

SUB DMC

THIS SUB-DEED OF MUTUAL COVENANT is made the 20th day of September, One
Thousand Nine Hundred and Eighty-six

- (1) TSING LUNG INVESTMENT COMPANY LIMITED whose registered office is situate at 19th Floor, Far East Finance Centre, No.16 Harcourt Road, Victoria, Hong Kong ("First Owner" which expression shall where the context admits include its successors and assigns);
- (2) POK CHING HUNG (僕正雄) Gentleman and MOK CHIU LAN (莫肖蘭) Married Woman both of Flat F on 11th Floor Block No.5 of Hongkong Garden Phase I Tsuen Wan New Territories Hong Kong ("Second Owner" which expression shall where the context so admits include his or her survivor and the executors and administrators of such survivor, his or her assigns); and
- (3) T.L. 60 MANAGEMENT LIMITED whose registered office is situate at 19th Floor, Far East Finance Centre, No.16 Harcourt Road, Victoria, Hong Kong ("Manager" which expression shall have the meaning ascribed to it in Recital (3) hereof). !

W H E R E A S :-

1. This Sub-Deed is supplemental to the Principal Deed.
2. Except as otherwise provided herein, expressions defined in the Principal Deed shall have the same meanings where used in this Sub-Deed.
3. In this Sub-Deed :-
"Adjoining Lands" means all sections and portions of Tsing Lung Tau Lot No.60 including any sections or portions now or hereafter to be surrendered to the Crown (save and except The Remaining Portion of Section A of Tsing Lung Tau Lot No.60) and all buildings and structures erected or to be erected thereon;
"Block" means any of the 6 blocks of domestic units being Blocks Nos. 1 to 6 (both inclusive) erected on the Land and "Blocks" shall be construed accordingly;

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"Buildings" means all the 6 Blocks, the Commercial Complex(Phase I) and the Car Park Building (Phase I) and "Building" shall mean any of the Buildings;

"Car Park" means a car parking space within the Car Park Building (Phase I) or other parts of Phase I (excluding visitors car parks)and "Car Parks" shall be construed accordingly;

"Car Park Building (Phase I)" means the building constructed on the Land comprising Car Parks and facilities for non-domestic use;

"Commercial Complex (Phase I)" means the commercial complex constructed on the Land comprising units and/or other facilities (including sport and recreational) for non-domestic use;

"Commercial Unit" means a unit within the Commercial Complex (Phase I)and includes any portion of the roof or flat roof to be held therewith and "Commercial Units" shall be construed accordingly;

"Domestic Unit" means a unit in a Block and includes the portion of the roof and/or flat roof to be held therewith and "Domestic Units" shall be construed accordingly;

"First Property" means All Those 11/9983rd parts or shares of and in the Land and Phase I Together with the exclusive right and privilege to hold use occupy and enjoy FIRST ALL THAT Flat " F " on the Eleventh Floor of Block " 5 " and SECONDLY ALL THAT Car Parking Space No. 266 on the First Floor of Car Park Building (Phase I) of Phase I;

"Interested Person" means any person who has any right, interest or title (whether legal, equitable or otherwise) in relation to a Unit and/or Retained Areas whether under and by virtue of an assignment, agreement for sale and purchase, trust instrument or otherwise and "Interested Persons" shall be construed accordingly;

"Land" means The Remaining Portion of Section A of Tsing Lung Tau Lot No.60;

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"Management Expenses" means the expenses of running and managing the Land and Phase I and the Gardens as provided by this Sub-Deed and the Principal Deed and/or the Sub-Deed of the Commercial Units;

"Management Funds" means all monies received, recovered or held by the Manager for the use and benefit of the Land and Phase I and the Gardens pursuant to this Sub-Deed and/or the Sub-Deed of the Commercial Units and/or the Principal Deed;

"Manager" means T.L.60 Management Limited or any other person or persons undertaking the management of the Land and Phase I;

"Manager's Remuneration" means the remuneration of the Manager as provided herein and/or by the Sub-Deed of the Commercial Units and/or the Principal Deed;

"Occupation Permit" means a permanent or temporary occupation permit;

"own" when used in relation to any Unit and/or Retained Areas shall refer to the ownership of the exclusive right to hold use occupy and enjoy the particular Unit and/or Retained Areas;

"Owner" means the First Owner, the Second owner and any person who for the time being is the registered owner of any Undivided Share or any portion thereof and his executors, administrators, successors and assigns and includes, joint tenants or tenants in common and mortgagees of any such Undivided Share or any portion thereof;

"Owner of a Car Park" means an Owner in whom the exclusive right to hold, use and occupy a particular Car Park is vested and

"Owners of Car Parks" shall be construed accordingly;

"Owner of a Commercial Unit" means an Owner in whom the exclusive right to hold, use and occupy a particular Commercial

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Unit is vested and "Owners of Commercial Units" shall be construed accordingly;

"Owner of a Domestic Unit" means an Owner, in whom the exclusive right to hold, use and occupy a Domestic Unit is vested and "Owners of Domestic Units" shall be construed accordingly;

"Phase I" means the development on the Land now known as Hongkong Garden (Phase I);

"Principal Deed" means the Deed of Mutual Covenant dated the 20th day of September 1986 in relation to the whole Lot and registered in the District Land Office Tsuen Wan by Memorial No. 403933 ;

"Retained Areas" means (a) the roofs of the Commercial Complex (Phase I) and the Car Park Building (Phase I)(b) all open areas in Phase I and (c) the tennis court(s), badminton court(s), squash court(s) (if any), children's playground(s) and Swimming Pool within the Land and Phase I ; all excluding the areas and structures within the Recreational Facilities;

"Sub-Deed of the Commercial Units" means the sub-deed to be entered into between all Owners of the Commercial Units pursuant to Clause 7.09;

"Swimming Pool" means the swimming pool constructed or to be constructed on the Land.

"this Sub-Deed" means this sub-deed of mutual covenant and any amendment and modification thereof;

"Undivided Share" means one equal undivided 9983rd part or share of and in the Land and Phase I and "Undivided Shares" shall be construed accordingly; and

"Unit" means a Car Park, a Commercial Unit or a Domestic Unit and "Units" shall be construed accordingly.

4. The headings in this Sub-Deed are inserted for convenience only

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4 and shall be ignored in construing this Sub-Deed. Unless the context otherwise requires, words denoting the singular number only shall include the plural and vice versa. The words "written" and "in writing" include printing, engraving, lithography or other means of visible reproduction and all reference to Clauses and Schedules are references to clauses of and schedules to this Sub-Deed.

5. For the purpose of sale, the Land and Phase I have been notionally divided into 9983 parts or shares which have been allocated to different parts of Phase I in the manner as set out in Schedule I.
6. The parties hereto have entered into the Principal Deed for the purposes therein set forth and have further agreed to enter into this Sub-Deed for the purpose of making provision for the management, maintenance, insuring and servicing of Phase I and its equipment, services and apparatus and for the purpose of defining and regulating the rights, interests and obligations of the Owners in respect of Phase I and to provide for a due proportion of the common expenses in respect of Phase I to be borne by the Owners of Phase I.
7. Consent to enter into this Sub-Deed has been obtained from the Registrar General (Land Officer).

NOW THIS DEED WITNESSETH as follows :-

1. EXCLUSIVE RIGHT

- 1.01 The First Owner shall at all times hereafter subject to and with the benefit of the Conditions, this Sub-Deed and the Principal Deed have the full right, benefit and privilege to hold, use occupy and enjoy to the exclusion of the Second Owner all Units, the Retained Areas and subject as hereinafter mentioned all portions of Phase I, (save and except the First Property and the Common Areas and Common Facilities) Together with the appurtenances thereto and the entire rents and profits thereof.
- 1.02 The Second Owner shall at all times hereafter subject to and with

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the benefit of the Conditions, this Sub-Deed and the Principal Deed have the full right, benefit and privilege to hold, use, occupy and enjoy to the exclusion of the First Owner the First Property Together with the appurtenances thereto and the entire rents and profits thereof.

