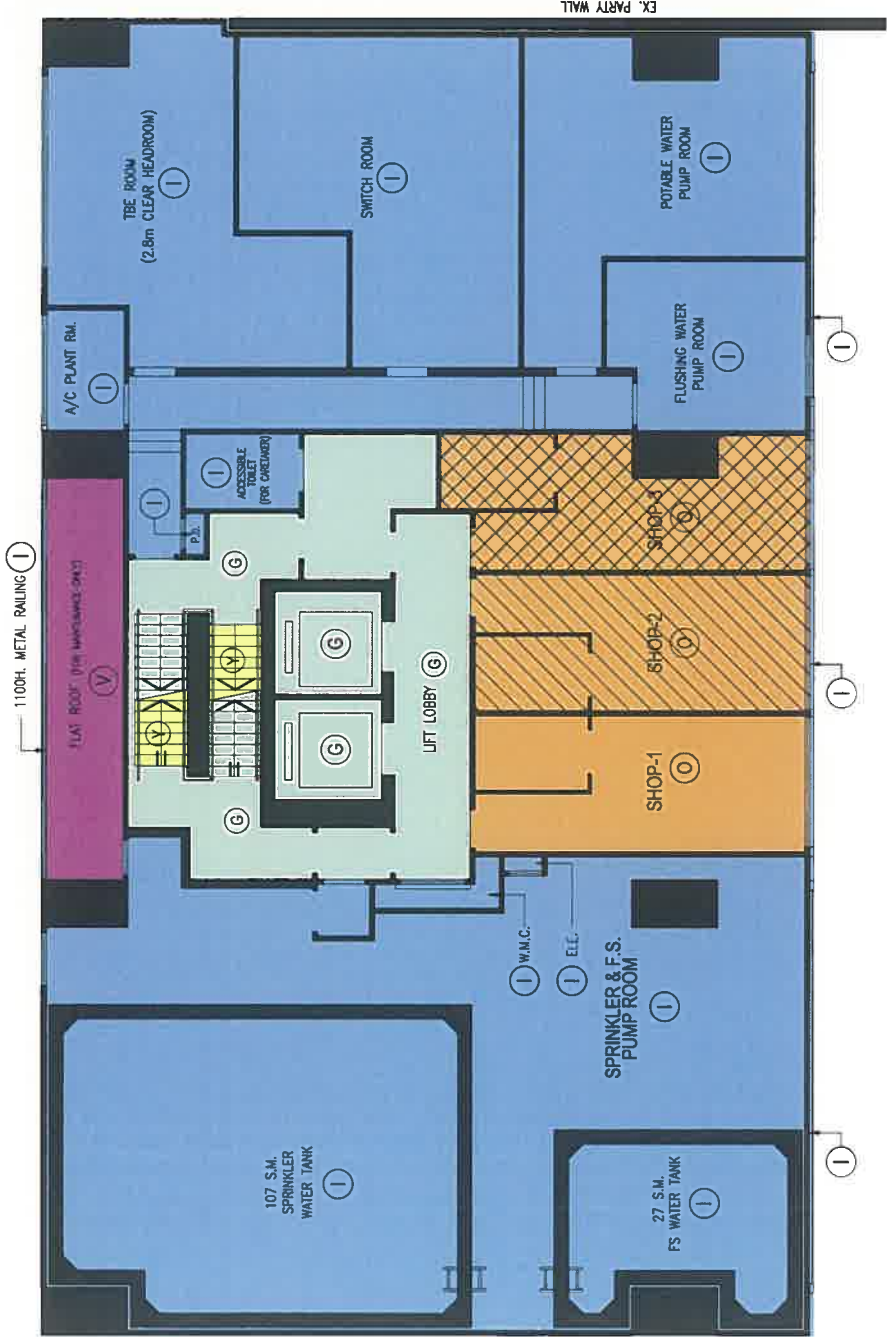
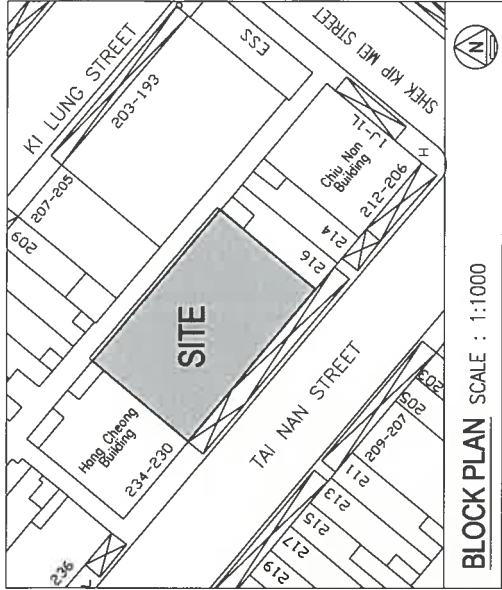
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- GREEN UPPER FLOORS COMMON PARTS
- VIOLET SHOPS COMMON PARTS
- PINK SHOP 1 ON GROUND FLOOR
- PINK HATCHED BLACK SHOP 2 ON GROUND FLOOR
- PINK CROSS HATCHED BLACK SHOP 3 ON GROUND FLOOR
- PINK STIPPLED BLACK SHOP 5 ON GROUND FLOOR
- PINK WITH BLACK CROSSES SHOP 6 ON GROUND FLOOR
- PINK DASHED BLACK SHOP 7 ON GROUND FLOOR
- PINK WITH BLACK HEXAGONS SHOP 8 ON GROUND FLOOR
- PINK WITH BLACK SQUARES SHOP 9 ON GROUND FLOOR

I HEREBY CERTIFY THE ACCURACY OF THIS PLAN

T.K. TSUI

DIP. BLDG. SC. (HONGKONG) C. ENG.
F.I. STRUCT. E., F.H.K.I.E., M.A.S.C.E.
REGISTERED STRUCTURAL ENGINEER
AUTHORIZED PERSON

PLAN OF DMC OF No. 228 TAI NAN STREET, KOWLOON



LEGEND

- INDIGO DEVELOPMENT COMMON PARTS
- GREEN UPPER FLOORS COMMON PARTS
- YELLOW RESIDENTIAL COMMON PARTS
- VIOLET SHOPS COMMON PARTS
- ORANGE SHOP 1 ON FIRST FLOOR
- ORANGE HATCHED BLACK SHOP 2 ON FIRST FLOOR
- ORANGE CROSS HATCHED BLACK SHOP 3 ON FIRST FLOOR

I HEREBY CERTIFY THE ACCURACY OF THIS PLAN

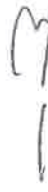
1st FLOOR PLAN



T.K. TSUI
DIP. BLDG. SC. (LIVERPOOL) C. ENG.
F.L. STRUCT. E., F.H.K.E., M.A.S.C.E.
REGISTERED STRUCTURAL ENGINEER
AUTHORIZED PERSON

