

Dated the _____ day of _____

MTR CORPORATION LIMITED
(香港鐵路有限公司)
as the registered owner

and

[_____]
as the Purchaser

and

[_____]
as the Manager

PRINCIPAL DEED OF MUTUAL COVENANT
and
MANAGEMENT AGREEMENT
in respect of
ABERDEEN INLAND LOT NO.467

(Draft 14: 23 June 2022)

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PRINCIPAL DEED OF MUTUAL COVENANT AND MANAGEMENT AGREEMENT

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Date

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EXECUTION

- (b) making provisions for the management of the Land and the Development; and
- (c) appointing [] as the Manager to exercise the powers and perform the duties on its part for the periods and on the terms and conditions herein contained.

Approval

- 5. The Director has given his approval to this Deed in accordance with the Government Grant.

OPERATIVE PARTS

NOW THIS DEED WITNESSETH that the parties hereto have agreed and **DO HEREBY COVENANT** with each other as follows to the intent that this Deed shall enure to the benefit of and shall bind each of them and their respective successors in title and assigns and persons deriving title under or through them or any of them and all persons who may hereafter during the Term become an Owner.

SECTION B

DEFINITIONS

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

- “Approved Plans”** means the general building plans and specifications in respect of the Development or in respect of any part or parts of the Development approved by the Building Authority pursuant to Special Condition No.(22)(a) of the Government Grant from time to time and includes any amendment, modification or substitution thereto as approved by the Building Authority;
- “Balcony”** means each of the balconies forming part of a Residential Unit as specified in any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant and for the avoidance of doubt includes any glass, light fittings, acoustic panels/ceilings, metal grilles and balustrades and other materials enclosing the balcony, the handrails of the balcony and the plaster of and the finishes of the ceiling of the balcony below the concrete slab and any other fixtures at the balcony;
- “Building Rules”** means the Building Rules prescribed for the time being pursuant to Section K of this Deed as varied or modified from time to time;
- “Car Park”** means those parts of the Estate constructed or to be constructed for the purpose of the parking, loading and unloading of motor vehicles or motor cycles but excluding any part of the Commercial Development and any

parking space and loading and unloading bay or space which form part of the Government Accommodation;

“Car Parking Space”

means a Unit situate in the Car Park;

“Club House”

means such part of the Private Recreational Facilities constructed or to be constructed in accordance with the Approved Plans for use by residents of the Residential Development or any part thereof and their bona fide visitors as a club house from time to time, and for the avoidance of doubt, includes the central clubhouse forming part of the Residential Development Common Areas;

“Club Rules”

means the rules and regulations including any payment or charge as may be imposed made revoked or amended by the Manager from time to time relating to a Club House and the use management operation and maintenance of a Club House;

“Commercial Development”

means the Commercial Accommodation as defined in Special Condition No.(48)(b) of the Government Grant constructed or to be constructed within Site C in accordance with Approved Plans for commercial and/or retail use and accommodation ancillary thereto, and for the avoidance of doubt, includes the Public Open Space (as defined in Special Condition No.(43)(a) of the Government Grant), part of the covered pedestrian walkway provided under Special Condition No.(59)(c) of the Government Grant, the spaces for parking of motor vehicles and motor cycles belonging to the occupiers of the Commercial Development and their bona fide guests, visitors and invitees, the spaces for loading and unloading of goods vehicles designated for use by the Commercial Development and the associated driveways and circulation areas, all structural columns within and appertaining to the Commercial Development and as more particularly described in the Sub-Deed of Mutual Covenant or the Sub-Sub-Deed of Mutual Covenant to be executed in respect of Site C;

“Common Areas”

means (i) the Estate Common Areas, (ii) the Residential Development Common Areas and (iii) those parts of Estate which are designated as common areas for the sole benefit of the Owners of a particular Phase or a group or groups of Owners of a particular Phase (including common areas which may exist in the other Phase(s)) in and more particularly identified on plans to be annexed to any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll to be executed pursuant to this Deed but excluding those parts of the Estate, the Residential Development, the Commercial Development or the Car Park which belong to the Owner of any particular Unit;

“Common Services and Facilities”

means (i) the Estate Common Services and Facilities, (ii) the Residential Development Common Services and Facilities and (iii) those services and facilities of the Estate as are designated as common services and facilities for the sole benefit of the Owners of a particular Phase or a group or groups of Owners of a particular Phase (including common services and facilities which

may exist in the other Phase(s)) in any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll to be executed pursuant to this Deed excluding those services and facilities which belong to the Owner of any particular Unit;

- “Deed”** means this Deed as may be amended or varied from time to time;
- “Deed Poll”** means any such deed or deeds or supplemental deed or deeds to be made by MTR for the purpose of allocating Shares to any Phase or any part thereof and/or the Station and/or the Depot and/or allocating the Management Units to any Units, and for the avoidance of doubt, includes any supplemental Deed Poll referred to in Clause 3(j) of Part II of the Second Schedule to this Deed and such other deed or document of a similar nature;
- “Depot”** means the Wong Chuk Hang Depot (as defined in Special Condition No.(46)(b) of the Government Grant) constructed on or within the Wong Chuk Hang Depot Site (as defined in Special Condition No.(1)(g) of the Government Grant) of the Land comprising, maintenance depot, railway workshop and accommodation ancillary thereto, together with the spaces provided within the Wong Chuk Hang Depot Site for the parking, manoeuvring, loading and unloading of motor vehicles for the operational needs of the Wong Chuk Hang Depot as referred to in Special Condition No.(70) of the Government Grant; for the avoidance of doubt, the following shall not form part of the Depot: all utilities, services, trenches, pits and facilities which serve the Station or the Estate or any part thereof, and all finishes of the Station and the Estate;
- “Development”** means the entire development constructed or to be constructed upon the Land in phases in accordance with the Government Grant and the Approved Plans and intended to be known as **“THE SOUTHSIDE (港島南岸)”** comprising the Station, the Depot and the Estate;
- “Development Owners’ Committee”** means a committee of the Owners of the Development established under the provisions of Clause 2 of Section G of this Deed;
- “Director”** means the Director of Lands from time to time;
- “Estate”** means all parts of the Development other than the Station and the Depot, including without limitation the Government Accommodation, the Residential Development, the Commercial Development, the Car Park, the Common Areas and the Common Services and Facilities; for the avoidance of doubt, the Estate includes all utilities, services, trenches, pits and facilities which serve the Estate or any part thereof and all the finishes of the Estate;
- “Estate Common Areas”** means those parts of the Estate which are intended for use by Owners of more than one Phase and not for the sole benefit of any Owner, group of Owners or Owners of a particular Phase including, but not limited to, the Utility Trenches, the Future Footbridge Associated Structures (as defined in Special Condition No.(12)(b) of the Government Grant), the Passage Area, such part

of the Pedestrian Link located outside the Land (which are included in this definition solely for management and maintenance purposes), part of the covered pedestrian walkway provided under Special Condition No.(59)(c) of the Government Grant (which solely for management and maintenance purposes, including those part of the covered pedestrian walkway located outside the Land), parapet walls, structural walls and columns, the foundations and other structural elements of the buildings erected on the Estate serving more than one Phase (but excluding those forming part of the Station or the Depot), common estate roads, and all other communal areas within the Estate not used for the sole benefit of any Owner, group of Owners or Owners of a particular Phase (but excluding those areas forming parts of the Residential Development Common Areas or the Common Areas of a particular Phase as designated or to be designated in the Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll to be executed in connection with such Phase). The Estate Common Areas shall be more particularly identified on plans to be annexed to any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll to be executed in connection with any Phase;

“Estate Common Services and Facilities”

means those services and facilities constructed or to be constructed in on or under the Estate and which serve more than one Phase and not for the sole benefit of any Owner, group of Owners or Owners of a particular Phase including, but not limited to, any installations, systems, plant, equipment, apparatus, fittings, services and facilities used or installed in or for the benefit of more than one Phase as part of the amenities thereof and not for the sole benefit of any Owner or Owners of a particular Phase (but excluding those services and facilities forming parts of the Residential Development Common Services and Facilities or the Common Services and Facilities of a particular Phase designated or to be designated in the Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll to be executed in connection with such Phase);

“First Assigned Premises”

means [] of the Development;

“Fitting Out Rules”

means any rules, regulations or procedures as the Manager may make, revise, amend or implement from time to time pursuant to Section K of this Deed for the fitting out, decoration and alteration of a Unit;

“FSI”

means The Financial Secretary Incorporated being a corporation sole incorporated under and by virtue of The Financial Secretary Incorporation Ordinance (Cap.1015 of the Laws of Hong Kong) and the expression “FSI” shall mean FSI in its capacity as the Owner of the Government Accommodation and if the context so permits the successors and assigns of FSI as Owner of the Government Accommodation;

“Government”

means the Government of Hong Kong;

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| “Government Accommodation” | means collectively the Hostel and the Rehabilitation Services Centre as respectively defined in Special Conditions No.(29)(a)(i) and (29)(a)(ii) of the Government Grant each together with any other areas, facilities, services and installations exclusive thereto as the Director may in his absolute discretion determine constructed and to be constructed on the Land as part of the Development pursuant to Special Condition No.(29) of the Government Grant; |
| “Government Grant” | means the Conditions of Exchange registered in the Land Registry as Conditions of Exchange No.20304 as may be varied or modified from time to time; |
| “GPA” | means the Government Property Administrator of the Government Property Agency of 9 th Floor, South Tower, West Kowloon Government Offices, No.11 Hoi Ting Road, Yau Ma Tei, Kowloon, Hong Kong and shall include its successors-in-title and any other officer or department of the Government or any government or administrative authorities holding or bearing whatever title or office who or which may at any time and from time to time take up and/or replace and/or assume and/or exercise, in whole or in part, any function or role of the Government Property Administrator; |
| “Green Area” | means those portions of public roads laid and formed and future public roads to be laid and formed by MTR at the area shown coloured green on Plan Ia annexed to the Government Grant pursuant to Special Condition No.(13)(a)(i)(I) of the Government Grant; |
| “Gross Floor Area” | means the gross floor area as defined in Special Condition No.(87)(a) of the Government Grant, whether exempted or not; |
| “Hong Kong” | means the Hong Kong Special Administrative Region of the People’s Republic of China; |
| “Insured Risks” | means loss or damage by or in consequence of fire, earthquake, landslip, subterranean fire; bursting or overflowing of water tanks, apparatus or pipes; riot or civil commotion, strikes, labour or political disturbances; the action of malicious persons; explosion (including explosion of boilers and other heating or ventilation apparatus); lightning, thunderbolt, storm, tempest, typhoon, floods; impact by any road vehicle, aircraft or other aerial device or articles dropped therefrom; accidental damage to underground pipes and cables; and such other risks as the Manager in its sole discretion may from time to time decide; |
| “Items” | means (i) the external finishes of the Government Accommodation and the structure of all walls, columns, beams, ceilings, roof slabs, carriageway or floor slabs and any other structural elements of, in, around, within, above and below the Government Accommodation; (ii) all lifts, escalators and stairways serving the Government Accommodation and the remainder of the Development; (iii) all building services installations, plant and equipment (including but not limited to portable and non-portable fire services |

installation equipment) forming part of the system serving the Government Accommodation and the remainder of the Development; and (iv) all other common parts and facilities serving the Government Accommodation and the remainder of the Development as referred to in Special Condition No.(42)(a) of the Government Grant;

“Land” means all that piece or parcel of land registered at the Land Registry as **Aberdeen Inland Lot No.467**;

“maintain” means repair, uphold, support, rebuild, renew, upgrade, renovate, overhaul, pave, purge, scour, cleanse, empty, amend, keep, tend, replace, decorate and paint or such of the foregoing as may be applicable in the circumstances and in the interest of good estate management and **“maintenance”** shall be construed accordingly;

“management” means all or any of the activities normally associated with management including without limitation operation, servicing, cleaning, enhancement, maintenance, repair, renovation, decoration, improvement, replacement, security, insurance and all duties and obligations to be performed and observed by the Grantee (as defined in the Government Grant) in relation to the Estate including the Items (other than the Units) or any area outside the boundary of the Land pursuant to or under the Government Grant (save and except those duties and obligations which are required to be performed and observed by MTR as the original grantee of the Land only excluding its successors and assigns under the Government Grant) and all duties and obligations to be performed and observed by the Manager as herein provided and **“manage”** shall be construed accordingly;

“Management Charges” means the monthly charges and other costs, charges, expenses and contributions calculated in accordance with the provisions of Section J of this Deed;

“Management Units” means the Management Units from time to time attributable to the Units as set out in any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll;

“Manager” means as the context requires :-

- (i) []; or
- (ii) such other person, firm or company as may be appointed by the Owners pursuant to Section H of this Deed;

who for the time being, is for the purpose of this Deed or any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant managing the Estate;

“Manager’s Remuneration” means the Manager’s remuneration calculated in accordance with Clause 4 of Section H of this Deed and forming part of the Management Charges;

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| “Mass Transit Railway” | means the Mass Transit Railway as defined in Section 2 of the Mass Transit Railway Ordinance (Cap.556 of the Laws of Hong Kong); |
| “Mass Transit Railway Structures and Installations” | means any structures, facilities or installations or tunnels in relation to the Mass Transit Railway as referred to in Special Condition No.(89)(a) of the Government Grant; |
| “Non-enclosed Areas” | means the Balconies and the Utility Platforms respectively forming part of the Residential Units to be more particularly identified in the Sub-Deeds of Mutual Covenant or Sub-Sub-Deeds of Mutual Covenant and the covered areas underneath such Balconies and Utility Platforms; |
| “Occupation Permit” | means any occupation permit (whether temporary or otherwise) issued by the Building Authority in respect of the Development or any part of the Development; |
| “Ordinance” | means the Building Management Ordinance (Cap.344 of the Laws of Hong Kong) as amended or varied from time to time or any legislation replacing the Building Management Ordinance; |
| “Owner” | means each person in whom for the time being any Share is vested and appears from the records at the Land Registry to be the owner of such Share (collectively the “Owners”) and every joint tenant or tenant in common of any Share, and (where any such Share has been assigned or charged by way of mortgage or charge) includes both the mortgagor or chargor, and the mortgagee or chargee in possession of or having foreclosed such Share PROVIDED THAT (subject to the provisions of the mortgage or charge) the voting rights attached to such Share by the provisions of this Deed is exercisable only by the mortgagor or chargor unless the mortgagee or chargee is in possession of or has foreclosed or has appointed a receiver to manage such Share; |
| “Owners’ Corporation” | means the corporation of the Owners of the Development incorporated under Section 8 of the Ordinance; |
| “Owners’ Sub-Committee” | means a committee of the Owners of each Phase to be established under the provisions of the relevant Sub-Deed of Mutual Covenant of each Phase; |
| “Party Wall” | means an internal wall which divides two Units; |
| “Passage Area” | means the Passage Area as defined in Special Condition No.(61)(a) of the Government Grant; |
| “Pedestrian Link” | means the pedestrian ways or paths provided or to be provided within or outside the Land pursuant to Special Condition No.(59)(a) of the Government Grant; |
| “Phase” | means an integral part of the Estate (including any part of the Common Areas and/or Government Accommodation) to be constructed on the Land to which Shares are allocated pursuant to a Sub-Deed of Mutual Covenant or Sub-Sub- |

Deed of Mutual Covenant or Deed Poll to be executed under Clause 2 of Section C of this Deed;

- “Phase 1”** means that part of the Estate constructed or to be constructed on such portion or portions or strata or stratum of the Land as shown and marked “SITE A” on Plan Ic annexed to the Government Grant (as may be replaced by the detail boundary plan(s) as referred to in Special Condition No.(7) of the Government Grant approved by the Director and registered in the Land Registry from time to time) and referred to in the Government Grant as Site A;
- “Private Recreational Facilities”** means the recreational facilities and facilities ancillary thereto (including but not limited to the Club Houses) as are approved by the Director pursuant to the provisions of Special Condition No.(55)(a) of the Government Grant which now are or may at any time during the Term be provided for the benefit of the residents of Units in the Residential Development or a part or parts of it and their bona fide visitors;
- “Residential Development”** means those parts of the Estate constructed or to be constructed in accordance with the Approved Plans for residential use and accommodation ancillary thereto;
- “Residential Development Common Areas”** means those parts of the Estate intended for the common use and benefit of the Owners of the Residential Development in more than one Phase and not for the sole benefit of any Owner or group of Owners of the Residential Development in a Phase, including but not limited to the greenery areas identified as “Greenery at Primary Zone for Wong Chuk Hang (WCH) Comprehensive Development Area (CDA) Site” on the Approved Plans, parking spaces for disabled persons provided pursuant to Special Condition No.(68)(c)(i) of the Government Grant, the central clubhouse, the central greenery, estate roads, roundabout, footpaths, lightings, covered walkways, street hydrants, signage, landscaping, gullies, manholes, drainage pits, lift pits, draw pits and other road furniture, parapet walls, structural walls and columns within or appertaining to the Residential Development in more than one Phase and other areas to be designated as common areas of and for the common use and benefit by the Owners of the Residential Development in more than one Phase by MTR at any time hereafter in and more particularly identified on plans to be annexed to any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll to be executed pursuant to this Deed (but excluding those areas forming parts of the Estate Common Areas or the Common Areas of a particular Phase as designated or to be designated in the Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll to be executed in connection with such Phase);
- “Residential Development Common Services and Facilities”** means those services and facilities constructed or installed or to be constructed or installed in on or under the Estate and which serve the Residential Development in more than one Phase and not for the sole benefit of any Owner or group of Owners of the Residential Development in a Phase

and any other services and facilities to be designated as common services and facilities of or for the common use and benefit by the Owners of the Residential Development in more than one Phase by MTR at any time hereafter in any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll to be executed pursuant to this Deed (but excluding those services and facilities forming parts of the Estate Common Services and Facilities or the Common Services and Facilities of a particular Phase designated or to be designated in the Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll to be executed in connection with such Phase);

- “Residential Unit”** means a Unit in the Residential Development;
- “Shares”** means the 4,774,444 equal undivided shares of and in the Land and the Development allocated in accordance with the provisions of this Deed or any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll, each a **“Share”**;
- “Site A”** means the portion or portions or strata or stratum of the Land as shown and marked “SITE A” on Plan Ic annexed to the Government Grant (as may be replaced by the detail boundary plan(s) as referred to in Special Condition No.(7) of the Government Grant approved by the Director and registered in the Land Registry from time to time) and referred to in the Government Grant as “Site A”;
- “Site C”** means the portion or portions or strata or stratum of the Land as shown and marked “SITE C” on Plan Ic annexed to the Government Grant (as may be replaced by the detail boundary plan(s) as referred to in Special Condition No.(7) of the Government Grant approved by the Director and registered in the Land Registry from time to time) and referred to in the Government Grant as “Site C”;
- “Special Fund”** means a special fund to be set up by the Manager pursuant to Clause 2(a) of Section J of this Deed;
- “Station”** means (i) the Wong Chuk Hang Station (as defined in Special Condition No.(46)(a) of the Government Grant) constructed on or within the Wong Chuk Hang Station Site (as defined in Special Condition No.(1)(h) of the Government Grant) of the Land comprising a railway station and ancillary railway structures, facilities and roads, (ii) the spaces provided or to be provided within the Wong Chuk Hang Station Site for the parking, manoeuvring, loading and unloading of motor vehicles for the operational needs of the Wong Chuk Hang Station as referred to in Special Condition No.(70) of the Government Grant and (iii) the Footbridge Associated Structures (as defined in Special Condition No.(12)(a) of the Government Grant); for the avoidance of doubt, the following shall not form part of the Station: all utilities, services, trenches, pits and facilities which serve the

Depot or the Estate or any part thereof, and all finishes of the Depot and the Estate;

- “Stippled Green Area”** means those portions of public roads laid and formed and future public roads to be laid and formed by MTR in the air stratum shown coloured stippled green on Plan Ia annexed to the Government Grant between the level of 2 metres below the ground level or levels and the level of 5.5 metres above the ground level or levels pursuant to in Special Condition No.(17)(a)(i)(I) of the Government Grant;
- “Stippled Green Area Structures”** means the Stippled Green Area Structures as defined in Special Condition No.(17)(a)(i)(II) of the Government Grant;
- “Structures”** means the Structures as defined in Special Condition No.(13)(a)(i)(II) of the Government Grant;
- “Sub-Deed of Mutual Covenant”** means any such deed affecting any Phase;
- “Sub-Sub-Deed of Mutual Covenant”** means any such deed affecting any part of a Phase;
- “Term”** means the term of 50 years commencing from 12th June 2017 and expiring on 11th June 2067 created by the Government Grant;
- “Unit”** means a part of the Estate the exclusive use and enjoyment of which has been or is intended to be assigned to an Owner but shall exclude, except as provided otherwise herein or in any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant, all structural columns (if any) within the Unit and structural columns (if any) appertaining to the Unit PROVIDED THAT if the Government Accommodation is concerned, walls, columns, beams, ceilings, roof slabs, carriageway or floor slabs and any other structural elements of, in, around, within, above and below the Government Accommodation are excluded;
- “Utility Platform”** means each of the utility platforms forming part of a Residential Unit as specified in any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant and for the avoidance of doubt includes any glass, light fittings, acoustic panels/ceilings, metal grilles and balustrades and other materials enclosing the utility platform, the handrails of the utility platform and the plaster of and the finishes of the ceiling of the utility platform below the concrete slab and any other fixtures at the utility platform;
- “Utility Trenches”** means the utility trenches to be constructed pursuant to Special Condition No.(90) of the Government Grant for the purpose of accommodating services for the Estate or any part of it and such services shall include but not limited to water supply, soil and waste water drainage, storm water drainage, town gas, electricity cables, telecom cables, cable TV and the like;

“Visitors’ Car Parking Space”

means a parking space provided pursuant to Special Condition No.(68)(a)(iii) or Special Condition No.(68)(d)(i)(II) of the Government Grant;

“Works and Installations”

means all the major works and installations in the Estate (whether forming part of the Common Areas and the Common Services and Facilities or not) requiring regular maintenance on a recurrent basis.

SECTION C

RIGHTS OF OWNERS

Rights attaching to Shares

1. (a) Each Share shall during the residue of the Term and any renewal thereof, subject to the covenants and terms contained in the Government Grant, this Deed and any applicable Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll, be held by the person or persons from time to time entitled thereto together with the full and exclusive right and privilege to hold, use and occupy such part of the Land and the Development designated opposite to it in the First Schedule hereto and the benefit, insofar as applicable, of the easements, rights and privileges set out in Part I of the Second Schedule but subject to the exceptions and reservations set out in Part II of the Second Schedule and subject also to the Building Rules and Fitting Out Rules (save and except for the Shares allocated to the Government Accommodation) PROVIDED THAT the benefit of the easements, rights and privileges set out in Part I of the Second Schedule shall be subject to the rights, easements and privileges of FSI and shall not in any way adversely affect or prejudice the rights, easements and privileges reserved to FSI as the Owner of the Government Accommodation under the Government Grant, this Deed and any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll.

(b) The Shares attributable to the Station and the Depot set out in the First Schedule shall be held by MTR together with the exclusive right to hold use and enjoy the Station and the Depot respectively.

(c) Notwithstanding anything herein contained, all the easements, rights and privileges reserved to MTR and of all the other Owners in this Deed, any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll and the powers, duties, rights and privileges of the Manager contained in this Deed, any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll shall be subject to the rights, easements and privileges of FSI and shall not in any way adversely affect or prejudice the easements, rights and privileges reserved to FSI in this Deed, the Sub-Deed of Mutual Covenant, the Sub-Sub-Deed of Mutual Covenant, the Deed Poll and the Government Grant.

Sub-Deeds of Mutual Covenant, Sub-Sub-Deeds of Mutual Covenant and Deed Polls

2. MTR shall have the right and obligation in respect of any Phase to enter into Sub-Deeds of Mutual Covenant and/or Sub-Sub-Deeds of Mutual Covenant, in the event of multi-ownership of that Phase, or in any other case Deed Polls in respect of that Phase and/or the Station and/or the Depot for the purpose of allocating Shares and Management Units to the Unit(s) and Shares to the Common Areas and the Common Services and Facilities in that Phase and/or Shares to the Station and/or the Depot and in the event of multi-ownership of that Phase to more precisely define the rights and obligations of the Owners in that Phase in each case subject to the prior approval of the Director to the terms of any such Sub-Deeds of Mutual

Covenant or Sub-Sub-Deeds of Mutual Covenant or Deed Polls PROVIDED THAT the exercise of such right shall not affect the proportion of Shares allocated to the Government Accommodation unless such exercise involves allocation or re-allocation of Shares of the Government Accommodation for compliance with Special Condition No.(36)(b) of the Government Grant, in which event the prior written approval of the Owner of the Government Accommodation and FSI shall be obtained. No Management Units shall be allocated to the Station, the Depot, the Government Accommodation, the Common Areas and the Common Services and Facilities.

Right to make additions etc.

3. Without prejudice to Clause 7 of Section K of this Deed and the rights, easements and privileges reserved or granted to FSI in Clause 2 of Part I of the Second Schedule to this Deed and the Owner of the Commercial Development in Clause 5 of Part I of the Second Schedule to this Deed, each Owner of a Unit (other than an Owner of a Car Parking Space) shall have the right subject to this Deed or any Sub-Deed of Mutual Covenant and Sub-Sub-Deed of Mutual Covenant, the Fitting Out Rules and the Building Rules and any other Government rules and statutory requirements affecting it to make or install in his own Unit at his own expense any additions, improvements, lights, fittings, fixtures or decorations which can be installed, fixed and removed without structural alteration or damage and without affecting the existing design or external appearance of the facade or elevations of any building and each such Owner shall have the right to remove the same at his own expense in the like manner PROVIDED THAT the rights and interests of other Owners of the Development shall not be adversely affected PROVIDED FURTHER THAT the Owner of the Government Accommodation shall not be subject to the Fitting Out Rules and the Building Rules.

Right of Owners to sell or lease etc.

4. (a) Subject to the provisions of the Government Grant and any Sub-Deed of Mutual Covenant and Sub-Sub-Deed of Mutual Covenant and Clause 8 of this Section, every Owner shall have the full right and liberty without reference to any other Owner or Owners or any person or persons otherwise interested in any Share or Shares 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, charge, lease, license or otherwise dispose of or deal with his Share(s) or interest of and in the Land and the Development together with the sole and exclusive right and privilege to hold, use, occupy and enjoy such part(s) of the Development which may be held therewith PROVIDED THAT any such transaction shall be expressly subject to and with the benefit of this Deed and any relevant Sub-Deed of Mutual Covenant and Sub-Sub-Deed of Mutual Covenant and PROVIDED FURTHER THAT notice of any sale, assignment, lease, licence or other disposal shall in every instance be forthwith on the execution thereof given to the Manager.

(b) Each Share and the sole and exclusive right and privilege to hold, use occupy and enjoy any Unit or any part thereof shall be held by the Owner from time to time of such Share subject to and with the benefit of

the easements, rights, privileges and obligations, and the covenants and provisions contained in this Deed and any relevant Sub-Deed of Mutual Covenant and Sub-Sub-Deed of Mutual Covenant.

Party Walls

5. A Party Wall shall be repaired and maintained at the joint expense of the Owners of the Units which the Party Wall separates PROVIDED THAT if any part of the Party Wall shall form part of the Items, such part of the Party Wall shall be maintained by the Owners of the Units in Site A (save and except the Owner of the Government Accommodation) in accordance with Clause 9(b) of Section E of this Deed.

Rights of MTR

6. MTR shall during the residue of the Term and any renewal thereof subject to the covenants and terms contained in the Government Grant and in this Deed and any Sub-Deed of Mutual Covenant and Sub-Sub-Deed of Mutual Covenant have the full and exclusive right and privilege to hold, use, occupy and enjoy the whole of the Land and the Development together with the appurtenances thereto save and except the First Assigned Premises.

Rights of Purchaser

7. The Purchaser shall during the residue of the Term and any renewal thereof subject to the covenants and terms contained in the Government Grant and in this Deed and the relevant Sub-Deed of Mutual Covenant and Sub-Sub-Deed of Mutual Covenant have the full and exclusive right and privilege to hold, use, occupy and enjoy the First Assigned Premises together with the appurtenances thereto.

Disposal Restrictions

8. (a) The sole and exclusive right and privilege to hold, use, occupy and enjoy any Unit or any part thereof (save and except the Government Accommodation or any part thereof) shall not be sold, assigned, mortgaged, charged, leased or otherwise dealt with separately from the Share(s) with which the same is held PROVIDED ALWAYS THAT the provision of this Clause, subject to the Government Grant, shall not restrict (i) the leasing of any Unit for a term of less than ten (10) years or (ii) the licensing of any Unit.

(b) No Owner of a Residential Unit or a Car Parking Space shall be entitled to sub-divide or partition that Residential Unit or Car Parking Space.

(c) No Residential Unit or Car Parking Space shall be sold, assigned, mortgaged, charged, leased or disposed of except as a whole to the intent that each Residential Unit or Car Parking Space shall be owned and occupied as a single residence or parking space, as the case may be.

(d) Without prejudice to the further restrictions in any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant (if any), the Car Parking Spaces provided under Special Condition Nos.(68)(a)(i) and (68)(d)(i)(I) of the Government Grant (i.e. the Residential Parking Spaces and the Residential Motor Cycle Parking Spaces as respectively defined

therein) shall not be:

- (i) assigned except (I) together with Shares giving the right of exclusive use and possession of a Residential Unit or Residential Units, or (II) to an Owner of a Residential Unit or Residential Units; or
- (ii) underlet except to residents of the Residential Units;

PROVIDED THAT in any event not more than three (3) in number of the total of the Car Parking Spaces provided under Special Condition Nos.(68)(a)(i) and (68)(d)(i)(I) of the Government Grant shall be assigned to the Owner or underlet to the resident of any one Residential Unit.

