

**For information  
on 12 June 2012**

**LegCo Panel on Food Safety and Environmental Hygiene**

**Charges of Funeral Services provided by Licensed Funeral Parlours  
and the Policy on the Provision of Public and Private Funeral Services**

**Purpose**

This paper briefs Members on the general charges of funeral services provided by licensed funeral parlours and the Administration's policy on the provision of public and private funeral services.

**Licensed Funeral Parlours**

2. At present, there are seven licensed funeral parlours in Hong Kong, including the Hong Kong Funeral Home, the Kowloon Funeral Parlour, the International Funeral Parlour, the Universal Funeral Parlour, the Diamond Hill Funeral Parlour, the Grand Peace Funeral Parlour and the Po Fook Memorial Hall. The premises of the Grand Peace Funeral Parlour is government property on which the Hung Hom Public Funeral Parlour (HHPFP) was operated by the former Urban Council in earlier years.

**To Grant the Right to Provide Services at the HHPFP by Open Tender**

3. In mid-2000, the then Environment and Food Bureau and the Food and Environmental Hygiene Department (FEHD) decided to grant the right to provide services at the HHPFP for five years to the private sector through open tender for the first time. The Administration included appropriate terms in the agreement to require the operator to provide low-cost funeral package services for the needy.

## **Agreement Fee in 2012**

4. The right to provide services at the HHPFP from 1 March 2007 to 29 February 2012 was granted to the previous operator Universal Funeral Parlour Company Limited (i.e. ex-Sai Sing Funeral Parlour) at a quarterly rental of HK\$4.8 million. The current operator Grand Peace Funeral Parlour has obtained the right to provide services for a period of five years from 1 April 2012 to 31 March 2017 at a quarterly rental of HK\$13.95 million.

## **Terms of the Tender in 2012**

5. A copy of the tender document in 2012 is at **Annex A**. The terms of the tender are basically the same as those in the documents of the previous two exercises. The FEHD has required tenderers to comply with a number of mandatory requirements, including demonstration of proven experience in operating funeral parlours and indication of the amount of fee payable to the Government. Only tenderers meeting the specified mandatory requirements would be considered, and the proposals would be assessed based on the amount of fee payable to the Government as proposed by the tenderers. The FEHD has included conditions in the agreement requiring the operator to provide low-cost funeral services to specific groups of people referred by the Social Welfare Department (SWD) or the FEHD at a specified fee as determined by SWD. The fee should include all expenses and outgoings of a basic, necessary and complete service for the disposal of a dead body. The Government reserves the right to direct the operator to upgrade the standard of the low-cost funeral services if such services are found to be unsatisfactory or inadequate. The operator is required to maintain records of the low-cost funeral services during the agreement period. Such records shall be made available for inspection by Government representative(s) on demand by the FEHD at all times. Furthermore, the FEHD has imposed new conditions in this tender, requiring the operator to enhance transparency by displaying the availability of low-cost funeral services with details at a conspicuous place of the funeral parlour, as well as setting up a website to provide information including the list of charges of low-cost funeral services.

## **Statistics of Funeral Ceremonies held in Hospitals**

6. Statistics of funeral ceremonies held in hospitals under the Hospital Authority are set out at **Annex B**.

## **Charges of Funeral Services provided by Licensed Funeral Parlours**

7. The FEHD has requested licensed funeral parlours to provide the charges of various funeral services. The Hong Kong Funeral Home, The Universal Funeral Parlour and the former operator of the ex-Sai Sing Funeral Parlour, i.e. Universal Funeral Parlour Company Limited, refused to provide the information. The charges of respective funeral services, including rental or charge of service halls, freezer, make-up service for deceased, decoration of service hall, ceremony director, hearse, decoration of hearse, and religious ceremonies, etc. of the other funeral parlours are set out at **Annex C** and **Annex D** respectively.

## **Policy on Public and Private Funeral Services**

8. The funeral trade has always been market-driven. Competition among the operators in the trade provides consumers with choice of services at different price levels.

9. The HHPFP was operated by the former Urban Council in 1978. As the usage rate had declined continuously over time, and the private sector as well as different organisations had expressed interest to lease the HHPFP to provide funeral services, the Government decided in 2000 to grant the HHPFP to the private sector through open tender for five years. The tender arrangement has been adopted since then. There are currently 103 licensed undertakers and seven licensed funeral parlours (including the Grand Peace Funeral Parlour operated at the HHPFP) providing funeral services in Hong Kong. Funeral services provided by the private sector are more flexible and can better meet the different requirements of various religions and the public.

10. To ensure the provision of low-cost funeral package services for the needy, the Government has required the operator of the HHPFP to provide services pegged with the burial grant under the Comprehensive Social Security Assistance (CSSA) Scheme of the SWD. In fact, the SWD approves on average about 13,000 cases for burial grant under the CSSA Scheme each year, representing about one-third of the annual number of deaths. We understand that the public may choose to top up the burial grant with additional spending on their part and select the appropriate funeral services provider in the market. The former operator of the HHPFP (i.e. Sai Sing Funeral Parlour) provided the

relevant services for about 400 cases in the past five years. The agreement between the FEHD and the new operator of the HHPFP (i.e. Grand Peace Funeral Parlour) commenced on 1 April and the funeral parlour has started operation. The FEHD will continue to monitor the service level of the new operator.

11. Furthermore, the Administration will closely monitor the quality and service level of the funeral trade as a whole from various aspects, including equipment maintenance, environmental hygiene, environmental protection and service improvement, etc. and provide the necessary impetus and encouragement to the trade.

12. In the long run, the Administration plans to develop one-stop funeral services in the Sandy Ridge cemetery. Our preliminary estimation is that the site will provide 25 hectares of land and will be able to accommodate 30 funeral halls, as well as other crematorium and columbarium facilities in the medium and long term. The project is expected to be completed by phases from 2022 onwards.

### **Advice sought**

13. Members are invited to note the above information on funeral services.

**Food and Health Bureau**

**Food and Environmental Hygiene Department**

**June 2012**



The Government of  
Hong Kong Special Administrative Region

Grant of a Right to Provide Services  
at the Hung Hom Public Funeral Parlour

Copy of  
Original Tender Document  
(English Version)

## INTERPRETATION

1. In this tender document the following words and expressions have the meaning hereby assigned to them except when the context otherwise requires –

"Agreement"	means the agreement made between the Government and the Operator for the grant of a right to provide Services at the Hung Hom Public Funeral Parlour on the terms and conditions set out in the Lodging of Tender, Terms of Tender in Part I, Form of Tender in Part II, Articles of Agreement in Part III, General Conditions of Agreement in Part IV, Special Conditions of Agreement in Part V and Schedules in Part VI.
"Agreement Period"	means the period specified in clause 1 of the General Conditions of Agreement in Part IV.
"Contract Manager"	means the person appointed by the Operator in accordance with clause 12(a) of the Special Conditions of Agreement and approved by the Government Representative to be the duly authorized representative of the Operator and to liaise with Government Representative for all purposes in connection with the Agreement.
"Department" or "FEHD"	means the Food and Environmental Hygiene Department.
"Director"	means the Director of Food and Environmental Hygiene.
"Fee"	means the fee payment for every three months, exclusive of rates and any other outgoings, as specified in clause 4 of the General Conditions of Agreement in Part IV.
"Government"	means the Government of the Hong Kong Special Administrative Region of the People's Republic of China.
"Government Portion"	means the areas delineated and hedged black on the level plans at Annex B to Schedule I inclusive of all structures, plants, fittings and equipment erected or installed therein.
"Government Representative"	means the Director of Food and Environmental Hygiene or any officer authorized to act on her behalf for the purpose of the Agreement.
"Hong Kong"	means the Hong Kong Special Administrative Region of the People's Republic of China.

“Hung Hom Public Funeral Parlour” (also expressed in abbreviated form of “Funeral Parlour”)	means the site delineated on the site plan at Annex A to Schedule I and the level plans at Annex B to Schedule I and situated at No.6 Cheong Hang Road, Hung Hom, Hong Kong, comprising an area of about <u>10,365</u> square metres (7,020 square metres total gross floor area for provision of funeral service by the Operator) inclusive of all land, buildings and structures, erected or installed thereat but excluding the Government Portion.
“Operator”	means the tenderer whose tender is accepted as hereinafter provided.
“Plans”	means the proposed plan for implementation of services, operation plan, environmental protection plan, maintenance plan and contingency plan specified in clause 5(a) of the General Conditions of Agreement and clause 8 of the Terms of Tender.
“Person”	Includes any individual, corporation, partnership, firm and unincorporated body
“Security Deposit”	means the security deposit specified in clause 12 of the Terms of Tender in Part I.
“Services”	means all the services and ancillary work specified in Clause 1 of the Special Conditions of Agreement
“Schedules”	means the schedules attached hereto.
“Tender Closing Date”	means the latest date (Hong Kong time) by which tenders must be lodged or the extended Tender Closing Date if the Tender Closing Date is extended.
“Tenderer”	means the person or persons and/or the firm or the company referred to in the Form of Tender.
“Tender Document”	means this set of tender documents comprising Lodging of Tender, interpretation provision, Terms of Tender in Part I, Form of Tender in Part II, Articles of Agreement in Part III, General Conditions of Agreement in Part IV, Special Conditions of Agreement in Part V, Schedules in Part VI, Offer to be Bound, Tenderer's Background Form, plans and other documents which are incorporated by reference herein.
“Year”	means twelve (12) calendar months.

2. Level plans for the Hung Hom Public Funeral Parlour buildings are at Annex B of Schedule I.
3. The definitions contained in this Interpretation section apply to the whole Agreement.
4. Unless the context otherwise requires, words and expressions in the singular include the plural and vice versa; words and expressions importing the masculine

gender include the feminine and neuter gender and vice versa.

5. Section or clause headings to any provision, schedule, appendix and other attachments of this document are inserted for convenience of reference only and shall not in any way vary, limit or extend the interpretation of this document.
6. Where in this Agreement there is a reference to a clause, sub-clause, schedule, appendix or attachment by number or letter, and not in conjunction with an ordinance or regulation, such reference shall be construed as a reference to the clause, sub-clause, schedule, appendix or attachment of that number or letter contained in this Agreement.
7. Reference to any ordinance, enactment, order, regulation or other similar instrument shall be construed as a reference to the ordinance, enactment, order, regulation or instrument as amended, consolidated, re-enacted or replaced by any subsequent ordinance, enactment, order, regulation or instrument.
8. The meaning of general words is not limited by specific examples introduced by including, for example or similar expressions.
9. A rule of construction does not apply to the disadvantage of a party because the party was responsible for the preparation of this Agreement or any part of it.
10. A reference to a party is to a party to this Agreement, and a reference to a party to a document includes the party's executors, administrators, successors and permitted assigns and substitutes.
11. A reference to a person includes a natural person, partnership, body corporate, association, governmental or local authority or agency or other entity.
12. Reference to a Government department or position shall be construed as a reference to the Government department or position as amended, replaced or substituted by any subsequent Government department or position.



**PART I**

**TERMS OF TENDER**

**CONTENTS**

1. Tender Document
2. Invitation to Tender
3. Tender Preparation
4. Assessment Criteria
5. Tenders to Remain Open
6. Acceptance and Award of Agreement
7. Tenderer's Background Form and Financial Information
8. Submission of Plan for Implementation of Services, Operation Plan, Environmental Protection Plan, Maintenance Plan and Contingency Plan
9. Payment to the Government
10. Tender Deposit
11. Agreement Period
12. Security Deposit
13. Licence, Permit and Certificate
14. Monetary Figures Quoted
15. Consideration of Offer
16. Consent to Disclosure
17. Complaints about Tendering Process or Agreement Awards
18. Cancellation of Tender
19. Personal Data Provided
20. Operator's Performance Monitoring
21. Documents of Unsuccessful Tenderers
22. Miscellaneous
23. Tender Negotiations
24. Anti-collusion
25. Tenderer's Response to the Department's Enquiries
26. Confidentiality
27. Saving

- 28. Background Information
- 29. Tender Briefing Session and Site Visit
- 30. Enquiries
- 31. Chinese Translation of Tender Document**

Annexes I to III

## PART I

### TERMS OF TENDER

Tenderers shall read this Tender Document carefully prior to submitting their tender. Any tender which fails to comply with the requirements contained herein may render the tender invalid.

#### 1. Tender Document

(a) This Tender Document identified as **FEHQ 1011/11** consists of **FIVE** complete sets of:

	Lodging of Tender
	Interpretation (Pages 1-3)
Part I	Terms of Tender (Pages 4-19)
Part II	Form of Tender (Pages 20-21)
Part III	Articles of Agreement (Pages 22-23)
Part IV	General Conditions of Agreement (Pages 24-64)
Part V	Special Conditions of Agreement (Pages 65-76)
Part VI	Schedules (Pages 77-101)
Part VII	Tenderer's Background Form (Pages 102-103)

(b) The Government may issue addendum or supplementary information to the terms and conditions set out in the Tender Document. The Government may postpone the Tender Closing Date at its absolute discretion for an appropriate period if the circumstances so warrant such extension from the Government point of view. The Government will notify those persons or companies known to be in receipt of this Tender Document of such postponement.

#### 2. Invitation to Tender

Tenderers are invited to bid for the grant of a right to provide Services at the Hung Hom Public Funeral Parlour subject to and in accordance with the terms and conditions of this Tender Document.

#### 3. Tender Preparation

- (a) All Tender Document must be completed in English or in Chinese and submitted in **sealed envelope** clearly marked "**Tender Reference : FEHQ 1011/11 - Tender for the Grant of a Right to Provide Services at the Hung Hom Public Funeral Parlour**" in the manner under "Lodging of Tender". Any correction of figures or words should be effected by striking through the incorrect figures or words and inserting the correct figures or words in ink above the original ones. All such corrections shall be initialled by the Tenderer in ink.
- (b) Tenderers shall submit five (5) copies of the Tender Document with all necessary information provided including documentary evidence which are necessary for tender evaluation:
- (c) Tenderers shall complete the following in the Tender Document :

- (i) "Form of Tender" at Part II
  - (ii) Fee Proposal for the Agreement Period (Schedule III)
  - (iii) Information and documents as required under clause 7 of the Terms of Tender
  - (iv) Tenderers' Contact Persons (clause 25 of the Terms of Tender)
  - (v) Warranty for Compliance with Anti-collusion (clause 24 of the Terms of Tender) at Annex III to Terms of Tender
  - (vi) Service of Notices (clause 24 of the General Conditions of Agreement)
  - (vii) Option for Providing the Security Deposit (clause 19 of the Special Conditions of Agreement)
  - (viii) Claims of Experience in Operating Funeral Parlour/Undertaker Business (Schedule IV)
  - (ix) Claim of Experience of Senior Managerial Staff (Schedule V)
  - (x) Claim of Management Accreditation (Schedule VI)
  - (xi) Tenderer's Background Form (Part VII)
- (d) **Failure to comply with the requirements specified in Clause 3(a), 3(c)(i), (ii), (iii), (v), (viii), (ix) and (xi) shall render the Tender invalid.**
- (e) Tenderers should check the numbers of pages of this Tender Document. If they find any missing or indistinct pages, they must inform the Government Representative immediately so that the same can be rectified. Any addition or removal of any page of the Tender Document may **render the Tender invalid**.
- (f) Should Tenderers for any reason whatsoever be in doubt as to the precise meaning of any item or figure contained in the Tender Document, they must clarify with the Government Representative before the date of submission of Tenders. No liability will be admitted, nor claim allowed, in respect of errors in the Contractor's Tender due to mistakes which should have been rectified in the manner described above.
- (g) Tenders may **not** be considered if false or incorrect information is given or if complete information including but not limited to description, literature, catalogues and documentary evidence is not given with the tender or if any particulars and data asked for in the Schedules are not furnished in full.
- (h) All proposals, information and responses put forward by a Tenderer must be submitted in writing.
- (i) The Government reserves the right to disqualify any Tenderer who submits a tender that directly or indirectly attempts to preclude or limit the effect of the requirements herein.
- (j) The successful Tenderers must not assign or sublet the Funeral Parlour or any part thereof to a third party during the Agreement Period or sub-contract any work required to be performed under the Agreement without prior written approval of the Government.

**Tenderers are advised to refer to the checklist at Annex I of the Terms of Tender on the information, forms, schedules, documents, etc. to be included respectively in the sealed envelope .**

#### 4. Assessment Criteria

Tenderers shall observe and comply with the mandatory requirements listed below and include in their tenders requisite documents and information including but not limited to those stated in this clause. **Tenders which fail to meet any of these mandatory requirements will not be considered further.**

- (i) Completion of the "Fee Proposal" at Schedule III;
- (ii) Not less than two (2) senior managerial staff shall possess three (3) or more aggregate years of relevant local and/or outside Hong Kong experience in senior managerial posts in funeral parlour/undertaker operations in the 10-year period immediately preceding the Tender Closing Date.

**Note 1 :** Local and / or outside Hong Kong experience as specified in Schedule V will be counted and bears the same weight.

**Note 2 :** The experience will be counted in "year". This is calculated by the number of countable days in the respective year divided by the total number of days of the respective year round to two decimal places.

**Note 3 :** Tenderers shall submit valid documentary proof to substantiate their claims of experience.

- (iii) Tenderer shall have three (3) or more aggregate years of experience of operating funeral parlour/undertaker business in the 15-year period immediately preceding the Tender Closing Date.

**Note 1 :** Local and / or outside Hong Kong experience as specified in Schedule IV will be counted and bears the same weight.

**Note 2 :** Experience of Tenderer who is a partnership or a joint venture will be based on the experience of one of the partners/participants with the longest aggregate years of experience of operating funeral parlour/undertaker business in the 15-year period immediately preceding the Tender Closing Date and that experience will be counted in full. Experience of Tenderer who is not a partnership/joint venture and gained its experience from a previous partnership or joint venture will be counted in full.

**Note 3 :** The experience will be counted in "year". This is calculated by the number of countable days in the respective year divided by the total number of days of the respective year round to two decimal places.

**Note 4 :** If Tenderer A operates one funeral parlour for one year while Tenderer B operates two funeral parlours at the same period in one year, Tenderer A will be counted as having one year of experience while Tenderer B will be considered as having two years of aggregate experience.

**Note 5 :** Tenderers shall submit valid documentary proof to substantiate their claims of experience.

**Note 6 :** The Tenderer is not required to operate a funeral parlour / undertaker business as at the Tender Closing Date.

- (iv) The amount of the Fee stated in Schedule III shall not be less than HK\$6,000,000 (Hong Kong Dollars Six Million).
- (v) No proposal for sub-contracting of any or all parts of the Agreement shall be made.

#### 5. Tenders to Remain Open

(a) Tenders submitted shall remain valid and open for acceptance on these terms for not less than one hundred and eighty (180) days after the Tender Closing Date. If before the expiry of the agreed validity period, a Tenderer withdraws his offer, the Government will take due notice of the Tenderer's action and this may well prejudice his future standing as a Government supplier.

(b) All tenders must be submitted before the tender closing time. Late tenders will not be considered.

(c) Tender Closing Time in case of Rainstorm/Tropical Cyclone

In case a Black Rainstorm Warning Signal or Tropical Cyclone Warning Signal No. 8 or above is valid for any duration between 9:00 a.m. (Hong Kong time) and 12:00 noon (Hong Kong time) on Friday, the tender closing time will be extended to 12:00 noon (Hong Kong time) on the first working day of the following week.

6. Acceptance and Award of Agreement

(a) The successful Tenderer will receive a letter of acceptance from the Government prior to the signing of the Articles of Agreement. A binding agreement shall be deemed to be reached between the Government and the successful Tenderer based on the terms and conditions contained in the Tender Document on the date of issue of the letter of acceptance by the Government.

(b) The successful Tenderer shall:

- (i) sign the Articles of Agreement on such date and time prescribed by the Government;
- (ii) pay the Security Deposit within fourteen (14) days from the date of the acceptance of the offer; and
- (iii) submit two (2) copies each of the policy of insurance specified in clauses 9(b) and 10(a) of the General Conditions of Agreement together with the receipt for payment of the current premium within fourteen (14) days from the date of the acceptance of the offer.

7. Tenderer's Background Form and Financial Information

Tenderers are required to fill in the Tenderer's Background Form at Part VII of the Tender Document and to submit the following information and documents with its tender :

- (a) Certified copies of Memorandum and Articles of Association, Partnership Agreement, Joint Venture Agreement, Business Registration Certificate, Certificate of Incorporation (as is appropriate to the Tenderer).
- (b) If the Tenderer is an agent or a trustee, the details of its principal or the settlor and the trust.
- (c) Organisation and status of the Tenderer, including name, address of registered office, telephone and facsimile numbers, scope of business, number of years since establishment, business history, staff size, principal managerial and technical staff (including their names, qualifications and experience in the relevant trades).
- (d) Description of experience in operation of funeral parlour/undertaker business in and/or outside Hong Kong, including but not limiting to the years of experience, names and number of funeral parlour/undertaker previously and currently operating, types and daily average number of funeral service performed in each funeral parlour/undertaker, years of built of each funeral parlour/undertaker, types

- of equipment installed in each funeral parlour/undertaker, number of all staff deployed on each funeral parlour/undertaker.
- (e) Audited accounts of the Tenderer for the three (3) years prior to the tender submission date are required. The requirements of the audited accounts are :
- (i) Originals (or copies certified by its auditors) for the three (3) financial years prior to the tender submission date.
  - (ii) The latest accounts must be for a period ending no more than eighteen (18) months before the tender submission date.
  - (iii) The accounts must contain the Directors' Report, Auditors' Report, Balance Sheet, Profit and Loss Accounts, Statements of Changes in Equity, Cash Flow Statement and Notes to the Accounts.
  - (iv) If the Tenderer is a joint venture or partnership, audited accounts for each member of the joint venture or partnership should be submitted, if the members are incorporated bodies.
  - (v) If the Tenderer is a subsidiary of another company, both the company-only accounts reflecting the financial position and results of the Tenderer itself, and the consolidated group accounts should be submitted.
  - (vi) All such accounts must have been audited by certified public accountants (practising) or for a non-Hong Kong company, by authority recognised by its local law. For Tenderers incorporated outside Hong Kong, accounting principles similar to those acceptable to Hong Kong and disclosure requirements similar to those of the said Companies Ordinance (Cap. 32) should be adopted.
  - (vii) If any such accounts are in a language other than Chinese or English, translations, certified as accurate by the respective consulate or a notary public registered in Hong Kong, must be provided.
  - (viii) The accounts shall be prepared on the same basis for each year in accordance with accounting principles generally accepted in Hong Kong and the disclosure requirements of the Companies Ordinance (Cap. 32).
- (f) Management accounts up to a period not more than three (3) months before the tender submission date (if that has not already been covered by the latest audited accounts). The accounts shall be prepared on the same basis for each year in accordance with accounting principles generally accepted in Hong Kong and the disclosure requirements of the Companies Ordinance (Cap. 32).
- (g) Unaudited accounts are acceptable only if a Tenderer is a newly established company where the first accounts are not yet available or a Tenderer is an unincorporated business (e.g. sole-proprietors and partnerships) where audited accounts are not mandatorily required. In these cases, the Tenderer can submit management accounts supplemented with past tax assessment records for the past three (3) financial years (if available) instead. The unaudited accounts [and management accounts mentioned in clause 7(f) above] must be certified by the sole proprietor, partners, company directors or certified public accountants or other accountants acceptable to the Government.
- (h) Projected profit and loss accounts and cash flow statements of the Agreement and the company for each year of the Agreement Period and the pre-operating period. The projected statements should be certified by the Tenderer's chief executive. For a joint venture or partnership, separate certification from each member of the joint venture or partnership is required. The projected statements

should show the revenue, operating expenses, capital expenditure, source of finance such as upfront investment and/or debt financing, and other particulars showing how the Tenderer will deal with the Agreement. The assumptions used in preparing the projections should be reasonable and must be clearly stated. The assumptions by the Government included in the tender documents must be reflected in the Tenderer's projections. All the supporting schedules and detailed calculations are also required.

- (i) Original letters from bankers, where applicable, confirming credit facilities available to the Tenderer and the current unutilised balances on or after a specified date [e.g. fifteen (15) days before the Tender Closing Date], also stipulating the expiry date of the facilities.
- (j) Description of any other tenders outstanding that have been submitted to the Government. Further details may be required upon written request by the Government Representative.
- (k) Description and amount involved of all contracts (both public and private) currently on hand.
- (l) The latest three (3) to six (6) months' bank statements (originals or certified true copies) confirming balances of its major bank accounts.

**Failure to comply with clauses 7(a) to 7(l) of the Terms of Tender may render their tenders invalid and disqualified accordingly.**

8. Submission of Plan for Implementation of Services, Operation Plan, Environmental Protection Plan, Maintenance Plan and Contingency Plan

Tenderers shall note the requirement of submission of the plans specified in clause 5 of General Conditions of Agreement.

9. Payment to the Government

- (a) A payment free period will be granted to the successful Tenderer in accordance with the provisions of clause 4(c) of the General Conditions of Agreement in Part IV.
- (b) The Operator shall after commencement of the Agreement Period pay to the Government a Fee once every three (3) months. The Tenderer shall specify in Schedule III the amount of the Fee for every three (3) months which it offers to pay the Government. The Tenderer shall note that the Fee for every three (3) months quoted shall not be less than **HK\$6,000,000 (Hong Kong Dollars Six Million)** or its tender will not be considered further.

10. Tender Deposit

- (a) The Tenderer shall pay to the Government a tender deposit of HK\$20,000 (Hong Kong Dollars Twenty Thousand) as a pledge of the bona fides of its tender. The tender deposit shall be paid by either cash or cheque made payable to "The Government of Hong Kong Special Administrative Region" and deposited with the collection office of the Department at 42/F, Queensway Government Offices, 66 Queensway, Hong Kong. The Tenderer shall submit its tender together with a copy of the receipt of the tender deposit. Tenders which are not accompanied by



a tender deposit receipt will not be considered and will be rejected. No post-dated cheque is acceptable.

- (b) The tender deposit will be refunded without interest to the unsuccessful Tenderers after the successful Tenderer has signed the Articles of Agreement.
- (c) The tender deposit will be absolutely forfeited to the Government if the Tenderer withdraws or revokes its tender within the one hundred and eighty (180) days' period after the Tender Closing Date, or if the successful Tenderer fails or refuses to act in accordance with the Agreement, or sign the Articles of Agreement, or pay the Security Deposit, or provide the other documents set out in clause 7(b) of the Terms of Tender should its tender be accepted by the Government.
- (d) The tender deposit will be refunded without interest to the successful Tenderer after it has signed the Articles of Agreement on such date and time as shall be specified by the Government. The successful Tenderer may, in lieu of refund, opt to offset part of the Security Deposit by the tender deposit.

