

THIS DEED OF MUTUAL COVENANT is made the 14th day of April One thousand nine hundred and ninety-eight

BETWEEN

(1) THE HONG KONG HOUSING AUTHORITY a body corporate established by virtue of Section 3 of the Housing Ordinance (Cap. 283) of the Laws of the Hong Kong Special Administrative Region (hereinafter called "the Authority" which expression where the context so admits shall include its successors and assigns) of the one part; and

(2) of

(hereinafter called "the First Purchaser" which expression where the context so admits shall in the case of the First Purchaser being an individual include the First Purchaser's executors administrators and assigns and in the case of the First Purchaser being two or more persons holding as joint tenants include the survivor or survivors of the First Purchaser and the executors and administrators of such survivor and his or their assigns) of the other part.

WHEREAS:-

- (1) The Government of the Hong Kong Special Administrative Region (hereinafter called "the Government") has initiated a scheme (generally known and hereinafter referred to as "the Tenants Purchase Scheme") for the sale of flats in public rental housing estates whereby certain categories of persons may be enabled to acquire and own homes of their own.
- (2) The Authority has at the request of the Government agreed to sell and manage certain residential estates comprised in the Tenants Purchase Scheme.
- By a Lease (hereinafter referred to as "the said lease" which expression shall include such lease as the same may from time to time be varied or modified) dated the 8th day of April 1998 and made between the Government of the one part and the Authority of the other part the Government demised unto the Authority its successors and assigns ALL THAT piece or parcel of ground situate lying and being at Aberdeen Hong Kong more particularly described in the said lease and known and registered in the Land Registry as ABERDEEN INLAND LOT NO. 443 Except and Reserved as was therein excepted and reserved for the term of 50 years commencing on the 8th day of April 1998 (hereinafter referred to as "the said term of years") subject to the covenants and provisos therein contained for the purposes of the Tenants Purchase Scheme.
- (4) By a Deed Poll dated the 8th day of April 1998 and registered in the Land Registry by Memorial No.7454646, the Authority partitioned the said Aberdeen Inland Lot No.443 into two sections which said sections are now known and registered in the Land Registry as SECTION A OF ABERDEEN INLAND LOT NO.443 and THE REMAINING PORTION OF ABERDEEN INLAND LOT NO.443 respectively.



- (5) (a) Immediately prior to the assignment to the First Purchaser hereinafter mentioned the Authority was the sole registered owner of and beneficially entitled to the said THE REMAINING PORTION OF ABERDEEN INLAND LOT NO. 443 (hereinafter called "the said land").
 - (b) The Authority remains the sole registered owner of and is beneficially entitled to the said SECTION A OF ABERDEEN INLAND LOT NO.443 (hereinafter called "the Adjoining Land").
- (6) (a) The Authority has developed or is in the course of developing the said land in accordance with the said lease and has constructed or is in the course of constructing thereon certain buildings and other facilities comprising (inter alia) the Residential Accommodation (as hereinafter defined) being the subject of sale under the Tenants Purchase Scheme. All the buildings and facilities constructed or to be constructed on the said land are hereinafter collectively referred to as "the Estate".
 - (b) The Authority has also constructed or is in the course of constructing on the Adjoining Land (inter alia) a covered car park for parking of private motor vehicles belonging to the residents and occupiers of Wah Kwai Estate and their bona fide guests and/or visitors and to the residents of the adjoining Aberdeen Inland Lot No.416, a public transport terminus, commercial accommodation, government, institution and community facilities and welfare, recreational and other facilities. The Adjoining Land and the car park, the public transport terminus, the commercial accommodation and the various facilities thereon are hereinafter collectively referred to as "the Adjoining Development".
 - (c) The Estate and the Adjoining Development are at the date hereof together known as WAH KWAI ESTATE (華貴邨).
- (7) The said land and the Estate have for the purpose of sale been notionally divided into 144,409 equal undivided shares which have been allocated as provided in the First Schedule hereto and for the purpose of management certain management shares have been allocated in the manner also set out in the FIRST SCHEDULE HERETO.
- (8) By an Assignment bearing even date herewith and made between the Authority of the one part and the First Purchaser of the other part the Authority assigned unto the First Purchaser All Those 55 equal undivided 144,409th shares of and in the said land and the Estate together with the sole and exclusive right to hold use occupy and enjoy to the exclusion of the Authority All That

(hereinafter called "the First Purchaser's Flat") in manner therein more particularly mentioned.

(9) The Authority and the First Purchaser as the registered owners of the said land and the Estate and the Authority as the registered owner of the Adjoining Land and the Adjoining Development have entered into a Deed of Covenant and Mutual Grant of Easements and Other Rights dated the 14th day of April 1998 and registered in the

Land Registry by Memorial No. 74763 & (hereinafter called "the Deed of Covenant and Mutual Grant") whereby (inter alia) the right or easement to use and enjoy certain areas and facilities within the said land and the Estate (as more particularly mentioned therein) is granted to or conferred upon the owners, residents, occupiers and licensees of the Adjoining Land and the Adjoining Development and the right or easement to use and enjoy certain areas and facilities within the Adjoining Land and the Adjoining Development (as more particularly mentioned therein) is granted to or conferred upon the owners, residents, occupiers and licensees of the said land and the Estate.

- (10) The parties hereto have agreed to enter into this Deed for the purpose of making provision for the management operation insurance servicing maintenance repair renovation improvement and replacement of the Estate and the equipment services and apparatus thereof (all or any of which activities are hereinafter included under the word "management") and for the purpose of defining and regulating the rights and obligations amongst themselves and all subsequent owners of an undivided share in the said land and the Estate.
- (11) In this Deed the following expressions shall have the following meanings ascribed to them wherever the context permits:-
 - (a) The word "owner" shall mean each person in whom for the time being the legal estate in any undivided share of and in the said land and the Estate is vested and who is registered as the owner of such undivided share under the Land Registration Ordinance (Cap. 128) of the Laws of the Hong Kong Special Administrative Region and his executors administrators and successors and every joint tenant or tenant in common of any such share and where the legal estate in any such undivided share has been mortgaged by way of legal charge which has been registered in the Land Registry the word "owner" shall include both the Mortgagor and in the event that the Mortgagee has foreclosed or taken possession of a unit pursuant to the provisions of the mortgage the Mortgagee and if a receiver has been appointed, the Receiver. For the avoidance of doubt, the word "owner" shall exclude owner of the common parts.
 - (b) The word "owners" shall mean all the persons in whom for the time being the legal estate in all the undivided shares of and in the said land and the Estate (except the common parts) is vested.
 - (c) The word "unit" shall mean any flat (including the planter/planter box appertaining thereto, if any) or any part of the HA Area (as hereinafter defined) (including the planter/planter box appertaining to such part of the HA Area on the upper floors, if any) or any area on the said land or within the Estate the exclusive right to the use possession occupation and enjoyment of which is held together with undivided shares in the said land and the Estate and is capable of being assigned to an owner.
 - (d) The words "common parts" shall mean those parts of the Estate which are not

for the use and benefit of a particular unit and for the avoidance of doubt shall exclude such parts of the Estate intended or designated as being for the exclusive possession or occupation of an owner or some owners and include the main structure of the buildings, access roads, entrances, lobbies, fire access, lift lobbies, lifts, lift pits, firemen's lifts, boundary fences and gates, guard kiosks, control barriers and related electronic and mechanical devices erected or installed thereon (if any), pavements, footpaths, corridors, passages. walkways, covered walkways, garden areas, landscapes, amenities areas, staircases, stairways and landings, open spaces, empty bays, driveways and ramps, loading and unloading areas, the Emergency Vehicular Access, the Estate Roads, the Ballcourt Area, parapets, canopies, slopes, retaining walls, fence walls, external walls including projections such as air-conditioner hoods, fins, eaves and tie beams, planters and planter boxes (other than those appertaining to a flat or any part of the HA Area on the upper floors), flower beds, architectural features, fire services control rooms, meter rooms, transformer rooms, switch rooms, pump rooms, refuse collection points, refuse chambers, refuse rooms, fire services pump rooms, security equipment rooms, security control centres, lift machine rooms, main distribution frame rooms, generator rooms, storerooms (other than those for commercial use), hopper rooms, roofs, upper roofs, water tanks, sprinklers, lightning conductors, aerials, communal television antennae, estate management office, mutual aid committee offices, owners' committee offices, owners' corporation offices and such of the drains, pipes, channels, sewers, wells, salt and fresh water intakes and mains, wires, cables and other facilities whether ducted or otherwise which are or at any time may be in under or over or passing through the said land or the Estate through which fresh or salt water, sewage, gas, electricity and other services are supplied to the Estate or any part thereof, pumps, tanks, sanitary fittings, electrical installations, fittings, equipment and apparatus, fire hydrants, water pumping connections and other fire prevention and fighting appliances and fire service installations and equipment, lift installations, generator and equipment, security systems and apparatus, lamp posts and other lights and lighting within the Estate, and any other mechanical systems, devices or facilities installed or provided in the Estate for the common use and benefit of the Estate and such additional areas of and such other systems, devices and facilities within the said land and the Estate as may at any time be designated as common parts by the Authority in accordance with Clause 1(d)(2) hereof for the common use and benefit of the Estate, which for the purpose of identification only are shown on the plans deposited in the management office of the Estate.

- (e) The words "HA Area" shall mean (i) all those areas within the said land as shown on the HA Area Plans annexed hereto and thereon coloured violet and violet hatched black to be used for the Welfare/Community/Ancillary and Office Accommodation and the Commercial Accommodation; and (ii) the Parking Areas.
- (f) The words "Residential Accommodation" shall mean such parts of the Estate constructed or to be constructed for residential purposes comprising the residential units in (i) the 6 residential blocks namely, Wah Lai House (Block 1), Wah Hau House (Block 2), Wah Lim House (Block 3), Wah Sin House (Block

- 4), Wah Yin House (Block 5) and Wah Oi House (Block 6).
- (g) The words "Welfare/Community/Ancillary and Office Accommodation" shall mean such parts of the Estate constructed or to be constructed for welfare, community, ancillary and office purposes comprising the day activity centre for the mentally handicapped, the hostel for the mentally handicapped, the study room, the residents association office, the kai fong office and youth centre, the 2 kindergartens, the District Board member office, the (Provisional) Urban Councillor office and the day care centre and such other accommodation provided and constructed or to be provided and constructed for welfare, community, ancillary and office purposes within the said land in accordance with the said lease.
- (h) The words "Commercial Accommodation" shall mean such parts of the Estate constructed or to be constructed for commercial purpose in accordance with the said lease.
- (i) The words "Parking Areas" shall mean the car parks located at ground floor level of the Estate on the said land intended for parking of private cars, motor cycles and lorries as shown coloured violet on the HA Area Estate Plan annexed hereto.
- (j) The words "Owners' Committee" shall mean a committee of the owners formed in accordance with Clause 11 hereof.
- (k) The words "Owners' Corporation" shall mean a corporation of owners of the Estate incorporated under Section 8 of the Building Management Ordinance (Cap.344) of the Laws of the Hong Kong Special Administrative Region.
- (1) The word "Manager" shall mean the Authority or any other manager for the time being appointed as the manager of the said land and the Estate pursuant to the provisions of this Deed and in the absence of any such appointment, the Owners' Committee or the Owners' Corporation acting as the Manager.
- (m) The words "Maintenance Fund" shall mean a fund established by the Authority pursuant to and maintained in accordance with the provisions of Clause 8 of this Deed to provide for expenditure for future major maintenance works of the said land and the Estate.
- (n) The words "Emergency Vehicular Access" shall mean the emergency vehicular access within the said land and the Estate as the same may from time to time be re-aligned, and forming part of the common parts, which for the purpose of identification only is shown on the plan(s) deposited in the management office of the Estate.
- (o) The words "Electricity Sub-Station(s)" shall mean the electricity sub-station(s) ("the structure") (if any) within the said land and the Estate together with all the installations, equipment, apparatus, cables and plants erected, installed or

placed therein and all the connecting cables and related structures and systems (if any) within the said land and the Estate, supplying electricity to the Estate and to the Adjoining Development.

- (p) The words "Utility Company" shall mean The Hongkong Electric Co., Ltd.
- (q) The words "Estate Roads" shall mean all those roads, paths and passageways within the said land and the Estate which form part of the common parts as shown coloured orange on the Estate Roads Plan annexed hereto together with all those guard kiosks, control barriers and related electronic and mechanical devices erected or installed thereon, if any.
- (r) The words "Ballcourt Area" shall mean all that part of the said land as shown coloured yellow hatched black on the Common Parts Estate Plan annexed to this Deed which forms part of the common parts and is currently being used as part of a football pitch and basketball court for the enjoyment of the owners.
- (12) In these presents (if the context so permits or requires) words importing the singular number only shall include the plural number and vice versa, words importing the masculine gender only shall include the feminine gender and neuter gender and words importing persons shall include corporations.

NOW THIS DEED WITNESSETH that the parties hereto hereby mutually covenant the one with the other as follows:

- 1. (a) The First Purchaser for himself and his executors, administrators and assigns hereby grants unto the Authority and its successors and assigns the sole and exclusive right and privilege to hold use occupy and enjoy to the exclusion of the First Purchaser and his executors, administrators and assigns All that the said land and the Estate including all those units under in and of the buildings within the Estate (and for the avoidance of doubt, excluding the common parts) save and except All That the First Purchaser's Flat together with the appurtenances thereto and the entire rents and profits thereof and without prejudice to the generality of the foregoing, the sole and exclusive right and privilege to hold use occupy and enjoy to the exclusion of the First Purchaser and his executors, administrators and assigns the whole of the HA Area together with the appurtenances thereto and the entire rents and profits thereof.
 - (b) The Authority for itself and its successors and assigns hereby grants unto the First Purchaser and his executors, administrators and assigns the sole and exclusive right and privilege to hold use occupy and enjoy to the exclusion of the Authority and its successors and assigns All That the First Purchaser's Flat together with the appurtenances thereto and the entire rents and profits thereof.
 - (c) Subject to Clause 28 hereof, the respective grants hereinbefore contained shall in each case be for the residue of the said term of years and be subject to and with the benefit of the said lease, this Deed and the Deed of Covenant and

Mutual Grant.

- (d) There is excepted and reserved unto the Authority the sole and exclusive right in its absolute and unfettered discretion at any time or times and from time to time as it shall deem fit to do all or any of the following acts or deeds and to exercise all or any of the following rights:-
 - (1) Without the necessity of making any owner entitled to the exclusive use occupation and enjoyment of any unit outside the part or parts of the Estate in question a party thereto to enter into a Sub-Deed or Sub-Deeds of Mutual Covenant in respect of any part or parts of the Estate Provided that such Sub-Deed(s) of Mutual Covenant shall not conflict with the provisions of this Deed nor affect the rights, interests or obligations of the other owners bound by any other previous Sub-Deed of Mutual Covenant and the same shall be subject to the prior approval of the Director of Lands.
 - Upon any letting or assignment of the HA Area (excluding the **(2)** Commercial Accommodation and the Parking Areas), or any part or parts thereof, to designate and declare by deed any part or parts of the HA Area (excluding the Commercial Accommodation and the Parking Areas) and any systems devices and facilities thereof the sole and exclusive right to hold, use, occupy and enjoy which is then beneficially owned by the Authority to be additional common parts and common facilities and to sub-allocate undivided shares thereto which undivided shares shall be assigned to and vested in the Manager or the Owners' Corporation (as the case may be) to be held on trust for all the owners in accordance with Clause 31 hereof, and with effect from such designation and declaration as aforesaid such additional common parts and common facilities shall cease to be part of the HA Area and form part of the common parts and the owners shall contribute to the maintenance and upkeep of the same as if they were part of the common parts Provided that such designation and declaration shall be for the benefit of the owners or are required to provide necessary access to the common parts and the Authority in making such designation and declaration shall not interfere with any other owner's exclusive right to hold, use, occupy and enjoy the unit which such other owner owns and Provided further that any such additional common parts and common facilities shall not in any event be re-designated as or reconverted to HA Area.
 - (3) To change, amend, vary, add to or alter the building plans existing at the date hereof subject to the approval of the Owners' Committee (if established) Provided that no approval of any owner or any of the parties hereto is required and no such change or addition shall give to the owners any right of action against the Authority if such amendment or addition relates only to the HA Area Provided further that any such change, amendment, variation, addition or alteration shall not interfere

with an owner's right to hold, use, occupy and enjoy the unit which he owns or unreasonably impede or restrict the access to and from any such unit but nothing herein shall absolve the Authority from the requirement of obtaining any necessary written consent of the Government.