(e) Notwithstanding sub-clause (d) above, the Car Parking Spaces may, subject to the prior written consent of the Director, be assigned or disposed of as a whole to a wholly-owned subsidiary company of MTR.

SECTION D

ABATEMENT OF RIGHTS

Damage necessitating rebuilding

1. In the event of the Estate or any part of it being damaged by fire, typhoon, earthquake, subsidence or other causes rendering the same substantially unfit for use or habitation or occupation thereby necessitating the rebuilding and reinstatement thereof, the provisions of this Section shall apply.

Reinstatement

2. (a) Each Owner of the Estate or the part damaged (as the case may be) shall pay, in proportion to the Shares held by him, a proportion of the excess of the cost of rebuilding and reinstatement of the whole or that part of the Estate so damaged, over and above any insurance monies received in respect of any policy of insurance and until paid such sums will become a charge upon his Share and be recoverable as a debt. The provisions of Clause 6 of Section J of this Deed shall apply to any proceeding in respect thereof.

Reinstatement impossible

(b) In the event of any legal or structural impediment to the rebuilding or reinstatement of the Estate or the part damaged the Manager shall convene a meeting of the Owners of the Estate or the part affected as the case may be (the rules and conduct of which shall be governed by the provisions of Section F of this Deed so far as applicable) PROVIDED THAT the quorum for such a meeting shall be Owners present in person holding not less than 75% of the Shares of the relevant part of the Estate (excluding the Shares allocated to the Common Areas and the Common Services and Facilities).

(c) Such meeting may resolve by a 75% majority of such Owners present in person or by proxy and voting that by reason of the impediment to rebuilding or reinstatement each such Owner shall be obliged to assign his Share together with all rights and appurtenances thereto to the Manager upon trust forthwith to dispose of the same in accordance with Clause 3 of this Section and to distribute the net proceeds of sale amongst such Owners in proportion to the Shares previously held by them. All insurance monies received in respect of any policy of insurance on the whole or that part of the Estate so damaged shall likewise be distributed amongst such Owners. For the avoidance of doubt net sale proceeds and insurance monies shall be distributed amongst Owners of Units of the part of the Estate affected and no distribution shall be made in respect of Shares allocated to any Common Areas and the Common Services and Facilities of the part of the Estate affected.

Sale of Shares by auction

3. In the event of a resolution being passed in accordance with Clause 2 (c) of this Section the resolution shall be binding upon all the Owners of the part of the Estate affected and the Manager shall forthwith dispose by public auction or tender of the Shares of the Owners affected.

SECTION E

OBLIGATIONS OF OWNERS

Owners to comply

1. (a) The Owners and the Manager shall at all times hereafter so long as they remain as Owners of any Share or the Manager of the Development (as the case may be) comply with and shall observe and perform the covenants, provisions, restrictions and prohibitions contained in:

(i) the Government Grant; and

(ii) this Deed.

(b) For the avoidance of doubt, subject to the provisions in the Government Grant and this Deed, the construction of the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures shall be carried out and the construction costs therefor shall be borne by MTR as the original grantee of the Land under the Government Grant, and upon the completion of the construction of the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures or any part thereof by MTR to the satisfaction of the Director, the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures or such completed part thereof shall be managed and controlled by the Manager in accordance with this Deed until re-delivery to the Government.

(c) The Manager, when exercising its right to enter on, into or upon any Unit in accordance with Clause 2(a) of Part II of the Second Schedule to this Deed, shall repair at its own costs and expense any damage so caused and shall be liable for the negligent, wilful or criminal acts of the Manager, its employees, agents and contractors.

(d) Nothing contained in this Deed and any Sub-Deed of Mutual Covenant or any Sub-Sub-Deed of Mutual Covenant shall exclude the liability of the Manager to the Owners for any act or omission involving criminal liability, dishonesty or negligence on the part of the Manager or its employees, agents or contractors and no Owner shall be required to indemnify the Manager or its employees, agents or contractors from and against any actions, claims etc. arising out of any act or omission.

Owners to observe restrictive covenants

2. Subject to the rights, easements and privileges reserved to FSI in Clause 2 of Part I of the Second Schedule to this Deed, the Owners shall at all times hereafter be bound by and shall observe and perform the covenants, restrictions and prohibitions set out in the Third Schedule hereto.

Government rent

3. (a) Subject to the provisions of Clause 3(b) of this Section, all Owners shall be liable for payment of the Government rent in respect of the Land. The Owners of the Estate (save and except the Owner of the Government Accommodation) shall be liable for the payment of the

Government rent in respect of the Estate in proportion to the respective number of Management Units for the time being vested in them.

(b) To the extent that separate demands for Government rent are raised by the Government in respect of the Station, the Depot, the Government Accommodation, a Unit or any other distinct part of the Development such demands shall be settled by the Owner or Owners of those parts of the Development.

(c) Without prejudice to the Owners' ultimate liability under Clause 3(a) or (b) of this Section the Manager shall have the right to pay the Government rent on behalf of the Owners of any part of the Development other than the Station, the Depot and the Government Accommodation and to recover from them the amount thereof as part of the Management Charges.

Rates and taxes

4. All existing and future taxes, rates, assessments, property tax and outgoings of every description for the time being payable (Government rent excepted) in respect of any Unit or of any other part of the Development the exclusive use, occupation and enjoyment of which has been assigned to any Owner shall be borne by the Owner thereof who shall pay them directly to the appropriate authority.

Utilities

5. Charges for the supply and consumption of water, electricity, gas and other utilities in connection with any Unit shall be paid directly to the appropriate utility company or authority by the Owner of such Unit.

Management Charges

6. Each Owner (save and except FSI as the Owner of the Government Accommodation) shall upon demand pay to the Manager the Management Charges in respect of any Unit owned by him, calculated in accordance with the provisions of Section J of this Deed.

Repairs

7. Subject to Clause 9 of this Section, each Owner, at his own expense, shall keep :

(a) each Unit (other than a Car Parking Space) of which he is for the time being the Owner and of any other part of the Estate the exclusive use, occupation and enjoyment of which has been assigned to him, and the doors and windows thereof, and all the fixtures and fittings, plumbing, electrical and other installations therein or serving that Unit exclusively; and

(b) any Car Parking Space of which he is for the time being the Owner;

in good and substantial repair and condition and shall preserve and maintain the same in a manner consistent with the preservation of the Land and the Estate as a high quality residential/commercial estate.

**Obligations of MTR as
Owner of Station
and Depot**

8. (a) MTR as Owner of the Station and the Depot shall be responsible for the maintenance and management of the Station and the Depot respectively but not any part of the Estate. MTR shall not as Owner of the Station and/or the Depot be liable to contribute towards the Management Charges calculated in accordance with Section J of this Deed (save as provided in Clause 5(b)(II) of Section J of this Deed).

(b) MTR as Owner of the Station and the Depot shall be responsible at its own costs and expenses to maintain, repair and replace the existing utilities and railway related structures within the First Reserved Area (as defined in Special Condition No.(10)(a) of the Government Grant) in all respects to the satisfaction of the Director in accordance with Special Condition No.(11)(a) of the Government Grant.

(c) MTR as Owner of the Station and the Depot shall be responsible to provide and keep at its own expenses and in all respects to the satisfaction of the Director the public pedestrian access as required under Special Condition No.(12)(g) of the Government Grant open for use by the public free of charge and without any interruption during the operational hours of the Wong Chuk Hang Station (as defined in Special Condition No.(46)(a) of the Government Grant).

**Obligations of
the Owner of
the Government
Accommodation and
maintenance of Items**

9. (a) FSI as the Owner of the Government Accommodation shall be responsible for the maintenance and management of the Government Accommodation (excluding the Items) but not any other part of the Development nor any part of the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures. FSI as the Owner of the Government Accommodation shall in accordance with Special Condition No.(64)(a)(iv)(I)(2) of the Government Grant be liable for payment of the management and maintenance charges only in respect of facilities or services which actually serve the Government Accommodation or are used by the occupier thereof, his servants, contractors, agents or visitors PROVIDED HOWEVER THAT the liability of FSI shall be as determined by the GPA or the person nominated by the Director for this purpose and in any event shall not exceed the proportion of the management and maintenance charges which the Gross Floor Area of the Government Accommodation bears to the Gross Floor Area of all the buildings erected or to be erected on the Land (for those management and maintenance charges in respect of the Land) or all the buildings erected or to be erected on Site A (for those management and maintenance charges in respect of Site A exclusively) and shall only commence from the date of the assignment or the date of taking over of the Government Accommodation, whichever is the earlier and PROVIDED FURTHER THAT FSI as the Owner of the Government Accommodation shall incur no liability for payment of any management and maintenance charges unless and until the amount of the same shall have first been approved in writing by the GPA or person nominated by the Director for this purpose. FSI as the Owner of the Government Accommodation shall have no liability for any contribution towards any management and maintenance charges for

any other part of the Development (whether Common Areas or otherwise) or any part of the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures or for the provision of facilities or services which do not, in the opinion of the GPA or person nominated by the Director for this purpose, directly serve or otherwise directly benefit the Government Accommodation. FSI as the Owner of the Government Accommodation shall not be liable to make any contribution towards the Management Charges.

(b) The Owners of Units in Site A (save and except the Owner of the Government Accommodation) shall, acting by the Manager, be responsible for maintaining, managing and repairing the Items subject to any contribution by FSI under sub-clause (a) of this Clause and shall indemnify FSI and the Government against all actions, proceedings, claims and demands whatsoever arising out of or in respect of any loss or damage to any person or property arising out of or as a consequence of a failure to maintain, manage and repair the Items aforesaid.

Works by Owners

10. (a) All Owners (save and except the Owner of the Government Accommodation and the Owner of the Station and/or the Depot) shall apply for the Manager's consent in relation to all matters which require such consent under the terms of this Deed or any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or the Fitting Out Rules or the Building Rules and shall be bound by the Manager's decision and shall comply with any terms or conditions which the Manager may impose.

(b) Any work, whether or not the Manager's consent is required for the same, shall in all respects fully comply with the Buildings Ordinance and any regulations thereunder (save for works to the Station or the Depot which are exempted from the requirements of the Buildings Ordinance and any regulations thereunder) and with the requirements of any other relevant ordinances or competent authority and in carrying out such work an Owner (save and except the Owner of the Government Accommodation and the Owner of the Station and/or the Depot) shall and shall cause his servants, agents, contractors and workmen to cooperate fully with the Manager and all servants, agents, contractors and workmen of the Manager and with other Owners, tenants or contractors carrying out work in the Estate. An Owner (save and except the Owner of the Government Accommodation and the Owner of the Station and/or the Depot), his servants, agents, contractors and workmen shall obey and comply with all reasonable instructions and directions which may be given by the Manager in connection with the carrying out of such work.

(c) The Owner of the Station and the Depot may carry out any work relating to the routine and emergency maintenance and the safety or operation of the Mass Transit Railway within the Estate without the Manager's consent PROVIDED THAT for such purpose the Owner of the Station and the Depot may enter upon the Estate only upon giving reasonable prior notice to the Manager or the Owner of the relevant part of the Estate (as

the case may be) (except in case of emergency), and for the Government Accommodation and the Units which are not held by MTR, only if the entry is unavoidable and with the prior approval of the Owner of the Government Accommodation or such Units (except in case of emergency), and the least disturbance being caused and the Owner of the Station and the Depot shall be liable for all costs and expenses incurred for any damage caused to the Estate and shall indemnify the Owner of the Estate from and against all costs and expenses incurred for any damage caused to the Estate and shall at its own expense make good any damage caused to the Estate as a result of carrying out such works.

(d) Without prejudice to the aforesaid, all Owners (save and except the Owner of the Government Accommodation and the Owner of the Station and/or the Depot) shall if required by the Manager pay on demand all costs, charges and expenses (without prejudice to the generality of the foregoing, including legal costs and fees payable to professional consultants and advisers) which may be reasonably incurred by the Manager in connection with any licence or consent required under the terms of this Deed or any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or the Fitting Out Rules or the Building Rules. The Manager shall not charge the Owners any fee other than a reasonable administrative fee for processing and issuing such consent and all such fee shall be credited to the relevant account of the Special Fund.

**Mass Transit Railway
protection**

11. (a) No Owner shall carry out any building works, foundation works or any other works, do or permit anything to be done, on or within the Land or any part thereof which shall damage, interfere with, obstruct or endanger the safety or the operation of the Mass Transit Railway, the Station, the Depot or any Mass Transit Railway Structures and Installations (or any part thereof) in or passing through or in the vicinity of the Land or any part thereof. The Owners shall at their own expense take such measures and precautions as may be required by the Director as to ensure the safety of the Mass Transit Railway, the Station, the Depot and the Mass Transit Railway Structures and Installations and the operation of the Mass Transit Railway, the Station and the Depot.

(b) Throughout the whole of the Term the Owners shall comply with and observe all the requirements imposed by the Director of Buildings to protect the Mass Transit Railway, the Station, the Depot and the Mass Transit Railway Structures and Installations in all respects to the satisfaction of the Director of Buildings.

(c) The Owners shall satisfy themselves as to the extent of the Mass Transit Railway, the Station, the Depot and the Mass Transit Railway Structures and Installations constructed on or in the Land and its vicinity and shall not make any claim against MTR and the Government, its officers, servants and agents and any other persons authorized by it or them for any damage, loss, nuisance or disturbance whatsoever caused to or suffered by the Owners arising out of the presence, operation or maintenance of the Mass

Transit Railway, the Station, the Depot and the Mass Transit Railway Structures and Installations.

(d) Prior to the commencement of any structural works whatsoever on the Land, the Owners shall consult with MTR as the Owner of the Station and/or the Depot so as to ensure that any such works do not damage, interfere with, obstruct or endanger any of the Station, the Depot and the Mass Transit Railway Structures and Installations or the safe operation of the Mass Transit Railway (as to which the decision of MTR shall be conclusive) and if required by MTR, the Owners shall at their expense take such precautions to ensure the safety of the Mass Transit Railway, the Station, the Depot and the Mass Transit Railway Structures and Installations and the operation of the Mass Transit Railway, the Station and the Depot.

(e) The Owners shall observe and comply with all ordinances, by-laws and regulations for the time being in force and relating to the Mass Transit Railway.

Owner to make good loss or damage

12. Each Owner (save and except FSI as the Owner of the Government Accommodation) shall be responsible to the other Owners and occupiers and to the Manager for the acts and omissions of all persons occupying any Unit of which he is the Owner or using the same with his consent, express or implied, and shall pay all costs, charges and expenses incurred in repairing or making good any loss or damage caused by the act, neglect or default of all such persons. In the case of loss or damage which the Manager is responsible to make good or repair such costs, charges and expenses shall be recoverable by the Manager as herein provided and in the case of loss or damage suffered by other Owners or occupiers which the Manager is not responsible to repair or make good, such costs, charges and expenses together with all other damages recoverable by law shall be recoverable by the person or persons sustaining the loss or damage.

Indemnity

13. Each Owner (save and except the Owner of the Government Accommodation) shall be responsible for and shall indemnify the Manager and all other Owners and occupiers against all actions, proceedings, claims and demands whatsoever arising out of or in respect of any loss or damage to any person or property caused by or as the result of his own act or negligence or that of any person occupying any Unit (save and except the Government Accommodation) of which he is the Owner or using the same with his consent, express or implied or by, or through, or in any way owing to the overflow of water or escape of fire or other substances originating therefrom.

Appointment of attorney

14. For the purposes of carrying out any of the provisions of Clause 3 of Part II of the Second Schedule, each Owner (save and except FSI as Owner of the Government Accommodation) shall be deemed to have appointed MTR irrevocably as his attorney.

**Covenant in
assignment**

15. When an Owner assigns his Unit, the assignment (save and except the assignment of the Government Accommodation) shall include the following covenants :

“The Purchaser covenants with MTR Corporation Limited (香港鐵路有限公司) (“MTR” which expression shall include its successors and assigns (other than the Purchaser) and attorneys) for the purpose of enabling MTR to exercise all or any of the covenants, rights, liberties, privileges, entitlements, exceptions and reservations granted under Clause 3 of Part II of the Second Schedule to the Principal Deed of Mutual Covenant and Management Agreement dated [] relating to Aberdeen Inland Lot No.467 (the “**Principal Deed of Mutual Covenant and Management Agreement**”) and to the intent that these covenants shall run with the Property and be binding on the Purchaser his executors administrators successors in title and assigns and the owner or owners thereof for the time being and any other person or persons deriving title under the Purchaser (each and all of whom including the Purchaser is and are hereinafter included in the expression the “**Covenanting Purchaser**”) and shall enure for the benefit of Aberdeen Inland Lot No.467 (“**the Lot**”) and the development constructed or to be constructed thereon (save and except the Property) and be enforceable by MTR that :-

- (a) the Covenanting Purchaser grants confirms and acknowledges the covenants, rights, liberties, privileges, entitlements, exceptions and reservations granted and conferred on MTR under Clause 3 of Part II of the Second Schedule to the Principal Deed of Mutual Covenant and Management Agreement and the Covenanting Purchaser shall not do or permit anything to be done which will in any way affect or hinder the exercise of the said covenants, rights, liberties, privileges, entitlements, exceptions and reservations by MTR;
- (b) the Covenanting Purchaser shall, if required by MTR, do everything necessary, including giving express consents in writing to the exercise of the said covenants, rights, liberties, privileges, entitlements, exceptions and reservations by MTR, to facilitate the exercise of the said covenants, rights, liberties, privileges, entitlements, exceptions and reservations by MTR;
- (c) the Covenanting Purchaser (excluding The Financial Secretary Incorporated (“FSI”) as the Owner of the Government Accommodation (as defined in the Principal Deed of Mutual Covenant and Management Agreement)) hereby expressly and irrevocably appoints MTR to be his attorney (with full power of substitution and delegation

and, who may act through such officers, employees, agents, nominees and any substitute attorneys as MTR from time to time appoint) and grants unto MTR the full right power and authority to give all consents and to do all acts deeds matters and things and to execute and sign seal and as the acts and deeds of such Covenanting Purchaser (excluding FSI as Owner of the Government Accommodation) 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 covenants, rights, liberties, privileges, entitlements, exceptions and reservations conferred on MTR under Clause 3 of Part II of the Second Schedule to the Principal Deed of Mutual Covenant and Management Agreement as aforesaid and the Covenanting Purchaser (excluding FSI as Owner of the Government Accommodation) hereby further covenants to do all acts deeds matters and things and to execute sign seal and deliver such deed or deeds and to sign such documents or instruments as may be necessary to give effect to such appointment and grant and will ratify and confirm all that MTR shall lawfully do or cause to be done and that the power of attorney hereby given shall bind the executor(s) and the administrator(s) and the successor(s) and the assigns of the Covenanting Purchaser (excluding FSI as Owner of the Government Accommodation) and shall not be revoked by the Covenanting Purchaser (excluding FSI as Owner of the Government Accommodation) or by the death incapacity bankruptcy or winding up (as the case may be) of the Covenanting Purchaser (excluding FSI as Owner of the Government Accommodation);

- (d) without prejudice to nor in any way limiting the generality of the covenants (a), (b) and (c) hereinabove, the Covenanting Purchaser hereby confirms and acknowledges that for the purpose of compliance with Special Condition No.(36)(b) of the Government Grant, and subject to the prior written approval of the Director of Lands, the Owner of the Government Accommodation and FSI, MTR shall have the right as granted and conferred on MTR under Clause 3(j)(iv) of Part II of the Second Schedule to the Principal Deed of Mutual Covenant and Management Agreement to re-allocate or adjust the number of Shares allocated to the Government Accommodation under the Sub-Deed of Mutual Covenant of Site A and to enter into and execute a supplemental Deed Poll or such other deed(s) or document(s) of a similar nature as may be necessary for such purpose without consultation with the Covenanting Purchaser or obtaining the concurrence or approval of the

Covenanting Purchaser or joining in or making the Covenanting Purchaser as a party; and

- (e) in the event of the Covenanting Purchaser selling or otherwise disposing of the Property, the Covenanting Purchaser shall sell or otherwise dispose of the Property upon the condition that the purchaser or assignee thereof shall enter into the same binding covenants on terms similar in scope and extent as the covenants (a), (b), (c) and (d) hereinbefore contained and this covenant (e).

PROVIDED THAT upon the Covenanting Purchaser complying with and performing the covenant (e) hereinabove contained, the Covenanting Purchaser shall not be liable for any breach of the covenants (a), (b), (c) and (d) hereinbefore contained which may happen after the Covenanting Purchaser shall have sold or otherwise disposed of the Property in respect whereof such purchaser or assignee shall have entered into such covenants similar in scope and extent as the covenants (a), (b), (c), (d) and (e) hereinbefore contained.”

Maintenance of Slopes and Retaining Walls

16. (a) The Owners (save and except FSI as the Owner of the Government Accommodation) shall at their own costs and expenses maintain in good substantial repair and condition to the satisfaction of the Director and carry out all works in respect of any and all slopes, slope treatment works, retaining walls and other structures within or outside the Land (collectively “**the Slopes and Retaining Walls**”) as required by the Government Grant (if any) and in accordance with “Geoguide 5 – Guide to Slope Maintenance” issued by the Geotechnical Engineering Office (as amended or substituted from time to time) and the maintenance manual for the Slopes and Retaining Walls (if any) (“**the Slope Maintenance Manual**”) prepared in accordance with such Geoguide 5.

(b) The Manager shall have full authority of the Owners to engage suitable qualified personnel to inspect, keep and maintain in good substantial repair and condition, and carry out any necessary works in respect of the Slopes and Retaining Walls (if any) in compliance with the conditions of the Government Grant and in accordance with the Slope Maintenance Manual (if any) and all guidelines issued from time to time by the appropriate Government departments regarding the maintenance of slopes and retaining walls. For the purpose of this sub-clause, the reference to “the Manager” includes the Owners’ Corporation, if formed.

(c) All Owners (save and except FSI as the Owner of the Government Accommodation) shall pay the Manager all costs lawfully incurred or to be incurred by the Manager in carrying out maintenance, repair and any other works in respect of the Slopes and Retaining Walls (if any) PROVIDED THAT if any of the Slopes and Retaining Walls (if any) is situated within or abutting on a Phase or Phases or the Station or the Depot,

only the Owners of Units in that Phase or the relevant Phases (save and except FSI as the Owner of the Government Accommodation) or the Owner of the Station or the Depot (as the case may be) shall at their own expense be responsible for maintaining, repairing and carrying out works in respect of such Slopes and Retaining Walls (if any) in accordance with this Clause.

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

Maintenance of ground anchors

17. The Owners of Units in each Phase (save and except the Owner of the Government Accommodation) (acting by the Manager) and the Owner of the Station and the Depot shall at their own expense be responsible for carrying out regular maintenance and regular monitoring of any prestressed ground anchors installed in that Phase or the Station or the Depot respectively (as the case may be) throughout their service life to the satisfaction of the Director and supply to the Director such reports and information on all such monitoring works as the Director may from time to time in his absolute discretion require in compliance with Special Condition No.(79) of the Government Grant.

No conversion of Common Areas

18. (a) Subject to MTR's reserved rights under Clause 3 of Part II of the Second Schedule to this Deed, no Owner shall have the right to convert the Common Areas and the Common Services and Facilities or any part thereof to his own use or for his own benefit unless with the approval by a resolution of the Development Owners' Committee or the relevant Owners' Sub-Committee (as the case may be). Any payment received for the approval shall be credited to the relevant account of the Special Fund.

(b) Subject to MTR's reserved rights under Clause 3 of Part II of the Second Schedule to this Deed, no Owner (except MTR as the Owner of the uncompleted portion of the Estate shall have the right to designate part or parts of the uncompleted portion of the Estate to be Common Areas or Common Services and Facilities in any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll to be executed pursuant to this Deed) shall have the right to convert or designate such part(s) of the Development the sole and exclusive right and privilege to hold, use, occupy and enjoy the same is held by him as Common Areas or Common Services and Facilities unless the approval by a resolution of Owners at a meeting of the Owners of the Estate convened under this Deed or at a meeting of the Owners of the relevant Phase convened under the relevant Sub-Deed of Mutual Covenant (as the case may be) has been obtained PROVIDED THAT the proper use and enjoyment of the Government Accommodation shall not

be affected. Neither the Owners nor the Manager shall have the right to re-convert or re-designate the Common Areas and the Common Services and Facilities to his or its own use or for his or its own benefit.

Obligation of Owners of the Non-enclosed Areas

19. (a) The Owners of the Non-enclosed Areas shall keep the interior of such Non-enclosed Areas and maintain the same in good and substantial repair and condition at their own costs and expenses and shall use the same in all respects in compliance with the relevant Occupation Permit, the Buildings Ordinance and such other ordinances, by-laws and Government regulations of Hong Kong.

(b) Notwithstanding anything herein contained to the contrary, the Owners of the Non-enclosed Areas shall not enclose, cause, permit, suffer or allow the Non-enclosed Areas to be enclosed in whole or in part by any material of whatsoever kind save for the Balconies and the Utility Platforms which can only be enclosed below the parapet height thereof.

(c) For the avoidance of doubt, the Non-enclosed Areas must not be enclosed above safe parapet height other than as under the relevant Approved Plans.

Obligation of Owners of flat roofs and roofs

20. The Owner of any Residential Unit with flat roof or roof:

(a) shall not erect, affix or place or cause or permit or suffer to be erected, affixed or placed any structure whatsoever (including, without limitation, shelters, covers and canopies) whether of a permanent or temporary nature on the flat roof or roof of his Residential Unit or any part thereof; and

(b) shall not erect, affix or place or cause or permit or suffer to be erected, affixed or placed any partition of any material whatsoever on the flat roof or roof of his Residential Unit and whether or not such partition serves or is intended to serve as a division between the flat roof or roof of his Residential Unit and the flat roof or roof of another Residential Unit adjoining thereto.

Removal and re-fixing grilles (if any) appertaining to air-conditioning platforms

21. The Owner of any Residential Unit shall, in replacing his air-conditioners or carrying out any work to his air-conditioners, be responsible for removing the grilles (if any) appertaining to the air-conditioning platform(s) serving his Residential Unit and, upon completion of such replacement or works, re-fixing such grilles at his own cost to the satisfaction of the Manager and in accordance with the Building Rules, Fitting Out Rules, any related ordinances and regulations made thereunder and any direction as the Manager may issue from time to time PROVIDED THAT reasonable prior written notice of the removal and re-fixing of such grilles shall be given to the Manager and PROVIDED FURTHER THAT such Owner shall at his own cost make good any damage which may be caused to any parts of the Common Areas and the Common Services and Facilities as a result of such

works and indemnify the Manager and the other Owners of any loss or damage or claims which the Manager and/or the other Owners may suffer as a result thereof. For the avoidance of doubt, subject to the aforesaid responsibility of the Owners of the Residential Units, the maintenance obligation of such grilles rests with the Manager.

SECTION F

MEETINGS OF THE OWNERS OF THE ESTATE

Meetings of the Owners of the Estate

1. Subject to Clause 12 of this Section, from time to time as occasion may require there shall be meetings of the Owners of the Estate to discuss and decide matters concerning the Estate and/or (prior to re-delivery to the Government pursuant to the Government Grant) the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures as hereinafter mentioned and in regard to such meetings the provisions of this Section shall apply. The procedure at a meeting of the Owners of the Estate shall be as is determined by the Owners of the Estate.

Annual Meeting

2. (a) The Manager shall convene a meeting of the Owners of the Estate (which for the avoidance of doubt, the Owner of the Station and the Depot shall be entitled to attend and to vote (if required) in accordance with Clauses 4 and 14 of this Section) as soon as possible but in any event not later than nine months after the date of this Deed (and to call further and subsequent meetings if required) to:-

- (i) appoint the Development Owners' Committee and the Chairman thereof; or
- (ii) appoint a management committee for the purpose of forming the Owners' Corporation under the Ordinance.

(b) One such meeting, to be known as the Annual Meeting, shall be held as soon as practicable after the end of each financial year (as defined by Clause 3 of Section J of this Deed) for the purposes of receiving the Manager's report and an income and expenditure account and balance sheet for the previous financial year, and transacting any other business of which due notice is given in the notice convening the meeting.

Convening of meeting

3. A meeting of Owners of the Estate may be validly convened by:
- (a) the Development Owners' Committee;
 - (b) the Manager; or
 - (c) an Owner appointed to convene such a meeting by the Owners of the Estate of not less than 5% of the Shares attributable to the Estate in aggregate.

Notice

4. The person convening the meeting of Owners of the Estate shall at least 14 days before the date of the meeting give notice of the meeting to each Owner entitled to attend. The notice of meeting shall specify the date, time

and place of the meeting and the resolutions (if any) that are to be proposed at the meeting. The notice of meeting may be given:

- (a) by delivering it personally to the Owner;
- (b) by sending it by post to the Owner at his last known address; or
- (c) by leaving it at the Owner's Unit or depositing it in the letter box for that Unit.

Notice of meeting shall also be given to MTR as the Owner of the Station and the Depot as aforesaid and if the matter or matters to be discussed or resolved may in the reasonable opinion of MTR affect or have an impact on the Mass Transit Railway, the Mass Transit Railway Structures and Installations, the Station or the Depot and/or be ancillary or pertaining thereto, MTR as the Owner of the Station and the Depot shall be entitled to attend the meeting.