#### 11. Agreement Period

The Agreement is for a term of five (5) years commencing from 1 April 2012 to 31 March 2017 (both dates inclusive).

#### 12. Security Deposit

The successful Tenderer shall within fourteen (14) days from the date of acceptance of the offer pay to the Government as security deposit a sum of the amount in the form of cash or banker's guarantee in accordance with clause 19 of the Special Conditions of Agreement in Part V.

#### 13. Licence, Permit and Certificate

- (a) The grant of a right to provide the Services by the Government does not confer any exemption from complying with the necessary licensing requirements pertaining to the operation of the Funeral Parlour.
- (b) The Operator shall be responsible for obtaining all licences, permits, and certificates required by law or any competent authorities for the provision of the Operation Services.
- (c) The Operator shall forthwith on or before the due date for renewal of the Agreement if such renewal is approved renew all licences, permits and certificates required by the law for the provision of the Services, and shall not provide the Services for which any licence, permit or certificate is so required without first obtaining such licence, permit or certificate.
- (d) For the avoidance of doubt, there will be no abatement of any payments required to be paid under the Agreement during the period when the Operator cannot provide any or all of the Services on the ground that the requisite licence, permit or certificate is pending or has not been obtained.

---

**14. Monetary Figures Quoted**

- (a) All amount of money quoted by Tenderers in this tender are to be shown in Hong Kong currency and shall remain valid and binding upon the Tenderer throughout the whole Agreement Period unless there are contrary provisions in the Agreement or the amounts have been changed with the consent of both parties.
- (b) Tenderers should ensure that the monetary figures quoted are accurate before submission. Under no circumstances will the Government accept any request for adjustment in any of the figures on grounds that a mistake has been made in the tender prices.

**15. Consideration of Offer**

Offers will be considered on an "Overall" basis. Partial quotation will **not** be considered. Tenderers are also requested to note that the Government Representative shall make reference to the "Fee Proposal" specified in Schedule III in the Tender evaluation process.

**16. Consent to Disclosure**

The Government shall have the right to disclose whenever it considers appropriate or upon request by any third party (written or otherwise) information on the awarded Agreement, without any further reference to the successful Tenderer, the name and address of the successful Tenderer, description of services and the Agreement amount.

**17. Complaints about Tendering Process or Agreement Awards**

The tendering process is subject to internal monitoring to ensure that Agreements are awarded properly and fairly. Any Tenderer who feels that its offer has not been fairly evaluated may write to the Director of Food and Environmental Hygiene who will personally examine the complaint and refer it to the approving authority or relevant tender board for consideration. Tenderers are to note that the Director of Food and Environmental Hygiene shall not consider a complaint that is lodged later than three (3) months after the award of Agreement.

**18. Cancellation of Tender**

The Government will not withhold award of an Agreement or cancel a tender unless it is in the public interest to do so.

**19. Personal Data Provided**

- (a) Tenderer's personal data provided in the tender will be used for tender evaluation and agreement award purposes. If insufficient and inaccurate information is provided, the tender may not be considered.
- (b) The Tenderer gives consent to the Government to disclose its personal data provided in the Tender in whatever manner and at any time to other Government departments and non-Government organizations.
- (c) Tenderers have the right of access and correction with respect to personal data as provided for in Sections 18 and 22 and Principle 6 of Schedule 1 of the Personal Data (Privacy) Ordinance (Cap. 486). The right of access includes the right to obtain a copy of the Tenderer's personal data provided in the tender.
- (d) Enquiries concerning the personal data collected by means of the tender, including the making of access and corrections, should be addressed to Personal Data Controlling Officer of the Department.

---

20. Operator's Performance Monitoring

Tenderers are advised that should they be awarded the Agreement, their subsequent performance will be monitored and may be taken into account when their future tenders are evaluated.

21. Documents of Unsuccessful Tenderers

Documents of unsuccessful Tenderers shall be retained for a period of not less than three (3) months after the Agreement has been executed and may be destroyed thereafter.

22. Miscellaneous

The Government may issue addendum to the terms and conditions set out in the Tender Document. Tenderers may be asked to confirm compliance with the terms and conditions issued under the Tender Document or those issued under any addendum thereto.

23. Tender Negotiations

The Government reserves the right to negotiate with any or all Tenderer(s) about the terms of the tender.

24. Anti-collusion

- (a) The Tenderer shall not communicate to any person other than the Government the amount of any tender, adjust the amount of any tender by arrangement with any other person, make any arrangement with any other person about whether or not he or that other person should or should not tender or otherwise collude with any other person in any manner whatsoever in the tendering process. Any breach of or non-compliance with this sub-clause by the Tenderer shall, without affecting the Tenderer's liability for such breach rules and laws or non-compliance, invalidate his tender.
- (b) Sub-clause (a) of this Clause shall have no application to the Tenderer's communications in strict confidence with his own insurers or brokers to obtain an insurance quotation for computation of tender price and communications in strict confidence with his consultants / sub-contractors to solicit their assistance in preparation of tender submission.
- (c) The Tenderer shall submit to the Government a duly signed warranty in the form set out in Annex III to the effect that he understands and will abide by these clauses. The warranty shall be signed by a person authorized to sign the agreement on the Tenderer's behalf.
- (d) Any breach of any of the representations and/or warranties by the Tenderer may prejudice the Tenderer's future standing as a Government contractor.

25. Tenderer's Response to the Department's Enquiries

- (a) In the event that the Department determines that clarification of any tender is necessary, he will advise the Tenderer accordingly indicating whether the Tenderer should supplement his tender. Tenderer shall submit the requested supplement material within the specified period as stated in the said notice or such longer period as agreed by both parties.

- (b) Tenderers should fill in below the name and telephone and fax number of their contact person in the event that the Department determines that clarification of any tender is necessary under clause 25(a) of the Terms of Tender.

Name of Tenderer in English

(in Block Letters) : \_\_\_\_\_

Name of Contact Person : \_\_\_\_\_

Telephone No. : \_\_\_\_\_ Fax No. : \_\_\_\_\_

Authorised Signature & Company Chop of Tenderer (if applicable): \_\_\_\_\_

- (c) Tenderers may be required to give a presentation to the selection panel. The presentation will be held in Hong Kong and the Tenderers shall be solely responsible for all expenses incurred for the presentation. The presentation shall not score any marks in relation to the assessment of the tenders.

26. Confidentiality

The Tenderer shall not disclose the particulars of its tender to any other party other than for the preparation and submission of its tender.

27. Saving

The Government Representative is not bound to accept the highest tender bid or any tender and reserves the right to accept all or any part of any tender at any time within the period mentioned in clause 5 of the Terms of Tender.

28. Background Information

Certain background information may be provided separately to the Tenderer. This information is not part of the Tender Document and need not be submitted with the tender.

29. Tender Briefing Session and Site Visit

- (a) A tender briefing session will be held on **28 November 2011(Monday) at 3:00 p.m.** in the Lecture Theatre on 2/F of Oi Kwan Court, 28 Oi Kwan Road, Wanchai, Hong Kong. Tenderers are strongly advised to attend the tender briefing session in order to fully acquaint themselves with the requirements of the Government as specified in the Tender Document and to determine the scale and costs of the Services to be provided.
- (b) Any information given at the tender briefing session should not be taken as varying the information in the Tender Documents unless subsequently confirmed in writing.
- (c) A site visit will be arranged for the Tenderers within seven (7) working days after the briefing session as described in clause 29(a) of the Terms of Tender. Details of the site visit will be provided during the briefing session.
- (d) Tenderers are recommended to attend both the briefing session and the site visit to acquaint themselves with the requirements of the Services. All expenses incidental to the attendance of the briefing session and the site visit shall be borne by the Tenderers themselves.

30. Enquiries

- (a) Any enquiries from Tenderers before the Tender Closing Date concerning the Terms and Conditions of this Tender Document shall be made in writing and be addressed to:

Principal Supplies Officer,  
Supplies Section,  
Food and Environmental Hygiene Department,  
1/F, Oi Kwan Court,  
28 Oi Kwan Road,  
Wanchai, Hong Kong.  
(Fax No. : +852 2834 8401)

- (b) Any other enquiries from Tenderers before the Tender Closing Date concerning the technical specifications and Schedules of this Tender Document shall be made in writing and be addressed to (and with copies thereof sent to the Principal Supplies Officer in accordance with clause 30(a) of the Terms of Tender):

Senior Superintendent (Outsourcing),  
Outsourcing Section,  
Food and Environmental Hygiene Department,  
2/F, Oi Kwan Court,  
28 Oi Kwan Road,  
Wanchai, Hong Kong.  
(Fax No. : +852 2573 6107)

- (c) Tenderers shall note that after the Tender Closing Date and before the award of the Agreement, they shall not attempt to initiate any contact, whether direct or indirect, with the Government on matters relating to this Tender Document or their submitted tenders. Any Tenderer who fails to observe this requirement may render its tender being disqualified. Without prejudice to clause 25 of the Terms of Tender, the Government reserves the sole right to initiate any contact with Tenderers and all such contacts and subsequent responses from Tenderers shall be made in writing.

31. Chinese Translation of Tender Document

The Chinese translation is for reference only. In the event of any conflict or ambiguity between the English text and the Chinese translation, the English text shall prevail.

**Checklist on Tender Preparation and Information to be included in the sealed envelope as required under clause 3 of the Terms for Tenderers**

**Tender Preparation**

- The whole set of Tender Document, with the following information completed/provided by the Tenderer:
  - Information and documents of Tenderer's Business [clauses 7(a) to 7(l) of the Terms of Tender including but not limited to projected profit and loss accounts for the Agreement, cash flow statements for the Agreement, audited accounts, management accounts, unaudited accounts, original letters confirming credit facilities available to Tenderer from bankers, description of any other outstanding tenders, description and amount involved of all contracts and latest three (3) to six (6) months' bank statements.]
  - Tender Deposit Receipt (clause 10 of the Terms of Tender)
  - Warranty for Compliance with Anti-collusion (clause 24 of the Terms of Tender) at Annex III to Terms of Tender
  - Tenderer's Contact Person (clause 25 of the Terms of Tender)
  - Form of Tender (Part II)
  - Fee proposal for the Agreement Period (Schedule III)
  - Service of Notices (clause 24 of the General Conditions of Agreement)
  - Option for Providing the Security Deposit (clause 19 of the Special Conditions of Agreement)
  - Claim of Experience in Operating Funeral Parlour/Undertaker Business (Schedule IV)
  - Claim of Experience of Senior Managerial Staff (Schedule V)
  - Claim of Management Accreditation (Schedule VI)
  - Tenderer's Background Form (Part VII)
- Any other information and documents required by this tender.

**Tender Evaluation  
Procedures and Criteria**

Nature of Service : Grant of a Right to Provide Services at the Hung Hom Public Funeral Parlour

Tender Reference : FEHQ 1011/11

Key Notes for Tenderers

- (i) The technical information of the tenders will be checked against the mandatory requirements set out under clause 4 of the Terms of Tender. Offers failing to meet any of the mandatory requirements will not be considered.
- (ii) Tenderers must ensure all documents set out in the checklist in **Annex I** of the Terms of Tender are included in the **sealed envelope**.
- (iii) Tenderers must not submit any proposals for sub-contracting of any or all parts of the Agreement.
- (iv) Upon completion of the technical assessment, the price information of conforming tenders with Fee for every three months payable to the Government proposed in Schedule III shall not be less than HK\$6,000,000 (Hong Kong Dollars Six Million) will be assessed. Tender with the highest price will normally be recommended for acceptance.

To: The Government of Hong Kong Special Administrative Region

Dear Sir/Madam

**Warranty**

- (1) By submitting a tender, the Tenderer represents and warrants that in relation to the tender of Grant of a Right to Provide Services at the Hung Hom Public Funeral Parlour:
- (i) it has not communicated and will not communicate to any person other than the Government the amount of any tender price;
  - (ii) it has not fixed and will not fix the amount of any tender price by arrangement with any person;
  - (iii) it has not made and will not make any arrangement with any person as to whether it or that other person will or will not submit a tender; and
  - (iv) it has not otherwise colluded and will not otherwise collude with any person in any manner whatsoever in the tendering process.
- (2) In the event that the Tenderer is in breach of any of the representations and/or warranties in Clause (1) above, the Government shall be entitled to, without compensation to any person or liability on the part of the Government :
- (i) reject the tender;
  - (ii) if the Government has accepted the tender, withdraw its acceptance of the tender; and
  - (iii) if the Government has entered into the agreement with the Tenderer, terminate the agreement.
- (3) The Tenderer shall indemnify and keep indemnified the Government against all losses, damages, costs or expenses arising out of or in relation to any breach of any of the representations and/or warranties in Clause (1) above.
- (4) Clause (1) shall have no application to the Tenderer's communications in strict confidence with its own insurers or brokers to obtain an insurance quotation for computation of the tender price, or with its professional advisers, and consultants or sub-contractors to solicit their assistance in preparation of tender submission. For the avoidance of doubt, the making of a bid by a bidder to the Government in public during an auction will not by itself be regarded as a breach of the representation and warranty in Clause (1)(i) above.
- (5) The rights of the Government under Clauses (2) to (4) above are in addition to and without prejudice to any other rights or remedies available to it against the Tenderer.

Authorized Signature & Company Chop : \_\_\_\_\_

Name of Person Authorized to Sign (in Block Letters) : \_\_\_\_\_

Name of Tenderer in English (in Block Letters) : \_\_\_\_\_

Date : \_\_\_\_\_



**Part II**  
**FORM OF TENDER**

To : The Government of Hong Kong Special Administrative Region

1. I, the undersigned, \_\_\_\_\_ being the authorized  
(name and position)

representative of \_\_\_\_\_  
(name of Tenderer)

(hereinafter referred to as "the Tenderer") whose registered office is situated at \_\_\_\_\_  
\_\_\_\_\_ hereby

(address of Tenderer)

apply for and on behalf of the Tenderer to be granted a right to provide the Services at the Hung Hom Public Funeral Parlour in accordance with the terms and conditions of the Agreement.

2. I declare that I am duly authorized to bind the Tenderer by my signature and that this tender is submitted with the authority of the Tenderer.
3. The number of the Tenderer's Business Registration Certificate is \_\_\_\_\_ and its expiry date is \_\_\_\_\_.
4. I declare that all particulars provided in this tender and in the documents attached, if any, are accurate and truthful.
5. In support of this tender, I provide the following information and documents : -
- (a) The information required for this tender under separate sheets attached.
  - (b) Copies of certificate of incorporation and memorandum and articles of association, joint venture agreement or partnership agreement (to produce whichever is appropriate), audited accounts, business registration certificate and such other documents related to the Tenderer's business.
  - (c) Names and addresses of two major shareholders, partners or senior management staff.
  - (d) Names and address of the managing director or partner.
  - (e) All those documents and information as requested by the Government and described in the Terms of Tender.
6. Names and addresses of the bankers of the Tenderer to whom reference could be made :
- (a) Banker : \_\_\_\_\_  
Address : \_\_\_\_\_  
Type and number of account : \_\_\_\_\_
  - (b) Banker : \_\_\_\_\_  
Address : \_\_\_\_\_  
Type and number of account : \_\_\_\_\_

7. I acknowledge that this tender shall be irrevocable and shall remain open and be capable of acceptance for one hundred and eighty (180) days after the Tender Closing Date.
8. If there are enquiries about this tender, please contact (state the name, address and telephone number of the contact person) :

\_\_\_\_\_

\_\_\_\_\_

Signed by the authorized representative of  
the Tenderer

)  
)  
)  
)  
)  
)  
)

\_\_\_\_\_  
(name and identity document number)

for and on behalf of the Tenderer  
in the presence of

)  
)  
)  
)  
)  
)  
)

\_\_\_\_\_  
(name and identity document number)

\*Common Seal of the Tenderer is  
affixed in the presence of

)  
)  
)  
)  
)  
)  
)

\_\_\_\_\_  
(name and identity document number)

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 201\_\_\_\_

\* The Common Seal must be affixed if the Tenderer is a corporation.

## PART III

ARTICLES OF AGREEMENT

THIS AGREEMENT is made the \_\_\_\_\_ day of \_\_\_\_\_ 201\_\_\_\_\_ between the Government of Hong Kong Special Administrative Region (hereinafter referred to as "the Government") of the one part and \_\_\_\_\_

\_\_\_\_\_ (name)  
of \_\_\_\_\_  
\_\_\_\_\_ (address)

(hereinafter referred to as "the Operator") of the other part.

WHEREAS the Government has decided to grant a right to the Operator to provide the Services and the Operator has accepted the grant on the terms and conditions of the Agreement.

NOW IT IS AGREED that in consideration of the payment by the Operator to the Government of the specified sums and being in compliance with the terms and conditions of the Agreement, the Government shall grant the Operator the right to provide the Services at the Hung Hom Public Funeral Parlour in accordance with the terms and conditions of the Agreement.

THE PARTIES HERETO have signed this Agreement on the day and year first before written :

Signed for and on behalf of the )  
Government of Hong Kong Special )  
Administrative Region by )  
 )  
 )  
 )  
 )  
 )  
\_\_\_\_\_) )  
(name and post) )

in the presence of )  
 )  
 )  
 )  
 )  
\_\_\_\_\_) )  
(name and post) )

Signed by the authorized representative of )  
the Operator )  
 )  
 )  
 )  
 )  
\_\_\_\_\_)  
(name and identity document number)

for and on behalf of the Operator )  
in the presence of )  
)  
)  
)  
)  
)  
(name and identity document number) )

The Common Seal of the Operator\* was )  
affixed in the presence of )  
  
\_\_\_\_\_)  
(name and identity document number)

\* The Common Seal must be affixed if the Operator is a corporation.

\*\*\*\*\*

**PART IV**  
**GENERAL CONDITIONS OF AGREEMENT**  
**CONTENTS**

1. Agreement Period
2. Grant of Right to Provide Services
3. Right of Access
4. Payment by Operator
5. Submission of Proposed Plan for Implementation of Services, Operation Plan, Environmental Protection Plan, Maintenance Plan and Contingency Plan
6. Operator's Obligations
7. Government Obligations
8. Liability and Indemnity
9. Accidents to Operator's Employees
10. Policy of Insurance and Compensation
11. Assignment
12. Default
13. Recovery of Sums Due
14. Information not to be Divulged
15. Publicity
16. Governing Law
17. Compliance with Laws and Regulations
18. Licensing Requirements
19. Right Reserved by the Government
20. The Government may Act through any Officer of Food and Environmental Hygiene Department or Other Department or Branch of the Government
21. Order of Precedence
22. Time is of Essence
23. Variation of Agreement
24. Service of Notices
25. Severance
26. Arbitration
27. Termination of Agreement

28. Effect of Termination
29. Application of Public Health and Municipal Services Ordinance (Cap. 132)
30. Entire Agreement
31. Matters in which the Decision of the Government Representative is Final

Special Note to General Conditions of Agreement

Annex I

Annex II

## **PART IV**

### **GENERAL CONDITIONS OF AGREEMENT**

1. Agreement Period

The Agreement is for a term of five (5) years commencing from 1 April 2012 to 31 March 2017 (both dates inclusive).

2. Grant of Right to Provide Services

During the continuance of the Agreement, the Operator must provide the Services at the Funeral Parlour.

3. Right of Access

- (a) During the continuance of the Agreement, the Operator shall have for itself, its employee and agents the right, so far as shall be necessary for compliance with the terms and conditions of the Agreement, free access to and free use of any part of the Funeral Parlour.
- (b) For the avoidance of doubt, the Agreement creates no tenancy or lease whatsoever between the Government and the Operator.

4. Payment by Operator

- (a) On commencement of the Agreement Period, the Operator shall pay to the Government for every three (3) month period throughout the Agreement Period the Fee in accordance with this clause 4 of the General Conditions of Agreement when the payment is due. Any payment covering a period of less than three (3) months shall be paid on a pro-rata basis.
- (b) The Fee shall be paid in advance on the first day of every three (3) month period, the first of which shall be paid on the commencement date of the Agreement Period.
- (c) The Operator will be granted a payment free period for purpose of acquisition of a funeral parlour licence for the performance of the Agreement after moving in and taking over the Funeral Parlour. The payment free period shall be for a maximum period of three months counting from the commencement date of the Agreement Period. If the Operator shall during the payment free period commence to provide the Services or any part thereof, the payment free period shall lapse with immediate effect and the Operator shall thereupon be liable to pay the Fee and all other fees and charges payable under the terms and conditions of this Agreement. For all other outgoings, expenses, wages, rates, taxes (property tax excepted), government rent, impositions, charges including but not limited to utility charges for electricity, gas and telecommunication incurred during the payment free period, shall be paid by the Operator without any waiver.
- (d) Without prejudice to any other remedy available to the Government under the Agreement or at law, if the Operator fails to pay an amount owing to the Government on the due date for payment, the Operator shall be liable to pay interest calculated at the Default Rate i.e. an interest at the rate of two percent (2%) above the average best lending rate of note-issuing banks in Hong Kong, from the due date for payment until the date payment is made (both dates inclusive).

5. Submission of Proposed Plan for Implementation of Services, Operation Plan, Environmental Protection Plan, Maintenance Plan and Contingency Plan

- (a) The Operator shall within six (6) weeks of the date of acceptance of the offer submit and re-submit (if required by the Government Representative) for approval of the Government Representative the Plans specified in clause 8 of the Terms of Tender together with those information more particularly described in the Annex I of the General Conditions of Agreement. Upon approval by the Government Representative, the Plans shall form part of the Agreement and shall be binding on the Operator.
- (b) The Plans shall be submitted to the Government Representative for approval before commencement of the Agreement Period. Failure to comply with this requirement will entitle the Government to terminate the Agreement forthwith without any compensation payable to the Operator.
- (c) During the Agreement Period, the Government Representative will review the Plans. Whenever the Government Representative at his sole discretion is of the opinion that the Plans or any part thereof are inadequate, the Operator shall upon request of the Government Representative prepare revised versions of the Plans or any part thereof to the satisfaction of the Government Representative.

6. Operator's Obligations

The Operator hereby undertakes and agrees with the Government as follows :

- (a) To provide the Services at a reasonably satisfactory standard commensurate with the level of charges, and the acceptability of the service standard will be determined by the Government basing on the users feedback and public opinion.
- (b) To provide low-cost funeral services to specific groups of people introduced by the Social Welfare Department or other relevant agencies specified by the Government Representative at a fee of not more than HK\$ 11,480 per funeral service the sum of which is adjustable and is determined by the Social Welfare Department. For the avoidance of doubt, the fee to be charged by the Operator for the provision of low-cost funeral service shall include all expenses and outgoings of a basic, essential and complete service for the disposal of a dead body, including but not limited to the collection of the dead body from the hospital or mortuary to the Funeral Parlour, procurement of a coffin for the dead body, conduct of funeral ceremony at the Funeral Parlour, delivery of the dead body from the Funeral Parlour to the final disposal site and the fees charged by the relevant authorities for the cremation of the dead body. The Operator shall display the availability of the low-cost funeral services with details as above-mentioned at a conspicuous location of the Funeral Parlour.
- (c) The Government reserves the right to direct the Operator to upgrade the standard of low-cost funeral services at no extra charge if such services are found to be unsatisfactory or inadequate.
- (d) To insure at the expense of the Operator against any loss or damage caused to the Funeral Parlour, its facilities and installation, fixtures and fitting, machinery and equipment, as well as against any public liability claims arising from the use of the Funeral Parlour or the provision of the Services;
- (e) To make payment to the Government at the times and in the manner prescribed in clause 4 of the General Conditions of Agreement in Part IV;
- (f) To pay and discharge all outgoings, expenses, wages, rates, taxes (property tax excepted), government rent, and impositions payable at all times during the Agreement Period;



- (g) To pay and bear the costs of all electricity, water and gas supplied to and of any telecommunication facilities installed in the Funeral Parlour including the rental charges for any meters installed therein and any deposits required by the CLP Power Hong Kong Limited, the Water Supplies Department and any other public utilities companies;
- (h) To maintain and keep at all times all parts of the Funeral Parlour together with all its fixtures and fittings, machinery, plant and equipment therein in good, serviceable and hygienic condition, and the building structures to be properly maintained and painted as may be appropriate during the Agreement Period;
- (i) To take all reasonable precautions to protect the Funeral Parlour from any damage and shall be held responsible to make good any damage caused to the Funeral Parlour and its fixtures and fittings;
- (j) To use the windows, doors and gate locks, water closets, wash basins and all other sanitary or water apparatus of the Funeral Parlour together with all other Government fixtures and fittings and the sewers and drains serving the Funeral Parlour in a proper and careful manner, to pay to the Government on demand all costs incurred in repairing or replacing any of the said items arising otherwise than through fair wear and tear, and to pay the Government on demand all costs of clearing any drains or sewers choked or stopped by reason of improper and careless use by the Operator or its authorized servants or agents of the same. If the Operator effects any such repair, replacement or clearance himself without the Government's prior consent, he shall be held responsible to pay for all costs incurred by the Government in conducting such repairs, replacements or clearance if the Government finds the same to be unsatisfactory;
- (k) Not to install any air-conditioning plant, ventilating system equipment, pollution control systems or other mechanical apparatus at the Funeral Parlour without the Government's prior written consent;
- (l) To be responsible for undertaking the repair and maintenance of the Funeral Parlour which include any routine and structural check-up throughout the whole Agreement Period to ensure that the premises are kept in good repair and serviceable conditions when the Funeral Parlour is handed back to the Government upon expiry of the Agreement;
- (m) Not to use the Funeral Parlour for gambling or any illegal, immoral or improper purposes or to cause any nuisance within the Funeral Parlour;
- (n) Not to use the Funeral Parlour or any part thereof as sleeping quarters or for domestic or dwelling purposes except the staff quarters;
- (o) Not to do anything which would amount to a breach or non-observance of the provisions of the Government Lease under which the Funeral Parlour is being held.
- (p) To pay the required drainage services contribution and the charges for any other services provided to the Operator by other utility companies or organizations;
- (q) To observe and comply with the provisions of all relevant ordinances and regulations, and all by-laws, directions and orders of the Government, FEHD, or any other relevant authorities, and to obtain from the appropriate authorities at the Operator's own expense all licences and permits, and apply for any alteration works that are required in connection with the provision of the Services in the Funeral Parlour and to make no claim of any kind whatsoever against the Government in the event of the Operator's failure or inability for any reason to obtain or renew any such licences or permits;
- (r) To observe and comply with the air pollution control requirements as set out in the "Guidelines on Air Pollution Control for Paper Artifacts Burning at Funeral Parlours and Other Places of Worship" issued and/or revised by the Environmental Protection Department at Annex II to the General Conditions of Agreement in Part IV.

