

*Precedent file*

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Dated : 30th March 1999

**MASS TRANSIT RAILWAY CORPORATION**

as the Registered Owner

and

**THE FINANCIAL SECRETARY INCORPORATED**

and

**MASS TRANSIT RAILWAY CORPORATION**

as the Managers

---

**PRINCIPAL DEED OF MUTUAL COVENANT**

and

**MANAGEMENT AGREEMENT**

in respect of

Kowloon Inland Lot No.11080

Kowloon Station Development

Hong Kong

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## DEED OF MUTUAL COVENANT

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## SECTION A

### PARTIES AND RECITALS

Date THIS DEED is made the 30th day of March 1999.

Parties BETWEEN

(1) **MASS TRANSIT RAILWAY CORPORATION** a corporation established pursuant to the Mass Transit Railway Corporation Ordinance (Cap.270) whose principal office is situate at MTR Tower, Telford Plaza, 33 Wai Yip Street, Kowloon Bay, Kowloon, Hong Kong ("MTR" which expression shall where the context so admits include its successors and assigns) and any reference to MTR in this Deed shall be construed as reference to MTR in its capacity as the Registered Owner of the Land but not further or otherwise;

(2) **THE FINANCIAL SECRETARY INCORPORATED** a corporation sole incorporated under and by virtue of the Financial Secretary Incorporation Ordinance (Cap.1015) of the laws of the Hong Kong Special Administrative Region, care of Government Property Agency, 31st Floor Revenue Tower, 5 Gloucester Road, Wanchai, Hong Kong ("FSI") which expression shall where the context permits include its successors and assigns and shall be construed as reference to FSI in its capacity as Owner of the Government Accommodation but not further or otherwise; and

(3) **MASS TRANSIT RAILWAY CORPORATION** a corporation established pursuant to the Mass Transit Railway Corporation Ordinance (Cap.270) whose principal office is situate at MTR Tower, Telford Plaza, 33 Wai Yip Street, Kowloon Bay, Kowloon, Hong Kong (the "Managers" which expression shall where the context so admits include its successors).

Recitals

WHEREAS :-

Development

1. MTR is in the course of constructing upon the Land the Development in a number of Phases. The public transport terminus (Site A) forming part of the first Phase of the Development has been completed.

Allocation of  
Shares

2. For the purpose of distribution and sale, the Land and the Development have been notionally divided into 25,901,816 equal undivided Shares.

Purpose of Deed

3. The Parties hereto have agreed to enter into this Deed for the purposes of :-

(a) defining and regulating the rights, interests and obligations of themselves and all subsequent Owners in respect of the Land and the Development;

(b) making provisions for the management of the Land and the Development; and

(c) appointing Mass Transit Railway Corporation as the Managers to exercise the powers and perform the duties on its part for the periods and on the terms and conditions herein contained.

Approval

4. 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 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 plans for the Development approved by the Building Authority and/or the Director pursuant to <u>Special Condition (15)(a)</u> of the Government Grant from time to time and as amended, modified or substituted;
"Building Rules"	means the Building Rules prescribed for the time being pursuant to <u>Section K</u> of this Deed as varied or modified from time to time;
"Capital Funds"	means the Capital Funds established pursuant to Clause 2(a) of <u>Section I</u> of this Deed.
"Car Park"	means those parts of the Non-Station Development constructed or to be constructed for the purpose of the parking, loading and unloading of motor vehicles;
"Car Parking Space"	means a Unit situate in the Car Park;
"Commercial Development"	means those parts of the Development constructed or to be constructed in accordance with Approved Plans for commercial and retail use (except when comprised as part of the Hotel Development);
"Common Areas"	means the Non-Station Development Common Areas, and those parts of the Residential Development, the Commercial Development, the Office Development, the Car Park or the Hotel Development as are designated common areas in any Sub-Deed of Mutual Covenant or Deed Poll entered into pursuant to this Deed;
"Common Services and Facilities"	means the Non-Station Development Common Services and Facilities, and those services and facilities of the Residential Development, the Commercial Development, the Office Development, the Car Park or the Hotel Development as are designated common services and facilities in any Sub-Deed of Mutual Covenant or Deed Poll entered into pursuant to this Deed;

"Deed"	means this Deed as amended or varied from time to time;
"Deed Poll"	means any such deed or deeds or supplemental deed or deeds made by MTR for the purpose of allocating Shares to any Phase of the Development;
"Development"	means the entire development to be constructed upon the Land in Phases pursuant to the Government Grant comprising the Station and the Reserved Areas, the Government Accommodation, the Residential Development, the Commercial Development, the Office Development, the Car Park and the Hotel Development;
"Development Owners Committee"	means the Owners' Committee elected in accordance with the provisions of <u>Clause 2 of Section G</u> of this Deed;
"Director"	means the Directors of Lands from time to time;
"Fitting Out Rules"	means any rules, regulations or procedures as the Managers may make or implement from time to time for the fitting out, decoration and alteration of a Unit;
"Footbridge Associated Structures"	means the structures constructed in accordance with Special Condition (55)(a) of the Government Grant;
"Government"	means the Government of the Hong Kong Special Administrative Region;
"Government Accommodation"	means collectively the public transport terminus (Site A) and (Site C), day nursery, social centre for the elderly, home help centre and two car parking spaces and children and youth centre cum study/reading room constructed on the Land as part of the Development pursuant to <u>Special Condition (19)</u> of the Government Grant;
"Government Grant"	means the Conditions of Grant registered in the Land Registry as Conditions of Grant No.12397 as modified by two Modification Letters registered in the Land Registry respectively by Memorial Nos.7333780 and 7500376 and as further modified from time to time;
"Hotel Development"	means those parts of the Development constructed or to be constructed in accordance with the Approved Plans for use as an hotel or serviced apartments;
"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 Managers in their sole discretion may from time to time decide;

"Items"

means the external finishes of the Government Accommodation and the structure of all walls (including, for the avoidance of doubt, the enclosing walls of the water tank at ground level within the public transport terminus (Site A)), columns, beams, ceilings, roof slabs, carriageway/floor slabs, and any other structural elements of, in, around, within, above and below the Government Accommodation; all lifts, stairways and escalators serving the Government Accommodation and the remainder of the Development; 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; all of the structural slabs under the Government Accommodation together with the drainage systems therein and thereunder; and all other common parts and facilities serving the Government Accommodation and the remainder of the Development referred to in Special Condition (31) of the Government Grant;

"Land"

means the land registered at the Land Registry as Kowloon Inland Lot No.11080;

"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 Non-Station Development (other than the Units) pursuant to or under the Government Grant and all duties and obligations to be performed and observed by the Manager as herein provided;

"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 Deed Poll;

"Managers"

means as the context requires :-

(i) Mass Transit Railway Corporation; or

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

"Managers' Remuneration"

means the Managers' remuneration calculated in accordance with Clause 4 of Section H of this Deed and forming part of the Management Charges.

"Mass Transit  
Railway Structures  
and Installations"

means any structures installations or tunnels forming part of the Station;

"Non-Station  
Development"

means all parts of the Development other than the Station and the Reserved Areas;

"Non-Station  
Development Common  
Areas"

means those parts of the Development (excluding any part of the Station) which when constructed as part of a Phase are intended for use by Owners of the Non-Station Development as a whole and not for the sole benefit of any Owner or group of Owners in a Phase of the Development including, but not limited to the approach roads, private streets, roads, driveways, lanes, footpaths, pedestrian walkways, footbridges and Footbridge Associated Structures (whether within or outside the boundaries of the Land); loading and unloading spaces and areas; entrances, lobbies, staircases, ramps, landings, corridors and passages; refuse storage chambers; sewage treatment rooms, machine rooms, pump rooms, transformer and switch rooms, plant and equipment rooms and store rooms, on or in the Non-Station Development; the foundations and structure of the buildings erected on the Non-Station Development; the Public Open Space, Podium Deck, the management office(s) and any other space on or in the Non-Station Development used for office or other accommodation of watchmen or caretakers or other staff employed on or in or for the Non-Station Development and all other communal areas within the Non-Station Development not used for the sole benefit of any Owner or group of Owners in a Phase of the Development;

"Non-Station  
Development Common  
Services and  
Facilities"

means those facilities constructed or to be constructed in on or under the Development (excluding any in on or under the Station) and which serve the Non-Station Development as a whole including, but not limited to, sewers, gutters, drains, watercourses, wells, pipes and ducts; pumps, tanks and sanitary fittings; wires, cables, electrical installations, fittings, equipment and apparatus; communal television and radio aerials, satellite signal or cable television receiving equipment and associated equipment; fire protection and fire fighting systems, equipment and apparatus; security systems, equipment and apparatus; refuse disposal equipment; lifts; air-conditioners and fans; and any other installations, systems, plant, equipment, apparatus, fittings, services and facilities used or installed in or for the benefit of the Non-Station Development as part of the amenities thereof and not for the sole benefit of any Owner or group of Owners in a Phase of the Development;

"Occupation  
Permit"

means a temporary or permanent occupation permit issued by the Building Authority in respect of the Development or any part of the Development;

"Office  
Development"

means those parts of the Development constructed or to be constructed in accordance with the Approved Plans for office use;

"Outer Perimeter  
Road"

means the outer carriageway of the Station perimeter road forming part of the Station and serving the Development as shown on the Approved Plans;