Quorum

5. (a) No business shall be transacted at any meeting unless a quorum is present.

(b) 10% of the Owners of the Estate present in person or by proxy shall be a quorum at any meeting. For the purpose of this sub-clause, the reference to "10% of the Owners" shall be construed as a reference to 10% of the number of persons who are Owners without regard to their ownership of any particular percentage of the total number of Shares into which the Development is divided and not be construed as the Owners of 10% of the Shares in aggregate.

Chairman

6. A meeting of the Owners of the Estate shall be presided over by the Chairman of the Development Owners' Committee or, if the meeting is convened under Clause 3(b) or 3(c) of this Section, the person convening the meeting.

Minutes

7. The Chairman shall cause the Manager to keep a record of the persons present at the meeting and the proceedings thereof.

Voting

8. (a) Votes may be given either personally or by proxy.

(b) An instrument appointing a proxy shall be in the form set out in Form 1 in Schedule 1A to the Ordinance, and shall be signed by the Owner, or if the Owner is a body corporate, shall, notwithstanding anything to the contrary in its constitution, be impressed with the seal or chop of the body corporate and signed by a person authorized by the body corporate in that behalf. The instrument appointing a proxy shall be lodged with the Chairman of the Development Owners' Committee or, if the meeting is convened under Clause 3(b) or 3(c) of this Section, the person convening the meeting at least 48 hours before the time for the holding of the meeting. A proxy appointed by an Owner to attend and vote on behalf of the Owner shall,

for the purposes of the meeting, be treated as being the Owner present at the meeting.

(c) Every Owner present in person or by proxy and entitled to vote shall have one vote for each Share of which he is the Owner. In the case of Owners who together are entitled to one such Share, such Owners shall jointly have one vote for each such Share owned by them and the vote in respect of that Share may be cast (i) by a proxy jointly appointed by the co-Owners, or (ii) by a person appointed by the co-Owners from amongst themselves, or (iii) if no appointment has been made under (i) or (ii) above, then either personally or by proxy by one of the co-Owners, and, in case of any meeting where more than one of the co-Owners seeks to cast a vote in respect of that Share, only the vote that is cast, in person or by proxy, by the co-Owner whose name, in order of priority, stands highest in relation to that Share in the register kept in the Land Registry shall be treated as valid. If a poll is duly demanded it shall be taken in such manner as the Chairman directs and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

(d) In the case of equality of voting the Chairman shall have a second or casting vote.

(e) In no circumstances shall more than one vote be cast in respect of each Share.

(f) For the avoidance of doubt, the Shares allocated to the Common Areas and the Common Services and Facilities shall not carry any voting rights at any meeting whether under this Deed or any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant, the Ordinance or otherwise or liability to pay any fees or charges under this Deed or any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant. Such Shares shall not be taken into account for the purpose of calculating the quorum of any meeting under this Deed or any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant, the Ordinance or otherwise.

**Resolutions
binding on Owners**

9. (a) Any resolution on any matter concerning the Estate and/or the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures, save only those matters referred to in Clause 11 of this Section, passed at a duly convened meeting by a majority vote of the Owners present in person or by proxy and voting shall be binding on all the Owners PROVIDED THAT:-

(i) the notice convening the meeting shall have been duly given and shall have specified the intention to propose a resolution concerning such matter;

- (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 this Deed or is inconsistent therewith save as herein specifically provided;
- (iv) no resolution shall be valid to the extent that it is in conflict with or contrary to any order ruling or judgment of the Hong Kong courts or any mandatory provision of any statute;
- (v) no resolution shall have any adverse effect on the use, operation or maintenance of the Government Accommodation or any part thereof or the services and facilities supplying the Government Accommodation;
- (vi) any resolution on matters or issues which in the reasonable opinion of MTR may affect or have an impact on the Mass Transit Railway, the Mass Transit Railway Structures and Installations, the Station or the Depot or any part thereof, shall be subject to the agreement of MTR; and
- (vii) no resolution shall damage, interfere with, obstruct or endanger the construction, use, operation, maintenance or safety of the Mass Transit Railway, the Mass Transit Railway Structures and Installations, the Station or the Depot or any part thereof.

(b) A resolution may be passed as to the manner in which the powers and duties hereby conferred on the Manager are to be exercised or carried out but no such resolution shall invalidate any prior act of the Manager which would have been valid had that resolution not been passed.

Accidental omission of notice

10. The accidental omission to give notice as aforesaid to any Owner shall not invalidate the proceedings at any meeting and any resolution passed thereat.

Resolutions requiring special majority

11. Notwithstanding the provisions of Clause 9 of this Section, no resolution in respect of the matters referred to in Section D or Clause 2(b) of Section H of this Deed shall be valid unless passed by the majorities specified therein.

Convening meeting of the Owners of the Estate

12. Notwithstanding anything to the contrary contained herein, upon the request of the Owner of the Station and/or the Depot, for matters or issues

for matters relating to the Station and/or the Depot

arising out of or in relation to the Mass Transit Railway, the Mass Transit Railway Structures and Installations, the Station and/or the Depot (or any parts thereof), the Manager shall convene a meeting of the Owners of the Estate and the following provisions shall apply to such meeting of the Owners of the Estate:

- (a) the quorum of such meeting shall be the quorum as required under Clause 5(b) of this Section PROVIDED THAT if a quorum is not present on the date and time specified in the notice and appointed for such meeting, the meeting shall automatically be adjourned to such date and time as determined by the Manager and at the same venue; and at such adjourned meeting, the Owner(s) present shall form the quorum for such meeting notwithstanding Clause 5(b) of this Section;
- (b) the Manager shall expressly specify in the notice of meeting to all Owners the relevant provisions as to quorum of the Owners' meeting convened pursuant to this Clause; and
- (c) no resolution passed at a meeting duly convened under this Clause shall affect the use, operation, maintenance or safety of the Mass Transit Railway, the Mass Transit Railway Structures and Installations, the Station or the Depot or any part thereof.

Meetings of the Phase Owners and Owners of part of the Estate

13. (a) In addition to the meetings of all Owners of the Estate, there shall be meetings of the Owners of each Phase from time to time as occasion may require to discuss and decide matters concerning that Phase and such meeting shall be held in accordance with and regulated by the provisions of the relevant Sub-Deed of Mutual Covenant.

(b) In addition to the meetings of all Owners of the Estate and the meetings of Owners of each Phase, there shall also be meetings of the Owners of the Residential Development or any part thereof or the Car Park or any part thereof or any part of the Estate from time to time as occasion may require to discuss and decide matters concerning the Residential Development or the relevant part thereof or the Car Park or the relevant part thereof or the relevant part of the Estate respectively (as the case may be). Such meetings shall be held in accordance with and regulated by the provisions of this Section (except Clause 2 of this Section) which shall apply mutatis mutandis and all references to the "Owners" and "Estate" shall mean "Owners of the relevant part of the Estate" and "the relevant part of the Estate" respectively.

Meetings of the Owners of the Estate or the Owners' Corporation

14. At any meeting of the Owners of the Estate (which the Owner of the Station and the Depot shall be entitled to attend) or the Owners' Corporation, the Owner of the Station and the Depot shall only vote on matters or issues

which in the reasonable opinion of the Owner of the Station and the Depot may affect or have an impact on the Mass Transit Railway, the Mass Transit Railway Structures and Installations, the Station or the Depot or any part thereof.

SECTION G

OWNERS' COMMITTEES

**Function and power
of the Owners'
Committees**

1. (a) There shall be the following Owners' Committees namely :
 - (i) the Owners' Sub-Committee for each Phase; and
 - (ii) the Development Owners' Committee.

- (b) The function of the Development Owners' Committee shall be to :
 - (i) represent the Owners in all dealings with the Manager;
 - (ii) discuss issues relating to the maintenance and management of the Estate Common Areas, Estate Common Services and Facilities, Residential Development Common Areas, Residential Development Common Services and Facilities, the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures and to make known to the Manager its views;
 - (iii) exercise any statutory rights or duties given to it pursuant to the Ordinance;
 - (iv) exercise any power, discretion or duty given to it pursuant to this Deed;
 - (v) in the event of the resignation or termination of the appointment of the Manager from time to time appointed pursuant to this Deed to call a meeting of Owners for the purpose either of incorporation of the Owners pursuant to the Ordinance or of approving the appointment of replacement Manager under this Deed.

- (c) The function of the Owners' Sub-Committee for each Phase shall be to :
 - (i) represent the Owners of that Phase in all dealings with the Manager;
 - (ii) discuss issues relating to the maintenance and management of the common areas and facilities

relating to that Phase as described in the Sub-Deed of Mutual Covenant relevant to that Phase;

- (iii) exercise any statutory rights or duties given to it pursuant to the Ordinance;
- (iv) exercise any power, discretion or duty given to it pursuant to this Deed and the relevant Sub-Deed of Mutual Covenant.

(d) For the avoidance of doubt, no issues and matters which may in the opinion of MTR affect or have an impact on the Mass Transit Railway, the Mass Transit Railway Structures and Installations, the Station and/or the Depot or any part thereof and/or be ancillary or pertaining thereto and which require involvement of the Owners shall be discussed in the Development Owners' Committee meeting or meeting of the Owners of the Estate in the absence of the Owner of the Station and the Depot UNLESS due prior written notice of the meeting shall be served on MTR in accordance with Clause 11 of this Section or as required under this Deed and PROVIDED ALWAYS THAT any resolution on such matters or issues shall be subject to the agreement of MTR.

(e) No resolution of the Development Owners' Committee or any Owners' Sub-Committee of a Phase shall be in conflict with the provisions of this Deed or of any judgment or order of the Hong Kong courts nor adversely affect the use, operation or maintenance of the Government Accommodation or any part thereof.

(f) Any resolution of the Development Owners' Committee or any Owners' Sub-Committee of a Phase on matters or issues which in the reasonable opinion of MTR may affect or have an impact on the Mass Transit Railway, the Mass Transit Railway Structures and Installations, the Station or the Depot or any part thereof, shall be subject to the agreement of MTR.

(g) No resolution of the Development Owners' Committee or any Owners' Sub-Committee of a Phase shall damage, interfere with, obstruct or endanger the construction, use, operation, maintenance or safety of the Mass Transit Railway, the Mass Transit Railway Structures and Installations, the Station or the Depot or any part thereof.

Number of members

2. The members of the Development Owners' Committee shall be made up of :-

- (a) such number of representatives of each Owners' Sub-Committee for each Phase at the rate of one representative for every 50,000 square metres of the Gross Floor Area of the Units in that Phase (rounded down to the nearest 50,000 square metres) except where the Gross Floor Area of the Units in a Phase is less than 50,000 square

metres, one representative of the Owners' Sub-Committee of that Phase PROVIDED THAT for the purpose of this Clause, the Gross Floor Area of the Units in a Phase shall include any gross floor area which has been exempted under the conditions of the Government Grant or the Buildings Ordinance and PROVIDED FURTHER THAT the representative of FSI as Owner of the Government Accommodation shall not be a member of the Development Owners' Committee and the Gross Floor Area of the Government Accommodation shall be excluded from the calculation of the Gross Floor Area in Site A and PROVIDED FURTHER THAT the Gross Floor Area of the Commercial Development shall be excluded from the calculation of the Gross Floor Area of the relevant Phase for the purpose of this sub-clause (a) and the representative of the Owner of the Commercial Development shall be included as a member of the Development Owners' Committee under sub-clause (b) below;

- (b) one member as the representative of the Commercial Development (if completed); and
- (c) one member as the representative of the Station and the Depot.

Quorum

3. (a) A quorum for meetings of the Development Owners' Committee shall comprise one half of its members (rounded up to the nearest whole number) from time to time or three such members whichever is the greater.

(b) Provided a quorum as described under sub-clause (a) above exists, the Development Owners' Committee shall be entitled to act and continue to act notwithstanding that the number of its members falls below the maximum allowed or that for any reason less than the maximum allowed number of members are elected in the manner herein provided.

Eligibility for appointment

4. Any representative of the Commercial Development, the Station and the Depot or any member of an Owners' Sub-Committee for any Phase shall be eligible for appointment to the Development Owners' Committee provided, in the latter case, he is also :-

- (a) any Owner (in case of two or more co-Owners of a Unit, only one of them);
- (b) the duly authorised representative (PROVIDED THAT such authorization shall be in writing addressed to the relevant Owners' Sub-Committee and may be revoked at

any time on notice in writing given to the relevant Owners' Sub-Committee), in his place, of any Owner, being:

- (i) the representative of such Owner which is a corporate body; or
- (ii) the husband, wife, or adult family member of such Owner provided such husband, wife or adult family member resides in or occupies such Owner's Unit.

Election of members

5. (a) The first member(s) of the Development Owners' Committee representing the first Phase of the Estate shall be elected at a meeting of the Owners' Sub-Committee of Phase 1, convened by the Manager as soon as practicable and in any event not later than nine months after the date of this Deed.

(b) The first member(s) of the Development Owners' Committee representing the Station and the Depot shall be appointed by MTR who may remove and replace its representative(s) as it sees fit providing notice of any removal or replacement shall be given to the Development Owners' Committee.

(c) The first member(s) of the Development Owners' Committee representing the Commercial Development shall be appointed by its Owner after the completion thereof who may remove and replace its representative(s) as it sees fit providing notice of any removal or replacement shall be given to the Development Owners' Committee.

(d) All subsequent members of the Development Owners' Committee representing each Phase shall be elected by the relevant Owners' Sub-Committee at a meeting of the relevant Owners' Sub-Committee following its formation after completion of the relevant Phase and thereafter at the Annual Meeting of the relevant Owners' Sub-Committee held pursuant to the relevant Sub-Deed of Mutual Covenant.

(e) In the event that any Phase is held by one Owner then that Owner may appoint the same number of representatives as provided under Clause 2(a) of this Section G to the Development Owners' Committee.

(f) The Development Owners' Committee may co-opt any eligible person to fill any casual vacancy till the next Annual Meeting of the relevant Owners' Sub-Committee.

Officers

6. (a) The officers of the Development Owners' Committee shall comprise:-

- (i) a Chairman;

- (ii) a Secretary; and
- (iii) such other officers (if any) as the Development Owners' Committee may from time to time elect.

(b) All casual vacancies in the officers shall be filled by election or appointment by the members of the Development Owners' Committee from among them as they may from time to time determine.

(c) A meeting of the Development Owners' Committee shall be presided over by:

- (i) the Chairman; or
- (ii) in the absence of the Chairman a member of the Development Owners' Committee appointed as chairman for that meeting.

Tenure of office

7. (a) Members of the Development Owners' Committee shall hold office until the Annual Meeting of Owners of the Estate next following their appointment or election PROVIDED THAT if the office of the retiring members or any of them is not filled, or if in any year no Annual Meeting is held, such members or member shall continue in office until the next Annual Meeting.

(b) Retiring members of the Development Owners' Committee shall be eligible for re-election or re-appointment as appropriate.

(c) A member of the Development Owners' Committee shall nevertheless cease to hold office if :

- (i) he resigns by notice in writing to the Development Owners' Committee;
- (ii) he ceases to be eligible;
- (iii) his authority is revoked by the Owner(s) he represents;
- (iv) he, or the Owner(s) he represents, becomes bankrupt or insolvent or is convicted of a criminal offence other than a summary offence not involving dishonesty;
- (v) he becomes incapacitated by physical or mental illness;
- (vi) he, or the Owner(s) he represents, has defaulted in paying his contribution towards the Management Charges and fails to rectify such default within 7

days from the date of warning notice in writing given by the Manager;

- (vii) he, or the Owner(s) he represents, fails to observe and perform the provisions of this Deed and, if such breach is remediable, fails to rectify such breach within such time as prescribed by the Manager in writing addressed to such Owner.

(d) Any one or more members of the Development Owners' Committee may be removed from office by a resolution of the Owners of Units in the Phase which he represents at an Extraordinary Meeting of the Owners of the relevant Phase or the relevant part thereof convened and held in accordance with the provisions of the Sub-Deed of Mutual Covenant and/or Sub-Sub-Deed of Mutual Covenant of the relevant Phase and at any such Meeting, new members of the Development Owners' Committee may be appointed in the place of those removed from office.

Votes of members

8. In respect of a vote at a Development Owners' Committee meeting, members of the Development Owners' Committee shall be entitled to one vote each at Committee meetings and resolutions shall be passed by a simple majority of those present in person or by proxy and voting. In the case of equality of voting the Chairman shall have a second or casting vote.

Power to make rules

9. The Development Owners' Committee shall have full power to determine where, when and how often it shall meet and to make rules and bye-laws regulating the conduct and procedure of its meetings and the performance of its duties and obligations PROVIDED THAT no such regulation or bye-law shall be contrary to or inconsistent with the provisions of this Deed.

Manager to be invited

10. The Development Owners' Committee shall invite the Manager to any meeting called by giving the Manager at least seven (7) days' notice in writing of the date, time and place of the meeting and the matters to be discussed.

Power to call meeting

11. The Chairman, any two members of the Development Owners' Committee or the Manager may at any time convene a meeting of the Development Owners' Committee PROVIDED THAT the person or persons convening the meeting of the Development Owners' Committee shall, at least 7 days before the date of the meeting, give notice of the meeting to each member of the Development Owners' Committee. The notice of meeting shall specify the date, time and place of the meeting and the resolutions (if any) that are to be proposed at the meeting. The notice of meeting may be given:

- (a) by delivering it personally to the member of the Development Owners' Committee; or

- (b) by sending it by post to the member at his last known address; or
- (c) by leaving it at the member's Unit or depositing it in the letter box for that Unit.

**Government
Accommodation
representative**

12. The Development Owners' Committee shall invite to all of its meetings the person nominated from time to time by FSI as Owner of the Government Accommodation as its representative and provide such person free of charge with agendas, notices and minutes of the said meetings in the manner set out in Clause 3(a) of Section L of this Deed. FSI as Owner of the Government Accommodation shall notify the Development Owners' Committee in writing of its representative from time to time. The representative of FSI as Owner of the Government Accommodation attending any meeting of the Development Owners' Committee shall be entitled to make his views known to the Committee on any subject for discussion but shall have no vote.

SECTION H

APPOINTMENT AND REMUNERATION OF THE MANAGER

Appointment of the Manager

1. (a) [] shall be appointed and hereby accepts appointment as the Manager of the Development to manage and provide services in respect of the whole of the Estate and (before re-delivery to the Government pursuant to the Government Grant) the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures in accordance with the provisions of, and on the terms and conditions set out in this Deed. For the avoidance of doubt, all the provisions contained in the Ordinance in relation to “DMC manager” and/or “manager” as defined in the Ordinance, including but not limited to the provisions contained in Schedule 7 and Schedule 8 to the Ordinance, shall be applicable to the Manager appointed under this Deed and any subsequently appointed Manager. For the avoidance of doubt, the Station and the Depot shall be managed and controlled by the Owner of the Station and the Depot in its sole discretion and the Manager shall have no right to interfere with the management or control of the Station or the Depot or any part thereof in any manner.

(b) [] in its capacity as Manager shall have the right to delegate or subcontract on such terms and conditions as it shall in its discretion deem fit and without the consent of the Owners any or all of its powers rights and responsibilities under this Deed and in case of such delegation or sub-contract, all acts and deeds done or caused to be done by the delegatee or sub-contractor shall be valid and binding on the Owners and such delegatee or sub-contractor shall remain responsible to the Manager who shall remain responsible for the management and control of the Estate and (before re-delivery to the Government pursuant to the Government Grant) the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures.

(c) Subject to the provisions of the Ordinance and the provisions for termination hereinafter contained, such appointment shall be for an initial period commencing on the date of this Deed and expiring two years after the date of the Sub-Deed of Mutual Covenant or Deed Poll in respect of the final Phase of the Estate or after the expiry date of the last building covenant period under the Government Grant, whichever is the earlier (“**the initial period**”).

(d) If and when the said appointment of [] or the appointment of such other person, firm or company as herein provided is terminated, the Owners, acting through the Development Owners’ Committee in accordance with the provisions in that behalf contained in Section G of this Deed, may appoint such other person, firm or company as they may decide to be the Manager.

**Termination of
appointment**

2. (a) The Manager may terminate its appointment at any time by giving not less than three months' notice in writing expiring at the end of the initial period or at any time thereafter to the Development Owners' Committee or where there is no Development Owners' Committee, by giving such a notice to each of the Owners and by displaying such a notice in a prominent place in the Estate. Where there is no Development Owners' Committee, the notice referred to in this sub-clause may be given:

- (i) by delivering it personally to the Owner; or
- (ii) by sending it by post to the Owner at his last known address; or
- (iii) by leaving the notice at the Owner's Unit or depositing the notice in the letter box for that Unit.

(b) Prior to the formation of the Owners' Corporation, the Development Owners' Committee may at any time terminate the appointment of the Manager without compensation by a resolution passed by a majority of votes of Owners voting either personally or by proxy in a meeting of the Owners of the Estate of not less than 50% of the Shares in aggregate (excluding the Shares allocated to the Station, the Depot and the Common Areas and the Common Services and Facilities) passed at a duly convened meeting pursuant to Section F of this Deed by giving not less than three months' notice in writing.

(c) For the purposes of sub-clause (b) of this Clause:

- (i) for any Phase in respect of which the Sub-Deed of Mutual Covenant has not been executed, the Shares allocated to the Common Areas and the Common Services and Facilities in that Phase shall be deemed to be equivalent to 6% of the Shares allocated to that Phase; and
- (ii) after execution of the Sub-Deed of Mutual Covenant in respect of the final Phase, the Shares allocated to the Common Areas and the Common Services and Facilities shall be the total Shares actually allocated to the Common Areas and the Common Services and Facilities under this Deed or any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll executed pursuant to this Deed.

(d) Subject to sub-clause (g) of this Clause, at a general meeting convened for the purpose, the Owners' Corporation may, by a resolution:

- (i) passed by a majority of the votes of the Owners voting either personally or by proxy; and
- (ii) supported by the Owners of not less than 50% of the Shares in aggregate,

terminate by notice the appointment of the Manager without compensation.

(e) A resolution under sub-clause (d) of this Clause shall have effect only if:

- (i) the notice of termination of appointment is in writing;
- (ii) provision is made in the resolution for a period of not less than 3 months' notice or, in lieu of notice, provision is made for an agreement to be made with the Manager for the payment to it of a sum equal to the amount of remuneration which would have accrued to it during that period;
- (iii) the notice is accompanied by a copy of the resolution terminating the Manager's appointment; and
- (iv) the notice and the copy of the resolution is given to the Manager within 14 days after the date of the meeting.

(f) The notice and the copy of the resolution referred to in sub-clause (e)(iv) of this Clause may be given:

- (i) by delivering them personally to the Manager; or
- (ii) by sending them by post to the Manager at its last known address.

(g) For the purposes of sub-clause (d) of this Clause:

- (i) only the Owners of Shares who pay or who are liable to pay the Management Charges relating to those Shares shall be entitled to vote;
- (ii) the reference in sub-clause (d)(ii) of this Clause to "the Owners of not less than 50% of the Shares in aggregate" shall be construed as a reference to the Owners of not less than 50% of the Shares in aggregate who are entitled to vote.

(h) If a contract for the appointment of a manager other than the Manager contains no provision for the termination of that manager's appointment, sub-clauses (d), (e), (f) and (g) of this Clause shall apply to the termination of that manager's appointment as they apply to the termination of the Manager's appointment.

(i) Sub-clause (h) of this Clause operates without prejudice to any other power there may be in a contract for the appointment of the manager other than the Manager to terminate the appointment of that manager.

(j) If a notice to terminate the Manager's appointment is given under this Clause:

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

(ii) if no such appointment is approved under sub-clause (j)(i) of this Clause 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.

(k) If any person has given an undertaking in writing to, or has entered into an agreement with, the Government to manage or be responsible for the management of the Estate, and the Owners' Corporation has appointed a Manager under sub-clause (j)(ii) above, the Owners' Corporation shall be deemed to have given to that person an instrument of indemnity under which the Owners' Corporation shall be liable to indemnify that person in respect of any act or omission by the Manager appointed under sub-clause (j)(ii) above that may otherwise render that person liable for a breach of that undertaking or agreement.

(l) This Clause is subject to any notice relating to the Development that may be published by the Secretary for Home Affairs under section 34E(4) of the Ordinance but does not apply to any single manager referred to in that section.

**Delivery of books
and bank accounts**

3. (a) Subject to paragraph (b) of this Clause, if the Manager's appointment ends for any reason, it shall, as soon as practicable after its appointment ends, and in any event within 14 days of the date its appointment ends, deliver to the Development Owners' Committee (if any) or the Manager appointed in its place any movable property in respect of the control, management and administration of the Estate and the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures

that is under its control or in its custody or possession, and that belongs to the Owners' Corporation (if any) or the Owners.

(b) If the Manager's appointment ends for any reason, it shall within 2 months of the date its appointment ends at the cost and expense of the Owners :-

- (i) prepare :
 - (1) an income and expenditure account for the period beginning with the commencement of the financial year in which its appointment ends and ending on the date its appointment ended; and
 - (2) a balance sheet as at the date its appointment ended;

and shall arrange for that account and balance sheet to be audited by an accountant or by some other independent auditor specified in a resolution of the Development Owners' Committee or, in the absence of any such specification, by such accountant or other independent auditor as may be chosen by the Manager; and

- (ii) deliver to the Development Owners' Committee (if any) or the Manager appointed in its place any books or records of account, papers, documents and other records which are required for the purposes of paragraph (b)(i) of this Clause and have not been delivered under paragraph (a) of this Clause.

The Manager's Remuneration

4. (a) The Manager shall be entitled to charge a monthly fee as remuneration for the performance of its duties hereunder, such fee to be payable in advance on the first day of each calendar month by way of deduction from the Management Charges collected as provided in this Deed.

- (b) (i) The amount of such remuneration shall be fixed at 10% of the expenditure referred to in Clause 1 of Section I of this Deed incurred by the Manager in any financial year in the management of the Estate and the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures (exclusive of Government rent and the Manager's Remuneration). The percentage of total annual expenditure against which the Manager's Remuneration is calculated may be

reviewed by a resolution passed at a meeting of the Owners of the Estate convened under this Deed.

- (ii) For the purpose of calculating the Manager's Remuneration, the total expenditure incurred in the management of the Estate and the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures shall exclude any capital expenditure or expenditure drawn out of the relevant account of the Special Fund PROVIDED THAT subject to the approval by a resolution of Owners at a meeting of the Owners of the Estate convened under this Deed or at a meeting of the Owners of the relevant Phase convened under the relevant Sub-Deed of Mutual Covenant (as the case may be), any capital expenditure or expenditure drawn out of the relevant account of the Special Fund (exclusive of the Manager's Remuneration in respect of such expenditure) may be included for calculating the Manager's Remuneration at the rate specified in sub-clause (b)(i) of this Clause or at any lower rate as considered appropriate by the Owners.

(c) The Manager's Remuneration as aforesaid shall be the net remuneration of the Manager for its services as Manager and shall not include the costs, expenses, salary and fees for any staff, facilities, accountancy services or other professional supervision for the Estate and the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures and all disbursements and out of pocket expenses properly incurred in the course of carrying out its duties hereunder which said costs and expenses shall form part of the Management Charges.

Manager as agent

5. Subject to the provisions of the Ordinance, the Manager is appointed to act as agent for and on behalf of all the Owners duly authorised in accordance with the provisions of this Deed PROVIDED THAT notwithstanding anything contained in this Deed, the Manager shall not represent FSI or GPA in any dealings with the Government.

Owners' Corporation

6. Notwithstanding anything contained in this Deed, at any time after the formation and during the existence of the Owners' Corporation in respect of the Development under the Ordinance, the meeting of Owners convened under this Deed shall be replaced and substituted by the general meeting of the Owners' Corporation and the Development Owners' Committee formed under this Deed shall be replaced and substituted by the management committee of the Owners' Corporation.

Manager as Owner

7. Where the Manager is at any time also an Owner of a Unit the Manager shall be obliged in its capacity as Owner to observe and perform the terms and conditions of this Deed in the same way as all other Owners and shall be entitled to exercise the same powers as all other Owners.

SECTION I

POWERS AND DUTIES OF THE MANAGER

Authority and duties of the Manager

1. (a) Subject to the provisions of the Ordinance, subject to the rights, easements and privileges of FSI as Owner of the Government Accommodation under this Deed, any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll and the Government Grant and subject to as provided in this Deed, the Manager shall in respect of any part of the Estate in respect of which a Sub-Deed of Mutual Covenant has been entered into pursuant to this Deed (save and except the Government Accommodation) and (before re-delivery to the Government pursuant to the Government Grant) the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures have the authority to do all such acts and things as may be necessary or expedient for the management of the relevant part of the Land and the Estate (save and except the Government Accommodation) and the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures and anything reasonably incidental thereto for and on behalf of all Owners (save and except FSI as the Owner of the Government Accommodation) in accordance with the provisions of this Deed and each Owner of the Estate (save and except FSI as the Owner of the Government Accommodation) irrevocably appoints the Manager as agent in respect of any matter concerning the Common Areas and the Common Services and Facilities and all other matters duly authorized under this Deed or any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant.