2. EXCEPTIONS AND RESERVATIONS

2.01 Without derogating from and affecting the rights and privileges of the First Owner under Clause 8 of Section I of the Principal Deed, there is excepted and reserved unto the First Owner, its successors and assigns (which expression shall for the purpose of this Clause only exclude the Second Owner and the Manager) the following rights and privileges :-

- (1) the exclusive right to hold, use, occupy and enjoy the outer walls, main roof, flat roofs, canopies and the exterior parts of the Buildings and to sell, let, licence or otherwise dispose of or deal with the same for such purpose or purposes (including, but not limited to advertising purposes) as the First Owner, its successors and assigns may think fit and/or to install or permit to be installed thereon such advertising sign-boards, placards, posters and other advertising signs or structures whatsoever (whether illuminated or not) and such air-conditioning, ventilation, fire fighting and other apparatus and equipment for the servicing of the Buildings or any part thereof, and such pipes, ducting and fittings as the First Owners, its successors and assigns may from time to time think fit with the right for the First Owner, its successors and assigns and all persons authorized by it or them to have access thereto for the purposes of installing, removing, replacing, maintaining and servicing such advertising sign-boards, placards,

- posters and other advertising signs or structures whatsoever (whether illuminated or not) and such apparatus, equipment, pipes, ducting and fittings as the First Owner, its successors and assigns may think fit;
- (2) the exclusive right to erect one or more flu pipes or smokestacks or chimneys along the external walls of each of the Buildings together with the right to maintain, replace or remove the same;
- (3) the full, free and unrestricted right for the First Owner, its associated companies and their respective servants, agents, contractors, workmen and other persons authorized by the First Owner and/or its associated companies to enter upon all and any part of the Land and Phase I with all necessary equipment, plant and materials for the purpose of constructing and completing any erection, structures and installation on, under or above the Land and for the purpose of constructing and completing all or any of other block(s) of building(s), school, car ports, complex(es), podium, roadworks, utilities, facilities and other erections and installations to be erected or installed on, under or above the Adjoining Lands in accordance with the plans and specifications thereof and any amendment, alteration or deletion thereof or therefrom. The First Owner in pursuance of any of the works aforesaid may from time to time issue in writing to the owners or co-owners of the Land and Phase I instructions as to the areas or parts of the Land and Phase I that the owners or co-owners, their servants, agents, tenants or licensees may or may not use while such works are being carried out;
- (4) the full right for the First Owner, its associated

companies and all persons respectively authorized by them to join and connect the drains, pipes, wires, cables, installations, fittings, chambers and other structures and utilities which now or may hereafter pass under, through or over any part of the Adjoining Lands to the drains, pipes, wires, cables, installations, fittings, chambers and other structures and utilities which now or may hereafter pass under, through or over the Land and Phase I or any part thereof with the right to construct, maintain, lay, remove, renew, replace and renovate drains, pipes, wires, cables, installations, fittings, chambers and other structures and utilities in, under or over the Land and Phase I as the First Owner may in its absolute discretion see fit together with the right thereafter to use the same for the purposes for which they are intended;

(5)(a) the full and unrestricted right for the First Owner, without reference to or consent by any Owner, to grant rights of way, or access or use at any level to the owners or occupiers of the Adjoining Lands or to the owners or occupiers of any other premises adjoining the Land and Phase I in respect of the Common Areas and Common Facilities, the Swimming Pool, the Car Parks and other parts of Phase I Provided that such grant shall not interfere with the exclusive right of any Owner to hold, use and occupy his Unit and/or the Retained Areas and on behalf of the Owners to obtain a grant of similar rights in respect of the Adjoining Lands or such other adjoining premises and the First Owner shall have the full and unrestricted power to assign the right conferred by this sub-clause(5) to the Manager without any interference or consent by the Owners;

(b) the full and unrestricted right for the First Owner

without reference to or consent by any Owner, to grant to the owners or occupiers of the Adjoining Lands or to the owners or occupiers of any other premises adjoining the Land and Phase I the right to enter with or without workmen and/or vehicles into any part of the Land and the Buildings upon giving to the Owner (in the case of a Unit) or to the Manager (in the case of the Common Areas) prior reasonable notice (except in the case of emergency) for the purpose of inspecting maintaining and repairing any part of the Adjoining Lands or (as the case may be) such adjoining premises or any apparatus equipment or facilities installed or used for the benefit thereof Provided that in the exercise of such right and privilege such owners or occupiers shall act with all expedition causing as little disturbance as possible to the Owners;

(6) the full and unrestricted right without reference to or consent by any other Owners to grant easements and rights of way over the Land and Phase I to owners and occupiers of the Adjoining Lands and of other portions of the Gardens to construct, lay, maintain, remove and renew drains, pipes, wires, cables, irrigation pipes and other installations, fittings, chambers, other equipment, facilities, erections and structures within the Land and Phase I which shall be necessary or desirable for the proper use and operation of the buildings to be constructed on any part of the Adjoining Lands or other parts of the Gardens and the maintenance of the gardens and other amenities and facilities thereof. The First Owner may also assign the rights conferred by this sub-clause(6) to the Manager without any interference or consent by the Owners;

(7) the full and unrestricted right for the First Owner without any interference by any Owner to allocate and reallocate the Undivided Shares retained by the First

Owner in relation to all Units retained by the First Owner and the Retained Areas together with the full and unrestricted right to assign, mortgage, charge, lease, license, franchise, part with possession of or otherwise deal with such Undivided Shares and the exclusive right and privilege to hold, use and occupy such Units and the Retained Areas;

(8) the full and unrestricted right for the First Owner and its associated companies to alter, relocate and reconstruct the roadways, pavements, passageways, driveways and all other areas, structure and erection on the Land to tie in with the development on the Land and the Adjoining Lands provided that such alteration relocation and reconstruction shall not interfere with other Owner's exclusive right to hold use and occupy their Units and/or the Retained Areas;

(9) the full and unrestricted right to effect surrenders of land or dedication of areas to the Government of Hong Kong either pursuant to the Conditions or whenever required by the Government so to do being any part or portion of the Land and Phase I not being within the exclusive right and occupation of any Owner and All Owners and all Interested Persons shall be deemed to have renounced, and released all their right, title, interest, benefit, claim and demand whatsoever of and in such part or portion of the Land and Phase I and the First Owner shall be at liberty to surrender to the Government or dedicate the same for public use in such form and manner as it shall in its absolute discretion think fit free from any claim or demand of any Owner or Interested Person including but without limitation any claim for compensation;

(10) the full and unrestricted right for the First Owner and its associated companies to apply to, negotiate and agree

with the Government for the amendment, variation and modification of the Conditions in such manner as the First Owner may deem fit including but without limitation any matter regarding the following:-

- (a) the period within which the building works mentioned in Special Condition No.5 of the Conditions must be completed and the money to be expended in relation thereto;
 - (b) the plot ratio, site coverage, gross floor area, height of building, number, size and types of units;
 - (c) all matters mentioned in Special Condition Nos.21 and 23 of the Conditions ; and
 - (d) the permitted use of any part or parts of the development on the Land and/or the Adjoining Lands and all the Owners and Interested Persons shall be deemed to have renounced and released all their right, title, interest, benefit, claim and demand whatsoever in relation to such amendment, variation and modification.
- (11) the full and unrestricted right for the First Owner to enter into any deed, agreement and other instrument and/or make arrangement on behalf of all the Owners and Interested Persons in relation to :
- (a) unilateral or mutual grant of rights of way, easements and other rights, uses and privileges over any part of the Land and Phase I and/or any part of the Adjoining Lands and any building and erection thereon;
 - (b) use of those parts of the Common Areas and Common Facilities within the Land by other Owners, tenants, occupiers and visitors of or to the Adjoining Lands;
 - (c) use of the Common Areas and Common Facilities erected

or to be erected on the Adjoining Lands by the Owners, tenants, occupiers and visitors of the Land and Phase I; and