"Owner"	means the person in whom for the time being any Share is vested and who is registered as the owner of such Share at the Land Registry (collectively "the Owners") and every joint tenant or tenant in common of any such Share and where any such Share has been assigned or charged by way of mortgage or charge the word Owner shall include both mortgagor and mortgagee or chargee in possession of such Share or any mortgagee or chargee who has foreclosed PROVIDED THAT, subject to the provisions of the mortgage or charge, the voting rights conferred on the Owner of such Share by the provisions of this Deed shall be exercisable only by the mortgagor or chargor unless the mortgagee or chargee is in possession of or has foreclosed such Share;
"Party Wall"	means an internal non-structural wall which divides two Units;
"Phase"	means an integral part of the Development (but not a Unit) to be constructed on the Land to which Shares are allocated pursuant to a Sub-Deed of Mutual Covenant or Deed Poll executed under <u>Clause 2 of Section C</u> of this Deed;
"Podium Deck"	means all parts of the podium roof level forming part of the Development other than those forming part of the Public Open Space, the Reserved Areas, the Office Development or the Residential Development or any part thereof;
"Private Recreational Areas and Facilities"	means the private recreational facilities and ancillary facilities as are approved by the Director pursuant to the provisions of Special Condition (43)(a)(i) of the Government Grant which now are or may at any time during the Term be provided for the benefit of the Owners and occupiers of the Development and their bona fide visitors or a part or parts of it;
"Public Open Space"	means those parts of the podium roof level including any public recreational facilities from time to time provided thereon constructed pursuant to Special Condition (43)(a)(ii) and (iii) of the Government Grant as may be indicated for that purpose from time to time on the Approved Plans;
"Reserved Areas"	means (i) the landscaped areas of the part of the Land known as Site E in the Government Grant (as amended from time to time) other than the Public Open Space as shown on the Conceptual Landscape Plan approved under the Government Grant from time to time and Private Recreational Areas and Facilities thereon and (ii) those parts of the Development reserved for the purpose of the possible future expansion of the Station and construction of tunnels and pedestrian entrances in respect of the extension of the existing Mass Transit Railway network and as may be indicated for that purpose from time to time on the Approved Plans;
"Residential Development"	means those parts of the Development constructed or to be constructed in accordance with the Approved Plans for residential use;
"Shares"	means the 25,901,816 equal undivided Shares of and in the Land and the Development, each a "Share";

"Station"

means the Mass Transit Railway Station forming part of the Mass Transit Railway in Hong Kong constructed on the Land pursuant to Special Condition (33) of the Government Grant comprising platforms, concourses, check in hall, arrival and departure halls, vehicular pick-up and drop off areas, car parks, station perimeter road and all structural parts thereof whether or not those structures support the Non-Station Development and all service media running through the Station whether or not serving the Non-Station Development;

"Sub-Deed of  
Mutual Covenant"

means any such deed affecting any Phase of the Development;

"Term"

means the term of years expiring on 30th June 2047 created by the Government Grant;

"Unit"

means a part of the Development the exclusive use and enjoyment of which has been or is intended to be assigned to an Owner including, except as expressly provided otherwise, the plaster and other internal covering of the external walls enclosing the Unit (but not any other part of those walls), all internal walls (but in the case of a Party Wall only up to the mid point of it), the finishes (but not any other part) of the ceilings, floors and structural columns and window frames and glass (but where double glazed only the internal frames and glass).

## 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 and in this Deed be held by the person or persons from time to time entitled thereto together with for so long as an Owner shall (where required) punctually make payment of the Management Charges at the time and in the manner herein provided and subject to the Building Rules and Fitting Out Rules, 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.

(b) The Shares attributable to the Station set out in the First Schedule and to the Reserved Areas in any Sub-Deed of Mutual Covenant or Deed Poll shall be held by the MTR together with the exclusive right to hold use and enjoy respectively the Station and the Reserved Areas.

Sub-Deeds of  
Mutual Covenant  
and Deed Polls

2. MTR shall have the right and obligation in respect of any Phase of the Development to enter into a Sub-Deed of Mutual Covenant, in the event of multi-ownership of that Phase, or in any other case a Deed Poll in respect of that Phase for the purpose of allocating Shares and Management Units to the Unit(s) and Shares to the Common Areas or any part of the Reserved Areas in that Phase 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-Deed of Mutual Covenant or Deed Poll. No Management Units shall be allocated to the Government Accommodation, the Station or the Reserved Areas.

Right to make  
additions etc.

3. 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 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.

Right of Owners to  
sell or lease

4. Subject to the provisions of the Government Grant and any Sub-Deed of Mutual Covenant each 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 together with the benefit of and subject to this Deed Provided that notice of any sale, assignment, lease, licence or other disposal shall

in every instance be forthwith on the execution thereof given to the Managers.

. 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.



## SECTION D

### ABATEMENT OF RIGHTS

Damage  
necessitating  
rebuilding

1. In the event of the Non-Station Development or any material part of it being damaged so as to render the same substantially unfit for use or habitation thereby necessitating the rebuilding and reinstatement thereof, the provisions of this Section shall apply.

Reinstatement

2. (a) Each Owner of the Non-Station Development 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 Development 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 Development or the part damaged the Managers shall convene a meeting of the Owners of the Non-Station Development 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).

(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 Managers 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 Development 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 Non-Station Development affected and no distribution shall be made in respect of Shares allocated to any Common Areas of the part of the Non-Station Development affected.

Sale of Shares by  
Auction

3. (a) In the event of a resolution being passed in accordance with Clause 2(c) of this Section the Managers shall forthwith dispose by public auction of the Shares of the Owners affected.

## SECTION E

### OBLIGATIONS OF OWNERS

Owners to comply  
(GL 24)

1. The Owners shall at all times hereafter comply with and shall observe and perform the covenants, provisions, restrictions and prohibitions contained in:

(a) the Government Grant; and

(b) this Deed.

Owners to observe  
restrictive  
covenants

2. 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 the Owners shall be liable for the payment of the Government Rent in respect of the Land and the Development 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 Government in respect of the Station, the Reserved Areas, 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 Managers 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 Reserved Areas 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 shall upon demand pay to the Managers 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. Each Owner, at his own expense, shall keep :

(a) the interior of 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 Development 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; 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 Development as a high quality residential/commercial estate.

MTR Obligations as  
Owner of Station  
and Reserved Areas

8. MTR as Owner of the Station and the Reserved Areas shall be responsible for the maintenance and management of the Station and the Reserved Areas and not any other part of the Development and shall not as Owner of the Station or the Reserved Areas be liable to contribute towards the Management Charges calculated in accordance with Section J of the Deed except as expressly provided in this Deed.

Obligations of  
the Owner of  
the Government  
Accommodation

9. The Owner of the Government Accommodation shall be responsible for the maintenance and management of the Government Accommodation only and not any other part of the Development and shall not as Owner of the Government Accommodation be liable to contribute towards the Management Charges calculated in accordance with Section J of this Deed and the Managers' Remuneration calculated in accordance with Section H of this Deed.

Works by Owners

10. (a) Owners shall apply for the Managers' consent to all matters which require such consent under the terms of this Deed or any Sub-Deed of Mutual Covenant and shall be bound by the Managers' decision and shall comply with any terms or conditions which the Managers may impose.

(b) Any work, whether or not the Managers' 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 Reserved Areas) and with the requirements of any other relevant ordinances or competent authority and in carrying out such work an Owner shall and shall cause his servants, agents, contractors and workmen to cooperate fully with the Managers and all servants, agents, contractors and workmen of the Managers and with other Owners, tenants or contractors carrying out work in the Development. An Owner, his servants, agents, contractors and workmen shall obey and comply with all reasonable instructions and directions which may be given by the Managers in connection with the carrying out of such work.

(GL 17)

(c) An Owner (save and except FSI) shall if required by the Managers 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 Managers in connection with any licence or consent required by these provisions. The Managers shall be entitled to charge and retain a reasonable fee for processing such consent.

Station Protection

11. (a) No Owner shall carry out any building works, foundation works or any other works on or within the Land or any part thereof which shall damage, interfere with, obstruct or endanger the operation of the Mass Transit Railway, the Station or the Mass Transit Railway Structures and Installations 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 Structures and Installations and the operation of the Mass Transit Railway and the Station.

(b) Throughout the whole of the term of the Government Grant the Owners shall 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.

Owner to make good  
loss or damage  
(GL 18)

12. Each Owner shall be responsible to the other Owners and occupiers and to the Managers 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 Managers are responsible to make good or repair such costs, charges and expenses shall be recoverable by the Managers as herein provided and in the case of loss or damage suffered by other Owners or occupiers which the Managers are 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  
(GL 18)

13. Each Owner shall be responsible for and shall indemnify the Managers 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) shall be deemed to have appointed MTR irrevocably as his attorney.

Covenant in  
assignment

15. An Owner (save and except MTR) shall not assign his Unit unless the assignment includes the following covenant :

"The Purchaser covenants with the Vendor for itself and as agent for Mass Transit Railway Corporation (which expression shall include their respective successors assigns (other than the Purchaser) and attorneys) ("MTR") for the purpose of enabling MTR to exercise all or any of the covenants, rights, liberty, 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 the 30th day of March 1999 relating to Kowloon Inland Lot No.11080 ("the 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 Covenantee Purchaser") and shall enure for the benefit of the Development and be enforceable by the Vendor and/or MTR (as the case may be) and their successors and assigns that :-

(a) the Covenantee Purchaser grants confirms and acknowledges the covenants, rights, liberty, privileges, entitlements, exceptions and reservations granted and conferred on MTR under Clause 3 of Part II of the Second Schedule to the Deed of Mutual Covenant and Management Agreement and the Covenantee 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, liberty, privileges, entitlements, exceptions and reservations by MTR;

(b) the Covenantee Purchaser shall, if required by MTR, do everything necessary, including giving express consents in writing to the exercise of the said covenants, rights, liberty, privileges, entitlements, exceptions and reservations by MTR, to facilitate the exercise of the said covenants, rights, liberty, privileges, entitlements, exceptions and reservations by MTR;

(c) the Covenantee Purchaser 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 the Covenantee Purchaser deliver such deeds and to sign such documents or instruments as may be necessary for the exercise of or incidental to the exercise of the covenants, rights, liberty, privileges, entitlements, exceptions and

reservations conferred on MTR under Clause 3 of Part II of the Second Schedule to the Deed of Mutual Covenant and Management Agreement as aforesaid and the Covenantee Purchaser 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 Covenantee Purchaser and shall not be revoked by the Covenantee Purchaser or by the death incapacity or the winding up (as the case may be) of the Covenantee Purchaser; and

(d) in the event of the Covenantee Purchaser selling or otherwise disposing of the Property, the Covenantee 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) and (c) hereinbefore contained and this covenant (d).

PROVIDED that the Covenantee Purchaser complying with performing the covenant (d) hereinabove contained, the Covenantee Purchaser shall not be liable for any breach of the covenants (a), (b) and (c) hereinbefore contained which may happen after the Covenantee 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) and (d) hereinbefore contained."

Maintenance of  
Slopes and  
Retaining Walls

16. The Owner shall at their own expense, maintain, repair and carry out such works as are necessary in relation to any slopes, retaining walls, supports, foundations, drainage works or other structures for the purpose of complying with Special Condition (64) of the Government Grant and "Geoguide 5 - Guide to Slope Maintenance" issued by the Geotechnical Engineering Office of the Civil Engineering Department (as amended from time to time).