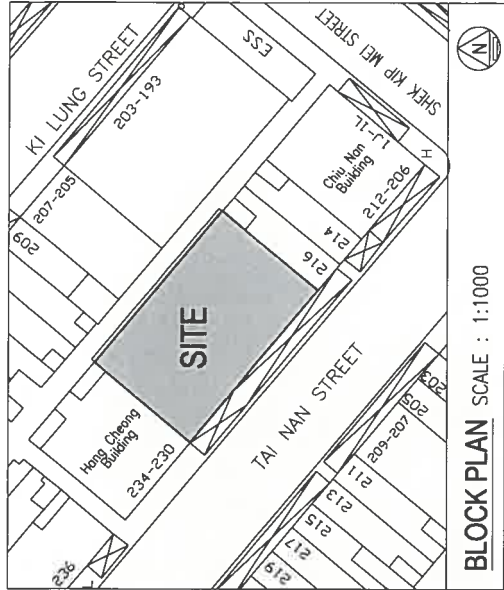


2nd FLOOR PLAN

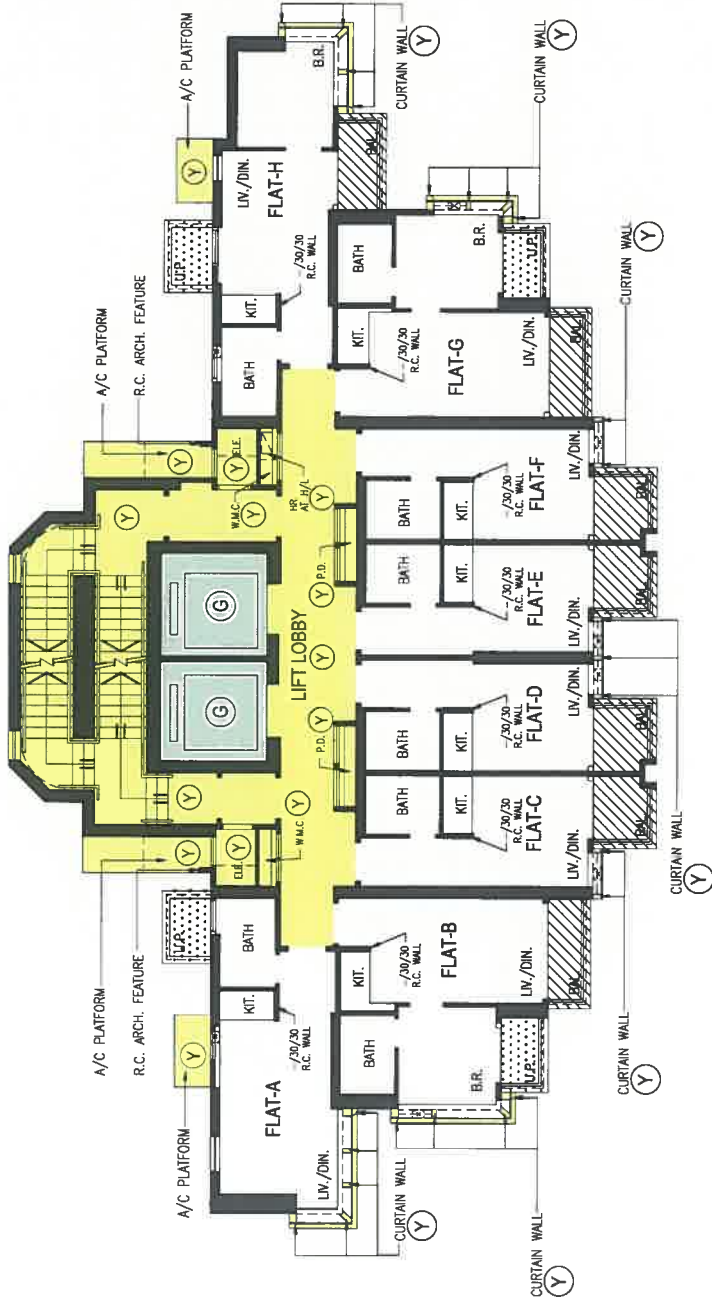


T.K. TSUI
DIP. BLDG. SC. (LIVERPOOL) C. ENG.
F.I. STRUCT. E., F.H.K.I.E., M.A.S.C.E.
REGISTERED STRUCTURAL ENGINEER
AUTHORIZED PERSON

PLAN OF DMC OF No. 228 TAI NAN STREET, KOWLOON



- LEGEND**
- GREEN UPPER FLOORS COMMON PARTS
 - YELLOW RESIDENTIAL COMMON PARTS
 - HATCHED BLACK BALCONIES
 - STIPPLED BLACK UTILITY PLATFORMS



3rd - 25th FLOOR PLAN
19 STOREYS (4th, 13th, 14th & 24th OMITTED)

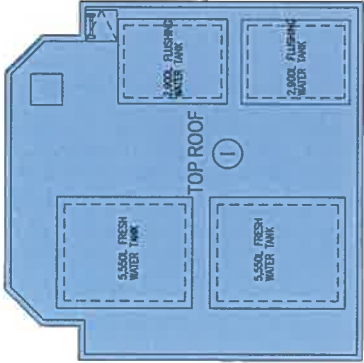


I HEREBY CERTIFY THE ACCURACY OF THIS PLAN

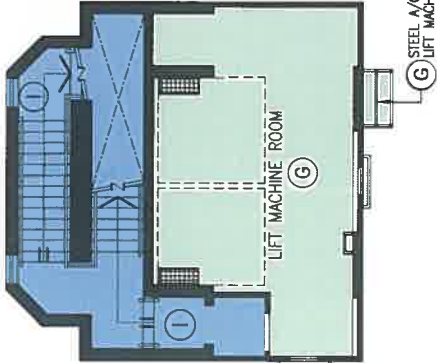
(Signature)

T.K. TSUI
DIP. BLDG. SC. (LIVERPOOL) C. ENG.
F.L. STRUCT. E., F.H.K.E., M.A.S.C.E.
REGISTERED STRUCTURAL ENGINEER
AUTHORIZED PERSON

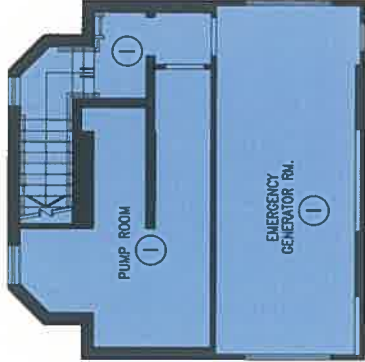
PLAN OF DMC OF No. 228 TAI NAN STREET, KOWLOON