- (d) all matters in relation to the use and management of all buildings, erections and Common Areas and Common Facilities erected or to be erected on the Land and the Adjoining Lands.
- (12) The First Owner reserves the right to designate the use (including commercial use) of such part or parts of the Retained Areas in such manner as it thinks fit, including but not limited to the construction of car parks thereon or the paving of car parking spaces thereon or the construction of any structures thereon or the provisions of recreational and other facilities thereon Provided that any such use shall not be in contravention of the terms and conditions of the Conditions and until so used the First Owner shall be entitled to licence such part or parts thereof to the Manager at such reasonable fee as shall be agreed with the Manager for the use by the Owners as gardens and/or areas for recreational activities. In the event of such licence as aforesaid such licensed Retained Areas shall for the period of the licence be deemed to be part of the Common Areas and the Owners shall contribute towards the maintenance and upkeep of the same accordingly. The First Owner shall be entitled to terminate this licence by giving to the Manager one month's written notice, in which event the licenced Retained Areas or such part or parts of the same shall be vacated by the Manager and the First Owner shall be entitled to lay out or construct or pave car parks and any

other structures and to lease, licence or sell the same or to designate the same as Common Areas or Common Facilities. Upon termination of the said licence, the Owners shall not be required to contribute any payment towards the maintenance and upkeep of that part of the Retained Areas unless the same be designated by the First Owner as Common Areas.

2.02 Not in derogation from the efficacy and extension of the exceptions and reservations contained in Clause 2.01, each of the Owners, and the Interested Persons shall be deemed to have severally and irrevocably appointed the First Owner their true and lawful attorney to do and perform all the matters and things mentioned in Clauses 2.01(9),(10) and (11) and to sign or execute all deeds, agreements and instrument for the purposes,

3. EASEMENTS, RIGHTS AND PRIVILEGES THE BENEFIT OF WHICH IS HELD WITH EACH UNDIVIDED SHARE

Each Undivided Share shall have the benefit of the following rights and privileges attached:-

- (1) Full right and liberty for the Owner, his tenant(s), servant(s), agent(s) and licensee(s) (in common with all other person(s) having the like right) to pass and repass over and along the entrance, roadways, staircases, landings, passages, arcades, lobbies and lifts on the Land and Phase I for all purposes connected with the proper use and enjoyment of his Unit and/or the Retained Areas;
- (2) Full right and liberty for the Owner, his tenants(s), servant(s), agent(s) and licensee(s) (in common with all other persons having the like right) to use those parts of the Common Areas and Common Facilities erected on the Land for the purposes for which they are designed Provided that in exercising such rights of use no Owner shall interfere

with or permit or suffer to be interfered with, the general amenities, equipment or services provided and that each Owner shall comply with the provisions of this Sub-Deed and/or the Principal Deed and/or the Sub-Deed of the Commercial Units, the Garden Rules, Building Rules and other regulations (if any) from time to time in force in respect of the same.

- (3) Full right and liberty for the Owner, his tenant(s), servant(s), agent(s) and licensee(s) (in common with all other persons having the like right) to pass and repass over and along the entrances, roadways, driveways, passageways, pathways, lanes, staircases and buildings erected or to be erected on the Adjoining Lands for all purposes connected with the proper use and enjoyment of his Unit and/or the Retained Areas;
- (4) Full right and liberty for the Owner, his tenant(s), servant(s), agent(s) and licensee(s) (in common with all other persons having the like right) to use the Common Areas and Common Facilities erected or to be erected on the Adjoining Lands Provided that in exercising such rights of use no Owner shall interfere with or permit or suffer to be interfered with the general amenities, equipment or services provided and that each Owner shall comply with the gardens rules and other regulations (if any) from time to time in force in respect of the same;
- (5) The right to subjacent and lateral support from other parts of Phase I;
- (6) The free and uninterrupted passage and running of water sewage, gas, electricity, telephone and other utility services from and to his Unit and/or the Retained Areas through the sewers, drains, watercourses, cables, pipes and wires which now are or may at any time hereafter be

in, under or passing through the Land and Phase I and the Adjoining Lands;

- (7) The right for the Owner, with or without servants, workmen and others at all reasonable time or notice (except in case of emergency) to enter into and upon other Units, the Retained Areas and other parts of the Land and Phase I for the purposes of carrying out any work necessary for the maintenance and repair of his Unit and/or the Retained Areas or its services (such work not being the responsibility of the Manager hereunder) causing as little disturbance as possible and making good any damage caused thereby; and
- (8) All the above easements, rights and privileges are subject to and conditional upon the Owner paying his due share of the Management Expenses and Manager's Remuneration as provided in the Principal Deed and/or this Sub-Deed and/or the Sub-Deed of the Commercial Units.

4. EASEMENTS, RIGHTS AND PRIVILEGES SUBJECT TO WHICH EACH UNDIVIDED SHARE IS HELD

Each Undivided Share shall be subject to the following easements, rights and privileges:-

- (1) Full right and privilege for the Manager with or without agents, surveyors, workmen and others at all reasonable times on notice (except in case of emergency) to enter into and upon each Unit and/or the Retained Areas for the purposes of inspecting, examining, rebuilding, repairing, removing, maintaining, cleansing, painting or decorating the Land and Phase I and/or the Gardens or any part or parts thereof or any sewers, drains, watercourses, cables, pipes, wires or services therein or any other apparatus and equipment used or installed for the benefit of the Land and Phase I and/or the Gardens or any of them or any

- part thereof as part of the amenities thereof and not by any individual owner for his own purposes or enjoyment;
- (2) Easement, rights and privileges for the owner of any undivided share(s) in the Adjoining Lands, his tenant(s), servant(s), agent(s) and licensee(s) (in common with all other persons having the like right) to use those parts of the Common Areas and Common Facilities erected on the Land for the purposes for which they are designed Provided that in exercising such rights of use no such owner shall interfere with or permit or suffer to be interfered with, the general amenities, equipment or services provided and that such owner shall comply with the provisions of this Sub-Deed and/or the Principal Deed and/or the Sub-Deed of the Commercial Units, the Gardens Rules, Building Rules and other regulations (if any) from time to time in force in respect of the same;
- (3) Full right and liberty for the owner of any undivided share(s) in the Adjoining Lands, his tenant(s), servant(s), agent(s) and licensee(s) (in common with all other persons having the like right) to pass and repass over and along the entrance, roadways, staircases, landings, passages, arcades, lobbies and lifts on the Land and Phase I for the purpose of use and enjoyment of his Unit (as defined in the Principal Deed), the Bus Terminus any Car Parks owned by or let or licensed to such owner, the Common Areas and Common Facilities and other facilities and amenities on the Land and Phase I;
- (4) Easement, rights and privileges for the Owners and owners of the undivided shares in the Adjoining Lands over, along and through the Unit and/or Retained Areas equivalent to those set forth in Clauses 3(5) to (7) (inclusive);

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- (5) Full right for the Director of Buildings and Lands, its officers and contractors to have ingress, egress and regress to, from and through the Land for the purposes mentioned in Special Condition No.13 (g) of the Conditions; and
- (6) Rights of way in the terms set-out in Special Condition No.38 of the Conditions.