(b) Without in any way limiting the generality of the foregoing, the Manager shall have the following powers and duties, namely :-

- (i) To employ and to dismiss accountants, caretakers, security guards, watchmen, cleaners, attendants, gardeners and such other staff as may be required for the proper management of the Estate and (before re-delivery to the Government pursuant to the Government Grant) the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures.
- (ii) To demand and receive from each Owner in accordance with the provisions of Section J of this Deed the Management Charges which shall without prejudice to any other remedy available hereunder be recoverable by the Manager by civil action and the defaulting Owner shall not be

entitled to dispute the right of the Manager to sue and recover unpaid Management Charges.

- (iii) To pay the Government rent in respect of the Estate on the Owners' behalf in accordance with the provisions of Clause 3 of Section E of this Deed.
- (iv) (01) (Unless otherwise directed by the Owners' Corporation) to keep the Common Areas and the Common Services and Facilities insured in the full new reinstatement value thereof (plus a sum to cover demolition and clearance costs and architects', surveyors' and engineers' rebuilding fees) against loss or damage of or to the buildings and other structures comprised within the Common Areas and the Common Services and Facilities against the Insured Risks;
- (02) if the Manager shall think fit, to procure block insurance for the entire Estate and (before re-delivery to the Government pursuant to the Government Grant) the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures including those areas which are not the Common Areas in the full new reinstatement value thereof (plus a sum to cover demolition and clearance costs and architects', surveyors' and engineers' rebuilding fees) against loss or damage of or to the buildings and other structures comprised within the Estate and the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures against the Insured Risks;
- (03) (unless otherwise directed by the Owners' Corporation) to keep the Common Areas and the Common Services and Facilities or if the Manager shall think fit the whole Estate and the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures insured against third party and

property owners' liability, public liability, occupiers' liability and/or any other similar liability; and

- (04) (unless otherwise directed by the Owners' Corporation) to keep the Common Areas and the Common Services and Facilities or if the Manager shall think fit the whole Estate and (before re-delivery to the Government pursuant to the Government Grant) the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures insured against employers' liability in respect of the staff and/or the Manager's employees engaged in the management of the Estate and the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures PROVIDED ALWAYS THAT if all or any of the staff and/or Manager's employees are not employed exclusively for the management of the Estate and the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures the premium payable on the requisite policies shall be apportioned accordingly;

with a reputable insurance company or companies and, in respect of (03) and (04) above, with such limit or limits of indemnity as the Manager shall deem fit and to take out the requisite policies and to pay all premia required to keep such policies in force.

- (v) To make suitable arrangements for the supply of fresh and flushing water and electricity and any other utilities or services to or for the Estate and (before re-delivery to the Government pursuant to the Government Grant) the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures.
- (vi) To arrange for the supply, erection, maintenance, renewal and replacement of building name and

directional signage and directory boards in the Common Areas.

- (vii) To repair, maintain, clean, paint or otherwise treat or decorate as appropriate, the structure and fabric of any buildings and other structures erected on or in the Estate and the external elevations, external walls (other than any external walls assigned to an Owner) and roofs and flat roofs thereof (other than any roofs or flat roofs assigned to an Owner), and to replace any glass that may be broken in any doors or windows therein, the responsibility for doing any of which is not, under the terms of this Deed or any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant, allocated to any Owner PROVIDED THAT any signs or advertisement erected on the external walls of the Government Accommodation by FSI as Owner of the Government Accommodation shall not be affected.
- (viii) To carry out any works to the Estate (save and except the Government Accommodation) which the Manager considers necessary for the rebuilding, enhancement, renovation or improvement of the Estate PROVIDED THAT the Manager shall not effect any improvements to facilities or services which involve expenditure in excess of 10% of the current annual budget of the Estate except with the prior approval by a resolution of the Owners of the Estate at a meeting of the Owners of the Estate convened under this Deed.
- (ix) To maintain and keep in good repair and condition the Common Areas.
- (x) To arrange for the cleaning and lighting of the Common Areas.
- (xi) To maintain and keep in good repair and condition the Common Services and Facilities and to replace or renew any parts that may need replacement or renewal.
- (xii) Subject to Clause 9(b) of Section E of this Deed, to maintain, manage and keep in good repair and condition the Items.

- (xiii) To maintain the fire protection and fire-fighting systems, equipment and apparatus forming part of the Common Services and Facilities upon the Estate and in particular the automatically activated emergency lighting system providing emergency lighting for the staircases in accordance with the Code of Practice for Minimum Fire Service Installations and Equipment and to comply with all requirements of the Fire Services Department and generally so far as may be possible at all times to maintain the Estate safe from fire.

- (xiv) To engage suitable qualified personnel to inspect maintain and repair the Slopes and Retaining Walls (if any) which are required to be maintained by the Owners of the Land pursuant to the provisions of the Government Grant and in accordance with “Geoguide 5 - Guide to Slope Maintenance” published by the Geotechnical Engineering Office of the Civil Engineering and Development Department as amended or replaced from time to time, the Slope Maintenance Manual (if any) and all guidelines issued from time to time by the appropriate Government departments regarding the maintenance of the Slopes and Retaining Walls (if any) PROVIDED THAT the aforesaid right of the Manager may also be exercised by the Owners’ Corporation PROVIDED FURTHER THAT the Manager shall not be personally liable for carrying out any such requirements of the Government Grant which shall remain the responsibility of the Owners of the Land or the relevant Phase(s) or the Station or the Depot (as the case may be) (save and except FSI as the Owner of the Government Accommodation) if having used all reasonable endeavours, the Manager has not been able to collect the costs of the required works from all the relevant Owners.

- (xv) To inspect, uphold, manage, maintain, clean, repair or landscape (including but not limited to planting, transplanting and replanting of shrubs and trees) (as the case may be) all those areas whether within or outside the boundary of the Land (including the Green Area, the Structures, the Stippled Green Area and the Stippled Green

Area Structures before re-delivery to the Government pursuant to the Government Grant) and the structures and services installed and provided thereon or therein and the shrubs and trees planted thereon or therein (as the case may be) if the Grantee (as defined in the Government Grant) of the Land is required to uphold, manage, maintain, clean, repair or landscape the same under the conditions of the Government Grant (save and except where the relevant obligation is required to be performed and observed by MTR as the original grantee of the Land only excluding its successors and assigns under the Government Grant).

- (xvi) To provide such security guards, watchmen and caretakers and to provide and maintain such security systems, equipment and apparatus as the Manager deems necessary and generally so far as may be possible at all times to maintain security on and in the Estate.
- (xvii) (01) Upon the completion of the central clubhouse, in consultation with the Development Owners' Committee (if any) from time to time make revoke and amend the Club Rules for the central clubhouse. Each Owner of a Unit in the Residential Development and his family members and bona fide visitors shall subject to the Club Rules for the central clubhouse and payment of any fees imposed by the Manager be entitled to use the services and facilities provided in the central clubhouse.
- (02) Upon completion of each Phase of the Residential Development, in consultation with the Owners' Sub-Committee (if any) of the relevant Phase from time to time to make revoke or amend the Club Rules for the Club House of that Phase. Each Owner of a Unit in a Phase of the Residential Development and his family members and bona fide visitors shall subject to the Club Rules for the Club House of that Phase and payment of any fees imposed by the Manager be entitled to use the

services and facilities provided in the Club House of that Phase.

- (xviii) To manage, control and supervise the use and operation of the Private Recreational Facilities, to insure against liability to persons using the same and to make, vary and enforce regulations regarding the persons using the same, the hours of use, fees for use and all other matters relating thereto PROVIDED THAT all fees and income shall be applied by the Manager towards the operation, repair, maintenance and improvement of the respective facilities.
- (xix) To manage and control the visitor parking and loading and unloading areas and spaces forming part of the Common Areas for the benefit and use of the Owners and their bona fide guests, visitors or invitees (as the case may be) including without limiting to prescribe and collect all such fees necessary for the entry into or removal from the Car Park or the Estate of any vehicle or to prohibit or impound any vehicle for any unlawful use of or parking at the visitor parking and loading and unloading areas and spaces PROVIDED THAT all such fees, amounts or penalties collected therefrom shall form part of the management funds and be applied by the Manager towards the management, repair, maintenance and improvement of the Common Areas and the Common Services and Facilities.
- (xx) To prevent any person from altering or injuring any part of the structure or fabric or external appearance of any building erected on or in the Estate (except the Government Accommodation by the Owner thereof as permitted under this Deed, or any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll and the Commercial Development by the Owner thereof as permitted under this Deed, or any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll) and to remove any structure or installation, plant or equipment, aerial or any other fixture, sign or advertisement or any other thing whatsoever which contravenes the terms of this Deed and to demand and receive from the Owner by whom such thing as aforesaid

was erected or installed the costs and expenses of such removal.

- (xxi) To prevent any person from overloading the floors or lifts or electrical installations of or in any building erected on or in the Estate.
- (xxii) To prevent obstruction of any of the Common Areas.
- (xxiii) To prevent any decaying, noisome, noxious, excrementious or other refuse matter from being deposited on or in the Estate or any part thereof (other than at the refuse collection points provided for such purpose) and to remove any refuse and arrange for its disposal at regular intervals and to maintain either on or off site refuse collection facilities to the satisfaction of the Director of Food and Environmental Hygiene.
- (xxiv) To prevent the carrying out of any building works, foundation works or any other works on or within the Land or any part thereof which may damage, interfere with, obstruct or endanger the operation of the Station or the Depot or the Mass Transit Railway or any Mass Transit Railway Structures and Installations in or passing through or in the vicinity of the Land or any part thereof in accordance with Special Condition No.(89) of the Government Grant.
- (xxv) To take such measures and precautions as may be required by the Director to ensure the safety of the Mass Transit Railway Structures and Installations and the operation of the Mass Transit Railway, the Station and the Depot in accordance with Special Condition No.(89) of the Government Grant.
- (xxvi) Throughout the whole of the Term to comply with and observe to the satisfaction of the Director of Buildings all the requirements imposed by the Director of Buildings to protect the Mass Transit Railway Structures and Installations.
- (xxvii) To use its reasonable endeavours to prevent any breach by any person on or in the Estate of any provisions of the Government Grant and in the event of such a breach coming to its notice, if it considers necessary, to convene a meeting of the

Owners of the Estate affected by the breach in accordance with the provisions of Section F of this Deed.

- (xxviii) To liaise with the relevant Government bodies or authorities (but not on behalf of FSI or GPA in any dealing with the Government) on matters concerning the Estate and (before re-delivery to the Government pursuant to the Government Grant) the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures so that the interests of the Owners and occupiers thereof are not unduly jeopardized by any public works and to make known their needs.
- (xxix) To appoint solicitors with authority to accept service of proceedings on behalf of all the Owners (except FSI as Owner of the Government Accommodation) of the part or parts of the Estate affected.
- (xxx) To do all things which the Manager shall in its absolute discretion deem necessary or desirable for the purposes of maintaining and, subject to prior consultation with the Development Owners' Committee or the relevant Owners' Sub-Committee, improving the amenities of the Estate for the better enjoyment or use thereof by the Owners and occupiers and their licensees.
- (xxxi) To give or refuse its consent or approval to anything which requires its consent or approval pursuant to this Deed or any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant entered into pursuant to this Deed (such consent or approval shall not be unreasonably withheld) and to impose conditions or additional conditions relative thereto and the giving or refusing of such consent or approval and the imposing of such conditions shall be final and conclusive and binding on the Owners PROVIDED THAT the grant of any consent or approval by the Manager shall not relieve an Owner from obtaining all necessary governmental consents PROVIDED FURTHER THAT any consent or approval that the Owner of the Government Accommodation may be required to obtain from the Manager shall

not be unreasonably withheld and shall be provided free of charge.

- (xxxii) To enforce the due observance and performance of the terms and conditions of this Deed or any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant entered into pursuant to this Deed by the Owners and occupiers and to take action in respect of any breach thereof including discontinuance of provision of management services to the defaulting Owners following the expiration of reasonable notice requiring an Owner to remedy that breach and the commencement, conduct and defence of legal proceedings and the registration and enforcement of charges as herein mentioned.
- (xxxiii) To negotiate and agree with the Owner of the Government Accommodation the contribution to the management and maintenance charges payable in respect of those parts of the Government Accommodation liable to contribute to such sums pursuant to Clause 9(a) of Section E of this Deed and any contributions received shall be credited by the Manager to the management account maintained pursuant to Clause 11 of Section J of this Deed.
- (xxxiv) To undertake upon the request of the Owner of the Government Accommodation the maintenance of the services, facilities and installations serving exclusively the Government Accommodation whereupon the Owner of the Government Accommodation will reimburse the Manager with the costs expended in carrying out such maintenance on condition that the maintenance will not be carried out until the Manager has submitted an estimate of costs together with supporting documents and any other relevant information that the Owner of the Government Accommodation considers necessary and the Owner of the Government Accommodation has approved in writing the estimated costs and the maintenance work to be carried out by the Manager.
- (xxxv) To provide appropriate and sufficient waste separation and recovery facilities including but not limited to waste separation bins at such

locations within the Common Areas as the Manager may consider suitable and convenient to facilitate waste separation and recovery by the Owners and occupiers of the Estate. The Manager shall ensure that the recovery facilities shall consist of material that will not cause any fire hazard and shall be placed in locations so as not to cause obstruction to any fire escape route and that recyclable materials recovered from the facilities or through the regular cleansing process shall be properly collected, stored and sent for recycling. The Manager shall maintain the facilities in an environmentally acceptable and hygienic manner to avoid creating nuisance to Owners and occupiers of the Estate.

(xxxvi) To make Building Rules to require the Owners and occupiers of the Estate (save and except the Owner and occupiers of the Government Accommodation) to protect the environment of the Development and to implement waste reduction, separation and recycling measures with reference to guidelines on property management issued from time to time by the Director of Environmental Protection and to implement and/or monitor proper implementation of any noise mitigation measures by Owners whose Residential Units contain noise mitigation measures serving or belonging to such Residential Units exclusively and to enter into the relevant Residential Units (with reasonable prior notice to the relevant Owners and the least disturbance being caused) to take such measures and precautions as may be required to prevent any breach by any Owners in respect of the noise mitigation measures in Residential Units.

(xxxvii) Subject to the terms and conditions contained in the Government Grant and the rights of MTR and the Owner of the Government Accommodation contained in this Deed and any Sub-Deed of Mutual Covenant and Sub-Sub-Deed of Mutual Covenant and the prior approval of the Development Owners' Committee or the relevant Owners' Sub-Committee (as the case may be), to license or otherwise permit or grant the right to any person to have access to and to use any part of the Common Areas and the Common Services

and Facilities for such purpose and upon such terms and conditions as the Manager may deem fit, and subject to the additional prior written approval by a resolution of Owners at a meeting of the Owners of the Estate convened under this Deed or at a meeting of the Owners of the relevant Phase convened under the relevant Sub-Deed of Mutual Covenant (as the case may be) and any payment received for the approval shall be credited to the relevant account of the Special Fund, to grant licence to any person to install or affix chimneys, flues, pipes or any other structures or facilities on or within the Common Areas (PROVIDED THAT the same shall not be installed or affixed onto the external walls of the Government Accommodation), and for this purpose to negotiate and enter into contracts, leases or licence agreements or arrangement with such persons on such terms as the Manager may deem fit PROVIDED THAT upon the request of the Owners' Corporation (if formed), the Manager shall assign such contract, lease or licence agreement to the Owners' Corporation 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 of the Estate or the relevant Phase (as the case may be) and be credited to the relevant account of the Special Fund and PROVIDED FURTHER THAT the right of any Owner to the use and enjoyment of any of the Common Areas and the Common Services and Facilities shall not be unreasonably interfered with and that no nuisance or hazard to any person lawfully in the Estate is caused thereby.

(xxxviii) Subject to approval of the Development Owners' Committee or the relevant Owners' Sub-Committee (as the case may be), to change the user of any part of the Common Areas and the Common Services and Facilities PROVIDED ALWAYS THAT the use and enjoyment of the Units by the Owners shall not be affected and no such change of user shall give to the Owners any right of action against the Manager PROVIDED THAT the Common Areas and the Common Services and Facilities shall not be reduced and any payment so received for such approval shall

be credited into the relevant account of the Special Fund.

(xxxix) To demand and receive from each Owner of any Phase(s) (save and except the Owner of the Government Accommodation) the costs and expenses mentioned in Clause 1(z) of Section J of this Deed and to pay the same to the Owner of the Station and the Depot.

The Manager to control Common Areas etc.

2. Subject to the Ordinance and the provisions of this Deed, the Common Areas, the Common Services and Facilities and (before re-delivery to the Government pursuant to the Government Grant) the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures shall be under the exclusive control of the Manager.

The Manager's acts and decisions binding

3. All acts and decisions of the Manager arrived at in accordance with the provisions of this Deed in respect of any of the matters aforesaid shall be binding in all respects on all the Owners. For the avoidance of doubt, any contract entered into by the Manager in accordance with the provisions of this Deed shall be binding on all the Owners and this Clause shall be subject to the rights, easements and privileges of the Owner of the Government Accommodation under this Deed, any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll and in particular subject to Clause 5 of Section H of this Deed.

Powers of the Manager

4. (a) The Manager shall have all the powers of a Corporation incorporated under the Ordinance insofar as applicable and insofar as it may lawfully exercise such powers PROVIDED THAT the powers of such Corporation shall not in any way be impeded or restricted nor be prejudiced by or as a result of this Clause.

(b) The Manager, or in the absence of the Manager, the Owners' Corporation or the Chairman of the Development Owners' Committee, shall have the power to accept service of notice and demand by the Government for delivery of possession of the Green Area, the Structures, the Stippled Green Area and/or the Stippled Green Area Structures or any part thereof and deliver the Green Area, the Structures, the Stippled Green Area and/or the Stippled Green Area Structures or any part thereof to the Government pursuant to the Government Grant for and on behalf of all the Owners of the Land.

Contracts entered into by Manager

5. (a) Subject to the provisions in Schedule 7 to the Ordinance and sub-clauses (b) and (c) of this Clause, the Manager shall not enter into any contract for the procurement of any supplies, goods or services the value of which exceeds or is likely to exceed the sum of HK\$200,000.00 or such other sum in substitution therefor as the Secretary for Home Affairs may specify by notice in the Gazette unless:

- (i) the supplies, goods or services are procured by invitation to tender; and
- (ii) the procurement complies with the Code of Practice referred to in Section 20A(1) of the Ordinance.

(b) Subject to sub-clause (c) of this Clause, the Manager shall not enter into any contract for the procurement of any supplies, goods or services the value of which exceeds or is likely to exceed a sum which is equivalent to 20% of the annual budget of the Estate or such other percentage in substitution therefor as the Secretary for Home Affairs may specify by notice in the Gazette unless:

- (i) if there is an Owners' Corporation:
 - (1) the supplies, goods or services are procured by invitation to tender;
 - (2) the procurement complies with the Code of Practice referred to in Section 20A(1) of the Ordinance; and
 - (3) whether a tender submitted for the purpose is accepted or not is decided by a resolution of the Owners passed at a general meeting of the Owners' Corporation, and the contract is entered into with the successful tenderer; or
- (ii) if there is no Owners' Corporation:
 - (1) the supplies, goods or services are procured by invitation to tender;
 - (2) the procurement complies with the Code of Practice referred to in Section 20A(1) of the Ordinance; and
 - (3) whether a tender submitted for the purpose is accepted or not is decided by a resolution of the Owners passed at a meeting of Owners of the Estate convened and conducted in accordance with this Deed, and the contract is entered into with the successful tenderer.

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

- (i) where there is an Owners' Corporation, if:
 - (1) the relevant supplies, goods or services are of the same type as any supplies, goods or services which are for the time being supplied to the Owners' Corporation by a supplier; and
 - (2) the Owners' Corporation decides by a resolution of the Owners passed at a general meeting of the Owners' Corporation that the relevant supplies, goods or services shall be procured from that supplier on such terms and conditions as specified in the resolution, instead of by invitation to tender; or

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

(d) The Manager may enter into contracts for the installation or use of aerial broadcast distribution or telecommunications network facilities and contracts for the provision of broadcast distribution network or telecommunication network services subject to the following conditions:

- (i) the term of the contract shall not exceed 3 years;
- (ii) the right to be granted under the contract shall be non-exclusive and shall provide for sharing the use of the facilities and network with other service providers; and
- (iii) no Owner is required to make any payment in any form attributable to the installation or provision of the facilities or services, unless he is a subscriber to the relevant service.

**Discretion of the
Manager**

**In whose name to
perform powers**

**Discretion to
refrain when any
act may be
contrary to law or
unprofessional**

**Discretion to
refrain from
acting as directed
by Owners'
Committees unless
indemnified**

**To obtain legal
or other expert
advice**

6. The Manager shall have the discretion to :-

- (a) perform any of its duties, obligations and responsibilities or exercise any of its rights and powers and discretions hereunder (including instituting legal proceedings) other than in respect of matters solely relating to the Government Accommodation under its own name or by or through its employees or agents or contractors or in the name of the Owners PROVIDED THAT the Manager shall not represent FSI or GPA in any dealings with the Government;
- (b) refrain from doing anything or the exercise of any right or power vested in the Manager which would or might be in the opinion of the Manager contrary to any law or governmental directive or any contract or unprofessional, immoral or inappropriate or render the Manager liable to any person or would or might in the opinion of the Manager adversely affect the safety or operation of the Mass Transit Railway, the Mass Transit Railway Structures and Installations, the Station or the Depot or the health or safety of the Owners or occupiers of the Estate or any part thereof or the safety of any part of the Estate and to do anything which in its absolute discretion the Manager may consider necessary to comply with any law or government directive;
- (c) refrain from taking any step or further step required by the Development Owners' Committee or any Owners' Sub-Committee of a Phase or the Owners pursuant to the provisions of this Deed until the Manager has been fully indemnified and/or secured to its satisfaction against any or all costs and expenses (including legal costs) or liabilities which the Manager may sustain or incur as a result of complying with such requirement or request;
- (d) obtain and pay (at the cost and expense of the Owners (excluding FSI as the Owner of the Government Accommodation)) reasonable expenses for such legal or other expert advice or services in connection with the matters arising from the management of the Estate (excluding the Government Accommodation) and/or for common interest of the Owners or group or groups of Owners (excluding FSI as the Owner of the Government Accommodation) as the Manager considers necessary or desirable from such legal or other expert to be determined and appointed by the Manager and rely on any such advice

without any liability for any loss or damage whatsoever and howsoever arising.

**Protection of the
Manager**

7. Neither the Manager nor any of its employees, agents or contractors shall be liable to the Development Owners' Committee or any Owners' Sub-Committee appointed under any Sub-Deed of Mutual Covenant or any Owner or any person whomsoever whether claiming through, under or in trust for the Development Owners' Committee or any Owners' Sub-Committee appointed under any Sub-Deed of Mutual Covenant or any Owner or otherwise except in the event of any act or omission involving criminal liability, dishonesty or negligence by or on the part of the Manager or its employees, agents or contractors:

- (a) for or in respect of any act, matter or thing done or omitted in pursuance or in purported pursuance of the provisions of this Deed or any instruction from the Development Owners' Committee or any Owners' Sub-Committee appointed under any Sub-Deed of Mutual Covenant or the Owners;
- (b) for or in respect of any loss or damage to person or property caused by or through or in any way owing to any defect in or breakdown of the lifts, fire and security services equipment, the Common Services and Facilities, air-conditioning plant and other facilities (if any) of or in the Estate, the Green Area, the Structures, the Stippled Green Area or the Stippled Green Area Structures;
- (c) for or in respect of any loss or damage to person or property caused by or through or in any way owing to any failure, malfunction, explosion or suspension of the electricity or water supply to the Estate, the Green Area, the Structures, the Stippled Green Area or the Stippled Green Area Structures or any part thereof;
- (d) for or in respect of any loss or damage to person or property caused by or through or in any way owing to fire or the overflow or leakage of water from anywhere within the Estate or the influx of rainwater or other substances into, or the activity of termites, rats or other vermin in any of the buildings erected on or in the Estate;
- (e) for the security or safekeeping of the Estate, the Green Area, the Structures, the Stippled Green Area or the Stippled Green Area Structures or any persons or contents therein.

**Owners to indemnify
the Manager**

8. The Owners (save and except the Owner of the Government Accommodation) 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, the Green Area, the Structures, the Stippled Green Area and/or the Stippled Green Area Structures or anything mentioned in Clause 7 of this Section and all costs and expenses (including legal costs) in connection therewith save that the protection afforded by this Clause shall not extend to any act or omission involving criminal liability, dishonesty or negligence by or on the part of the Manager or its employees, agents or contractors and no Owner shall be required to indemnify the Manager or its employees, agents or contractors from and against any action, claim etc. arising out of any such act or omission.

Consent to FSI

9. Notwithstanding anything herein contained, any consent or approval that the Owner of the Government Accommodation may be required to obtain from the Manager shall not be unreasonably withheld and shall be provided free of charge.

SECTION J

MANAGEMENT CHARGES

**Costs to be borne
by all the Owners**

1. The costs, charges and expenses necessarily and reasonably incurred, in respect of the management of the Estate, the Green Area, the Structures, the Stippled Green Area and/or the Stippled Green Area Structures and the performance of any duty or the exercise of any power by the Manager, shall include but shall not be limited to those next following, and, shall be paid by the Owners of the Estate (subject to Clause 5(b)(II) of this Section) in the manner herein provided :-

- (a) Government rent (subject to the provisions of Clause 3 of Section E of this Deed);
- (b) the premia payable for the insurance of the Estate, the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures or any part thereof against the Insured Risks, third party and property owners' liability, employers' liability, public liability, occupiers' liability and/or any other similar liability;
- (c) the charges for the supply and consumption of water, electricity and other utilities and any similar charges in connection with the Estate as a whole or the Green Area, the Structures, the Stippled Green Area and/or the Stippled Green Area Structures and not being in respect of use or consumption of the same in any Unit used, occupied and enjoyed by one or some Owners to the exclusion of the other Owners;
- (d) the costs of repairing, maintaining, cleaning, painting and otherwise treating and decorating the structure and external elevations of the Estate and any buildings, and other structures erected on or in the Estate or any part or parts thereof which form parts of the Common Areas or the Common Services and Facilities, and of replacing broken glass in any doors or windows therein, the responsibility for any of which is not under the terms of this Deed or any Sub-Deed Mutual Covenant allocated to any Owner or group or groups of Owners;
- (e) costs incurred by MTR and charged back to the Manager as a result of MTR undertaking any repairs or works to the Estate which it deems necessary pursuant to the provisions of paragraph (a)(ii) of the Exceptions and Reservations

section under Clause 3 of Part II of the Second Schedule to this Deed;

- (f) subject to Clause 1(b)(viii) of Section I of this Deed, the cost of any necessary demolition works or works the Manager considers necessary for the rebuilding, improvement, enhancement or renovation of the Estate;
- (g) the costs of maintaining and keeping in good repair and condition the Common Areas;
- (h) the costs of cleaning and lighting the Common Areas;
- (i) the costs of landscaping the Common Areas and maintaining the same;
- (j) the costs of maintaining and keeping in good repair and condition the Common Services and Facilities;
- (k) the costs of running and operating the Common Services and Facilities;
- (l) the costs of operating and maintaining the fire protection and fire-fighting systems, equipment and apparatus;
- (m) the costs of operating and maintaining the security systems equipment and apparatus;
- (n) the costs of maintaining, repairing and operating the Items;
- (o) the costs of maintaining, operating, staffing, insuring, and any and all other costs in connection with the Private Recreational Facilities;
- (p) the costs of purchasing or hiring all plant, equipment, apparatus or machinery necessary for the proper performance by the Manager of its powers and duties under this Deed and used solely for the benefit of the Estate, the Green Area, the Structures, the Stippled Green Area and/or the Stippled Green Area Structures;
- (q) all fees costs and expenses incurred by the Manager for the inspection, maintenance and repair of the Slopes and Retaining Walls (if any) in accordance with the publication entitled "Geoguide 5 - Guide to Slope Maintenance" published by Geotechnical Engineering Office of the Civil Engineering and Development Department as amended or replaced from time to time, the Slope Maintenance Manual (if any) and all guidelines issued from time to time by the appropriate Government departments regarding the

maintenance of the Slopes and Retaining Walls (if any) and which are required to be maintained by the Owners of the Land pursuant to the provisions of the Government Grant;

- (r) the remuneration for all management staff, caretakers, security guards, watchmen, cleaners, attendants, gardeners and such other staff as may be required for the proper management of the Estate, the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures;
- (s) the costs of refuse disposal;
- (t) the costs of pest control;
- (u) the costs of decorating the Common Areas during Christmas, Chinese New Year and other festivities;
- (v) all reasonable professional fees and costs incurred by the Manager including :
 - (i) fees and costs of estate management consultants, surveyors, rating surveyors, valuers, architects, engineers and others employed in connection with the management, maintenance and improvement of the Estate and/or the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures or any part or parts thereof;
 - (ii) solicitors and other legal fees and costs incurred in the exercise of its rights, powers and/or duties under this Deed;
 - (iii) fees and costs of accountants, auditors and/or any other consultants, data processing or transaction platforms employed in connection with the management funds, accounts or the Manager's statements;
- (w) a reasonable sum for contingencies;
- (x) the Manager's Remuneration;
- (y) the costs of inspecting, upholding, managing, maintaining, cleaning, repairing and landscaping (including but not limited to planting, transplanting and replanting of shrubs and trees) (as the case may be) all those areas whether within or outside the boundary of the Land (including the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures) and the structures and

services installed and provided thereon or therein and the shrubs and trees planted thereon or therein (as the case may be) if the Grantee (as defined in the Government Grant) of the Land is required to uphold, manage, maintain, clean, repair or landscape the same under the conditions of the Government Grant (save and except where the relevant obligation is required to be performed and observed by MTR as the original grantee of the Land only excluding its successors and assigns under the Government Grant);

- (z) the costs incurred by the Owner of the Station and the Depot and charged back to the Manager as a result of the Owner of the Station and the Depot carrying out any maintenance and repair works pursuant to Clause 1(c) of Part I of the Second Schedule to this Deed;
- (aa) any other costs, charges, and expenses properly incurred by the Manager in the performance of any duty or in the exercise of any power hereunder;

but such costs, charges and expenses shall exclude costs, charges and expenses of a capital nature relating to the Estate, the Green Area, the Structures, the Stippled Green Area and/or the Stippled Green Area Structures and for the replacement of installations, systems, equipment and apparatus within the Common Areas and the Common Services and Facilities which shall be payable out of the relevant account of the Special Fund hereinafter mentioned;

PROVIDED THAT subject to Clause 5(b)(II) of this Section and Clause 9(a) of Section E of this Deed, MTR in its capacity as Owner of the Station and the Depot (but not otherwise) and the Owner of the Government Accommodation shall not be required to contribute to the Management Charges or any costs charges or expenses incurred by the Manager in the maintenance and management of the Estate, and PROVIDED FURTHER THAT the Owner of the Government Accommodation shall not be required to contribute to the Special Fund or deposits respectively referred to in Clauses 2 and 9 of this Section nor any insurance premia, debris removal fees, interest, penalty charges or payment of a like nature.