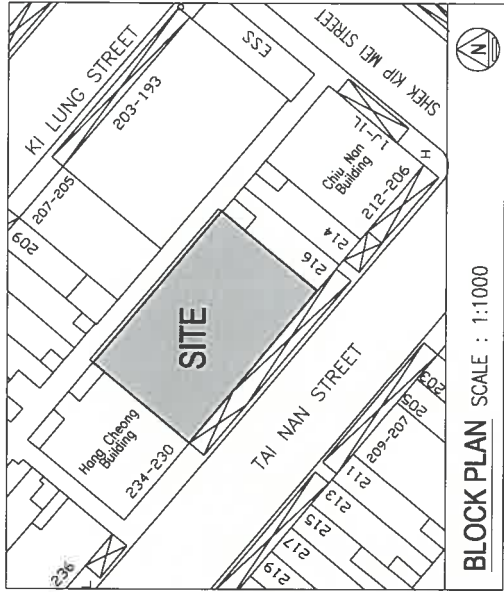
TOP ROOF PLAN



MACHINE ROOM PLAN



GENERATOR ROOM PLAN



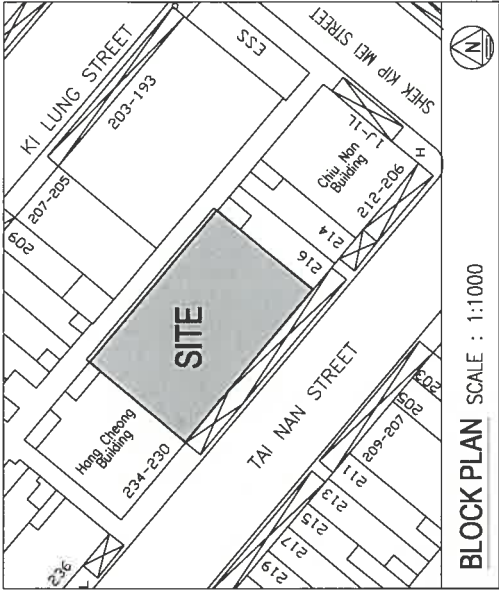
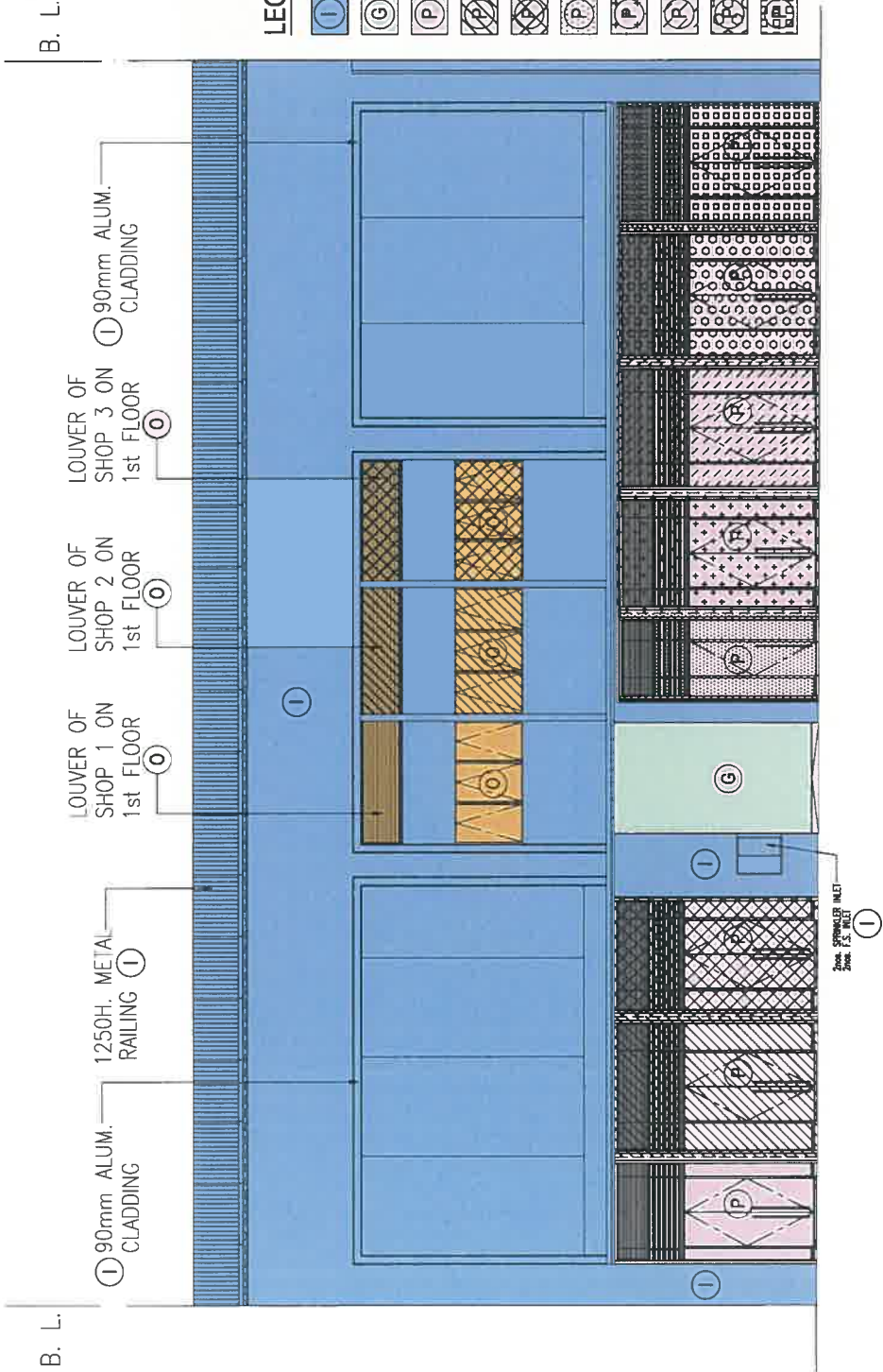
LEGEND

- ① INDIGO DEVELOPMENT COMMON PARTS
- ② GREEN UPPER FLOORS COMMON PARTS

I HEREBY CERTIFY THE ACCURACY OF THIS PLAN

T.K. TSUI DIP. BLDG. SC. (LIVERPOOL) C. ENG.
F.I. STRUCT. E., F.H.K.E., M.A.S.C.E.
REGISTERED STRUCTURAL ENGINEER
AUTHORIZED PERSON

PLAN OF DMC OF No. 228 TAI NAN STREET, KOWLOON



LEGEND

- INDIGO
① DEVELOPMENT COMMON PARTS
- GREEN
② UPPER FLOORS COMMON PARTS
- PINK
③ SHOP 1 ON GROUND FLOOR
④ SHOP 2 ON GROUND FLOOR
⑤ SHOP 3 ON GROUND FLOOR
⑥ SHOP 1 ON GROUND FLOOR
⑦ SHOP 2 ON GROUND FLOOR
⑧ SHOP 3 ON GROUND FLOOR
⑨ SHOP 5 ON GROUND FLOOR
⑩ SHOP WITH BLACK CROSSES
⑪ SHOP 6 ON GROUND FLOOR
⑫ SHOP DASHED BLACK
⑬ SHOP 7 ON GROUND FLOOR
⑭ PINK WITH BLACK HEXAGONS
⑮ SHOP 8 ON GROUND FLOOR
⑯ PINK WITH BLACK SQUARES
⑰ SHOP 9 ON GROUND FLOOR
- ORANGE
① SHOP 1 ON FIRST FLOOR
② SHOP 2 ON FIRST FLOOR
③ SHOP 3 ON FIRST FLOOR