5. COVENANTS AND RESTRICTION

Each Owner shall at all times hereafter be bound by and shall observe and perform the covenants provisions and restrictions contained in Schedule II and other parts of this Sub-Deed and all the covenants, provisions and restrictions contained in the Principal Deed as if the same were repeated herein and formed part of this Sub-Deed. The provisions of sections 39,40 and 41 of the Conveyancing and Property Ordinance (Cap.219) shall apply to this Sub-Deed.

6. RIGHT TO ASSIGN ETC

Every Owner shall have the full right and liberty without reference to any other Owner or Owners or any Interested Person and without the necessity of making such other Owner or any such other Interested Person or Persons a party to the transaction to sell, assign, mortgage, lease, licence or otherwise dispose of or deal with his shares or interest in the Land and Phase I together with the full right and privilege to hold, use, occupy and enjoy any Unit, and Retained Areas (in case of the First Owner), held with such shares or interest Subject to and with the benefit of this Sub-Deed and the Principal Deed.

7. MANAGEMENT EXPENSES

7.01 For the purpose of fixing the contribution to be made by the Owners to the Management Expenses and to the Manager's Remuneration, the Manager shall prepare :-

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- (1) an annual budget showing the estimated Management Expenses of the Building in relation to each Building;
- (2) an annual budget showing the estimated Management Expenses of the Gardens; and
- (3) an annual budget showing the estimated Manager's Remuneration.

7.02 The first financial year for the management of any Building shall, as mentioned in Clause 1 of Sub-Section H of Section III of the Principal Deed, commence on the day on which the Occupation Permit of the Building is issued and shall terminate on the 31st day of December of the following year and the Owner shall in relation to the first financial year contribute towards the Management Expenses mentioned in Clauses 7.01(1) and (2) and the Manager's Remuneration mentioned in Clause 7.01(3) in relation to the Unit he owns in such Building in such manner and in such proportion as shall be determined by the Manager in accordance with such standard as the Manager shall deem fair and reasonable. The decision of the Manager as to the proportion to be contributed by the Owners aforesaid shall be final and binding on all the Owners.

7.03 For subsequent financial years, the Owners shall contribute towards the Management Expenses and the Manager's Remuneration in the manner hereinafter mentioned.

7.04 The Manager shall have the absolute discretion from time to time to apportion to the Car Park Building (Phase I) such reasonable part of the Management Expenses of the Gardens and the Manager's Remuneration (whether in a budget or otherwise) allocated to the Car Parks (as defined in the Principal Deed) pursuant to Clause 7(a) of Sub-section D of Section III of the Principal Deed (collectively "Apportioned Gardens Expenses for Car Parks") and the apportionment of the Manager shall be final and binding on

all the Owners Provided that the apportionment aforesaid shall for all financial years subsequent to the financial year immediately following the completion of the Gardens ("said Financial Year") be according to such ratio which the Apportioned Gardens Expenses for Car Parks for the said Financial Year bear to such part of the Management Expenses of the Gardens and the Manager's Remuneration (whether in a budget or otherwise) allocated to the Car Parks (as defined in the Principal Deed) pursuant to Clause 7(a) of Sub-Section D of Section III of the Principal Deed for the said Financial Year.

7.05 Each Owner of a Car Park shall in respect of the Car Park owned by him pay to the Manager in the manner prescribed under the Principal Deed a fraction of : -

- (1) the Apportioned Gardens Expenses for the Car Parks; and
- (2) the Management Expenses of the Building regarding Car Park Building (Phase I) (whether in a budget or otherwise),

in which fraction the numerator shall be equal to the number of the Undivided Shares and/or fraction thereof (if any) allocated to such Car Park and the denominator shall be equal to the total number of the Undivided Shares allocated to Car Park Building (Phase I) (excluding the Undivided Shares and/or fraction thereof (if any) allocated to the Common Areas and Common Facilities of the Car Park Building (Phase I)).

7.06 The Manager shall have the absolute discretion from time to time to apportion to each Block such part of the Management Expenses of the Gardens and the Manager's Remuneration (whether in a budget or otherwise) allocated to the Domestic Units (as defined in the Principal Deed) pursuant to Clause 7(a) of Sub-section D of Section III of the Principal Deed (collectively "Apportioned Gardens Expenses for the Block") and the apportionment of the Manager shall be final and binding on all the Owners Provided

that the apportionment aforesaid shall for all financial years subsequent to the said Financial Year be according to such ratio which the Apportioned Gardens Expenses for the Block for the said Financial Year bear to such part of the Management Expenses of the Gardens and the Manager's Remuneration (whether in a budget or otherwise) allocated to the Domestic Units (as defined in the Principal Deed) pursuant to Clause 7(a) of Sub-Section D of Section III of the Principal Deed for the said Financial Year.

7.07 Each Owner of a Domestic Unit shall in respect of the Domestic Unit owned by him pay to the Manager in the manner prescribed under the Principal Deed a fraction of : -

- (1) the Apportioned Gardens Expenses for the Block of which such Domestic Unit forms part; and
- (2) the Management Expenses of the Building regarding the Block of which such Domestic Unit forms part (whether in a budget or otherwise),

in which fraction the numerator shall be equal to the number of the Undivided Shares and/or fraction thereof (if any) allocated to such Domestic Unit and the denominator shall be equal to the total number of the Undivided Shares allocated to the Block of which such Domestic Unit forms part (excluding the Undivided Shares and/or fractions thereof (if any) allocated to the common areas and facilities of such Block).

7.08 The Manager shall have the absolute discretion from time to time to apportion to the Commercial Complex (Phase I) such part of the Management Expenses of the Gardens and the Manager's Remuneration (whether in a budget or otherwise) allocated to the Commercial Units (as defined in the Principal Deed) pursuant to Clause 7(a) of Sub-section D of Section III of the Principal Deed (collectively "Apportioned Gardens Expenses for the Commercial

Units") and the apportionment of the Manager shall be final and binding on all the Owners Provided that the apportionment aforesaid shall for all financial years subsequent to the said Financial Year be according to such ratio which the Apportioned Gardens Expenses for the Commercial Units for the said Financial Year bear to such part of the Management Expenses of the Gardens and the Manager's Remuneration (whether in a budget or otherwise) allocated to the Commercial Units (as defined in the Principal Deed) pursuant to Clause 7(a) of Sub-Section D of Section III of the Principal Deed for the said Financial Year.

7.09 The Owners of the Commercial Units shall pay to the Manager in the manner prescribed under the Principal Deed the Apportioned Gardens Expenses for the Commercial Units and the Management Expenses of the Building regarding Commercial Complex (Phase I) and the share of such expenses between the Owners of the Commercial Units shall be decided in accordance with the Sub-Deed to be entered into between the Owners of the Commercial Units.

8. Meeting of Building Owners

8.01 The Owners of each Building (excluding the Car Park Building(Phase I)) shall as soon as practicable after the issuance of the Occupation Permit in relation to all parts of such Building and in any event upon notice being given by the Manager at such appropriate times, meet for the purpose of electing a Chairman, Vice-Chairman and three other members of the Building Owner's Committee for such Building and transacting any business to be tabled at the meeting.