- (4) To re-allocate and/or sub-allocate the undivided shares and/or the management shares allocated to the HA Area provided that the total number of undivided shares and/or management shares of the Estate and (subject to the exercise by the Authority of its right under Clause 1(d)(2) hereof) those allocated to the HA Area as a whole, the Commercial Accommodation as a whole and the Parking Areas as a whole and to the other units belonging to other owners shall remain unchanged and provided further that any such re-allocation and/or sub-allocation shall be upon the same basis as the allocation of the undivided shares and/or management shares to any other part of the Estate and shall not interfere with any other owner's right to hold, use occupy and enjoy the unit which such other owner owns.
- At its own cost and expense to apply to, negotiate and agree with the (5) Government with a view to amend, vary or modify the said lease (including the plan(s) annexed thereto) or any conditions thereof for the purposes of the development and/or sale of the HA Area or any part(s) thereof, or to procure a licence or easement from the Government for installing on government land pipes, sewers, subways or other facilities serving the HA Area or any part thereof in such manner as the Authority may deem fit without the concurrence or approval of the owners (unless where such amendment, variation, modification, licence or easement also affects any part of the Estate other than the HA Area in which case the prior approval of the Owners' Committee should be obtained) and to execute any documents in the name of the Authority in connection therewith without the necessity of joining in or obtaining the approval of any owner (unless where such amendment, variation, modification, licence or easement also affects any part of the Estate other than the HA Area in which case the prior approval of the Owners' Committee should be obtained) and without incurring any liability to the other owners for any inconvenience, disturbance, damage or loss Provided always that such amendment, variation, modification, licence or easement shall not in any way affect any other owner's sole and exclusive right and privilege to hold, use, occupy and enjoy his unit or unreasonably impede or restrict the access to or from any such part of the Estate, or adversely or materially affect any other owner's right and interest under this Deed and/or any Sub-Deed of Mutual Covenant in respect of any part or parts of the Estate.
- (6) The full, exclusive and unrestricted right and privilege without reference to any other owners and without the necessity of making the other owners parties thereto, to sell, charge, mortgage, let or otherwise

dispose of any part or parts of the HA Area subject however to the said lease, this Deed and the Deed of Covenant and Mutual Grant.

- (7) Without the concurrence of any other owners but subject always to the terms of the said lease, to change the use of any part of the HA Area (excluding the Commercial Accommodation and the Parking Areas) to other non-domestic uses (except commercial) or to domestic use Provided Always that the prior written approval of all relevant Government authorities are obtained and Provided Further that the exercise of any such right by the Authority under this subclause shall not interfere with an owner's right to hold, use, occupy and enjoy the part of the Estate which he owns.
- To erect affix maintain and remove such signs signboards or logos of a (8) reasonable size exhibiting the names of the relevant tenants, occupiers, or licensees or otherwise permit or grant the right so to do, on any part of the external walls of the HA Area (excluding the Parking Areas) and Subject to the approval of the Owners' Committee if the same shall have been formed (except in respect of alterations already effected or fixtures already installed prior to the date of this Deed in which event the approval of the Owners' Committee shall not be required but only for the term of the existing licence or grant), to alter or permit alteration of the external walls appertaining to the HA Area (excluding the Parking Areas) Provided that such signs signboards logos or alterations shall not unreasonably interfere with the use and enjoyment by other owners of the units owned by them and Provided further that the Authority and/or its licensees shall at all times be responsible for the upkeep and maintenance of any of the aforesaid signs signboards logos or alterations and that any income received in the exercise by the Authority of any of the aforesaid rights shall accrue to the owners and form part of the management funds.
- (9) To obtain the grant of any rights, rights of way or easements or quasi-easements over any adjoining or neighbouring lands or to obtain any similar rights by modification of the said lease or licence for the benefit of the HA Area on such terms and conditions and from such persons as the Authority shall deem fit Provided that should any such rights, rights of way, easements or quasi-easements affect any part of the Estate other than the HA Area, the prior approval of the Owners' Committee should be obtained.
- (10) To grant any rights, rights of way or easements or quasi-easements over any part or parts of the HA Area or to grant any similar rights by licence for the benefit of any adjoining or neighbouring lands on such terms and conditions and to such persons as the Authority shall deem appropriate Provided that should any such rights, rights of way, easements or quasi-easements affect any part of the Estate other than the HA Area, the prior approval of the Owners' Committee should be

obtained.

- (e) There is excepted and reserved unto the Authority (as owner of the Adjoining Land and the Adjoining Development) at any time or time and from time to time the following rights and privileges:
 - Subject to the approval of the Owners' Committee (if formed) (save in (1) respect of the Electricity Sub-Station(s) already erected prior to the date of this Deed in which event the approval of the Owners' Committee shall not be required), the right and privilege to erect maintain use and operate the Electricity Sub-Station(s) (if any) and to rebuild the structure (as defined in Recital 11(o) hereof) at its present location and to lay and maintain cables, mains, wires and other facilities relating to the Electricity Sub-Station(s) under or within the said land and for the Authority as well as the Utility Company with or without agents surveyors workmen and others and with or without plant equipment and materials at all times upon giving reasonable prior notice to the Manager (except in case of emergency) to enter into and upon any part of the said land and the Estate for the purposes of access to the Electricity Sub-Station(s) to inspect rebuild repair renew maintain improve cleanse or paint the Electricity Sub-Station(s) and the said cables, mains, wires or other facilities, or any part or parts thereof Provided that the Authority shall be solely responsible for the maintenance, repair and upkeep of the Electricity Sub-Station(s) at all times and Provided Further that :-
 - (i) the Authority shall at all times take such precautions as may be necessary to prevent any damage or injury being caused to the said land and the Estate or to any owners occupiers or visitors as a result of the exercise of the aforesaid rights; and
 - (ii) the Authority shall at all times keep the owners fully indemnified from and against all liabilities and all claims demands actions or other proceedings of whatever nature arising out of or in connection with anything done or omitted to be done by the Authority its servants agents workmen and contractors in respect of the Electricity Sub-Station(s) and the exercise of the aforesaid rights.

For the avoidance of doubt, where the Electricity Sub-Station(s) serve(s) the said land and the Estate, the owners of the said land and the Estate shall be entitled to the use and benefit of the same free of charge.

(2) The full right and privilege for the free and uninterrupted passage and running of water sewage gas and electricity from and to the Adjoining Land and the Adjoining Development or any part or parts thereof through the sewers drains water-courses cables pipes and wires which now are or may at any time hereafter be in under or passing through the

said land and the Estate or any part or parts thereof.

- (3) The right to lateral support and to shelter and protection for the Adjoining Land and the Adjoining Development or any part or parts thereof from the said land and the Estate or any part or parts thereof.
- (4) The full right, prior to the delivery of the Yellow Area as referred to in Clause 25 hereof, to enter into and upon any part of the said land and the Estate with or without agents surveyors workmen and others and with or without tools plant equipment and materials at all times for the purposes of management and maintenance of the Ballcourt Area.
- (5) The rights rights of way and easements as granted to or reserved unto the Authority under the Deed of Covenant and Mutual Grant.
- (f) (1) The owners hereby jointly, severally and irrevocably APPOINT the Authority as their attorney and grant unto the Authority the full right power and authority to do all acts deeds matters and things and to execute and sign seal and as their act deliver such deeds and to sign such documents or instruments as may be necessary for the exercise of or incidental to the Authority's rights mentioned in Clause 1(d) hereof and the owners hereby further jointly and severally undertake to do all acts deeds matters and things and to execute sign seal and deliver such deeds and to sign such documents or instruments as may be necessary to give effect to the abovementioned grant.
 - An owner shall not be entitled to assign the unit which he owns unless (2) the assignment includes the following covenant: "The Purchaser hereby covenants with the Vendor that the Purchaser acknowledges the rights conferred on the Hong Kong Housing Authority (and its successors and assigns) under Clause I(d) of a Deed of Mutual Covenant dated the 14th day of April 1998 and the Purchaser shall not do or permit anything to be done which will affect or impede the exercise of the said rights by the Hong Kong Housing Authority (and its successors and assigns). The Purchaser hereby appoints the Hong Kong Housing Authority (and its successors and assigns) to be its attorney and grants unto the Hong Kong Housing Authority (and its successors and assigns) the full right power and authority to do all acts matters and things and to execute and sign seal and as the act of the Purchaser deliver such deed and to sign such documents or instruments as may be necessary for the exercise of or incidental to the exercise of the rights conferred on the Hong Kong Housing Authority (and its successors and assigns) as aforesaid."
- (g) There is excepted and reserved unto the owners and occupiers of the development on the adjoining Aberdeen Inland Lot No.416 the right to use the fresh and salt water supply system and related pipes system within the said land and the Estate (hereinafter called "the Water Supply System") and to connect

mains pipes and drains of the owners and occupiers of the said development on Aberdeen Inland Lot No.416 with the Water Supply System for the supply of fresh and salt water to the said development on Aberdeen Inland Lot No.416 Subject to the payment of a proportion of the costs and expenses as may be incurred by the Manager for managing, maintaining, servicing, operating, upkeeping, renovating, replacing, repairing, rebuilding or cleansing the Water Supply System or any part thereof in such amount as the Manager shall determine Provided always that the exercise of the aforesaid right shall not interfere with any owner's exclusive right to hold, use, occupy and enjoy the part of the Estate which he owns.

- 2. (a) Each equal undivided 144,409th share of and in the said land and the Estate and the sole and exclusive right and privilege to hold use occupy and enjoy any part of the Estate shall be held by the owner thereof subject to and with the benefit of the easements rights privileges and obligations set out in the SECOND SCHEDULE HERETO and in the Deed of Covenant and Mutual Grant and the express covenants and provisions contained herein and in the Deed of Covenant and Mutual Grant.
 - (b) The owner of each equal undivided share of and in the said land and the Estate shall at all times hereafter be bound by and shall observe and perform the covenants provisions and restrictions herein contained and in addition the owners shall at all times be bound by the covenants and restrictions contained in the THIRD SCHEDULE HERETO and in the Deed of Covenant and Mutual Grant.
- 3. Every owner of an equal undivided share in the said land and the Estate shall (subject in the case of every owner to whom an undivided share in the said land and the Estate and a unit in any of the buildings in the Estate have been conveyed by deed of assignment by the Authority to the Schedule to the Housing Ordinance (Cap. 283) and any amendments thereto to which each such deed of assignment is subject) have the full right and liberty without reference to the owner of any other equal undivided share in the said land and the Estate or any person otherwise interested in any other equal undivided share in any way whatsoever and without the necessity of making such other owner or any such other person a party to the transaction to sell assign mortgage lease license or otherwise dispose of or deal with his share or interest of and in the said land and the Estate together with the said sole and exclusive right and privilege to hold use occupy and enjoy any part of the Estate held therewith subject expressly to and with the benefit of these presents and the Deed of Covenant and Mutual Grant.
- 4. Notwithstanding anything herein contained but subject always to the terms and conditions of the said lease, the Authority (which expression shall exclude its assigns for the purpose of this Clause) shall have the absolute and unfettered right and liberty to use the HA Area or any part or parts thereof and any unit the right to the exclusive possession of which the Authority is entitled (other than units which are as at the date hereof used for domestic purpose or are vacant), in such manner and for such purpose as it shall think fit with power to dispose of the same at any time as the Authority deems appropriate or expedient without any interference whatsoever by the other owners Provided always that upon the disposal of the

HA Area or any part thereof or any such units the owners thereof shall be subject to the rights and obligations under this Deed save and except this Clause.

MANAGEMENT AND POWERS AND FUNCTIONS OF THE MANAGER

- 5. (a) Subject to the provisions of Clause 27 hereof the management maintenance and operation of the Estate shall be undertaken by the Manager as agent for and on behalf of all the owners duly authorised in accordance with the provisions of this Deed or any suitably qualified person company or corporation to whom the Manager has from time to time delegated in whole or in part the rights and obligations for such management maintenance and operation under the powers herein contained Provided that the Manager shall not at any time appoint any sub-manager or assign any of its rights and obligations under this Deed.
 - (2) Subject to the approval of the Owners' Committee (if formed), the Manager shall have the right to the exclusive occupation of the external walls (subject to Clause I(d)(8) hereof), the roofs and the flat roofs (if any) of all buildings in the Estate and of any part of any building within the Estate which is designed set aside and intended to be used as management office, machine rooms, pump rooms, switch rooms and any other purposes required for the management and servicing of the Estate as a whole or of any building or part of any building therein and of any part of the common parts Provided always that any income generated from such exclusive occupation by the Manager shall accrue to the owners and be credited to the management account.
 - (b) The Manager shall (subject as herein otherwise specifically provided) have full and unrestricted authority to do all such acts and things as may be necessary or requisite for the maintenance and management of the Estate and anything reasonably incidental thereto.
 - (c) Without in any way limiting the generality of the foregoing, the Manager shall have the following powers functions and obligations, namely:-
 - (1) To demand collect and receive all amounts payable by owners under the provisions of this Deed.
 - (2) Subject to the approval of the Owners' Committee (if the same shall have been established under this Deed), to make revoke and amend House Rules which must not be inconsistent with the provisions contained in this Deed regulating the use operation maintenance and management of the Estate and the services facilities or amenities thereof and the conduct of persons occupying using or visiting the same. The House Rules set out in the FOURTH SCHEDULE HERETO shall come into force on the date of these presents and shall remain in force until revoked or amended as aforesaid. A copy of all amendments or

additions made from time to time to the House Rules shall be exhibited on the notice boards of the Estate and such House Rules and all amendments or additions thereto (hereinafter collectively known as "the House Rules") shall be binding upon all the owners and all persons claiming through or under any owner.

- (3) To insure and keep insured all buildings and facilities and all parts thereof within the Estate to the full new reinstatement value (which shall include also such amount as the Manager may determine as required for the removal of debris and related professional fees) against loss or damage by fire and other perils as the Manager may from time to time think fit and to take out appropriate insurance against public liability, occupiers' liability and liability as employers for the management and maintenance staff with some reputable insurance company or companies or otherwise in the name of the Manager for and on behalf of the owners of the Estate according to their respective interests therein and to pay all premiums to keep such insurance policies in force. All monies received from fire or other insurance against loss or damage to the said buildings and facilities shall be applied in reinstating and making good the loss or damage thereto.
- (4) To arrange for refuse disposal and to maintain the refuse collection system to the satisfaction of the Director of Lands.
- (5) To maintain and monitor the prestressed ground anchors in accordance with the provisions of the said lease.
- (6) To keep in good order and repair the lighting and ventilation of the common parts of all buildings within the Estate and to maintain the common parts of the Estate in a clean and sanitary state and condition.
- (7) To repair and keep in good repair and condition the common parts and all buildings equipment apparatus services facilities within the Estate and when necessary to replace any part thereof which requires replacement.
- (8) To paint or whitewash or treat with cement wash or other material as appropriate such of the exterior and common parts of any building within the Estate as should be painted whitewashed or otherwise treated at such intervals as the same may reasonably be required to be done and in any event if so required by any Government department.
- (9) To replace any broken glass in any windows or doors of the common parts of any building within the Estate.
- (10) To keep in good repair and condition -
 - (i) all water pumps pumphouses tanks mains pipes sewers

lavatories drains water-courses cables wires apparatus and equipment which are now or may at any time hereafter be in under or within the Estate or the land adjacent thereto which are wholly or partly for the common use of the owners and occupiers of the Estate;

- (ii) the drains and channels whether within the boundaries of the said land or the land adjacent thereto or on Government land which the owners are required by the said lease to construct and maintain to the satisfaction of the Director of Lands;
- (iii) the fire access and fire hydrants fire fighting appliances water pumping connections and other fire service installations and equipment which the owners are required by the said lease to provide and maintain to the satisfaction of the Director of Fire Services; and
- (iv) any refuse collection chamber or other facilities forming part of or incidental to the refuse collection system and maintain the same to the satisfaction of the Director of Lands.
- (11) To keep the lifts in all buildings within the Estate in good repair and operating condition and to replace the same and any parts that may require replacement.
- (12) To prevent obstruction of any of the common parts of the Estate and the buildings therein and to remove any vehicle parked unlawfully in any part of the Estate and to levy and collect from the owner thereof such removal and storage fees as the Manager may fix from time to time.
- (13) To remove any structure or installation signboard sunshade bracket fitting obstruction or thing in or on the Estate or any part thereof which is unlawful or illegal or which contravenes the House Rules and the terms herein contained and to demand and recover from the owner by whom such structure or other thing as aforesaid was erected or installed the costs and expenses of such removal.
- (14) To appoint a solicitor with authority to act for and accept service on behalf of all the owners of the Estate of all legal proceedings relating thereto (but not proceedings relating to the rights or obligations of individual owners) and in particular but without limiting the generality of the foregoing in all proceedings in which the Government shall be a party and at all times within 7 days of being requested so to do by the Government or other competent officers to appoint a solicitor who shall undertake to accept service on behalf of all such owners whether for the purpose of the Rules of the High Court (as the same may be amended from time to time) or otherwise.