I HEREBY CERTIFY THE ACCURACY OF THIS PLAN

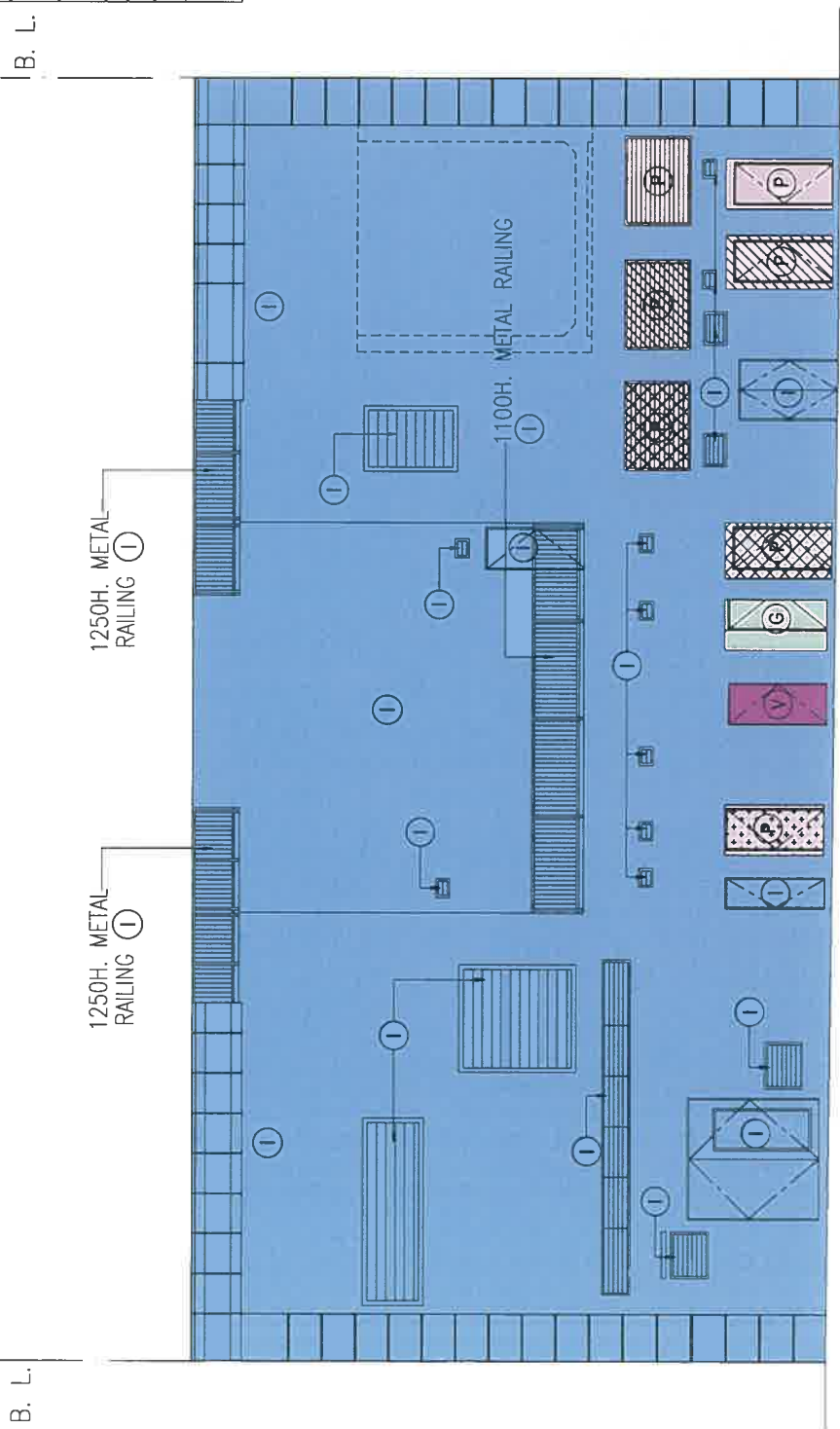
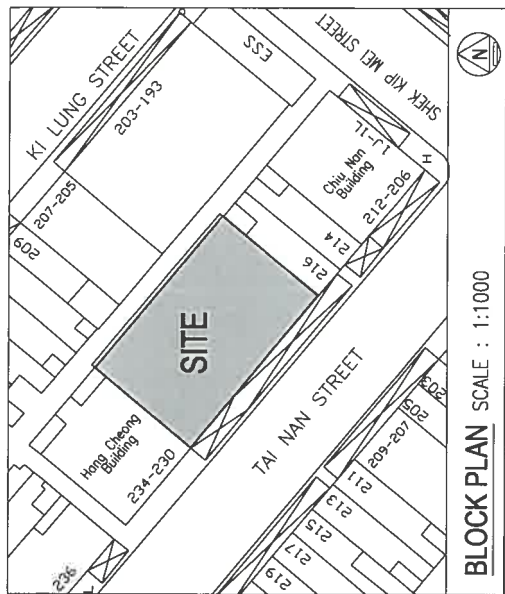
T.K. TSUI

DIP. BLDG. SC. (LIVERPOOL) C. ENG.
F.I. STRUCT. E., F.H.K.I.E., M.A.S.C.E.
REGISTERED STRUCTURAL ENGINEER
AUTHORIZED PERSON

FRONT ELEVATION



PLAN OF DMC OF No. 228 TAI NAN STREET, KOWLOON



- LEGEND**
- INDIGO DEVELOPMENT COMMON PARTS
 - GREEN UPPER FLOORS COMMON PARTS
 - VIOLET SHOPS COMMON PARTS
 - PINK SHOP 1 ON GROUND FLOOR
 - PINK HATCHED BLACK SHOP 2 ON GROUND FLOOR
 - PINK CROSS HATCHED BLACK SHOP 3 ON GROUND FLOOR
 - PINK WITH BLACK CROSSES SHOP 6 ON GROUND FLOOR

I HEREBY CERTIFY THE ACCURACY OF THIS PLAN

[Signature]

T.K. TSUI
DIP. BLDG. SC. (LIVERPOOL) C. ENG.
F.I. STRUCT. E., F.H.K.I.E., M.A.S.C.E.
REGISTERED STRUCTURAL ENGINEER
AUTHORIZED PERSON



APPENDIX 2

Copy of Fire Safety Management Plan

Proposed Composite Building at
Nos. 218-228 Tai Nan Street, Kowloon

Fire Safety Management Plan
for Open Kitchen Designs

Prepared by
Building Management Company

Architect: T K Tsui & Associates Limited

Building Services Engineers: Kwong Wah Consultants Limited

Date: May 2021

Revision: 4

Content

1.	Introduction	Page 3
2.	Maintenance Plan	Page 8
3.	Training Plan	Page 11
4.	Fire Action Plan	Page 15
5.	Proposed GBP with Exit Routes	Appendix A
6.	Sample Checklist of Housekeeping	Appendix F1
7.	Undertaking letter- FSMP for open kitchen	Appendix III

1 Introduction

1.1 GENERAL

The Fire Safety Management Plan ("the Plan") is an elaboration on the fire safety strategy for open kitchen design in the flats of the proposed composite building at Nos. 218-228 Tai Nan Street ("the Development"), prepared in accordance with the Code of Practice for Fire Safety in Buildings 2011.