Special Fund

2. (a) There shall be established and maintained by the Manager a Special Fund which shall consist of the following separate accounts :

- (i) one or more estate common account(s) for the purposes of meeting the expenditure of a capital nature or of a kind not expected to be incurred annually in respect of the Estate Common Areas, the Estate Common Services and Facilities, the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures or any part thereof which includes, but is not limited to,

expenses for the renovation, improvement and repair of the Estate Common Areas, the Estate Common Services and Facilities, the Green Area, the Structures, the Stippled Green Area and/or the Stippled Green Area Structures or any part thereof, the purchase, setting up, replacement, improvement and addition of installations, systems, equipment, tools, plant and machineries for the Estate Common Areas, the Estate Common Services and Facilities, the Green Area, the Structures, the Stippled Green Area and/or the Stippled Green Area Structures or any part thereof and the costs of the relevant investigation works and professional services;

- (ii) one or more residential development common account(s) for the purposes of meeting the expenditure of a capital nature or of a kind not expected to be incurred annually in respect of the Residential Development Common Areas and the Residential Development Common Services and Facilities or any part thereof which includes, but is not limited to, expenses for the renovation, improvement and repair of the Residential Development Common Areas and/or the Residential Development Common Services and Facilities or any part thereof, the purchase, setting up, replacement, improvement and addition of installations, systems, equipment, tools, plant and machineries for the Residential Development Common Areas and/or the Residential Development Common Services and Facilities or any part thereof and the costs of the relevant investigation works and professional services;
- (iii) for each Phase, following the execution of the Sub-Deed of Mutual Covenant or Deed Poll for that Phase or the Sub-Sub-Deed of Mutual Covenant (if any) for any portion of that Phase (as the case may be), one or more phase common account(s) for the purposes of meeting the expenditure of a capital nature or of a kind not expected to be incurred annually in respect of those parts of the Common Areas and Common Services and Facilities as are designated common areas and common services and facilities serving that Phase or any portion of the Phase in the relevant Sub-Deed of Mutual Covenant or the relevant Sub-Sub-Deed of Mutual Covenant or Deed Poll (as the case may be) entered

into pursuant to this Deed which includes, but is not limited to, expenses for the renovation, improvement and repair of the Common Areas and/or the Common Services and Facilities relating to that Phase or any portion of the Phase only, the purchase, setting up, replacement, improvement and addition of installations, systems, equipment, tools, plant and machineries for the Common Areas and/or the Common Services and Facilities relating to that Phase or any portion of the Phase only and the costs of the relevant investigation works and professional services.

(b) Except where MTR has made payments in accordance with Clause 9(b) of this Section J, the first Owner of each Unit (save and except the Owner of the Government Accommodation) shall upon the assignment of the Unit from MTR pay to the Manager an initial contribution to the relevant estate common account(s), the relevant residential development common account(s) and the relevant phase common account(s) of the Special Fund in accordance with Clause 9(a)(ii) of this Section J. Each Owner (save and except the Owner of the Government Accommodation) shall make further periodic contributions to the relevant account(s) of the Special Fund for each financial year in such amount and at such time to be determined by a resolution of the Owners of the Estate at an Owners' meeting convened under this Deed or by a resolution of the Owners of the relevant Phase at a meeting of the Owners of the relevant Phase convened under the relevant Sub-Deed of Mutual Covenant (as the case may be). If there is an Owners' Corporation, the Owners' Corporation shall determine, by a resolution of the Owners, the amount to be contributed to the Special Fund by the Owners (save and except the Owner of the Government Accommodation) in any financial year, and the time when those contributions shall be payable. The payment made by the Owners towards the Special Fund is neither refundable to any Owner by the Manager nor transferable to any new Owner.

(c) The Special Fund shall be deposited in interest bearing accounts the titles of which shall refer to the relevant accounts of the Special Fund opened and maintained by the Manager with a licensed bank within the meaning of Section 2 of the Banking Ordinance (Cap.155 of the Laws of Hong Kong) in Hong Kong and held on trust for the relevant Owners and the Manager shall use the bank accounts exclusively for the purposes referred to in Clause 2(a) of this Section J. The Manager shall include in the accounts to be submitted to the Owners in accordance with the provisions of Clause 8 of this Section J a statement showing changes in the respective accounts of the Special Fund.

(d) Without prejudice to the generality of Clause 2(c) of this Section J, if there is an Owners' Corporation, the Manager shall open and maintain one or more segregated interest-bearing accounts, each of which shall be designated as a trust account or client account, for holding money received

by it from or on behalf of the Owners' Corporation in respect of the relevant accounts of the Special Fund.

(e) The Manager shall display a document showing evidence of any account opened and maintained under Clause 2(c) or 2(d) of this Section J in a prominent place in the Estate.

(f) Each account of the Special Fund shall be established by the Manager following the execution of the relevant Sub-Deed of Mutual Covenant or Deed Poll or the relevant Sub-Sub-Deed of Mutual Covenant (as the case may be) for the particular part of the Development falling within the scope of that account of the Special Fund. The Manager shall without delay pay all money received by it in respect of the Special Fund into the relevant accounts opened and maintained under Clause 2(c) of this Section J or, if there is an Owners' Corporation, the relevant accounts opened and maintained under Clause 2(d) of this Section J.

(g) Except in a situation considered by the Manager to be an emergency, money shall not be paid out of the Special Fund unless it is for a purpose approved by the Development Owners' Committee or the relevant Owners' Sub-Committee (as the case may be). The Manager shall not use the Special Fund for the payment of any outstanding management expenses arising from or in connection with the day-to-day management of the Estate or any Phase or the Green Area, the Structures, the Stippled Green Area or the Stippled Green Area Structures.

Financial Year

3. (a) For all budgeting and accounting purposes in respect of the Estate there shall be established a financial year which shall begin on the 1st day of January and end on the 31st day of December of that year, save that the first such financial year for the Estate shall begin on the date of this Deed and end on the 31st day of December in the same year if this Deed is dated before the 1st day of July or end on the 31st day of December of the following year if this Deed is dated on or after the 1st day of July and the first such financial year for a Phase shall begin on the date of the Sub-Deed of Mutual Covenant or Deed Poll (as the case may be) in respect of that Phase and end on the 31st day of December in the same year if the said Sub-Deed of Mutual Covenant or Deed Poll (as the case may be) is dated before the 1st day of July or end on the 31st day of December of the following year if the said Sub-Deed of Mutual Covenant or Deed Poll (as the case may be) is dated on or after the 1st day of July.

(b) The Manager shall have the right from time to time to vary the financial year upon giving notice in writing to the Development Owners' Committee (if any) or the relevant Owners' Sub-Committee (as the case may be), but may only do so once in every five years except with the prior approval by a resolution of the Development Owners' Committee (if any) or the relevant Owners' Sub-Committee (as the case may be).

Determination of Management Charges

4. (a) Subject to sub-clauses (c), (e), (f) and (h) of this Clause, the total amount of Management Charges payable by the Owners (save and except FSI as Owner of the Government Accommodation and MTR as Owner of the Station and the Depot) during any financial year in respect of the management of the Estate, the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures shall be the total proposed expenditure during that year as specified by the Manager in accordance with sub-clause (b) of this Clause.

(b) In respect of each financial year (other than the first), the Manager shall in the preceding financial year in consultation with the Development Owners' Committee or the relevant Owners' Sub-Committees (as the case may be):-

- (i) prepare draft budgets in accordance with sub-clause (i) of this Clause setting out the proposed expenditure during the financial year;
- (ii) send a copy of the draft Estate Common Areas and Facilities Management Sub-Budget and the draft Residential Development Common Areas and Facilities Management Sub-Budget to the Development Owners' Committee and any draft Phase Management Sub-Budget to the relevant Owners' Sub-Committee or, where there is no Development Owners' Committee or Owners' Sub-Committee, display a copy of the draft budgets in a prominent place in the Estate or the relevant Phase (as the case may be), and cause it to remain so displayed for at least 7 consecutive days;
- (iii) send or display, as the case may be, with the copy of the draft budgets a notice inviting each Owner to send his comments on the draft budgets to the Manager within a period of 14 days from the date the draft budget was sent or first displayed;
- (iv) after the end of that period, prepare budgets specifying the total proposed expenditure during the financial year;
- (v) send a copy of the Estate Common Areas and Facilities Management Sub-Budget and the Residential Development Common Areas and Facilities Management Sub-Budget to the Development Owners' Committee and the Phase Management Sub-Budget to the relevant Owners' Sub-Committee or, where there is no Development Owners' Committee or Owners' Sub-Committee,

display a copy of the budget in a prominent place in the Estate or the relevant Phase (as the case may be), and cause it to remain so displayed for at least 7 consecutive days.

(c) Where in respect of a financial year, the Manager has not complied with paragraph (b) of this Clause before the start of that financial year, the total amount of the Management Charges for that year shall :-

- (i) until he has so complied, be deemed to be the same as the total amount of Management Charges (if any) for the previous financial year;
- (ii) when he has so complied, be the total proposed expenditure specified in the budgets for that financial year, and the amount that the Owners (save and except FSI as Owner of the Government Accommodation and MTR as Owner of the Station and the Depot) shall contribute towards the Management Charges shall be calculated and adjusted accordingly.

(d) Where a budget has been sent or displayed in accordance with sub-clause (b)(v) of this Clause and the Manager wishes to revise it, it shall follow the same procedures in respect of the revised budget as apply to the draft budget and budget by virtue of sub-clause (b) of this Clause.

(e) Where a revised budget is sent or displayed in accordance with sub-clause (d) of this Clause, the total amount of the Management Charges for that financial year shall be the total expenditure or proposed expenditure specified in the revised budget and the amount that Owners (save and except FSI as Owner of the Government Accommodation and MTR as Owner of the Station and the Depot) shall contribute towards the Management Charges shall be calculated and adjusted accordingly.

(f) If there is an Owners' Corporation and within a period of 1 month from the date that a budget or revised budget for a financial year is sent or first displayed in accordance with sub-clause (b) or (d) of this Clause, the Owners' Corporation decides, by a resolution of the Owners, to reject the budget or revised budget, as the case may be, the total amount of Management Charges for the financial year shall, until another budget or revised budget is sent or displayed in accordance with sub-clause (b) or (d) of this Clause and is not so rejected under this sub-clause, be deemed to be the same as the total amount of Management Charges (if any) for the previous financial year together with an amount not exceeding 10% of that total amount as the Manager may determine.

(g) If any Owner requests in writing the Manager to supply him with a copy of any draft budget, budget or revised budget, the Manager shall,

on payment of a reasonable copying charge, supply a copy to that person PROVIDED THAT on request the Manager shall provide FSI free of charge with copies of quarterly accounts, audited reports and budgets to justify the expenses incurred/estimated in the manner set out in Clause 3(a) of Section L of this Deed.

(h) For the purposes of this Clause, “**expenditure**” (開支) includes all costs, charges and expenses to be borne by the Owners, including the Manager’s Remuneration.

(i) The Manager shall prepare the budget of the Estate comprising the following sub-budgets :-

- (i) an Estate Common Areas and Facilities Management Sub-Budget which shall show the estimated expenditure for the management and maintenance of the Estate Common Areas, the Estate Common Services and Facilities, the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures including the contribution to the relevant estate common account(s) of the Special Fund and the Manager's Remuneration but excluding expenditure attributable solely to the Residential Development or any particular Phase(s) of the Estate;
- (ii) a Residential Development Common Areas and Facilities Management Sub-Budget which shall show the estimated expenditure for the management and maintenance of the Residential Development Common Areas, the Residential Development Common Services and Facilities including the contribution to the relevant residential development common account(s) of the Special Fund and the Manager's Remuneration but excluding expenditure attributable solely to the Residential Development in any particular Phase(s) of the Estate;
- (iii) a Phase Management Sub-Budget for each Phase which shall show the estimated expenditure for management and maintenance of each Phase including the contribution to the relevant phase common account(s) of the Special Fund and the Manager’s Remuneration (but excluding expenditure attributable to the Estate Common Areas and the Estate Common Services and Facilities, the Residential Development Common Areas and the Residential Development Common

Services and Facilities or any other part of the Development) and which may in the Manager's absolute discretion be broken down into sub-sub-budgets for each part of the Car Park, Commercial Development, Government Accommodation and Residential Development within a Phase or for any constituent part of each part of the Estate within a Phase (as considered necessary or appropriate by the Manager) which are used exclusively by some part or parts but not the whole of a Phase and in each case, in the budget next prepared by the Manager immediately after the date of the relevant Sub-Deed of Mutual Covenant or Deed Poll or the relevant Sub-Sub-Deed of Mutual Covenant (as the case may be) (and for the avoidance of doubt, the expenditure relating to the maintenance and management of the Items shall be included in the Phase Management Sub-Budget for Phase 1 constructed or to be constructed on Site A).

**Payment of
Management
Charges**

5. (a) Each Owner (save and except FSI as Owner of the Government Accommodation and MTR as Owner of the Station and the Depot) shall contribute towards the Management Charges monthly in advance a contribution equal to 1/12th of the Management Charges payable by that Owner for that year on the first day of each calendar month.

(b) (I) Subject to sub-clause (b)(II) of this Clause, the Owners (save and except the Owner of the Government Accommodation and MTR as Owner of the Station and the Depot) shall contribute towards the Management Charges in the following manner :-

(i) all Owners of Units in the Estate (save and except the Owner of the Government Accommodation) shall contribute to the expenses of the Estate Common Areas and Facilities Management Sub-Budget in the proportion that the Management Units attributable to the Units owned by them bears to the total Management Units allocated to the Estate;

(ii) the Owners of the Units in the Residential Development shall contribute to the expenses of the Residential Development Common Areas and Facilities Management Sub-Budget in the proportion that the Management Units attributable to

the Units owned by them bears to the total Management Units allocated to the Residential Development; and

(iii) the Owners of the Units in each Phase (save and except the Owner of the Government Accommodation) shall contribute to the expenses of the relevant Phase Management Sub-Budget in the proportion that the Management Units attributable to the Units owned by them bears to the total Management Units allocated to that Phase PROVIDED THAT where the Manager prepares sub-sub-budgets for a Phase or any part of it, only the expenses which are attributable to the Phase as a whole shall be apportioned in the manner described above and the expenses of any sub-sub-budget shall be paid by the Owners of Units (save and except the Owner of the Government Accommodation) covered by such a sub-sub-budget in the proportion that the Management Units attributable to the Units owned by them bears to the total number of Management Units allocated to all Units covered by such a sub-sub-budget.

(II) Notwithstanding anything contained in this Deed to the contrary, the Owner of the Station and the Depot shall share, and contribute to, (i) the costs and expenses of the Estate Common Areas and Facilities Management Sub-Budget in so far as the same is attributable to the maintenance and management of the Green Area, the Structures, the Stippled Green Area, the Stippled Green Area Structures and the Passage Area but not otherwise and (ii) the expenditure for major works of a capital nature or of a kind not expected to be incurred annually in respect of the Green Area, the Structures, the Stippled Green Area, the Stippled Green Area Structures and the Passage Area but not otherwise in the proportion that the construction gross floor area of the Station and the Depot bears to the total of the construction gross floor area of the Station and the Depot and the construction gross floor areas of all those parts of the Estate which

have been completed for the time being (“**the Construction GFA of the Completed Estate**”). The Manager shall prepare a sub-sub-budget under the Estate Common Areas and Facilities Management Sub-Budget showing the estimated annual costs and expenses for the management and maintenance of the Green Area, the Structures, the Stippled Green Area, the Stippled Green Area Structures and the Passage Area and such expenditure for major works of a capital nature or of a kind not expected to be incurred annually in respect of the Green Area, the Structures, the Stippled Green Area, the Stippled Green Area Structures and the Passage Area for the ensuing year and a copy of such sub-budget shall be sent to the Owner of the Station and the Depot for its information. For the purpose of this sub-clause, the construction gross floor area of the Station and the Depot is 53,726 m² and the “Construction GFA of the Completed Estate” shall mean the actual gross floor area of the completed part(s) of the Estate irrespective of whether that gross floor area is accountable or non-accountable under the Buildings Ordinance or the Government Grant as certified by the authorized person(s) for the Estate or the relevant Phase.

(c) The Manager shall on or before the first day of each calendar month render to each of the Owners by sending to their respective Units or to such other address as an Owner may from time to time in writing advise to the Manager either by post or by hand or by electronic means a written notification showing the amount of the monthly charge payable by such Owner.

(d) Notwithstanding any provisions to the contrary, the Owners (save and except FSI as Owner of the Government Accommodation and MTR as Owner of the Station and the Depot) shall pay to the Manager any shortfall in the Manager’s Remuneration within 21 days from the completion of the preparation of an income and expenditure account and balance sheet in accordance with Clause 8(c) of this Section J.

PROVIDED THAT where in the Manager’s opinion any expenditure has been or will be incurred solely for the benefit of an Owner or group or groups of Owners, the Manager may charge that expenditure directly to that Owner or those Owners solely in such proportion to be determined by the Manager and where in the Manager’s opinion any expenditure relates to management services which do not benefit a group of Owners that group of Owners need not be responsible for that expenditure and **PROVIDED FURTHER THAT** subject to Clauses 1 and 12 of this Section J the liability of the Owner of a Unit to contribute to the expenses of any budget prepared by the Manager shall only

accrue with effect from the date of the Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll in respect of the Phase (as the case may be) in which his Unit is situated.

Failure by an Owner to make payment

6. (a) If any payment as provided in this Section J is more than thirty days in arrears from the due date, the Manager shall have the right without prejudice to any other right or remedy hereunder to :-

- (i) charge interest calculated at the rate of 2% per annum above the prime rate from time to time of The Hongkong & Shanghai Banking Corporation Limited on the amount unpaid (such interest to be calculated from the due date and not thirty days thereafter);
- (ii) make a collection charge of an amount not exceeding 10% of the amount unpaid to cover the cost (other than legal costs of proceedings brought by the Manager in exercise of its power in that behalf contained in Clause 1(b)(xxxii) of Section I of this Deed) of the extra work occasioned by the default.

(b) If default shall be made as aforesaid, any sum payable by the defaulting Owner together with interest thereon as provided in sub-clause (a) of this Clause and all costs and expenses (including any legal costs on a solicitor and own client basis) which may be incurred in recovering the same and in registering the charge hereinafter referred to shall be charged on the Share or Shares of the defaulting Owner and the Manager shall be entitled to register a Memorial of such charge at the Land Registry against the Share or Shares of the defaulting Owner and to apply to the Court for an Order for the sale of the defaulting Owner's Share or Shares of and in the Land and the Development together with the right to the exclusive use occupation and enjoyment of the Unit held therewith. For the avoidance of doubt, this Clause 6 shall not apply to FSI as Owner of the Government Accommodation and any payment owing by FSI as Owner of the Government Accommodation. Notwithstanding anything to the contrary contained in this Deed, FSI as the Owner of the Government Accommodation shall not be liable for payment of interest and penalty charges on late or default payment of any management and maintenance charges or payment of a like nature payable pursuant to the provisions of this Deed or any Sub-Deed of Mutual Covenant.

Miscellaneous and surplus income

7. (a) Any miscellaneous income or payment received by the Manager from or in respect of the Estate, not being for the defrayment of any specific expense shall be credited to the relevant account(s) of the Special Fund. Miscellaneous income shall for the purpose of this Deed include, without prejudice to the generality of the foregoing :-

- (i) any interest or collection charges referred to in Clause 6 of this Section;
- (ii) any damages for the breach, non-observance or non-performance of the terms and conditions of this Deed recovered by the Manager in any legal proceedings brought by it in exercise of its power in that behalf contained in Clause 1(b)(xxxii) of Section I of this Deed;
- (iii) any sum or charges or expenses received from Owners in respect of the issue of any licence or consent by the Manager as required by the provisions of this Deed; and
- (iv) any interest or payments referred to in Clause 2 of Section K of this Deed.

(b) Any surplus of income over expenditure shown in the audited accounts for any financial year shall at the Manager's discretion, either be applied towards the payment of future costs, charges and expenses in respect of the management of the Estate, the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures, or be transferred to the relevant account(s) of the Special Fund referred to in Clause 2(a) of this Section and shall, in either case, be taken into account when calculating the relevant budget for the following financial year.

The Manager to keep accounts

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

(b) Within 1 month after each consecutive period of 3 months, or such shorter period as the Manager may select, the Manager shall prepare summaries of income and expenditure and balance sheets in respect of that period, display copies of the summaries and balance sheets in a prominent place in the Estate, and cause them to remain so displayed for at least 7 consecutive days.

(c) Within 2 months after the end of each financial year, the Manager shall prepare income and expenditure accounts and balance sheets for that year, display copies of the income and expenditure accounts and balance sheets in a prominent place in the Estate, and cause them to remain so displayed for at least 7 consecutive days.

(d) Each income and expenditure account and balance sheet shall include details of the respective accounts of the Special Fund referred to in Clause 2(a) of this Section J and an estimate of the time when there will be

a need to draw on those accounts of the Special Fund, and the amount of money that will be then needed.

(e) Subject to Clause 4(g) of this Section J, the Manager shall :-

- (i) permit any Owner, at any reasonable time, to inspect the books or records of account and any income and expenditure account or balance sheet; and
- (ii) on payment of a reasonable copying charge, supply any Owner with a copy of any record or document requested by him PROVIDED ALWAYS THAT in case of FSI as the Owner of the Government Accommodation, such copy shall be supplied free of charge to FSI in the manner set out in Clause 3(a) of Section L of this Deed.

(f) If there is an Owners' Corporation and the Owners' Corporation decides, by a resolution of the Owners, that any income and expenditure account and balance sheet should be audited by an accountant or by some other independent auditor as may be specified in that resolution, the Manager shall without delay arrange for such an audit to be carried out by that person and :-

- (i) permit any Owner, at any reasonable time, to inspect the audited income and expenditure account and balance sheet and the report made by the accountant or auditor in respect of the income and expenditure account and balance sheet; and
- (ii) subject to Clause 4(g) of this Section J, on payment of a reasonable copying charge, supply any Owner with a copy of the audited income and expenditure account and balance sheet, or the report made by the accountant or auditor in respect of the income and expenditure account and balance sheet, or both, as requested by the Owner PROVIDED ALWAYS THAT in case of FSI as the Owner of the Government Accommodation, such copy shall be supplied free of charge to FSI in the manner set out in Clause 3(a) of Section L of this Deed.

(g) The Owners, prior to the formation of the Owners' Corporation, shall following a resolution of the Owners at the meeting of the Owners of the Estate convened under this Deed have power to require or arrange for, the annual accounts prepared by the Manager pursuant to this Section to be audited by an independent auditor of the Owners' choice.

Owners' deposits

9. (a) Except where MTR (in its capacity as an Owner of Units) has made payments in accordance with Clause 9(b) of this Section J, the first Owner of any Unit from MTR (save and except FSI as Owner of the Government Accommodation) shall on completion of his purchase and before taking occupation pay and contribute to the Manager as security against his liabilities under this Deed :-

- (i) a non-refundable but transferable deposit in respect of his obligation to contribute to Management Charges of a sum equivalent to three months' Management Charges;
- (ii) a non-refundable and non-transferable deposit in respect of his obligation to contribute to the Special Fund to be established pursuant to Clause 2 of this Section of a sum equivalent to two months' Management Charges;
- (iii) an advance payment in respect of his obligation to contribute to Management Charges of a sum equivalent to two months' Management Charges;
- (iv) a non-refundable and non-transferable sum equivalent to one month's Management Charges for Owners of Units in the Residential Development as debris removal fees for removal and disposal of debris. Any such charges received by the Manager which are not so used for debris removal or if so used the remaining balance thereof should be credited to the relevant account of the Special Fund for the benefit of the Owners of Units in the Residential Development. For the avoidance of doubt, the Owner of the Commercial Development shall not be required to pay any debris removal fees to the Manager and shall at its own expense remove and dispose of debris from any works carried out in the Commercial Development.

(b) MTR (in its capacity as an Owner of Units) shall make the payments referred to in Clause 9(a)(i), (ii) and (iv) of this Section if MTR remains the Owner of Units in a part of the Development the construction of which has been completed on whichever is the later of the date 3 months after (i) execution of this Deed or (ii) the date when MTR is in a position validly to assign those Units (i.e. when the consent to assign or certificate of compliance has been issued).

(c) In the event of any increase in the Owner's monthly Management Charges, an Owner (save and except FSI as Owner of Government Accommodation and MTR as Owner of the Station and the Depot)

shall forthwith upon receipt of the relevant notice as may be given by the Manager pay to the Manager a further sum to the intent that the deposit referred to in Clause 9(a)(i) of this Section shall be made up to a sum equivalent to three months' current Management Charges. The deposits shall not be set off against any payment to be made under this Deed.

(d) The Manager shall place all such deposits in interest bearing bank accounts opened by the Manager with licensed bank(s) within the meaning of Section 2 of the Banking Ordinance (Cap.155 of the Laws of Hong Kong) in Hong Kong, the titles of which shall respectively refer to the management of the Estate or the relevant accounts of the Special Fund (as the case may be) and the same shall be held in trust for all the Owners.

Change of ownership

10. (a) Any person ceasing to be the Owner of any Share shall in respect of the Share or Shares of which he ceases to be the Owner thereupon cease to have any interest in the funds provided for in Clauses 2, 5, 7 and 9 of this Section and held by the Manager to the intent that all such funds shall be held for such Owner's successor in title and applied for the management of the Estate, the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures as herein provided irrespective of changes in ownership PROVIDED THAT any deposit paid pursuant to Clause 9(a)(i) of this Section or the balance thereof by an Owner may be transferred into the name of a new Owner upon the express written request of the outgoing Owner.

(b) All persons prior to acquiring any Unit shall first ascertain from the Manager that there are no outstanding Management Charges and other payments payable under this Deed due in respect thereof. If there are outstanding Management Charges and payments, the new Owner and the outgoing Owner shall become jointly and severally liable to pay the same. The Manager shall have the right to pursue both or either of the new Owner and the outgoing Owner for payment of any outstanding Management Charges and payments.

Management Funds

11. (a) The Manager shall open and maintain separate interest-bearing account(s) and shall use that/those account(s) exclusively in respect of the management of the Estate, the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures.

(b) Without prejudice to the generality of sub-clause (a) of this Clause, if there is an Owners' Corporation, the Manager shall open and maintain one or more segregated interest-bearing accounts, each of which shall be designated as a trust account or client account, for holding money received by it from or on behalf of the Owners' Corporation in respect of the management of the Estate, the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures.

(c) The Manager shall display a document showing evidence of any account opened and maintained under sub-clause (a) or (b) of this Clause in a prominent place in the Estate.

(d) Subject to sub-clauses (e) and (f) of this Clause, the Manager shall without delay pay all money received by it in respect of Management Charges into the relevant account(s) opened and maintained under sub-clause (a) of this Clause or, if there is an Owners' Corporation, the account or accounts opened and maintained under sub-clause (b) of this Clause.

(e) Subject to sub-clause (f) of this Clause, the Manager may, out of money received by it in respect of Management Charges, retain or pay into a current account a reasonable amount to cover expenditure of a minor nature, but that amount shall not exceed such figure as is determined from time to time by a resolution of the Development Owners' Committee (if any) or the relevant Owners' Sub-Committee (if any) (as the case may be).

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

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

Outgoings up to first assignment

12. All outgoings (including Government rent, rates and Management Charges) up to and inclusive of the date of the first assignment of a Unit by MTR shall be paid by MTR as Owner of the Unit and no Owner shall be required to make any payment or reimburse MTR for such outgoings. Without prejudice to any provisions contained in this Deed or any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant, no person shall, after ceasing to be an Owner of any Share, be liable for any debts, liabilities or obligations under the covenants and provisions of this Deed or any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant in respect of such Share and the part of the Development held therewith except in respect of any breach, non-observance or non-performance by such person of any such covenants or provisions prior to his ceasing to be the Owner thereof.