- (15) To prevent any person from unlawfully parking on occupying or using any of the common parts or areas of the Estate or the roads and footpaths (if any) and open spaces within the Estate or any part or parts thereof.
- (16) To prevent and to take action to remedy any breach by any owner or other person residing in or visiting the Estate of any of the provisions of the said lease and this Deed.
- (17) To prevent any person detrimentally altering or injuring any part of the Estate or any of the equipment apparatus services or facilities thereof.
- (18) To take all steps necessary or expedient for compliance by the owners with the said lease and the Deed of Covenant and Mutual Grant and in particular to maintain and repair to the satisfaction of the Director of Lands in accordance with the provisions of the said lease all land open space slope treatment works earth-retaining structures retaining walls and other support protection drainage ancillary and other works within the said land and also any adjacent or adjoining Government or leased land.
- (19) Subject to the provisions of Clause 19 hereof to pay Government rents and all other sums which the owners are required to bear and pay under the said lease and this Deed and the Deed of Covenant and Mutual Grant.
- (20) To pay the following charges and expenses:
 - (i) charges for electricity (including the operation of lifts pumps and lighting of common parts of the Estate and the buildings therein) and water and other similar charges for and in connection with the Estate as a whole and not being in respect of the use of or consumption by any owner for his own purposes or enjoyment;
 - (ii) remuneration for building supervisors watchmen gardeners cleaners attendants and the like;
 - (iii) the cost of refuse disposal and maintaining the refuse collection system;
 - (iv) the cost of any other matters and things which the Manager is authorized to do under this Deed;
 - (v) the premiums payable for insurance in accordance with this Deed; and

- (vi) such legal or other fees and costs which may be incurred by the Manager in performance of any duty or in the exercise of any power by this Deed conferred.
- (21) To collect from the owner of each unit in the Estate such sum as is payable by him hereunder by way of a security deposit for the liabilities of such owner under this Deed.
- (22) To demand and receive from the owner the amount due by him under this Deed on account of his share of the costs charges and expenses of managing and maintaining the said land and the Estate.
- (23) To keep proper accounts of all expenditure incurred by and of all payments made to the Manager in respect of carrying out its duties hereunder.
- (24) To represent all the owners or any of them as their or his agent in all matters and dealings with the Government or any public utility or other competent authority or any other person whomsoever in any way touching or concerning the said land and the Estate its equipment apparatus services and facilities.
- (25) Subject to Clause 5(a)(1) hereof, to enter into contracts and to engage employ remunerate and dismiss solicitors architects and other professional staff advisers and consultants contractors workmen gardeners servants agents watchmen building supervisors and other management maintenance and administrative staff and attendants and to commence conduct carry on and defend legal and other proceedings touching or concerning the said land and the Estate or the management thereof on behalf of all the owners.
- (26) To enforce the due observance and performance by the owners of the covenants terms and conditions of this Deed and to take action in respect of any breach thereof including the commencement conduct and defence of legal proceedings and the registration and enforcement of charges as hereinafter mentioned.
- (27) To prevent obstruction of any of the Emergency Vehicular Access and to keep at all times in good repair and condition and to re-align or relocate as may be necessary such Emergency Vehicular Access.
- (28) To permit all persons deputed to act for the Government at all reasonable times to enter into and upon the said land and the Estate to view search and see the condition of the same and to comply with all notices of repair as may be given by such persons.

- (29) To prevent any person from interfering with or removing any tree growing on the said land.
- (30)To engage suitable qualified personnel to inspect keep and maintain in good and substantial repair and condition all slopes, retaining walls, fences and other structures on the said land and the Estate, which areas together with the slopes, retaining walls, fences and other structures on the Adjoining Land are shown for identification purposes on the Slopes and Retaining Walls Plan annexed to this Deed and the said slopes. retaining walls, fences and other structures on the said land and the Estate are hereinafter referred to as "the Slopes and Retaining Walls", in accordance with the provisions of the said lease and in accordance with all guidelines issued from time to time by the appropriate Government department regarding the maintenance of slopes, retaining walls, fences and other structures. For the avoidance of doubt, it is hereby declared that the onus is on the owners of the Estate and the owner(s) of the Adjoining Development at their joint expense to maintain and carry out all works in respect of the Slopes and Retaining Walls in accordance with the said lease and the "Geoguide 5 - Guide to Slope Maintenance" issued by the Geotechnical Engineering Office (as amended from time to time) and the Manager shall not be personally liable for carrying out any such requirements of the said lease which shall remain the joint responsibility of the owners of the Estate and the owner(s) of the Adjoining Development if the Manager, having used all reasonable endeavours, has not been able to collect the costs of the required works from all of the aforesaid owners. The Manager shall be paid all costs lawfully incurred or to be incurred by it in carrying out any such maintenance and repair works as aforesaid.
- (31) To provide and maintain space for the parking loading and unloading of goods and services vehicles and refuse collection vehicles.
- (32) To prevent any person other than residents and occupiers of the buildings in the Estate or their bona fide visitors from using the open spaces within the said land and the Estate or any part or parts thereof for any purpose other than recreational purpose.
- (33) Subject to the terms and conditions as set out in the said lease and the approval of the Owners' Committee (if formed) (save in respect of licences already granted or agreements already entered into at the date of this Deed in which event the approval of the Owners' Committee shall not be required), to license or otherwise permit or grant the right to any other persons to use the rooftop of any of the buildings or any part of the common parts in the Estate for the purpose of installing telecommunication installations on such terms as the Manager may deem fit and for this purpose to negotiate and enter into contracts, leases or licence agreements with such persons for the installation, operation, management and maintenance of such telecommunication

installations on such terms as the Manager may deem fit Provided that the Manager shall assign such contract, lease or licence agreement to the Owners' Corporation if the same shall have been formed and Provided always that any income received or benefit generated in the exercise by the Manager of the aforesaid powers shall accrue to the owners and be credited to the management account and Provided further that the rights and interest of the owners shall not be adversely affected and the right of any owner to the use and enjoyment of any of the common parts shall not be unreasonably interfered with and that no nuisance or hazard to any person lawfully in the Estate is caused thereby.

- (34) To make suitable arrangements for the supply of fresh and flushing water to or for the said land and the Estate or any part thereof and to negotiate and enter into any contract, lease, licence or agreement with the Government or any person or persons for such supply of fresh and flushing water.
- Subject to the approval of the Owners' Committee (if the same shall (35)have been already formed), to grant such easements, quasi-easements, rights, privileges and licences and enter into such informal arrangements as it shall in its absolute discretion consider necessary to ensure the efficient management or for the benefit of the Estate and to grant rights of way or access or use at any level to the owners or occupiers of any other premises adjoining the said land and upon such terms and conditions as the Manager may think fit in respect of the common parts or any part thereof and on behalf of the owners to obtain a grant of similar rights in respect of such adjoining premises Provided that such grant of rights of way or access or use shall not contravene the terms and conditions contained in the said lease nor interfere with an owner's right to hold, use, occupy and enjoy his unit nor adversely affect an owner's rights and interests and Provided further that any charges or fees arising from the granting of such rights of way shall form part of the management funds of the Estate.
- (36) Subject to the approval of the Owners' Committee (if the same shall have been formed), to grant such easements, quasi-easements, rights, privileges and licences to and to enter into such arrangements and agreements with the Government or the general public or any person or persons and upon such terms and conditions in respect of any part or parts of the common parts as the Manager may in its absolute discretion think fit and to obtain the grant of any easements, quasi-easements, rights, privileges and licences from and to enter into any arrangements and agreements with the Government or owners of any other premises for the benefit of the said land and the Estate or any part(s) thereof upon such terms and conditions as the Manager may in its absolute discretion think fit Provided That any such easements, quasi-easements, rights, privileges and licences shall not interfere with any owner's right

to hold, use, occupy and enjoy the part of the Estate which he owns or unreasonably impede or restrict the access to and from any such part of the Estate.

- (37) To prepare plan(s) showing the Emergency Vehicular Access and cause a set of such plan(s) to be deposited at the estate management office within the said land for inspection by the owners.
- (38) Subject to the approval of the Owners' Committee (if the same shall have been formed), to convert any part of the common parts to office(s) or meeting room(s) for use by the Owners' Committee or as estate management office or for holding meetings of the owners and to effect the necessary construction and/or other works on such common parts for the aforesaid purpose.
- (39) To maintain repair and keep in good repair and condition at all times the Estate Roads or any part or parts thereof.
- (40) Subject to the approval of the Owners' Committee (if the same shall have been formed), to license or otherwise permit or grant the right to The Hong Kong and China Gas Company Limited (hereinafter called "the Gas Company") to lay construct and maintain gas pipes and ancillary installations in under or through the said land and the Estate for the supply of town gas to the said land and the Estate and to enter into and renew any contract, lease, licence or agreement with the Gas Company in connection therewith Provided that all such gas pipes and ancillary installations up to and including individual gas meters shall remain at all times the properties of the Gas Company and the Gas Company shall be responsible for their repair, upkeep and maintenance.

 All gas pipes and ancillary installations beyond the gas meters shall be the properties of the owners and the owners shall be responsible for such repair, upkeep and maintenance.
- (41) Subject to the approval of the Owners' Committee (if the same shall have been formed), to represent all the owners in connection with the surrender or assignment or parting with possession of any part or parts of the said land and/or the Estate which is required to be surrendered or assigned to the Government and for and on behalf of the owners to apply to, negotiate and agree with the Government with a view to amend, vary or modify the said lease (including the plan(s) annexed thereto) or any conditions thereof and to procure a licence or easement from the Government for installing on government land pipes, sewers, subways or other facilities whether serving exclusively the Estate or any part thereof or otherwise in such manner as the Manager may deem fit and to execute any documents in the name of the owners in connection therewith without the necessity of joining in or obtaining the approval of any owner, and any such surrender, assignment, parting with possession, amendment, variation, modification, licence or easement

shall be binding on the owners Provided always that the same shall not in any way affect an owner's sole and exclusive right and privilege to hold, use, occupy and enjoy his unit.

- (42)Subject to Clause 1(d)(8) hereof, to affix, maintain, alter, renew and remove any one or more signs, signboards, masts, aerials, lighting or other fixtures of whatsoever kind which is/are for the common use and enjoyment of the owners on any part or parts of the external walls of any building in the Estate and to enter into and upon any part of any building with or without workmen and equipment at all reasonable times on giving prior reasonable written notice (except in the case of emergency) for any or all of the purposes aforesaid and subject to the approval of the Owners' Committee (if formed) to license or otherwise permit or grant the right so to do to any other person on such terms as the Manager may deem fit Provided that any fee or monetary benefit arising from the aforesaid licence permit or grant of right shall accrue to the owners and form part of the management fund and Provided Always that any such signs, signboards, masts, aerial, lighting or other fixtures shall not interfere with the use and enjoyment by any owner of the part of the Estate owned by him.
- (43) To manage, maintain, regulate, direct and control the access of vehicles, the loading and unloading of goods and service vehicles and the vehicular traffic to, out of or within the Estate and for such purpose to erect, install and maintain signs, guard kiosks, control barriers and related electronic and mechanical devices at, within or on any part of the Estate, and to do all such acts and things as may be necessary to provide and regulate unimpeded access to the Parking Areas by the persons entitled for the time being to the use thereof.
- (44) To collect and receive all sums and contributions payable by the owners of the Adjoining Development under the Deed of Covenant and Mutual Grant.
- (45) To do all such other things as are reasonably incidental to the management of the Estate.
- (d) (1) The owners hereby jointly severally and irrevocably APPOINT the Manager as their attorney and grant unto the Manager the full right power and authority to do all acts deeds matters and things and to execute and sign seal and as their act deliver such deeds and to sign such documents or instruments as may be necessary for the exercise of or incidental to the Manager's rights mentioned in Clauses 5(c)(35), (36) and (41) hereof and the owners hereby further jointly and severally undertake to do all acts deeds matters and things and to execute sign seal and deliver such deeds and to sign such documents or instruments as may be necessary to give effect to the abovementioned grant.

- (2) An owner shall not be entitled to assign the unit which he owns unless the Assignment includes the following covenant: "The Purchaser hereby covenants with the Vendor that the Purchaser acknowledges the rights conferred on the Manager (as defined in a Deed of Mutual Covenant dated the 14th day of April 1998) under Clauses 5(c)(35), (36) and (41) of the said Deed of Mutual Covenant and the Purchaser shall not do or permit anything to be done which will affect or impede the exercise of the said rights by the Manager. The Purchaser hereby appoints the Manager to be its attorney and grants unto the Manager the full right power and authority to do all acts matters and things and to execute and sign seal and as the act of the Purchaser deliver such deeds and to sign such documents or instruments as may be necessary for the exercise of or incidental to the exercise of the rights conferred on the Manager as aforesaid."
- (e) The Manager shall, subject to the prior approval of the Owners' Committee, have the power to do all acts or things for the purposes of improving or upgrading the common parts or any facilities therein.
- (f) The Manager may with or without surveyors workmen and others at all reasonable times and on reasonable notice (except in case of emergency) enter into and upon any part of the Estate (including any unit therein) for the purpose of inspecting rebuilding repairing renovating maintaining improving cleansing painting or decorating any part of the Estate (including any other unit therein) and the common parts or common services thereof Provided that in exercising such right as aforesaid, the Manager shall be liable for any negligent or wilful acts of its own and the workmen, servants, agents or contractors employed by it and shall forthwith make good any loss or damage caused thereby.
- (g) All acts and decisions of the Manager arrived at in accordance with the provisions of this Deed shall be binding in all respects on all the owners.
- (h) The Manager shall not be liable to the owners or any of them or to any person whomsoever whether claiming through under or in trust for any owner or otherwise for or in respect of any act deed matter or thing done or omitted in pursuance or in purported pursuance of the provisions of this Deed not being an act or omission involving criminal liability or dishonesty or negligence and the owners shall fully and effectually indemnify the Manager from and against all actions proceedings claims and demands whatsoever arising directly or indirectly out of or in connection with the management of the Estate or any act deed matter or thing done or omitted as aforesaid and all costs and expenses in connection therewith and not involving criminal liability dishonesty or negligence. Without in any way limiting the generality of the foregoing, the Manager, its servants, agents or contractors shall not be held liable for (1) any damage, loss or injury caused by or in any way arising out of:-
- (i) any defect in or failure or breakdown of any of the pumps, lifts, equipment, apparatus, services and facilities which are for the common use of the owners

and occupiers of the Estate, or

- (ii) any failure, malfunction or suspension of the supply of water, electricity, gas or other utility or services to the said land and the Estate, or
- (iii) fire or flooding or the overflow or leakage of water from anywhere whether within or outside the said land and the Estate, or
- (iv) the activity of termites, cockroaches, rats, mice or other pests or vermin, or
- (v) theft, burglary or robbery within the said land and the Estate;

unless it can be shown that such damage, loss or injury was caused by an act or omission of the Manager, its servants, agents or contractors involving criminal liability or dishonesty or negligence and (2) any interruption in any of the services to the said land and the Estate by reason of necessary maintenance and repair and the management contribution or any other charges payable under this Deed or any part thereof shall not be abated or cease to be payable on account thereof.

PAYMENT OF MANAGEMENT EXPENSES AND ENFORCEMENT PROVISIONS

- 6. Each of the owners shall pay a monthly sum as determined by the Manager (a) being the due proportion of the costs charges and expenses incurred in the management of the Estate in proportion to the number of management shares allocated to such part of the Estate of which he has the exclusive right to hold use occupy and enjoy. The amount of such monthly sum shall be notified to the owner to whom a unit is conveyed by deed of assignment by the Authority on or before possession of the unit is given. The owner shall first pay to the Manager the said monthly sum together with a proportion of the said monthly sum, in the event that possession is given on any day other than the first day of the month, from but exclusive of the date on which possession of the unit is given to him and thereafter in advance on the first day of each succeeding calendar month. The Authority shall pay all costs and expenses up to and inclusive of the date on which possession of the unit is given and thereafter the costs and expenses shall be payable by the owners. The Authority shall pay the monthly sums payable in respect of any units which shall remain in its exclusive possession or occupation and those units bought back by the Authority under the terms covenants and conditions set out in the Schedule to the Housing Ordinance (Cap.283) and any amendments thereto. After the disposal of such units by the Authority, the said monthly sums shall be payable by the owners in respect thereof. Any increase or decrease in the amount payable by the owners under this Clause shall be adjusted accordingly when the actual management expenses are ascertained but not until the Manager has given not less than 30 days' notice in that behalf to each owner.
 - (b) The annual remuneration of the Manager for the performance of its duties hereunder shall be a sum not exceeding 10% of the total annual expenditure (excluding the Manager's annual remuneration) reasonably and properly incurred in the good and efficient management of the said land and the Estate. The Manager shall also be entitled to charge and be paid all disbursements and out-of-pocket expenses properly incurred in the course of carrying out its duties hereunder. Payment of the Manager's remuneration hereunder shall be made in advance on the first day of each calendar month by twelve equal calendar monthly instalments each such payment to be in the sum of one twelfth of the annual remuneration of the Manager (being a sum not exceeding 10% of the budgetted annual expenditure for the management of the said land and the Estate for the year in question to be prepared as provided in Clause 9(f) hereof but subject to adjustment after the actual annual expenditure for the year in question is ascertained). The percentage of the total annual expenditure against which the Manager's remuneration is calculated may be reviewed and adjusted by a majority resolution passed at a meeting of the owners.
 - (c) Each owner shall before taking possession of the unit which he owns pay to the Manager one month's management fee as payment in advance of the management fee for the first month. The Authority shall pay the management fee in advance in respect of any unit which remains in its exclusive possession

or occupation.