- (s) To permit the Government and its duly authorized employees, agents, contractors and sub-contractors (if any) with or without workmen at all times upon notice to enter any part of the Funeral Parlour to view the state and condition thereof, to take inventories, photographs and videos of the fixtures, fitting and the plants and machines therein, to note and take photographs and videos of all defects and wants of repair or maintenance therein and, to give or leave on the said premises notice in writing to the Operator, who shall within one month after such notice (or sooner if required) proceed to repair, maintain and make good the same in accordance with such notice. The Government shall provide its employees, agents, contractors or sub-contractors (if any) with proof of identification or authorization for inspection by the Operator except those who are in possession of working/entry permits issued by the Operator;
- (t) The Government, its duly authorized employees, agents or contractors with or without workmen and the general public shall have the right of unrestricted ingress, egress and regress to, from and through the Funeral Parlour free of costs for the purposes of inspecting, visiting and using the Cemeteries and Crematoria facilities at the Government Portion. The Government, its duly authorized employees, agents or contractors with or without workmen and the general public, shall have no liability in respect of any loss, damage, nuisance or disturbance whatsoever caused to or suffered by the Operator arising out of or incidental to the exercise by the Government or its duly authorized employees, agents or contractors with or without workmen and the general public of the right of unrestricted ingress, egress and regress to inspect, visit and use the Cemeteries and Crematoria facilities at the Government Portion conferred under this General Condition and no claim shall be made against the Government, its duly authorized employees, agents or contractors with or without workmen and the general public by the Operator in respect of any such loss, damage, nuisance or disturbance.
- (u) To submit to the Government for reference during the continuance of the Agreement operation and maintenance manuals, lists of inventory, spare parts, tools, equipment, instruments, workshop facilities, maintenance spares and materials, all the relevant approved layouts, plans, drawings, specifications, valid test certificates, operation and maintenance and environmental sampling/auditing reports, and other details in relation to the provision of the Services as the Government may require;
- (v) To pay to the Government upon demand the repair and replacement cost, whichever is appropriate, of all fixtures and fittings found damaged or lost at any time during the continuance of the Agreement or at the expiry or earlier termination of the Agreement;
- (w) To permit entry into the Funeral Parlour staff of public utilities companies or their employees, agents, contractors or sub-contractors (if any) and their vehicles and equipment for the purpose of providing maintenance and repairs to any facilities installed or situated above ground or underground within the Funeral Parlour. The public utilities companies shall provide its employees, agents, contractors or sub-contractors (if any) with proof of identification or authorization for inspection by the Operator;
- (x) To ensure repairs and maintenance of fixtures and fittings to be done by the approved contractors of the Architectural Services Department, the Electrical and Mechanical Services Department and the Drainage Services Department of the Government provided that the Operator may with the prior approval of the Government appoint its own workers to perform those minor repairs or maintenance as shall be designated by the Government from time to time, and the quality of the finished works shall have to meet the standards of such repairs and maintenance acceptable to the Government. A complete record of the "minor repair or maintenance" shall be kept by the Operator for inspection by the Government;
- (y) Not to engage or employ any technician, engineer, or other key personnel to perform any maintenance and repair or other duties for or on behalf of the Operator unless the relevant particulars, qualifications and documentation of the person have been

submitted to the Government for vetting and such person possesses the technical and professional qualifications to the satisfaction of the Government;

- (z) If renovation or upgrading of the buildings of the Funeral Parlour is required and proposed by the Operator, the same shall only be done with the Government Representative's prior written approval and at the Operator's own expenses. For the avoidance of doubt, the Operator is required to submit such renovation proposals in writing to the Government for consideration and approval in accordance with the following procedures and requirements –
- (i) The Operator should appoint an Authorized Person (AP) and/or Registered Structural Engineer (RSE) to implement the alteration and addition (A & A) works which shall fully comply with the Building Ordinance/Regulations and other relevant statutory requirements. The AP/RSE shall bear the full responsibility of his/her design, planning and supervision of the construction works. No part of the works may have any adverse effect, structural or in any other ways, on the existing buildings.
  - (ii) The Operator should also engage an independent checker, which is independent of the AP/RSE, to verify, demonstrate and certify that the A & A works is in full compliance with the Building Ordinance/Regulations and other relevant statutory requirements and no part of the works may have any adverse effect, structurally or in any other ways, on the existing buildings.
  - (iii) The Operator should undertake to rectify any works that do not comply with the legislative requirements, at his own cost.
  - (iv) The Operator should indemnify the Government in case of any loss or damages caused by the works.
- (aa) Not to make any structural alteration or addition to the Funeral Parlour or to any installation, fixtures or fittings, or to any machinery, equipment therein or the decoration thereof without the prior permission in writing granted in accordance with procedures and requirements of clause 6(z)(i) to (iv) of the General Conditions of Agreement in Part IV.
- (bb) Not to permit any person other than those employees or agents of the Operator as permitted by the Government in writing to stay in the Funeral Parlour overnight;
- (cc) Not to display or permit to be displayed in the Funeral Parlour any advertisements without the prior written approval of the Government;
- (dd) To take all reasonable precautions to protect the Funeral Parlour from damage by fire, rainstorm, tropical cyclone, flooding and the like;
- (ee) Not to keep or permit or suffer to be kept in the Funeral Parlour any dangerous goods within the meaning of the Dangerous Goods Ordinance (Cap. 295) unless with the prior written permission by the Government or in such quantity in an appropriate dangerous goods store as permitted by law or with the prior written permission by the Government;
- (ff) To remove or not to employ any staff of the Operator if the Government has notified its objection on security, medical or other reasonable grounds which include the failure to meet the prescribed technical and professional qualifications;
- (gg) To test, examine and inspect all lifting appliance and lifting gear in the Funeral Parlour in accordance with Factories and Industrial Undertakings (Lifting Appliances and Lifting Gear) Regulations (Cap. 59J);
- (hh) To completely clean the air ducts of the heating, ventilation and air conditioning systems including their interiors at least once a year.

- (ii) That all the Operator's employees, agents, contractors and sub-contractors (if any) maintain the highest standard of hygiene, courtesy and consideration in performing the Services;
- (jj) The Operator and his employees, agents, contractors and sub-contractors (if any) shall deal promptly and courteously with the Inspecting Officer, the general public and all others with whom they may have contact in performing the Services under the Agreement;
- (kk) That the maintenance of the "Excluded Works" as mentioned in clause 7(a) of the General Conditions of Agreement and any other item, equipment, material or structure not mentioned in clause 6(h) of the General Conditions of Agreement in Part IV shall be the Operator's responsibility at its own cost;
- (ll) Without prejudice to clause 12(c) of the Special Conditions of Agreement in Part V, the Operator shall respond promptly to Government's request for meeting and/or discussion; and
- (mm) To carry out routine cleaning and disinfection of cooling towers (if any) in accordance with the 'Code of Practice for the Prevention of Legionnaires' Disease (2007 Edition)';
- (nn) The Operator shall ensure that all his employees wear tidy and clean uniform while they are performing the Services to the satisfaction of the Government Representative. Any such uniform shall be provided, maintained and replaced as necessary by the Contractor at his own expense.
- (oo) The Operator shall during the entire Agreement Period provide at his own expense sufficient number of hearses, transfer coffins, materials and tools for the safe, proper and efficient performance of the Services. All hearses, transfer coffins, materials and tools used for the performance of the Services shall be safe, of good working and clean condition, environmentally friendly, free of excessive noise, odour, smoke or other emission, and properly maintained. If the Government Representative is of the opinion that the hearses, transfer coffins, materials and tools are inadequate or inefficient, the operator shall repair, refurbish or replace such within a reasonable time to the satisfaction of the Government Representative. The hearses, transfer coffins, materials and tools shall be available for inspection by the Inspecting Officer whenever necessary.
- (pp) The Operator shall specify and provide at his own expense sufficient number of proper equipment and materials for the safe, proper and efficient performance of the Services in the embalming room. All equipment and materials must be washed thoroughly after use. The Operator shall ensure that all equipment and materials are kept in a clean and sanitary condition to the satisfaction of the Government Representative.
- (qq) All staff including but not limited to the ceremony directors, funeral workers, general workers and sales personnel employed by the Operator for the provision of the Services shall be physically capable of executing and maintaining the Services properly and timely. At least one (1) week before the commencement of the Services, all ceremony directors, funeral workers and general workers must have attended and completed a pre-job training programme covering (a) briefing on the development of funeral trade, (b) enhancing the standard of service of funeral operatives through trade disciplines ; (c) improving communication with bereaved families; (d) paying due respect to the deceased; (e) identifying malpractices to be got rid of ; (f) understanding and observing hygiene practices and occupational safety and health requirements which is provided/arranged by the Operator. In the event of any change of staff not limited to the ceremony directors, funeral workers, general workers and sales personnel employed by the operator, the new employee shall attend and complete the pre-job training provided/arranged by the Operator before the provision of Services. Refresher training to enhance the professionalism of the funeral trade shall be provided and

arranged on regular basis to the staff employed by the Operator. The Operator shall also maintain proper training records of all ceremony directors, funeral workers, general workers and sales personnel employed by the Operator under the Agreement and such records shall be produced to the Government Representative for inspection whenever necessary.

- (rr) The Operator must set up a website exclusively for the Funeral Parlour. The facilities and funeral services provided by the Funeral Parlour including but not limited to the price lists of individual service items and some packages of services including the low-cost funeral services shall be made available for reference of the public through the website.
- (ss) The Operator shall obtain a qualification in Environmental Management issued by organizations generally recognized in Hong Kong within one (1) year from the commencement of Services with documentary proof i.e. accredited to the certificate of ISO 14001 which is valid and **relevant to the Services**. Such Certificate must remain valid until expiry of the Agreement. The Operator must endeavour to minimize all harmful effects on the environment caused by its activities and to achieve continual improvement of its environmental protection performance.
- (tt) The Operator shall specify, provide and maintain at his own expense at least two (2) furnaces of safe, proper and efficient condition, which can meet the latest requirements set out in the "Guidelines on Air Pollution Control for Paper Artifacts Burning in Funeral Parlours and Other Places of Worship" which is issued or may be issued from time to time by the Environmental Protection Department for the use by the bereaved families to burn offering papers and paper artifacts.
- (uu) The Operator shall arrange one (1) furnace to provide two (2) two-hour sessions, i.e. one (1) session from 1000 - 1200 hours and one (1) session from 1430 - 1630 hours, for use free of charge by the public, including but not limited to undertakers of burials, to burn offering papers and paper artifacts on every day during the following periods:-
  - (1) The period commencing two (2) weeks before and ending two (2) weeks after the Ching Ming Festival.
  - (2) The period commencing one (1) week before and ending one (1) week after the Chung Yeung Festival.
- (v v) The services specified in (uu) above may be amended at any time and from time to time by mutual consent of the Government Representative and the Operator.
- (ww) The Operator shall provide and maintain special arrangement for crowd control and management and take necessary preventive measures in the course of service provision specified in (uu) above to safeguard the safety of the public.

Remark : Construction works relating to the Shatin to Central Link (SCL) Project is immediately adjacent to the Funeral Parlour within the period September 2013 to November 2016. Details of project requirements are at Special Note to General Conditions of Agreement.

## 7. Government Obligations

The Government undertakes and agrees with the Operator prior to the handover as follows:-

- (a) To maintain, repair and reinstate in good condition the building structure of the Funeral Parlour, including the concrete columns, beams, floor slabs, and roof waterproofing membranes, insulation and protecting tiles, but excluding (hereinafter referred to as "Excluded Works") the finishing materials and other

building fixtures including internal plaster, painting, wall tiles, polyester resin floor toppings, floor tiles, vinyl tiles, concrete floor surfaces with broom texture, louvres, windows, doors, gates, rails, fences and non-structural partition walls before Handover; and

- (b) To meet all charges of electricity, town gas, water consumption, telecommunication facilities, drainage services contribution and other necessary fuels in the areas used solely by the Government.

#### 8. Liability and Indemnity

- (a) Government and its employees shall not be under any liability whatsoever for or in respect of:
  - (i) any loss of or damage to any of the Operator's property or that of his employees howsoever caused whether by any act, omission, default or Negligence of the Government or any of its employees or otherwise; or
  - (ii) any injury to or death of any of the Operator's employees save and except any such injury or death caused by the Negligence of the Government or any of its employees.
- (b) The Operator shall indemnify the Government and its employees against any claim or demand made against or liability incurred (including all costs, charges or expenses whatsoever) by the Government or any of its employees in respect of:
  - (i) any loss, damage, injury or death referred to in clause 8(a) of the General Conditions of Agreement in Part IV save and except injury or death caused by the Negligence of the Government or any of its employees; or
  - (ii) any loss of or damage sustained by or any injury to or death of any third party in consequence of any act, omission, default or Negligence of the Operator or any of his employees.
- (c) The Operator shall indemnify the Government against any loss of or damage to any property of the Government or of any of its employees or any injury to or death of any employee or agent of the Government arising out of any act, omission, default or Negligence of the Operator or any of his employees, agents, contractors or sub-contractors (if any).
- (d) For the purposes of this clause 'Negligence' shall have the same meaning as that assigned to it in section 2(1) of the Control of Exemption Clauses Ordinance (Cap. 71).
- (e) Without prejudice to clauses 8(a) to 8(d) of the General Conditions of Agreement in Part IV, the Operator shall indemnify the Government and keep the Government fully and effectively indemnified against any and all losses, claims, damages, costs, charges, expenses, liabilities, demands, proceedings and actions which the Government may sustain or incur or which may be brought or established against it by any person and which in any case arises out of or in relation to or by reason of, but not limited to, the following –
  - (i) the negligence, recklessness or wilful misconduct of the Operator or his employees, agents, contractors or sub-contractors (if any);
  - (ii) the breach or the non-performance or non-observance of any of the warranties and undertakings, obligations or conditions by the Operator or his employees, agents, contractors or sub-contractors (if any) under the Agreement;
  - (iii) any unauthorized act or omission of the Operator or his employees, agents, contractors or sub-contractors (if any); or
  - (iv) the non-compliance with any applicable laws and any requirement or regulation

of the Government or other competent authority in connection with the performance of the obligations under the Agreement by the Operator or his employees, agents, contractors or sub-contractors (if any).

- (f) The indemnities, payment and compensation given in pursuance of the Agreement by the Operator shall not be defected or reduced by reason of any failure or omission of the Government in enforcing any of the terms and conditions of the Agreement, or in supervising or controlling the Operator's operation or method of working, or in detecting or preventing or remedying any defective work carried out by the Operator or his employees, agents, contractors or sub-contractors (if any).

9. Accidents to Operator's Employees

- (a) The Government shall not be liable to pay any damages or compensation under the laws of the Hong Kong or at common law to any persons employed or otherwise engaged by the Operator in fulfilment of its obligations under the Agreement and the Operator shall indemnify and keep indemnified the Government against all actions, proceedings, claims and demands, costs and expenses whatsoever in respect thereof or in relation thereto.
- (b) The Operator shall have a policy of insurance against all liability to pay damages or compensation as aforesaid in respect of all persons who may be employed or engaged by the Operator in fulfilment of its obligations under the Agreement with an insurance company (approved by the Government) at the Operator's own expense and on such terms as approved by the Government in writing (which approval shall not be unreasonably withheld) and as required under the Employees' Compensation Ordinance (Cap. 282). The Operator shall submit to the Government Representative within fourteen (14) days upon notification by the Government of award of the Agreement two (2) copies of the said policy of insurance together with the receipt for payment of the current premium. The Operator shall keep such insurance in force during the term of the Agreement. If copies of the said policy of insurance which have been submitted to the Government are amended, replaced or renewed, the Operator shall provide two (2) copies of the amended, replaced or renewed policy to the Government within fourteen (14) days of the Operator's receipt of the amended, replaced or renewed policy. The Operator shall provide receipts for all payments of the policy premium throughout the Agreement Period to the Government.

10. Policy of Insurance and Compensation

- (a) The Operator shall effect and keep in force during the currency of the Agreement at his own expense a Public Liability Policy of Insurance exclusively for the Agreement in the joint names of the Government and the Operator in a sum of not less than Hong Kong Dollars Twelve Million (HK\$12,000,000) for any one accident with unlimited number of claims with a reputable insurance company authorized under the Insurance Companies Ordinance (Cap. 41) and on such terms and conditions as shall be approved by the Government Representative in writing against liability to pay damages and compensation for injury to, death of or illness suffered by any persons and for loss or damage to any properties whatsoever where such injury, death, illness, loss or damage as the case may be shall be caused or arisen out of any act, omission or default of the Operator or the Government or their respective employees, agents, contractors or sub-contractors (if any).
- (b) If the said policy of insurance provides that the payment of a certain amount of compensation shall be borne by the insured parties, the Operator shall be solely responsible for such payment and shall indemnify the Government for such payment. Moreover, if the terms of the policy of insurance taken out by the Operator requires the insured parties to bear any excess amount in the event of claims, the Operator shall be personally and solely responsible for the payment of such excess amount and shall indemnify the Government for such payment.

- (c) The policy of insurance shall include a clause such that the insurance shall apply to the Operator and the Government as separate insured parties.
- (d) The Operator shall submit to the Government Representative within fourteen (14) days upon notification by the Government of award of the Agreement two (2) copies of the said policy of insurance together with the receipt for payment of the current premium.
- (e) The Operator is responsible for lodging all claims with the insurance company and shall deal with the said company upon receipt from the Government or otherwise of a report on any injury, death, loss or damage.
- (f) If the Operator fails to effect and keep in force the insurance referred to in clauses 9(b) or 10(a) of the General Conditions of Agreement in Part IV or any other insurance which he may be required to effect under the terms of the Agreement then and in any such cases the Government may effect and keep in force any such insurance and pay such premium or premiums as may be necessary for that purpose and from time to time deduct the amount so paid by the Government as aforesaid from any monies due or which may become due to the Operator, or from the Security Deposit.
- (g) In the event of any of the Operator's employees suffering any injury or death in the course of or arising out of the Agreement and whether there be a claim for compensation or not, the Operator shall within seven (7) clear Working Days give notice in writing of such injury or death to the Government Representative, the Commissioner for Labour and the insurer in accordance with the terms of the insurance policy.
- (h) The Operator shall ensure and guarantee that any permitted sub-contractors (if any) shall take out the requisite insurance set out in clause 9(a) of the General Conditions of Agreement in Part IV in the joint name of the Government, the Operator and the permitted sub-contractors. Failure to insure on the part of the permitted sub-contractors would be deemed to be a breach of the Agreement by the Operator and, without prejudice to any other provisions of the Agreement and other rights and remedies of the Government, entitle the Government to take out the insurance and recover the premium and costs from the Operator or deduct such amounts from the Security Deposit.

#### 11. Assignment

The Operator shall not, without the prior written consent of the Government, assign, transfer, mortgage, charge, sublet, deal with, subcontract, license, sublicense, or otherwise grant rights in or over:

- (a) the Funeral Parlour or the Services;
- (b) any work required to be performed under the Agreement; or
- (c) all or any of the rights, interest, benefits, or all or any of the Operator's obligations or liabilities under this Agreement.

#### 12. Default

- (a) If the Operator fails to carry out all or any of the Services provided for in the Agreement within the Agreement Period, the Government may at its absolute discretion terminate the whole or any part of the Agreement by notice in writing to the Operator, but without prejudice to any claims by the Government for breach of Agreement including but not limited to the right of Government to assign the balance of the uncompleted Services to another contractor or contractors whereupon the Operator shall be liable for any sums so incurred.
- (b) Any act, default, neglect or omission of any contractor, employee, agent, licensee, invitee or sub-contractor (if any) of the Operator shall be deemed to be the act, default, neglect or omission of the Operator.



13. Recovery of Sums Due

Whenever under the Agreement any sum of money shall be recoverable from or payable by the Operator, the same may be deducted from:

- (a) any sum then due or which at any time thereafter may become due to the Operator under the Agreement or any other Government contracts; or
- (b) the Security Deposit.

14. Information not to be Divulged

Subject to what are stated in clause 16 of the Terms of Tender, the Government undertakes not to release the Operator's bidding information contained in this Tender Document and the personal data of the Operator unless consent has been sought from the Operator.

15. Publicity

- (a) The Operator shall submit to the Government Representative all advertising or other publicity material relating to the Agreement or the products supplied or other work done in connection with the Agreement wherein the Government's name is mentioned or language used from which a connection with the Government can reasonably be inferred or implied. The Operator shall not publish or use any advertising or other publicity material without the prior written consent of the Government Representative.
- (b) The Operator shall not put up any signs, placards, posters, advertisement and structure within or on the exterior of the Funeral Parlour except for the signs denoting the names of the Operator and the Funeral Parlour. The prior written approval of Government must be obtained before setting up of these signs.

16. Governing Law

The Agreement shall be governed by and construed in accordance with the laws of the Hong Kong and the parties hereby agree to submit to the jurisdiction of the courts of the Hong Kong in relation to any matters arising out of the Agreement.

17. Compliance with Laws and Regulations

- (a) The Operator shall in connection with the performance of its obligations under the Agreement operate equipment and tools used in the execution of the Services in such manner as to comply with the provisions of the Agreement, the manufacturer's instructions or guidelines, air pollution control requirements as set out in the 'Guidelines on Air Pollution Control for Paper Artifacts Burning at Funeral Parlours and Other Places of Worship' issued by the Environmental Protection Department, Road Traffic Ordinance (Cap. 374) and its subsidiary legislation, Air Pollution Control (Vehicle Design Standards)(Emission) Regulation (Cap. 311J), Air Pollution Control (Emission Reduction Devices for Vehicles) Regulation (Cap.311U), Noise Control (Motor Vehicles) Regulation (Cap.400I), Public Cleansing and Prevention of Nuisances Regulation (Cap. 132BK), Funeral Parlours Regulation (Cap. 132AD) and other code of practice issued by relevant authorities and legislation of the Laws of Hong Kong which may be applicable to the Agreement.
- (b) The Operator shall conform in all aspects with the provisions of any enactment and regulations or by-laws of any local or other duly constituted authority which may be applicable to this Agreement and with such rules and regulations of public bodies and companies as aforesaid and shall keep the Government indemnified against all penalties and liability of every kind for breach of any such enactment, regulations, by-laws or rules.

18. Licensing Requirements

- (a) This Agreement does not confer exemption from licensing requirement pertaining to the Services, including but not limited to the possession of Funeral Parlour Licence issue by FEHD, if any. The Operator should undertake to approach the relevant authorities for obtaining all licences, permits, certificates, if any, required by law for the execution and operation of the Services.
- (b) The Operator should forthwith obtain and on or before the due date for renewal renew all licences, permits and certificates, if any, required by law for the execution of the Services, and shall not provide any service for which the licence, permit or certificate is so required without first obtaining such licence, permit or certificate.

19. Right Reserved by the Government

The Government may, for the purpose of effecting installation, commission, maintenance and repair works, require the Operator to close the whole or any part of the Funeral Parlour at any time the Government may specify. During the period or periods of closure the Fee as described in clause 4 of the General Conditions of Agreement shall, if closure is total, abate pro-rata. If the period or periods of closure specified by the Government exceed 30 days in total during the Agreement Period, the Agreement Period shall be extended for the number of days the period or periods of closure exceed thirty (30) days in total.

20. The Government may Act through any Officer of Food and Environmental Hygiene Department or Other Department or Branch of the Government

Any direction, requirement, notice, act or thing which the Government is by the Agreement required or empowered to give or do may be given or done on behalf of the Government, by any officer of the FEHD authorized by the Director of Food and Environmental Hygiene, or by any officer appointed by the Government.

21. Order of Precedence

In the event that there is any conflict, contradiction or ambiguity between any documents which form part of the Agreement, the following order of precedence shall be applied in order to resolve any such conflict, contradiction or ambiguity:

- (a) Special Conditions of Agreement;
- (b) General Conditions of Agreement;
- (c) Schedules;
- (d) Articles of Agreement; and
- (e) any other parts of the Agreement.

22. Time is of Essence

Time shall be of the essence in the Agreement but no failure or delay on the part of either party to exercise or invoke any right, power or remedy under the Agreement shall operate as a waiver thereof, nor shall any single or partial exercise or invocation by either party of any right, power or remedy hereunder preclude any other or further exercise or invocation thereof or the exercise or invocation of any other right, power or remedy. The rights, powers and remedies provided herein are cumulative and are not exclusive of any rights, powers or remedies provided by law.

23. Variation of Agreement

The Government reserves the right to amend and vary any of the requirements of the Services including but not limited to those described in the Schedules. If any of the amendments or variations required by the Government results in additional expenditure on the part of the Operator, the payments refer to in clause 4 of the General Conditions of Agreement in Part IV may be adjusted at a fee to be determined by the Government. If the Operator so requests, the Government may take advice of an independent valuer or a professional in the relevant expertise.

24. Service of Notices

- (a) Unless otherwise provided in the Agreement, every notice, request, demand, direction or other communication (hereinafter referred to as "Notice") under the Agreement shall be made in writing, in English or in Chinese and by way of letter or fax.
- (b) Every Notice shall be sent or delivered, in the case of a letter to the other party at its respective address given below or such other address of which the other party may have previously given notice, and in the case of a fax message, to any faxline number given below or such other faxline number of which the other party may have previously given Notice. The addresses and faxline numbers of the two parties are –

(i) the Government : Address Senior Superintendent (Cemeteries and  
Crematoria) Special Duties  
45/F., Queensway Government Offices,  
66 Queensway, Hong Kong

Fax No. +852 2530 1368

(ii) the Operator : Address \_\_\_\_\_

Fax No. \_\_\_\_\_

Authorized Signature & Company Chop  
(if applicable) :

Name of Person Authorized to Sign :  
(in Block Letters)

Name of Tenderer in English :  
(in Block Letters)

- (c) Every Notice shall, except insofar as otherwise expressly provided by the Agreement, be deemed to have been received, in the case of a fax, when the sender's fax system generates a message confirming successful transmission of the entire communication; in the case of delivery of a letter by hand, on delivery; and in the case of a sending a letter, on the expiry of forty-eight (48) hours after the same is put into the post in Hong Kong, provided that if the date of receipt is not a Working Day, the Notice is deemed to be received on the next Working Day.