The Plan provides guidance on managing and maintaining the fire safety provisions of the buildings; to ensure safe evacuation of occupants from the premises; necessary fire safety actions and precautionary measures to be carried out and the roles and duties of the fire safety management staff.

The Plan is divided into three sections: Maintenance Plan, Training Plan and Fire Action Plan in accordance with Clause F4.5 of FS Code 2011.

Section 1 on Maintenance Plan includes (a) approved GBP with exit routes highlighted, (b) documents indicating the details/ specifications of the fire safety provisions installed; (c) period for regular maintenance of the fire safety provisions installed; (d) method statements for maintenance; (e) Repair methods; (f) Records of maintenance or repair works carried out; and (g) Housekeeping.

Section 2 on Training Plan focuses on roles and duties of the fire safety management staff for ensuring that they are familiar with the fire safety provisions installed and the actions to be taken in case of fire.

Section 3 outlines the procedures to be taken in case of fire.

The plan is compiled by / under the assistance of an authorized person and the building managements should ensure that the management procedures stated in the plan are implemented effectively.

The Plan is a "live" document, which requires periodic review and audit. All aspects, recommendations and procedures of the fire safety strategy should be reassessed on a regular basis and updated to reflect any modifications / changes in use and operation of any area of the premises and the design assumptions adopted. All the records of building alterations shall be included

1.2 READERSHIP

The following parties or individuals should read and understand the procedures listed in this document: -

- Building management staff and all staff members who will work for the Development.
- Architects, building services engineers, contractors and other building professionals who

- involve in any alteration/renovation/repair/maintenance work, which may affect the established fire safety management and evacuation operation.
- The Plan shall be made available at the fire control room of the development at all times
 - A copy of the plan should be kept at Management office / Fire Control Room / Caretaker' s counter.

1.3 BUILDING DESCRIPTION

The open kitchen design in the flats is provided in compliance with the fire safety provisions provided to the subject flat in accordance with FS Code 2011 Clause C13.4.

Usage of building

A 20-storey domestic building on top of a 2-level podium with shops and E&M plant rooms (with open kitchen).

1.3.1 Location of the Open Kitchens

The open kitchen design in the flats are located in Flats A, B, C, D, E, F, G & H from 2/F to 25/F and 4/F, 13/F, 14/F and 24/F omitted.
(20 Storeys)

1.3.2 Enhanced Fire Safety Provisions for Individual Flat

The individual flat is equipped with the following enhanced fire safety provisions in accordance with FS Code 2011 Clause C13.4 for the protection of life and property. The building management company has the duty and liability to ensure the fire safety designs are not removed or tampered.

Fire Protection, Detection and Warning Measures

1. Addressable smoke detectors with sounder base shall be provided to the living area inside the flats with open kitchen except bathrooms. The alarm signal will be connected to Main Fire Annunciator panel in Fire Control Room at G/F (No fire signal will be transmitted to fire services communication center by direct telephone linked to) only the sounder base of the smoke detector inside the flat with open kitchen will sound as such smoke detector being actuated.
2. Addressable smoke detector shall be provided to lift lobby outside the flat with open kitchen. The alarm signal will be connected to Main Fire Annunciator panel and link to fire services communication center. Fire alarm of the whole building will be operated as such smoke detector being actuated.
3. The smoke detectors should be classified as fire service installation and should comply

with the Code of Practice for Minimum Fire Service Installations and Equipment.

4. Sprinkler head should be provided at the ceiling immediately above the open kitchen area. The sprinkler head should be classified as fire service installation and should comply with the Code of Practice for Minimum Fire Service Installations and Equipment. The alarm signal of the system should be connected to the Main Fire Annunciator panel in the Fire Control Room at G/F, the fire alarm signal will be linked to the Fire Services Communication Centre; and
5. A full height wall having an FRR of not less than -/30/30 should be provided adjacent to the flat exit door. The width of the wall should not be less than 600mm. The wall will be constructed in reinforced concrete.
6. The smoke detectors and sprinklers will be annual inspected and certified by a registered fire services installation contractor.

1.3.3 Main Building Fire Safety Provisions

The residential portion of this development is equipped with various fire protection systems to protect the occupants and the property. These include:

1. Fire Hydrant / Hose Reel System
2. Sprinkler System
3. Manual Fire Alarm System
4. Fire Detection System
5. Exit Sign and Emergency Lighting System
6. Portable Appliances
7. Fireman's Lift

1.3.4 Purpose of the Fire Safety Management Plan

The fire safety management plan should be endorsed and implemented by the Owner as the duty of the Building Management Company (BMC) under Deed of Mutual Covenant (DMC).

In addition, the fire safety management plan and the DMC should contain the following fire safety requirements for implementation: -

1. Smoke detectors provided inside the flats and at the common lobby outside the flats should not be removed or obstructed

2. Sprinkler head provided at the ceiling immediately above the open kitchen should 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 should not be removed
4. The FSI in (i) and (ii) above should be subject to annual check conducted by the management's RFSIC

Owners / occupants of the unit shall allow access for the RFSIC to carry out inspection and maintenance.

Building management shall ensure the reinstallation of smoke detector inside open kitchen after a fire alarm be conducted by RFSIC

1.4 STAFFING AT OFFICE

Arrangements will be made for office from which supervision of all matters relating to the fire safety can be efficiently carried out. Provision of facilities to the office will be made such that intervention to ensure life safety from fire under the emergency condition can be achieved.

Clear indication will be provided for the Main Fire Annunciator panel which will be automatically switched on upon activation of the fire protection/alarm system in a zone, there should be at least a Security Guard (Fire Warden) on duty in the house such that he / she can report the case to the Duty Officer (Chief Fire Warden) immediately in case of any abnormality. In order to fulfill this particular requirement, this guard house will be provided with 24-hour a day, 7-day a week, security attendance.

In addition, this office will contain the following facilities / information:

1. an exchange telephone with direct dialing for external calls;
2. site layout plans indicating fire escape routes; and
3. internal telephone numbers of the principal site staff including Facilities Manager (Chief Fire Warden), Security Personnel (Fire Warden) and office operator (Supervisor)

2 Maintenance Plan

2.1 GENERAL

For day-to-day operation of the premises, a structured and organized fire safety management plan is necessary to ensure all aspects related to its evacuation will be implemented and exercised regularly and competently. The plan shall be implemented in parallel with effective management which is fundamental to achieve fire safety. Without effective management, parts or all components of the fire protection systems could be rendered ineffective.

The fire safety management plan is intended to ensure all provisions made for fire safety of the premises are kept in good working condition. While active measures integrated into the system design including fire hydrant and hose reel systems, automatic sprinkler system, fire detection and alarm systems, portable fire extinguishers and other fire safety provisions within the Development shall be checked regularly and properly by routine maintenance, passive measures including timely repair of all damages to construction elements with particular attention to maintenance and operation of fire doors in the entrance lobby should also be taken.