- (d) Should the supply of water electricity or other services for common use be suspended due to the default of any owner in payment of his due share of the service charges or costs and expenses hereunder the defaulting owner shall bear all costs and expenses incurred in reconnecting the same and shall be responsible for all the consequences arising from his default.
- (e) If any owner shall fail to pay any amount payable hereunder within thirty days after the due date for payment being the first day of every month the Manager may without prejudice to any other remedy exercisable hereunder or otherwise:-
 - (1) take legal proceedings against such owner by civil action to recover the amount or amounts due;
 - (2) discontinue provision of management services or facilities to the part of the Estate belonging to such owner; and
 - (3) post the name of such owner and particulars of the default on the notice boards of the Estate.
- (f) In addition to the rights of the Manager under paragraph (e) above if any owner shall fail to pay any amount payable hereunder within thirty days from the date on which payment is due or the demand for payment of which is served on him he shall further pay to the Manager -
 - (1) interest calculated at the rate of 2% per annum over and above the best lending rate from time to time quoted by The Hongkong and Shanghai Banking Corporation Limited in respect of the amount unpaid, such interest being payable from the due date until payment; and
 - (2) a collection charge of such sum as the Manager may consider reasonable but not exceeding 10% of the amount due to cover the cost (other than legal costs of proceedings as hereinafter mentioned) of the extra work occasioned by the default of the owner.

All monies paid to the Manager by way of interest and collection charges aforesaid shall be credited to the management account.

(g) All amounts which may be or become payable by any owner in accordance with the provisions of this Deed together with interest thereon as aforesaid and the said collection charge and all other expenses incurred in or in connection with the recovering or attempting to recover the same shall be recoverable by civil action at the suit of the Manager. The claim in any such action may include a claim for the legal expenses (on a solicitor and own client costs basis) of the Manager and the defaulting owner shall in addition to the amount claimed in

such action be liable for such costs. In any such action the Manager shall conclusively be deemed to be acting as the agent for and on behalf of all the owners other than the defaulting owner and no owner sued under the provisions of this Deed shall raise or be entitled to raise any defence of want of authority or take objection to the right of the Manager as plaintiff to sue or to recover such amounts as may be found to be due.

- (h) (1) In the event of an owner failing to pay any amount due and payable by him in accordance with the provisions of this Deed within thirty days from the date on which such amount becomes payable, the Manager may serve upon that owner a notice specifying the amount due which shall include any interest payable thereon up to the date of the notice and any collection charge and all costs and expenses which may be incurred in recovering or attempting to recover the same including the legal expenses referred to in Clause 6(g) above.
 - (2) Upon the service of a notice under (1) above the owner upon whom such notice has been served shall be deemed to have entered into an agreement for a charge in favour of the Manager for the amount specified in the notice together with interest thereon at the rate stated and upon the terms and conditions therein set forth.
 - (3) The Manager may register in the Land Registry a copy of the said notice against the undivided share and interest in the said land and the Estate of the owner upon whom the notice has been served and the said agreement to enter into a charge shall remain valid and enforceable as hereinafter mentioned notwithstanding that judgment may be obtained for the amount thereof unless such judgment has been fully satisfied.
 - (4) In the event of the defaulting owner having paid in full the amount specified to be due and payable in the said notice registered in the Land Registry against his said undivided share and interest in the said land and the Estate, the Manager shall cause a notice of satisfaction of such amount to be registered against such undivided share and interest as aforesaid in the Land Registry at the cost and expense of such owner.
- (i) Any notice registered in accordance with paragraph (h)(3) of this Clause shall be enforceable as an equitable charge by action at the suit of the Manager for an order for the sale of the undivided share and interest of the defaulting owner of and in the said land and the Estate together with the right to the exclusive occupation of the part of the Estate held and enjoyed therewith and the provisions of paragraph (g) of this Clause shall apply equally to any such action.
- (j) The Manager shall further have power to commence proceedings for the purpose of enforcing the observance and performance by any owner of any one or more equal undivided shares of and in the said land and the Estate and any person occupying such part of the Estate through under or with the consent of any such owner of the covenants conditions and provisions of this Deed and of

recovering damages for the breach non-observance or nonperformance thereof. The provisions of paragraphs (g), (h) and (i) of this Clause shall apply to all such proceedings and to the recovery of any costs damages or other moneys awarded therein.

- (k) All damages recovered in any such proceedings shall after defraying any expenses necessary to rectify the non-performance or non-observance as aforesaid be held by the Manager as part of the funds for the management of the Estate and be applied accordingly.
- Where any consent is required from the Manager by an owner any sum charged by the Manager in consideration for the granting of such consent shall be held by the Manager for the benefit of the owners and paid into the management account and the Manager shall be entitled to charge and maintain a reasonable fee for processing such consent.
- (m) Notwithstanding the powers conferred on the Manager by this Clause any one or more owners shall be entitled at his or their own expense to take action against any other owner or owners to enforce the provisions of this Deed and the provisions of this Clause shall apply mutatis mutandis to any action or proceeding brought by such owner or owners and to the recovery of any costs damages or other moneys awarded therein.

MANAGEMENT FUNDS

- 7. (a) The owner of each unit shall pay to and at all times keep on deposit free of interest with the Manager a sum equal to three months management fee or such other sum not exceeding three times the amount payable under Clause 6(a) hereof as may be determined from time to time by the Manager in respect of each unit. Such sum shall become payable from but exclusive of the date on which possession of the unit is given to the owner. The sum so collected shall be held as a security against the owner's liabilities as owner of the unit and against his obligation to pay the monthly maintenance and management fees as well as his due proportion of public utility deposits for the Estate, and shall not be set off against contributions to be made by him under this Deed.
 - (b) Any person ceasing to be the owner of any undivided share in the said land and the Estate shall in respect of the share of which he ceases to be the owner thereupon cease to have any interest in the funds held by the Manager to the intent that all such funds shall be held and applied for the management of the Estate as herein provided irrespective of changes in ownership of the undivided shares therein Provided that any deposit paid by any such owner under Clause 7(a) herein after the deduction therefrom of any amount attributable to his liabilities or obligations shall be refunded to such owner without interest or may at the request in writing of such owner be transferred into the name of the new owner of such undivided share as his deposit or security under Clause 7(a) hereof and Provided further that upon the said land being resumed or

re-entered by the Government any balance of the said funds shall be divided between the owners immediately prior to such resumption or re-entry according to their share of management shares.

- (c) The Authority shall make the initial contributions towards the management fee deposit specified in paragraph (a) above in respect of any units which shall remain in its exclusive possession or occupation, not later than 3 months after (1) the execution of this Deed or (2) the date when it is in a position validly to assign undivided shares appertaining to those units, whichever is the later.
- 8. (a) There shall be established by the Authority for the benefit of all the owners a Maintenance Fund towards payment of expenses for such future major maintenance works in respect of the Estate as set out in the FIFTH SCHEDULE HERETO. The Authority shall upon execution of this Deed make a lump sum contribution to the Maintenance Fund of an amount calculated at the rate of HK\$14,000.00 for each residential unit in the Estate. Thereafter, the Authority shall not make and shall not be obliged to make further contribution towards the Maintenance Fund. The amount of the Maintenance Fund shall be held by the Manager for and on behalf of the owners and deposited in an interest bearing bank account with a licensed bank in Hong Kong.
 - (b) The Maintenance Fund shall be used exclusively for major maintenance works in respect of the Estate as set out in the Fifth Schedule hereto and no money shall be paid out of the Maintenance Fund unless it is for a purpose or purposes as mentioned in the said Schedule and is so approved by a resolution of a meeting of the owners or the Owners' Corporation (after the same shall have been formed under the Building Management Ordinance (Cap.344)).
 - (c) Any unused amount of the Maintenance Fund shall be retained in the account referred to in Clause 8(a) above and shall be held and applied for major maintenance works of and in the said land and the Estate as provided in the Fifth Schedule hereto irrespective of changes in ownership of the undivided shares of and in the said land and the Estate Provided that upon the said land being resumed or re-entered by the Government any balance of the Maintenance Fund shall be divided between the owners immediately prior to such resumption or re-entry in proportion to the respective numbers of undivided shares held by them. For the avoidance of doubt, the Manager shall not for the purpose of fixing the contribution by the owners to the management expenses and funds in respect of the Estate in any financial year take into account the Maintenance Fund or the balance thereof.
 - (d) The Maintenance Fund shall be managed initially by the Manager for and on behalf of the owners. Upon the formation of an Owners' Corporation under the Building Management Ordinance (Cap.344), the rights, duties, powers and responsibilities of the Manager in the management of the Maintenance Fund shall upon request of the Owners' Corporation be transferred to and vested in the Owners' Corporation.

- (e) The Manager or the Owners' Corporation (after the same shall have been formed) as manager of the Maintenance Fund shall maintain true and proper books and records of all monies received and expended in respect of the Maintenance Fund and shall prepare audited annual accounts comprising an income and expenditure statement and balance sheet in respect thereof for the preceding financial year within 2 calendar months from the close of each financial year including an estimate of the time when there will be a need to draw on the Maintenance Fund and the amount of money that will then be needed. The owners shall be entitled, upon reasonable prior notice, to inspect, at a reasonable time, any of the accounts prepared pursuant to this Clause.
- (f) Within 2 calendar months of the transfer by the Manager to the Owners' Corporation of the management responsibilities of the Maintenance Fund in accordance with Clause 8(d) above, the Manager shall (1) present for inspection by the Owners' Corporation (i) an audited income and expenditure account in respect of the Maintenance Fund beginning with the commencement of the financial year in which the Manager ceases to be the manager of the Maintenance Fund and up to the date of its ceasing to be such manager and (ii) an audited balance sheet in respect of the Maintenance Fund as at the date the Manager ceases to be its manager and (2) deliver to the Owners' Corporation any books or records of account, papers, documents and other records in respect of the Maintenance Fund which are then in the control or custody of the Manager.

MANAGEMENT RECORDS AND ACCOUNTS

- 9. (a) The financial year for the purpose of management of the Estate shall commence on the 1st day of April and shall terminate on the 31st day of March of the following year Provided Always that the Manager shall have the right to change the financial year only once in every period of 5 years upon giving notice in writing to the owners except with the prior approval of the Owners' Committee.
 - (b) All monies collected by the Manager in the exercise of its powers and duties hereunder shall be so collected as trustee for and on behalf of the owners and, save and except sufficient petty cash for day to day requirements, shall be paid into an interest-bearing bank account, the title of which refers to management of the Estate unless otherwise authorised by the Owners' Committee.
 - (c) The Manager shall keep true and proper records of all monies received in the exercise of its powers and duties hereunder and of all expenditure thereof.
 - (d) The Manager shall prepare the annual accounts comprising an income and expenditure statement and balance sheet in respect of the preceding financial year within 2 calendar months from the close of each financial year (the first financial year shall commence from the date hereof) which accounts will be certified by the auditors as providing an accurate summary of all items of

income and expenditure for the entire management of the Estate during that preceding financial year.

- (e) The Manager shall appoint a firm of certified public accountant to audit the accounts and records concerning the management of the Estate and the Maintenance Fund and to certify the annual accounts as hereinbefore provided and shall upon request of the owners in their annual general meeting appoint an accountant or some other independent auditors nominated by the owners at the said annual general meeting to audit any income and expenditure statement and balance sheet prepared by the Manager under Clause 8(e) and Clause 9(d) hereof.
- (f) Prior to the close of each financial year the Manager shall prepare budgets for the next financial year which budgets shall include all sums which in the opinion of the Manager will be necessary to meet the management expenses for the then current financial year and shall include an amount for contingencies and the remuneration of the Manager calculated in accordance with Clause 6(b) of this Deed for providing its services as well as such contributions payable by the owners under the Deed of Covenant and Mutual Grant. Such budgets (other than the first budget) shall be prepared in consultation with the Owners' Committee (if the same shall have been established pursuant to this Deed).
 - (2) In the event that the Manager is of the opinion that any of the budgeted sums for the then current financial year are insufficient to cover all expenditure which is not included in that budget it may prepare a revised budget or budgets.

PROVIDED that expenditure for major maintenance works in respect of the said land and the Estate as referred to in the Fifth Schedule hereto shall be compiled in a separate section of the annual budget and shall be payable out of the Maintenance Fund mentioned in Clause 8 hereof and PROVIDED that major contracts involving sums in excess of 20% of the budget shall be let in accordance with fair tendering practice at intervals of not more than 3 years and Provided further that the Manager shall not, in any financial year, enter into any contract that involves an average annual expenditure of more than 20% of the total expenditure estimated in the budget or revised budget, as the case may be, for that financial year or of such greater amount as the Secretary for Home Affairs may specify by notice in the Gazette unless the contract complies with such standards and guidelines as may be specified in a Code of Practice referred to in Section 20A(3) of the Building Management Ordinance (Cap.344) and relating to procurement and tender procedures.

- (g) The Manager shall display in a prominent position on the Estate notice board a copy of the annual accounts, annual budgets, or revised budgets within 14 days after the same have been prepared as herein provided.
- (h) The Manager shall upon reasonable notice being given by any owner permit

such owner to inspect any of the accounts prepared pursuant to this Deed after the same shall have been certified as herein provided. The Manager shall upon request of any owner and upon payment of a reasonable charge for copying and/or certifying the same send to such owner a copy and/or a copy certified by the Manager of such of the annual accounts at any time after the same shall have been prepared and certified as herein provided.

MANAGER'S STATEMENT

- 10. (a) The Manager shall within 1 calendar month after each consecutive period of 3 calendar months prepare a summary of income and expenditure for that period to be posted on the Estate notice boards for the general information of the owners.
 - (b) In the event that the annual budgets are revised at any time as herein provided the Manager shall prepare and send to each owner thereby affected a revised Manager's statement showing the revised figures for the then current year and the revised advance payments to be paid by that owner in the then remaining part of the then current financial year. The owners shall when called upon by the Manager pay the revised monthly sums and revised advanced payments pursuant to the revised budget prepared by the Manager.

OWNERS' COMMITTEE

- 11. There shall be established and maintained an Owners' Committee of the said land and the Estate consisting of a Chairman, a Secretary and various Committee members within 9 months of the signing of this Deed and thereafter biennially the Manager shall convene a meeting of the owners to elect the Chairman and Committee members to serve on the Owners' Committee. For the time being and unless and until otherwise determined by a meeting of the owners, the Owners' Committee shall consist of the following members:
 - (a) not less than 8 representatives for the owners of the Residential Accommodation to be nominated by owners of the Residential Accommodation provided that the number of representatives shall include 1 representing the Authority as owner of part of the Residential Accommodation; and
 - (b) 1 representative for the owner(s) of the HA Area to be nominated by owner(s) of the HA Area.
- 12. The Owners' Committee shall meet at such times as occasion shall require and in any event, not less than once a year. In regard to such meetings of the Owners' Committee, the following provisions shall apply:
 - (a) A meeting may be convened at any time by the Chairman or any 2 members of the Owners' Committee.