25. Severance

In the event that any provision contained in this Agreement or any part thereof is declared or otherwise rendered invalid or unenforceable by any law, enactment or regulation promulgated in Hong Kong or elsewhere or a final judgement (by consent or otherwise) of a court of

competent jurisdiction from whose decision no appeal is or can be taken, the illegal or unenforceable clause shall be deemed to be deleted from the Agreement and no longer incorporated herein; but all other clauses or divisions thereof contained in the Agreement shall remain in full force and effect and shall not be impaired or affected.

26. Arbitration

- (a) If any dispute or difference in respect of any matter relating to the Agreement shall arise between the parties then the party claiming so shall serve Notice (hereinafter referred to as "Dispute Notice") of the dispute or difference to the other party, containing details of the dispute or difference and the same may be settled first by mediation. If within ninety (90) days of the date of the Dispute Notice the dispute or difference is not settled by mediation, or the parties have not referred the dispute or difference to a mediator for mediation, then either party may elect by Notice to the other party to have the dispute resolved by arbitration. The arbitration shall be conducted by a sitting in Hong Kong and in accordance with the provisions of the Arbitration Ordinance (Cap. 609). The award of the arbitration shall be final and binding on the parties. The costs of arbitration shall be borne by the parties in equal shares unless the arbitrator shall award otherwise.
- (b) The Operator shall continue to provide the Services in accordance with the terms and conditions of the Agreement irrespective of the mediation or arbitration has been requested for or is in progress.

27. Termination of Agreement

- (a) The Government Representative shall be entitled to terminate the Agreement forthwith without entitling the Operator to compensation but without prejudice to any other rights and remedies which the Government has or may have under various circumstances including but not limited to the following -
  - (i) the Operator goes into liquidation or a petition is being filed for the bankruptcy or the winding up of the Operator's business otherwise than for the purpose of a reconstruction or amalgamation previously approved by the Government Representative in writing or the Operator becomes insolvent or makes any composition or arrangement with creditors;
  - (ii) the Operator, being a company shall pass a resolution or the court shall make an order for the liquidation of its assets, or a receiver or manager shall be appointed on behalf of the debenture holders, or circumstances shall have arisen which entitled the court or debenture holders to appoint a receiver or manager;
  - (iii) non-payment of any sums due from the Operator to the Government in accordance with the terms and conditions of the Agreement;
  - (iv) the Operator assigns or transfers or purports to assign or transfer the Agreement or any part share or interest therein without the prior written consent of the Government Representative or otherwise fails to comply with clause 11 of the General Conditions of Agreement in Part IV;
  - (v) the Operator refuses and/or neglects to perform the Services or any part thereof as and when directed by the Government Representative;
  - (vi) the Operator fails to perform the Services or any part thereof with due diligence or to perform the Services or any part thereof in accordance with the terms and conditions of the Agreement and to the satisfaction of the Government despite previous warning by the Government Representative;

- (vii) the Operator fails to secure and maintain all required insurance;
  - (viii) the Operator fails to comply with any statutory duty or requirements imposed by the Environmental Protection Department or FEHD on environmental protection aspects in so far as such duty or requirement affects or relates to the Services or the Agreement or is in breach of his warranties or undertakings under clause 3 of the Special Conditions of Agreement in Part V;
  - (ix) the Operator is or has been unnecessarily or unreasonably delaying the performance and completion of the Services or any part thereof;
  - (x) the Operator is in material breach of or has committed repeatedly breaches of any of his obligations under the Agreement;
  - (xi) discovery of material misrepresentation by the Operator during the tendering process;
  - (xii) the Operator is convicted of any offences under the Employment Ordinance (Cap.57), Employee's Compensation Ordinance (Cap.282), Mandatory Provident Fund Schemes Ordinance (Cap. 485) or the Occupational Retirement Schemes Ordinance (Cap. 426) arising from the performance of the Agreement;
  - (xiii) the Operator is convicted of any offences under the Occupational Safety and Health Ordinance (Cap. 509), or any other legislation pertaining to the health and safety of his own staff, Government staff and others who may be affected by his performance of the Agreement; or
  - (xiv) The Contractor is in breach of the warranty at Annex III of the Terms of Tender in Part I.
- (b) The Government shall be entitled to recover all losses, damages, costs and expenses including but not limited to all costs and expenses incurred in relation to engaging replacement contractor(s) and conducting re-tendering exercise(s), if any, upon the Operator's breach of clause 27(a) of the General Conditions of Agreement in Part IV, and shall have the right to deduct any money due to the Operator under the Agreement and under any other Government contracts (if there are any) for recovering the above losses, damages, costs and expenses.
- (c) Before the Government Representative exercises his right to terminate the Agreement, sufficient warning by Notice containing a warning of the Government Representative's intention to terminate will be served on the Operator (hereinafter referred to as "Termination Notice"). In case of a breach capable of being remedied, the Operator will be requested to remedy the breach within thirty (30) days or such longer period as the Government Representative may by Notice allow, after which this Agreement shall terminate. The Operator will be given an opportunity to make representations to the Government Representative within seven (7) days after receipt of the Termination Notice at a time and place nominated by the Government Representative.
- (d) The Operator shall not unilaterally terminate the Agreement sooner than expiry of the Agreement Period.

## 28. Effect of Termination

- (a) At the end or sooner termination of the Agreement-
  - (i) the Operator shall yield up vacant possession of the Funeral Parlour in a clean and hygienic condition, the equipment and appliances, furniture, fixtures and fittings which are installed or provided therein by the Government shall be kept in good repair (fair wear and tear excepted), provided always that where the

Operator has made any alterations or installed any fixtures fittings or additions to the Funeral Parlour with or without the Government's consent, the Government may at its discretion require the Operator to reinstate or remove at the Operator's own expense such alterations, fixtures, fittings or additions or such part or portion thereof as the Government may require and to make good and repair in a proper and workmanlike manner any damage to the Funeral Parlour and to the Government's fixtures, fittings and installations thereof before delivering up the Funeral Parlour to the Government;

- (ii) the Operator shall return all items of the Government's property, machinery or equipment issued to the Operator in good repair and serviceable condition (fair wear and tear excepted); if any such property, machinery or equipment is found lost or damaged from any cause whatsoever and the Operator fails to repair, renovate or replace within the time specified by the Government Representative, the Operator is required to pay to the Government for the same at total original cost plus administrative overhead costs; and
- (b) Unless otherwise provided in the Agreement, the Government shall have the option (such option to be exercised not less than three (3) months before the expiry of the Agreement, or upon the sooner termination of the Agreement if terminated sooner, whichever is applicable) to purchase any equipment or furniture as may have been installed in the Funeral Parlour by the Operator at a fair market value. As for any improvements effected by the Operator, they may, at the Government discretion be taken over and paid for by the Government at such reasonable price as may be agreed between the Government and the Operator, or in the absence of agreement to be determined by arbitration in accordance with the provisions of the Arbitration Ordinance (Cap. 609).
- (c) If the Operator shall fail to comply with clause 28(a)(i) of the General Conditions of Agreement in Part IV, the Government may forthwith remove any persons or properties or machinery or equipment found or any fixture or fittings erected by the Operator therein and to effect the necessary repair and cleansing work to keep the Funeral Parlour in a good repair and clean and hygienic condition. The Government reserves the right to dispose of in whatever manner it deems appropriate and without compensation to the Operator any chattels and fixtures not collected or removed upon the termination of the Agreement. All costs, losses, damages or expenses incurred by the Government as a direct or indirect result of the breach of the Agreement under this clause or under clause 6 of the General Conditions of Agreement in Part IV shall be recoverable as a debt due from the Operator or by deduction of money from the Security Deposit.
- (d) The Government has the right to call upon the Security Deposit on any termination of the Agreement sooner than the Agreement Period if it is caused directly or indirectly by the default of the Operator or by the breach of any of the terms or conditions of the Agreement.
- (e) The rights of the Government in clauses 27(a) to 27(d) of the General Conditions of Agreement in Part IV are in addition to and without prejudice to any other rights the Government may have whether against the Operator directly or pursuant to any guarantee or indemnity.
- (f) Any termination of the Agreement howsoever occasioned shall not affect any accrued rights or liabilities of either party nor shall it affect the coming into force or the continuance in force of any provision of the General Conditions of Agreement in Part IV which is expressly or by implication intended to come into or continue in force on or after such termination.
- (g) The Operator shall be liable for all costs and expenses necessarily incurred by the Government as a result of the termination of the Agreement under clauses 12 or 27(a)

of the General Conditions of Agreement in Part IV or under clauses 3, 17 or 20 of the Special Conditions of Agreement in Part V.

29. Application of Public Health and Municipal Services Ordinance (Cap. 132)

The Agreement is subject to the provisions of the Public Health and Municipal Services Ordinance (Cap. 132) and of all regulations and by-laws made thereunder, which may be applicable to the Funeral Parlour business.

30. Entire Agreement

The Agreement constitutes the entire Agreement and understanding between Government and the Operator concerning the subject matter thereof and supersedes all prior agreements, arrangements and undertakings between the parties. Every schedule, appendix or attachment to or table in the Agreement and any notes to such schedule, appendix, attachment or table shall be construed and have effect as part of the Agreement. No addition to or modification of any provision of the Agreement shall be binding upon the parties unless made by a written instrument signed by a duly authorized representative of each of the parties.

31. Matters in which the Decision of the Government Representative is Final

In the case of any question arising as to any of the following matters:

- (a) as to the true intent and meaning of the Agreement;
- (b) as to the quality of materials and workmanship;
- (c) as to the method or means (including any question as to what equipment should be provided and used by the Operator) by which the Services or any part thereof should be provided; and
- (d) as to the assessment/judgement on the quality of the Services, the Government Representative shall state his decision thereon in writing and the Government Representative's said decision shall be final and binding upon the parties, provided that the Government Representative shall have power to cancel any such decision and to substitute it with any other decision thereof.

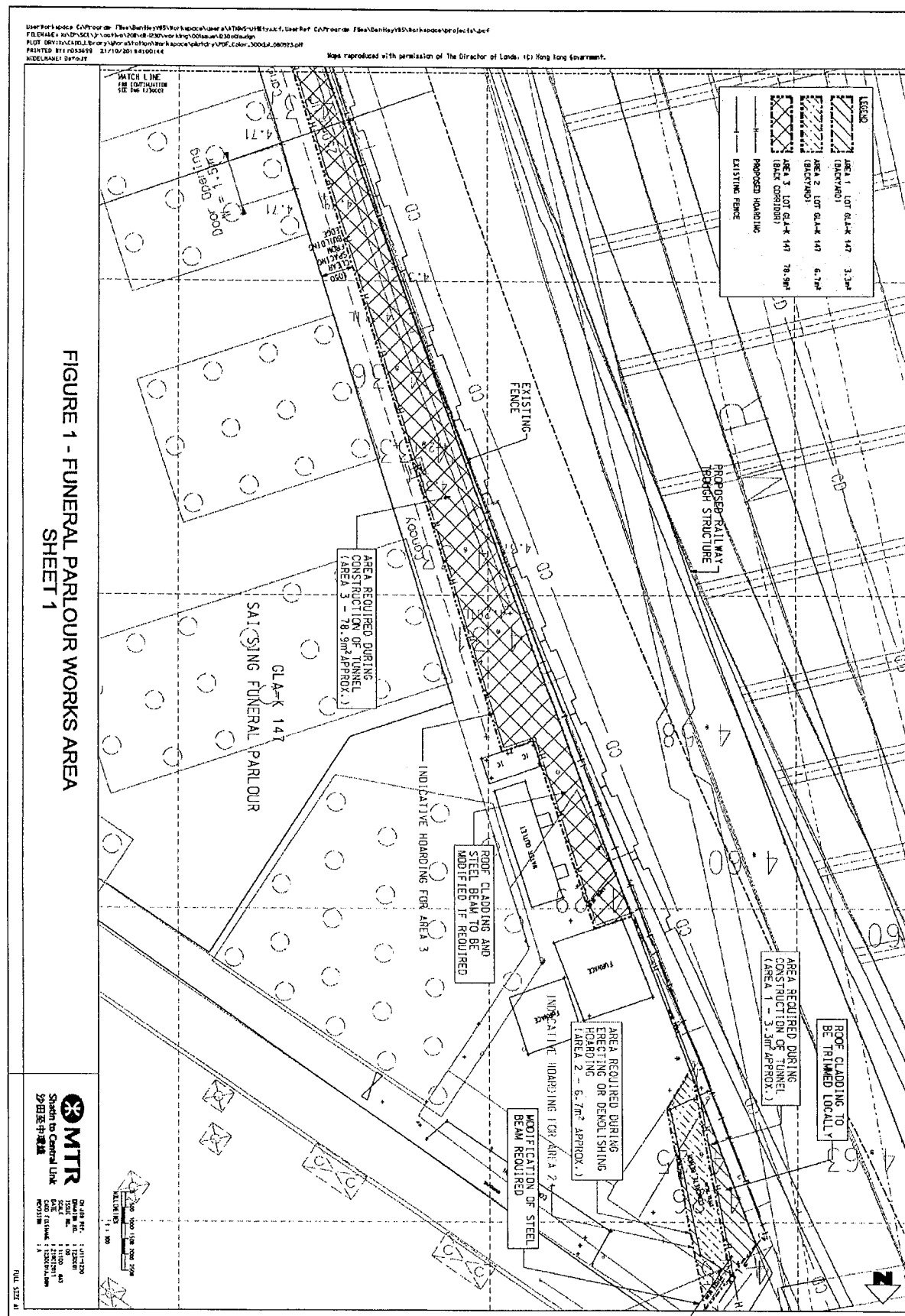
**Special Note to General Conditions of Agreement****Requirements for Shatin to Central Link (SCL) Construction**

- (1) It must be noted that works will be undertaken for the SCL project immediately adjacent to the Funeral Parlour. In order to allow the work to proceed it will be necessary for the SCL contractor to temporarily occupy a portion of the backyard area and back corridor of the Funeral Parlour as shown in the attached sketches (Figures 1 to 4).
- (2) The SCL contractor will initially occupy an area (Area 1 and Area 2) of approximately 10 m<sup>2</sup> for a period of approximately three (3) weeks in order to undertake necessary modification to the roof canopy and demolition of concrete planter. Subsequently, the SCL contractor will return part of this area (Area 2) and retain the rest for the duration of the construction. The remaining affected area (Area 1) is estimated to be 3.3 m<sup>2</sup>. Area similar to the initial occupation for the modification works will be required for reinstatement of the roof canopy and concrete planter. In addition, the SCL contractor will occupy an area (Area 3) of approximately 78.9 m<sup>2</sup> at the back corridor of the Funeral Parlour. The SCL contractor will erect temporary hoardings along the back corridor and provide a minimum clear width of 1050mm between the building face and the hoarding for means of escape and regular maintenance of the building façade and air conditioning units. At the conclusion of the construction works the full extent of the affected zone will be returned to the Funeral Parlour. It is envisaged that the affected period would be between September 2013 and November 2016 tentatively.
- (3) The operator of the Funeral Parlour shall coordinate with FEHD and the SCL contractor to allow reasonable access to the backyard area and back corridor for the necessary modification / reinstatement to the roof canopy, air circulation works and erection / demolition of temporary hoardings.



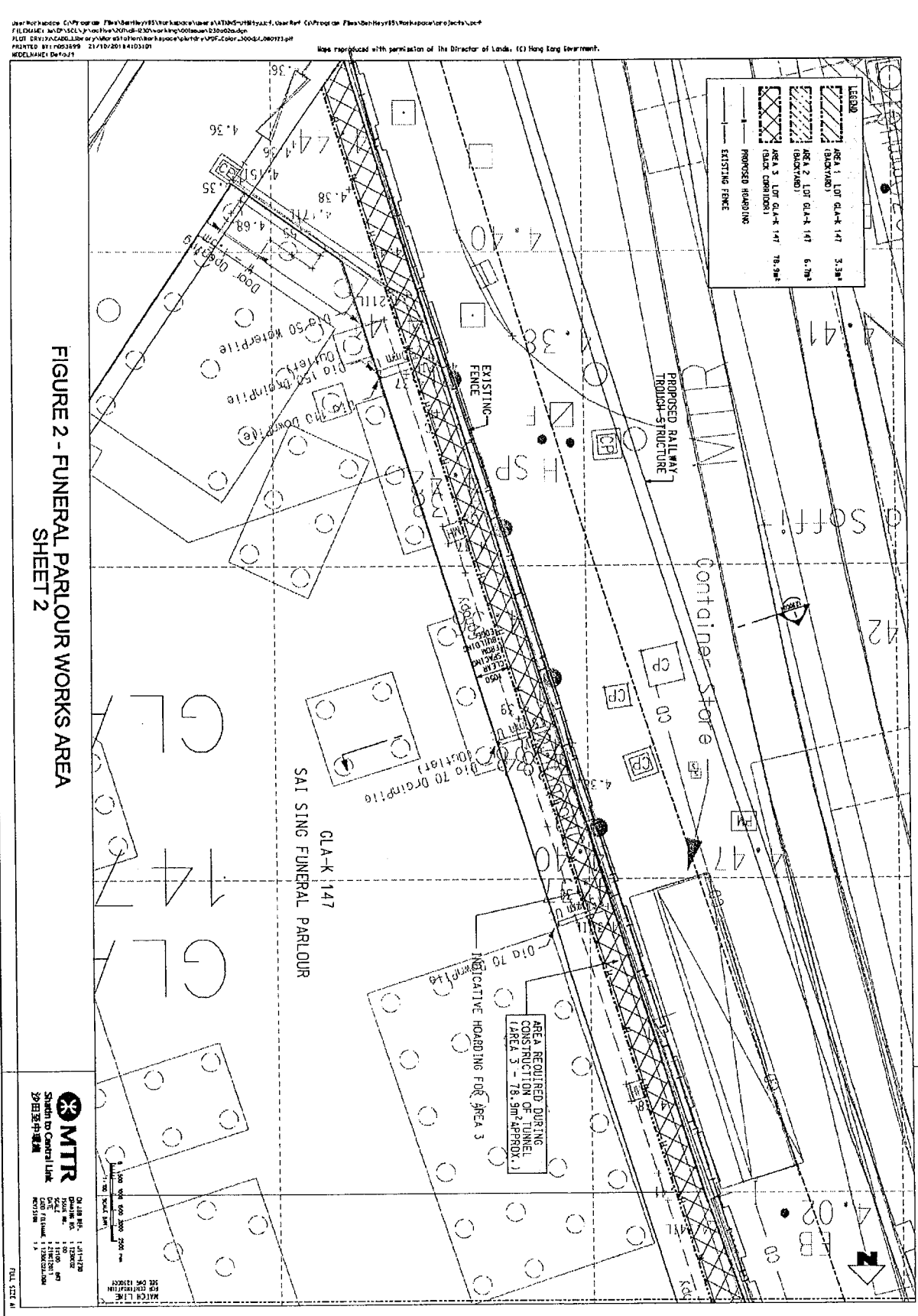
## Special Notes

### Figure 1



## Special Notes

**Figure 2**

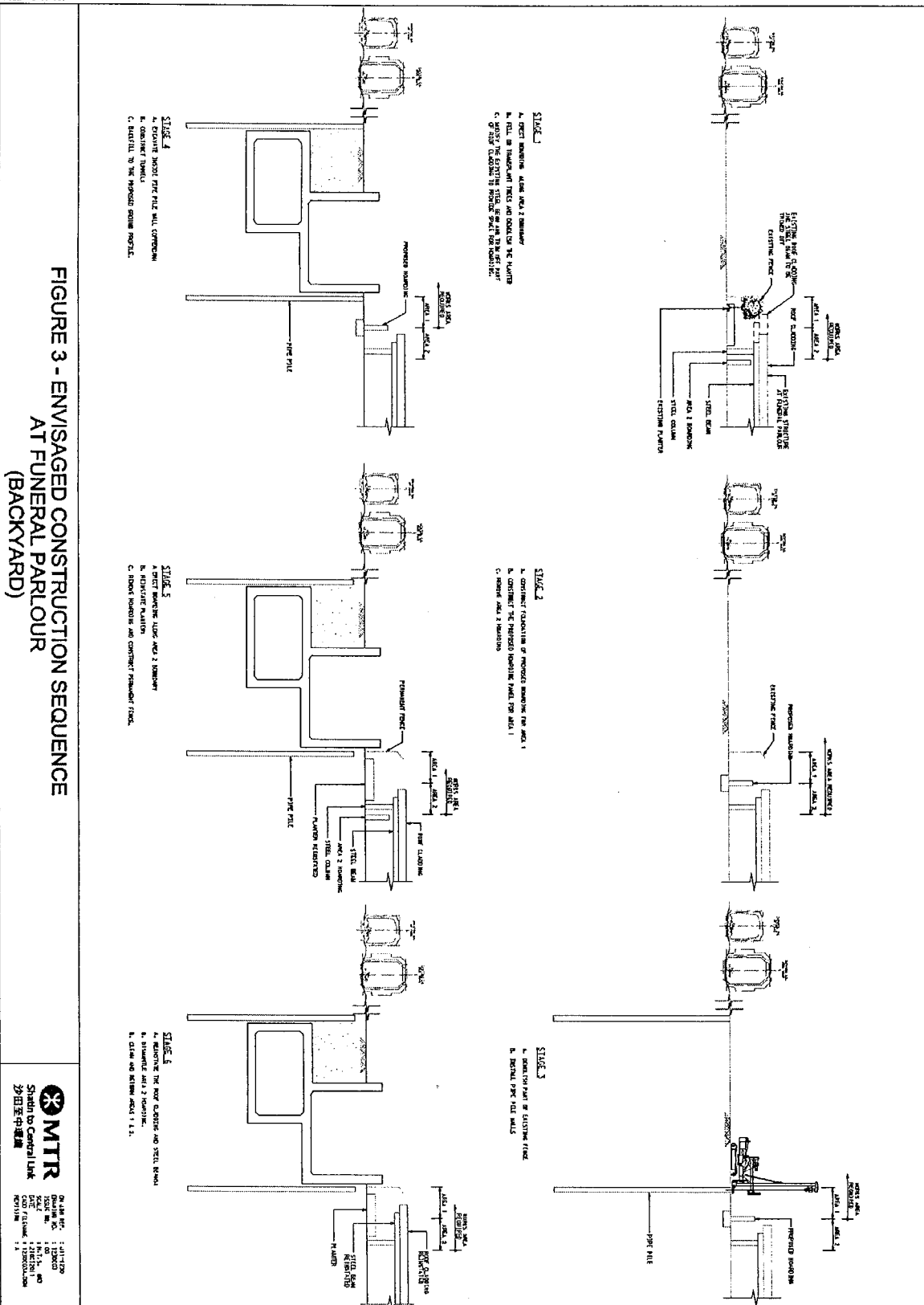


## Special Notes

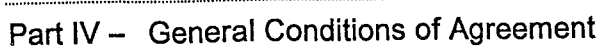
## Figure 3

User: P:\Program Files\Bentley\BIS\WorkSpace\user\A\17105-1\17105-1.dgn, User Ref: C:\Program Files\Bentley\BIS\WorkSpace\projects\17105-1.dgn  
 FILE: D:\Bentley\BIS\WorkSpace\user\A\17105-1\17105-1.dgn  
 PLOT: D:\Bentley\BIS\WorkSpace\user\A\17105-1\17105-1.dgn  
 PRINTED: 8/1/2011 11:10:41  
 MODEL: 17105-1

Maps reproduced with permission of The Director of Land, (C) Hong Kong Government.



## Figure 4

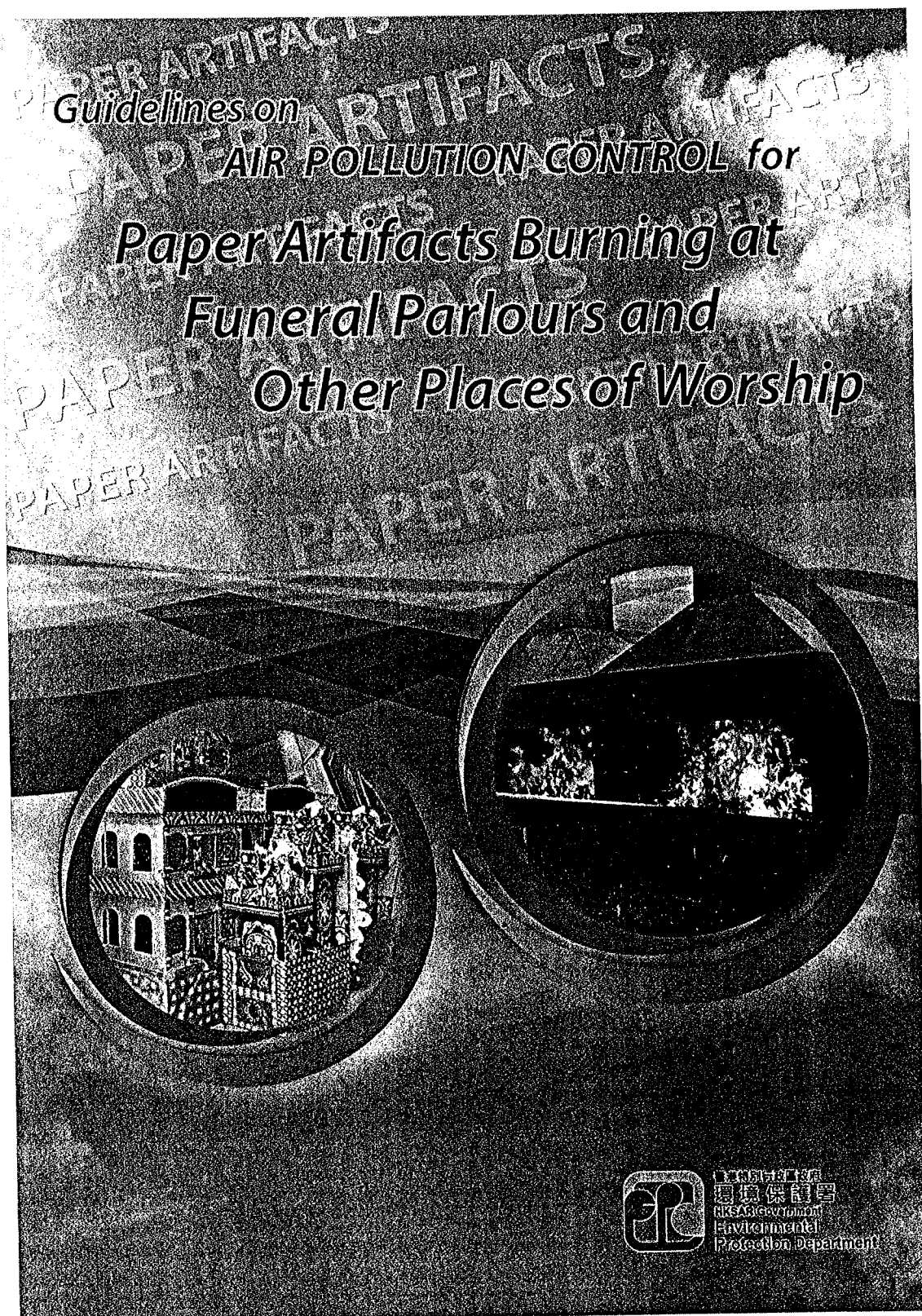


**Annex I****Proposed Plan for Implementation of Services, Operation Plan, Environmental Protection Plan, Maintenance Plan and Contingency Plan**

Note: Submission of Proposed Plan for Implementation of Services, Operation Plan, Environmental Protection Plan, Maintenance Plan and Contingency Plan is the requisite requirements stipulated in clause 8 of the Terms of Tender and clause 5 of the General Conditions of Agreement respectively. To comply with this requisite requirement, the Operator is required to provide information required under all items listed in the table below as well as any other materials as they think fit to provide within six (6) weeks from the date of acceptance of the offer. For Operator who fail to provide all items of information required in the table, the Government will be entitled to terminate the Agreement forthwith without any compensation payable to the Operator. Information provided for the respective items below shall have a binding effect on the Operator as he/she has accepted the Agreement awarded to him/her.