8.02 In addition to the first meeting of the Owners of a Building (excluding the Car Park Building(Phase I)), the Owners may from time to time meet together to discuss and decide matters concerning the Land and Phase I provided that such Owners shall at least meet once in every calendar year for the purpose of electing such officers and members as aforesaid and shall also meet whenever required by the Manager. The following provisions

shall apply regarding such meetings of Owners:

- (1) A meeting may be convened by the Manager or the Building Owner's Committee of such Building or by those Owners who in the aggregate have vested in them for the time being not less than 1/10th of the Undivided Shares allocated to such Building.
- (2) Every such meeting shall be convened by the Manager by at least 7 days' notice in writing specifying the time and place of the meeting.
- (3) No business shall be transacted at any meeting unless a quorum is present when the meeting proceeds to business and Owners present in person or by proxy who in the aggregate have vested in them not less than 1/10th of the Undivided Shares allocated to such Building shall be the quorum Provided that:-
 - (a) the Manager shall have the right to receive notice of and to send representatives to the meeting even in case it ceases to hold any Undivided Shares; and
 - (b) the First Owner shall also have the right to receive notice of and to send representatives to the meeting so long as it holds any Undivided Shares even though such Undivided Shares are not allocated to the said Building but to other part(s) of the Land and/or Buildings;
- (4) The Owners present at each meeting shall choose someone of their number to be Chairman and Vice-Chairman.
- (5) The Chairman shall keep a record of the persons present at the meetings and the proceedings thereof.
- (6) Every Owner shall have one vote for each Undivided Share and in case of Owners who together are entitled to any such share, such Owners shall jointly have one vote and in case of dispute the first named of such Owners shall have the right to vote.
- (7) In the event of an Owner entitled to attend and vote being

a body corporate, any representative appointed by such Owner shall be entitled to attend and vote on behalf of such Owner. Such appointment shall be in writing and deposited with the Chairman of the meeting at the meeting.

- (8) All resolutions put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded (before or on the declaration of the result of the show of hands), by at least one Owner (or by the representatives of the Manager and/or the First Owner) entitled to be present and vote at the meeting. A poll if demanded shall be taken at such time and in such manner as the Chairman shall direct.
- (9) On a show of hands, every Owner entitled to be present and vote or his duly authorized representative shall have one vote. In case of a poll, every Owner shall have one vote either personally or through his duly authorized representative for every Undivided Share held by him.
- (10) In case of an equality of votes the Chairman shall have a second or casting vote.
- (11) Any Owner who has failed to pay his due proportion of the Management Expenses shall not be allowed to be present or vote at any meeting.
- (12) Any resolution on any matter concerning the Land and Phase I passed at a duly convened meeting by a majority of the Owners present in person or by proxy and voting shall be binding on the Owners of the Undivided Shares allocated to the Building in question Provided that:-
 - (a) the notice convening the meeting shall have specified the intention to raise and/or discuss and/or propose a resolution or resolutions concerning the matter in respect of which the resolution is passed;
 - (b) any resolution purporting to be passed at such meeting concerning any other matter not specified in

the notice shall not be valid; and

(c) no resolution shall be valid if it is contrary to the provisions of this Sub-Deed, the Principal Deed and the Sub-Deed of the Commercial Units.

(13) Subject to the notice of the proposed resolutions having been given to Owners of the Undivided Shares allocated to a Building, the resolution in writing signed by the Owners who in the aggregate have vested in them for the time being more than one half of the Undivided Shares allocated to the Building in question shall be as valid and effectual as if it had been passed at a duly convened meeting of the Owners of the Undivided Shares allocated to the Building in question.

(14) The accidental omission to give notice as aforesaid to any Owner shall not invalidate the proceedings at any meeting or any resolution passed thereat or any resolution passed in accordance with the foregoing sub-clause.

9. BUILDING OWNERS' COMMITTEE

9.01 The Chairman, Vice-Chairman and three other members of a Building Owners' Committee (hereinafter referred to as "the Committee") of a Building (excluding the Car Park Building) elected in accordance with the provisions of Clause 8 and the Manager or its representative and the First Owner or its representative (so long as the First Owner still holds any Undivided Share) shall be the Building Owners' Committee for that Building, which shall meet from time to time as may be required.

9.02 The Meeting of the Committee shall be convened by the Chairman, or in his absence the Vice-Chairman, upon prior consultation with the Manager, by at least 7 days' notice in writing specifying the time and place of the Meeting and the subjects to be discussed with a summary of the backgrounds thereof.

9.03 The Manager or any two members may request the Chairman, or in his absence the Vice-Chairman, and the Chairman or in his absence

the Vice-Chairman, shall upon such request convene a Meeting of the Committee in accordance with the provisions of Clause 9.02.

- 9.04 (i) It shall be ultra vires the Committee to conduct any business save and except by a resolution passed in a Meeting of the Committee duly convened and on a subject specified in the notice of the Meeting and any resolution passed by the Meeting on a subject not specified in the Notice of the Meeting shall be null and void and shall be of no effect whatsoever;
- (ii) The Meeting shall not discuss any subject other than that specified in the Notice of the Meeting; and:
- (iii) For the purpose of this Clause 9, a subject under the description of "other business" or other similar description shall be deemed not to be a subject specified in the Notice of the Meeting even though it is shown in the Notice as a subject to be discussed.

9.05 Upon the receipt of the Notice of a Meeting of the Committee and prior to the date of the Meeting, the Manager may at his discretion deliver to the Chairman, or in his absence the Vice-Chairman, a statement on any or all of the subjects specified in the Notice to be discussed with or without a proposed resolution. The said statement shall be read to the Meeting by the Chairman of the Meeting prior to the discussion on the subject for which such statement is issued and in the event the said statement includes a proposed resolution, such resolution shall be voted on whether it is seconded or not.

9.06 The Chairman, or in his absence the Vice-Chairman, shall cause minutes of the Meeting of the Committee to be properly entered and kept and a copy thereof shall be sent to each member of the Committee within seven days from the date of the Meeting.

9.07 No business shall be transacted at any time unless a quorum is present when the Meeting proceeds to business and not less than 3 members of the Committee shall be a quorum.

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- 9.08 All resolutions put to the vote of the Meeting shall be decided on a show of hands.
- 9.09 All resolutions passed at a Meeting of the Committee duly convened and held shall be binding on all Owners insofar as the Building in question is concerned but such resolution shall not be binding on the Manager if it conflicts with the provisions of the Principal Deed, this Sub-Deed, the Garden Rules, Building Rules or any decision of the Garden Owners' Committee.
- 9.10 The purpose of a Meeting of the Committee shall be to discuss matters relating to the Building in question, to fill any casual vacancy which may occur in the post of Chairman or Vice-Chairman but any person appointed to fill such position shall vacate such position at the conclusion of the next meeting of the Owners of the Building in question, to give directions and advice to the Chairman or Vice-Chairman on any issue before or expected to come before the Garden Owners' Committee and to decide on and undertake such duties as the Manager may delegate to the Committee.

10. SPECIAL PROVISIONS APPLICABLE TO SPECIFIC PARTS OF PHASE I

(1) Shop Fronts

The design of all shop fronts of the Commercial Unit shall be subject to prior approval of the Manager and must provide for the complete enclosure of the Commercial Unit apart from the entrance; no alteration shall be made to any shop front without the Manager's previous written consent.

(2) Domestic Units

All Domestic Units shall be used for domestic purposes only and in particular shall not be used as an apartment house or for any form of commercial letting or occupancy in bed spaces or cubicles. No partitioning or grills shall be erected or installed which do not leave clear

access for fire exits and no windows shall be wholly or partially blocked or the light and air therefrom in any way be obstructed.

(3) Recreation and other Public Areas

The Manager shall have full and exclusive power to control operate and make rules regarding the use of the common areas, the garden areas, swimming pool, recreational facilities and common services and amenities on the Land and Adjoining Lands and all other parts of Phase I intended for common use and in the exercise of its powers hereunder shall have power to remove and impound articles left unattended in the public areas and to demolish illegal extensions and to make reasonable charges for and control the recreational facilities so provided in accordance with the Principal Deed.

(4) Staircases, landings, arcades, lift lobbies, passages and Vehicular ramps (if any) and roads

No part of the staircases, landings, arcades, lift lobbies, passages or other common areas or the vehicular access ramps or roads on the Land shall be obstructed or incumbered or used for any business or private purpose.

(5) Rubbish Disposal Area

The disposal of rubbish shall be carried out and the rubbish disposal areas and the refuse chute (if any) shall be used only in the manner and subject to such rules and regulations as the Manager may from time to time determine.