## SECTION F

### MEETINGS OF THE OWNERS OF THE DEVELOPMENT

#### Meetings of the Owners

1. From time to time as occasion may require there shall be meetings of the Owners of the Development to discuss and decide matters concerning the Development as hereinafter mentioned and in regard to such meetings the provisions of this Section shall apply.

#### Annual Meeting (GL 6(a))

2. (a) The Manager shall convene a meeting of the Owners of the Development the first such meeting is to be convened within nine months of the date of this Deed.

(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 Managers' 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 (GL 6(b))

3. A meeting of Owners of the Development may be validly convened by the Managers or by the Development Owners Committee or by Owners of the Development entitled to attend and vote at any such meeting who in the aggregate have vested in them not less than 20% of the Shares attributable to the Development.

#### Notice

4. Every such meeting shall be convened by at least 14 days notice in writing to each Owner entitled to attend specifying the date, time and place of the meeting and the matter or matters to be discussed.

#### Quorum (GL 6(d))

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

(b) An Owner or Owners present in person or by proxy holding at least 10% of the Shares attributable to the Development shall be a quorum at any meeting.

#### Chairman

6. The Owners present shall choose one of them to be the Chairman thereof.

#### Minutes

7. The Chairman shall cause the Managers 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. Proxies shall be in writing and shall be deposited with the Chairman of the meeting prior to commencement of the meeting.

(b) Voting shall be by show of hands save that any person present and entitled to vote may before or on the declaration of the result of the show of hands demand a poll and unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or lost shall be conclusive evidence of that fact. On a poll, 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; in the event of any dispute, the first named of such Owners shall have the right to vote. 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.

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

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

(e) For the avoidance of doubt, there shall not be any votes attaching to Shares allocated to the Reserved Areas or the Common Areas nor shall such Shares be taken into account for the purpose of counting a quorum of any meeting, and the Managers shall not be entitled to vote as trustee of the relevant Owners of the Shares allocated thereto at any meeting of the Owners.

Resolutions  
binding on Owners  
(GL 6(c))

9. (a) Any resolution on any matter concerning the Development, 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; and



- (v) no resolution (other than a resolution pursuant to Section D of this Deed) shall have a material adverse effect on the use or operation or maintenance of the Government Accommodation or any part thereof or the services and facilities supplying the Government Accommodation.

(b) A resolution may be passed as to the manner in which the powers and duties hereby conferred on the Managers are to be exercised or carried out but no such resolution shall invalidate any prior act of the Managers 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.

## SECTION G

### OWNERS COMMITTEES

Function and power  
of the Committee

1. (a) There shall be the following Owners Committees namely :
  - (i) Owners Sub-Committees for each Phase of the Development formed in accordance with the Sub-Deed of Mutual Covenant for each Phase; and
  - (ii) the Development Owners Committee formed in accordance with Clause 2 of this Section G.
- (b) The function of the Development Owners Committee shall be to :
  - (i) represent the Owners in all dealings with the Managers;
  - (ii) discuss issues relating to the maintenance and management of the Non-Station Development Common Areas (including the external walls of any Phase of the Development) and Non-Station Development Common Services and Facilities and to make known to the Managers its views;
  - (iii) exercise any statutory rights or duties given to it pursuant to the Building Management 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 Managers 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 Building Management Ordinance or of approving the appointment of replacement Managers under this Deed.
- (c) The function of the Owners Sub-Committee for each Phase of the Development shall be to discuss issues relating to the common areas and facilities relating to that Phase as described in the Sub-Deed of Mutual Covenant relevant to that Phase other than issues relating to the external walls of that Phase;

(d) For the avoidance of doubt, issues and matters which may in the opinion of the MTR affect the Station and/or be ancillary or pertaining thereto and which require involvement of the Owners shall be discussed and resolved in the Development Owners Committee meeting only and at no other meeting, and the Station representatives shall only be obliged to attend the meetings of the Development Owners Committee on issues affecting the Station or matters ancillary thereto and to demand a poll in respect of resolution on such matters or issues.

(e) No resolution of the Development Owners Committee or any Owners Sub-Committee of a Phase of the Development shall be in conflict with the provisions of this Deed or of any judgment or order of the Hong Kong courts.

Number of members

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

- (i) not more than two representatives of each Owners Sub-Committee for each of Sites A, B, C and D (as defined in the Government Grant) of the Development and not more than six, four and five representatives respectively of Sites E, F and G (as defined in the Government Grant) of the Development;
- (ii) not more than one member as representative of the Station.

Quorum

3. (a) A quorum for meetings of the Development Owners Committee shall comprise one half of its members from time to time.

(b) Provided a quorum 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 Station or the Government Accommodation or any member of an Owners Sub-Committee for any Phase of the Development shall be eligible for appointment to the Development Owners Committee provided, in the latter case, he is also :-

(a) an Owner (including any one of two or more co-Owners).

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

Election of  
members

5. (a) The first members of the Development Owners Committee representing the first Phase of the Development shall be elected at a meeting of the Phase I Owners Sub-Committee, convened by the Managers as soon as practicable and in any event not later than nine calendar months from the date of this Deed.

(b) The first member of the Development Owners Committee representing the Station shall be appointed by MTR who may remove and replace their representative as they see fit providing notice of any removal or replacement shall be given to the Development Owners Committee.

(c) All subsequent members of the Development Owners Committee representing each Phase of the Non-Station Development shall be elected by the relevant Owners Sub-Committees following their formation on completion of each Phase of the Development at the Annual Meeting of the relevant Owners Sub-Committee held pursuant to the relevant Sub-Deed of Mutual Covenant.

(d) Notwithstanding the provisions of Clause 2 of this Section G in the event that any Site of the Non-Station Development is held by one Owner then that Owner may appoint two representatives to the Development Owners Committee.

(e) The Owners Committees may co-opt any eligible person to fill any casual vacancy.

Officers

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

- (i) a Chairman
- (ii) a Secretary
- (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.

## Tenure of office

7. (a) Members of the Development Owners Committees shall hold office until the Annual Meeting of Owners 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 Committees 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 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;
- (vii) he, or the Owner(s) he represents, fails to observe and perform the provisions of this Deed.

(d) Any one or more members of the Development Owners Committee may be removed from office by resolution of the Owners of Units in the Phase of the Development which he represents at an Extraordinary Meeting convened for the purpose in the same manner as is provided for a meeting of the Owners in Section F of this Deed 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. Save where a poll is demanded 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. Proxies shall be in writing and shall be deposited with the Chairman of the

meeting prior to the commencement of the meeting. Where a poll is demanded at a Development Owners Committee meeting representatives of each Phase of the Development shall jointly have one vote for each Share (excluding such Shares allocated to the Common Areas and the Reserved Areas) allocated to the Phase of the Development which they represent. In the event that representatives of a Phase of the Development do not vote unanimously then the Shares which they represent shall be apportioned in the same manner as they 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.

Managers to be  
invited

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

Managers Power to  
call meeting

11. The Managers may at any time convene a meeting of the Development Owners Committee provided that it gives to each member of the Committee at least seven (7) days' notice of the date, time and place of the meeting and the matters to be discussed.

Government  
Accommodation  
Representative

12. The Development Owners Committee shall invite to all of its meetings the person nominated from time to time by the Owner of the Government Accommodation as its representative and provide the Owner of the Government Accommodation free of charge with agendas, notices and minutes of the said meetings. The Owner of the Government Accommodation shall notify the Development Owners Committee in writing of its representative from time to time. The representative of the 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 MANAGERS

Appointment of the  
Managers  
(GL 1)

1. (a) Mass Transit Railway Corporation shall be appointed and hereby accepts appointment as the Managers of the Owners to manage and provide services in respect of the whole of the Non-Station Development in accordance with the provisions of, and on the terms and conditions set out in this Deed.

(b) Mass Transit Railway Corporation in its capacity as Managers 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.

(c) Subject to the provisions for termination hereinafter contained, such appointment shall be for an initial period commencing on the date of the first Occupation Permit in respect of the Development and expiring two years after the date of the Occupation Permit in respect of the final Phase of the Development or on the expiration of the building covenant period under the Government Grant whichever is the earlier ("the initial period") and shall thereafter continue from year to year.

(d) If and when the said appointment of Mass Transit Railway Corporation 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 Managers.

Termination of  
appointment  
(GL 1)

2. (a) The Managers may after expiration of the initial period terminate their appointment at any time by giving to the Development Owners Committee not less than three months' notice in writing expiring at the end of the initial period or at any time thereafter.

(b) The Development Owners Committee may after expiration of the initial period terminate the appointment of the Managers acting on a resolution of the Owners of the Development passed at a duly convened meeting pursuant to Section F of this Deed by a majority of those Owners holding at least 26% of the Shares by giving not less than three months' notice in writing expiring (subject to the provisions of the Building Management Ordinance) at the end of the initial period or at any time thereafter.

Delivery of books  
and bank accounts  
(GL 2)

3. If the Managers' appointment ends for any reason, it shall within 2 months of the date its appointment ends at the cost and expense of the Owners :-

(a) prepare :

(i) an income and expenditure account for the period beginning with the commencement of the financial year in which his appointment ends and ending on the date his appointment ended; and

(ii) a balance sheet as at the date his 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 Managers; and

(b) deliver to the Development Owners Committee or the Managers appointed in his place any books or records of account, papers, documents and other records in respect of the control, management and administration of the Development that are under his control or in his custody or possession.

The Managers'  
Remuneration  
(GL 4)

4. (a) The Managers shall be entitled to charge a monthly fee as remuneration for the performance of their 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. PROVIDED THAT the Managers' Remuneration in respect of any expenditure out of the Capital Funds shall be payable by way of deduction out of the Capital Funds as and when such expenditure is incurred.

(b) (i) The amount of such remuneration shall be fixed at 10% of the expenditure referred to in Clause 1 of Section J of this Deed incurred by the Managers in any financial year in the management of the Non-Station Development (exclusive of the Managers' Remuneration). The percentage of total annual expenditure against which the Managers' Remuneration is calculated may be increased by a majority resolution passed at a meeting of the Owners or the Development Owners Committee.

(ii) For the purpose of calculating the Managers' Remuneration, the total expenditure incurred in the management of the Non-Station Development shall exclude any capital expenditure. The Managers' Remuneration on capital expenditure shall be at the



rate of 10% or such lower rate as the Development Owners Committee and the Managers may agree. For the purpose of this Clause, capital expenditure shall mean expenditure of a major non-recurrent nature.