Relevant Plans	Information to be provided
Plan for Implementation of Services	<ol style="list-style-type: none"> <li>1. The preparatory actions to be taken, such as takeover arrangements,.</li> <li>2. Provide a plan for applying/obtaining all relevant licences and permits in connection with provision of the Services including but not limiting to Funeral Parlour Licence.</li> </ol>
Operation Plan	<ol style="list-style-type: none"> <li>1. Provide an operation plan including proposed daily operating hours to be carried out at the Funeral Parlour and an organisation chart of the proposed workforce of the Funeral Parlour.</li> <li>2. Provide details regarding the low-cost funeral services offered to specific groups of people referred by the Social Welfare Department or other recognized charitable organizations specified by FEHD. Details of record keeping for such services.</li> </ol>
Environmental Protection Plan	<ol style="list-style-type: none"> <li>1. Provide an environmental protection plan for the operation of the Funeral Parlour and the execution of any building works thereat with reference to all relevant ordinances, regulations and rules currently in force in Hong Kong for the control of all forms of pollution, and meet all the environmental performance standards and guidelines set by the Environmental Protection Department (EPD), especially the "Guidelines on Air Pollution Control for Paper Artifacts Burning at Funeral Parlours and Other Places of Worship" and other Government departments for the control of all forms of pollution, including air, odour, noise, water and waste pollution in connection with the performance of the Agreement.</li> <li>2. Provide environmental protection measures for control of pollution caused by smoke, odour, noise, waste water and waste arising from the operation of the Funeral Parlour. State any other air pollution control system required by the EPD or other Government departments. The proposed air pollution control system includes but not limited to the installation of 2 properly designed paper artifacts furnaces, water scrubbers, mist elimination devices, electrostatic precipitators and exhaust fans, or equivalent.</li> <li>3. Provide plan on the upkeep of indoor air quality in public accessible areas of the Funeral Parlour during peak business hours.</li> </ol>
Maintenance Plan	Provide plans for the maintenance and repair works to be performed to the fixtures, fittings, sanitary facilities, machineries, plants and equipment, and electrical and mechanical systems in the Funeral Parlour.
Contingency Plan	Provide contingency plan in case of shortage or breakdown of vehicles/ equipment/ facility, shortage or absence of equipment or staff, industrial actions, natural disasters or when there are emergency circumstances to deal with, e.g. power failure, suspension of water supply, breakdown of ventilating systems for repository, air pollution control system, air-conditioning systems or refrigerators, etc.

Annex II



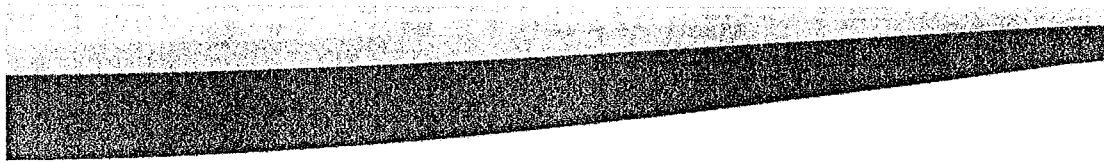
**VOID**



## CONTENTS

1 Introduction	2
2 Major Considerations	3
3 Best Available Technology for Control of Air Emissions from Paper artifacts Burning	4
4 Operation and Maintenance	10
5 Enquiries	12





## 1 INTRODUCTION

Paper artifacts generally refer to Chinese sacrificial offerings made with paper supported with bamboo or wooden frames. They are relatively large in size as compared with joss paper and appear in various forms such as buildings, vehicles and aircrafts, etc.

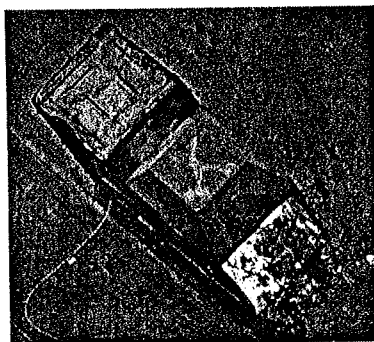
Burning paper artifacts is a kind of Chinese ritual activity in Hong Kong for people to worship deities or ancestors. Premises where paper artifacts burning takes place include funeral parlours and other worshipping places such as Chinese temples. It is very common for owners or operators of these premises to provide paper artifacts burning apparatuses for the public to use. However, without proper air pollution control equipment to treat the flue gas generated from burning paper artifacts, smoke and ash flakes emissions may cause nuisance to neighbouring air sensitive receivers such as residential premises, schools, clinics and etc.

This set of guidelines provides guidance to help premises owners and operators understand and implement the best available control measures to minimize nuisance caused by the burning of paper artifacts. These guidelines are also useful for the consultants and contractors responsible for designing, building or installing the paper artifacts furnaces and air pollution control equipment.

## 2 MAJOR CONSIDERATIONS

In order to minimize potential nuisance, premises owners or operators are strongly recommended to take the following steps:

- They are encouraged to implement green initiatives to stop permitting paper artifacts burning activities within their premises, in particular if their premises are situated in densely populated area. This may be accomplished by exploration and promotion of alternative forms of worshipping without pollution effect (e.g. offering flower, electronic offering, smokeless incense, electric candle and so on).
- If the above step is considered not practicable, they are encouraged to arrange off-site burning as far as practicable by collecting paper artifacts from the worshippers. The facilities for off-site burning should be remote from air sensitive receivers with provision of proper paper artifacts furnaces and effective air pollution control equipment.
- If on-site paper artifacts burning is inevitable, they should provide paper artifacts furnaces and effective air pollution control equipment to achieve no visible emissions and no environmental nuisance to nearby air sensitive receivers. Also, they should operate and maintain the furnace and equipment properly.

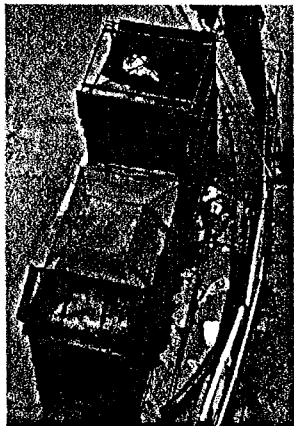


*Fig.1: Without proper treatment, emissions of smoke and ash flakes from paper artifacts burning may cause nuisance to neighbouring air sensitive receivers.*

### 3 BEST AVAILABLE TECHNOLOGY FOR CONTROL OF AIR EMISSIONS FROM PAPER ARTIFACTS BURNING

In Hong Kong, furnaces provided by premises owners or operators for paper artifacts burning are usually made with metals or brickworks. Typically, internal volume of the furnaces varies from 6m<sup>3</sup> to 8m<sup>3</sup>. In some cases, primitive method of flue gas treatment such as water spraying with fixed nozzles is provided for reducing emissions of ash flakes.

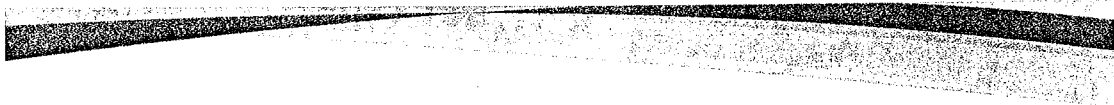
Without effective air pollution control equipment, visible emissions (including smoke and ash flakes) carried by high-temperature flue gases (can reach over 900°C) can be dispersed to the neighbouring environment through their



*Fig.2: Typical metal paper artifacts furnace with water spraying.*

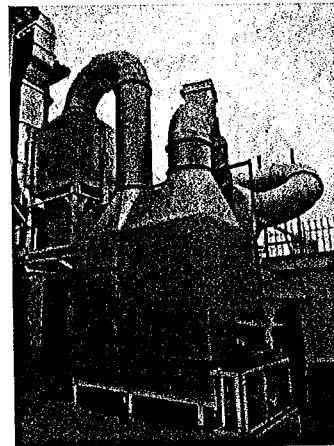
exhaust outlets and the paper artifacts charging openings, causing potential nuisance. To control emissions from paper artifacts furnaces, suitable control equipment, such as fabric filters, water scrubbers, electrostatic precipitators and etc., should be installed.

According to practical experience in Hong Kong and elsewhere, electrostatic precipitation coupled with water scrubbing as flue gas pretreatment is proven to be the Best Available Technology (BAT) to give satisfactory performance in removing smoke and ash flakes from paper artifacts burning.



A paper artifacts furnace system adopting BAT for emission control basically comprises the following components:

- A properly designed paper artifacts furnace;
- A water scrubber or other suitable devices for flue gas cooling and removal of ash flakes and large dust particles;
- A mist elimination device to reduce the emissions of visible water mists due to excessive evaporation of water by hot flue gas;
- An adequately sized and effective electrostatic precipitator for removal of fine dust particles from the flue gas; and
- An exhaust fan for assisting the inflow of air and extraction of flue gas.



*Fig.3: An example of paper artifacts furnace adopting BAT for emission control.*

Premises owners or operators should appoint competent and experienced professionals to design and install paper artifacts furnaces adopting BAT for effective emission control.



Guidelines on the design and installation of paper artifacts furnaces and associated air pollution control equipment are given as follows:

**(a) Paper Artifacts Furnace**

- (i) The paper artifacts furnace and its charging opening should be properly sited such that they are away from neighbouring air sensitive receivers to minimize potential nuisance.
- (ii) Sufficient space surrounding the paper artifacts furnace should be allowed for operation and maintenance of the furnace.
- (iii) The burning chamber of the furnace should be made of suitable materials and internally lined with heat-resistant materials to reduce the surface temperature of the furnace during operation.

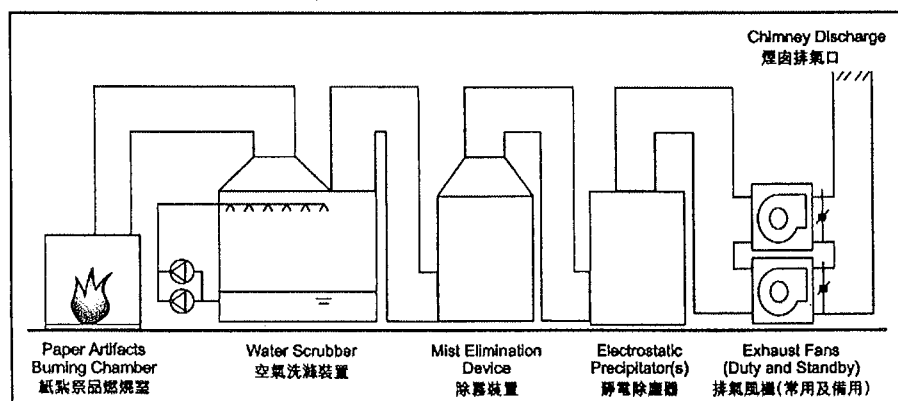
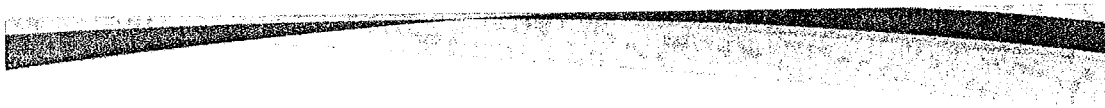


Fig.4: Typical Configuration of Paper Artifacts Furnace adopting BAT for Emission Control.

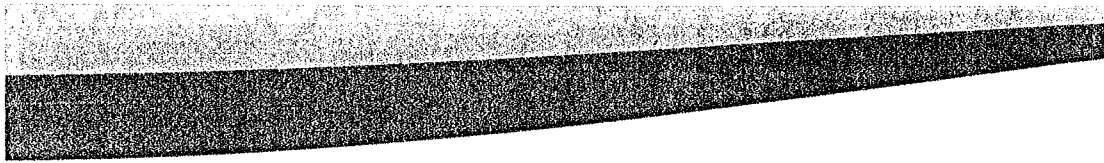


- (iv) The design of the furnace including the size of the burning chamber and the charging opening should be commensurate with the paper artifacts burning capacity of the furnace in order to avoid overloading of the furnace resulting in generation of excessive emissions.
- (v) Adequate air flow should be supplied to the furnace to support complete combustion of paper artifacts inside the furnace.
- (vi) Ash containers, water spray hoses and etc. should be provided to facilitate bottom ash clearing.

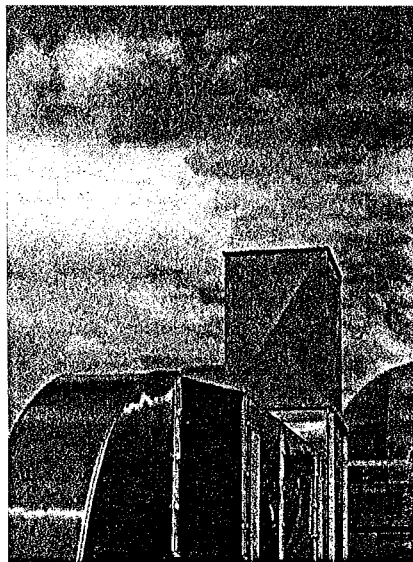
**(b) Air Pollution Control Equipment**

The air pollution control equipment should be designed with due consideration of the large volume of flue gas, high temperature due to spontaneous burning of paper artifacts, high humidity of flue gas, and potential heat hazard to operators and equipment components. The following is a list of major points to be taken into consideration in the design of the air pollution control equipment:

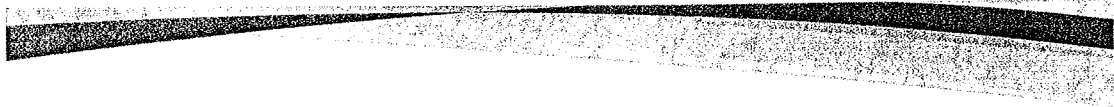
- (i) Air pollution control equipment should basically comprise a water scrubber (or other suitable devices), a mist elimination device, an electrostatic precipitator and an exhaust fan connected in series. To increase system reliability, another standby fan should be installed to allow changeover in case the duty fan breaks down.



- (ii) The overall smoke removal performance of the air pollution control equipment should be targeted to achieve no visible emissions at discharge. The selection of a proper electrostatic precipitator is critical to the overall performance of the air pollution control equipment. As the performance of an electrostatic precipitator would be greatly affected by the variations in actual applications, such as particle size distribution and concentration of inlet gas etc., particular attention should be paid taking into account of those relevant factors in selecting a proper electrostatic precipitator.
- (iii) The treatment capacity of the air pollution control equipment for the furnace should meet the peak load operation conditions, i.e. the worst case scenario.
- (iv) Where necessary, additional control equipment (such as cyclone) should be added as integral components of the air pollution control equipment to further reduce the emissions.

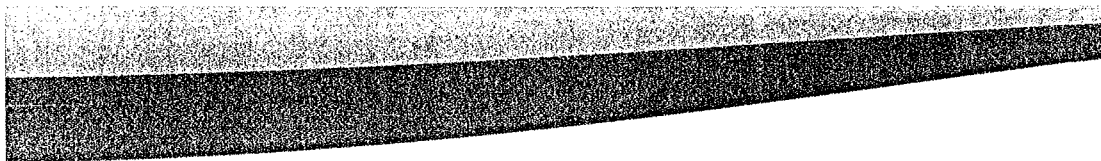


*Fig.5: Exhaust outlet should be properly located away from air sensitive receivers.*



- (v) A valid licence under the Water Pollution Control Ordinance (WPCO) should be obtained from the EPD, and proper discharge of wastewater generated from the operation and maintenance of the air pollution control equipment of the furnace according to the WPCO licence conditions should be provided.
- (vi) Exhaust outlet for final discharge of treated flue gas from the furnace should be located at a place where ventilation is good and any emissions can be adequately dispersed to the atmosphere without hindrance. Sufficient separation distance from any air sensitive receivers in the vicinity should be provided such that any emissions will not cause nuisance to the public.
- (vii) Emissions from the exhaust system of the furnace should be directed vertically upwards, unless it can be demonstrated that other direction is more advantageous in preventing the emissions from causing potential nuisance.
- (viii) Low-noise fans should be used as far as practicable as they are both energy efficient and less noisy.
- (ix) Where circumstances permit, consideration should be given to install variable speed fans and pumps to cater for different burning load conditions. This measure saves energy, prolongs operating life of equipment, and reduces noise level at low burning rate.





## 4 OPERATION AND MAINTENANCE

It is important that the paper artifacts furnace with air pollution control equipment should be properly operated and maintained all the time. The following practices should be fully adopted:

### (a) Good Operational Practices and Administrative Measures

- (i) Before burning paper artifacts, the operator should make sure that the air pollution control equipment has been turned on and running normally. Paper artifacts burning should never be carried out without operation of the air pollution control equipment.
- (ii) The operator should ensure only offerings made with paper, bamboo or wooden materials are burnt in the furnace. Other wrapping materials, in particular plastic materials, should be removed.

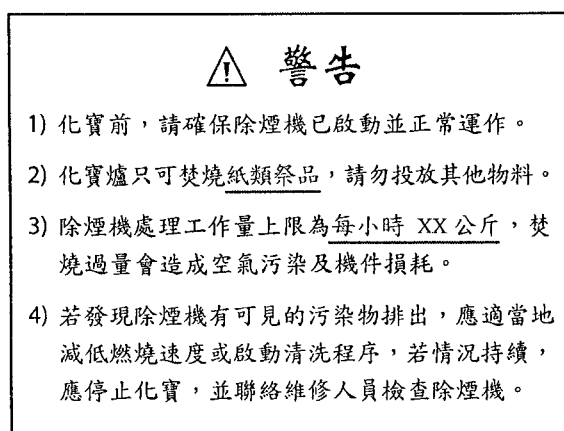
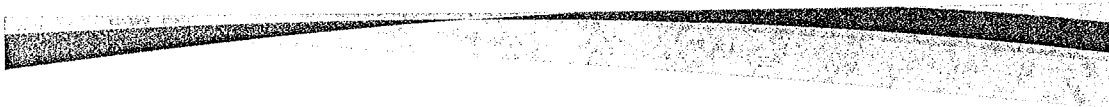


Fig.6: A sample instruction notice provided adjacent to paper artifacts furnace with clear instructions on the use of furnace.



- (iii) It is essential to employ trained operators to control the feeding rate of paper artifacts to the furnaces. In case visible emissions are observed at the flue gas discharge, the feeding rate should be reduced as appropriate, and if visible emissions persist, the operator should immediately stop the burning activities and call for maintenance of the air pollution control equipment if necessary.
- (iv) Whenever there is any sign of deterioration in performance of the electrostatic precipitator, the operator should arrange cleaning of the electrostatic precipitator. For those electrostatic precipitators with automatic self-cleaning function, the operator should ensure self-cleanings are carried out at frequencies recommended by manufacturers.
- (v) The operator should regularly clean the burning chamber and clear away ash remains inside the burning chamber, preferably at least once a day. To prevent emissions during ash clearing process, the ash should be wetted sufficiently by water spraying.

**(b) Good Maintenance Practices**

- (i) Maintenance and repair of air pollution control equipment should only be carried out by competent personnel with sufficient training and relevant skills in accordance with manufacturer's recommendations.
- (ii) Air pollution control equipment should be maintained regularly to ensure optimum performance. All components should also be inspected, cleaned and serviced regularly.
- (iii) Any defective parts of the air pollution control equipment should be replaced as soon as possible. To facilitate immediate replacement, sufficient stock of spare parts should be kept on-site.
- (iv) Operators should keep a copy of the operation and maintenance manual and should maintain a proper log of maintenance records on-site to facilitate maintenance of the equipment.

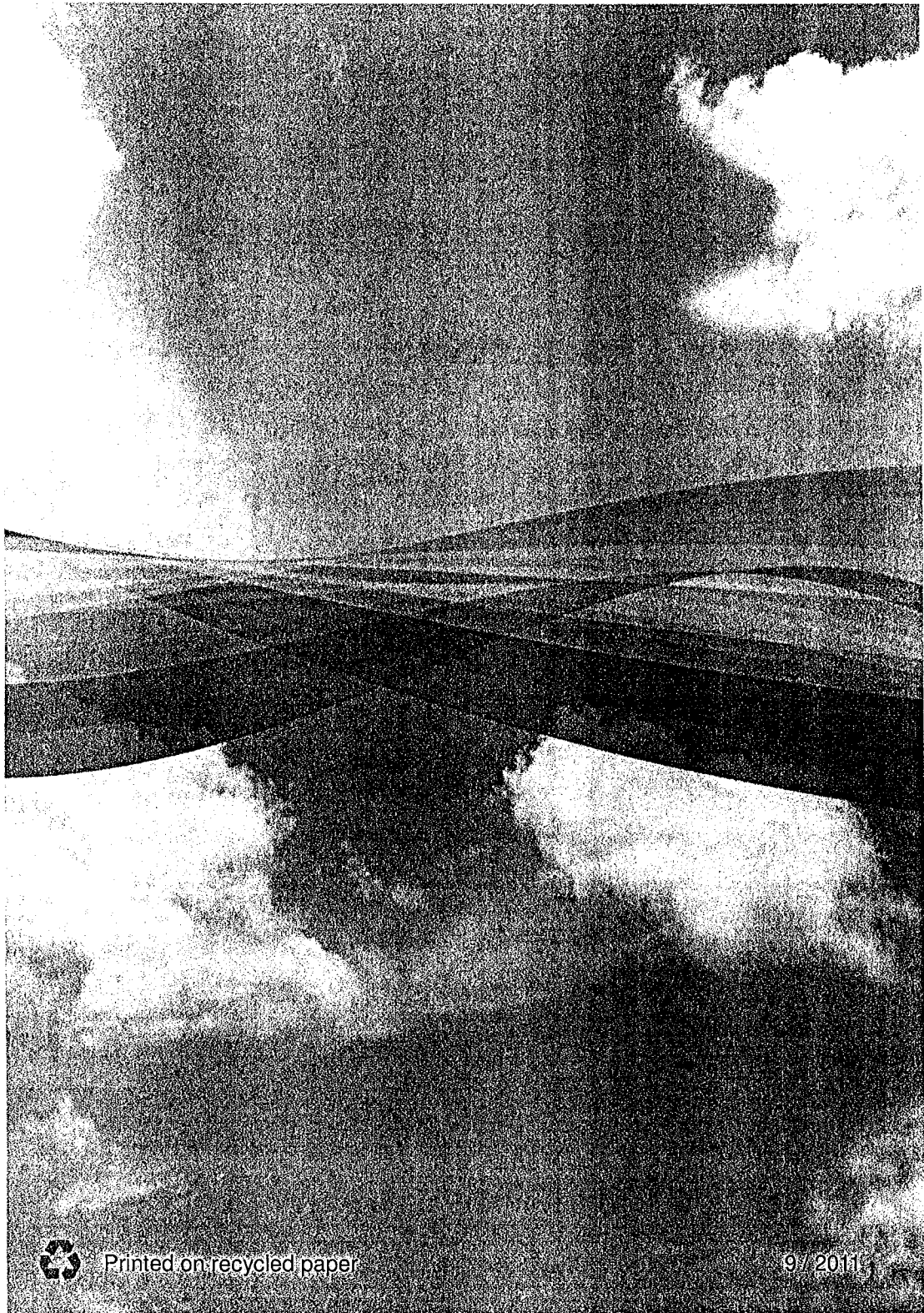
## **5 ENQUIRIES**

*For further information,*

*Please contact EPD's Hotline at 2838 3111 or*

*send email to [enquiry@epd.gov.hk](mailto:enquiry@epd.gov.hk)*

**VOID**



**PART V**  
**SPECIAL CONDITIONS OF AGREEMENT**  
**CONTENTS**

1. Services to be Provided
2. Operator's Acknowledgement
3. Operator's Warranties and Undertakings
4. Licensing Matters
5. Use of the Funeral Parlour
6. Provision of Funeral Parlour and Funeral Parlour-related Supporting Services
7. Right of Access
8. Facilities and Services Provided to the Government
9. Environmental Protection Requirements
10. Disposal of Wastes
11. Contingency Plan
12. Communication with the Government
13. Security
14. Confidentiality of Data
15. Operator's Employees or Sub-contractors (if any)
16. Operator's Personnel
17. Non-Performance
18. Sub-contracting
19. Security Deposit
20. Immediate Termination of Agreement
21. Engagement of Labour
22. Relationship of the Parties
23. Commissioning of New Machinery and Equipment
24. Uniforms and Name Badges of Operator's Employees and Sub-contractors (if any)
25. Community Involvement
26. Record of Low-cost Funeral Services

## **PART V**

### **SPECIAL CONDITIONS OF AGREEMENT**

#### **1. Services to be Provided**

Services to be provided by the Operator shall include the following:

- (a) The Operator shall provide the Services as specified in sub-clause 1(d), (e), (f) and (g) of this clause on each and every day during the Agreement Period (unless otherwise stated or directed by the Government). If necessary, the Operator shall provide additional staff at his own expense to meet the operational needs of the Funeral Parlour and to comply with its obligations under the Agreement, in particular sub-clauses 1(b) and 1(c) of this clause.
- (b) The Operator shall fully co-operate with the Government Representative and comply with his instructions and directives on all matters relating to the Agreement. The Operator shall perform the Services in a manner fully and strictly in accordance with the terms and conditions of the Agreement and to the satisfaction of the Government Representative.
- (c) The Operator must operate, manage and maintain the Funeral Parlour in accordance with the Agreement and all legal requirements.
- (d) The Operator shall provide funeral services to members of the public under a valid funeral parlour licence.
- (e) The Operator shall provide low-cost funeral services to specific groups referred through Social Welfare Department or other relevant agencies specified by the Government Representative at a fee of not more than HK\$11,480 per funeral service (adjustable by the Social Welfare Department) after the Funeral Parlour is in operation.
- (f) The Operator shall properly maintain and repair the Funeral Parlour and its facilities/installation, including but not limited to those items set out in Schedule II, to the satisfaction of the Government at the sole expense of the Operator.
- (g) The Operator shall take all possible measures and to carry out any work, if any, at the Funeral Parlour to comply with all relevant ordinances, regulations and rules currently in force in Hong Kong for the control of all forms of pollution, and to meet all the environmental performance standards and guidelines set by the Environmental Protection Department and other Government departments in connection with the performance of the Agreement.