- (b) Notice of a meeting shall be served by the person or persons convening the meeting upon each member of the Owners' Committee at least 7 days before the date of the meeting, and that notice shall specify the place, date and time of the meeting and the resolutions (if any) that are to be proposed.
- (c) Service of a notice required to be served under Clause 12(b) above may be effected:-
 - (i) personally upon the member of the Owners' Committee; or
 - (ii) by post addressed to the member of the Owners' Committee at his last known address; or
 - (iii) by leaving the notice at the member's unit.
- (d) The quorum at a meeting 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.
- (e) A meeting shall be presided over by:
 - (a) the Chairman; or
 - (b) in the absence of the Chairman, a member of the Owners' Committee appointed as Chairman for that meeting.
- (f) At a meeting of the Owners' Committee, each member present shall have 1 vote on a question before the Committee provided that any member of the Owners' Committee representing the Authority as owner of any part of the Estate and present at a meeting of the Owners' Committee is entitled to vote and be counted as quorum for and on behalf of any other member of the Owners' Committee who is also a representative of the Authority in the Owners' Committee but is absent from the meeting. If there is an equality of votes the Chairman shall have, in addition to a deliberative vote, a casting vote.
- (g) No resolution concerning the management of the HA Area shall be valid unless such resolution is passed with the affirmative vote in favour of the resolution by the member(s) of the Owners' Committee representing the owner(s) of the HA Area Provided that no such resolution shall affect the operation, maintenance and management of the Residential Accommodation.
- (h) The procedure at meetings of the Owners' Committee shall be as is determined by the Owners' Committee.
- 13. The functions of the Owners' Committee shall be limited to the following:-

- (a) The representing of the owners in all dealings with the Manager;
- (b) Liaison with the Manager in respect of all matters concerning with the management of the said land and the Estate;
- (c) The reviewing of the annual budgets and revised budgets;
- (d) The approving of the House Rules proposed from time to time by the Manager;
- (e) The undertaking of such other duties as the Manager may, with their approval, delegate to them;
- (f) The appointment of accountants for audit of the annual accounts prepared by the Manager;
- (g) To convene meetings of all the owners;
- (h) The exercise of all other powers and duties conferred on the Owners' Committee by virtue of this Deed; and
- (i) To act as the Manager during such period if no Manager is appointed.
- 14. Committee members shall be entitled to be reimbursed for all out-of-pocket expenses necessarily incurred in carrying out their duties.
- 15. (a) An Owners' Committee shall be appointed for a term of two years and its members shall hold office until a new Owners' Committee is appointed and in the event that no new Owners' Committee is appointed for whatever reasons after the said term of two years, the members of the existing Owners' Committee shall continue to act until a new Owners' Committee is appointed Provided Always that a member shall cease to hold office if:
 - (i) He shall resign by notice in writing to the Owners' Committee; or
 - (ii) He ceases to be eligible or is not re-elected at the annual general meeting at which he stands for re-election; or
 - (iii) He is removed from office by the owners by ordinary resolution passed at an extraordinary general meeting of the owners called for the purpose; or
 - (iv) 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
 - (v) He becomes incapacitated by physical or mental illness.

- (b) Retiring members of the Owners' Committee shall be eligible for re-election.
- (c) The Owners' Committee may co-opt any eligible owner to fill any casual vacancy for the current term.
- (d) The Owners' Committee may continue to act notwithstanding any vacancies in their number provided that the number is not reduced below 5. In the event that the number is reduced below 5, the remaining members of the Owners' Committee may act but only for the purpose of appointing other eligible persons to be members of the Owners' Committee.
- 16. The following persons shall be eligible for election as a Committee member to serve on the Owners' Committee:-
 - (a) Any owner and, in the event of an owner being a corporate body, any representative appointed by such owner. The appointment of a representative by a corporate body shall be in writing addressed to the Owners' Committee and may be revoked at any time on notice in writing being given to the Owners' Committee.
 - (b) The husband or wife of any owner or any adult member of the family of any owner duly authorized by the owner provided that such husband wife or adult member of the family resides in the Estate.
 - (c) Not more than one person from a unit may stand for election as a Committee member of the Owners' Committee

PROVIDED THAT no person shall be appointed as a committee member if:

- (i) he has been declared bankrupt or insolvent; or
- (ii) he has been convicted of a criminal offence other than a summary offence not involving his honesty or integrity.
- 17. (a) The Owners' Committee shall cause to be kept records and minutes of:
 - (i) The appointment of Committee members, the Secretary and the Chairman of the Owners' Committee and all changes therein.
 - (ii) All resolutions and proceedings of the Owners' Committee.
 - (b) Such records and minutes shall be kept in such place as the Owners' Committee may from time to time determine and shall be open to inspection by any owner on reasonable notice being given. Any such person shall also be entitled to extracts or copies therefrom on paying the reasonable charges therefor.

MEETINGS OF OWNERS

- 18. From time to time as occasion may require there shall be meetings of the owners to discuss and decide on matters concerning the Estate and the first of such meeting of the owners shall be convened by the Manager as soon as possible but not later than nine (9) months of the execution of this Deed, to appoint a Chairman and the Owners' Committee. In regard to such owners meetings the following provisions shall apply:
 - (a) A meeting may be convened by the Manager or the Owners' Committee or by those owners who in aggregate have vested in them for the time being not less than 5 % of the total number of undivided shares.
 - (b) Notice of a meeting of owners shall be served by the person or persons convening the meeting upon each owner at least fourteen (14) days before the date of the meeting specifying the date, time and place of the meeting and the resolutions (if any) to be proposed.
 - (c) Service of a notice required to be served under sub-clause (b) above may be effected:
 - (i) personally upon the owner; or
 - (ii) by post addressed to the owner at his last known address; or
 - (iii) by leaving the notice at the owner's unit.
 - (d) No business shall be transacted at any meeting unless a quorum is present when the meeting proceeds to business and the owners present in person or by proxy who in the aggregate have vested in them not less than ten per cent (10%) of the total number of the undivided shares in the said land and the Estate shall be a quorum.
 - (e) A meeting of the owners shall be presided over by the Chairman of the Owners' Committee or, in his absence, by an owner appointed by the owners present as the chairman for that meeting.
 - (f) The chairman shall cause a record to be kept of the persons present at the meeting and the proceedings thereof.
 - (g) Every owner shall have one vote for each undivided share vested in him and in the case of owners who together are entitled to one such undivided share such owners shall jointly have one vote for each such undivided share and such vote may be cast by (i) a proxy jointly appointed by the co-owners, (ii) one co-owner appointed by the others; or (iii) if no appointment has been made under (i) or (ii) above or in case of dispute, the co-owner whose name stands first in relation to that undivided share in the register kept at the Land Registry.

- (h) Votes may be given either personally or by proxy and in regard to the removal of the chairman of the meeting, votes shall be cast by means of a secret ballot supervised by the Manager. In case of any equality of votes, the chairman shall have a second or casting vote.
- (i) The instrument appointing a proxy shall be in writing signed by the owner or, if the owner is a body corporate, under the seal of that body, and the instrument appointing a proxy shall be deposited with the chairman of the meeting or the person, or one of the persons, as the case may be, who convened the meeting not less than 24 hours before the time for the holding of the meeting at which the proxy proposes to vote, or within such lesser time as the chairman shall allow.
- (j) Save as otherwise herein provided any resolution on any matter concerning the said land and the Estate passed by a simple majority of votes at a duly convened meeting of the owners present in person or by proxy and voting shall be binding on all the owners of the Estate Provided as follows:-
 - (i) The notice convening the meeting shall have been duly given and shall have specified the intention to propose a resolution or resolutions concerning such matters.
 - (ii) No resolution purporting to be passed at any such meeting concerning any matter not mentioned in such notice shall be valid.
 - (iii) No resolution shall be valid to the extent that it purports to alter or amend the provisions of or is otherwise contrary to this Deed.
 - (iv) Subject to Clauses 18(m) and 28 hereof but notwithstanding any other provisions to the contrary herein contained, no resolution concerning the management of the Residential Accommodation shall be valid unless such resolution is passed with the affirmative vote in favour of the resolution by owners of not less than 50% of the total number of undivided shares held by owners of the Residential Accommodation who are present in person or by proxy and voting and no resolution concerning the management of the HA Area shall be valid unless such resolution is passed with the affirmative vote in favour of the resolution by owner(s) of not less than 50% of the total number of undivided shares held by owner(s) of the HA Area who is/are present in person or by proxy and voting.
- (k) A resolution in writing signed by owners who in the aggregate have vested in them for the time being more than one half of the total number of undivided shares in the said land and the Estate shall be as valid and effectual as if it had been passed at a duly convened meeting of the owners Provided that no resolution in writing concerning the management of the Residential Accommodation shall be valid unless such resolution is signed by owners of not less than 50% of the total number of undivided shares allocated to the

Residential Accommodation and no resolution in writing concerning the management of the HA Area shall be valid unless such resolution is signed by owner(s) of not less than 50% of the total number of undivided shares allocated to the HA Area.

- (l) The accidental omission to give notice to any owner shall not invalidate the proceedings at any meeting or any resolution passed thereat.
- (m) Notwithstanding the provisions of Clauses 18(j) and 18(k) hereof no resolution in respect of any of the matters hereinafter referred to shall be valid unless passed by seventy-five per cent (75 %) of all the owners namely:
 - (1) Whether or not to take up a renewed Government lease or a new lease, as the case may be, and to pay any premium by installments or otherwise or other charges and expenses payable in respect thereof, upon the expiration of the term under the said lease or in the event of the sooner determination thereof by the Government in such circumstances that the Government Lessees are entitled to a renewal thereof or to a new Government lease upon such terms and conditions as the Government shall offer.
 - (2) A resolution to rebuild or redevelop the said land and the Estate or any part thereof.
 - (3) A resolution to take away, abrogate or prevent the exercise of any powers and duties hereby conferred on the Manager.
- (n) The procedure at a meeting of the owners shall be as is determined by the owners.

GENERAL

- 19. Each owner shall bear and pay directly to the authority concerned all existing and future taxes property taxes rates Government rents assessments and outgoings of every description for the time being assessed or payable in respect of that part of the Estate owned by him.
- 20. The expenses of keeping the interior of such part of the Estate and all the fittings fixtures wiring plumbing gas pipes and other services therein or exclusively serving it (other than main services serving the Estate or any building within the Estate as a whole) and all the windows and doors thereof in good and tenantable repair and condition shall be borne and paid by the owner thereof.
- 21. (a) Subject to the provisions of this Deed the owner may at his own expense make or install in and subsequently remove from that part of the Estate owned by him any additions improvements mantels lights fittings fixtures or decorations which

can be installed fixed and removed without structural alteration of or damage to the unit Provided that the owner may not cause or permit or suffer to be caused any damage to any part of the Estate.

- (b) In carrying out under the provisions of this Deed any necessary repair work which requires the removal of any additions improvements mantels lights fittings fixtures or decorations the Manager shall not be obliged to make good the affected area or any damage sustained in the carrying out of such work other than to the extent of reinstating the affected area to its original state.
- 22. Any notice or demand which is required to be served hereunder shall be sufficiently served if addressed to the party intended to receive the same and sent by prepaid post to or left at that part of the Estate of which the party to be served is the owner Provided That (a) where notice is to be given to an owner whose premises are mortgaged such notice shall be served also on the mortgagee if a company at its registered office or its last known place of business in Hong Kong or if an individual at his last known residence in Hong Kong and (b) any notice or demand relating to the common parts shall be sufficiently served if posted on some conspicuous place in the common parts to which it relates.
- 23. (a) The right to the exclusive occupation of any part of the Estate shall not be sold assigned mortgaged charged leased or otherwise dealt with separately from the undivided shares with which the same is held Provided Always that the provisions of this Clause shall not extend to leases or tenancies for terms not exceeding seven years.
 - (b) No portion of any unit shall be sold assigned mortgaged charged or otherwise disposed of separately from the whole to the intent that each residential unit shall be owned or occupied at all times as a single residence.
 - (c) No part of the Estate shall be sold assigned mortgaged charged or otherwise disposed of unless such sale assignment mortgage charge or other disposition is specifically made subject to and with the benefit of this Deed and the Deed of Covenant and Mutual Grant and contains a covenant on the part of the purchaser assignee or other disponent to observe and comply with all the covenants terms conditions and provisions of this Deed and the Deed of Covenant and Mutual Grant.
- 24. Each equal undivided 144,409th share of and in the said land and the Estate and the sole and exclusive right and privilege to hold use occupy and enjoy any part of the Estate shall be held by the owner thereof subject to and with the benefit of a Memorandum dated the 23rd day of January 1998 relating to an Agreement between the Authority and Wharf Cable Limited for the installation and maintenance of a subscription television distribution network.
- 25. The Ballcourt Area together with a part of the Yellow Area (as defined in the said lease) are currently being used as a football pitch and basketball court for the enjoyment of the owners. Prior to the delivery of the said Yellow Area by the Authority to the Government in accordance with the said lease, the Authority shall at its own expense manage and maintain the said Yellow Area pursuant to the provisions of the said lease and also the Ballcourt Area for

and on behalf of the owners. After the said Yellow Area shall have been delivered to the Government in accordance with the said lease, the Ballcourt Area shall subject to the approval of the Owners' Committee (if the same shall have been formed) be used for such purpose(s) as the Manager shall reasonably determine and the owners shall then be solely responsible for the upkeep and maintenance thereof.

- 26. (a) The covenants and provisions of this Deed shall be binding on the parties hereto and their respective executors administrators successors in title and assigns and the benefit and burden thereof shall be annexed to and shall run with every part of the said land and the Estate.
 - (b) No person shall be liable under any of the covenants or provisions of this Deed in respect of any undivided shares in the said land and the Estate and the premises held therewith after ceasing to be the owner (as herein defined) thereof save and except in respect of any breach non-observance or nonperformance by such person of any such covenant or provision prior to his ceasing to be the owner thereof.
- 27. (a) The Manager shall be entitled, at any time and upon such conditions as it thinks fit, to delegate in whole or in part its rights and obligations for the management maintenance and operation of the Estate or any part thereof under this Deed to any suitably qualified person company or corporation as its agent Provided always that the Manager shall not appoint any sub-manager or assign any of its rights and obligations hereunder and shall at all times remain liable to the owners in accordance with the provisions of this Deed.
 - Subject to the covenants, conditions and provisos of the said lease, the (b) Authority shall undertake the management of the said land and the Estate for an initial term expiring 2 years after the execution of this Deed or until the Owners' Corporation is formed, whichever is the earlier. The Manager's rights and obligations to manage may be terminated upon (1) the Manager giving not less than 3 months' notice to the Owners' Committee or where the Owners' Committee has not yet been established pursuant to the provisions of this Deed, to the owners, that the Manager no longer wishes to undertake management of the Estate or (2) until the Owners' Corporation is formed, the passing of a resolution of the owners of not less than 50% of the undivided shares (excluding the undivided shares allocated to the common parts) at a general meeting convened for the purpose to remove the Manager without compensation, by the Owners' Committee giving to the Manager not less than 3 months notice of termination in writing Provided Always that any such relinquishment by the Authority of its capacity as Manager shall not affect the rights and obligations of the Authority herein as owner of units and other parts of the Estate.
 - (c) (1) Where an Owners' Corporation has been formed, the Owners' Corporation may, by the passing of a resolution of the owners of not less than 50% of the undivided shares at a general meeting convened for the purpose, remove the Manager without compensation by the

Owners' Corporation giving to the Manager not less than 3 months' notice of termination in writing. In this respect, such resolution shall have effect only if such notice of termination is in writing; the length of notice specified therein is for a period of not less than 3 months; such notice is accompanied by a copy of the resolution terminating the Manager's appointment; and such notice and the copy of the resolution is served upon the Manager not more than 14 days after the date of the meeting. For this purpose, service of such notice and the copy of the resolution required to be served may be effected personally upon the Manager, or by post addressed to the Manager at its last known address, or by leaving the notice at the address of the registered office of the Owners' Corporation.

- (2) The Manager's appointment may not be terminated under Clause 27(c)(1) above:-
 - (i) if, within the previous three (3) years, the appointment of a previous Manager was terminated under Clause 27(c)(1) above; or
 - (ii) if the Manager was appointed by the Owners' Corporation under Clause 27(c)(3)(ii) below.
- (3) If a notice to terminate a Manager's appointment is given under Clause 27(c)(1) above:-
 - (i) no appointment of a new Manager shall take effect unless the appointment is approved by a resolution of the Owners' Committee (if the same has been established pursuant to the provisions of this Deed); and
 - (ii) if no such appointment is approved under Clause 27(c)(3)(i) above by the time the notice expires, the Owners' Corporation may appoint another Manager and, if it does so, the Owners' Corporation shall have exclusive power to appoint any subsequent Manager.
- (d) If the Manager's appointment ends for any reason, the Manager shall within 2 calendar months of the date on which the Manager's appointment ends:-
 - (1) prepare an income and expenditure account of the Estate and an income and expenditure account in respect of the Maintenance Fund for the period beginning with the commencement of the financial year in which the Manager's appointment ends and up to the date of its ceasing to be the Manager.
 - (2) prepare a balance sheet in respect of the Estate and a balance sheet in respect of the Maintenance Fund both as at the date the Manager's

appointment ends.

Such income and expenditure accounts and balance sheets shall be audited by an accountant or by some other independent auditors specified in a resolution of the Owners' Committee (if the same has been established pursuant to the provisions of this Deed) or, in the absence of any such specification, by such accountant or other independent auditors as may be chosen by the Manager.