(c) The Managers' Remuneration as aforesaid shall be the net remuneration of the Managers for their services as Managers and shall not include the costs, expenses, salary and fees for any staff, facilities, accountancy services or other professional supervision for the Non-Station Development 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.

Managers as  
Agent  
(GL 7)

5. The Managers are appointed to act as agent for and on behalf of all the Owners duly authorised in accordance with the provisions of this Deed in respect of any matter concerning the Common Areas and the Common Services and Facilities.

Owners  
Incorporation  
(GL 6(e))

6. Notwithstanding anything contained in this Deed, during the existence of an Owners Incorporation in respect of the Development under the Building Management Ordinance as amended or varied from time to time or any legislation replacing the Building Management Ordinance, the rights, duties, powers and obligations relating to the control, management and the administration of the Non-Station Development conferred by this Deed shall vest in the Owners Incorporation and the general meeting of the Owners Incorporation shall take the place of the meeting of Owners under this Deed and the Management Committee of the Owners Incorporation (which shall be constituted and elected in accordance with Section G of this Deed) shall take the place of the Development Owners Committee under this Deed.

Managers as Owner

7. Where the Managers are at any time also an Owner of a Unit the Managers shall be obliged in their 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 MANAGERS

Authority and  
duties of the  
Managers

1. (a) The Managers shall in respect of any part of the Non-Station Development in respect of which an Occupation Permit has been issued have full and unrestricted authority without reference to any of the Owners to do all such acts and things as may be necessary or requisite for the management of the relevant part of the Land and the Development and anything reasonably incidental thereto.

(b) Without in any way limiting the generality of the foregoing, the Managers 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 Non-Station Development.

(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 Managers by civil action and the defaulting Owner shall not be entitled to dispute the right of the Managers to sue and recover unpaid Management Charges.

(iii) To pay the Government rent in respect of the Non-Station Development on the Owners' behalf in accordance with the provisions of Clause 3 of Section E of this Deed.

(iv) To keep the Non-Station Development insured:

(01) 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) against Third Party and Property Owners' Liability; and

(GL 19)

- (03) against Employers' Liability in respect of the staff and/or the Managers' employees engaged in the management of the Non-Station Development provided always if all or any of the staff and/or Managers' employees are not employed exclusively for the management of the Development the premium payable on the requisite policies shall be apportioned accordingly.

with a reputable insurance company or companies and, in respect of (02) and (03) above, with such limit or limits of indemnity as the Managers shall deem fit and to take out the requisite policies and to pay all premiums 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 Non-Station Development.
- (vi) To arrange for the supply erection renewal or replacement of building name and directional signage and directory boards and to allot space in the directory boards for the names of the Owners or occupiers of the Units in the Commercial Development and the Office Development to be affixed.
- (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 Non-Station Development and the external elevations and roofs thereof (other than any 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, allocated to any Owner provided that any signs or advertisements erected on the external walls of the Government Accommodation shall not be affected.
- (viii) To carry out any works to the Non-Station Development which the Managers consider necessary for the enhancement, improvement or renovation of the Non-Station Development.

- (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) To maintain and keep in good repair and condition the Items.
- (xiii) To provide air-conditioning to the Commercial Development and the Office Development during their respective usual operational hours as from time to time determined by the Managers and specified in the Building Rules prescribed pursuant to Clause 1 of Section K of this Deed.
- (xiv) To provide at the request of an Owner of a Unit in the Commercial Development and the Office Development supply of air-conditioning outside the usual operational hours at such cost as determined by the Managers.
- (xv) To maintain the fire protection and fire fighting systems, equipment and apparatus upon the Non-Station Development 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 Non-Station Development safe from fire.
- (xvi) To engage suitable qualified personnel to inspect maintain and repair any slopes, retaining walls, supports or foundations or drainage works or other structures whether on the Land or on adjoining land which are required to be maintained by the Owners of the Land pursuant to Special Condition (64) of the Government Grant and in accordance with "Geoguide 5 - Guide to Slope Maintenance" published by the Geotechnical Engineering Office of the Civil Engineering Department as amended or replaced from time to time Provided 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 if having used

all reasonable endeavours, the Manager has not been able to collect the costs of the required works from all Owners.

- (xvii) To inspect maintain and repair the areas referred to in Special Condition (9) of the Government Grant and the Western Elevated Road and its associated movement joint box for so long as they are required to be maintained by the Owner of the Land respectively pursuant to Special Conditions (9) and (53) of the Government Grant.
- (xviii) To provide such security guards, watchmen and caretakers and to provide and maintain such security systems, equipment and apparatus as the Managers deem necessary and generally so far as may be possible at all times to maintain security on and in the Non-Station Development.
- (xix) To manage, control and supervise the use and operation of the Private Recreational Areas and Facilities forming part of the Non-Station Development Common Services and 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 Managers first towards the repair, maintenance and improvement of the respective facilities and secondly, in respect of any excess, in the same way as other miscellaneous income as specified in Clause 7 of Section J of this Deed.
- (xx) To manage and control the loading and unloading areas and spaces for the benefit and use of the Owners.
- (xxi) 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 Non-Station Development 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.

- (xxii) To prevent any person from overloading the floors or lifts or electrical installations of or in any building erected on or in the Non-Station Development.
- (xxiii) To prevent obstruction of any of the Common Areas.
- (xxiv) To prevent any decaying, noisome, noxious, excrementious or other refuse matter from being deposited on or in the Non-Station Development 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 Urban Services Department.
- (xxv) 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 Mass Transit Railway, the Station or any Mass Transit Railway Structures and Installations in or passing through or in the vicinity of the Land or any part thereof.
- (xxvi) To take such measures and precautions as may be required by the Director as to ensure the safety of the Mass Transit Railway Structures and Installations and the operation of the Mass Transit Railway and the Station.
- (xxvii) Throughout the whole of the term of the Government Grant 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.
- (xxviii) To use their best endeavours to prevent any breach by any person on or in the Non-Station Development of any provisions of the Government Grant and in the event of such a breach coming to their notice forthwith to convene a meeting of the Owners of the Development affected by the breach in accordance with the provisions of Section F of this Deed.

- (xxix) To liaise with the relevant Government bodies or authorities (but not on behalf of FSI in respect of the Government Accommodation) on matters concerning the Non-Station Development and to ensure that the interests of the Owners and occupiers thereof are not unduly jeopardized by any public works and to make known their needs.
- (xxx) To appoint solicitors with authority to accept service of proceedings on behalf of all the Owners (other than FSI in respect of proceedings involving the Government) of the part or parts of the Non-Station Development affected and upon the request of the Director and within seven days of such request to appoint solicitors to accept service on behalf of all such Owners for the purpose of Order 10 Rule 1 of the Rules of the Supreme Court (or any provisions amending or in substitution for the same) or otherwise.
- (xxxi) To do all things which the Managers shall in their absolute discretion deem necessary or desirable for the purposes of maintaining and improving the amenities of the Non-Station Development for the better enjoyment or use thereof by the Owners and occupiers and their licensees.
- (xxxii) To give or refuse their consent or approval to anything which requires their consent or approval pursuant to this Deed or any Sub-Deed of Mutual Covenant entered into pursuant to this Deed 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 Managers shall not relieve an Owner from obtaining all necessary governmental consents.
- (xxxiii) To enforce the due observance and performance of the terms and conditions of this Deed or any 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 entry upon a Unit to remedy any breach at the expense of the defaulting Owner 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.

(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 on demand reimburse the Managers for the maintenance costs reasonably incurred which costs shall be subject to prior written approval of the Owner of the Government Accommodation upon submission of supporting documents and other relevant information.

The Managers to control Common Areas etc.

2. The Common Areas and the Common Services and Facilities shall be under the exclusive control of the Managers.

The Managers' decision binding

3. All acts and decisions of the Managers 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.

Powers of the Managers

4. The Managers shall have all the powers of a Corporation incorporated under the Building Management Ordinance insofar as applicable and insofar as they may lawfully exercise such powers.

Contracts entered into by Managers (GL 21)

5. The Managers shall not, in any financial year, enter into any contract that involves an average annual expenditure of more than 20% of the budget or revised budget, as the case may be, for that financial year or of such greater amount as the Secretary for Home Affairs may specify by notice in the Government Gazette unless the procurement of such contract is by invitation to tender and the tender procedure in respect thereof complies with such standards and guidelines as may be specified in the Code of Practice referred to in section 20A(3) of the Building Management Ordinance relating to procurement and tender procedures.

Discretion of the Managers

6. The Managers shall have the discretion to :-

In whose name to perform powers

(a) perform any of their duties, obligations and responsibilities or exercise any of their rights and powers and discretions hereunder (including instituting legal proceedings) other than in respect of matters solely relating to the Government Accommodation under their own name or by or through their employees or agents or sub-contractors or in the name of the Owners;



General discretion  
to refrain from  
exercise of powers  
except so far as  
they relate to  
Common Areas and  
Facilities

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

Protection of the  
Managers

(b) refrain from the exercise of any right or power vested in the Managers other than the obligation to manage and maintain the Common Areas and Common Services and Facilities;

(c) refrain from doing anything which would or might be in the opinion of the Managers contrary to any law or governmental directive or any instrument or unprofessional, immoral or inappropriate or render the Managers liable to any person and to do anything which in their absolute discretion the Managers may consider necessary to comply with any law or government directive;

(d) refrain from taking any step or further step required or requested by any Owners Committee or the Owners until the Managers have been fully indemnified and/or secured to their satisfaction against any or all costs and expenses (including legal costs) or liabilities which the Managers may sustain or incur as a result of complying with such requirement or request;

(e) obtain and pay (at the cost and expense of the Owners) reasonable expenses for such legal or other expert advice or services as the Managers consider necessary or desirable and rely on any such advice without any liability for any loss or damage whatsoever and howsoever arising.

7. Neither the Managers nor any of their employees, agents or sub-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 wilful act, neglect, misconduct or dishonesty by or on the part of the Managers or their employees, agents or sub-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 Non-Station Development;

(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 Non-Station Development 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 Non-Station Development 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 Non-Station Development;

(e) for the security or safekeeping of the Non-Station Development or any persons or contents therein.

Owners to  
indemnify the  
Managers

8. The Owners (save and except the Owner of the Government Accommodation) shall fully and effectually indemnify the Managers from and against all actions, proceedings, claims and demands whatsoever arising directly or indirectly out of or in connection with the management of the Non-Station Development 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 anything involving criminal liability or any wilful act, neglect, misconduct or dishonesty by or on the part of the Managers or their employees, agents or sub-contractors.