#### **2. Operator's Acknowledgement**

The Operator acknowledges and agrees that -

- (a) he has made himself thoroughly conversant with all aspects of the Agreement including but not limited to the nature and quality required of the Services, the equipment, vehicles, materials, deployed labour and supervisory staff which may be required, and any other necessary requirement under the Agreement;
- (b) he has been provided with sufficient information to enable him to provide the Services to the members of the public;

- (c) he shall neither be entitled to any additional payment nor be excused from any liability for satisfying any requirement stipulated under the Agreement on the ground of any misinterpretation by the Operator of any matter or fact relating to the Agreement;
- (d) the Funeral Parlour is owned by the Government and this Agreement does not create any rights of ownership or exclusive possession for the Operator;
- (e) the Government has not made any representation or warranty as to the state, condition, safety or suitability for any purpose of the Funeral Parlour (including whether it is suitable for the delivery of Services) and the Operator accepts the same on an 'as is' basis at its own risk;
- (f) it has made its own independent evaluation of the business potential of the transactions contemplated by this Agreement, the Funeral Parlour and its contents and the Services and it enters into this Agreement based solely on the result of such independent evaluation; and
- (g) notwithstanding any other provision of this Agreement, the Government is not, in any circumstances, liable to pay interest to the Operator for the late payment of amounts due to the Operator by the Government or otherwise.

3. Operator's Warranties and Undertakings

The Operator warrants and undertakes to the Government that -

- (a) he and his sub-contractor (if any) or employees shall have the necessary training, skill, experience, qualifications and expertise to provide the Services on the terms and conditions set out in the Agreement;
- (b) he shall carry out the Services with all due and reasonable diligence, care and despatch and in a professional, safe, proper, skilful and workmanlike manner, and shall perform the Services to the satisfaction of the Government Representative;
- (c) he shall, through the Government Representative, keep the Government informed on all matters relating to the Services and shall answer all reasonable enquiries made by the Government Representative;
- (d) he shall comply with the Employment Ordinance (Cap. 57), Employees' Compensation Ordinance (Cap. 282), the Mandatory Provident Fund Schemes Ordinance (Cap. 485), the Minimum Wages Ordinance (Cap. 608) and any other relevant legislative provisions in the employment of his staff arising from the performance of the Agreement may be construed as a breach of the commitment of the Agreement and the Government Representative may have a right to seek appropriate remedies which include the right to terminate the Agreement under clause 27 of the General Conditions of Agreement in Part IV and clause 20 of the Special Conditions of Agreement in Part V;
- (e) he shall comply with the Occupational Retirement Schemes Ordinance (Cap. 426) in the employment of his staff. Should the Operator be found to be in breach of this undertaking after being convicted of any offences under the Occupational Retirement Schemes Ordinance (Cap. 426) arising from the performance of the Agreement, the Government may, by notice in writing, terminate the Agreement and the Operator is not entitled to claim any compensation;
- (f) he shall comply with the requirements of the Occupational Safety and Health Ordinance (Cap. 509), and any other legislation pertaining to the health and safety of his own staff, Government staff and others who may be affected by his performance of Services. Should the Operator be found to be in breach of this undertaking after being convicted of any offences under the Occupational Safety and Health Ordinance (Cap. 509) arising from the performance of the Agreement, the Government may, by notice in writing,



terminate the Agreement and the Operator is not entitled to claim any compensation; and

- (g) he shall not, except with the written consent of the Government Representative, undertake any work or perform any services beyond those specified herein.

4. Licensing Matters

- (a) The Operator shall comply with all requirements for the purposes of obtaining the relevant licences and permits for operating the premises as a Funeral Parlour and the meaning of which is defined in the Funeral Parlours Regulation (Cap.132AD) and for using any facilities installed or used therein for the Funeral Parlour business.
- (b) The Operator shall obtain a valid Funeral Parlour licence in its name from the Food and Environmental Hygiene Department before commencing the Services.

5. Use of the Funeral Parlour

The Funeral Parlour shall not be used for any purpose other than for the purpose of a funeral parlour.

6. Provision of Funeral Parlour and Funeral Parlour-related Supporting Services

- (a) The scale of operation at the Funeral Parlour will be monitored by, and operated up to a level of satisfaction accepted by the Government.
- (b) The Operator shall ensure that at all times there are adequate number of competent staff being provided for performing the management, supervision, operation and maintenance of the Funeral Parlour except in very trying circumstances such as when Tropical Cyclone Warning Signal No. 8 or Black Rainstorm Warning Signal is issued. In such case, the number of staff may be reduced.
- (c) The Operator shall ensure that the facilities of the Funeral Parlour are made available at all reasonable times to be used for Services by the general public.
- (d) Subject to the terms and conditions of the Agreement and those terms contained in the Operation Plan submitted by the Operator in accordance with clause 5 of the General Conditions of the Agreement as well as the provisions of the Funeral Parlours Regulation (Cap. 132AD), no person shall be refused the Services of the Funeral Parlour during the hours within which the Funeral Parlour is open for business.

7. Right of Access

- (a) The Operator shall allow uninterrupted access to the Funeral Parlour premises at any time proposed by the Government or its employees, agents, contractors or sub-contractors (if any) with or without vehicles, equipment or materials, for the purpose of:
  - (i) carrying out inspection of the Funeral Parlour activities;
  - (ii) inspection and taking photographs and videos of the building condition, building services facilities, plumbing and drainage systems and other Electrical and mechanical systems installed in the Funeral Parlour; and
  - (iii) carrying out maintenance and construction works.

The Government shall provide its employees, agents, contractors or sub-contractors (if any) with proof of identification or authorization for inspection by the Operator.

- (b) The Operator shall restrict the entry of unauthorized personnel and vehicles into the Funeral Parlour or any parts thereof, and should remove them from the Funeral Parlour as soon as possible.
- (c) Notwithstanding any other clause in this Agreement, the Government (including its employees, agents, contractors, invitees and sub-contractors (if any)) with or without vehicles, equipment or materials, reserves its right to have unimpeded access at all times without notice to all parts of the Funeral Parlour for any purpose. The Government shall provide its employees, agents, contractors, invitees and sub-contractors (if any) with proof of identification or authorization for inspection by the Operator except those who are in possession of working/entry permits issued by the Operator.

8. Facilities and Services Provided to the Government

- (a) The Operator shall provide free toilet facilities and car parking spaces for officers and staff of the relevant departments and authorities of the Government working in the Funeral Parlour.
- (b) The Operator should also make available the facilities and equipment in the Funeral Parlour free of charge for training courses to be organized by the Government and by FEHD or other relevant organizations approved by the Government Representative.

9. Environmental Protection Requirements

The Operator shall comply with and observe all relevant ordinances, by-laws, regulations and rules currently in force in Hong Kong for the control of all forms of pollution, including noise, air, odour, water and waste pollution, and for the protection of the environment.

10. Disposal of Wastes

- (a) The Operator shall be responsible for the disposal of all refuse and other waste matter within twenty-four (24) hours after their generation and collection. The Operator shall at its own expense carry these waste matters to be disposed to the satisfaction of the Government Representative. The Operator shall be responsible for paying all those fees and charges so incurred for these disposals.
- (b) The Operator shall provide adequate number of mobile compactors or containers of the types to be approved by the Government for the storage of wastes before disposal.

11. Contingency Plan

- (a) The contingency plan submitted by the Operator to the Government shall deal with events including power failure, suspension of water supply, industrial actions, failure of critical equipment and natural disasters that may interrupt the operations of the Funeral Parlour. The contingency plan shall ensure, as far as possible, uninterrupted provision of the Services at all times.
- (b) If at any time the Government Representative is of the opinion that the contingency plan submitted by the Operator is inadequate, the Operator shall, upon request by the Government Representative and at the Operator's own expense, submit a revised plan to the Government Representative for his approval.

12. Communication with the Government

- (a) The Operator shall, at least one (1) month before the commencement of the Agreement Period, nominate for the Government Representative's approval a Contract Manager (which approval may at any time be withdrawn). Such Contract Manager shall be in charge of the Services and shall have the full authority to make all necessary decisions regarding the provision of the Services and to receive all instructions from the Government Representative. The nomination shall set out the name, qualifications and experience of the nominated Contract Manager and give full details of his address, telephone number and other means of direct contact. The Contract Manager shall be equipped with, at the Operator's own cost, mobile phone so that he can be contacted at all times during the Agreement Period. Any subsequent change of the Contract Manager shall also be subject to the prior approval of the Government Representative.
- (b) The Contract Manager shall respond promptly to any communication made by the Government Representative to them and shall upon being requested accompany the Inspecting Officer to the locations identified by the Inspecting Officer and show the Services that have been performed or to be performed.
- (c) The Contract Manager shall respond promptly to Government's request for meeting and/or discussion with him as and when considered necessary by the Government Representative. The Contract Manager shall make all necessary arrangements to ensure the meeting and/or discussion with him will be conducted within twenty-four (24) hours upon receipt of the written or verbal request from the Government Representative or immediately at any time as considered necessary by the Government Representative.
- (d) The Contract Manager shall note and promptly respond to any community concern, in particular those views put forward by the local residents of the nearby areas of the Funeral Parlour, in connection with any matters related to or likely to be related to the environmental problems that may be caused by the operation of the Funeral Parlour.

13. Security

The Operator shall be responsible for the security of the Funeral Parlour, including the Government Portion.

14. Confidentiality of Data

- (a) The Operator shall ensure that all data, information and documents (including but not limited to personal data and this Agreement) written or stored in whatever manner which it has received, collected, kept, held or produced in the performance of the Agreement shall be kept confidential, in safe custody and used solely for the purpose of the Agreement.
- (b) The Operator shall ensure that each of its employees, agents, contractors and sub-contractors (if any) engaged in any work in connection with this Agreement are aware of and comply with the provisions of clause 14 of the Special Conditions of Agreement and the Operator shall indemnify the Government and keep the Government fully and effectively indemnified against all actions, costs, claims, demands, expenses, loss, damage and liabilities (including the fees and disbursements of lawyers, agents and experts witnesses) whatsoever which the Government may suffer, incur or sustain as a result of any breach of confidence (whether under this Agreement or general law) by any such persons.

- (c) The provisions under clauses 14(a) to 14(b) of the Special Conditions of Agreement shall survive the expiry or termination of this Agreement (howsoever occasioned) and shall continue in full force and effect notwithstanding such termination.

15. Operator's Employees or Sub-contractors (if any)

- (a) The Operator shall be responsible for the good conduct of his employees or sub-contractors (if any) while they are performing the Services and shall ensure that they behave accordingly. The Operator shall ensure that his employees and sub-contractors (if any) engaged in the provision of the Services are fit for their tasks. The Operator shall be liable for any contractual default in particular on the salary payment, working hours and signed written standard employment contracts committed by his sub-contractors (if any).
- (b) The Government Representative shall be entitled to request on reasonable grounds (including medical, security and disciplinary grounds and/or on grounds of incompetency or inattentiveness) the removal or replacement of any of the Operator's employees or sub-contractors (if any). The Operator shall replace any employee or sub-contractor (if any) so removed as soon as possible by a competent substitute person.
- (c) The Government shall in no circumstances be liable either to the Operator or to his employees or sub-contractors (if any) in respect of any liability, loss or damage occasioned by such removal and the Operator shall fully indemnify the Government against any claim, proceeding or action made by such employees or sub-contractors (if any).

16. Operator's Personnel

- (a) The Operator shall not employ any staff of known bad character, disorderly or even unlawful conduct, or violent temperament. Any breach of this requirement shall be deemed to be the default, neglect or omission of the Operator.
- (b) In compliance with clause 16(a) of the Special Conditions of Agreement in Part V, the Operator shall make diligent efforts to scrutinize the background of the potential employees before employing them to perform the tasks required.
- (c) In any breaches of clause 16(a) of the Special Conditions of Agreement in Part V, if the Operator's employee has assaulted or wounded any person in the course of contract performance, the Operator shall be held prima facie responsible for his employee's unlawful act. The Operator should give a reasonable explanation to the satisfaction of the Government Representative within seven (7) days from the said incident to exculpate himself from the alleged failure to meet with clause 16(a)'s requirement.
- (d) If the Operator fails to give an explanation satisfactory to the Government Representative, the Operator will be found in breach of clause 16(a) of the Special Conditions of Agreement in Part V which is one of the main conditions of the Agreement and such material breach shall warrant a termination of the Agreement.
- (e) The Government Representative shall be entitled to refuse admission to or evict from the premises of the Funeral Parlour or any part thereof occupied by the Government any person employed by the Operator or his sub-contractor (if any) (including but not limited to staff failing to wear the approved uniform and name badge), whose presence will, in the opinion of the Government Representative, be undesirable. The Operator shall immediately provide acceptable and competent substitute workers to continue the performance of the Services under the Agreement.

17. Non-Performance

- (a) At any time during the Agreement Period, the Inspecting Officer may investigate each case where the Operator has failed to perform the Services or any part thereof in accordance with the provisions of the Agreement.
- (b) Where the Inspecting Officer is satisfied that in any particular case the Services provided by the Operator has failed to meet the standards required under the Agreement or any terms and conditions of the Agreement, he shall be entitled to instruct the Operator either verbally or in writing to remedy/rectify the failure in order to comply fully therewith within such period as he in his absolute decision may determine, but such period should in no case be later than twenty-four (24) hours after giving such instructions to the Operator.

18. Sub-contracting

- (a) The Agreement shall be personal to the Operator who shall have complete control of the Services and shall efficiently undertake, direct and supervise the performance of the Services to the full extent of his ability and with his full attention.
- (b) The Operator shall not enter into any sub-contract with any person for the performance of any part of the Agreement, without the prior written consent of the Government Representative.
- (c) The Operator shall apply with submission of the particulars of the sub-contractor and reasons for the sub-contracting as well as a draft of such tender document (if any) and sub-contract for prior written approval by the Government Representative. Where the application is approved, the Operator shall ensure and procure that his contract with his sub-contractor shall contain contractual clauses to the same effect as the Agreement (including clauses 3 of the Special Conditions of Agreement in Part V) and the Government Representative is entitled to require the Operator to enter into such sub-contract on such other terms and conditions as the Government Representative thinks fit. After signing of the sub-contract, the Operator shall within three (3) days provide the Government Representative with copies of any such sub-contracts, and shall not without the prior written consent of the Government Representative, propose to amend or accept any proposal to amend the sub-contract.
- (d) The Operator shall remain fully responsible for the performance of the Services and shall not be relieved from any of his obligations and commitments under the Agreement by entering into any sub-contract for the performance of any part of the Agreement and the Operator shall be fully liable for any acts of defaults or neglect of any sub-contractor or his employees.
- (e) In the event that the Operator engages a sub-contractor with the Government's prior approval, the Operator shall ensure that his sub-contractor shall also observe and comply with the provisions of the Agreement, including the terms and conditions specified in General Conditions of Agreement in Part IV, Special Conditions of Agreement in Part V and Schedules as if references to "Operator" read "sub-contractor". Any failure of the permitted sub-contractor to observe or comply with this clause will be regarded as a material breach of the Agreement on the part of the Operator entitling Government to terminate the Agreement forthwith and sue for damages.

19. Security Deposit

- (a) (i) The Security Deposit equivalent to two (2) times the Fee for every three (3) months as specified in Schedule III shall be provided by the successful Tenderer as continuous security for the due and faithful performance of the Agreement.

The deposit shall be either in cash or in the form of a banker's guarantee in the form appearing in Schedule VII issued by a bank approved by the Government. In the case of a banker's guarantee, the guarantee shall remain valid until six (6) months after the expiry of the Agreement (including all extensions thereof), or the date when all obligations of the Operator under the Agreement have been performed and discharged to the satisfaction of the Government Representative, whichever is the later. However, the Government reserves the right to decide whether the bank is acceptable and to refuse the banker's guarantee offered from any Operator which fails to meet the Government's requirements, in which case the Operator must provide the Security Deposit in cash. Tenderers are requested to state their option for providing the Security Deposit in the space below:

*I am/We are prepared to pay the Security Deposit by:* ☐ Cash

*(please ✓ where appropriate)* ☐ Banker's Guarantee

Authorised Signature & Company Chop  
(if applicable) :

Name of Person Authorised to Sign  
(in Block Letters) :

Name of Tenderer in English  
(in Block Letters) :

- (ii) Should Tenderers fail to state their option in clause 19(a)(i) of the Special Conditions of Agreement in Part V, it will be assumed that Tenderers will deposit cash with the Government;
- (b) The Government shall (without prejudice to any other rights and remedies of the Government) have the right to deduct from the Security Deposit the amount of any and all costs, losses, damages or expenses suffered by the Government as the direct or indirect result of any breach of the Agreement by the Operator, including for failing to pay any moneys when due or under clause 8 of the General Conditions of Agreement in Part IV, with or without the Agreement being determined.
- (c) If any deduction shall be made by the Government from the Security Deposit during the continuance of the Agreement, the Operator shall, within fourteen (14) days of such deduction, deposit a further cash sum or provide a further banker's guarantee in a sum equal to the amount so deducted or so called which further sum shall be added to the residue of and form part of the Security Deposit as relevant.

- (d) Upon the expiry or sooner termination of the Agreement, the Government will return to the Operator without interest the balance of any cash Security Deposit after having deducted therefrom any sum due from the Operator to the Government and when all the Operator's obligations have been observed and complied with to the satisfaction of the Government Representative, or if a banker's guarantee is provided in relation to the Security Deposit, such banker's guarantee shall be returned six (6) months after the expiry or termination of the Agreement (including all extensions thereof), or the date when all obligations of the Operator have been performed and discharged to the satisfaction of the Government Representative, whichever is the later.
- (e) If the Agreement is terminated prior to its expiry, the Government shall have the right to deduct from the Security Deposit the amount of any and all costs, losses, damages, or expenses incurred by the Government, directly and indirectly, as a result of the termination of the Agreement or pursuant to clause 8 of the General Conditions of Agreement in Part IV.
- (f) The application of the Security Deposit as aforesaid shall be without prejudice to the right of the Government to recover from the Operator any loss, damages, claims or any liability that may be incurred by the Government that is not wholly covered by the sum of the Security Deposit.
- (g) If the Agreement is renewed, the Operator shall deposit with the Government a fresh Security Deposit either in cash or in the form of a banker's guarantee nominated by the Government at such sum and for such period as the Government may require.

20. Immediate Termination of Agreement

- (a) The Operator agrees and undertakes to perform the Services in accordance with the terms and provisions of the Agreement.
- (b) In the event of termination under this clause 20 of the Special Conditions of Agreement in Part V, the Government may recover all losses, damages, costs and expenses suffered or incurred directly or indirectly by the Government (including all costs and expenses incurred in relation to engaging replacement contractor(s) and conducting re-tendering exercise(s)). In such event, the Government may deduct any such losses, damages, costs and expenses from any money due to the Operator under this Agreement or under any other Government contracts, or from the Security Deposit.

21. Engagement of Labour

- (a) The Operator shall make his own arrangements in regard to the provision of such labour, skilled and unskilled, as may be required for the execution, completion, and maintenance of the Services and shall use all diligence in arranging for a sufficient and suitable supply of such labour but all such arrangements shall be in accordance with the general local usage and Employment Ordinance (Cap. 57) and subject to such laws and regulations as the Government may from time to time require to be observed.

- (b) As far as practicable all labour both skilled and unskilled shall be engaged in Hong Kong.
- (c) The Operator shall not employ, suffer or permit any illegal worker to work in the Funeral Parlour.

22. Relationship of the Parties

- (a) Nothing herein shall be construed as in any way constituting a partnership, agency or joint venture between Government and the Operator and neither party shall (without the consent in writing of the other) commit the other to any obligation whatsoever.
- (b) The Operator enters into the Agreement with Government as an independent Operator only and shall at all times remain as an independent Operator throughout the Agreement Period.
- (c) For the avoidance of doubt, the Operator shall not represent himself as an employer, employee or servant of Government.
- (d) The Operator shall declare to all his employees and sub-contractors (if any) the provisions of this clause.

23. Commissioning of New Machinery and Equipment

Prior to, during and after the installation of new or replacement machinery and equipment in the Funeral Parlour, the Operator shall assist and co-operate with the Government and its employees, contractors, agents and sub-contractors (if any) in relation to the commissioning of the new machinery and equipment, and comply with any processes or procedures in relation to the commissioning and operation of the new or replaced machinery and equipment.

24. Uniforms and Name Badges of Operator's Employees and Sub-contractors (if any)

- (a) The Operator shall ensure that all his employees and sub-contractors (if any) wear tidy and clean uniforms or any such special or protective clothing while they are performing the Services as the Government Representative may consider necessary or appropriate. Any such uniforms and special protective clothing shall be provided, maintained and replaced as necessary by the Operator at his own expense. For the avoidance of doubt, the Government Representative may specify the type of special or protective clothing to be worn by the Operator's employees and sub-contractors (if any) in the provision of the Services.
- (b) The Operator shall provide all his employees and sub-contractors (if any) with uniforms and name badges with their photographs embedded thereon and showing their names.
- (c) The Operator shall ensure that his employees and sub-contractors (if any) properly wear the uniforms and name badges described in clauses 24(a) and 24(b) hereof while they are performing the Services.
- (d) All the Operator's staff are required to display on their outer uniform a name badge with his/her photograph embedded thereon when he or she is on working duty. The Government Representative may ask the staff to produce the staff card for examination.



25. Community Involvement

The Operator shall note and respond to the community concern, in particular for those views put forward by the local residents of the nearby areas in connection with any matters related to or likely to be related to the environmental problems caused by operation of the Funeral Parlour.

26. Record of Low-cost Funeral Services

The Operator shall maintain records of low-cost Services required under clause 6(b) of the General Conditions of Agreement in Part IV during the Agreement Period. Such records shall be readily made available for inspection by the Government Representative on demand at all times.

## Part VI

### SCHEDULES

Schedule I	Particulars of the Funeral Parlour
Schedule II	Maintenance Items/Requirements
Schedule III	Fee Proposal
Schedule IV	Claims of Experience in Operating Funeral Parlour/Undertaker Business
Schedule V	Claim of Experience of Senior Managerial Staff
Schedule VI	Claim of Management Accreditation
Schedule VII	Sample Form of Banker's Guarantee for the Performance of a Contract

## Schedule I

### Particulars of the Funeral Parlour

1. The Funeral Parlour

All buildings including Blocks A and B of Hung Hom Public Funeral Parlour situated at No.6 Cheong Hang Road, Hung Hom, Kowloon, Hong Kong, comprising an area of about 10,365 square metres as delineated on the annexed site plan (Annex A) and level plans (Annex B), but excluding portions as delineated and hedged black on the said Annex B Sheet No.1, Sheet No.3 and Sheet No.4, and being referred to in this Agreement as “the Government Portion” which shall remain under the control of the Government.

2. Purpose for which the Funeral Parlour shall be used

The Funeral Parlour or any part thereof demised to the Operator shall not be used for any purpose other than for the purposes of a funeral parlour.

3. Facilities of the Hung Hom Public Funeral Parlour

Floor	Facilities	Remarks
Basement (Block A & B)	<ul style="list-style-type: none"> <li>- 1 repository</li> <li>- 5 storerooms</li> <li>- 5 car-parks</li> <li>- 1 switch room</li> </ul>	(The repository and 2 parking spaces are retained by FEHD)
Lower Ground Floor (Block A & B)	<ul style="list-style-type: none"> <li>- 3 small service halls (each of 110 m<sup>2</sup>)</li> <li>- 1 service counter</li> <li>- 1 body dressing room</li> <li>- 4 storerooms</li> <li>- 5 switch rooms</li> <li>- 1 fan room</li> <li>- 7 car-parks</li> <li>- 1 male and 1 female toilet rooms</li> </ul>	
Upper Ground Floor (Block A & B)	<ul style="list-style-type: none"> <li>- 3 service halls (each of 280 m<sup>2</sup>)</li> <li>- 3 storerooms</li> <li>- 2 switch rooms</li> <li>- 2 male and 1 female toilet rooms</li> </ul>	(One service hall being used as 'Kowloon and New Territories Cemeteries & Crematoria Office' and whole floor of Block B are retained by FEHD)
Mezz Floor (Block A)	<ul style="list-style-type: none"> <li>- 3 bandstands</li> <li>- 3 storerooms</li> <li>- 1 switch room</li> <li>- 1 male and 1 female toilet rooms</li> </ul>	

Floor	Facilities	Remarks
First Floor (Block A)	<ul style="list-style-type: none"> <li>- 6 reposeing rooms</li> <li>- 1 body dressing room</li> <li>- 4 storerooms</li> <li>- 1 switch room</li> <li>- 1 male and 1 female toilet rooms</li> </ul>	
Second Floor (Block A)	<ul style="list-style-type: none"> <li>- 6 reposeing rooms</li> <li>- 1 body dressing room</li> <li>- 4 storerooms</li> <li>- 1 switch room</li> <li>- 1 male and 1 female toilet rooms</li> </ul>	
Third Floor (Block A)	<ul style="list-style-type: none"> <li>- 6 reposeing rooms</li> <li>- 1 body dressing room</li> <li>- 4 storerooms</li> <li>- 1 switch room</li> <li>- 1 male and 1 female toilet rooms</li> </ul>	
Roof Floor (Block A)	<ul style="list-style-type: none"> <li>- 2 escalator rooms</li> <li>- 1 fire pump room</li> <li>- 1 A/C pump room</li> <li>- 3 fan rooms</li> <li>- 1 storeroom</li> </ul>	
First Floor (Block B)	<ul style="list-style-type: none"> <li>- 8 storerooms</li> <li>- 1 switch room</li> <li>- 1 male and 1 female toilet rooms</li> </ul>	(Whole floor of Block B is retained by FEHD to increase the headroom of Upper Ground Floor)
Second Floor (Block B)	<ul style="list-style-type: none"> <li>- 5 staff quarters rooms</li> <li>- 1 switch room</li> </ul>	
Third Floor (Block B)	<ul style="list-style-type: none"> <li>- 5 staff quarters rooms</li> <li>- 1 switch room</li> </ul>	
Fourth Floor (Block B)	<ul style="list-style-type: none"> <li>- 2 staff quarters rooms</li> <li>- 1 switch room</li> </ul>	
Roof Floor (Block B)	<ul style="list-style-type: none"> <li>- 1 water storage tank</li> </ul>	

**Remark :**

The existing Operator has applied for permission to perform alteration works in the Funeral Parlour. The configuration stated above is for reference only and will be subject to change upon completion of the alterations.