(6) Management and Caretakers Offices

The Management and Caretakers Offices shall be reserved for such purposes under the control of the Manager.

(7) Lifts, public lighting, transformer room, pump rooms, pumps, apparatus and services and emergency generators

Subject to the rights (if any) of the First Owner thereto and other provisions of this Sub-Deed and Principal Deed, all the above shall be under the exclusive control of the Manager and no Owner shall have the right to enter into, alter, repair, connect to or in any other way interfere with or affect the working of the same without the previous written consent of the Manager.

(8) Wireless and Television Aerials

The Manager shall be entitled to install or contract for the installation of one or more wireless and/or television aerials serving Phase I and/or the Gardens as a whole or any part or parts thereof and to maintain and operate or contract for the maintenance and operation of the same. No Owner shall be entitled to connect to any such aerial except with the permission of and in accordance with such rules and regulations as the Manager may from time to time determine. No Owner shall affix or install his own private aerial outside his premises or other flat roofs without the previous written consent of the Manager.

(9) Roofs

All Owners shall have the right to use the main roof for escape in the event of fire or emergency but subject thereto the roofs shall be used only by the Owners entitled thereto. No Owner shall erect or place or cause or permit to be erected or placed any advertising sign illegal or unauthorised structure on the main roof or any part thereof and no Owner shall lock entrances to the roof or obstruct access thereto and the Manager shall have the right to remove and destroy anything erected or placed in contravention of this provision.

(10) Public Notice Board

There shall be a notice board outside the Management office or at such other place as the Manager may from time to time determine in each of the Buildings. There shall be exhibited on such notice boards a copy of the Garden Rules and/or Building Rules from time to time in force and all notices which under this Sub-Deed and/or the Principal Deed and/or the Sub-Deed of the Commercial Units are required to be exhibited thereon and such other notices and announcements as the Manager may from time to time decide to exhibit or approve for exhibition thereon. Except in the case of a notice required by this Sub-Deed and/or Principal Deed and/or the Sub-Deed of the Commercial Units or by law to be served personally or in any other manner, the exhibition of a notice on such notice boards for three consecutive days shall be due notice of the contents thereof to each Owner, his tenant(s), licensee(s), servant(s) and agent(s).

(11) Car Park

The Car Park is designed to be separate and none of the Owners or occupiers of any of the Buildings (other than the Owners of the Car Parks and their invitees or licensees) shall have any right of access to the Car Park.

(12) Common Areas and Common Facilities

Those parts of the Common Areas and Common Facilities within the Land and Phase I shall be at all times under the control of the Manager who may afford to the residents of buildings on the Adjoining Lands access to the same and enjoyment of the facilities thereon. The Manager shall have absolute discretion to make rules and regulations regarding the operation, use and maintenance and management of the Swimming Pool and shall subject to the direction of the Gardens Owners' Committee have discretion to restrict admittance to the pool of persons

who shall have been the subject of reasonable complaint by more than two persons entitled to use the Swimming Pool. The Manager shall in the making of such rules and regulations take into account any conditions that may have been imposed and accepted as aforesaid relative to the use of and access to the Swimming Pool. The Manager shall also be at liberty to restrict the number of persons using the pool and to fix the hours of operation if it shall in its absolute discretion consider such restriction to be necessary in the interest of safety and to reduce disturbance to residents.

(13) Commercial Units and Retained Areas

All Commercial Units shall be used for the retail sale of goods and services or for office purposes (if permitted under the Occupation Permit) only and no industrial machines shall be installed therein and no persons shall be permitted to reside therein. Without derogating from the generality of other provisions in this Sub-Deed and the Principal Deed in this regard, the Retained Areas may subject to approval by the appropriate Government authority be used as commercial areas but until so used may be used for such purposes as the First Owner may designate. Once they are used for commercial purposes they shall be treated as Commercial Units for the purpose of this Sub-Deed and all provisions of this Sub-Deed and the Sub-Deed of the Commercial Units and of the Principal Deed in connection with Commercial Units shall apply thereto accordingly as if they were originally designated as Commercial Units and the Manager may require contribution by an Owner of such part of the

Retained Areas having been converted into commercial use to contribute to the Management Expenses and the Manager's Remuneration in such proportion as shall be deemed reasonable by the Manager.

11. SPECIAL PROVISIONS APPLICABLE TO THE REFUSE COLLECTION POINT

Without prejudice to the generality of Section VI of the Principal Deed, it is hereby agreed and declared that notwithstanding anything to the contrary in this Sub-Deed contained, the following provisions will apply to the refuse collection point situate on the ground floor of Commercial Complex (Phase I) (hereinafter called "the Refuse Collection Point") :-

- (1) The Owner for the time being of the Refuse Collection Point (hereinafter called "the RCP Owner") its licensees and all persons authorized by the RCP Owner shall have the right to pass and repass with or without vehicles over and along and use the other parts of the Land and the Buildings for the purpose of access to and egress from the Refuse Collection Point Provided that the Manager may specify the parts of the Land and the Buildings to be used for such purpose.
- (2) The RCP Owner shall not be required to pay anything under the Principal Deed or this Sub-Deed whether by way of contribution to the Management Expenses or Manager's Remuneration or apportioned Garden Expenses or otherwise to the intention that the RCP Owner shall be wholly exempted from all payments payable by an Owner under this Sub-Deed.
- (3) The RCP Owner shall have the exclusive and unrestricted right and privilege to display install erect or affix any sign poster advertisement or notice as it may see fit on

the surfaces of the external walls of the Refuse Collection Point without the necessity of seeking the consent of the Manager or of any other Owner and to maintain and remove the same at its own costs Provided Always that the structure of such external walls shall remain part of the Retained Areas or (as the case may be) the Common Areas.

- (4) The RCP Owner shall have full right and privilege to enter into any part of the Land and the Buildings upon giving to the Owner (in the case of a Unit) or to the Manager (in the case of the Common Areas) prior reasonable notice (except in the case of emergency) for the purposes of inspecting maintaining and repairing any part or parts of the Refuse Collection Point or any apparatus equipment or facilities installed or used for the benefit of Refuse Collection Point Provided that in the exercise of such right and privilege the RCP Owner shall act with all due expedition causing as little disturbance as possible to the other Owners.
- (5) The RCP Owner shall have full right and liberty to use the Refuse Collection Point as a place for the collection and storage of refuse and for all purposes ancilliary thereto and such use shall not constitute a breach of or give rise to any complaint under this Sub-Deed.
- (6) Schedule II, Clause 10, the Building Rules, the Garden Rules and any other rules made under this Sub-Deed shall not be binding on the RCP Owner and its licensees unless the same shall have been previously approved by the RCP Owner in writing.
- (7) In the event that the Financial Secretary Incorporated (a corporation sole incorporated under and by virtue of the Financial Secretary Incorporation Ordinance Chapter 1015 of the Laws of Hong Kong) shall own the Refuse Collection

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Point, all notices or demands required to be given to the RCP Owner hereunder shall be sent or delivered to "The Financial Secretary Incorporated c/o The Rating and Valuation Department (Leasing Division)), Hennessy Centre, 500 Hennessy Road, Causeway Bay, Hong Kong or such other address as the RCP Owner shall notify the Manager in writing.

IN WITNESS whereof the parties hereto have caused this Sub-Deed to be duly executed the day and year first above written.