- (3) deliver to the Owners' Committee (if the same has been established pursuant to the provisions of this Deed) or the Manager appointed in its place any books or records of account, papers, documents, plans and other records in respect of the control, management and administration of the said land and the Estate and in respect of the Maintenance Fund that are under the Manager's control or in the Manager's custody or possession.
- (4) subject to Clause 8(d) hereof, transfer to and vest in the Manager appointed in its place the Maintenance Fund and the rights, duties, powers and responsibilities in the management thereof.
- (5) assign to the Manager appointed in its place or the Owners' Corporation all the common parts together with the undivided shares allocated thereto.
- (e) Upon termination of the Manager's appointment in whatever manner or for whatever reason, a meeting of the owners or the Owners' Committee (after the same shall have been formed) shall immediately be convened to elect a manager to take its place and such meeting shall elect a manager who shall on the expiry of the term of the outgoing Manager immediately thereupon and thenceforth become vested with all the powers and duties of the Manager hereunder and the Owners' Committee (if formed) may on behalf of the owners enter into a Management Agreement with such new manager defining its rights duties and obligations. It is hereby declared and agreed that at no time shall the said land and the Estate be without a responsible duly appointed manager to manage the same.
- 28. In the event of any part of the Estate being so damaged by fire, typhoon, earthquake, subsidence or other causes so as to render the same unfit for habitation or use, the Manager shall convene a meeting of the owners of such part of the Estate and such meeting may resolve by a majority of not less than seventy-five per cent (75%) of such owners of not less than seventy-five per cent (75%) of the undivided shares of such damaged part (excluding the undivided shares allocated to the common parts) present and voting that by reason of insufficiency of insurance money or changes in building law and/or regulations or any other circumstances whatsoever, it is not practicable to reinstate or rebuild such part of the Estate then in such event the undivided shares in and of such part of the Estate shall be acquired by the Manager and the owners of such undivided shares shall in such event be obliged to assign the same and all rights and appurtenances thereto to the Manager upon trust to forthwith dispose of the same by public auction or private treaty and to distribute the net proceeds of

sale amongst the owners of such undivided shares in proportion to the respective number of undivided shares previously held by such owners. All insurance money received in respect of any policy of insurance on such part of the Estate shall likewise be distributed amongst such owners. In such event all the rights, privileges, obligations and covenants of such owners under this Deed shall be extinguished so far as the same relate to such owners Provided Always That if it is resolved to reinstate or rebuild such part of the Estate the owners of such part of the Estate shall pay the excess of the cost of reinstatement or rebuilding of the relevant part of the Estate damaged as aforesaid over and above the proceeds recoverable from the insurance of such part of the Estate in proportion to the respective number of undivided shares held by them and that until such payment the same will become a charge upon their respective undivided shares allocated to the relevant part of the Estate and be recoverable as a civil debt.

- 29. There are incorporated into this Deed as if they were herein written the provisions set out in the Seventh Schedule to the Building Management Ordinance (Cap.344). In the event of conflict between any of such provisions and the provisions in this Deed, the former provisions shall prevail.
- 30. Nothing herein shall prejudice the operation of the Building Management Ordinance (Cap.344) or the Government Rent (Assessment and Collection) Ordinance and to the extent that any provisions contained herein shall be in conflict with either of the said Ordinances, the said Ordinances shall prevail. During the existence of an Owners' Corporation under the Building Management Ordinance (Cap.344), the rights, duties, powers and obligations for the control, management and the administration of the said land and the Estate conferred by this Deed on the Manager shall be vested in the Owners' Corporation, and the general meeting of the Owners' Corporation shall take the place of the meeting of owners under this Deed, and the management committee of the Owners' Corporation shall take the place of the Owners' Committee under this Deed.
- 31. The Authority hereby declares that it holds the undivided shares in respect of the common parts in trust for all the owners and in the event that another manager shall be appointed in the stead of the Authority in accordance with these presents, the Authority as the Manager shall free of any consideration, costs or expense assign such undivided shares in respect of the common parts to the new manager to the intent that such undivided shares shall be held on trust by the Manager for the benefit of all owners for the time being of the said land and the Estate Provided That if an Owners' Corporation is formed under the Building Management Ordinance (Cap. 344), the Authority as the Manager or any new manager shall, if required by the Owners' Corporation, assign the undivided shares in respect of the common parts and transfer the management rights and responsibilities of the said land and the Estate, to the Owners' Corporation free of any consideration, expense or cost, in which event, the said Owners' Corporation must hold them on trust for the benefit of all owners for the time being of the said land and the Estate Provided Always that nothing herein contained shall in any way fetter or diminish the rights, powers, authorities, entitlements, duties and obligations of the Manager contained in this Deed. The undivided shares allocated to the common parts acquired by the Manager as trustee for all the owners pursuant to the provisions of this Deed shall be exempted from contribution to management expenses as provided in this Deed and shall carry no right to vote nor be taken into account for the purpose of calculating the quorum of any meeting.

32. The Authority shall provide within 2 months from the date hereof a translation or summary in Chinese of this Deed and shall ensure that the same is available for inspection by the owners at the management office and shall provide a copy thereof to any owner upon request on the payment of reasonable expenses. In the event of any dispute between the Chinese translation and the English document, the latter shall prevail.

THE FIRST SCHEDULE ABOVE REFERRED TO (RECITAL (7))

Nature of Accommodation Residential Units (Flats) including	Block Wah Lai House (Block 1)	Floor Leyel	Unit <u>Number</u> 2,11,14 5,8,17	Number of Units	Number of Undivided Shares for Each Unit	Total Number of Undivided Shares Allotted	Number of Management Shares for each Unit	Total Number of Management Shares Allocated
the planters/planter	` ,	2-34	2,11,14	99	34	3,366	34	3,366
boxes appertaining			5,8,17	99	35	3,465	35	3,465
thereto, if any		1-34	4,9,16	102	37	3,774	37	3,774
		1	1,12,13,18	4	41	164	41	164
		2-34	1,12,13,18	132	41	5,412	41	5,412
		1-34	6,7	68	50	3,400	50	3,400
•		1-34	3,10,15	102	55	5,610	55	5,610
	Wah Hau House	Ī	2,11,14	3	34	102	34	102
	(Block 2)	•	5,8,17	3	35	105	35	105
	,	2-34	2,11,14	99	34	3,366	34	3,366
			5,8,17	99	35	3,465	35	3,465
• .		1-34	4,9,16	102	37	3,774	37	3,774
		1	1,12,13,18	4	41	164	41	164
		2-34	1,12,13,18	132	41	5,412	41	5,412
		1-34	6,7	68	50	3,400	50	3,400
		1-34	3,10,15	102	55	5,610	55	5,610
	Wah Lim House	1	2,11,14	3	34	102	34	102
	(Block 3)		5,8,17	3	35	105	35	105
		2-34	2,11,14	99	34	3,366	34	3,366
			5,8,17	99	35 37	3,465 3,774	35 37	3,465 3,774
		1-34	4,9,16	102 4	37 41	3,774 164	41	164
		1 2-34	1,12,13,18 1,12,13,18	132	41	5,412	41	5,412
		1-34	6,7	68	50	3,400	50	3,400
		1-34	3,10,15	102	55	5,610	55	5,610
	Wah Sin House (Block 4)	1-34	3,12,1,7	102	19	1,938	19	1,938
	,	1	2,13,16	3	34	102	34	102
			6,9,20	3	35	105	35	105
		2-34	2,13,16	99	34	3,366	34	3,366
			6,9,20	99	35	3,465	35	3,465
		1-34	4,11,18	102	36	3,672	36	3,672
			5,10,19	102	37	3,774	37	3,774
		l and	1,14,15,21	4	4)	164	41	164
		2-34	1,14,15,21	132	41	5,412	41 50	5,412 3,400
·	Wale Vin Harres	1-34	7,8	68	50 19	3,400 1,938	50 19	1,938
	Wah Yin House (Block 5)	1-34	3,12,17	102		1,938	34	1,330
		ì	2,13,16	3 3	34 35	102	35	105
		2-34	6,9,20 2,13,16	99	34	3,366	34	3,366
		2-34	6,9,20	99	35	3,465	35	3,465
		1-34	4,11,18	102	36	3,672	36	3,672
		1-0-1	5,10,19	102	37	3,774	37	3,774
		1	1,14,15,21	4	41	164	41	164
		2-34	1,14,15,21	132	41	5,412	41	5,412
		1-34	7,8	68	50	3,400	50	3,400
	Wah Oi House (Block 6)	i	1-8,10-17, 19-25,27-34	31	14	434	14	434
	(2	1-8,10-17, 19-25,27-34	31	14	434	14	434

Nature of Accommodation	Block	Floor Level	Unit Number	Number of Units	Number of Undivided Shares for Each Unit	Total Number of Undivided Shares Allotted	Number of Management Shares for each Unit	Total Number of Management Shares Allocated
		3	1-4,7-14, 16-22,24-31	27	14	378	14	378
		4	1-6,9-16, 18-24,27-32	27	14	378	14	378
		1	9,18,26	3	20	60	20	60
		2	9,18,26	3	20	60	20	60
		3	6,15,23	3	20	60	20	60
	•	4	8,17,25	3	20	60	20	60
		3	5	1	46	46	46	46
		4	7,26	2	46	92	46	92
		5	1,2,6,9,10,11,1	10	32	320	32	320
		(w/balcony)	2,15,19,20		-	520		720
		5 (w/balcony)	7,14	2	51	102	51	102
		5	3,8,13,18	4	27	108	27	108
		5	4,5,16,17	4	46	184	46	184
		6-20	1-3,6,8-13, 15,18,19,20	210	27	5,670	27	5,670
		6-20	4,5,7,14,16,17	90	46	4,140	46	4,140
Welfare/Community//	Ancillary and (Subtotal Number		vided Shares : ement Shares :	139,516		139,516
Wah Lai House (Block	1)							
Day Activity Centre for Handicapped	r the Mentally	G/F				489		489
District Board Member		G/F				23		23
(Provisional) Urban Co Wah Hau House (Block	(2)	G/F				19		19
Hostel for the Mentally Wah Lim House (Block		G/F				690		690
Study Room	·	G/F				229		229
Residents Association (Office	G/F				54		54
Kai Fong Office & You Wah Sin House (Block		G/F				106		106
Kindergarten Wah Yin House (Block		G/F				706		706
Kindergarten Wah Oi House (Block (G/F				710		710
Day Care Centre	e.a	GЛ				378		378
Laundry		G/F				20		20
· .		1-3		3	130	390	130	390
Dining Rooms		4		, 1	91	91	91	91
Kitchens*		1-3		3	70	210	70	210
KRURERS		4		1	5 6	56	56	56

^{*} including the planters/planter boxes appertaining thereto, if any

Nature of Accommodation	Block	Floor Level	Unit <u>Number</u>	Number of Units	Number of Undivided Shares for Each Unit	Total Number of Undivided Shares Allotted	Number of Management Shares for each Unit	Total Number of Management Shares Allocated
Commercial Accomm								
Wah Lim House (Block						-1.4		
Store Room (for comm	•	G/F				81		162
Wah Oi House (Block Clinic	σ)	G/F				55		110
Clinic 2	•	G/F				55		110 110
Chine 2		G/I				33		110
Parking Areas								
Open Car Park (con	nsisting of 16					323		323
parking spaces)								
21 Parking Spaces Alo	ng Estate Road					198		198
.	J							
Common Parts						10		
			Total Ni	mber of Und	ivided Shares	144,409		

Total Number of Management Shares:

144,590

THE SECOND SCHEDULE ABOVE REFERRED TO (CLAUSE 2(a))

- A. Easements rights and privileges the benefit of which is held with each undivided share of and in the said land and the Estate Provided that all such easements rights and privileges shall be held and enjoyed subject to compliance with and observance of the covenants, conditions and provisos of the said lease and the provisions of this Deed and the Deed of Covenant and Mutual Grant and to the House Rules and any other regulations made hereunder:-
- 1. Full right and liberty for the owner his tenants servants agents invitees and licensees (in common with all other persons having the like right) to go pass and repass over and along and to use the common parts areas and services of and in the building in which that part of the Estate owned by him is situated for all purposes connected with the proper use and enjoyment of such part of the Estate owned by him.
- 2. Subject to Clause 5(a)(2) of this Deed full right and liberty for the owner his tenants servants agents invitees and licensees (in common with all other persons having the like right) to use the common parts areas and services of and in the Estate for the purpose for which the same are designed and intended to be used Provided that in exercising such right of use no owner shall damage or interfere with or permit or suffer to be damaged or interfered with the general amenities equipment or services therein provided.
- 3. All rights, rights of ways (if any), privileges, easements and appurtenances belonging or appertaining to or at any time held used occupied or enjoyed with the part of the Estate owned by him.
- 4. The right to subjacent and lateral support and to shelter and protection for that part of the Estate owned by him from the other portions of the building in which it is situated.
- 5. The free and uninterrupted passage and running of water sewage gas and electricity from and to that part of the Estate owned by him through the sewers drains water-courses cables pipes and wires which now are or may at any time hereafter be in under or passing through the Estate or the Adjoining Development or any part or parts thereof which are wholly or partly for the common use of the owners or occupiers of the Estate.

All the above easements rights and privileges are subject to the provisions of this Deed and the Deed of Covenant and Mutual Grant and are conditional upon the owner paying his due proportion of all management and other expenses and amounts payable by him in accordance with the said provisions.

- B. Easements rights and privileges subject to which each equal undivided part or share of and in the said land and the Estate and the exclusive right to hold use occupy and enjoy such part of the Estate is held:-
- 1. Full right and privilege for the Manager with or without agents surveyors workmen

and others at all reasonable times on notice (except in case of emergency) to enter into and upon any part of the Estate for the purposes of inspecting rebuilding repairing renewing maintaining improving cleansing painting or redecorating the building or any part or parts thereof (including the unit itself) or any sewers drains water-courses cables pipes pumps tanks wires or services therein or any other apparatus equipment or services used or installed for the benefit of the Estate or any part or parts thereof as part of the amenities thereof and not by any individual owner for his own purposes or enjoyment and generally for the purpose of exercising the powers and functions of the Manager under this Deed.

- Easements quasi-easements rights and rights of way for members of the general public and owners and occupiers of any adjoining or neighbouring lands and their servants, visitors, workmen and other persons authorised by them in that behalf to pass and re-pass across through over or along any road, footbridge, passageway, walkway, footpath or open space within the common parts from time to time and at all times for the purpose of access to and egress from any adjoining or neighbouring lands.
- 3. The free and uninterrupted passage and running of water sewage gas and electricity from and to the Estate (other than that part owned by him) and the Adjoining Development through the sewers drains water-courses cables pipes and wires which now are or may at any time hereafter be in under or passing through that part of the Estate owned by him or any part or parts thereof.
- 4. Easements rights and privileges equivalent to those set forth in Clauses 1, 2, 3 and 4 of Paragraph A of this Schedule.

THE THIRD SCHEDULE ABOVE REFERRED TO (CLAUSE 2(b))

Covenants provisions and restrictions referred to in Clause 2(b) of this Deed:

- 1. To pay the due proportion hereinbefore mentioned of all costs charges and expenses which may be or become payable for or in connection with the management of the Estate in accordance with the provisions of this Deed including but not limited to:
 - (a) Electricity gas water and other similar charges for or in connection with the Estate as a whole and not being in respect of the use of or consumption by individual owners.
 - (b) Insurance premium.
 - (c) The cost of operating maintaining repairing servicing and renewing the lifts and communal lighting.
 - (d) The cost of refuse disposal and maintaining the refuse collection system referred to in Clause 5(c)(10)(iv) hereof.
 - (e) The cost of -
 - (1) repairing renewing replacing maintaining improving cleansing painting or redecorating all buildings equipment apparatus service facilities and common parts within the Estate or any part or parts thereof;
 - (2) maintaining and keeping in good repair and condition all water pumps pumphouses tanks mains pipes sewers lavatories drains water-courses cables wires apparatus equipment referred to in Clause 5(c)(10)(i) hereof;
 - (3) maintaining the drains and channels whether within the boundaries of the said land or the land adjacent thereto or on Government land referred to in Clause 5(c)(10)(ii) hereof;
 - (4) maintaining and repairing all land open space slope treatment works earth-retaining structures retaining walls and other support protection drainage ancillary and other works referred to in Clause 5(c)(18) hereof; and
 - (5) providing and maintaining the space for the parking loading and unloading of goods and services vehicles and refuse collection vehicles referred to in Clause 5(c)(31) hereof.
 - (f) The cost of improving maintaining and repairing all the roads, paths, pavements, Emergency Vehicular Access, slopes, lawns, gardens, trees, open spaces and grounds of and in the Estate and also any adjacent or adjoining Government or

leased land and all structures equipment and amenities therein and thereon.