MTR's liability for uncompleted Phases

13. Subject to Clause 14 of this Section J, MTR shall not be liable to make payments and contributions under this Section J in respect of any Units of a Phase unless and until the construction of which has been completed and MTR is in a position validly to assign such Units (i.e. when the consent to assign in respect of such Units or certificate of compliance has been issued by the

Director), except to the extent that that Phase benefits from the provisions in this Deed as to management and maintenance of the Estate.

**MTR's liability for
uncompleted
building(s) in a Phase**

14. Where the construction of buildings in a Phase will be completed by stage, for Units in any uncompleted building in the Phase, MTR as the Owner of those Units shall not be liable to make payments and contributions under this Section J in respect of those Units unless and until the construction of which has been completed and MTR is in a position validly to assign such Units (i.e. when the consent to assign in respect of such Units or certificate of compliance has been issued by the Director), except to the extent that those Units benefit from the provisions in this Deed and the Sub-Deed of Mutual Covenant and/or Sub-Sub-Deed of Mutual Covenant for the Phase as to the management and maintenance of the Estate and the Phase; and upon completion of construction of such building and MTR being in a position validly to assign the Units in such building, MTR must make payments and contributions for management costs, charges and expenses provided in Clause 1 of this Section J in respect of the Units in such building which remain unsold as the Owner thereof.

SECTION K

BUILDING RULES AND FITTING OUT RULES

Rules binding

1. (a) For the benefit of the Owners and the occupiers for the time being of the Units there shall be Building Rules and Fitting Out Rules regulating the use, occupation, maintenance and environmental control of the Estate as a whole and the Green Area, the Structures, the Stippled Green Area and the Stippled Green Area Structures and of the Common Areas and the Common Services and Facilities (including the Private Recreational Facilities) as a whole and the conduct of persons occupying, visiting or using the same and such Building Rules and Fitting Out Rules shall be binding on the Owners (save and except the Owner of the Government Accommodation) and their tenants, licensees, servants and agents.

(b) For the benefit of the Owners and the occupiers for the time being of the Units there shall be Building Rules and Fitting Out Rules regulating the use, occupation, maintenance and environmental control of any of the Common Areas and the Common Services and Facilities (including the Private Recreational Facilities) serving some but not all the Phases of the Estate and the conduct of persons occupying, visiting or using the same and such Building Rules and Fitting Out Rules shall be binding on the Owners of the relevant Phases (save and except the Owner of the Government Accommodation) and their tenants, licensees, servants and agents.

Deposit for works

2. The Manager shall be entitled to collect from any Owner or occupant of a Unit (save and except the Owner or occupant of the Government Accommodation) prior to commencement of any works in connection with the repair or alteration of that Unit a deposit as security for any damages or losses as may be caused to the remainder of the Development. The amount of any such deposit shall be determined by the Manager depending upon the nature of the works to be carried out. All such deposits shall be held by the Manager in an account for the Estate and shall be refunded without interest to the Owner or occupier within 60 days of completion of the works subject to the Manager's right to deduct from that deposit any sum necessary to compensate for all damage or loss caused by the works or the Owner or occupier or their contractors to the remainder of the Development but without prejudice to the Manager's right to claim for compensation suffered in excess of the amount of the deposit.

Amendment of rules

3. Subject to Clause 8 of this Section, the Manager shall have power from time to time to make, revoke and amend the Building Rules and Fitting Out Rules PROVIDED THAT if the Development Owners' Committee is in existence the Building Rules and Fitting Out Rules referred to in Clause 1(a) of this Section shall only be made, revoked or amended by the Manager with the prior approval of the Development Owners' Committee and PROVIDED FURTHER THAT in respect of the Building Rules and Fitting Out Rules

referred to in Clause 1(b) of this Section, if the Owners' Sub-Committees of the relevant Phases are in existence, such Building Rules and Fitting Out Rules referred to in Clause 1(b) of this Section shall only be made, revoked or amended by the Manager with the prior approval of the Owners' Sub-Committees of the relevant Phases.

**Rules to be posted
on notice boards**

4. Copies of the Building Rules and Fitting Out Rules from time to time in force shall be posted on the public notice boards in the Estate or the relevant Phases (as the case may be).

Conflict

5. Such Building Rules and Fitting Out Rules shall be supplementary to the terms and conditions contained in this Deed and any Sub-Deed of Mutual Covenant and Sub-Sub-Deed of Mutual Covenant and shall not in any way derogate from such terms and conditions nor be inconsistent with or contravene with the Ordinance or the conditions of the Government Grant. In the event of conflict between such Building Rules or Fitting Out Rules and the provisions of the Ordinance or the Government Grant, the latter shall prevail.

**Exclusion of
liability**

6. The Manager shall not be liable for any loss or damage however caused arising from any breach or non-observance of such Building Rules or Fitting Out Rules by any Owner of the Estate, his servants, agents, contractors, licensees or tenants or any other person.

**Exemption of FSI
and MTR from
observing
Fitting Out Rules**

7. Notwithstanding anything to the contrary contained in this Deed, FSI as Owner of the Government Accommodation and MTR as Owner of the Station and the Depot shall not be required to observe the Building Rules and the Fitting Out Rules in relation to the Government Accommodation and the Station and the Depot respectively.

**Rules not
to affect Government
Accommodation**

8. The Building Rules and the Fitting Out Rules (including any amendment and variation made in accordance with Clause 3 of this Section) shall not adversely affect or interfere with the use, operation and enjoyment of nor prevent, impede or restrict the access to the Government Accommodation or any part thereof.

SECTION L

INTERPRETATION AND MISCELLANEOUS

Marginal notes, headings and index

1. The marginal notes, headings and index are intended for guidance only and do not form part of this Deed nor shall any of the provisions of this Deed be construed or interpreted by reference thereto or in any way affected or limited thereby.

Plurals and genders

2. In this Deed (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.

Service of notices

3. (a) All notices or demands 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 the Unit of which the party to be served is the Owner notwithstanding that such party shall not personally occupy such Unit PROVIDED THAT any notices, agendas, minutes, accounts, reports, budgets and demands to be served on or delivered to FSI shall be sent free of charge to FSI by prepaid post or delivered by hand to the Government Property Administrator, Government Property Agency, 9th Floor, South Tower, West Kowloon Government Offices, No.11 Hoi Ting Road, Yau Ma Tei, Kowloon, Hong Kong or to such other person and address as nominated by FSI in writing and PROVIDED THAT if other address has been given by an Owner pursuant to sub-clause (d) of this Clause, such notices or demands shall be sent by prepaid post to that address only and PROVIDED FURTHER THAT where notice is to be given to an Owner who is a mortgagee, such notice shall be served on the mortgagee, if a Company, at its last known place of business or, if an individual, at his last known residence in Hong Kong.

(b) All notices required to be given to the Manager shall be properly served if sent by prepaid post to or left at its registered office or the management office of the Estate or such other address as may be notified by the Manager from time to time.

(c) All notices required to be given to the Development Owners' Committee or any Owners' Sub-Committee shall be properly served if sent by prepaid post to or left with the Chairman or Secretary of the Committee at his usual residential address.

(d) All non-resident Owners shall provide the Manager with an address within Hong Kong for service of process and notices to be given pursuant to this Deed.

(e) All notices required to be given to MTR shall be properly served if sent by prepaid post to or left at its registered office or such other address as may be notified by MTR from time to time.

Covenants to run with the land

4. The mutual covenants herein contained are intended to be annexed to and shall run with the Land and each and every Share therein and shall be enforceable by and against the Owner for the time being of any such Share both as to the benefit and burden of such covenants, and any Ordinance or other statutory enactment for the time being in force concerning the enforcement of mutual covenants relating to land or buildings shall apply to this Deed PROVIDED HOWEVER THAT :-

- (a) each Owner on ceasing to be the Owner of any Share shall notify the Manager of such cessation and of the name and address of the new Owner and notwithstanding the provisions of sub-clause (b) hereof and without prejudice to the liability of the new Owners, each such Owner shall remain liable for all sums payable in accordance with the provisions of this Deed and for the observance and performance of the terms and conditions hereof up to the date on which such notice is received by the Manager or, if later, the date they cease to be an Owner;
- (b) subject to sub-clause (a) hereof no person shall be liable under any of the covenants or provisions of this Deed in respect of any Share after ceasing to be the Owner thereof save and except in respect of any breach, non-observance or non-performance by such person of any such covenant or provision prior to his ceasing to be the Owner thereof; and
- (c) each Owner on becoming an Owner shall be liable for all arrears of Management Charges and other payments due under this Deed payable in respect of the Unit he purchases and for all breaches of this Deed committed by the prior Owner of the Unit he purchases and existing at the date he purchased such Unit.

Action by Owner(s)

5. Notwithstanding the powers conferred on the Manager by this Deed, any one or more Owners shall be entitled to take action to enforce the provisions of this Deed and, if at any time no Manager is appointed or acting hereunder or any Manager so appointed or acting refuse or fail to enforce any of the provisions of this Deed, any one or more Owners appointed by resolution passed pursuant to Section F of this Deed shall be entitled to sue any defaulting Owner on behalf of himself or themselves and all other Owners and the provisions of this Clause shall apply mutatis mutandis to any action or proceeding brought by such Owner or Owners and to the recovering of any cost, damages or other moneys awarded therein.

Chinese translation

6. MTR shall at its own costs and expenses provide a direct translation in Chinese of this Deed and deposit a copy of this Deed and its Chinese translation at the management office of the Estate within one month after the date of this Deed. Copies of this Deed and its Chinese translation shall be made available for inspection by all Owners free of costs at the management office of the Estate. A copy of this Deed or its Chinese translation or both shall be supplied by the Manager to an Owner on request and upon payment of a reasonable charge. All charges received shall be credited to the relevant estate common account(s) of the Special Fund. In the event of dispute as to the effect or construction of this Deed and its Chinese translation, the English text of this Deed shall prevail.

Common Areas plans

7. The Manager shall keep at the management office of the Estate and make available for inspection by the Owners free of costs and charges during normal office hours a copy of the Common Areas plans attached to any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or, where applicable, Deed Poll, relating to any Phase upon execution of the relevant Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll (as the case may be) PROVIDED THAT the Manager shall provide free of cost to the Owner of the Government Accommodation a copy of the said plans and any amendments thereto from time to time. The said copies of plans shall be certified as to its accuracy by or on behalf of the relevant authorized person(s) for the Estate or the relevant Phase (as the case may be).

Building Management Ordinance

8. (a) Nothing in this Deed shall prejudice or in any way be construed or constructed so as to prejudice or exclude the operation of the mandatory provisions of the Ordinance and the Schedules thereto.

(b) Within one month after the date of this Deed, MTR shall at its own cost deposit a copy of Schedule 7 and Schedule 8 to the Ordinance in both English and Chinese versions in the management office of the Estate for reference by all Owners free of charge and for taking copies at their own expense and upon payment of reasonable copying charges. All charges received shall be credited to the relevant estate common account(s) of the Special Fund.

Slope Maintenance Manual

9. Within one month after the date of the Sub-Deed of Mutual Covenant of each Phase, MTR shall deposit in the management office of that Phase a full copy of the Slope Maintenance Manual (if any) in relation to the Slopes and Retaining Walls (if any), which the Owners of that Phase (except FSI as Owner of the Government Accommodation) are required to maintain pursuant to Clause 16 of Section E of this Deed and the provisions of the Sub-Deed of Mutual Covenant of that Phase, for inspection by all Owners of that Phase free of charge and taking copies upon payment of a reasonable charge. All charges received shall be credited to the relevant phase common account(s) of the Special Fund.

Communication among Owners

10. After an Owners' Corporation has been formed, the Manager shall consult (either generally or in any particular case) the Owners' Corporation

at a general meeting of the Owners' Corporation and adopt the approach decided by the Owners' Corporation on the channels of communication among Owners on any business relating to the management of the Estate, the Green Area, the Structures, the Stippled Green Area and/or the Stippled Green Area Structures.

Works and Installations

11. (a) A schedule of the Works and Installations in a Phase shall be incorporated in the relevant Sub-Deed of Mutual Covenant. MTR shall compile for the reference of the Owners of the relevant Phase and the Manager a maintenance manual for the Works and Installations ("**the Works Manual**") setting out the following details :-

- (i) as-built record plans of the building and services installations together with the necessary technical information (such as specifications of materials and design standard) for maintenance of all facilities and equipment;
- (ii) all warranties and guarantees provided by contractors (together with the names of the companies providing the warranty and the contact telephone numbers) in respect of all facilities and equipment;
- (iii) recommended maintenance strategy and procedures;
- (iv) a list of items of the Works and Installations requiring routine maintenance;
- (v) recommended frequency of routine maintenance inspection;
- (vi) checklist and typical inspection record sheets for routine maintenance inspection; and
- (vii) recommended maintenance cycle of the Works and Installations;

PROVIDED THAT MTR shall seek the prior written approval of the Owner of the Government Accommodation if the relevant Works and Installations directly affects the Government Accommodation (GPA shall in its sole discretion determine whether or not the Government Accommodation is directly affected).

(b) Within one (1) month after the date of any Sub-Deed of Mutual Covenant, MTR shall deposit a full copy of the Works Manual for the relevant Phase in the management office of that Phase for inspection by all Owners of that Phase and their duly authorized representatives free of charge and taking copies at their own expense and on payment of a reasonable charge

which shall be credited to the relevant phase common account(s) of the Special Fund.

(c) (i) The Manager shall on behalf of and at the cost and expense of the Owners of Units (save and except the Owner of the Government Accommodation) inspect, maintain and carry out all necessary works for the Common Areas and the Common Services and Facilities including those part or parts of the Works and Installations forming part of the Common Areas and the Common Services and Facilities.

(ii) The Owner of a Unit shall at his own costs and expense inspect, maintain and carry out all necessary works for the Unit including those part or parts of the Works and Installations forming part of his Unit.

(d) All costs incidental to the preparation of the schedule for the Works and Installations and the Works Manual shall be borne by MTR.

(e) The Owners of any Phase may, by a resolution of Owners at an Owners' meeting of that Phase convened under the relevant Sub-Deed of Mutual Covenant, decide on any necessary revisions to be made to the schedule for the Works and Installations of and the Works Manual for that Phase from time to time as they shall deem fit, in which event the Manager shall procure from a qualified professional or consultant the revised schedule for the Works and Installations and the revised Works Manual within such time as may be prescribed by the Owners of that Phase in an Owners' meeting of that Phase convened under the relevant Sub-Deed of Mutual Covenant. All costs incidental to the preparation of the revised schedule for the Works and Installations and the revised Works Manual shall be paid out of the relevant account(s) of the Special Fund.

(f) The Manager shall deposit the revised Works Manual in the management office of the relevant Phase within one (1) month after the date of its preparation for inspection by all Owners of that Phase and their duly authorized representatives free of charge and taking copies at their own expense and on payment of a reasonable charge which shall be credited to the relevant phase common account(s) of the Special Fund.

**Assignment of
Shares allocated to
Common Areas
and Common
Services and
Facilities**

12. The Shares allocated to the Common Areas and the Common Services and Facilities in each Phase together with the right to hold, use, occupy and enjoy such Common Areas and such Common Services and Facilities shall be assigned to and vested in the Manager free of costs or consideration upon execution of the relevant Sub-Deed of Mutual Covenant, or Sub-Sub-Deed of Mutual Covenant or Deed Poll (as the case may be) pursuant to this Deed and shall upon such assignment to the Manager be held

by the Manager as trustee for all Owners for the time being and in the event the Manager shall resign or be wound up or have an order for appointment of receiver or a bankruptcy order (as the case may be) made against it or is removed and another manager be appointed in its stead in accordance with this Deed, then the outgoing Manager or the liquidator or the receiver shall assign such Shares together with the Common Areas and the Common Services and Facilities which they represent free of costs and consideration to the new Manager PROVIDED ALWAYS THAT nothing herein contained shall in any way fetter or diminish the rights, powers, authorities and entitlements of the Manager contained in this Deed and any Sub-Deed of Mutual Covenant and Sub-Sub-Deed of Mutual Covenant PROVIDED FURTHER THAT when the Owners' Corporation has been formed, the Manager shall, at any time if required by the Owners' Corporation, assign the Shares allocated to the Common Areas and the Common Services and Facilities together with the right to hold, use, occupy and enjoy the Common Areas and the Common Services and Facilities to the Owners' Corporation free of costs or consideration, in which event, the Owners' Corporation shall hold the same for the benefit of all Owners for the time being.

No conflict

13. Nothing in this Deed conflicts with or is in breach of the Government Grant. If any provision contained in this Deed conflicts with the Government Grant, the Government Grant shall prevail.

THE FIRST SCHEDULE

Allocation of Shares

| | |
|--|------------------|
| The Station | 111,650 |
| The Depot | 425,610 |
| Site A | 566,169 |
| The Land (excluding Site A, the Station and the Depot) | <u>3,671,015</u> |
| Total : | <u>4,774,444</u> |

THE SECOND SCHEDULE

PART I

1. Rights, Easements and Privileges applicable to All Owners of the Development

- | | | |
|--|-----|---|
| Right to pass and use the Estate Common Areas and the Estate Common Services and Facilities | (a) | Full right and liberty (subject always to the rights of the Manager, MTR, the Owner of the Station and the Depot and the Owner of the Government Accommodation) for the Owner of each Unit of the Estate for the time being, his servants, agents, licensees, tenants and lawful occupants (in common with all other persons having the like right) to go, pass and repass over and along and upon and use such part(s) of the Estate Common Areas and the Estate Common Services and Facilities for all purposes connected with the proper use and enjoyment of his Unit. |
| Right to support | (b) | The right to subjacent and lateral support and to shelter and protection from the other portions of the Land and the Development. |
| Right of running water and utilities | (c) | The right to free and uninterrupted passage and running of water, sewage, gas, fuel, electricity, ventilation, air-conditioning, telephone, lift and other services from and to each Unit or other parts of the Estate through the Utility Trenches, the sewers, gutters, drains, water courses, pipes, flues, conduits, ducts, wires, cables, pits (including sunken pits), interceptors and other conducting media and facilities which now are or may at any time during the Term be in, under or passing through the Land and the Development or any part or parts thereof (save and except the Station and the Depot other than such part of the Station and the Depot as designated by the Owner of the Station and the Depot from time to time) and serving the Unit or other parts of the Estate PROVIDED THAT the Owner of the Unit or the Owners of the Estate (as the case may be) (other than FSI as Owner of the Government Accommodation) shall at their own expense maintain and repair the aforesaid facilities and services and make good or be responsible for all costs of making good any damage caused as a result of exercise of right herein contained and/or carrying out the maintenance and repair of the aforesaid facilities and services and PROVIDED FURTHER THAT where any of the aforesaid facilities and services are located within any part of the Station or the Depot, the Owner of the Station and the Depot shall at its absolute discretion EITHER allow the Manager acting on behalf of the Owners of the Estate to enter into such part of the Station and/or the Depot as designated by the Owner of the Station and the Depot from time to time to maintain and repair such facilities and services and to make good any damage caused to the Station and the Depot as a result of exercise of right herein contained OR carry out maintenance and repair works to such facilities and services and the relevant part of the Station and/or the Depot at the expense of the Owners of Estate in that event the reasonable costs |

incurred by the Owner of the Station and the Depot shall be a debt due to the Owner of the Station and the Depot repayable on demand by the Manager out of the management funds.

Right to enter

- (d) The right for the Owner or occupier for the time being of each Unit with or without servants, workmen and others at all reasonable times on reasonable prior written notice (except in case of emergency) to enter into and upon the relevant parts of the Estate for the purpose of carrying out any work necessary for the maintenance and repair of such Unit or any Party Wall forming part of it or services, facilities or installations therein or serving that Unit exclusively, such work not being the responsibility of the Manager, and which cannot be practically carried out without such access PROVIDED THAT the Owner and occupier of the relevant Unit shall in exercising such right cause as little disturbance as possible and shall make good any damage caused thereby and in the case of the Government Accommodation only to enter with the prior approval of the Owner of the Government Accommodation (except in emergency) causing as little damage as is possible and to make good or be liable for all costs and expenses incurred for any damage caused to the Government Accommodation.

Right to escape and seek refuge

- (e) Notwithstanding any provisions contained in and without prejudice and in addition to any right provided under this Deed or any Sub-Deed of Mutual Covenant or any Sub-Sub-Deed of Mutual Covenant, any Owner of a Unit and occupiers of such Unit and their bona fide guests, visitors or invitees may always make use of any category of the Common Areas and the Common Services and Facilities (whether within the same Phase as such Unit or not) which such Owner, occupiers, bona fide guests, visitors or invitees are not otherwise entitled to make use of under this Deed or any Sub-Deed of Mutual Covenant or any Sub-Sub-Deed of Mutual Covenant (“**the Restricted Common Areas and the Restricted Common Services and Facilities**”) for the purpose of escape or seeking refuge in case of fire or other emergency, or obtaining access to and from their respective Units (or parts thereof) or any category of the Common Areas and the Common Services and Facilities which they are entitled to make use of, where such access cannot practically be obtained other than through the Restricted Common Areas and the Restricted Common Services and Facilities or where such access is reasonably necessary, such right of access shall be exercisable with or without agents, surveyors, workmen, contractors, and others and with or without vehicles, plant, equipment, materials and machinery.

2. Rights, Easements and Privileges applicable to FSI as Owner of the Government Accommodation

Rights of FSI

- (a) Notwithstanding any provisions contained in this Deed or any Sub-Deed of Mutual Covenant or any Sub-Sub-Deed of Mutual

Covenant, FSI, its lessees, tenants, licensees, and persons authorised by it and the Owners and occupiers for the time being of the Government Accommodation or any part thereof shall have the benefit of the following rights privileges and easements :-

- (i) the right of shelter, support and protection for the Government Accommodation;
- (ii) the right at all times of free passage and running of gas, electricity, water, sewage, air-conditioning, telephone and all other services from and to the Government Accommodation through the gutters, sewers, drains, flues, conduits, ducts, watercourse, cables, pipes, wires and other conducting media now or during the Term laid on or running through any part of the Land and any part of the Development;
- (iii) the right at its own cost to alter, divert, vary, relay or reinstate any of the services and facilities serving exclusively the Government Accommodation or any part thereof (the “**Government Accommodation Services**”) at any time at its absolute discretion without any charge by and without having to obtain the approval or consent of any other Owners or the Manager PROVIDED THAT proper and adequate care and precaution shall be taken during any alteration, diversion, variation, relaying or reinstatement works of the Government Accommodation Services so as to ensure that no damage is caused to the services and facilities within the Land and serving all those parts of the Development on the Land other than the Government Accommodation;
- (iv) the right to go pass and repass over and along and to use any common parts of the Land or any common parts of the Development in connection with the proper use and enjoyment of the Government Accommodation or any part thereof and to use and receive the benefit of any common facilities within the Land or the Development;
- (v) the right at all reasonable times with or without surveyors, contractors, workmen and others and with or without vehicles, plant, equipment, material and machinery to enter upon the Land or any part of the Development for the purpose of extending or carrying out maintenance, repair, addition, alteration and other works to the Government Accommodation or any part thereof and maintenance, repair, addition, alteration, diversion, variation, relaying

and reinstatement works and other works to the Government Accommodation Services or any part thereof;

- (vi) the free and uninterrupted rights of way to and from the Government Accommodation as may be required by the Director;
 - (vii) the exclusive right to install, erect, exhibit, display, maintain, repair, remove and renew signs and advertisements on the walls, columns and other structural elements of, within, around and on the boundary of the Government Accommodation or any part thereof as FSI shall deem fit and the right of access over the Land or any part of the Development with or without servants, workmen and others and with or without plant, equipment, machinery and material for the purposes of inspecting, installing, erecting, exhibiting, displaying, maintaining, repairing, removing and renewing such signs and advertisements;
 - (viii) the right of access to the lighting conduits, such fire services, ventilation and other services, facilities, installations, fixtures, ancillary works, plants and materials fixed on, in or to the roof slabs, walls and other structural elements of the Government Accommodation;
 - (ix) the right to alter and run additional services to serve and benefit exclusively the Government Accommodation or any part thereof on the walls, columns, beams, ceilings, roof slabs, carriageway or floor slabs and other structural elements of, in, around, within, above and below the same and the related right of access over the Land or any part of the Development with or without servants, workmen and others and with or without plant, equipment, machinery and material PROVIDED THAT proper and adequate care and precautions shall be taken during any such alteration works so as to ensure that no damage is caused to the services and facilities within the Land and serving all those parts of the Development other than the Government Accommodation; and
 - (x) such other rights, privileges and easements as may be deemed necessary or desirable by the Director.
- (b) The right of the Government or FSI to alter or vary at any time the use of the Government Accommodation or any part or parts thereof without having to obtain the approval or consent of MTR, the other Owners or the Manager.

- (c) The exercise of the rights privileges and easements referred to in Paragraphs 2(a) to (b) above shall not be subject to any permission, approval or consent of MTR, the other Owners or the Manager.

3. Rights, Easements and Privileges applicable to the Owner of the Station and the Depot

Rights of the Owner of the Station and the Depot

- (a) The right for the Owner or occupier for the time being of the Station and the Depot with or without servants, workmen and others at all reasonable times on reasonable prior written notice (except in case of emergency) to enter into and upon the other parts of the Development other than the Government Accommodation for the purpose of emergency services and carrying out any work necessary for the maintenance and repair of the Mass Transit Railway, the Mass Transit Railway Structures and Installations, the Station or the Depot or any part thereof and the exercise of the right conferred under this Deed, such work not being the responsibility of the Manager, and which cannot be practically carried out without such access causing as little disturbance as possible and making good any damage caused thereby and in the case of the Government Accommodation or a Unit not held by MTR only to enter with the prior approval of the Owner of the Government Accommodation or such Unit (except in emergency) causing as little damage as is possible and to make good or be liable for all costs and expenses incurred for any damage caused to the Government Accommodation or such Unit.
- (b) The right to free and uninterrupted passage and running of water, sewage, gas, electricity, ventilation, air-conditioning, telephone and other services from and to the Station and/or the Depot through the sewers, gutters, drains, water courses, pipes, flues, conduits, ducts, wires, cables and other conducting media and facilities which now are or may at any time during the Term be in, under or passing through the Land and the Development or any part or parts thereof and serving the Station and/or the Depot PROVIDED THAT the Owner of the Station and the Depot shall at its own expense maintain and repair the aforesaid facilities and services and make good or be responsible for all costs of making good any damage caused to the Development as a result of exercise of right herein contained and/or carrying out the maintenance and repair of the aforesaid facilities and services AND PROVIDED FURTHER THAT any such services, utilities and facilities serving the Station and/or the Depot to be installed within the Estate after the date of this Deed shall only be located at such part of the Common Areas and the Common Services and Facilities as designated by the Manager from time to time.
- (c) The right for the Owner of the Station and the Depot, its employees, agents, licensees and tenants (in common with all others having the

like right) to pass over the Estate Common Areas for the purposes of escape in an emergency.

- (d) The right for the Owner of the Depot, its employees, agents, and licensees at all times with or without motor vehicles to go, pass and repass over and along and upon the passageways forming part of the Common Areas located adjacent to the access points to the Depot as provided under Special Condition No.(66)(a) of the Government Grant for the purposes of access to and egress from the Wong Chuk Hang Depot Site (as defined in Special Condition No.(1)(g) of the Government Grant) and proper use and enjoyment of the Wong Chuk Hang Depot Site for the purposes as provided in Special Condition No.(24)(f) of the Government Grant PROVIDED THAT the vehicular access points X1 and Y1 through Z1 shown and marked on Plan Ia annexed to the Government Grant shall be used in accordance with Special Condition No.(66)(b) of the Government Grant for the passage of emergency vehicles only.

4. Rights, Easements and Privileges applicable to all Owners of the Residential Development

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| Rights of Owners of the Residential Development | (a) Full right and liberty for the Owner of a Unit of the Residential Development for the time being, his servants, agents, licensees, tenants and lawful occupants (in common with all other persons having the like right) to go, pass and repass over and along and upon and use such part(s) of the Residential Development Common Areas and the Residential Development Common Services and Facilities for all purposes connected with the proper use and enjoyment of his Unit. |
| Right to use recreational areas and facilities | (b) Full right and liberty for the residents of Units in the Residential Development and their bona fide visitors (in common with all other persons having the like right) to use and enjoy for the purpose of recreation only and subject to the rules regulations and fees prescribed for their use by the Manager, the Private Recreational Facilities intended for use by the residents and their bona fide visitors as specified in this Deed and any Sub-Deed of Mutual Covenant and Sub-Sub-Deed of Mutual Covenant but not any other of the Private Recreational Facilities intended for use by Owners of the other parts of the Development PROVIDED THAT in exercising such right no Owner shall damage or interfere with or permit or suffer to be damaged or interfered with the general amenities, plant, equipment or services provided. |
| Right relating to use of Visitors' Car Parking Spaces | (c) Subject to the provisions of the Government Grant and the provisions of the Sub-Deed of Mutual Covenant and the Sub-Sub-Deed of Mutual Covenant (if any) of the relevant Phase, the full right and liberty for the bona fide guests, visitors and invitees of the residents of Units in the Residential Development for the time being to go, pass and repass over and along and upon such parts of the |

Common Areas within the relevant Phase and to use such parts of the Common Services and Facilities within the relevant Phase as may be designated by the Manager from time to time in common with all others having the like right for the purposes of access and egress to and from and use of the Visitors' Car Parking Spaces in the relevant Phase which form parts of the Residential Development Common Areas in the relevant Phase, PROVIDED THAT the Owners of Units in the Residential Development shall ensure that the bona fide guests, visitors and invitees of the residents of their Units shall at all times:

- (i) observe and comply with all Ordinances, by-laws and Government regulations of Hong Kong and all directions (if any) as may be given by the Manager from time to time in relation to the use of the Visitors' Car Parking Spaces;
- (ii) observe and comply with all Ordinances, by-laws and Government regulations of Hong Kong and guidelines and directions as may be issued by the Environment Bureau or the Electrical and Mechanical Services Department or any Government authorities from time to time and all the Building Rules (if any) as may be made and all such directions (if any) as may be given by the Manager from time to time in relation to the use or operation of the facilities installed or to be installed in the relevant Phase for the purpose of or in relation to the charging of electric motor vehicles at the Visitors' Car Parking Spaces ("**EV Facilities for Visitors' Car Parking Spaces**"); and
- (iii) take good care and such precautions as may be necessary in the use of the EV Facilities for Visitors' Car Parking Spaces so as to avoid any loss, damage, nuisance or annoyance to Owners or occupiers of the other Units;

and the Owners of Units in the Residential Development shall indemnify the Owners or occupiers of the other Units for their failure to observe or comply with the provisions of this Clause.