SCHEDULE I

<u>DOMESTIC UNITS</u>	<u>UNDIVIDED SHARES</u>
Block 1 -144 Domestic Units x 10	1440
Undivided Shares for each	
Domestic Unit	
Block 2 -144 Domestic Units x 10	1440
Undivided Shares for each	
Domestic Unit	
Block 3 -(a) 15 Undivided Shares for	
each Flat A and each	
Flat D x 36 = 540 Undivided Shares	
(b) 14 Undivided Shares for	
each Flat B and each Flat	
C x 36 = 504 Undivided Shares	
(c) 10 Undivided Shares for	
each Flat E and each	
Flat F x36 = <u>360 Undivided Shares</u>	1404
Block 4 -(a) 15 Undivided Shares	
for each Flat A and each	
Flat D x 36 = 540 Undivided Shares	
(b) 14 Undivided Shares for	
each Flat B and each	
Flat C x 36 = 504 Undivided Shares	
(c) 10 Undivided Shares for	
each Flat E and each	
Flat F x 36 = <u>360 Undivided Shares</u>	1404
Block 5 - 176 Domestic Units x 10 Undivided	1760
Shares for each Domestic Unit	
Block 6 - 176 Domestic Units x 10 Undivided	1760
Shares for each Domestic Unit	

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CAR PARKS

13 Car Parks x 1 Undivided Share for 713
each Car Park

COMMERCIAL COMPLEX

60

RETAINED AREAS AND COMMON AREAS AND FACILITIES

Swimming Pool 1
Other Retained Areas 1

TOTAL : 9983

SCHEDULE II

1. All existing and future taxes, property tax, rates assessments and outgoings of every description for the time being assessed or payable in respect of any Unit or the Retained Areas including water rates if separately metered shall be borne and paid directly by the Owner thereof and such Owner shall indemnify other Owners from and against all liabilities therefor.

2. The expenses of keeping the interior of each Unit or the Retained Areas and all the fittings, fixtures, plumbing and equipment thereof (other than main services) and all the windows and doors thereof in good and tenable repair and condition shall be borne directly by the Owner thereof.

3. Each Owner may place or make in his own Unit or Retained Areas at his own expense such alterations, additions, improvements, fixtures, fittings and decorations and the same may (subject as herein provided) be installed, fixed and removed but only without structural damage to or interference with the enjoyment of any part of the Land and Phase I or any of the services, apparatus and equipment of any part of the Land and Phase I and each such Owner shall have the right to install, fix or remove the same at his own expenses PROVIDED ALWAYS that any such internal alterations, additions and improvements shall comply with all Government regulations and Ordinances, and the Manager's consent in writing shall be obtained before any alterations or additions are made.

4. Except as herein mentioned in the case of Commercial Units in respect of advertising, or in the case of chimneys or window boxes affixed by the First Owner as herein mentioned, no external signs, signboards, notices, advertisements, flags, banners, poles, cages or other projections or structures whatsoever extending outside the exterior of any Building or any boundary walls shall be erected, installed or otherwise affixed or projected from the premises of any Owner or any part of the Building in common ownership and no washing,

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clothing or other articles shall be hung, dried or otherwise exposed outside any of the Buildings except in the places specifically provided for such purpose.

5. Save as is herein expressly authorised no Owner shall do or permit to be done any act or thing which may or will alter the external appearance of any part of Phase I.

6. No Owner shall throw out or discard or permit or suffer to be thrown out or discarded from any Unit or Retained Areas owned by him any refuse, rubbish, litter or other article or thing whatsoever except in the course of the proper disposal thereof and the Manager may charge and recover payment from any Owner who or whose tenant(s), licensee(s), servant(s) or agent(s) disregard this provisions such fixed penalty as they may specify to cover the costs of cleaning up any such refuse, rubbish, litter or the article or thing as aforesaid.

7. In the case of the Commercial Units, the Owner or occupier of each Commercial Unit shall be entitled to exhibit advertising signs provided the size and design shall have first approved in writing by the Manager and provided they do not extend beyond the exterior boundary of such Commercial Unit and do not cause nuisance or annoyance to the occupants of any neighbouring premises. Each such Owner shall be solely responsible for and shall indemnify all other Owner and the Manager from all actions, proceedings, claims, demands, costs and expenses arising directly or indirectly from the installation, use or removal of any sign exhibited on or from his Commercial Unit or any defect therein or non-repair thereof.

8. The First Owner shall have the sole and exclusive right to affix, maintain and from time to time renew one or more chimneys ventilation shafts and window boxes to the external walls of each of the Buildings and to licence the use thereof as they think fit.

9. There shall be included in every assignment of an Undivided Share an express covenant by the Purchaser to notify the Manager of any change of ownership.

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10. Each Owner shall keep the interior of each Unit or the Retained Areas owned by him and all electrical and sanitary appliances therein in good repair and condition and to maintain the same in such a manner so as to avoid any loss, damage, nuisance or annoyance to the Owner or occupier of any other Units or the Retained Areas in Phase I.

11. Subject to the provisions herein, no Owner shall make any structural alteration to any Unit and/or Retained Areas of which he is the Owner which may damage, or affect or interfere with the use and enjoyment of any other part of any building on the Land whether in separate or common occupation or use, nor shall he cut, injure, damage, alter or interfere with any part or parts of any building in common use or any of the sewers, plumbing equipment, drains, water-courses, conduits, pipes, cables, wiring, fixtures, equipment apparatus or services of any building on the Land.

12. No Owner shall use or permit or suffer any Unit or Retained Areas of which he is the Owner to be used for any illegal or immoral purpose nor shall he do, cause or permit or suffer to be done any act or thing in any such Unit or Retained Areas which may be or become a nuisance or annoyance to or cause damage to the other Owners and occupiers of any part of the Land and Phase I for the time being.

13. No Owner shall do or permit or suffer to be done any act or thing in contravention of the Conditions.

14. No Owner shall do or suffer to be done any act or thing whereby any insurance on any Building or any part or parts thereof may become void or voidable or whereby the premium for any such insurance may be increased, and in the event of any breach of this paragraph in addition to any other liability incurred thereby to pay the amount of any increase in premium caused by or on account of such breach.

15. In the event that parts of Phase I are damaged or destroyed by fire and the insurance money being wholly or partially irrecoverable by reason of the fault of any Owner, the defaulting

Owner shall pay the whole or a fair proportion of the cost of complete reinstatement.

16. Each Owner shall be responsible for and 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 the act or negligence of any occupier of any Unit and/or the Retained Areas of which he is the Owner or any person using such Unit and/or Retained Areas with his consent express or implied or by, or through, or in any way owing to the overflow of water therefrom.

17. No Owner or occupier shall send any employee of the Manager out of the Land on any private business.

18. No external shades, awnings, window guards, signs, aerials, fittings or structures shall be installed erected or used in or about any of the Buildings on the Land until such shall have been approved in writing by the Manager.

19. Except in the Commercial Complex, where such installations have been approved in writing by the Manager, no air-conditioning or other units shall be installed through any external wall except in the space provided in the Unit. These may however be installed through the window subject always to the approval of the Manager and in accordance with the fixing instructions specified by them, provided measures are taken to prevent excessive noise, condensation, dripping on to the Land or other parts of any buildings thereon or the public area below.

20. No Owner or occupier shall use or permit to be used any Unit or Retained Areas for the purpose of a funeral parlour, coffin shop, temple or Buddhist hall for the performance of the ceremony known as "Ta Chai" (打齋) or for any similar ceremony, or as a boarding house, apartment house, or for any offensive trade or business.

21. No Owner or occupier shall make or permit any disturbing noise in his Unit and/or the Retained Areas especially outside normal working hours or do or permit anything to be done which will interfere with the rights, comforts and convenience of other occupants. Musical instruments may not be played nor shall wireless television or recording equipment be operated between mid-night and 9 a.m. so as to cause disturbance to the Owners or occupiers of any other Unit or the Retained Areas.

22. No Owner shall permit the playing of mahjong in his Unit and/or Retained Areas between mid-night and 9 a.m. so as to cause disturbance to the Owners or occupiers of any other Unit or Retained Areas.