- (g) The cost of maintaining the fire fighting appliances installations and equipment referred to in Clause 5(c)(10)(iii) hereof.
- (h) All costs and expenses incurred in rectifying any default by any one or more owners in carrying out his or their obligations under this Deed and in enforcing the provisions hereof which prove to be irrecoverable from such defaulting owner or owners.
- (i) All costs and expenses of and incidental to any actions proceedings claims and demands against which the Manager is entitled to be indemnified under Clause 5(h) of this Deed and any moneys or damages adjudged to be payable in any such proceedings.
- (j) All costs and expenses of and incidental to improving or upgrading the common parts or any facilities of the said land and the Estate referred to in Clause 5(e) hereof.
- (k) Utility and other deposits payable in respect of services for the Estate or the common parts thereof as a whole.
- (1) Management accountancy legal advisory and consultation fees and all expenses properly incurred by the Manager in carrying out its duties and obligations hereunder.
- (m) All other charges (including a contingency fee or reserve) which the Manager shall consider necessary or requisite for the proper management operation and maintenance of the Estate and for the improvement or maintenance of the services amenities or facilities thereof.
- (n) Government rents and all other sums which the owners are required to pay under the said lease and this Deed.
- (o) The remuneration of the Manager calculated in accordance with Clause 6(b) hereof for providing its services hereunder.
- 2. To pay the due proportion hereinbefore mentioned of:-
 - (a) The costs of maintaining and keeping in good and substantial repair and condition the Slopes and Retaining Walls referred to in Clause 5(c)(30) hereof to be apportioned between the owners of the Estate and the owner(s) of the Adjoining Development;
 - (b) The costs of maintaining and keeping in good and substantial repair and condition the Estate Roads referred to in Clause 5(c)(39) hereof to be apportioned between the owners of the Estate and the owner(s) of the

Adjoining Development; and

- (c) All the costs and expenses which may be or become payable by the owners under and in accordance with the Deed of Covenant and Mutual Grant.
- 3. To pay and discharge all existing and future Government rents taxes rates assessments and outgoings of every kind and description for the time being assessed or payable in respect of that part of the Estate owned by him and to indemnify the other owners from and against all liability therefor.
- 4. (a) To keep the interior of such part of the Estate of which he is the owner and all the wiring plumbing and other services therein or serving exclusively such part of the Estate in good repair and condition and to maintain the same in a manner consistent with the preservation of the Estate as a whole.
 - (b) Not to obstruct or to permit or suffer any act or thing which might impede the access to and escape from the roof of any building within the Estate or any part thereof in the event of fire or for any purposes authorized by this Deed.
- 5. To be responsible for and indemnify the Manager the Authority and all other owners and occupiers against all actions proceedings costs claims and demands whatsoever arising out of or in respect of any loss or damage to any person or property caused by or as a result of the act or negligence of any occupier of any part of the Estate of which he is the owner or any person using such part of the Estate with his consent express or implied or by or through or in any way due to the overflow of water or the escape of electricity or gas therefrom.
- 6. To be responsible to the Manager, the Authority and the other owners for the acts and omissions of all persons occupying or visiting any part of the Estate of which he is the owner or using the same with his consent express or implied and to pay all costs charges and expenses incurred in repairing or making good any loss or damage caused by the act neglect or default of all such persons. In the case of loss or damage which the Manager is obliged under the terms of this Deed to make good or repair such costs charges and expenses shall be recoverable by the Manager as hereinbefore provided and in the case of loss or damage suffered by the Authority or other owners or occupiers of the Estate which the Manager is not responsible to repay or make good such costs charges and expenses together with all other damages recoverable by law shall be recoverable by the person or persons sustaining the loss or damage.
- 7. (a) All notices required to be served upon the Manager shall be properly served if sent by registered post to the office of the Manager in the Estate.
 - (b) Any owner who is not residing in his unit shall give his current address for service of notices to the Manager.
 - (c) Any owner who does not live in the jurisdiction of the Hong Kong Special Administrative Region must provide the Manager with an address for service within the jurisdiction.

- 8. In the event of any change of ownership whether by sale assignment mortgage charge or otherwise to notify the Manager in writing of the change within 14 days from the date of such change.
- 9. To observe perform and comply with all the covenants conditions and provisions of the said lease, this Deed, the House Rules and the Deed of Covenant and Mutual Grant.
- 10. To observe and comply with any by-laws made from time to time under the provisions of the Housing Ordinance (Cap.283) it being agreed and declared that in the event of any conflict between the provisions of this Deed and the said by-laws the said bylaws shall prevail.
- 11. Not to make any structural alteration to any part of the Estate of which he is the owner without the prior permission of the Manager nor make any structural alteration which will interfere with or affect the right of any other owners nor cut injure damage alter or interfere with any part or parts of the Estate in common use or any of the sewers drains water-courses conduits pipes cables wiring fixtures equipment apparatus or services of the Estate.
- 12. (a) Not to use or permit or suffer any unit of which he is the owner to be used for any purpose whatsoever except in accordance with the said lease, this Deed and any Ordinances and Regulations from time to time applicable thereto.
 - (b) In respect of any unit which is subject to the terms covenants and conditions mentioned in the Schedule to the Housing Ordinance (Cap. 283) and any amendments thereto, to ensure that such unit of which he is the owner shall be occupied by himself and all the members of his family named in his offer to purchase units sold under the Tenants Purchase Scheme provided if in respect of such owner, no offer to purchase units sold under the Tenants Purchase Scheme had been made then the owner shall ensure that such unit shall be occupied by himself and all the immediate members of his family.
- 13. (a) Not to use or permit or suffer any part of the Estate of which he is the owner to be used for any illegal or immoral purpose nor cause or permit or suffer to be done any act or thing in any such part of the Estate which may be contrary to or in breach of any relevant Ordinance Regulation or by-law or the covenants terms and conditions under which the said land is held or which may be or become a nuisance or annoyance to or cause damage to other owners and occupiers of the Estate.
 - (b) Not to put or place any dust and refuse bins, furniture or chattels or any other things in the corridors, lifts, staircases, fire escape routes or other common parts of the said land or the Estate.
 - (c) Not to place or permit or suffer any obstruction to be placed in any of the Emergency Vehicular Access or other common parts of the Estate.
- 14. Subject to Clause I(d)(8) hereof, not to exhibit in or upon any part of the Estate any

name writing drawing sign-board plate advertisement or placard of any kind PROVIDED that this Clause shall not apply to the exhibition of the owner's or occupier's name in places specifically provided therefor in the entrance halls (if any) and outside each unit.

- 15. Subject to Clause I(d)(8) hereof, not to do or permit or suffer to be done anything which would in any way alter the facade or external appearance (including the paint or colour thereof) of any building in the Estate or of the balcony or main door of any premises in any such building.
- 16. Not to do or permit or suffer to be done any act or thing whereby any insurance on the Estate or any part thereof may become void or voidable or whereby the premium for any such insurance may be increased and in the event of any breach of this Clause in addition to any other liability incurred thereby to pay the amount of any increase in premium caused by or on account of such breach.
- 17. Not at any time to exercise or attempt to exercise any statutory or common law right to partition the Estate or any part thereof.
- 18. Not to use or permit or suffer to be used any unit within the Residential Accommodation as a guest house ballroom cabaret or discotheque dance-hall or bar of any kind nursery gymnasium school clinic hotel office or for any religious gathering tutorial or cooking classes or any other business or any commercial or industrial purpose whatsoever.
- 19. Not to use in the Estate any fuel other than town gas liquefied petroleum gas natural gas kerosene or other conventional liquid fuel with a sulphur content not exceeding one half of one per centum by weight and a viscosity of not more than 6 centistokes at 40 degrees Celsius or a conventional solid fuel with a sulphur content not exceeding one per centum by weight.
- 20. Not to interfere with or remove any trees growing on the said land or adjacent thereto.
- 21. Not to use or permit or suffer the use of any rock crushing plant on the said land.
- 22. Not to use or permit or suffer to be used any planter and/or planter box appertaining to a unit for any purpose other than for planting flowers and plants, and in particular, no other objects or articles shall be allowed to be placed or stored in such planters and/or planter boxes, and in no event shall the maximum loading of such planters and planter boxes be exceed.

THE FOURTH SCHEDULE ABOVE REFERRED TO (CLAUSE 5(c)(2)) HOUSE RULES

- 1. No owner or occupier may use any portion of the Estate except within the Parking Areas and with the permission of the owner thereof for car-parking or bicycle parking purposes unless authorized to do so by the Manager.
- 2. Each owner shall ensure that his guests do not use any part of the Estate except within the Parking Areas and with the permission of the owner thereof for carparking or bicycle parking purposes unless authorized to do so by the Manager.
- 3. No owner or occupier may use or employ an employee of the Manager for his own private or business purposes whether within or outside the Estate.
- 4. Subject to Clause 5(c)(33) hereof, no owner or occupier may attach or hang any radio or television aerial to or from the exterior of any building within the Estate.
- 5. Refuse shall be disposed of in such manner as the Manager shall direct, subject to the satisfaction of the Director of Lands.
- 6. (a) Subject to Clause 1 (d)(8) hereof, no external shades awnings or window guards may be used in or about any building within the Estate and no owner may paint the outside of any building or any part thereof nor alter the exterior window glass nor do any other act or thing which would alter or affect the external appearance of any building except such as may have been approved in writing by the Manager.
 - (b) No owner or occupier may place install exhibit or affix any flower-pot frames or cage on or at any window or on or upon any part of the exterior of any building within the Estate.
 - (c) No clothing or laundry may be hung outside any unit (other than in the spaces specifically provided therefor) or in the common parts of the Estate.
- 7. Subject to Clause 1(d)(8) hereof, no sign signal advertisement or illumination may be inscribed or exposed on or at any window or other part of any building within the Estate nor may any unauthorized object be projected out of any window or balcony of any building except with the prior consent of the Manager who may in granting such consents impose such conditions as he deems fit.
- 8. No air conditioning unit may be installed on or through the external wall of any part of any building within the Estate except in the apertures provided unless with the specific written permission of the Manager who may when giving consent impose such conditions including but not be limited to the taking of measures to avoid condensation dripping onto premises below or to avoid excessive noise.
- 9. The common halls stairways and lifts of all buildings within the Estate are not for play.

Any damage to any part of any building within the Estate or discolouration of the walls or decorations in or of any building shall be paid for by the person or persons who cause such damage or discolouration or by the owner or occupiers of such part of the Estate in which such person or persons reside or are visiting.

- 10. No articles or obstruction may be placed in any of the common parts of the Estate or any building therein or in any of the Emergency Vehicular Access.
- 11. Each owner or occupier shall keep such part of the Estate owned or occupied by him in a good state of preservation and cleanliness and shall be responsible for ensuring that no dirt refuse waste or other matter is dropped from or thrown or swept outside the same on to the common parts or on to any part of the Estate.
- 12. No owner may do or suffer or permit to be done anything whereby the flush or drainage system of any building within the Estate may be clogged or the efficient working thereof impaired.
- 13. Water-closets and other water apparatus in any building within the Estate may not be used for any purpose other than those for which they were constructed nor may any sweepings refuse rags or any other articles be deposited in the same. Any damage resulting from misuse of any water-closets or apparatus shall be paid for by the owner or occupier of such part of the Estate in which it shall have been caused.
- 14. No owner or occupier may make or permit to be made any disturbing noise in any building within the Estate or do or permit anything to be done in any building which interferes with the rights comfort or conveniences of other owners or occupiers. No owner or occupier may play or permit or suffer to be played mahiong or any musical instrument or permit or suffer to be operated any wireless television or recording equipment in such part of the Estate owned or occupied by him between the hours of eleven o'clock p.m. and the following seven o'clock a.m. so as to disturb or annoy other occupants of any building.
- 15. No animal, bird or livestock of any description may be brought or kept upon any part of the Estate or the common parts of any building therein without the prior written consent of the Manager.
- 16. Any consent or approval given under the House Rules by the Manager may be revoked at any time.
- 17. Each owner or occupier shall be responsible, upon notification by the Manager, to repair any defective drains, outlets or connections to any water-closets or other water apparatus in such part of the Estate owned or occupied by him and shall be responsible for any damage to any other part of the Estate resulting from the disrepair of the said drains, outlets and connections.
- 18. No owner or occupier may obtain or cause to be obtained any water from any supply pipe installed in the common parts for cleaning or washing private cars or vehicles of any description.

- 19. No owner shall place on any part of the floors of the Estate any article, machinery, goods or merchandise which may cause the maximum floor loading-bearing capacity thereof (as specified on such floor) to be exceeded and in the event of breach of this covenant the owner in default shall make good any damage caused thereby to that part of the Estate or any fixtures and fittings therein.
- 20. No owner shall permit or suffer to be erected, affixed, installed or attached in or on or at the door or doors or entrance or entrances of any unit any metal grille or shutter or gate which shall in any way contravene the regulations of the Fire Services Ordinance (Cap. 95) or other competent authority concerned from time to time in force and/or which may in any way impede the free and uninterrupted passage over, through and along any of the common parts and the design of any metal grille or shutter or gate shall, prior to the installation thereof, first be submitted to the Manager for its approval in writing and the subsequent installation shall follow strictly the approved design and any conditions that may be imposed.
- 21. No owner shall store or permit to be stored in any unit any hazardous, dangerous, combustible or explosive goods or materials except such as may be reasonably required for the purpose of domestic cooking and heating.
- 22. All complaints touching or concerning the Estate or any part thereof shall be made in writing to the Manager.

THE FIFTH SCHEDULE ABOVE REFERRED TO (CLAUSE 8) USE OF THE MAINTENANCE FUND

The Maintenance Fund will be used exclusively in respect of major maintenance works (as opposed to the routine servicing, repair and improvement works) as the Manager may deem necessary to the common parts (including the external walls and roofs) and common fittings (including service pipes and drainage) whether passing through an owner's unit or otherwise as listed below:

- Re-decoration of common parts
- Repair to and replacement of roofing
- Re-plumbing of common parts
- Structural repairs after the expiry on 1st April 2005 of the 7 year structural guarantee offered by the Authority
- Repair to and replacement of underground drainage
- Repair to and replacement of doors, windows, railing, floor tiles and wall tiles in common parts
- Repair to and replacement of play equipment and safety mat
- Repair to and replacement of gas pipes
- Repair to and replacement of water pipes inside domestic units
- Repair to and replacement of external mosaic tiles
- Repair to and replacement of pipes in pipe-ducts
- Repair to and replacement of external paving
- Repair to and replacement of fencing, recreational and landscaping features
- Repair to and replacement of covered walkway
- Repair to and reconstruction of the Estate Roads including road surface and road furniture
- Annual engineering inspection of slopes undertaken by geotechnical consultant and repair to slopes
- Rewiring and reinforcement of electrical installation
- Repair to and replacement of fire services installation
- Repair to and replacement of security system
- Repair to and replacement of water pump
- Repair to and replacement of lift
- Repair to and replacement of lighting installation
- Repair to and replacement of Communal Aerial Broadcast Distribution system
- Any other major maintenance works that are required to maintain the Estate in a
- good and serviceable condition as agreed by the Manager

IN WITNESS whereof the parties hereto have hereunto set their hands and seals the day and year first above written.