The fire safety management plan should be brought to the attention of the Building Management Company and her management staff.

2.2 MAINTENANCE PLAN

In addition to responsibilities for routine inspection quarterly, the fire safety management staff should ensure all fire safety equipment is adequately and routinely tested and maintained. The fire safety of the occupants is dependent on a large number of inter-related features. Failure to maintain any one of the fire safety provisions in functional working order will cause the fire safety management of the whole premises to be ineffective.

A set of this fire safety management plan shall be kept in office and the counter in the entrance lobby. Alterations or modifications to an existing installation should not be carried out without consultation with the enforcing authorities, and where possible, the original system designer, fire safety engineer or installer (or other qualified persons). Implications of any alteration or modification also need to be checked against requirements of the Fire Engineering Report and relevant drawings.

2.2.1 Approved GBP with exit routes highlighted and FSI plans

A set of approved GBP with exit routes highlighted (Appendix A) together with this fire safety management plan shall be kept in office and the counter in the entrance lobby.

2.2.2 Documents indicating the details/ specifications of the fire safety provisions installed

A set of documents indicating the details/ specifications of the fire safety provisions installed together with this fire safety management plan shall be kept in office and the counter in the entrance lobby.

2.2.3 Period for regular maintenance of the fire safety provisions installed

The management office 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. The copy of FS 251 for annual maintenance of FSI at prominent location of building.

The Chief Fire Warden is required to ensure the following systems to be functional and regular checking of the FSI at least once every 4 months and also be inspected by a Registered Fire Service Installation Contractor ("RFSIC") at least once in every 12 month.

2.2.4 Method statements for maintenance

2.2.4.1 Active fire services installations need to be well maintained in accordance with the statutory requirements. It is vital that they operate in accordance with the original design intent. All fire safety installations should be tested individually. The systems should be tested as a complete entity and the followings shall be observed:

a. Fire hydrant and hose reel system

-The fire hydrant and hose reel system shall be regularly checked to ensure the hydrant / hose reel nozzles, valves, fittings etc. remain intact at all times and are not damages or misused for other purposes. In addition, all fire hydrants and hose reels must not be obstructed for operations.

b. Automatic sprinkler system

-The automatic sprinkler system shall be maintained in efficient working order at all times and shall be inspected by a Registered Fire Service Installation Contractor (RFSIC) at least once in every 12 months.

c. Fire detection and alarm systems

-The fire detectors and alarm systems shall be maintained in efficient working order at all times and shall be inspected by a RFSIC at least once in every 12 months.

-The direct line connection should be tested once every 2 weeks or at such time and interval as required by the requirements currently in force.

d. Portable fire extinguishers

-Apart from annual inspection, portable fire extinguishers shall undergo a hydraulic pressure test at least once in every 5 years and such test shall be carried out by a Class 3 RFSIC.

2.2.4.2 Passive fire safety provisions at common parts such as fire compartments, sealing of penetrations, FRR, fire rated door etc. should be inspected and repaired under Building Ordinance (Cap. 123)

2.2.4.3 Ventilating system should be inspected by registered specialist contractor (ventilation works) under the Building (ventilating Systems) Regulations (Cap. 123J).

2.2.5 Repair methods

The repair for all Fire Services Installations shall be done by a Registered Fire Services Installation contractor in accordance with the methods as recommended by them.

2.2.6 Records of maintenance or repair works carried out

The Fire Warden should keep proper records of such inspections to be easily retrievable when required

The Fire Warden is required to submit the "Maintenance Report" to the Chief Fire Warden for record. Copies of the maintenance certificate (FS251) issued by FSD and records of inspection issued by the RFSIC are to be included in the Maintenance Report.

In addition, all maintenance records / logs should be kept orderly in a secure place, including:

1. Maintenance and testing records
2. Record of issuance of "Hot works" permits
3. Log of contractor's attendance

2.2.7 Housekeeping

Good housekeeping and sensible fire precautions will reduce the possibility of a fire occurring. Management staff / security guards should ensure that the accumulation of rubbish or the unauthorized stacking of combustible materials will not occur, as this will be detrimental to the functionality of the site.

In addition, the development will be regularly inspected by management staff / security guard and monitored by CCTV system, so as to ensure good housekeeping is in place.

Result of routine inspections, records of maintenance, conducting of fire safety seminars and fire drills, etc. should be recorded in a Housekeeping Checklist

The housekeeping will be carried out in accordance with the 'sample checklist on housekeeping' as attached in Appendix F1 in COP of Fire Safety in Buildings 2011.

2.2.8 Special arrangements during A&A, renovation and repair works

When carrying out alterations, additions and repair works, appropriate fire safety precautionary works should be provided in accordance with the latest statutory requirements as stated in **Clause F 5.6** of the Code of Practice for Fire Safety in Buildings.

3. Training Plan

3.1 GENERAL

Training plan should include description of staff duties on routine inspection **quarterly**, duties in case of fire and regular staff training programme. Building Management should ensure the implementation of the Training Plan and appoint Fire Wardens for managing the evacuation in case of fire

3.1.1 Responsibilities and Training to Management Staff (including Fire Wardens)

1. Perform as overall coordinator on fire safety matter
2. Carry out routine inspections to the building (Monthly/Quarterly)
3. Conduct regular staff training to management staff (Half-yearly/Annually)
4. Keep staff training records at management office
5. Include the rundowns of the fire drill and fire seminars in the Training Plan
6. Familiarization with the exit routes and assembly point
7. Familiarization with the location of fire alarm control panel, fireman's lift, FS/Sprinkler Inlets and FS pump rooms, etc.
8. Familiarization with the actions to be taken on discovering a fire
9. Familiarization with evacuation procedures
10. Familiarization with the use of firefighting equipment
11. Initiate and plan periodic fire drills and fire seminars for management staff and occupants at least once in every 12 months
12. Keep fire drill and fire seminar records at the management office

3.1.2 TRAINING OF OCCUPANTS

1. Responses to fire or other emergency situation
2. Procedures of emergency evacuation in the Fire Action Plan
3. Use of Manual Fire Alarm, Hose Reel Systems and Fire Extinguishers
4. Not to leave cooking unattended.
5. Sprinkler system and smoke detection system within open kitchen units should not be removed or obstructed
6. Should allow access to the RFSIC appointed to perform annual inspection and maintenance of FSIs

3.2 CHIEF FIRE WARDEN

The Chief Fire Warden should be the Facilities Manager and is to assume responsibility for the occupants of the premises from the time of sounding of the fire alarm.