5. Rights, Easements and Privileges applicable to the Owner of the Commercial Development

Rights of the Owner of the Commercial Development

The right for the Owner of the Commercial Development and all others authorized by it in accordance with the terms of the Government Grant to name and rename the Commercial Development at any time without consent of any other Owner and without being liable to any other Owner or persons having an interest in the Development or any part thereof for any damages, claims, costs or expenses resulting therefrom or in connection therewith and to display, install, erect, affix or permit to be displayed, installed, erected or affixed upon the external walls forming part of the Commercial Development owned by him signs, logos, posters and other advertising signs

or structures whatsoever and whether illuminated or not and to amend, vary, alter or modify the design or appearance of the external walls forming part of the Commercial Development owned by it subject to prior approval of the relevant Government authority (if applicable) and compliance with all the relevant Ordinances and regulations made thereunder PROVIDED THAT the rights and interests of other Owners of the Development shall not be adversely affected and PROVIDED FURTHER THAT the Owner of the Commercial Development shall at its costs and expense be responsible for keeping and maintaining in good condition those part(s) of the external walls and shall pay any electricity charges in connection with such logos, posters, signs or structures.

THE SECOND SCHEDULE

PART II

EXCEPTIONS AND RESERVATIONS

**Rights of other
Owners**

1. Easements, rights and privileges equivalent to those set forth in Clauses 1(b), (c), (d) and (e) of Part I of this Second Schedule in favour of all other Owners.

**Rights of the
Manager**

2. (a) Full right and privilege for the Manager, with or without surveyors, workmen and others, at all reasonable times on prior reasonable notice (except in case of emergency) to enter on and into each and every part of the Land and the Development including each Unit, the Station and the Depot (subject to the prior written approval of the Owner of the Station and the Depot) and the Government Accommodation (subject to the prior approval of the Owner of the Government Accommodation (save in case of emergency)) for the purposes of inspecting, rebuilding, repairing, renewing, replacing, renovating, maintaining, cleaning, painting or decorating the structure of the Estate, the Common Areas and the Common Services and Facilities or any part or parts thereof, or any Unit in respect of which the Owner shall be in default of its obligations to repair and maintain or for abating any hazard or nuisance which does or may affect the Common Areas, the Common Services and Facilities or other Owners or for the exercise and carrying out of any of its powers and duties under the provisions of this Deed or any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll causing as little disturbance as is reasonably practicable and making good any damage caused thereby PROVIDED THAT the Manager shall at its own costs and expense repair any damage so caused by the default of the Manager and shall be liable for any act or omission involving criminal liability, dishonesty or negligence by or on the part of the Manager, its staff, agents and contractors and PROVIDED FURTHER THAT in case of the Manager exercising its right of entry into the Government Accommodation pursuant to this Clause, such entry shall be for the purposes of maintenance and repair only and the Manager shall be liable for all costs and expenses incurred for any damage caused to the Government Accommodation.

(b) The rights for the Manager with or without surveyors workmen and others to carry out all necessary works required by the Director for the temporary closure of any opening in the building or buildings (excluding the Government Accommodation) erected on the Land so as to enable the connection of pedestrian passageways, subways or footbridges to the buildings erected on the Land or the Future Footbridge Associated Structures (as defined in Special Condition No.(12)(b) of the Government Grant) pursuant to the provisions of Special Condition No.(12) of the Government Grant or the Pedestrian Link and the covered pedestrian walkway (as referred to in Special Condition No. (59)(c) of the Government

Grant) or such other structures or buildings outside the Land as may be required under the Government Grant. The Manager in pursuance of any such works shall notify the Owners in writing as to the areas or parts of the Land and the Development which the Owners may not use while such works are being carried out and the Owners shall comply with the requirements of such notification PROVIDED THAT the ingress to or egress from the Government Accommodation shall not be interrupted and the proper use and enjoyment of the Government Accommodation shall not be affected.

- (c) The right for the Manager to authorise by way of licence:-
 - (i) subject to compliance with the relevant terms and conditions of the Government Grant, and subject to the prior approval by a resolution of the Owners of the Estate at a meeting of the Owners of the Estate convened under this Deed or a resolution of the Owners of the relevant Phase at a meeting of the Owners of the relevant Phase convened under the relevant Sub-Deed of Mutual Covenant (as the case may be), the use of external walls forming part of the Common Areas of the relevant Phase (other than the external walls of the Government Accommodation) for advertising purposes and to permit the installation or erection of posters or other advertising signs or structures (whether illuminated or not) thereon with the right to remove, repair, maintain, service or replace the same and to obtain electricity from the building or structure (other than the Government Accommodation) nearest in proximity to such posters, advertising signs and other structures PROVIDED THAT the proper use and enjoyment of the Government Accommodation and the ingress to or egress from the Government Accommodation shall not be affected or interrupted; and
 - (ii) subject to the prior approval of the relevant Owners' Sub-Committee of the part of the Estate affected, such part of the transfer plate of any residential tower forming part of the Common Areas suitable for the purposes of a patio to the Owner of the Unit of the Residential Development adjacent thereto on terms and conditions as it deems fit;

PROVIDED ALWAYS THAT :-

- (i) any signs or advertisements or structures erected on the external walls of the Government Accommodation shall not be affected;
- (ii) the rights and interests of the Owners shall not be adversely affected;
- (iii) the licensee shall be responsible for and at its cost and expense keep and maintain in good condition those parts of the Common Areas so licensed on or to which such posters and other advertising signs, or structures shall so be displayed, installed, erected or affixed; and
- (iv) all licence fees or other income received by the Manager shall be applied by them in accordance with Clause 7 of Section J of this Deed.

(d) In respect of any roof or flat roof forming part of a Unit (excluding the Government Accommodation and the Commercial Development):

- (i) the right for the Manager, its servants, agents, contractors and persons duly authorized on prior reasonable notice (except in case of emergency) to gain access to and enter upon any such roof, flat roof and to remain there for such reasonable period as may be necessary for the purpose of inspecting, rebuilding, repairing, renewing, maintaining, cleaning, painting or decorating all or any part of the Common Areas and Common Services and Facilities in or upon the roof or flat roof or to which access is gained via the roof or flat roof and, on a temporary basis, to erect, place or store on any roof or flat roof any scaffolding or other plant, equipment or materials necessary for the purpose of any works for so long as such works are being carried out PROVIDED THAT subject to the least disturbance being caused, the Owner or occupier of the roof or flat roof shall provide reasonable unobstructed access to the Manager, its servants, agents, contractors and persons duly authorized (including temporarily removing any objects placed on the roof or flat roof which may in the reasonable opinion of the Manager impede or obstruct the access or the carrying out of the works) and PROVIDED FURTHER THAT the Manager shall be liable for and indemnify the Owner of the Unit from and

against all costs and expenses incurred for any damage caused and shall at its own expense make good any damage caused to the Unit as a result of carrying out such works;

- (ii) the right for the Manager to have access to, over and/or on the roof or flat roof or the parapet walls of the roof or flat roof to maintain, repair, operate, temporarily install, move the cleaning gondola and/or any davit arm, other equipment or device of management (collectively referred to in this Deed as the “**gondola**” which expression shall include all brackets, hinges, posts or other related equipment) to service, cleanse, enhance, maintain, repair, renovate, decorate, improve and/or replace any part of any exterior of the Estate, and on prior reasonable notice for the Manager, its servants, agents, contractors and persons duly authorized to enter upon the roof or flat roof for the purposes of operating, installing, keeping, repairing, storing and/or parking the gondola PROVIDED THAT the Manager shall cause as little disturbance as is reasonably practicable and make good any damage to the Unit caused thereby.

PROVIDED ALWAYS THAT the rights of the Manager under Clauses 2(a), (b), (c) and (d) above shall be subject to the rights, easements and privileges of FSI under this Deed, any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll and the Government Grant and shall not in any way adversely affect or prejudice the rights, easements and privileges reserved to FSI under this Deed, any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll and the Government Grant.

Preamble to Rights of MTR

3. Preamble

The covenants, rights, liberties, privileges, entitlements, exceptions and reservations in favour of MTR under this Clause are intended to facilitate and enable MTR to do, exercise, carry out, perform and complete all acts matters deeds and things as are necessary and/or pertaining to :

- (i) the naming rights of MTR in the manner as herein provided;
- (ii) the phased construction, development and completion of the Development over a number of years as contemplated by the Government Grant;

- (iii) the change in design, layout, disposition, height and use of any part of the Development which MTR shall remain to be the Owner;
- (iv) the maximisation of the development potential of any part of the Land and/or the Development which MTR shall remain to be the Owner insofar as such maximisation shall be permissible and approved by the Government;
- (v) management and control of those parts of the Development which MTR shall remain to be the Owner;
- (vi) connecting of those parts of the Development which MTR shall remain to be the Owner to the neighbouring developments; and
- (vii) protection of the exercise of any rights and powers as are conferred upon MTR under the Government Grant.

Rights of MTR

Exceptions and Reservations

Each and every Owner covenants with MTR with the intent that the covenants, rights, liberties, privileges, entitlements, exceptions and reservations herein conferred upon MTR shall bind each and every Owner and their respective successors and assigns and are intended to run and shall run with the Land and the Development and the interest therein that for so long as MTR remains the beneficial owner of any Share (and in addition to any other right which it may have reserved under the Assignment to the Purchaser) MTR shall have the exclusive and unrestricted right in its absolute 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/or to exercise all or any of the following rights, liberties, privileges and entitlement without the necessity of joining in or the concurrence or approval of any other Owner (unless provided otherwise in this Deed), the Manager or any other person interested in the Land and the Development but subject to the rights, easements and privileges reserved to FSI as Owner of the Government Accommodation under this Deed, any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll and the Government Grant and PROVIDED THAT such rights, easements and privileges of FSI as Owner of the Government Accommodation shall not in any way be adversely affected or prejudiced and PROVIDED FURTHER THAT MTR or any other Owner shall not represent FSI or GPA in any dealings with the Government which directly affects the Government Accommodation (where GPA shall in its sole discretion determine whether or not the Government Accommodation is directly affected) :-

- (a) at all times with or without contractors, servants, agents, workmen or other persons authorised, to enter into and upon any part of the Land and the Development (excluding

the Units which have been assigned by MTR and excluding the Government Accommodation unless (1) such works are relating to the commissioning, construction and completion of any part of the Land and the Development and such entry is unavoidable, when, in that event, it shall be subject to prior reasonable notice, the least disturbance being caused and MTR making good and indemnifying the Owner of the Government Accommodation for costs and expenses incurred for any damage caused to the Government Accommodation as a result of the aforesaid entry or any works under this sub-clause (a); and (2) the entry is for maintenance and repair purposes, when, in that event, the prior approval of the Owner of the Government Accommodation shall be required (except in emergency) and MTR shall be liable for all costs and expenses incurred for any damage caused to the Government Accommodation) with all necessary tools, equipment, plant and materials and (if necessary) to use on a temporary basis only the Common Areas and the Common Services and Facilities for the purpose of transportation and passage through and the storage of building materials and equipment for the purpose of:-

- (i) completing or commissioning the construction of any part of the Land and the Development either alone or in conjunction with any adjacent land or adjacent buildings in such manner and with such materials as MTR in its absolute and unfettered discretion shall deem fit;
- (ii) carrying out any works or repairs or maintenance which it considers necessary to prevent any damage to, or for preventing or rectifying any works by the Owners or any of them or the Manager which may in the opinion of MTR have the effect of endangering or causing damage to the Mass Transit Railway, the Mass Transit Railway Structures and Installations, the Station, the Depot or the uncompleted part(s) of the Estate or any part thereof and in the event that the damage is caused by the Owners or the Manager, the reasonable costs of the said works or repairs or maintenance shall be a debt due to MTR repayable on demand by the Manager from the defaulting Owner;
- (iii) constructing future pedestrian links or walkways or accessways connecting different parts of the

Estate or the Estate to the Station or to the neighbouring lands or development;

- (iv) constructing and developing footbridges and connection points at such point or part or parts of the Estate as it may require from time to time;
- (v) carrying out all necessary works for temporary closure of any part of the Development when called upon by the Director and carry out all necessary repair or maintenance work in relation to such temporary closure;
- (vi) carrying out other works in under on or over the Land and the Development as it shall require from time to time in compliance with the Government Grant or in relation to the operation or safety of the Mass Transit Railway, the Mass Transit Railway Structures and Installations, the Station or the Depot;

MTR in pursuance of any such works shall notify the Owners in writing as to the areas or parts of the Land and the Development which the Owners shall not use while such works are being carried out and the Owners (except FSI as Owner of the Government Accommodation) shall comply with the reasonable requirements of such notification PROVIDED THAT when carrying out such works MTR shall cause as little disturbance to the Owners as is reasonably practicable by providing such measures as may be necessary including but not limited to noise abatement and dust protection measures and shall make good any damage caused to any Unit and PROVIDED FURTHER THAT the exercise of such rights shall not interfere with an Owner's exclusive right to the use enjoyment and occupation of the Unit which he owns nor prevent, impede or restrict access to or egress from any such Unit and PROVIDED FURTHER THAT MTR shall be solely responsible for the maintenance and management expenses of those parts of the Common Areas and the Common Services and Facilities which the Owners shall not use as aforesaid while the aforesaid works are being carried out and to make good any damage caused to those parts of the Common Areas and the Common Services and Facilities as a result of the use of such parts by MTR;

- (b) in accordance with the terms of the Government Grant, to assign the Common Areas and the Common Services and Facilities or any part or parts thereof together with the

Shares relating thereto to the Manager, without consideration, for the general benefit of the Owners PROVIDED THAT upon such assignment such areas and facilities shall be held by the Manager as trustee for all the Owners;

- (c) to change the name of the Development or any part thereof (other than the Government Accommodation) and to change at any time the name description and/or numbering of any building in the Development (other than the Government Accommodation) as it shall in its absolute discretion think fit subject, in the case of a change of name of the entire Development (other than the Government Accommodation), to the approval of the Development Owners' Committee and, in the case of a change of name of a part of the Development (other than the Government Accommodation), to the approval of the relevant Owners' Sub-Committee(s) appointed pursuant to any Sub-Deed of Mutual Covenant affected by the name change and upon giving not less than 6 months' prior written notice to all Owners affected by the change PROVIDED THAT MTR shall bear all costs incurred by the Manager in erecting or replacing any existing building name or directional signage within the Development as a result of the exercise of this right;

- (d) to alter, amend, vary or add to the Approved Plans or any master layout plan approved under the Town Planning Ordinance relating to the Development or any part thereof (other than those plans relating to the Government Accommodation or any Units which have been assigned by MTR) (including but not limited to the alteration of corridors and toilets) and/or any other building plans relating to the Development or any part thereof (other than those plans relating to the Government Accommodation or any Units which have been assigned by MTR) without the concurrence or approval of any Owner or other person having an interest in the Development or any part thereof PROVIDED THAT:-
 - (i) any alteration, amendment, variation or addition to such plans shall not affect the Government Accommodation nor impede or restrict access to or from the Government Accommodation, and nothing herein contained shall absolve MTR from the requirements of obtaining the prior consent of the Director or other relevant government authorities pursuant to the Government Grant or other applicable legislation and the approval of

the Owner of the Government Accommodation in the event that the Government Accommodation is directly affected (where GPA shall in its sole discretion determine whether or not the Government Accommodation is directly affected);

- (ii) no such alteration, amendment, variation or addition shall give to the Owners or other person having an interest in the Development or any part thereof any right of action against MTR or the Government;
 - (iii) all the costs and expenses in connection with MTR's exercise of the aforesaid right shall be borne by MTR solely; and
 - (iv) the exercise of such right shall not interfere with the rights of other Owners to hold, use, occupy and enjoy their Units or the Government Accommodation;
- (e) where the uncompleted part(s) of the Development or those parts of the Development owned by MTR (other than the Government Accommodation) are affected, to agree with the Government any substitution, alteration, amendment, variation or addition to the terms and conditions of the Government Grant or any drawings, designs and plans of any nature or purpose whatsoever (including but not limited to layout plans, general building plans, car park layout plans, landscape plans and concept plans), submissions and technical schedules contained or referred to in the Government Grant and to apply for any consents, waivers, permissions, approvals or no-objection letters or any other decision under the terms of the Government Grant without the need to consult with nor the concurrence or approval of any Owner or other person having an interest in the Development or any part thereof and to sign or execute any documents in connection therewith in the name of MTR only without the necessity of joining in other Owners or other person having an interest in the Development or any part thereof PROVIDED THAT:-
- (i) the right to vary, alter, amend, substitute or add to the terms of the Government Grant shall require the prior written approval of the Owner of the Government Accommodation if it directly affects the Government Accommodation (where GPA shall in its sole discretion determine whether or not the

Government Accommodation is directly affected) and shall not be prejudicial to the rights of the Owner of the Government Accommodation in the use and enjoyment of and the access to or from the Government Accommodation and must not result in the Owner of the Government Accommodation being liable for any premium payable for such variation, alteration, amendment, substitution or addition;

- (ii) any amendment to the master layout plan shall not affect the Government Accommodation;
 - (iii) any variation, alteration, amendment, substitution or addition to any plan shall not prevent, impede or restrict access to or from the Government Accommodation and shall be subject to the prior approval of the Owner of the Government Accommodation if it directly affects the Government Accommodation (where GPA shall in its sole discretion determine whether or not the Government Accommodation is directly affected);
 - (iv) no such substitution, alteration, amendment, variation, addition, consent, permission, waiver or approval or other act shall give to the Owners or other person having an interest in the Development or any part thereof any right of action against MTR or the Government;
 - (v) the use and enjoyment of any Unit (other than the Government Accommodation) by any Owner shall not be adversely affected thereby and the proper use and enjoyment of the Government Accommodation shall not be affected thereby; and
 - (vi) any premia, payments, compensation and other money in relation to or incidental to such amendment, alteration, variation or addition or document shall be paid by and received by MTR alone and MTR shall be empowered to give a good and valid receipt therefor;
- (f) to enter into any deed poll or to carve out, surrender, dedicate or assign any part of the Land or the Development or any interest therein (other than the Government Accommodation, the Common Areas and the Common Services and Facilities and the Units which have been sold or assigned by MTR) to the Government in the name of

MTR, such part or parts of the Land and the Development to be carved out, dedicated or assigned without the necessity of joining in other Owners or other person having an interest in the Development or any part thereof and the Owners and other person having an interest in the Development or any part thereof shall renounce and release all right title interest benefit claim and demand whatsoever of and in such portion of the Land and the Development and in the compensation therefor PROVIDED THAT an Owner's right to hold use occupy and enjoy his Unit shall not be adversely affected and that the Owners' access to or from their Units shall not be prevented, impeded or restricted and that all payments, compensation or other money relating or incidental to such surrender dedication or assignment shall be paid to and received by MTR alone and MTR shall be empowered to give a good and valid receipt therefor PROVIDED FURTHER THAT if the exercise of MTR's right under this sub-clause directly affects the Government Accommodation (where GPA shall in its sole discretion determine whether or not the Government Accommodation is directly affected), prior approval of the Owner of the Government Accommodation shall be obtained and the exercise of such right shall not be prejudicial to the rights of the Owner of the Government Accommodation in the use and enjoyment of and access to the Government Accommodation. All payments, compensation or other money relating or incidental to such surrender, dedication or assignment shall be paid to and received by MTR alone and MTR shall be empowered to give a good and valid receipt therefor;

- (g) without the necessity of making every Owner or other person having an interest in the Development or any part thereof a party thereto to enter into a Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll (including any supplemental Deed Poll) or such other deed(s) or document(s) of a similar nature in respect of any part of the Development for the purpose of allocating or re-allocating Shares and Management Units to any Phase or any part thereof and/or the Station and/or the Depot and of making further provisions for the management, maintenance and servicing of that part of the Development for which it is made and its equipment, services and apparatus and for the purpose of further defining and regulating the rights, interests and obligations of the Owners thereof PROVIDED THAT:-

- (i) such allocation or re-allocation of Shares and Management Units pursuant to this Clause 3(g) shall not affect the proportion of Shares allocated to the Government Accommodation;
 - (ii) the sole and exclusive right of an Owner to hold use occupy and enjoy his Unit shall not be adversely affected; and
 - (iii) any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll (including any supplemental Deed Poll) or such other deed(s) or document(s) of a similar nature shall be subject to the prior approval in writing of the Director and that such Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll (including any supplemental Deed Poll) or such other deed(s) or document(s) of a similar nature shall not conflict with the provisions of this Deed;
- (h) to reserve such parts of the external walls of any part of the Development (other than the Government Accommodation) (which shall not form part of the Common Areas) and allocated Shares thereto under any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant for the construction and erection of chimneys and/or, subject to compliance with the relevant terms and conditions of the Government Grant, for advertising purposes and to display, install, erect, affix or permit to be displayed, installed, erected or affixed thereon and thereto, signs, logos, posters and other advertising signs or structures whatsoever (whether illuminated or not) and with the right to remove, repair, maintain, service or replace the same and to obtain electricity from the building or structure (other than the Government Accommodation) nearest in proximity to such advertising posters, signs, logos and other structure as aforesaid PROVIDED THAT:-
- (i) no chimneys, flues, pipes or other structures or facilities shall be installed or affixed onto the external walls of the Government Accommodation;
 - (ii) signs, advertisements and structures erected on the external walls of the Government Accommodation shall not be affected;

- (iii) the rights and interests of the Owners shall not be adversely affected; and
 - (iv) MTR shall be responsible for and at its cost and expense keep and maintain in good condition those parts of the said external walls on or to which such signs, logos, posters and other advertising signs or structures shall so be displayed, installed, erected or affixed and pay any electricity charges in connection with such signs or structures;
- (i) for so long as MTR remains to be the Owner of the Commercial Development or the sole Owner of the Car Park in a Phase (as the case may be), MTR shall have the exclusive right and privilege to allocate and/or assign and/or license and/or grant the right to use all or any lobby and/or office lobby and/or corridor and/or toilet on each floor/level including car park level and/or lifts and/or lavatories (unless otherwise specifically assigned or being designated as Common Areas) and/or escalators and/or any flat roofs or roofs or upper roofs or other equipment apparatus services and facilities within or forming part of the Commercial Development or the Car Park (unless otherwise specifically assigned or being designated as Common Areas) for the exclusive use of particular floors and/or Units with or without consideration at its absolute discretion and on terms and conditions as it deems fit;
- (j) (i) MTR shall have the exclusive right and privilege subject only to the provisions of the Government Grant and obtaining the prior written consent of the Director to allocate Shares to each Phase and the Station and the Depot of the Development and to each Unit in and the Common Areas of that Phase and to allocate Management Units to each Unit (save and except the Government Accommodation) in that Phase PROVIDED FURTHER THAT such allocation of Shares and Management Units pursuant to this Clause 3(j)(i) shall not affect the proportion of Shares allocated to the Government Accommodation;
- (ii) if on the issue of an Occupation Permit for the final Phase of the Estate the Shares to be allocated to the Units in the final Phase based on the amount of the Gross Floor Area of the Units in that Phase are less than the unallocated Shares at that time available, the remainder of the Shares following

such allocation and any allocation, re-allocation or adjustment of Shares made by MTR pursuant to its reserved rights under Clause 3(g), 3(j)(iii), 3(j)(iv), 3(k), 3(l) or 3(m) of Part II of this Schedule shall be allocated by MTR to the Common Areas and the Common Services and Facilities and to be held in trust by MTR on behalf of all Owners or assigned together with all Shares previously allocated to Common Areas to the Manager in accordance with the provisions of Clause 3(b) of Part II of this Schedule PROVIDED THAT for the purpose of this sub-clause, the Gross Floor Area of the Units in a Phase shall include any gross floor area which has been exempted under the conditions of the Government Grant or the Buildings Ordinance and PROVIDED FURTHER THAT such allocation or re-allocation of Shares pursuant to this Clause 3(j)(ii) shall not affect the proportion of Shares allocated to the Government Accommodation;

- (iii) subject to the prior approval of the Director, MTR shall have the exclusive and unrestricted right to re-designate or re-distribute any Shares retained by it in the Estate and allocated to any particular part of the Estate the exclusive use of which is retained by MTR to any other part of the Development of which it has exclusive use PROVIDED THAT the re-designation or re-distribution of Shares pursuant to this Clause 3(j)(iii) shall not affect the proportion of Shares allocated to the Government Accommodation and the sole and exclusive right of an Owner to hold use occupy and enjoy his Unit shall not be adversely affected;
- (iv) notwithstanding anything contained in this Deed, subject to prior written approval of the Director, the Owner of the Government Accommodation and FSI, MTR shall have the exclusive and unrestricted right to re-allocate or adjust the number of Shares allocated to the Government Accommodation under the Sub-Deed of Mutual Covenant of Site A in order to comply with Special Condition No.(36)(b) of the Government Grant and consequentially the number of Shares allocated to Site A and the Site (as defined in

Special Condition No.(1)(i) of the Government Grant) of the final Phase respectively under the Approved Deed Poll (as defined in Special Condition No.(6)(b) of the Government Grant), and for such purpose, to enter into and execute a supplemental Deed Poll or such other deed(s) or document(s) of a similar nature before the execution of the Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant (if any) of the final Phase of the Estate without the need to consult with or to obtain the concurrence or approval of or to join in any Owner or other person having an interest in the Development or any part thereof;

- (v) if the Government Accommodation shall have been assigned by MTR to FSI prior to the adjustment of number of Shares under Clause 3(j)(iv) of Part II of this Schedule, following the execution of the supplemental Deed Poll or such other deed(s) or document(s) of a similar nature referred to in Clause 3(j)(iv) of Part II of this Schedule, to enter into and execute a confirmatory assignment of the Government Accommodation or such other deed(s) or document(s) of a similar nature with FSI;
- (k) subject to the prior written consent of the Director, to allocate and re-allocate Shares to any particular part of the Development following the issue of an Occupation Permit in respect of that particular part and to each Unit and the Common Areas and Common Services and Facilities and to allocate and re-allocate Management Units to each Unit (save and except the Government Accommodation) thereto necessitated by any change in Gross Floor Area PROVIDED THAT the allocation or re-allocation of Shares and Management Units pursuant to this Clause 3(k) shall not affect the proportion of Shares allocated to the Government Accommodation and the sole and exclusive right of an Owner to hold use occupy and enjoy his Unit shall not be adversely affected PROVIDED FURTHER THAT for the purpose of this sub-clause, the Gross Floor Area shall include any gross floor area which has been exempted under the conditions of the Government Grant or the Buildings Ordinance;
- (l) subject to the prior written consent of the Director, to adjust the number of Management Units and/or the Shares into which the Land and the Development shall all be notionally

divided and the fraction which each Share bears to the whole if such adjustment shall be required due to any change in the building design and/or amendment to the Approved Plans PROVIDED THAT:-

- (i) such adjustment shall not affect the rights to the sole and exclusive right and privilege to hold use occupy and enjoy the Government Accommodation by the Owner thereof;
 - (ii) no such adjustment shall have the effect of increasing the contributions to the Management Charges payable by such Owners (excluding FSI as Owner of the Government Accommodation) by more than 5%;
 - (iii) the adjustment of the Shares pursuant to this Clause 3(l) shall not affect the proportion of the Shares allocated to the Government Accommodation; and
 - (iv) the sole and exclusive right of an Owner to hold use occupy and enjoy his Unit shall not be adversely affected;
- (m) to designate or re-designate the floor numbering and unit numbering (excluding the floor numbering and unit numbering of the Government Accommodation) and/or (subject to the prior approval of the Director) to allocate, re-allocate, sub-allocate and/or to exchange or interchange the number of Shares and Management Units attached to those parts of the Development with any other parts of the Development which MTR remain to be the Owner thereof PROVIDED THAT any such allocation, re-allocation, sub-allocation, exchange or interchange of Shares and Management Units pursuant to this Clause 3(m) shall not affect the proportion of Shares allocated to the Government Accommodation and the sole and exclusive right of an Owner to hold use occupy and enjoy his Unit shall not be adversely affected;
- (n) after completion of the final Phase of the Estate, to amend, vary, alter, add to, modify or substitute any part of the Common Areas and Common Services and Facilities PROVIDED THAT:-
- (i) the use and enjoyment of the Units (excluding the Government Accommodation) by the Owners shall not be adversely affected and the proper use

and enjoyment of the Government Accommodation shall not be affected and no such amendment, variation, alteration, addition, modification or substitution shall give to the Owners or other person having an interest in the Development or any part thereof any right of action against MTR;