## SECTION J

### MANAGEMENT CHARGES

Costs to be borne  
by all the Owners

1. The costs, charges and expenses, in respect of the management of the Non-Station Development, shall include but shall not be limited to those next following, and shall be paid by all the Owners of the Non-Station Development in the manner herein provided :-

(a) Government rent (subject to the provisions of Clause 3 of Section E of this Deed);

(b) the premiums payable for the insurance of the Non-Station Development against the Insured Risks, Third Party and Property Owners Liability and Employers' Liability;

(c) charges for the supply and consumption of water, electricity and other utilities and any similar charges in connection with the Non-Station Development as a whole 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 Non-Station Development and any buildings, and other structures erected on or in the Non-Station Development, or any part or parts thereof, 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 of Owners;

(e) costs incurred by the MTR and charged back to the Managers pursuant to the provisions of Paragraph 1(e) of Part I of the Second Schedule to this Deed or as a result of MTR undertaking any repairs or works to the Non-Station Development which it deems necessary pursuant to the provisions of Paragraph 3(a)(ii) of Part II of the Second Schedule to this Deed;

(f) the cost of any necessary demolition works or works the Managers consider necessary for the rebuilding, improvement, enhancement or renovation of the Non-Station Development;

(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 Areas and Facilities;
- (p) the costs of purchasing or hiring all plant, equipment, apparatus or machinery necessary for the proper performance by the Managers of its powers and duties under this Deed and used solely for the benefit of the Non-Station Development;
- (q) all fees costs and expenses incurred by the Managers for the inspection, maintenance and repair of any slopes, retaining walls, supports, foundations or drainage or other structures, whether on the Land or on adjoining land, in accordance with the publication entitled "Geoguide 5 - Guide to Slope Maintenance" published by Geotechnical Engineering Office of the Civil Engineering Department as amended or replaced from time to time and which are required to be maintained by the Owners of the Land pursuant to the provisions of Special Condition (64) of the Government Grant;
- (r) all fees costs and expenses incurred by the Managers for the maintenance and regular monitoring of the prestressed ground anchors forming part of the Development and the provision of such reports and information in respect of them as required by the Director pursuant to Special Condition (66) of the Government Grant;
- (s) 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 Non-Station Development;
- (t) the costs of refuse disposal;
- (u) the costs of pest control;
- (v) the costs of decorating the Common Areas of the Non-Station Development during Christmas, Chinese New Year and other festivities;

(w) all reasonable professional fees and costs incurred by the Managers 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 Non-Station Development and/or any part or parts thereof;
- (ii) solicitors and other legal fees and costs;
- (iii) fees and costs of accountants, auditors and/or any other consultants employed in connection with the Accounts or the Managers' Statements;

(x) a reasonable sum for contingencies;

(y) the Managers' Remuneration;

(z) any other costs, charges, and expenses properly incurred by the Managers 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 Non-Station Development 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 Capital Funds hereinafter mentioned;

Provided that MTR in its capacity as Owner of the Station and the Reserved Areas (but not otherwise) and the Owner of the Government Accommodation shall not be required to contribute to any costs charges or expenses incurred by the Managers in the maintenance and management of the Non-Station Development and shall not be required to contribute to any of the Capital Funds referred to in Clause 2 of this Section.

Capital Funds  
(GL 15)

2. (a) There shall be established and maintained by the Managers :

- (i) a Non-Station Development Capital Fund for the purposes of meeting the cost of major works of a capital nature in respect of the Non-Station Development Common Areas and the Non-Station Development Common Services and Facilities and the payment on account of Managers' Remuneration in respect of any expenditure out of such Capital Fund;

- (ii) for each Phase of the Non-Station Development, following the issue of an Occupation Permit for that Phase, a Phase Capital Fund for the purposes of meeting the cost of major works of a capital nature in respect of those parts of the Common Areas and Common Services and Facilities as are designated common areas and services and facilities serving that Phase of the Development in any Sub-Deed of Mutual Covenant or Deed Poll entered into pursuant to this Deed and the payment on account of Managers' Remuneration on such expenditure;

(b) Every Owner, in respect of the Non-Station Development Capital Fund, and, in respect of each Phase Capital Fund, each Owner of that Phase shall pay to the Managers from time to time upon demand such sum as shall be determined by the Managers to establish or maintain the said Capital Funds at such levels as shall be considered necessary and expedient in the circumstances.

(GL 15)

(c) The said Capital Funds shall be deposited in an interest bearing bank accounts the titles of which shall refer to the relevant Capital Fund opened by the Managers with a licensed bank in Hong Kong and held on trust for the relevant Owners and the Managers shall include in the accounts to be submitted to the Owners in accordance with the provisions of Clause 8 of this Section a statement showing changes in Capital Funds during the previous year.

(d) Each of the Capital Funds shall be established by the Managers following the issue of an Occupation Permit for the particular part of the Development falling within the scope of that Capital Fund.

(e) The Managers may use the said Capital Funds for the purposes for which they have been collected when the Managers determine it is necessary or desirable to do so and the budget prepared by the Managers pursuant to Clause 4 of this Section J shall disclose any such proposal.

Financial Year  
(GL 10)

3. (a) For all budgeting and accounting purposes in respect of the Non-Station Development 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 shall begin on the date of the first Occupation Permit in respect of the Non-Station Development and end on the 31st December in the same year.

(b) The Managers shall have the right from time to time to vary the financial year upon giving notice in writing to the Development Owners Committee, but may only do so once in every five years except with the prior approval of the Development Owners Committee.

Determination of  
Management Charges  
(GL 9)

4. (a) Subject to paragraphs (c), (d), (e), (f) and (h) of this Clause, the total amount of Management Charges payable by the Owners during any financial year in respect of the management of the Non-Station Development shall be the total proposed expenditure during that year as specified by the Managers in accordance with paragraph (b) of this Clause.

(b) In respect of each financial year (other than the first), the Managers shall in the preceding financial year in consultation with the Development Owners Committee :

- (i) prepare draft budgets in accordance with paragraph 4(i) of this Clause setting out the proposed expenditure during the financial year;
- (ii) send a copy of the Non-Station Development Management draft budget to the Development Owners Committee and any Phase draft budget to the relevant Phase Owners Sub-Committee or, where there is no Development Owners Committee or Phase Owners Sub-Committee, display a copy of the draft budget in a prominent place in the Non-Station Development;
- (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 Managers 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 Non-Station Development Management budget to the Development Owners Committee and the Phase budget to the relevant Phase Owners Sub-Committee or, where there is no Development Owners Committee or Phase Owners Sub-Committee, display a copy of the budget in a prominent place in the Non-Station Development.

(c) Where in respect of a financial year, the Managers have 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 shall contribute towards the Management Charges shall be calculated and adjusted accordingly.

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

(e) Where a revised budget is sent or displayed in accordance with paragraph (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 shall contribute towards the Management Charges shall be calculated and adjusted accordingly.

(f) If there is an Owners Incorporation 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 paragraph (b) or (d) of this Clause, the 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 paragraph (b) or (d) of this Clause and is not so rejected under this subparagraph, be deemed to be the same as the total amount of Management Charges (if any) for the previous or current financial year (as appropriate), together with an amount not exceeding 10% of that total amount as the Managers may determine.

(g) If any Owner requests in writing the Managers to supply him with a copy of any draft budget, budget or revised budget, the Managers shall, on payment of a reasonable copying charge, supply a copy to that person.

(h) For the purposes of this paragraph, "expenditure" includes all costs, charges and expenses to be borne by the Owners, including the remuneration of the Managers.

(i) The Managers shall prepare the following budgets :

(i) a Non-Station Development Management Budget which shall show the estimated expenditure for the management and maintenance of the Non-Station Development as a whole including the contribution to the Non-Station Development Capital Fund and the Managers' Remuneration at 10% in respect thereof but excluding expenditure attributable to any part of the Development; and



- (ii) a Phase Management Budget for each Phase of the Non-Station Development which shall show the estimated expenditure for management and maintenance of each Phase of the Non-Station Development including the contribution to the Phase Capital Fund and the Managers' Remuneration at 10% in respect thereof but excluding expenditure attributable to the Non-Station Development as a whole or any other part of the Development and which may in the Manager's absolute discretion be broken down into sub-budgets or sub-sub-budgets for each part of the Car Park, Commercial Development, Hotel Development, Office Development and Residential Development within a Phase or for any constituent part of each part of the Non-Station Development within a Phase (as necessary or appropriate) for the purpose of differentiating between the different levels of management services available to the Owners of Units within parts of a Phase and the management and maintenance of Private Recreational Areas and Facilities which are used exclusively by some part or parts but not the whole of a Phase in each case, in the budget next prepared by the Managers immediately after an Occupation Permit has been issued in respect of any Phase of the Development.

Payment of  
Management Charges  
(GL 5)

5. (a) Each Owner 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) The Owners shall contribute towards the Management Charges in the following manner :

- (i) all Owners of Units in the Non-Station Development shall contribute to the expenses of the Non-Station Development Management Budget in the proportion that the Management Units attributable to the Units owned by them bears to the total Management Units allocated to the Non-Station Development;
- (ii) the Owners of the Units in each Phase of the Non-Station Development shall contribute to the expenses of the relevant Phase Management 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-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-budget shall be paid by the Owners of Units covered by such a 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-budget.

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

(d) Notwithstanding any provisions to the contrary, the Owners shall pay to the Managers any shortfall in the Managers' 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 Section J of the Deed.

Provided That where in the Manager's opinion any expenditure has been incurred solely for the benefit of an Owner or group of Owners the Managers may charge that expenditure directly to that Owner or those Owners in such proportion as it may determine and Provided Further That an Owner's liability to contribute to the expenses of any budget prepared by the Managers shall only accrue with effect from the date that an Occupation Permit is issued in respect of any Phase of the Development in which his Unit or Units are situate and then only in respect of such Units and the Managers in determining the Management Charges payable by an Owner shall only apportion expenditure between the Management Units attributable to those Units in respect of which an Occupation Permit has been issued from time to time.