1. In the event of a fire incident (notified via the office), the Chief Fire Warden should take the following actions:
 - a. Respond to the office;
 - b. Coordinate with the Fire Warden to identify the area where the alarm is activated, and ascertain the nature and location of the fire incident; and
 - c. Determine whether fire safety actions such as initiating the fire incident broadcast needs to be taken.
2. Upon determining evacuation is necessary, the Chief Fire Warden should:
 - a. Advise the Fire Warden located at affected alarm operation zone to announce emergency message to occupants and assist occupants in evacuation;
 - b. Inform the Fire Warden located at un-affected alarm operation zones to standby and if necessary, announce emergency message to occupants and assist occupants to evacuate; and
 - c. Ensure all evacuated floors / zones have been searched and cleared of occupants.
3. Upon arrival of the fireman
 - a. The Chief Fire Warden shall handover control of the situation to the FSD Commanding Officer;
 - b. Brief the Commanding Officer on details of the fire incident; and
 - c. Cooperate and assist the fireman where necessary.
4. Following a fire incident, the Chief Fire Warden should:
 - a. Conduct a debrief to fire safety management staff for review;
 - b. Report all details to the BMC; and
 - c. Plan for continuous improvement in fire safety aspect of the premises.
7. The Chief Fire Warden is also responsible for the upkeep of this Manual.

3.2 FIRE WARDEN

The Fire Warden should be trained in fire safety and assigned by the Chief Fire Warden.

Under the normal circumstances, the Fire Warden should be the security staff and in charge of their own patrolling zone.

In the event of a fire alarm or emergency (notified via the office), the Fire Warden should take the following actions:

1. Check or arrange to have the floor checked for any sign of fire;
2. Report to the Supervisor of the office by using walkie-talkie or other communication system such as the AVA system;
3. Initiate firefighting by fire extinguishers etc., but only when it is safe to do so; and
4. Ensure clear routes, including EVA route are available for evacuation / firefighting.

Upon determining evacuation is necessary and upon instruction from the Chief Fire Warden, the Fire Warden should take the following actions:

1. Respond to the office and advise the current situation;
2. Announce emergency broadcast to the occupants in affected area;
3. Assist the occupants inside the affected floors/zones in evacuation and lead them to the appropriate safe areas or protected staircases. Assistance should be provided to the mobility impaired, pregnant occupants as well as the elderly and infants;
4. Coordinate with Fire Warden in other compartments;
5. Prevent occupants using the lifts;
6. Ensure evacuated floors have been searched and cleared of occupants

3.4 SUPERVISOR

The Supervisor stationed in the office shall be trained in fire safety and assigned by the Chief Fire Warden. There should be at least one staff member on duty in the office who is familiar with the use and operation of the fire services installations and equipment.

Shift duty of the Supervisor must be allocated and assigned by the Chief Fire Warden / Fire

Warden.

The duties of the Supervisor include the following:

1. Monitor the Main Fire Annunciator panel;
2. Receive information from the Fire Warden in case of fire or emergency and report to the Chief Fire Warden instantly; and
3. Contact the Control Centre of Computerized Fire Alarm Transmission System (CFATS) by direct telephone line as instructed by the Chief Fire Warden.

4 Fire Action Plan

4.1 GENERAL

This section includes an emergency evacuation plan for the premises in case of fire incident. The purpose of establishing this plan is to ensure the means of escape in case of fire incident and fire safety measures provided for the occupants are both adequate and reasonable. The fire action plan should also establish the procedures to be taken in case of fire and evacuation procedures for disable.

4.2 EMERGENCY EVACUATION PLAN

Means of escape for occupants are provided in accordance with Code of Practice for Fire Safety in Buildings 2011. The emergency evacuation plan is to take into account circumstances of a fire incident to ensure the provided means of escape and fire safety precautionary measures are both adequate and reasonable.

The emergency evacuation plan defines procedures of emergency evacuation under different circumstances for fire safety management staff. The fire safety management staff members involved includes Chief Fire Warden (Facilities Manager), Fire Warden (Security Personnel) and Supervisor (Office Operator). The proposed organization chart is shown in Figure 1 below:

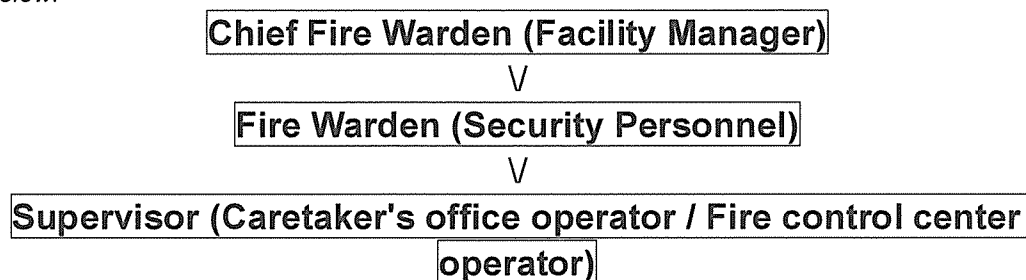


Figure 1: Organization Chart of Fire Safety Management Staff

The Chief Fire Warden will be the key decision maker, responding to a fire for emergency incident. The Chief Warden must be the person who in charge for security in this building and must be available on site 24-hours a day, 7-days a week.

The Supervisor of the office will act as the coordinating officer, receiving and dispatching all information about the incident. The Fire Warden can be a number of security personnel, fully aware of their roles and actions in the event of a fire incident apart from their normal daily operational duties.

All fire safety management staff involved in responding to a fire incident and assisting in the evacuation process shall be briefed and fully conversant with the evacuation procedures. This understanding will assume occupants can be directed to a place of ultimate safety, minimizing confusion by giving clear directions relating to escape routes. The specific duties of the Chief Fire Warden, Fire Warden and Supervisor of the Fire Control Center are detailed in Section 4.

4.2.1 Procedures to be taken when fire alarm signal is received from a residential unit with open kitchen

4.2.1.1 Fire Warden shall:

1. identify the alarm location from the fire alarm panel.
2. Proceed to the alarm location and investigate whether a real fire has occurred within 2 minutes
(Calculation for the response time, should be within 2 minutes unless justified.)
3. Immediately report to the Management Staff at management office if it is a real fire
4. Activate the nearest break glass point
5. Use the nearest hose reel to extinguish the fire if possible.
6. Assist and guide occupants to place of safety for safe evacuation if the situation is critical.

4.2.1.1 Management Staff shall:

1. Maintain in the management office for communicating with any person waiting for rescue
2. Liaise with Fire Warden for confirming the fire incident
3. Dial 999 once fire is confirmed.
4. Check that nobody is trapped inside any passenger lifts and prevent people from using lifts except FSD
5. Provide assistance to firefighters, inform them the location of fire and direct them to the fire alarm control panel and FS/Spr Inlets
6. If it is confirmed a false alarm due to system/detector fault, management staff should silence the alarm bell by pressing the silence button, and reset the fire alarm panel

4.3 EVACUATION PROCEDURES IN CASE OF A FIRE IN THE FLAT

All management staff / security guard involved in responding to a fire event and assisting in the evacuation process shall be fully conversant with the evacuation procedures. This understanding will mean that they can dissuade occupants from entering the affected floor and give clear directions relating to routes of escape.