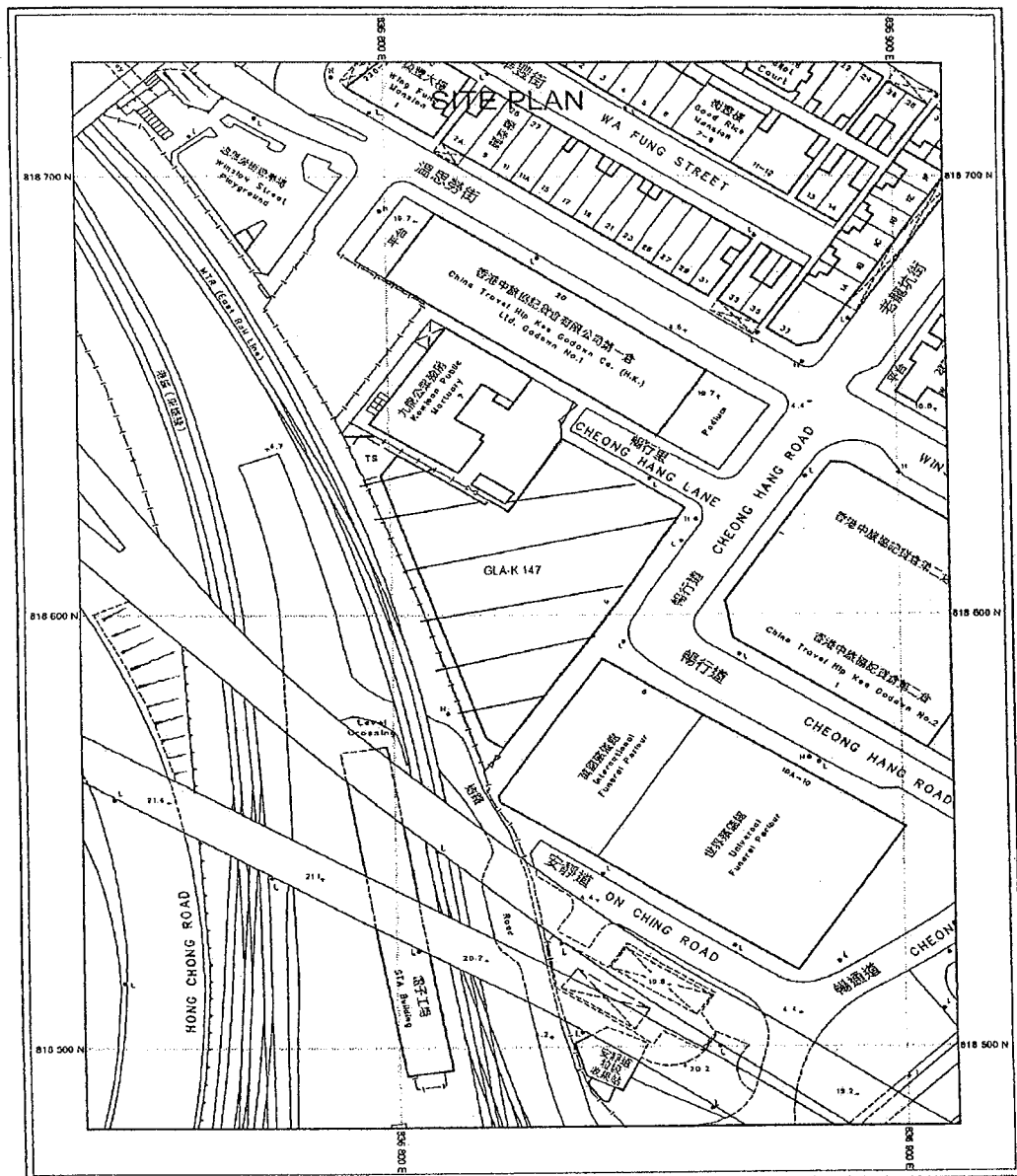
**Disclaimer**

The information contained in this Schedule is given for reference by the Tenderers only. No guarantee is made by the Government as to the accuracy of the data given. However, reasonable care has been exercised by the Government to ensure that the given information reflect the actual situation. The Government shall not be liable for any loss sustained by the Tenderers due to inaccuracy of the data.

## Annex A to Schedule I

### Site Plan of Hung Hom Public Funeral Parlour

#### SITE PLAN OF HUNG HOM PUBLIC FUNERAL PARLOUR

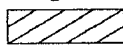


Date: 28-May-2011  
District Survey Office, Kowloon, Lands Department  
© Copyright reserved - Hong Kong SAR Government

SCALE 1:1000

Sheet Number  
11-NW-25A 11-NW-25B  
11-NW-25C 11-NW-25D

#### Legend :

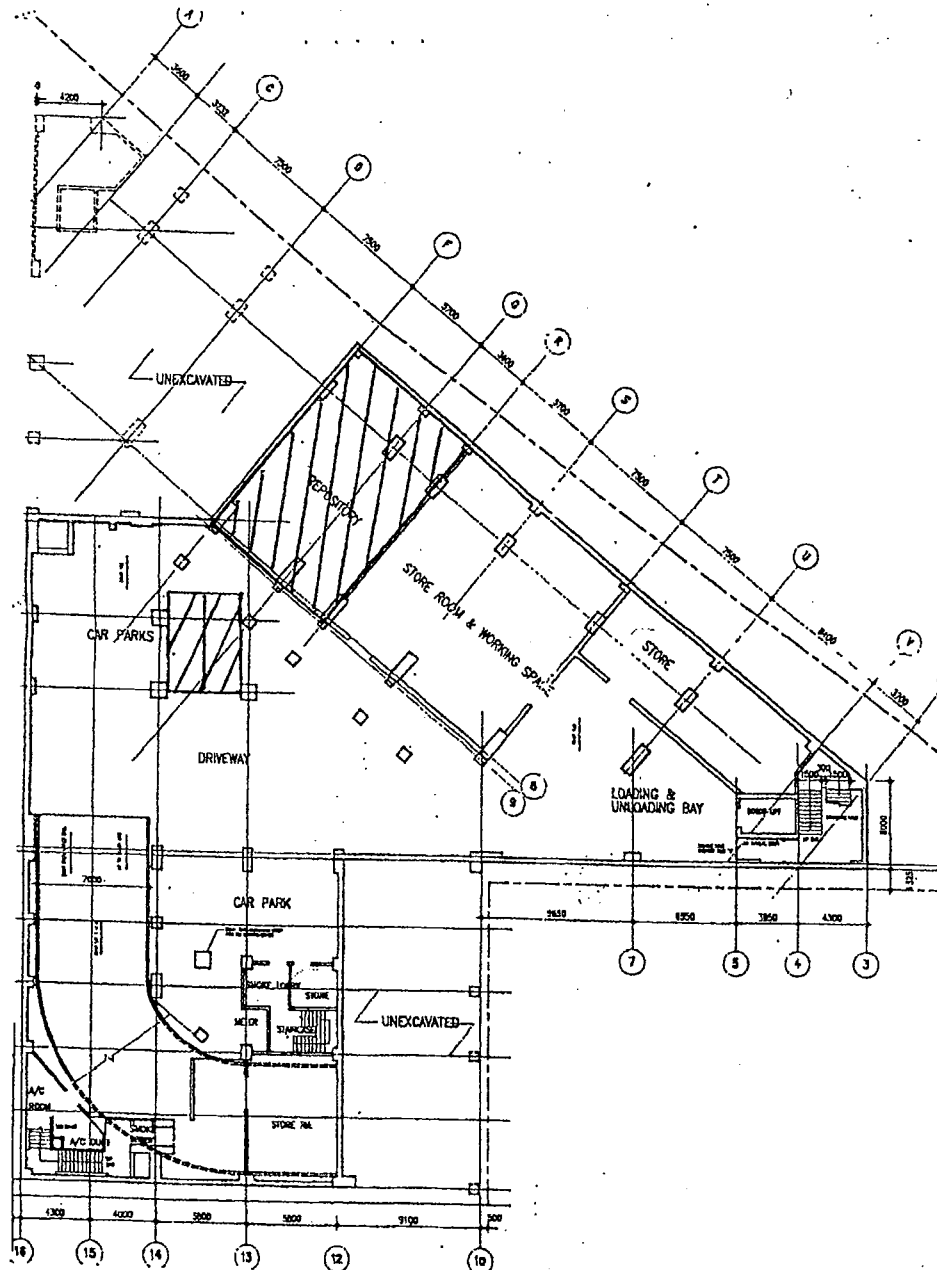
 Site boundary of the Funeral Parlour

**Annex B to Schedule I****Level Plans of Hung Hom Public Funeral Parlour**

As shown on the attached Sheets Nos. 1- 8.

(Note : The Government Portion, which includes a repository and two parking spaces on B/F of Block A, a permit office on UG/F of Block A, whole floor area of UG/F and 1/F of Block B as shown hedged black on the attached level plans (Sheet No.1, Sheet No.3 and Sheet No.4), shall remain under the control of FEHD.)

Sheet No. 1



Legend :

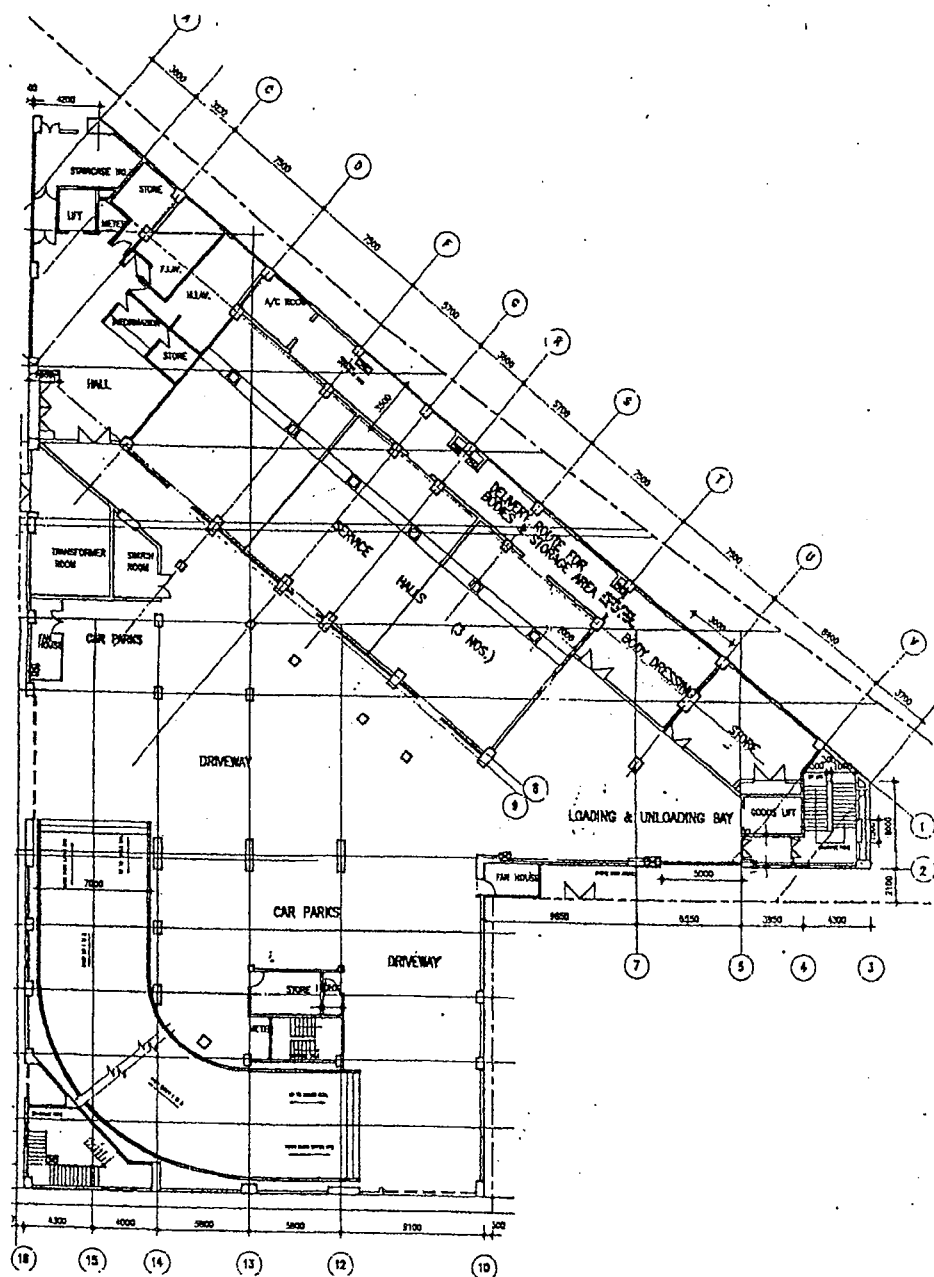


Government Portion

Hung Hom Public Funeral Parlour  
Layout Plan of Basement Floor, Block A and Block B

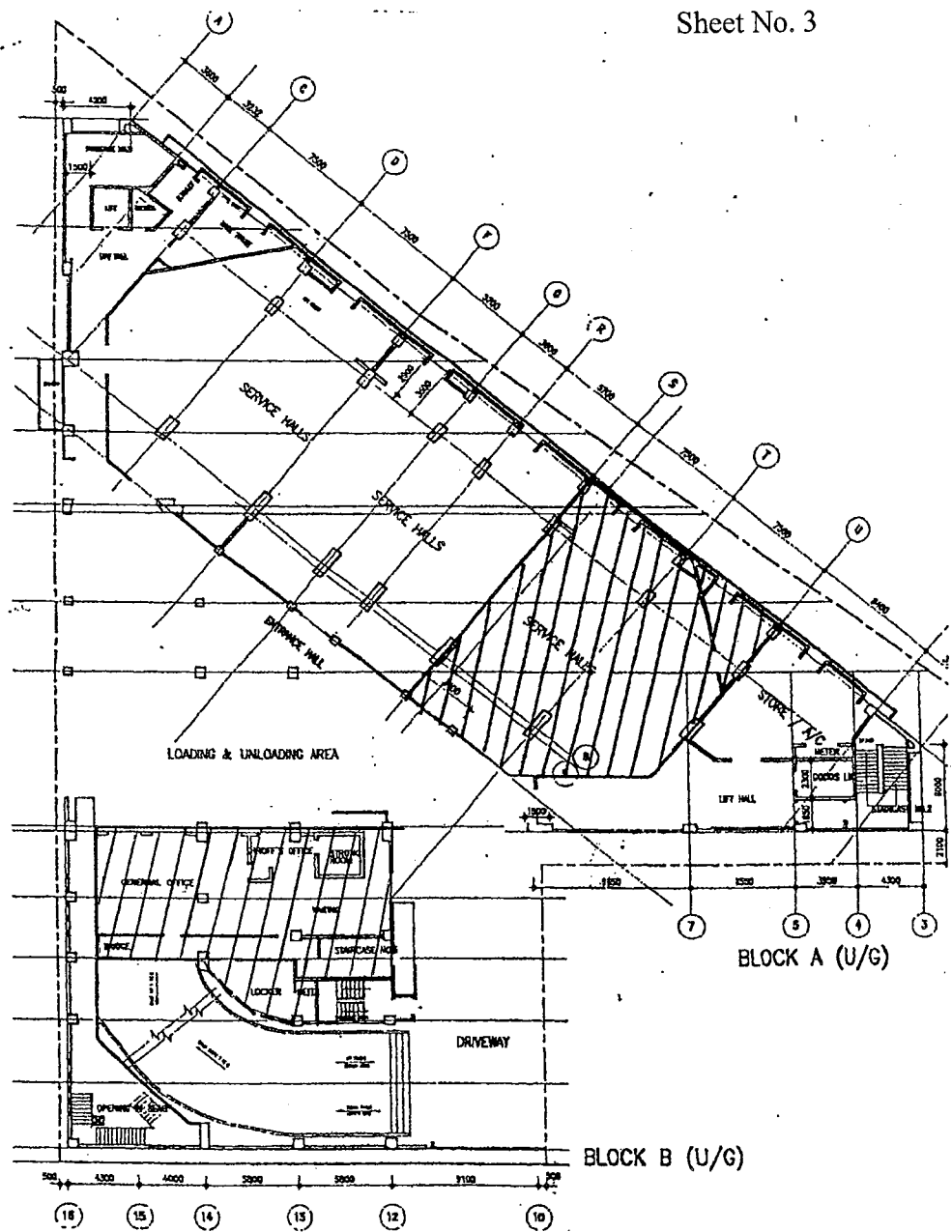


Sheet No. 2



Hung Hom Public Funeral Parlour  
 Layout Plan of Lower Ground Floor, Block A and Block B

Sheet No. 3



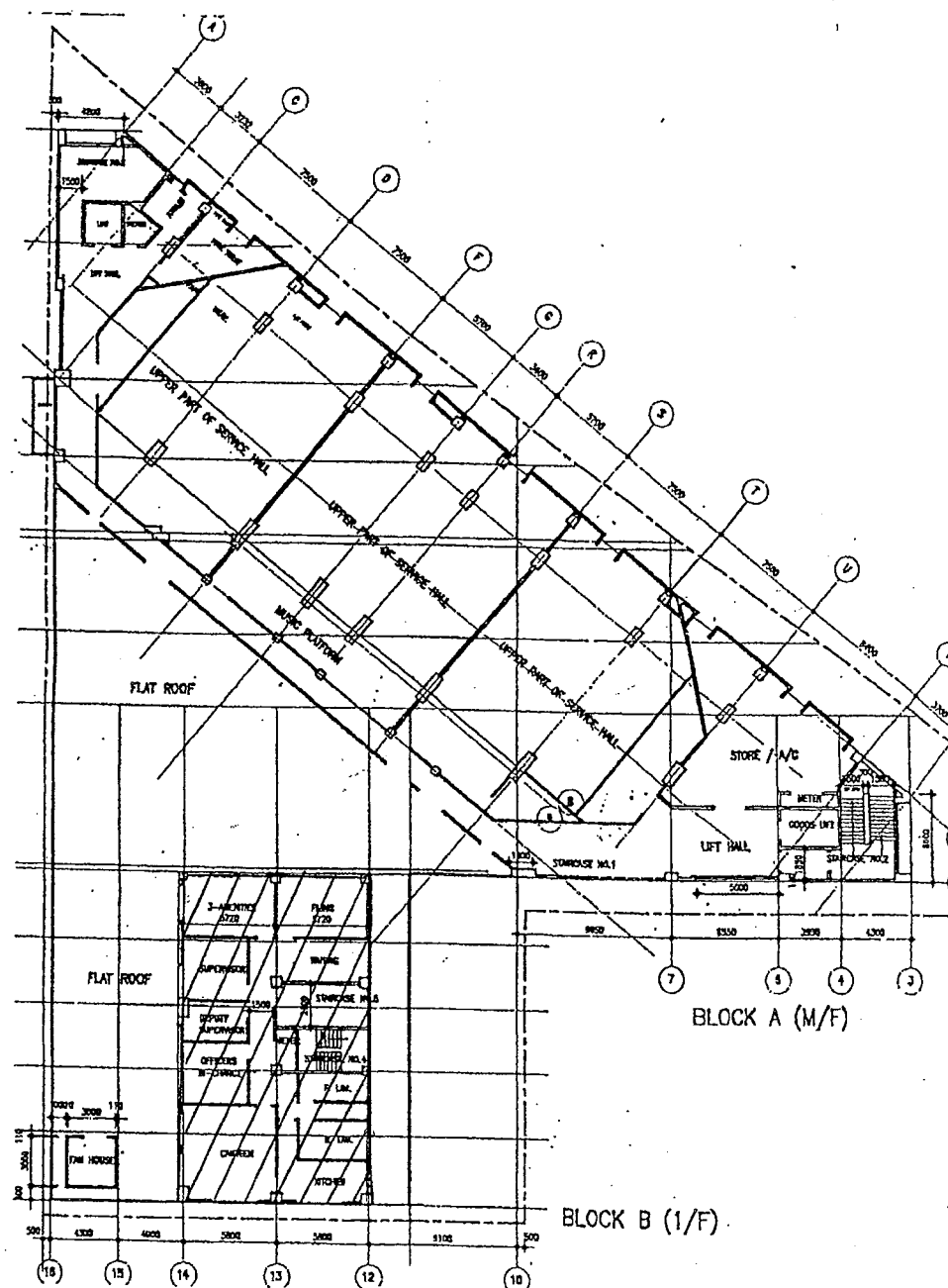
Legend :



Government Portion

**Hung Hom Public Funeral Parlour**  
**Layout Plan of Upper Ground Floor, Block A and Block B**

Sheet No. 4



Legend :

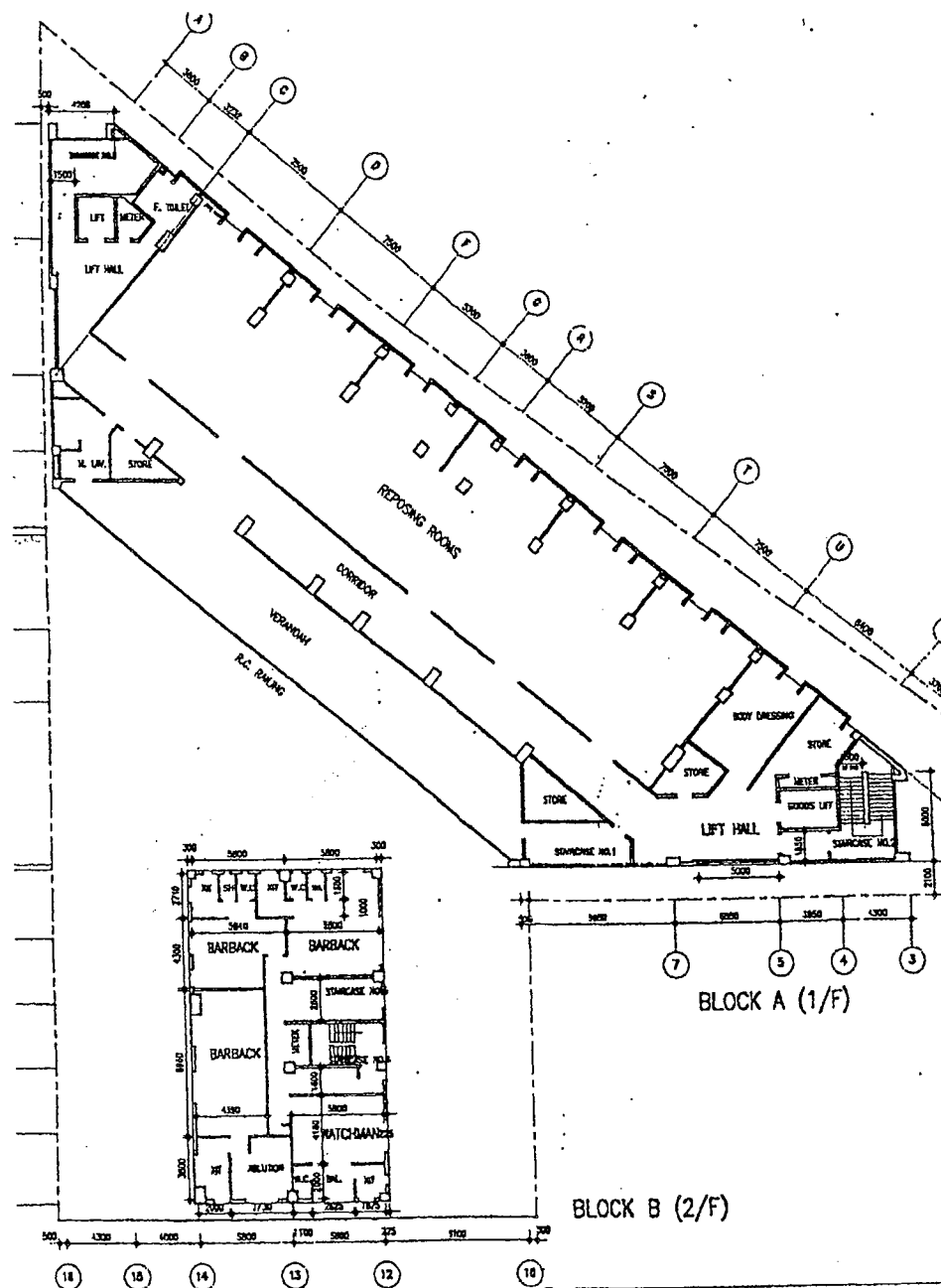


Government Portion

Hung Hom Public Funeral Parlour

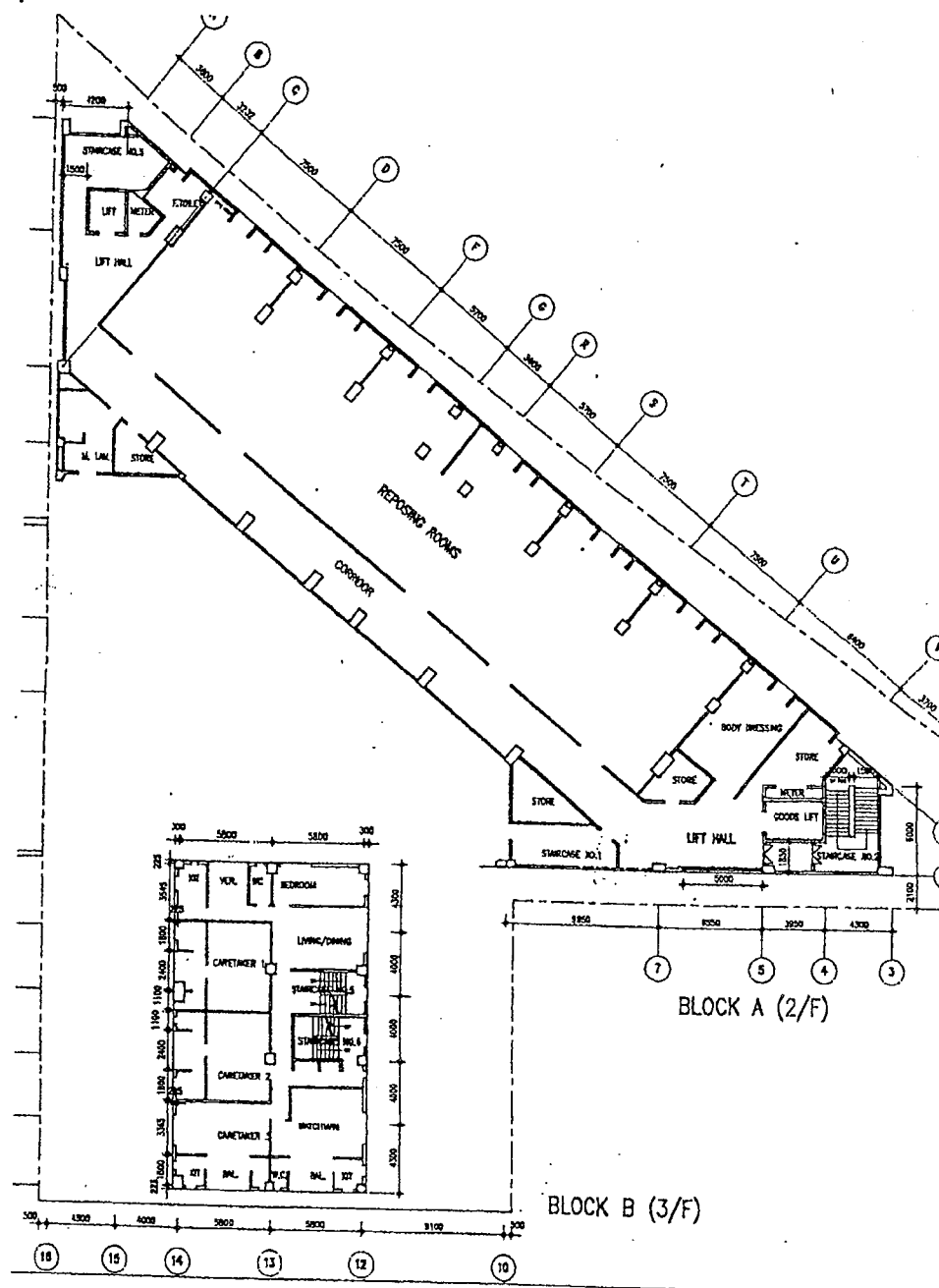
Layout Plan of Mezzanine Floor, Block A and First Floor, Block B