Failure by an  
Owner to make  
payment  
(GL 16)

6. (a) If any payment as above provided is more than thirty days in arrears the Managers shall have the right without prejudice to any other right or remedy hereunder to :

- (i) charge interest calculated at the rate of HK\$1.00 for each HK\$100.00 or part thereof of the amount unpaid for each period of thirty days or part thereof for which it remains unpaid (such interest to be calculated from the due date and not thirty days thereafter).
- (ii) make a collection charge of such sum as the Managers may decide to cover the cost (other than legal costs of proceedings as hereinafter mentioned) of the extra

work occasioned by the default.

(b) If any Owner shall fail to make any payment as above provided within thirty days after written notification from the Managers calling upon him so to do the Managers shall be at liberty to disconnect all air conditioning supply to the Unit of the Commercial Development, Hotel Development or Office Development in respect of which default is made until all amounts unpaid together with interest thereon and the cost of collection as herein mentioned and the costs and expense of disconnecting and reconnecting the air conditioning supply shall have been paid to the Managers.

(c) If default shall be made as aforesaid any sum payable by the defaulting Owner together with interest thereon as provided in sub-clause (a) hereof and all costs and expenses 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 Managers 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.

Miscellaneous and  
Surplus income  
(GL 16)  
(GL 17)

7. (a) Any miscellaneous income or payment received by the Managers from or in respect of the Non-Station Development, not being for the defrayment of any specific expense shall be credited to the management account maintained in accordance with Clause 11 of this Section J. Miscellaneous income shall for the purpose of this Deed include, without prejudice to the generality of the foregoing :

- (i) any interest on Owners' payments referred to in Clause 9 of this Section other than payments towards Capital Funds;
- (ii) any damages for the breach, non-observance or non-performance of the terms and conditions of this Deed recovered by the Managers in any legal proceedings brought by them in exercise of their power in that behalf contained in Clause 1(b)(xxxiii) of Section I of this Deed; and
- (iii) any sum or charges or expenses received from Owners in respect of the issue of any licence or consent by the Managers as required by the provisions of this Deed.

(b) Any surplus of income over expenditure shown in the audited accounts for any financial year shall be credited to the management account maintained pursuant to Clause 11 of this Section J and at the Managers'

discretion, either be applied towards the payment of future costs, charges and expenses in respect of the management of the Non-Station Development, or be transferred to the relevant Capital 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 Managers to  
keep accounts  
(GL 12)

8. (a) The Managers 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.

(GL 13)

(b) Within 1 month after each consecutive period of 3 months, or such shorter period as the Managers may select, the Managers shall prepare summaries of income and expenditure in respect of that period and shall display copies of them in a prominent place in the Development for a reasonable period of time.

(c) Within 2 months after the end of each financial year, the Managers shall prepare income and expenditure accounts and balance sheets for that year.

(GL 15)

(d) Each income and expenditure account and balance sheet shall include details of the Capital Funds referred to in Clause 2(a) of this Section and an estimate of the time when there will be a need to draw on those funds, and the amount of money that will be then needed.

(e) The Managers 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.

(GL 10)

(f) the Managers shall if requested following a resolution of the Owners at the Annual General Meeting of the Owners permit the accounts prepared by the Managers pursuant to Clause 8(c) of this Section to be audited by an independent auditor of the Owners' choice.

Owners' deposits  
(GL 14)

9. (a) Each Owner (save and except FSI and MTR as Owner of the Station) shall on completion of his purchase and before taking occupation pay and contribute to the Managers as security against his liabilities under this Deed :

- (i) a deposit in respect of his obligation to contribute to Management Charges of a sum equivalent to three

months Management Charges;

- (ii) a deposit in respect of his obligation to contribute to the Capital Funds to be established pursuant to Clause 2 of this Section of a sum equivalent to one month's Management Charges;
- (iii) an advance payment in respect of his obligation to contribute to Management Charges of a sum equivalent to three months Management Charges;
- (iv) such sum as the Managers may reasonably determine for the temporary supply of water and electricity and the collection and removal of debris during the fitting out period; and
- (v) such sum as the Managers may reasonably determine to cover their costs and the costs of their professional advisors for approving fitting out plans.

(b) In the event of any increase in the Owner's monthly Management Charges the Owner shall forthwith pay to the Managers a further sum to the intent that the deposit referred to in Clause 9(a)(i) 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.

(c) The Managers shall place all such deposits in an interest bearing bank accounts opened by the Managers with a licensed bank in Hong Kong the titles of which shall respectively refer to the Management Charge Deposits and Capital Fund Deposits 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 Managers to the intent that all such funds shall be held for such Owner's successor in title and applied for the management of the Non-Station Development as herein provided irrespective of changes in ownership. Upon the rights and obligations hereunder being released as provided in Section D of this Deed the said funds shall be divided between the Owners at that time in proportion to their respective number of Management Units immediately prior to such release.

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

Management Funds  
(GL 11)

outgoing Owner for payment of any outstanding Management Charges.

11. (a) The Managers shall maintain an interest-bearing account the title of which refers to the management of the Non-Station Development with a licensed bank in Hong Kong and shall use that account exclusively in respect of the management of the Non-Station Development.

(b) Subject to paragraphs (c) and (d) of this Clause, the Managers shall without delay pay all money received by them in respect of Management Charges into the account maintained under paragraph (a) of this Clause.

(c) Subject to paragraph (a) of this Clause, the Managers may, out of money received by him 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.

(d) The retention of a reasonable amount of money under paragraph (c) of this Clause or the payment of that amount into a current account in accordance with that paragraph and any other arrangement for dealing with money received by the Managers shall be subject to such conditions as may be approved by a resolution of the Development Owners Committee.

MTR - Capital  
Funds and  
Deposits

12. Notwithstanding anything contained in this Deed, MTR for so long as it remains the Owner of any Unit in the Development shall not be obliged to contribute to the Capital Funds to be established pursuant to Clause 2 of this Section nor the various deposits and advance payments provided for under Clause 9 of this Section but when the Managers determine to expend monies in respect of which MTR as an Owner of a Unit in the relevant part of the Development would be liable to contribute then on demand by the Manager MTR undertakes to contribute its relevant proportion of the proposed expenditure.

## SECTION K

### BUILDING RULES AND FITTING OUT RULES

Rules binding  
(GL 8)

1. 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 Non-Station Development and of any of the Common Areas (including the Private Recreational Areas and Facilities), and the Common Services and Facilities 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 and their tenants, licensees, servants and agents other than the Owner of the Government Accommodation save insofar as is necessary to preserve the benefit of any warranties from time to time in existence.

Deposit for  
Works

2. The Managers shall be entitled to collect from any Owner (save and except the Owner of the Government Accommodation) or occupant of a Unit 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 Managers depending upon the nature of the works to be carried out. All such deposits shall be held by the Managers in a separate account and shall be refunded without interest to the Owner or occupier within 30 days of completion of the works subject to the Managers' 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 Managers' right to claim for compensation suffered in excess of the amount of the deposit.

Amendment of Rules

3. The Managers shall have power from time to time to make, revoke and amend Building Rules and Fitting-Out Rules with the prior approval of the Development Owners Committee (if in existence).

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 Non-Station Development.

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 shall not in any way derogate from such terms and conditions. In the event of conflict between such Building Rules or Fitting-Out Rules and such terms and conditions, the latter shall prevail.

Exclusion of  
liability

6. The Managers shall not be liable for any loss or damage however caused arising from any non-enforcement of such Building Rules or Fitting-Out Rules or non-observance thereof by any third party.

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## 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 notice agenda and minutes to be served on FSI shall be sent to FSI by prepaid post or delivered by hand to the Government Property Administrator, 31/F Revenue Tower, 5 Gloucester Road, Wanchai, Hong Kong or such other person and address as FSI may notify the Managers 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 Managers shall be properly served if sent by prepaid post to or left at their registered office or the management office of the Development or such other address as may be notified by the Managers from time to time.

(c) All notices required to be given to the Development Owners Committee or any Phase 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.

(GL 22)

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

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 Managers 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 Managers 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;

(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.

Action by Owner(s)  
(GL 23)

5. Notwithstanding the powers conferred on the Managers 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 Managers are appointed or acting hereunder or any Managers 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  
(GL 26)

6. Within 2 months of the date of this Deed, MTR shall at its own cost cause a direct translation or summary in Chinese of this Deed to be made and shall ensure that it is available for inspection and the taking of copies by the Owners at the management office in the Development on payment of reasonable copying charges. In the event of a dispute as to the effect of the Chinese translation and the English document, the English version is to prevail.

Common Areas Plan  
(GL 20)

7. The Managers shall keep and make available for inspection by the Owners a plan of the Land and the Development with all the Common Areas shown thereon at the management office of the Development provided that the Managers shall provide free of cost to the Owner of the Government Accommodation a copy of the said plan and any amendments thereto from time to time.

Building  
Management  
Ordinance  
(GL 3)

8. 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 Building Management Ordinance.

THE FIRST SCHEDULE

Allocation of Shares

The Station

13,209,926

## THE SECOND SCHEDULE

### PART I

#### 1. Rights Easements and Privileges applicable to all Owners of the Development

- |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Right to pass                        | (a) Full right and liberty for the Owner 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 the Non-Station Development Common Areas 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, electricity, ventilation, air-conditioning, telephone and other services from and to each Unit through the sewers, gutters, drains, water courses, pipes, flues, conduits, ducts, wires, cables and other conducting media 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 Unit.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 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 other parts of the Development other than the Station, the Reserved Areas and the Government Accommodation 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, such work not being the responsibility of the Managers, 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 only to enter with the prior approval of the Owner of the Government Accommodation (except in emergency) and to make good or be responsible for the cost of making good any damage caused to the Government Accommodation. |
| Outer Perimeter Road                 | (e) The right for the Owner for the time being of each Unit his servants agents and licensees (in common with all other having the like right) to go pass and repass over and along and upon the Outer Perimeter Road for all purposes connected to the proper use and enjoyment of his Unit but subject to such regulations as may be imposed on such use by MTR from time to time and subject to the payment by the Managers out of the management funds of 100% of the costs incurred by MTR on demand in repairing, maintaining, renewing and relaying the Outer Perimeter Road.                                                                                                                                                                                                                                                                                                                                                                                            |

Right to use  
recreational areas  
facilities

(f) Full right and liberty for the Owner for the time being, his agents and licensees (in common with all other persons having the like right) of a Unit in the Development to use for the purpose of recreation only and subject to the rules regulations and fees prescribed for their use by the Managers, the Private Recreational Areas and Facilities intended for use by that Owner as specified in any Sub-Deed of Mutual Covenant but not any other of the Private Recreational Areas and 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.