- (ii) the Common Areas and Common Services and Facilities shall not be reduced;
- (iii) notwithstanding anything contained in the foregoing, if there is any conversion of any of the Common Areas to MTR's own use for its own benefit, such conversion shall be subject to the approval of the Development Owners' Committee (if any) or the relevant Owners' Sub-Committee (if any) (as the case may be) and any payment paid by MTR for the approval shall be credited to the relevant account of the Special Fund and if there is any conversion or designation of any of MTR's own areas in the Land as Common Areas, such conversion or designation shall be subject to the approval by a resolution of Owners at a meeting of the Owners of the Estate convened under this Deed or at a meeting of the Owners of the relevant Phase convened under the relevant Sub-Deed of Mutual Covenant (as the case may be); and
- (iv) any additional Common Areas or additional Common Services and Facilities shall not be re-converted or re-designated to MTR's own use or benefit and MTR shall prepare or cause to be prepared a set of plans showing such additional Common Areas which shall be kept at the management office of the Estate and made available for inspection by the Owners free of costs and charges during normal office hours;
- (o) to construct, maintain, lay, alter, remove, re-route and renew drains, pipes, cables, sewers and other installations, fittings, chambers and other structures within the Land and the Development (other than the services and facilities solely and exclusively serving the Government Accommodation) or partly within the Land and the Development (other than the services and facilities solely and exclusively serving the Government Accommodation) and adjoining land to supply utilities services and recreational facilities to the Land and the Development

and/or (if required by the Government) to any other adjoining adjacent or neighbouring lands and to grant the right so to do any of the aforesaid to any person on such terms and conditions as MTR may deem fit, subject to the approval by a resolution of Owners at a meeting of the Owners of the Estate convened under this Deed or at a meeting of the Owners of the relevant Phase convened under the relevant Sub-Deed of Mutual Covenant (as the case may be) PROVIDED THAT such approval is not required in respect any uncompleted Phases PROVIDED FURTHER THAT if the said drains, pipes, cables, sewers, installations, fittings, chambers and structures form parts of the Common Areas or the Common Services and Facilities, any consideration received for supplying of the said utilities, services and recreational facilities to the adjoining adjacent or neighbouring lands shall after deduction by MTR of the costs of the relevant works incurred by MTR be credited to the relevant account of the Special Fund PROVIDED ALWAYS THAT the proper use and enjoyment of the Government Accommodation shall not be affected;

- (p) to utilise in whole or in part the balance (if any) of the maximum plot ratio of the Land including any extensions which may be granted by the Government from time to time permitted under the Buildings Ordinance (Cap.123 of the Laws of Hong Kong) including any concessions or bonus which may be granted by the Building Authority and which shall become available from time to time;
- (q) to demolish, modify, alter, reconstruct, further develop, re-develop or re-build the Land and/or the Development or any part thereof which shall remain vested in MTR either alone or in conjunction with any adjacent land or adjacent buildings and in such manner as MTR may deem fit and for all or any such purposes arrange for new buildings plans to be prepared and/or the Approved Plans to be changed, added to, altered or otherwise amended and to submit the same for approval by the Building Authority and/or such other competent Government authorities and to carry out all necessary demolition and construction works in connection therewith subject to the approval of the Owner of the Government Accommodation being obtained if in its opinion the Government Accommodation is directly affected (where GPA shall in its sole discretion determine whether or not the Government Accommodation is directly affected) PROVIDED THAT the exercise of such right shall not interfere with an Owner's exclusive right to the

use enjoyment and occupation of the Unit which he owns nor prevent, impede or restrict access to or egress from any such Unit. The exclusive right to hold use occupy and enjoy and to receive the rents and profits from any new buildings or structures to be erected on or under the Land and the Development shall belong to MTR absolutely;

- (r) subject to the approval by the resolution of the Owners of the Estate or the relevant part thereof at a meeting of the Owners of the Estate or the relevant part thereof convened under this Deed or the relevant Sub-Deed of Mutual Covenant, to obtain for the benefit of the Owners for the time being of the Estate or any part thereof and their servants, agents, licensees, tenants and lawful occupants the grant of any rights, rights of way or easements or quasi-easements (including but not limited to the right to use any roads, passageways, walkways, footpaths, pedestrian bridges, subways, gardens, open spaces, nullahs and culverts, recreational areas and facilities, sewage treatment plants and facilities, refuse collection and disposal areas and facilities, drainage system and gas, water and electricity storage, transformation and supply systems) over any adjoining or neighbouring lands or to obtain any similar rights by licence on such terms and condition and from such persons as MTR shall deem fit PROVIDED THAT FSI shall not be made to bear any costs for the acquisition of the said rights, rights of way, easements or quasi-easements;

- (s) subject to the approval by the resolution of the Owners of the Estate or the relevant part thereof at a meeting of the Owners of the Estate or the relevant part thereof convened under this Deed or the relevant Sub-Deed of Mutual Covenant, to grant any rights, rights of way or easements or quasi-easements (including but not limited to the right to use any roads, passageways, walkways, footpaths, pedestrian bridges, subways, gardens, open spaces, nullahs and culverts, recreational areas and facilities, sewage treatment plants and facilities, refuse collection and disposal areas and facilities, drainage system and gas, water and electricity storage, transformation and supply systems) over any part or parts of the Estate Common Areas and the Estate Common Services and Facilities or any Common Areas and Common Services and Facilities of a Phase or the Private Recreational Facilities or to grant any similar rights by licence for the benefit of any adjoining or neighbouring lands on such terms and conditions and to such persons as MTR shall deem fit

PROVIDED THAT the exercise of such right shall be subject to and shall not contravene any provisions of the Government Grant and shall neither interfere with the rights of other Owners to hold use occupy and enjoy their Units nor impede their access to and from their respective Units and shall not affect the proper use and enjoyment of the Government Accommodation PROVIDED ALWAYS THAT any money received from the grant of any such rights shall form part of the Special Fund;

(t) subject to the approval by the resolution of the Owners of the Estate or the relevant part thereof at a meeting of the Owners of the Estate or the relevant part thereof convened under this Deed or the relevant Sub-Deed of Mutual Covenant or the relevant Sub-Sub-Deed of Mutual Covenant, to construct, maintain, repair and renew at MTR's own expense footbridges, pedestrian ways or paths and/or pedestrian walkways (including any associated structures) within the Land and the Development (including but not limited to any part of the Pedestrian Link and the covered pedestrian walkway referred to in Special Condition No.(59)(c) of the Government Grant) whether or not linking the Land and the Development with any adjoining or neighbouring lots and/or developments PROVIDED THAT:-

(i) the proper use and enjoyment of the Government Accommodation and the other Units shall not be affected and the access to or from the Government Accommodation and the other Units shall not be prevented, impeded or restricted;

(ii) for the purpose of constructing and enabling the connection of the footbridges, pedestrian ways or paths, pedestrian walkways, driveways and/or emergency vehicular access within different parts of the Land and the Development or outside the Land and the Development MTR shall have the right to demolish, alter or remove any walls or structures forming part of or any closure of openings in the Common Areas or the Common Services and Facilities;

(iii) the right under this sub-clause does not impose any obligation on the part of MTR to maintain, repair and renew such footbridges, pedestrian ways or paths, pedestrian walkways, driveways and/or emergency vehicular access or any part

thereof forming part of the Common Areas or the Common Services and Facilities; and

- (iv) the aforesaid approval by the resolution of the Owners of the Estate or the relevant part thereof shall not be required if the exercise of the right under this sub-clause is for the purpose of complying with the duties and obligations which are required to be performed and observed by MTR as the original grantee of the Land under the provisions of the Government Grant or for the purpose completing the construction of the Estate or any part thereof.

- (u) to be given prior reasonable notice of full details and, prior to commencement of the works, to approve any structural works proposed to be carried out to the Development or the Land which require the prior submission to and/or prior approval of the Government and if MTR is in the opinion after considering the full details of the proposed structural works that such structural works may affect or have impact upon the Station and the Depot or the Mass Transit Railway Structures and Installations or the services supplying or running through the Station and the Depot or the Mass Transit Railway Structures and Installations or ancillary or pertaining thereto, to prescribe work schedules and methods and impose conditions for the protection and safety of the Station and the Depot and/or the Mass Transit Railway Structures and Installations, to be complied with by the relevant Owners at their own costs and in the event that prior approval is not obtained or prescribed work schedules, methods or conditions are not adhered to, to require the cessation of any such works which the Owners shall comply with and the Manager shall enforce and implement;

PROVIDED ALWAYS THAT in exercising any of its rights herein, MTR shall be subject to the rights, easements and privileges of FSI as the Owner of the Government Accommodation under the Government Grant, this Deed and any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll and shall not in any way adversely affect or prejudice the use and enjoyment of the Units by the Owners and the rights, easements and privileges reserved to FSI as the Owner of the Government Accommodation in the Government Grant, this Deed and any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll and the proper use and enjoyment of the Government Accommodation shall not be affected and the access to or from the Units and the Government Accommodation shall not be prevented, impeded or restricted PROVIDED ALWAYS THAT any consideration received or receivable in the exercise of rights to which MTR

is specifically entitled as an Owner under the provisions of this Clause 3 shall accrue to MTR and may be on such terms and conditions as MTR may deem appropriate PROVIDED FURTHER THAT MTR shall not represent FSI or GPA in any dealings with the Government directly affecting the Government Accommodation and GPA shall in its sole discretion determine whether or not the Government Accommodation is directly affected. Any consideration received or receivable in the exercise of rights to which MTR is not specifically entitled as an Owner under the provisions of this Clause 3 shall accrue to the Owners of the Development and shall be credited to the relevant account of the Special Fund. For the avoidance of doubt, no Management Unit will be allocated to the Government Accommodation.

Rights of the public

4. Subject to the terms of the Government Grant and the rights, easements and privileges of FSI as the Owner of the Government Accommodation under the Government Grant, this Deed and any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll, the rights for all members of the public

- (a) to use the public pedestrian access provided by MTR under Special Condition No.(12)(g) of the Government Grant during the operational hours of the Wong Chuk Hang Station as defined in Special Condition No.(46)(a) of the Government Grant;
- (b) to use and enjoy the Public Open Space provided under Special Condition No.(43)(a) of the Government Grant 24 hours a day free of charge without any interruption;
- (c) to use the covered pedestrian walkway provided under Special Condition No.(59)(c) of the Government Grant 24 hours a day free of charge without any interruption; and
- (d) to pass and repass on foot or by wheelchair over the Passage Area at all times and for all lawful purposes freely and without payment of any nature whatsoever

PROVIDED THAT the exercise of such rights by the members of the public shall not in any way adversely affect or prejudice the rights, easements and privileges reserved to FSI as the Owner of the Government Accommodation under the Government Grant, this Deed and any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll.

THE THIRD SCHEDULE

RESTRICTIONS AND PROHIBITIONS

1. Subject to the rights reserved to MTR in Clause 3 of Part II of the Second Schedule to this Deed, the rights of the Owner of the Commercial Development in Clause 5 of Part I of the Second Schedule to this Deed and the rights, easements and privileges reserved or granted to FSI as the Owner of the Government Accommodation under the Government Grant, this Deed and any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll and PROVIDED THAT no obligations, restrictions and prohibitions shall adversely affect or prejudice the rights, easements and privileges of FSI as the Owner of the Government Accommodation, its lessees, tenants, licensees and persons authorized by it and the Owners or occupiers for the time being of the Government Accommodation or any part thereof under the Government Grant, this Deed and any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll, an Owner shall not (except the same shall not constitute any breach of the terms and conditions of the Government Grant and contravention of any ordinances, laws and Government regulations and the previous written consent of the Manager shall have been obtained (which consent may be granted subject to such reasonable conditions as the Manager shall think fit)) :-

**Not to make alterations
or additions**

- (a) make or permit or suffer to be made any external or structural alteration or addition whatsoever particularly any which will affect the structural integrity of the Development or which may exceed the loading constraints of the structures in the Development or which interfere with or affect the rights of other Owners to any building, or other structure erected on or in the Development;
- (b) make or permit or suffer to be made any alterations to the existing design or external appearance of the facade or elevations of any building, or other structure erected on or in the Estate (except the Government Accommodation by the Owner thereof as permitted under this Deed or any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant or Deed Poll and the Commercial Development by the Owner thereof as permitted under this Deed);
- (c) erect or build or permit or suffer to be erected or built on any roof, flat roof or any part thereof of any building, carport or other structure erected on or in the Estate, or the Common Areas any structure whatsoever whether of a temporary or permanent nature;

- (d) install or erect or permit or suffer to be installed or erected any air-conditioning or ventilation unit or plant or any radio or television aerial or satellite dish or any sunshade or awning or any other fixture whatsoever on or over any roof, flat roof or through or over any window or through or on any external wall of the Estate (except the Commercial Development by the Owner thereof and except, in the case of air-conditioning units, at the air-conditioning platforms already provided or at such places designated for such purpose in the Residential Development);
- (e) make or permit or suffer to be made any alterations to any installation or fixture so as to affect or be likely to affect the supply of water, electricity or other utility or service to the Land and the Development or any part thereof;
- (f) erect, affix or place or cause or permit or suffer to be erected, affixed or placed any sign or other structure whatsoever whether of a permanent or temporary nature on the roof or flat roof forming part of a Unit or any part thereof (except the Government Accommodation by the Owner thereof) and the Manager shall have the right to enter to remove anything erected or affixed or placed thereon in contravention of this provision at the cost and expense of the Owner who erected or affixed or placed the same or permitted or suffered the erection or affixing or placing of the same;

Not to damage Common Areas

- (g) damage, injure or deface or permit or suffer to be damaged, injured or defaced any part of the structure, fabric or decorative features of the Common Areas including any trees, plants or shrubs in or about the Land and the Development;

Not to damage Common Services and Facilities

- (h) damage or interfere with or permit or suffer to be damaged or interfered with the Common Services and Facilities;

Not to vitiate insurance

- (i) do or permit or suffer to be done anything whereby any insurance of the Land and the Development or any part thereof may be rendered void or voidable or whereby the premium for any such insurance may be liable to be increased and each Owner (save and except FSI as Owner of the Government Accommodation) shall indemnify the other Owners against any increased or additional premium which by reason of his act or default may be required for effecting or keeping up such insurance and in the event of the Development or any part or parts thereof being damaged or destroyed by any of the Insured Risks at any time and the insurance money under any insurance against

such Insured Risks effected thereon being wholly or partially irrecoverable by reason solely or in part of his act or default then and in every such case such Owner shall forthwith pay to the other Owners the whole or (as the case may require) a proportion of the cost of completely rebuilding or reinstating the same;

**Not to breach
Government Grant**

- (j) do or permit or suffer to be done any act, deed, matter or thing whatsoever which amounts to a breach of any of the terms and conditions of the Government Grant and in particular Special Condition No.(89) of the Government Grant;

**Not to breach ordinances
etc.**

- (k) do or cause or permit or suffer to be done any act or thing which may be contrary to any relevant ordinance, regulation or bye-law;

Offensive User

- (l)
 - (i) use any Unit for any offensive trade as prescribed from time to time by Section 48 of the Public Health and Municipal Services Ordinance (Cap.132 of the Laws of Hong Kong) nor permit the storage of any hazardous, combustible, unlawful or explosive goods or substance or any “**dangerous**” or “**prohibited**” goods within the meaning of the Dangerous Goods Ordinance (Cap.295 of the Laws of Hong Kong);
 - (ii) use or permit or suffer to be used any Residential Unit other than as a private dwelling;
 - (iii) use or permit or suffer to be used any Unit for any purpose whatsoever other than as permitted under the Government Grant;
 - (iv) use or permit or suffer to be used any Car Parking Space provided under Special Condition Nos.(68)(a)(i) and (68)(d)(i)(I) of the Government Grant other than for the parking of motor vehicle or motor cycle (as the case may be) registered in the name of the resident of a Residential Unit or his bona fide guests, visitors or invitees according to the carpark layout plan for the Development or any part thereof approved by the Director and in particular shall not use the said space for the storage, display or exhibiting of motor vehicles for sale or otherwise or for the provision of car cleaning and beauty services;

(v) use or permit or suffer to be used any Car Parking Space provided under Special Condition Nos.(68)(b)(i) and (68)(d)(i)(III) of the Government Grant other than for the parking of motor vehicle or motor cycle (as the case may be) registered in the name of an occupier of the Commercial Development or his bona fide guests, visitors or invitees according to the carpark layout plan for the Development or any part thereof approved by the Director and in particular shall not use the said space for the storage, display or exhibiting of motor vehicles for sale or otherwise or for the provision of car cleaning and beauty services;

Balconies and Utility Platforms

(m) (i) cause, permit, suffer or allow any Balcony or Utility Platform to be enclosed in whole or in part by any material of whatsoever kind or nature, and each Owner shall keep and maintain any Balcony or Utility Platform in the design and layout as provided under the Approved Plans;

(ii) erect, affix or place or cause or permit or suffer or allow to be erected, affixed or placed any structure or partition of any material whether of a permanent or temporary nature or any fitting on any Balcony, Utility Platform or any part thereof;

Flat roofs or roofs

(n) erect, affix, place or cause, permit, suffer or allow to be erected, affixed or placed any structure, partition, fence or enclosure whether of a permanent or temporary nature on any flat roof or roof;

Not to use for illegal or immoral purposes

(o) use or permit or suffer to be used any Unit for gambling or for any illegal or immoral purpose;

Not to cause nuisance

(p) do or cause or permit or suffer to be done any act or thing which may be or become a nuisance or annoyance to or cause damage or inconvenience to the other Owners and occupiers of the Land and the Development;

Not to alter external appearance

(q) use or permit or suffer to be carried out on any portion of any Unit or the roofs or flat roofs or any Balcony or Utility Platform (if any) held and enjoyed therewith, any works in any way so as to alter the external appearance of the buildings (except the Government Accommodation by the Owner thereof as permitted under this Deed or any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual

Covenant or Deed Poll and the Commercial Development by the Owner thereof as permitted under this Deed);

Not to misuse lavatories

- (r) use or permit or suffer to be used any water closet or other water apparatus on or in the Land and the Development for any purpose other than that for which they are intended and throw or permit or suffer to be thrown into any W.C. pan, urinal, basin, sink or other lavatory fitting any foreign or deleterious substance of any kind and the Owner shall pay the Manager on demand the cost of any breakage, blockage or damage resulting from a breach of this provision;

Not to interfere with fire protection or security systems

- (s) do or permit or suffer to be done any act or thing which will damage or interfere with or affect the operation of any fire protection or fire fighting system, equipment or apparatus or any security system, equipment or apparatus or any part or parts thereof and each Owner (except FSI as Owner of the Government Accommodation) shall keep the other Owners indemnified against all loss, damages, claims and demands sustained by them as a result of any act or thing done or permitted or suffered to be done by the Owner as aforesaid;

Not to contravene fire regulations

- (t) erect, affix, install or attach or permit or suffer to be erected, affixed, installed or attached in or on or at the door or doors or entrance or entrances or any staircase or floor of the Units or in or on or at any of the exits therefrom any metal grille or shutter or gate that might in any way contravene the regulations from time to time in force of the Fire Services Department or other competent authority concerned, nor in any other respect to contravene the said regulations;

Not to lock roof exits

- (u) lock the doors or entrances of the roofs of the Development PROVIDED HOWEVER THAT nothing in this clause shall affect the rights of the Owner(s) to lock the doors or entrances of the roof(s) or portion of the roof owned by him if such locking does not contravene fire regulations;

Not to obstruct Common Areas

- (v) encumber or obstruct or permit or suffer to be encumbered or obstructed with any boxes, dustbins, packaging goods, rubbish, chattels or other obstruction of any kind or nature any of the Common Areas and the Manager shall be entitled without notice and at the Owner's expense (except FSI as Owner of the Government Accommodation) to remove and dispose of as it sees fit any such material aforesaid and the Manager shall not thereby incur any liability to the Owner or any other person whomsoever and each and every Owner (except FSI as Owner of the

Government Accommodation) hereby agrees to keep the Manager indemnified against all losses, claims damages or expenses of and against the Manager in respect thereof;

Not to obstruct driveways

- (w) park in, obstruct or otherwise use or permit or suffer any servant, agent, visitor or licensee to park in, obstruct or otherwise use those areas of the Land and the Development allocated to the parking, movement or access of vehicles or designated as loading and unloading areas otherwise than in accordance with the Building Rules from time to time made pursuant to Section K of this Deed;

Pets

- (x) bring on to or keep any dogs, cats, pets, livestock, live poultry, birds or other animals on any part of the Estate PROVIDED THAT subject to any applicable laws and regulations in force in Hong Kong from time to time and subject to and in accordance with the Building Rules, domestic animal or other pets may be kept in a Residential Unit unless the same has been the cause of reasonable written complaint by Owners or occupiers of at least two (2) Residential Units, the reasonableness of the complaint shall be determined by the Manager at its absolute discretion PROVIDED THAT this provision shall not apply to guide dogs required for persons with disability in vision and PROVIDED FURTHER THAT:-

- (01) in no event shall dogs be permitted in lifts or in any part of the Estate intended for common use unless they are carried or on leash and wearing mouth strap;

- (02) notwithstanding anything contained in the foregoing of this sub-clause, in no event shall dogs be permitted in the Common Areas (including without limitation, the Club Houses, the central greenery, the podium floors, gardens, landscaping areas, children and elderly play areas and lawns areas) save for those areas as may be designated by the Manager for use by dogs from time to time;

Not to partition

- (y) exercise or attempt to exercise any statutory or common law right to partition the Land and the Development;

Not to make internal alterations or additions

- (z) (i) make any structural alteration to or demolish any structural parts which form part of the Common Areas;

- (ii) make any structural alteration to a Unit (except the Government Accommodation by the Owner thereof) without obtaining the prior written consent of the Manager (which shall not be unreasonably withheld) subject to the relevant Owner making an application supported by drawings and where appropriate a specification in duplicate and paying the reasonable approval fees of the Manager and their professional advisers PROVIDED FURTHER THAT the prior approval of the relevant Government department shall also be obtained and no Owner shall make any structural alteration which will interfere with or affect the rights of other Owners;
- (iii) where any fitting out works or alterations to a Unit require any alteration to base buildings services, including, but not limited to, the sprinkler system, heating ventilation and air-conditioning system and plumbing and drainage, employ contractors other than the contractor nominated by the Manager for the purpose of carrying out those works at the Owner's own cost PROVIDED THAT the Owner of the Government Accommodation shall be exempted from using the contractor nominated by the Manager;

Not to sub-divide or partition

- (aa) sub-divide or partition a Residential Unit or a Car Parking Space;

Sub-Deed of Mutual Covenant

- (ab) enter into any Sub-Deed of Mutual Covenant or Sub-Sub-Deed of Mutual Covenant in respect of any part of the Development without the approval in writing of the Director;

Floor loading

- (ac) place on any part of the floors of any Unit any machinery goods or merchandise which may cause the maximum floor loading-bearing capacity thereof to be exceeded and in the event of breach of this covenant the Owner shall make good any damage caused thereby to that part of the Estate or any fixtures and fittings therein, PROVIDED THAT the making good of such damage as aforesaid shall be without prejudice to any further right which may be exercised by the Manager by virtue of such breach;

Offensive odours and refuse

- (ad) (i) cause or permit any offensive or unusual odours to be produced upon, permeate through or emanate from the part of the Estate owned by him and not to allow any garbage or waste food to

accumulate on such part or other part of the Estate PROVIDED THAT the Manager's opinion on whether any odour is offensive or unusual is conclusive and binding on the Owner;

(ii) dispose of the refuse except in the places designated by the Manager;

Excessive noise

(ae) produce or permit or suffer to be produced any music or noise (including sound produced by broadcasting or any apparatus or equipment capable of producing, reproducing, receiving or recording sound) or vibration or other acts or things in or on the part of the Estate owned by him so as to cause a nuisance to other Owners, residents or occupiers of the Estate;

Not to misuse lifts

(af) (i) use the designated passenger lifts in the Estate other than for transportation of persons and small light packages;

(ii) use the service lifts in the Estate for the transportation of any goods or articles which in the opinion of the Manager may overload or affect the normal or safe operation of those lifts;

Not to hang washing

(ag) use or permit or suffer to be used any portion of any Unit for the drying of clothes or any similar purpose in any way so as to alter the external appearance of the buildings or the Estate or cause nuisance or annoyance to the other Owners or occupiers of the Land and the Development PROVIDED THAT drying of clothes is allowed in the Utility Platform below the railing level;

Not to exhibit signs

(ah) exhibit any advertising signage in or upon any Unit in the Residential Development except where the same is in compliance with the terms and conditions of the Government Grant and as authorised by this Deed;

Not to tamper with fixed glazing

(ai) tamper with any fixed glazing or fixed glazing with limited window opening in any Residential Unit which should only be unlocked by the Manager upon receipt of prior reasonable notice from the Owner or occupier of the relevant Residential Unit and only for the purpose of cleaning or maintenance of such window;

Installation of air-conditioning units

(aj) affix or install onto the external walls or through the windows of any Residential Unit any air-conditioner or air-conditioning unit other than at the air-conditioning platform already provided or at such places designated for

such purposes without the prior written consent of the Manager and all possible measures shall be taken to prevent excessive noise, condensation or dripping on to any part of the Land and/or the Development;

Not to tamper with fire alarm

- (ak) tamper with, remove or interfere with or permit or suffer or cause to be tampered with, removed or interfered with the fire alarm system serving the Estate or any part thereof and/or the common fire alarm system installed in the Estate connecting and serving the Estate;

Not to install door grilles/alter entrance design

- (al) erect, affix, install or attach or permit or suffer to be erected, affixed, installed or attached any grille, shutter or gate (whether in metal or any other material) in or on or at the entrance doors of the Residential Units and not to alter the design and colour of the entrance door and area of the Residential Units, including but not limited to any unit number sign, side panels, light fittings and doorbell push buttons;

Installation of window grilles

- (am) erect, affix, install or attach or permit or suffer to be erected, affixed, installed or attached in or on or at the window or windows of any Residential Unit any window grille which shall in any way contravene the regulations of the Fire Services Ordinance (Cap.95 of the Laws of Hong Kong) or other competent authority concerned from time to time in force or (in case of window or windows of any Residential Unit in curtain walls) inconsistent with the Approved Plans, and the design of any window grille of any Residential Unit shall comply strictly in accordance with such guidelines and/or specification and/or prescribed design that may from time to time be issued by the Manager and such design and installation shall comply in all respects with the Building Rules and Fitting Out Rules;

Not to erect radio or television aerial etc.

- (an) erect or permit or suffer to be erected any radio or television aerial or advertising sign or keep, hang or exhibit or permit or suffer to be kept, hung or exhibited any washing cloth, clothing or any unsightly objects or store or permit or suffer to be stored any utensils or other articles upon the flat roof, roofs, balconies, external walls, corridors, lift lobbies, entrance halls of any building of the Estate or any other areas (except the Government Accommodation and the Commercial Development by the Owners thereof) which in the opinion of the Manager shall be undesirable or constitute a nuisance to other Owners or occupiers of the building or the Estate and the Manager shall have the right to remove such articles without notice but after warning has been given to such Owner and such

Owner has failed to heed the warning within a reasonable period of time at the cost of the offending Owner;

**Not to conduct
obnoxious activities**

- (ao) use, permit, allow or suffer to be used or allowed any Balcony, Utility Platform, roofs, flat roofs, garden or terraces or any part or parts thereof for the purpose of any barbecue functions or activities, nor to perform or conduct any worship, Feng Shui and/or religious ceremonies or any other related activities of any obnoxious nature therein or to affix or place any sign thereat so as to cause nuisance, disturbance, discomfort or inconvenience to other Owners, residents or occupiers of the Estate;

The above obligations, prohibitions and restrictions are equally applicable to the tenants and/or licensees of the Units who occupy the Units under lease or tenancy agreement or licence (whether such lease or tenancy agreement or licence is written or oral) with the Owners.

Preservation of trees

2. No Owner shall remove or interfere with the trees growing on the Land or adjacent thereto without the prior written consent of the Director who may in granting consent impose such conditions as to transplanting, compensating landscaping or replanting as the Director may deem appropriate.

No hawkers

3. No Owner shall permit or suffer any hawker to carry on business within the Land and the Development (except the Commercial Development). For the purpose of this Clause, "hawker" shall be as defined in Section 2 of the Public Health and Municipal Services Ordinance (Cap.132 of the Laws of Hong Kong), any regulations made thereunder and any amending legislation subject to such modification contained in Special Condition No.(84) of the Government Grant.

**Not to erect or make any
grave or columbarium**

4. No Owner shall erect or make or permit or suffer to be erected or made on the Land any grave or columbarium, nor shall inter or deposit or permit or suffer to be interred or deposited any human remains or animal remains whether in earthen jars, cinerary urns or otherwise in or on the Land.

SIGNED SEALED and DELIVERED by)
)
)
lawful attorney(s) for and on behalf of MTR)
in its capacity as registered owner of the Land)
and the Development (save and except the)
First Assigned Premises) whose signature(s))
is/are verified by/in the presence of :)

SIGNED SEALED and DELIVERED by)
the Purchaser in the presence of :-)

SIGNED SEALED and DELIVERED by)
)
)
lawful attorney(s) for and on behalf of)
[] in its capacity as the)
Manager whose signature(s) is/are verified)
by/in the presence of :)