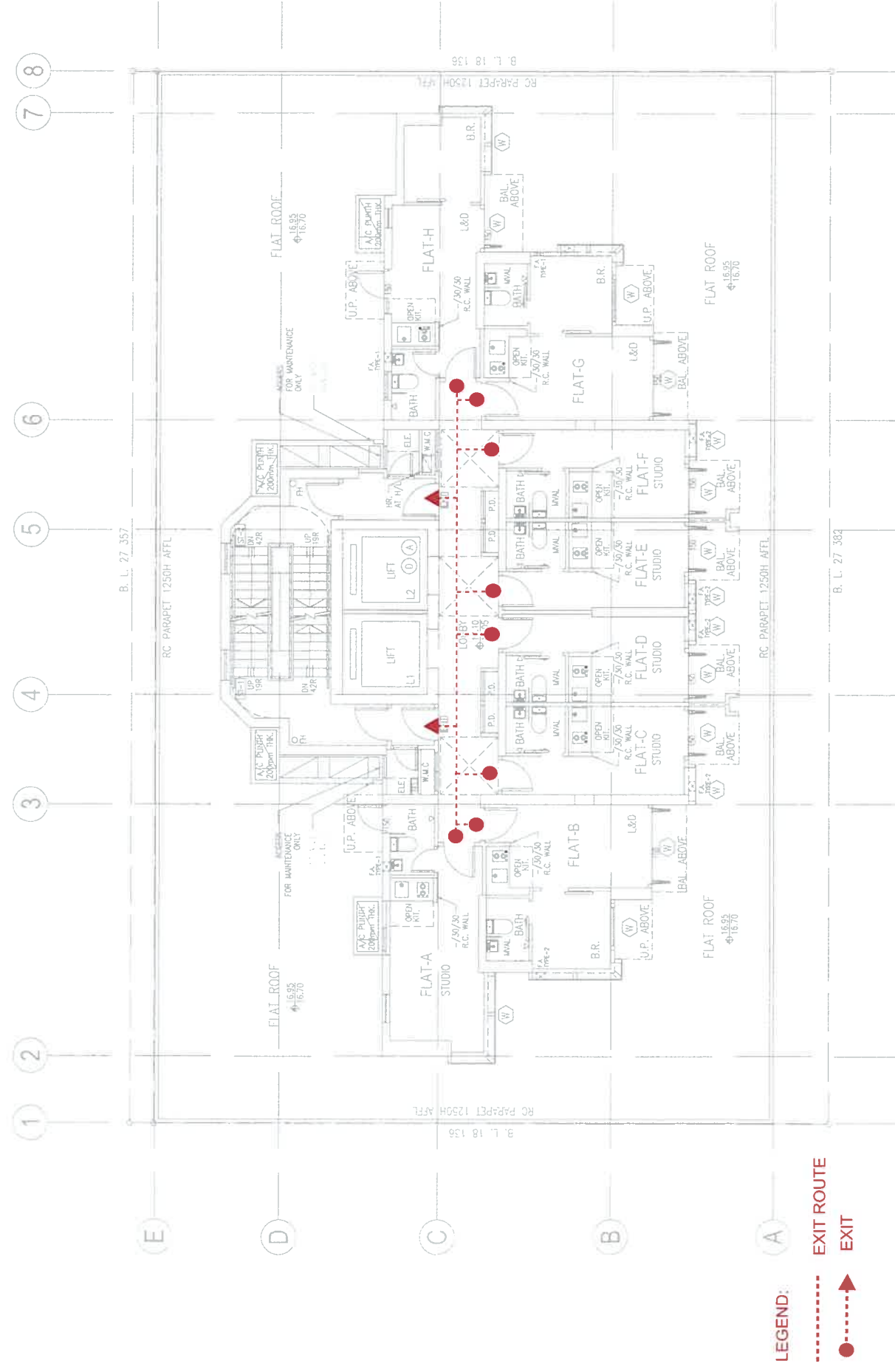
Fire signal from local fire alarm of individual flat will not trigger off the evacuation procedures unless a fire is discovered or reported.

The following evacuation procedures shall be conducted:

- The chief fire warden shall be in charge of the evacuation process prior to the arrival of the Fire Services Department.
- Fire warden should be informed of the exact fire location through walkie-talkie or other communication system.
- Fire Warden should be present at designated locations directing occupants to the evacuation routes such as escape staircases with EXIT indication.
- Management / security staff will direct and ensure that everyone evacuates to the escape staircases in an orderly manner:
 - Keep calm
 - Walk, DO NOT run, DO NOT use lift;
 - DO NOT carry any bulky or heavy belongings;
 - Remain in the designated assemble area and await arrival of Fire Services Department;
 - Do not re-enter building until advised by Fire Services Department.
- Management / security staff should be locating on the affected floor and announces the emergency message in English, Cantonese and Putonghua to occupants by using the hand-held loudspeaker. The content of the message is suggested as “There is a fire at _____, please evacuation now. Proceed to nearest escape staircase or exit. Do not run. Do not use any lifts. Thank you”

Appendix A

Proposed GBP with Exit Routes



Appendix F1

Sample Checklist of Housekeeping

Appendix F1 – Sample Checklist on Housekeeping

Table F1 provides a sample checklist on housekeeping. It provides general guidelines and suggested actions that should be taken for the upkeep of fire safety provisions installed in a building. The list is not exhaustive.

Table F1: Sample Checklist on Housekeeping

Items	Action	Yes	No	N/A	Follow-up Action
1 - 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 - Fire Resisting Construction					
2.1	Fire rated doors for protected exits, fireman's lift lobbies, required staircases, plants 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.				

Items	Action	Yes	No	N/A	Follow-up Action
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.				
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 exits, in particular required staircases.				
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 services installation contractor.				
3 – 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 – 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.				

Items	Action	Yes	No	N/A	Follow-up Action
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 alterations, additions and repair works ² .				

Notes:

1. N/A means "Not applicable".
2. When carrying out alterations, additions and repair works, appropriate fire safety precautionary works should be provided in accordance with Clause F5.6 or F5.7, as the case may be. Specific checklist should be formulated based on these two clauses for ensuring the fire safety of the occupants.

Appendix III

Undertaking letter- FSMP for open kitchen

Full Well Engineering Limited

Your ref.:

Our ref.:

17 August 2018

The Building Authority
Buildings Department
7/F, Cityplaza Three (CP3)
14 Taikoo Wan Road
Taikoo Shing
Hong Kong

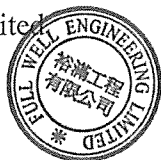
Dear Sir / Madam,

Re: Undertaking Letter – Fire Safety Management Plan for Open Kitchen Design
Nos. 218 – 228 Tai Nan Street, Kowloon
(N.K.I.L. 411, N.K.I.L. 410, N.K.I.L. 274, N.K.I.L. 415, N.K.I.L. 325, N.K.I.L. 1064)

We, as the developer of the composite development of the captioned site, undertake the responsibility to implement the proposed fire safety measures, management measures and staff training plan stated in the aforementioned Fire Safety Management Plan and incorporate the conditions in the Deed of Mutual Covenant (DMC) for the proposed open kitchen design.

Thank you for your kind attention.

Yours faithfully,
For and on behalf of
Full Well Engineering Limited



Authorized Signature (with Company Chop)