Reserved Areas

(g) The right for the Owner for the time being of each Unit his servants, agents and licensees (in common with all others having the like right) to go pass and repass over and along that part of the Reserved Areas comprised in that part of the Land known as Site E in the Government Grant as amended from time to time as is necessary in connection with the use of, access or egress to or from and the maintenance, repair, cleaning, rebuilding or improvement of his Unit.

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

Rights of FSI

(a) The right for FSI its lessees, tenants, licensees, and others authorised by it or the Owners or occupiers for the time being of the Government Accommodation or any part thereof free of all costs :-

- (i) of shelter, subjacent and lateral support and protection for such parts of the Government Accommodation;
- (ii) 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 in, on or running through any part of the Land or the Development;
- (iii) 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 being levied therefor by the Owners or Managers 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) to go pass and repass over and along and to use the Common Areas in connection with the proper use and enjoyment of the Government Accommodation or any parts thereof and to use and receive the benefit of the Common Services and Facilities;
  - (v) 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 and alteration works to the Government Accommodation or any part thereof and maintenance, repair, alteration, diversion, variation, relaying and reinstatement works to the Government Accommodation Services or any part thereof;
  - (vi) of free and uninterrupted right of way for vehicular and pedestrian traffic to and from the Government Accommodation;
  - (vii) exclusively 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 the Owner of the Government Accommodation 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) 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) 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/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;
- (b) The right of the Government or FSI to alter or vary in its absolute discretion at any time the use of the Government Accommodation or any part or

parts thereof without any charges or fees being levied therefor by other Owners or the Managers.

(c) Such other rights privileges and easements as may be deemed necessary or desirable by the Director.



## 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) and (d) of Part I of this Second Schedule in favour of all other Owners.

Rights of the  
Managers  
(GL 18)

2. (a) Full right and privilege for the Managers, 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 other than the Station and the Reserved Areas except with the prior consent in writing of MTR and the Government Accommodation except with the consent (save in case of emergency) of the Owner or occupier for the time being of the Government Accommodation for the purposes of inspecting, rebuilding, repairing, renewing, replacing, renovating, maintaining, cleaning, painting or decorating the structure of the Non-Station Development, the Common Areas and Common Services and Facilities or any part of parts thereof, or any Unit in respect of which the Owner shall be in default of its obligations to repair and maintain or for the exercise and carrying out of any of their powers and duties under the provisions of this Deed causing as little disturbance as is reasonably practicable and making good any damage caused thereby;

(b) The rights for the Managers 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 building erected on the Land so as to enable the connection of pedestrian passageways, subways or footbridges to the buildings or the Footbridge Associated Structures pursuant to the provisions of Special Conditions (54) and (55) of the Government Grant. The Managers 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;

(c) The right for the Managers to authorise by way of licence :-

(i) subject to the prior approval of the Development Owners Committee the use of external walls forming part of the Non-Station Development Common Areas (other than the external walls of the Government Accommodation) for advertising purposes and, subject to the consent of the Director, to permit the installation or erection of posters or other advertising signs or structures (whether illuminated or not) with

the right to remove, repair, maintain, service or replace the same and to obtain electricity from the building or structure nearest in proximity to such advertising posters signs and other structures;

- (ii) subject to the prior approval of the relevant Owners Sub-Committee of the part of the Non-Station Development affected the roofs and/or upper roofs forming part of the Non-Station Development Common Areas for the installation of telecommunication system and equipment and other communication device and equipment on terms and conditions as it deems fit provided always that the prior approval of the relevant Government authorities concerned (if necessary) is obtained; and
- (iii) subject to the prior approval of the relevant Owners Sub-Committee of the part of the Non-Station Development 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 :-

- (1) any signs or advertisements erected on the external walls of the Government Accommodation shall not be affected;
- (2) the rights and interests of the Owners shall not be adversely affected;
- (3) 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, telecommunication systems and equipment or structures shall so be displayed, installed, erected or affixed; and
- (4) all licence fees or other income received by the Managers shall be applied by them in accordance with Clause 7 of Section J of this Deed.

3. Preamble

The covenants, rights, liberties, privileges, entitlements, exceptions and reservations in favour of MTR under this Clause 3 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 significant 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 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.

Exceptions and Reservations

Each and every Owner covenants with MTR with the intent that the covenants, rights, liberty, 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, liberty, privileges and entitlement without the necessity of joining in or the concurrence or approval of any other Owner, the Managers or any other person interested in the Land and the Development :-

f lw

(a) At all times with contractors, servants, agents, workmen or other persons authorised, to enter into and upon any part of the Land and the Development other than the Government Accommodation unless entry is unavoidable, when in that event it shall be subject to prior reasonable notice with all necessary tools, equipment, plant and materials and (if necessary) to use on a temporary basis only the Common Areas and Common Services and Facilities for the purpose of transportation and passage through and the storage of building materials and equipment for the purpose of:-

- 3 (a)
- (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 Managers which may in the opinion of MTR have the effect of endangering or causing damage to the Mass Transit Railway, the Station or the Mass Transit Railway Structures and Installations and in this event the costs thereof shall be a debt due to the MTR repayable on demand by the Managers out of the management funds;
  - (iii) constructing and commissioning the proposed future extension of the Mass Transit Railway in, upon and through the Reserved Areas;
  - (iv) constructing future pedestrian accessways connecting the Non-Station Development to the Station;
  - (v) carrying out other works in under on or over the Land and the Development as it shall require from time to time.

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 may not use while such works are being carried out and the Owners shall comply with the requirements of such notification. MTR shall not incur any liability, except for negligence, of any nature whatsoever to any Owner or other person having an interest in the Development by reason of the works 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 indemnify any Owner in respect of costs and expenses incurred as a result of 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 and occupation of

the part or parts of the Development which he owns nor prevent access to or egress from any such part or parts and Provided Further that MTR shall be solely responsible for the maintenance and management expenses of those parts of the Common Areas and Common Services and Facilities which MTR shall have the use of for temporary transportation, passage and storage of building materials and equipment;

(GL 20)

(b) Subject to the prior written consent of the Director, to assign the Common Areas and Common Services and Facilities or any part or parts thereof together with the Shares relating thereto to the Managers, without consideration, for the general benefit of the Owners Provided that upon such assignment such areas and facilities shall be held by the Managers as trustee for all the Owners and if the Managers shall resign or be wound up or are removed in accordance with the provisions of Clause 2 of Section H of this Deed and another manager appointed in their place, or if required by an Owners Incorporation for the Non-Station Development formed under the Building Management Ordinance then the Managers or their liquidator shall assign such Common Areas and Common Services and Facilities together with the Shares relating thereto (if any) to the new manager or Owners Incorporation (as appropriate) upon the same trusts;

(c) to change the name of the Development or any part thereof (other than any part of the Residential Development and the Government Accommodation) and to change at any time the name description and/or numbering of any building in the Development (other than any part of the Residential Development and 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, to the approval of the Development Owners Committee and, in the case of a change of name of a part of the Development, to the approval of the relevant Owners Sub-Committee(s) appointed pursuant to any Sub-Deed affected by the name change and upon giving not less than 6 months prior written notice to all Owners affected by the change and shall not be liable to any Owner or other persons having an interest in the Development for any damages, claims, costs or expenses resulting therefrom or in connection therewith Provided That MTR shall bear all costs incurred by the Managers 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 without the concurrence or approval of any Owner or other person having an interest in the Development but nothing herein contained shall absolve MTR from the requirements of obtaining the prior written consent of the Director or other relevant government authorities pursuant to the Government Grant or other applicable legislation. No such alteration, amendment, variation or addition shall give to the Owners any right of action against MTR Provided That the physical use and enjoyment of the Units by the Owners shall not be materially

affected thereby and Provided Further that no such change, amendment, variation, addition or alteration shall have a material adverse effect on the continuous use of or access to the Government Accommodation or the services and facilities supplying the Government Accommodation;

(e) to negotiate and agree with the Government any alteration, amendment, variation or addition to the terms and conditions of the Government Grant without the concurrence or approval of any Owner and to sign or execute any documents in connection therewith in the name of MTR only without the necessity of joining in other Owners. No such alteration, amendment, variation or addition shall give to the Owners any right of action against MTR Provided That the physical use and enjoyment of any Unit by any Owner shall not be adversely affected thereby. 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 carve out, surrender, dedicate or assign any part of the Land or the Development (other than the Government Accommodation and the Units which have been assigned by MTR) to the Government either in MTR's own name or in the name of some or all Owners 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 and the Owners 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. 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) to designate any part of the Reserved Areas to be Common Areas or Common Services and Facilities either as Non-Station Development Common Areas or Non-Station Development Common Services and Facilities or attributable to the Residential Development, the Commercial Development, the Office Development, the Car Park or the Hotel Development subject to the prior approval of the Development Owners Committee;

(h) without the necessity of making every Owner a party thereto to enter into a Sub-Deed of Mutual Covenant or Deed Poll in respect of any part of the Development (other than the Government Accommodation) for the purpose of allocating Shares and Management Units to any Phase of the Development and of making further provisions for the management, maintenance and servicing of that part of the Development for which it is made and its equipments, services and apparatus and for the purpose of further defining and regulating the rights, interests and obligations of the Owners thereof Provided Always that their rights and interests shall not be adversely affected and Provided further that any Sub-Deed of Mutual Covenant or Deed Poll shall be previously approved in writing

by the Director and that such Sub-Deed of Mutual Covenant or Deed Poll shall not conflict with the provisions of this Deed and shall not affect the rights interest or obligations or other Owners bound by this Deed or any other Sub-Deed of Mutual Covenant or Deed Poll;

(i) to use those parts of the external walls of any part of the Development reserved for signage pursuant to any Sub-Deed of Mutual Covenant for the construction and erection of chimneys and, subject to the prior written consent of the Director of Lands, for advertising purposes and to display, install, erect, affix or permit to be displayed, installed, erected or affixed thereon and thereto, 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 nearest in proximity to such advertising posters, signs, logos and other structure as aforesaid Provided That signs and advertisements erected on the external walls of the Government Accommodation shall not be affected and Provided Always that the rights and interests of the Owners shall not be adversely affected And Further that 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 logos, posters and other advertising signs or structures shall so be displayed, installed, erected or affixed;

(j) 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 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, the Hotel Development or the Office Development 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;

(GL 5)