SIGNED SEAL	LED AND DELIVERED by	<i>(</i>)	_
for and on beha	lf of the Hong Kong Housin	ng)	
Authority duly	authorized under and by) }	
virtue of Sectio	n 10 of the Housing	,	·
Ordinance (Cap	2.283) in the presence of:-)	
SIGNED SEAL	LED AND DELIVERED b	by)	
the First Purcha	ser (he having been identifie	ed)	
by the production	on of his Hong Kong Identit	ty)	
Card No.)in the presence of :-)	

INTERPRETED to the First Purchaser by:

7

THE HONG KONG HOUSING AUTHORITY

AND

DEED OF MUTUAL COVENANT

in respect of
THE REMAINING PORTION OF
ABERDEEN INLAND LOT NO. 443
(WAH KWAI ESTATE)

REGISTERED at the Land Registry

by Memorial No.

on

for Land Registrar

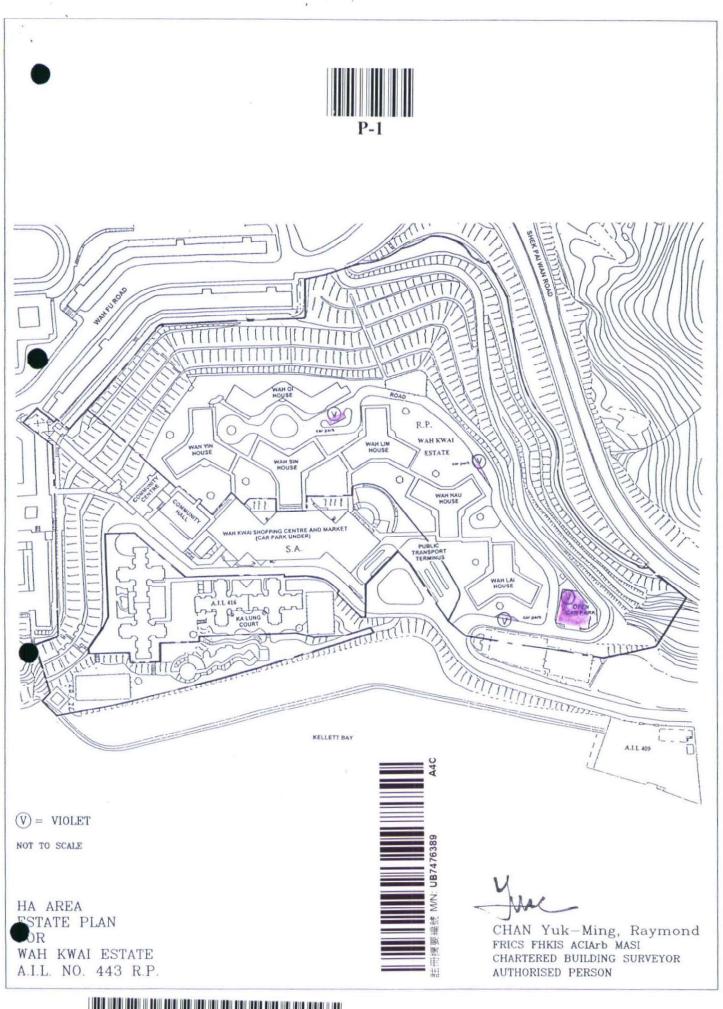
REGISTERED in the Land Registry by Memorial No. 7476389 on 9 May 1998

for Land Registrar

W. K. TO & CO.

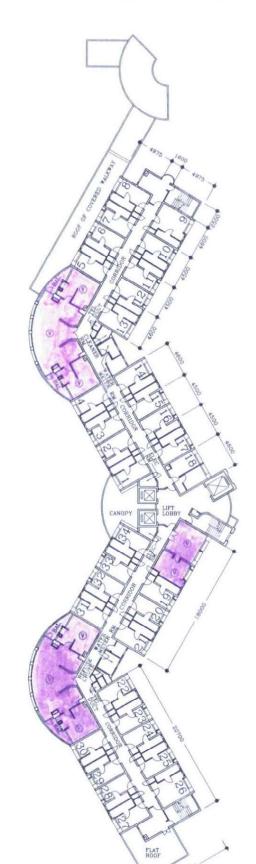
Solicitors & Notaries
11th Floor, Wheelock House
20 Pedder Street, Central
Hong Kong

Our Ref. :T/98-23868 C:\Salinda\Wah-Kwai\dmc1.doc





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NOT TO SCALE

HA AREA
1ST FLOOR PLAN
FOR BLOCK 6
WAH OI HOUSE
WAH KWAI ESTATE
A.I.L. NO. 443 R.P.

Juc

CHAN Yuk-Ming, Raymond FRICS FHKIS ACIARD MASI CHARTERED BUILDING SURVEYOR AUTHORISED PERSON

m/n7476389

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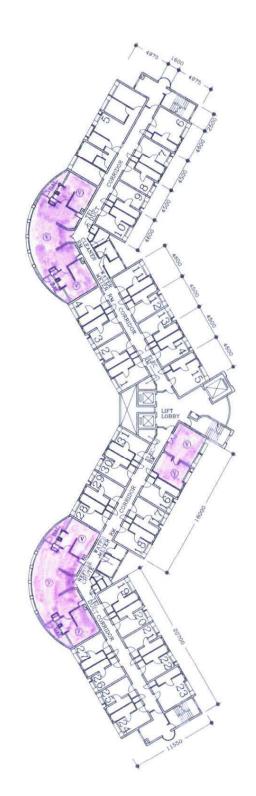
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HA EA
2ND FLOOR PLAN
FOR BLOCK 6
WAH OI HOUSE
WAH KWAI ESTATE
A.I.L. NO. 443 R.P.

CHAN Yuk-Ming, Raymond FRICS FHKIS ACIARD MASI CHARTERED BUILDING SURVEYOR AUTHORISED PERSON

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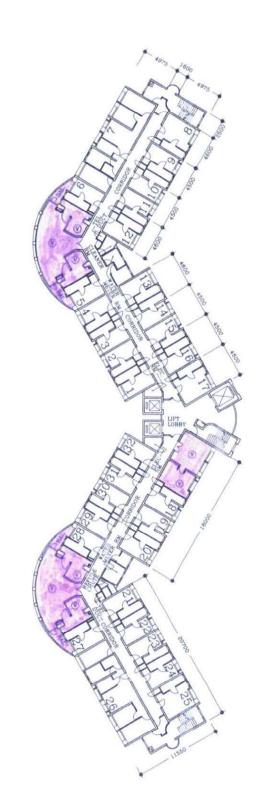
HAREA
3RD FLOOR PLAN
FOR BLOCK 6
WAH OI HOUSE
WAH KWAI ESTATE
A.I.L. NO. 443 R.P.

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CHAN Yuk-Ming, Raymond FRICS FHKIS ACIARD MASI CHARTERED BUILDING SURVEYOR AUTHORISED PERSON

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HA REA
4TH FLOOR PLAN
FOR BLOCK 6
WAH OI HOUSE
WAH KWAI ESTATE
A.I.L. NO. 443 R.P.

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CHAN Yuk-Ming, Raymond FRICS FHKIS ACIARD MASI CHARTERED BUILDING SURVEYOR AUTHORISED PERSON

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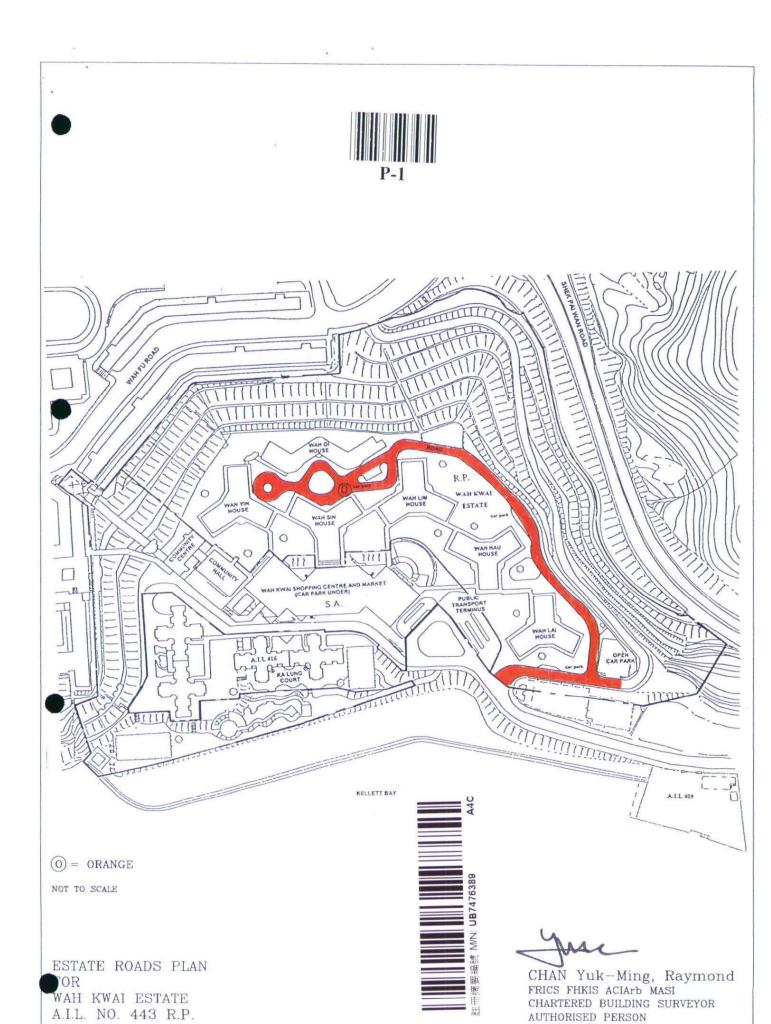
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CHAN Yuk-Ming, Raymond FRICS FHKIS ACIArb MASI CHARTERED BUILDING SURVEYOR AUTHORISED PERSON



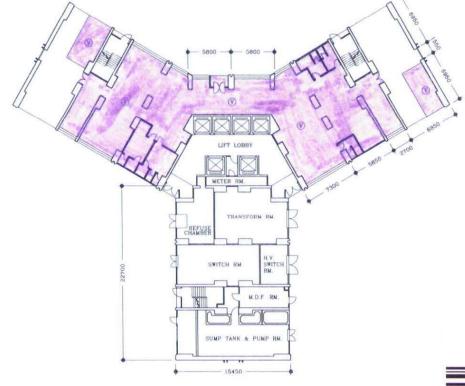


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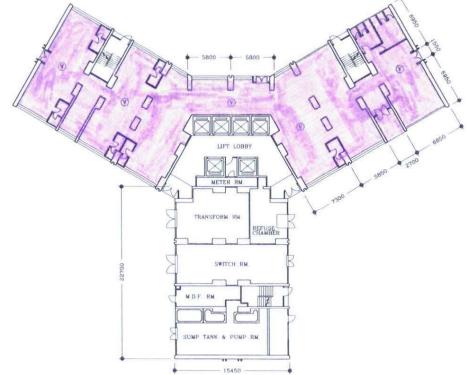
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HA EA GROUND FLOOR PLAN FOR BLOCK 1 WAH LAI HOUSE WAH KWAI ESTATE A.I.L. NO. 443 R.P.

CHAN Yuk-Ming, Raymond FRICS FHKIS ACIARD MASI CHARTERED BUILDING SURVEYOR AUTHORISED PERSON

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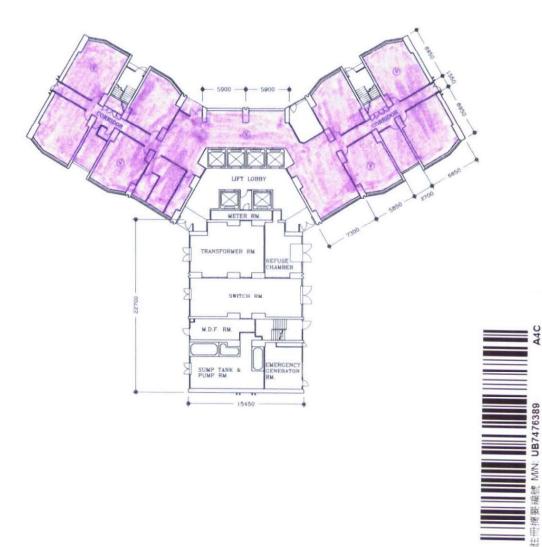
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HA EA GROUND FLOOR PLAN FOR BLOCK 2 WAH HAU HOUSE WAH KWAI ESTATE A.I.L. NO. 443 R.P. Your

CHAN Yuk-Ming, Raymond FRICS FHKIS ACIARD MASI CHARTERED BUILDING SURVEYOR AUTHORISED PERSON

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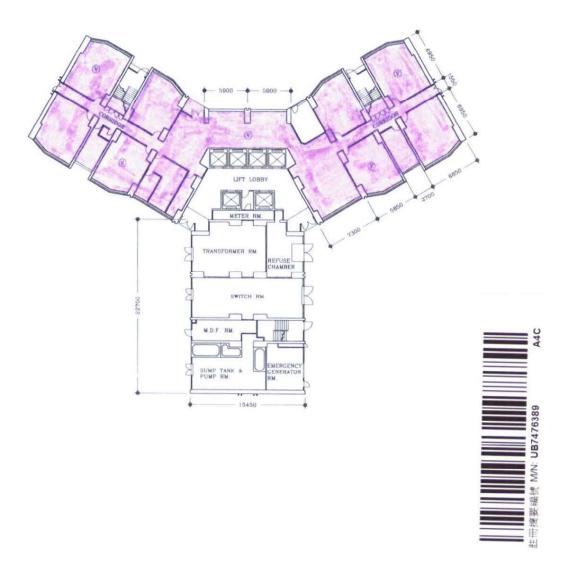
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HA EA GROUND FLOOR PLAN FOR BLOCK 4 WAH SIN HOUSE WAH KWAI ESTATE A.I.L. NO. 443 R.P. Jun

CHAN Yuk-Ming, Raymond FRICS FHKIS ACIArb MASI CHARTERED BUILDING SURVEYOR AUTHORISED PERSON

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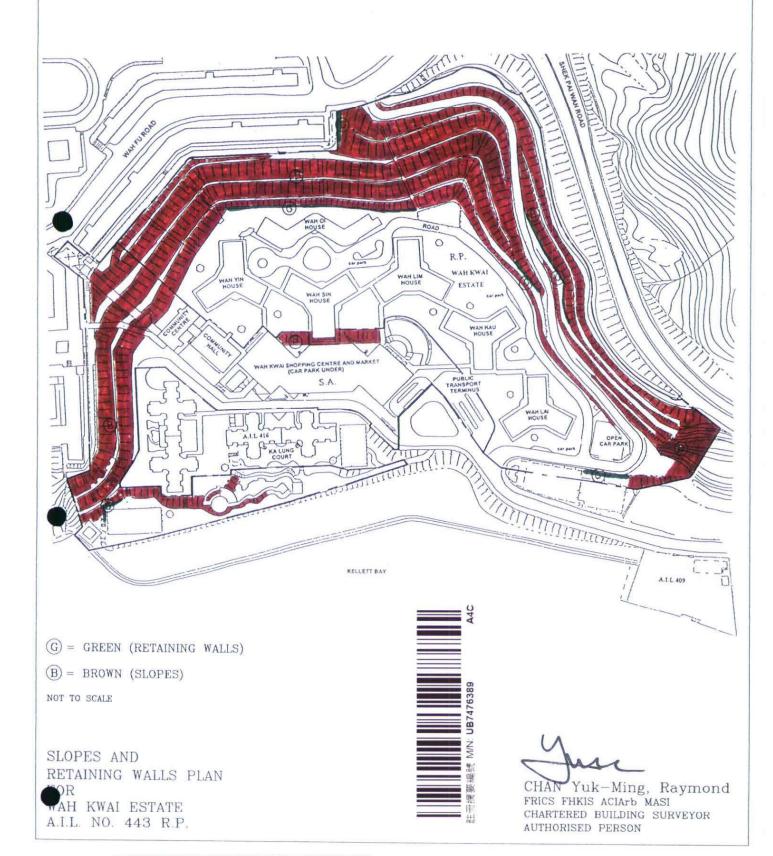
HA EA GROUND FLOOR PLAN FOR BLOCK 5 WAH YIN HOUSE WAH KWAI ESTATE A.I.L. NO. 443 R.P. June

CHAN Yuk-Ming, Raymond FRICS FHKIS ACIArb MASI CHARTERED BUILDING SURVEYOR AUTHORISED PERSON





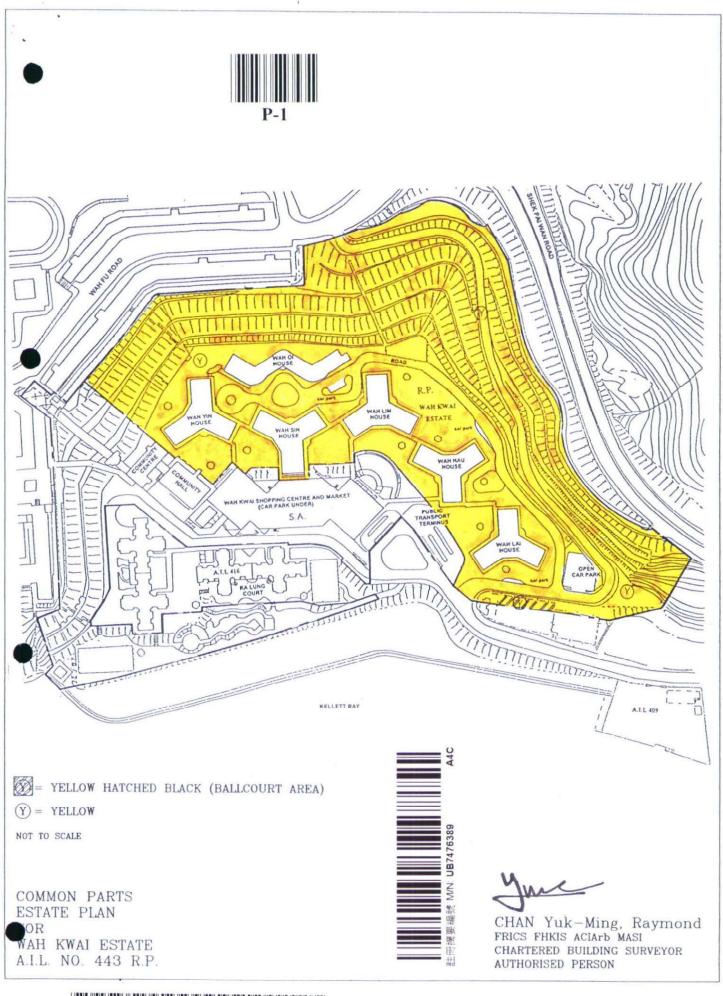






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