23. No dogs shall be kept in any Unit or the Retained Areas. No live poultry, birds and/or other animals shall be kept or harboured in any Unit or Retained Areas if the same has been the cause of reasonable complaint by at least two owners or occupiers in any of the Buildings and the Retained Areas.

24. Children shall not play in the public halls, passages, stairways or lifts. Any damage to any part of any of Phase I or discolouration to decorations caused by children shall be paid for by the Owner or occupier of the Unit in which the child or children concerned reside.

25. Water closets and other water apparatus in any of the Buildings shall not be used for any purpose other than those for which they were constructed, nor shall any rubbish, rags or any other articles be thrown into the same. Any damage resulting from misuse of any water closets or apparatus shall be paid for by the Owner or occupier in whose Unit and/or Retained Areas it shall have been caused.

26. Bicycles, baby carriages or similar vehicles shall only be allowed in the lifts if the greatest care against damages to the lifts

is. exercised, and the same shall not be allowed to stand in any passages ways or common areas in any part of Phase I.

27. No Domestic Unit or any part thereof shall be used for the storage of goods or merchandise other than the personal and household possessions of the Owner or Occupier.

28. No Owner or occupier shall store or keep anywhere in any part of the Phase I any arms or ammunition or gunpowder (without the prior licence of the Commissioner of Police and the prior written consent of the Manager) or fireworks or any other dangerous, combustible or explosive goods or substance other than domestic kerosene, liquefied petroleum gas or other fuel in small quantities for household use.

29. Any consent or approval given hereunder by the Manager shall be revocable at any time.

30. All complaints touching or concerning the Land or any of the Buildings shall be made in writing to the Manager.

31. Each Owner shall notify the Manager of the name and address of the person authorised by him to accept service of process.

32. No window, security bars, entrance door metal gates and kitchen balcony grilles shall be installed unless in accordance with designs approved in writing by the Manager and shall be installed in accordance with the fixing instructions specified by the Manager.

33. No Owner or occupier shall leave or cause, permit or suffer to be left any furniture, boxes, goods, articles or refuse in the lift lobbies, entrance halls, or on staircases or landings or on any passageways or lifts of any of the Buildings or cause any obstruction whatsoever thereto.

34. All Domestic Units must be used for residential purposes only and may not be used as an office, store, factory, shop or for any other commercial use or for the conduct of any trade, profession or business whatsoever save that the First Owner may use such Domestic

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Unit(s) as show flats and/or as a sales office as they shall consider fit and necessary.

35. No Owner shall without the prior written consent of the Manager erect or build or suffer to be erected or built on or upon the roof of any of the Buildings any structure whatsoever either of a permanent or temporary nature. The Manager shall have the right to enter and lay or maintain repair and remove from the roof drainage and other pipes and to erect thereon scaffolding and other equipment necessary for repairing and maintaining the plumbing facilities the external walls and windows of any of the Buildings.

36. No Owner shall 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, unsightly objects or store or permit or suffer to be stored any utensils or other articles upon the roofs or external walls, corridors, lift lobbies, entrance halls of any of the Buildings or any other common part which in the opinion of the Manager shall be undesirable or constitute a nuisance to other Owners or occupiers of Phase I and the Manager shall have the right to remove such articles without notice at the cost of the offending Owner.

37. No Owner shall erect or build or suffer to be erected or built on the verandahs of the Buildings any walls, windows, gates, doors, curtains, external awnings, canopies, partitions or any other structures whatsoever either of a permanent or temporary nature so that the said verandahs will be enclosed or partitioned either in whole or in part and no Owner shall without the prior written consent of the Manager erect or build or suffer to be erected or built on the said verandahs any security bars, protective grilles or other similar structures and where such installations have been approved in writing by the Manager the same shall be erected in accordance with the fixing instructions specified by the manager and shall thereafter be

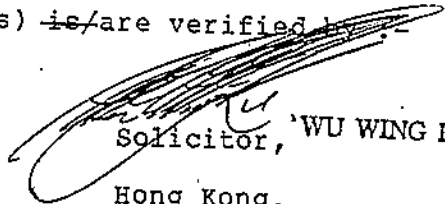
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maintained to such standard as may from time to time be laid down by the Manager.

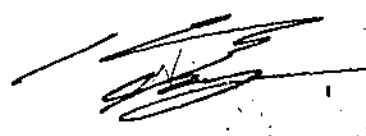
38. Each Owner shall observe the terms and conditions of the Conditions and all laws and regulations applicable to his Unit and/or Retained Areas.

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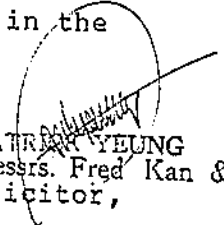
SEALED with the Common Seal of the
First Owner, and SIGNED
by T.H. WANG and TAI CHING PING two
of its directors
in the presence of/whose
signature(s) is/are verified by :-


Solicitor, WU WING KIT
Hong Kong.

T. H. Wang


Tai Ching Ping

SIGNED SEALED and DELIVERED
by the Second Owner in the
presence of :-


PATRICK YEUNG
Clerk to Messrs. Fred Kan & Co
Solicitor,
Hong Kong.

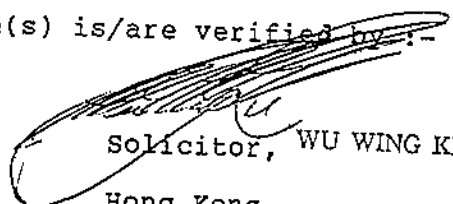
莫正雄
莫尚芝

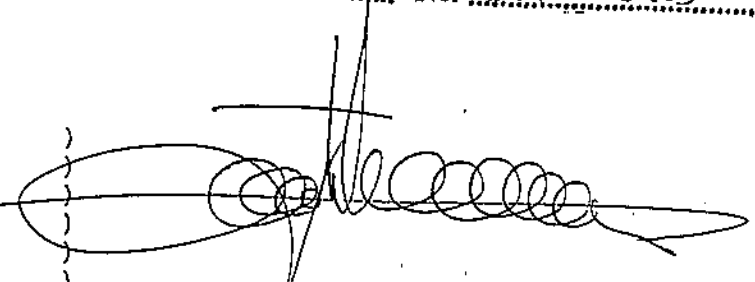



Hong Kong Identity Card
No. B284303 (S)

Hong Kong Identity Card
No. B341008 (S)

SIGNED with the common Seal
of the Manager and SIGNED by
TAM WAI KOON and NG SHUNG MO two of
its directors
in the presence of/whose
signature(s) is/are verified by :-


Solicitor, WU WING KIT
Hong Kong.

76 60

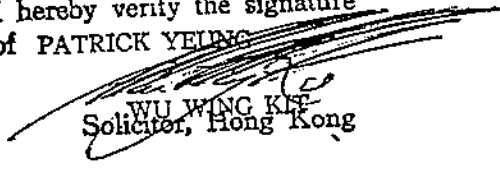
SUB DMC

Interpreted to the Second Owner by :-)



PATRICK YEUNG
Clerk to Messrs. Fred Kan & Co.
Solicitors, Hong Kong.

I hereby verify the signature
of PATRICK YEUNG



WU WING KIT
Solicitor, Hong Kong

DATED 20th September 1986

TSING LUNG INVESTMENT
COMPANY LIMITED

and

POK CHING HUNG and

MOK CHIU LAN

and

T.L. 60 MANAGEMENT

LIMITED

SUB-DEED OF MUTUAL COVENANT

of

HONGKONG GARDEN PHASE I

(Tsing Lung Tau Lot No.60

S.A.R.P.)

REGISTERED in the Tsuen
Wan District Land Office by
Memorial No. 403958
on - 1 OCT 1986
p. Land Officer

FRED KAN & CO.
Solicitors
16 Harcourt Road,
Far East Finance Centre,
9th Floor,
Hong Kong.