(k) (i) MTR shall have the exclusive right and privilege subject only to the provisions of Special Condition (58)(a)(ii)(2) of the Government Grant and obtaining the prior written consent of the Director to allocate Shares to each Phase of the Development and to each Unit in and the Common Areas of that Phase and to allocate Management Units to each Unit in that Phase;

(ii) If on the issue of an Occupation Permit for the final Phase of the Development the amount of the Gross Floor Area of the Units and Common Areas in that Phase is less than the unallocated Shares at that time available the remainder of the Shares following such allocation shall be allocated by MTR to the Common Areas 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 Managers in accordance with the provisions of Paragraph 3(b) of Part II of this Schedule;

- (iii) MTR shall have the exclusive and unrestricted right to redesignate or redistribute any Shares retained by it in the Non-Station Development and allocated to any particular part of the Non-Station Development the exclusive use of which is retained by MTR to any other part of the Development of which it has exclusive use. Provided That in so doing MTR does not allocate Shares to any Phase of the Development in excess of that stipulated under a Deed Poll;

(l) subject only to obtaining 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 Service and Facilities and to allocate and re-allocate Management Units to each Unit thereto necessitated by any change in gross floor area;

(m) the right 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 Building Plans Provided That such adjustment shall not affect the rights to the sale and exclusive right and privilege to hold use occupy and enjoy the Government Accommodation by the Owner thereof or any Owner's sole and exclusive right to hold use occupy and enjoy his Unit and Provided Also that no such adjustment shall alter the total number of Shares by more than 3% without the prior consent in writing of the Director or have the effect of increasing the contributions to the Management Charges payable by such Owners by more than 5%;

(n) to designate re-designate the floor numbering and unit numbering and/or 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 MTRC remain to be the Owner thereof;

(o) subject to the approval of the Development Owners Committee to amend, vary, alter, add to, modify or substitute any part of the Common Areas and Common Services and Facilities Provided Always that the physical use and enjoyment of the Units by the Owners shall not be adversely affected and no such amendment, variation, alteration, addition, modification or substitution shall give to the Owners any right of action against MTR Provided That the Common



Areas and Common Services and Facilities shall not be reduced;

(p) 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 serving the Government Accommodation) or partly within the Land and the Development (other than the services and facilities solely serving the Government Accommodation) and adjoining land to supply utilities services and recreational facilities to the Land and the Development and/or 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;

(q) to negotiate and agree with the Government to incorporate any land as extensions to the Land Provided that all premiums and fees payable for the same shall be borne by MTR and Provided Further that no Owner except MTR shall have any claim for any benefit or compensation arising therefrom and Provided Further that as from the date of such incorporation the relevant extension shall form part of the Land and shall be subject to this Deed and any relevant Sub-Deed of Mutual Covenant;

(r) 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) including any concessions or bonus which may be granted by the Building Authority and which shall become available from time to time;

(s) 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. 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;

(t) subject to the approval of the Development Owners Committee to obtain 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;

(u) subject to the approval of the Development Owners Committee 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 Non-Station Development Common Areas and the Non-Station Development Common Services and Facilities or the Private Recreational Areas and 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 Always that any money received from the grant of any such rights shall form part of the Management Funds and Provided That following the issue of an Occupation Permit for the final Phase of the Development the exercise of the rights in this Sub-Clause is subject to the prior approval of the Development Owners Committee;

(v) to construct, maintain, repair and renew at MTR's own expense footbridges and/or pedestrian walkways whether or not linking the Land and the Development with any adjoining or neighbouring lots and/or developments;

(w) to be given prior reasonable notice of full details and, prior to their commencement, to approve any works proposed to be carried out to the Non-Station Development which in its opinion may affect or impact upon the Station or the services supplying or running through the Station or ancillary or pertaining thereto and in respect of any such works to prescribe work schedules and methods and impose conditions for the protection and safety of the Station and members of the public to be complied with by the relevant Owners of the Non-Station Development at their own costs, and in the event that prior approval is not obtained or prescribed work schedules, methods or conditions not adhered to require the cessation of any such work which the Owners shall comply with and the Managers shall enforce and implement;

(x) the right to confer any of its rights in this Clause 3 (c), (h), (i), (n) and (v) by express assignment or licence made from time to time of such rights;

PROVIDED ALWAYS that in exercising any of its rights herein, MTR shall not in any way adversely affect the physical use and enjoyment of the Units by the Owners. 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. 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 Management Funds.

## THE THIRD SCHEDULE

### RESTRICTIONS AND PROHIBITIONS

1. Subject to the rights reserved to MTR in Part II of the Second Schedule to this Deed and the rights granted to the Owner of the Government Accommodation in Clause 2 of Part I of the Second Schedule to this Deed not without the previous written consent of the Managers which may be granted, withheld or granted subject to conditions at their absolute discretion to :-

Not to make  
alterations or  
additions  
(GL 23)

- (a) make or permit or suffer to be made any external or structural alteration in 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 Non-Station 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 Non-Station Development.
- (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 Non-Station Development, 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 Non-Station Development (except, in the case of air-conditioning units, in the apertures provided for them in the Units 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 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 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 (40) of the Government Grant and each Owner shall keep the other Owners indemnified against any such breach.

Not to breach  
Ordinance 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) use any Unit for any offensive trade as prescribed from time to time by Section 48 of the Public Health and Municipal Services Ordinance 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.

Not to use for  
illegal or immoral  
purposes

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

Not to cause  
nuisance

(n) 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

(o) use or permit or suffer to be used any portion of any Unit or the roofs or flat-roofs (if any) held and enjoyed therewith, in any way so as to alter the external appearance of the buildings or cause nuisance or annoyance to the other Owners and occupiers of the Land and the Development.

Not to misuse  
Lavatories

(p) 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 not to 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 to pay the Managers 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

(q) do or permit or suffer to be done any act or thing which will damage or interfere with or affect the operating 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 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

(r) 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

(s) 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

(t) 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 Managers shall be entitled without notice and at the Owner's expense to remove and dispose of as they see fit any such material aforesaid and the Managers shall not thereby incur any liability to the Owner or any other person whomsoever and each and every Owner hereby agrees to keep the Managers indemnified against all losses, claims damages or expenses of and against the Managers in respect thereof.

Not to obstruct  
driveways

(u) (subject to the rights of the Owner of the Government Accommodation) 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.

Not to partition

(v) exercise or attempt to exercise any statutory or common law right to partition the Land and the Development.

Protection of Mass  
Transit Railway

2. (a) Where the Mass Transit Railway, the Station or the Mass Transit Railway Structures and Installations are present on the Land at or above ground level :-

- (i) no garage business or car-washing activities or repairing or lubricating or maintenance services of motor vehicles of any kind shall be carried out on the Land within 10 metres distance from the above ground Mass Transit Railway, the Station or Mass Transit Railway Structures and Installations.
- (ii) no motor vehicles of any kind shall be parked on the Land within 6 metres distance from the above ground Mass Transit Railway, the Station or Mass Transit Railway Structures and Installations unless prior agreement is obtained from MTR.
- (iii) if any containers are permitted by the Director to be stacked or stored on the Land, (whose determination shall be final and binding on the Owners) then:
  - (I) when Strong Monsoon Signal or Tropical Cyclone Warning Signal No. 3 or a higher signal is hoisted, any containers shall be secured by lashes; and
  - (II) these containers shall be stacked or stored between 6 m - 10 m distance from the above ground Mass Transit Railway, the Station or the Mass Transit Railway Structures and Installations and with their longitudinal side at right angle to the above ground Mass Transit Railway, the Station or the Mass Transit Railway Structures and Installations or with their longitudinal side at right angle to any Mass Transit Railway viaduct and shall not encroach into an area above the rail level as defined by a line drawn at 40 degrees outward and upward from a point located at a horizontal distance of 6 metres from the outer side of the Mass Transit Railway viaduct at rail level.

(b) No Owner shall carry out any works which involve or cause digging or drilling or seepage of water into the Mass Transit Railway, the Station or the Mass Transit Railway Structures and Installations.

SIGNED for and on behalf of MTR )  
in its capacity both as Owner of the Station )  
and as Registered Owner of the Land by )  
**ALEXANDER DERBIE** )  
duly authorised under and by virtue of )  
Section 9(2)(b) of the Mass Transit Railway )  
Ordinance (Cap.270) of the laws of Hong Kong )  
whose signature(s) is/are verified by/in the )  
presence of : )

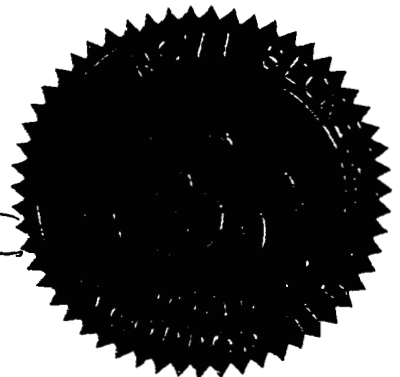
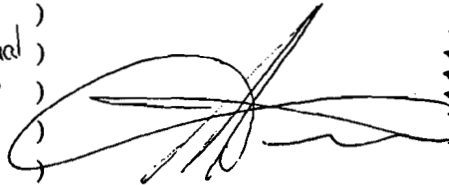


LI SAU LIN, LINDA  
SOLICITOR HONG KONG SAR  
MASS TRANSIT RAILWAY CORPORATION

For and on behalf of  
Mass Transit Railway Corporation

  
.....  
Alexander Derby (Solicitor)  
(Authorised Signatory)

SEALED with the Official Seal of FSI )  
and SIGNED and DELIVERED by the Financial )  
Secretary by Michael Scott TANNER, )  
Chief Property Manager, )  
to whom his power of execution has been )  
delegated in accordance with Section 4 of )  
the Financial Secretary Incorporation )  
Ordinance in the presence of :- )



(TANG Sin-yiu)  
Senior Property Manager  
Government Property Agency

SIGNED for and on behalf of MTR )  
in its capacity as Managers by )  
**ALEXANDER DERBIE** )  
duly authorised under and by virtue of )  
Section 9(2)(b) of the Mass Transit Railway )  
Ordinance (Cap.270) of the laws of Hong Kong )  
whose signature(s) is/are verified by/in the )  
presence of : )



LI SAU LIN, LINDA  
SOLICITOR HONG KONG SAR  
MASS TRANSIT RAILWAY CORPORATION

For and on behalf of  
Mass Transit Railway Corporation

  
.....  
Alexander Derby (Solicitor)  
(Authorised Signatory)