Sheet No. 5



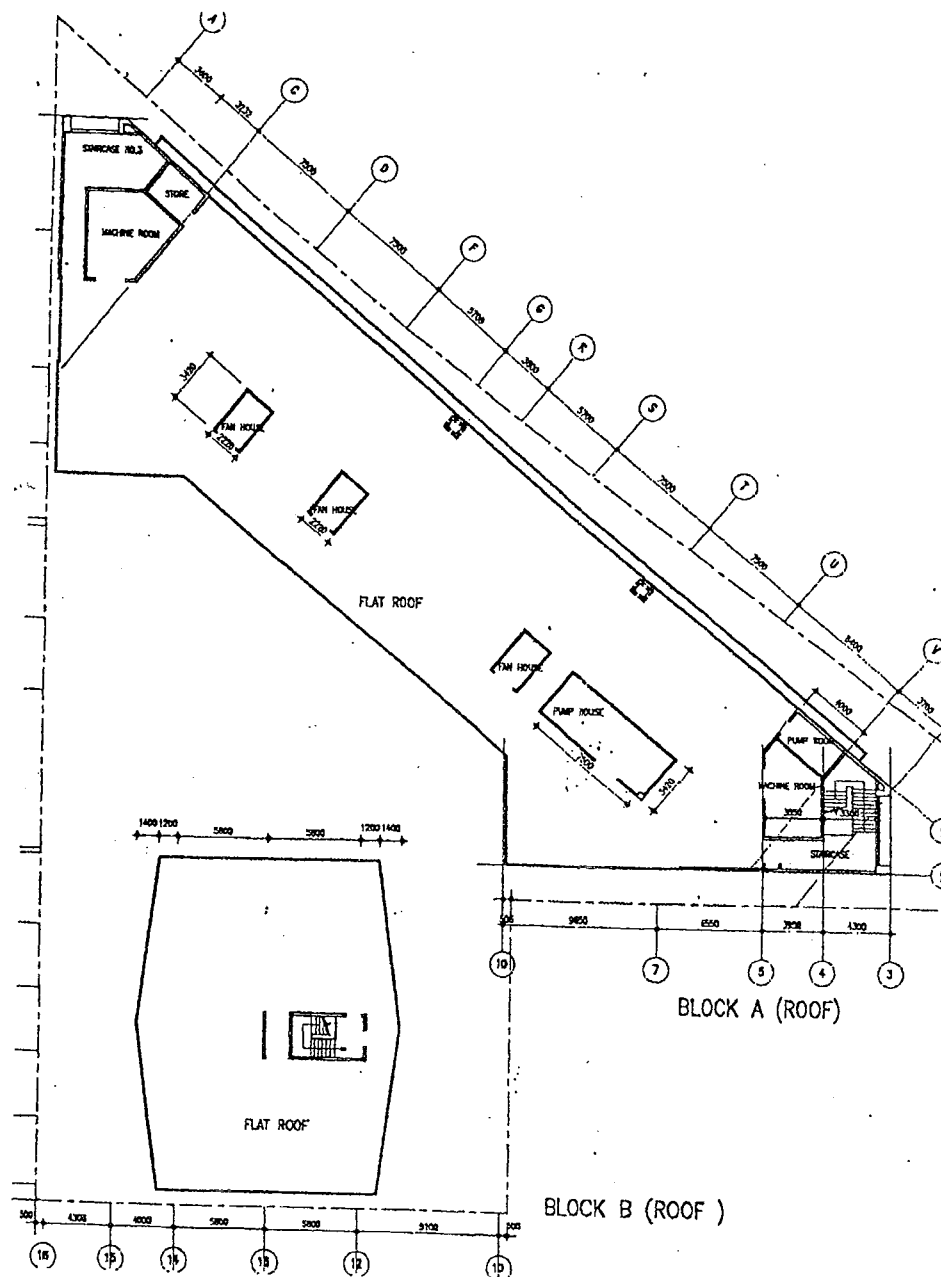
**Hung Hom Public Funeral Parlour**  
**Layout Plan of First Floor, Block A and Second Floor, Block B**

Sheet No. 6





Sheet No. 8



Hung Hom Public Funeral Parlour  
Layout Plan of Roof, Block A and Block B

## Schedule II

### Maintenance Items / Requirements

Maintenance Items	Service Frequency	Performance Requirements
<p>A. <u>Building Works</u></p> <p>including but not limited to the following:-</p> <ul style="list-style-type: none"> <li>(a) building and structures including those stated in Schedule I</li> <li>(b) plumbing and drainage installations</li> <li>(c) car park, ramp, open ground, roads pavements, metal rails, fence, gates and boundary walls</li> <li>(d) floors and walls, louvres, windows and doors</li> <li>(e) roofing systems</li> </ul>	<ul style="list-style-type: none"> <li>● To rectify any defect in such building works whenever detected or as directed by the Government Representative.</li> <li>● To repaint, refurbish all internal walls, window frames, doors, ceiling and other internal and/or external surfaces as appropriate at a maximum interval of once in every two (2) years.</li> </ul>	<p>In accordance with the standards, specifications, guidelines, codes of practice, procedures, manual, requirements and conditions generally adopted by the relevant trades for the relevant works.</p>
<p>B. <u>Building Services System</u></p> <p>including but not limited to the following:-</p> <ul style="list-style-type: none"> <li>(a) lightning protection installation</li> <li>(b) electrical, power switch board installations such as distribution boards, switch boards, service conduits, electric wiring, cables, and light fittings</li> <li>(c) ventilating and air conditioning systems</li> <li>(d) pollution control systems</li> <li>(e) fire services installation</li> <li>(f) lift installation</li> <li>(g) water supply and pumping installations</li> <li>(h) security and related installation, such as buzzer/alarm</li> </ul>	<ul style="list-style-type: none"> <li>● To rectify any defect in such building service systems whenever detected or advised by the Government Representative.</li> <li>● To carry out inspection and testing of all such systems and, if necessary, to obtain the required certifications and submit them to the relevant authorities at a maximum interval of once a year.</li> </ul>	<p>In accordance with the standards, specifications, guidelines, codes of practice, procedures, manual, requirements and conditions generally adopted by the relevant trades for the relevant building service systems.</p>



Schedule III

## Fee Proposal

Fee for the Agreement Period

Fee for every three (3) months (Note)	HK\$ _____
--	------------

**Total Value of the Agreement Period = Fee for every three (3) months X 20**

**= HK\$ \_\_\_\_\_** (clause 4 of the General Conditions of Agreement in Part IV)

**(Total)**

Note : Tenderer shall note that the Fee for every three (3) months shall **not** be less than Hong Kong Dollars Six Million (HK\$6,000,000) or its tender will **not** be considered further.

### Schedule IV

#### Claims of Experience in Operating Funeral Parlour/ Undertaker Business

##### Important Note :

For claims of experience in this Schedule, Tenderers must provide complete information strictly in accordance with the table as specified below. Any Tenderer who fails to provide complete information with relevant documentary proof and / or particulars of the referee(s) where applicable may render their claims not be taken into account for the purpose of determining the Tenderer's past experience in connection with clause 4(iii) of the Terms of Tender. The Government's decision on whether the relevant documentary proof and / or reference(s) submitted by the Tenderer are acceptable for the purpose is final.

	Experience in operating funeral parlour/undertaker business in 15-year period immediately preceding the Tender Closing Date. <small>Note 1, Note 2 and Note 3</small>
Particulars/details of the experience including locations where the experience was obtained	
Duration (i.e. number of years with starting date and end date)	
Information on the experience claimed	
Please specify the type of documentary proof attached to this declaration and particulars of the referee(s) ( where applicable)	[please provide documentary proof/ information listed in Note 1]

Note 1: To prove the experience in operating funeral parlour/undertaker business, the Tenderers should produce and attach to this declaration relevant documentary proof e.g. copy of funeral parlour/undertaker business licence/permit certified by notary public, issuing authority etc.

If the Tenderer wishes to supplement this declaration with documented reference(s) from a third party (the "referee"), the Tenderer should provide particulars of the referee(s) including : name of person and/or company, position and contact details (e.g. telephone and fax number, mailing address and email address etc.)

Note 2 : Tenderer shall authorize the Government to obtain information from the referee(s) or the officer duly authorized by the Tenderer regarding his record of experience and / or relevant documentary proof provided in Schedule IV and shall give consent to the referees or the authorized officer to release and provide information to the Government.

Note 3 : In the event that any or all of the Tenderer's referee(s) or the authorized officer fail to provide adequate information to the Government or that the genuineness of the relevant documentary proof cannot be reasonably ascertained, the Tenderer's claim in respect of such referee(s) or documentary proof will not be taken into account for the purpose of determining his past experience in connection with clause 4(iii) of the Terms of Tender. The Government's decision on whether the relevant documentary proof and / or reference(s) submitted by the Tenderer are acceptable for the purpose is final.

(a) I/We hereby authorize the Government to obtain information from the referee(s) and give consent for the referee(s) to release and provide information to the Government as regards my/our record of experience concerning the contractual services listed in this Schedule.

(b) I/We hereby declare that all information given in the above table and any additional sheets attached hereto are true and correct. I/We agree that, if any of such information is found to be untrue and incorrect, my/our claims will not be taken into account for the purpose of determining the Tenderer's past experience in connection with clause 4(iii) of the Terms of Tender. I/We agree that the Government's decision on whether the relevant documentary proof and / or reference(s) submitted are acceptable for the purpose of determining my/our past experience in connection with clause 4(iii) of the Terms of Tender is final.

**Authorized Signature & Company Chop** : \_\_\_\_\_  
**Name of Person Authorized to Sign**  
**(in Block Letters)** : \_\_\_\_\_  
**Name of Tenderer in English**  
**(in Block Letters)** : \_\_\_\_\_  
**Date** : \_\_\_\_\_

### Schedule V

#### Claim of Experience of Senior Managerial Staff

Name & Title of Proposed Management Staff	Academic /Professional Qualifications and Dates Obtained, membership of trade association (if any)	Experience In Funeral Parlour/Undertaker Operations in 10-year period immediately preceding the Tender Closing Date

Note 1 : Tenderer's attention is drawn to Note 1,2 and 3 of clause 4(ii) of Terms of Tender.

Note 2 : Tenderers shall note that the information regarding working experiences of management staff are areas of consideration under clause 4(ii) of the Terms of Tender.

Note 3 : Tenderers shall produce relevant and valid documentary proof to substantiate their claims in Schedule V. Any Tenderer who fails to provide complete information with relevant documentary proof and / or particulars of the referee(s) where applicable may render their claims not be taken into account for the purpose of determining the Tenderer's claim of experience of senior managerial staff in connection with clause 4(ii) of the Terms of Tender. The Government's decision on whether the relevant documentary proof and / or reference(s) submitted by the Tenderer are acceptable for the purpose is final.

Authorized Signature & Company Chop :

Name of Person Authorized to Sign :  
(in Block Letters)

Name of Tenderer in English :  
(in Block Letters)

Date :

## Schedule VI

### Claim of Management Accreditation

Date Obtained	Particulars of Qualification in Quality, Environmental, and Occupational Health and Safety Management	Validity Period of the Qualification

Note (i) : Tenderers should attach copies of the claimed management accreditation which are valid at the Tender Closing Date to support their relevant claims.

(ii) : Tenderer who is a partnership or a joint venture should attach copies of the claimed management accreditation of accredited certificates of ISO 9001, ISO 14001 and OHSAS 18001 possessed by one of the partners/participants with the maximum number of the accredited certificates only.

Authorized Signature & Company Chop : \_\_\_\_\_

Name of Person Authorized to Sign : \_\_\_\_\_  
(in Block Letters) \_\_\_\_\_

Name of Tenderer in English : \_\_\_\_\_  
(in Block Letters) \_\_\_\_\_

Date : \_\_\_\_\_

## **SCHEDULE VII**

### **Sample Form of Banker's Guarantee for the Performance of a Contract**

THIS GUARANTEE is made the ..... day of ..... 20 .....

BETWEEN .....  
 of ....., a bank within a meaning of the Banking Ordinance Cap. 155 (hereinafter called the "Guarantor") of the one part and The Government of the Hong Kong Special Administrative Region (hereinafter called the "Government") of the other part.

WHEREAS

- (A) By a contract (hereinafter called the "Contract") dated the \_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_ made between XXXXXXXXXXXXX of XXXXXXXXXXXXXXXXXXXXXXXXXXXXX (hereinafter called the "Contractor") of the one part and the Government of the other part (designated as Food and Environmental Hygiene Department Contract No. FEHD S C/XX/11 of 2011 the Contractor agreed and undertook to supply the XXXXXXXXXXXXXXXXXXXXXXXXXXXXX upon the terms and conditions of the Contract.
- (B) The Guarantor has agreed to guarantee in the manner hereinafter appearing, the due and faithful performance of the Contract by the Contractor.

Now the Guarantor HEREBY AGREES with the Government as follows :-

- (1) Where applicable, words and expressions used in this Guarantee shall have the meaning assigned to them under the Contract.
- (2) In consideration of the Government entering into the Contract with the Contractor-
- (a) The Guarantor hereby irrevocably and unconditionally guarantees the due and punctual performance and discharge by the Contractor of all of his, her and their obligations and liabilities under the Contract and the Guarantor shall pay to the Government on demand and without cavil or argument all monies and liabilities which are now or at any time hereafter shall become due or owing by the Contractor to or in favour of the Government under or in connection with the Contract together with all costs, charges and expenses on a full indemnity basis which may be incurred by the Government by reason or in consequence of any default on the part of the Contractor in performing or observing any of the obligations terms conditions stipulations or provisions of the Contract.
- (b) The Guarantor, as a principal obligor and as a separate and independent obligation and liability from its obligations and liabilities under sub-clause (a) above, irrevocably and unconditionally agrees to indemnify and keep indemnified the Government against and shall pay to the Government on demand and without cavil or argument all losses, damages, costs, charges and expenses on a full indemnity basis suffered or incurred by the Government arising from or in connection with the failure of the Contractor to perform fully or promptly any of his, her or their obligations terms conditions stipulations or provisions of the Contract.

- (c) The Guarantor further agrees that all dividends, compositions and payments which the Government may at any time receive from the Contractor or from his, her or their estate or estates, whether in liquidation, bankruptcy or otherwise, in respect of such all losses damages costs charges expenses shall be taken and applied by the Government as payments in gross, and that this Guarantee shall stand good in respect of the balance to the full amount of HK\$..... (Hong Kong Dollars .....)
- (3) This Guarantee shall not be affected by any change of name or status in the company, firm or individual described as "the Contractor" or where "the Contractor" is a partnership, any change in the partners.
- (4) The Guarantor shall not be discharged or released from this Guarantee by any arrangement made between the Government and the Contractor or by any alteration in the obligations imposed upon the Contractor by the Contract or by any forbearance granted by the Government to the Contractor as to payment, time, performance or otherwise whether or not such arrangement, alteration or forbearance may have been or is made or granted with or without knowledge or assent of the Guarantor.
- (5) Without prejudice to Clause 4 above, the obligations of the Guarantor under this Guarantee shall remain in full force and effect and shall not be affected or discharged in any way by, and the Guarantor hereby waives notice of :
- (a) any suspension of, variation to or amendment of the Contract (including without limitation extension of time for performance) or any concession or waiver by the Government, in whole or in part, in respect of the Contractor's obligations under the Contract;
  - (b) any provision of the Contract being or becoming illegal, invalid, void, voidable or unenforceable;
  - (c) the termination of the Contract or of the engagement of the Contractor under the Contract for any reason;
  - (d) any forbearance or waiver of any right of action or remedy that the Government may have against the Contractor and/or the negligence, failure, omission, indulgence or delay by the Government in enforcing any right, power, privilege to or remedy available to the Government in relation to the obligations of the Contractor set out in the Contract;
  - (e) the voluntary or involuntary liquidation, bankruptcy, dissolution, sale of assets, receivership, general assignment for benefit of creditors, insolvency, reorganisation arrangement, composition, or other proceedings of or affecting the Contractor or its assets, or any change in the constitution of the Contractor;
  - (f) any assignment or sub-contracting by the Contractor of any or all of its



obligations set out in the Contract, whether or not such assignment or sub-contracting has been consented to;

- (g) without prejudice to the generality of the foregoing, any fact or event (whether similar to any of the foregoing or not) which in the absence of this provision would or might constitute or afford a legal or equitable discharge or release of or defence to the Guarantor, other than the express release of its obligations.
- (6) This Guarantee shall extend to any variation of or amendment to the Contract and to any agreement supplemental thereto agreed between the Government and the Contractor and for the avoidance of doubt, the Guarantor hereby authorizes the Government and the Contractor to make any such amendment, variation or supplemental agreement.
- (7) This Guarantee shall have immediate effect upon execution and is a continuing security. This Guarantee shall cover all of the obligations and liabilities of the Contractor under the Contract and shall remain in full force and effect and irrevocable until-
  - (a) the date falling six months after the expiry of the Contract; or
  - (b) the date on which all the obligations and liabilities of the Contractor under the Contract have been duly carried out, completed and discharged in accordance with the Contract,whichever is the later.
- (8) This Guarantee is in addition to and shall not merge with or otherwise prejudice or affect any contractual or other right or remedy or any guarantee, indemnity, lien, pledge, bill, note, charge or any other security which the Government may at any time hold (collectively "Other Security") and this Guarantee may be enforced by the Government without first having recourse to any of the Other Security or taking any steps or proceedings against the Contractor, and notwithstanding any release, waiver or invalidity of the Other Security.
- (9) Any demand, notification or certificate given by the Government specifying amounts due and payable under or in connection with any of the provisions of this Guarantee shall be conclusive and binding on the Guarantor.
- (10) The obligations expressed to be undertaken by the Guarantor under this Guarantee are those of primary obligor and not as a surety.
- (11) This Guarantee shall be governed by and construed according to the laws for the time being in force in the Hong Kong and the Guarantor agrees to submit to the exclusive jurisdiction of the Courts of Hong Kong.
- (12) All documents arising out of or in connection with this Guarantee shall be served :

- (a) upon the Government, at Supplies Section, the Food and Environmental Hygiene Department, of 1/F., Oi Kwan Court, 28 Oi Kwan Road, Wanchai, Hong Kong, marked for the attention of the Director of Food and Environmental Hygiene, facsimile number +852 2834 8401;
- (b) upon the Guarantor, at \_\_\_\_\_, Hong Kong, marked for the attention of \_\_\_\_\_, facsimile number \_\_\_\_\_.
- (13) Documents to be served under this Guarantee shall be deemed to have been duly served by one party if sent by letter or fax addressed to the other party at the address stated above or to the facsimile number set out above. The documents so served shall be effective (a) on the date of delivery if hand-delivered; (b) on the date of transmission if sent by facsimile; and (c) if despatched by mail (whether registered or not), on the day on which they are tendered for delivery by the postal authority in Hong Kong.
- (14) The aggregate amount of the Guarantor's liability under this Guarantee shall not exceed HK\$

IN WITNESS whereof the said Guarantor .....has caused its Common Seal to be hereunto affixed the day and year first above written.

\* The Common Seal of the said Guarantor was)  
hereunto affixed in the presence )  
of ..... )  
..... )  
..... )

@ Signed Sealed and Delivered for and on behalf)  
of and as lawful attorney of the Guarantor under)  
power of attorney date ..... and deed of)  
delegation )  
dated .....by ..... )  
. and in the presence )  
of..... )  
..... )  
..... )  
..... )  
..... )

\* See S.41A of the Banking Ordinance Cap. 155

@ See Powers of Attorney Ordinance Cap. 31

Note : When bank guarantees are executed under power of attorney, a photocopy of the power of attorney, certified on each page by a Hong Kong solicitor that it is a true and complete copy of the origin should be submitted.

**Part VII****Tenderer's Background Form**

**Note :** The Tenderer **MUST** fill in the information required in this Background Form even a separate report is submitted.

**1. Name of Tenderer (registered Name of Company)**

---

**2. Present Business**

---

**3. Particulars of Company**

(a) Year of establishment 

---

(b) Ownership 

---

(c) Banker (Name & address of bankers who are prepared to provide reference)

---

(d) No. of employees currently employed

---

(e) No. of workers currently employed on funeral parlour/undertaker duties

---

(f) Others (*Please specify*) 

---

---

---

---

---

---

---

---

**4. Financial Status of the Company**

- (a) Liability : HK\$ \_\_\_\_\_ (as at \_\_\_\_\_)
- (b) Capital :
- i. Authorized Capital : HK\$ \_\_\_\_\_ (as at \_\_\_\_\_)
- ii. Paid up Capital : HK\$ \_\_\_\_\_ (as at \_\_\_\_\_)

5. I certify that the details of the company stated in this form are true and correct.

Authorized Signature & Company Chop \_\_\_\_\_

Name of Person Authorized to Sign  
(in Block Letters) \_\_\_\_\_

Name of Tenderer in English  
(in Block Letters) \_\_\_\_\_

Name of Tenderer in Chinese \_\_\_\_\_

Tel. No. : \_\_\_\_\_ Fax No. : \_\_\_\_\_ Date : \_\_\_\_\_

## **Annex B**

The statistics of funeral ceremonies held in public hospitals in the past two years are as follows -

	<b>2010*</b>	<b>2011</b>
Number of funeral ceremonies held in public hospitals	4,581	5,643
Number of public hospitals providing funeral ceremonies	27	27

Remarks: \* The Hospital Authority has only started to collect territory-wide statistics for funeral ceremonies held in public hospitals under a standardized data capture system since 2010. Hence complete data prior to 2010 is not available.

**Rentals of Service Halls****Grand Peace Funeral Parlour\***

<b>Floor</b>	<b>Name of Service Hall</b>	<b>Capacity (Person)</b>	<b>Rental Time</b>	<b>Rental before Adjustment (\$)</b>
G/F	永安堂 (001)	70	4:00 p.m. to 12:00 p.m. on the following day	13,200
	永康堂 (002)	70		13,200
	永寧堂 (003)	70		13,200
1/F	永恆堂 (101)	100		27,000
	永樂堂 (102)	100		24,000
3/F	永照堂 (301)	70		11,250
	永祿堂 (302)	70		11,250
	永善堂 (303)	70		11,250
	永恩堂 (304)	70		11,250
4/F	永仁堂 (401)	50		6,300
	永義堂 (402)	50		6,300
	永忠堂 (403)	50		6,300
	永信堂 (404)	50		6,300
	永望堂 (405)	50		6,300
	永逸堂 (406)	50		6,300
5/F	永思堂 (501)	50		6,300
	永念堂 (502)	50		6,300
	永慈堂 (503)	50		6,300
	永孝堂 (504)	50		6,300
	永光堂 (505)	50		6,300
	永暉堂 (506)	50		6,300

Remarks: \*(1) Operation started since 27-4-2012.

(2) Funeral should be conducted before 12:00 noon the following day. An hourly rate of \$2,000 will be charged for any delay.

## **Rentals of Service Halls**

**Po Fook Memorial Hall**

**Date of Rental Adjustment: 1-4-2012**

Floor	Name of Service Hall	Capacity (Person)	Rental Time	Rental before Adjustment (\$)	Rental after Adjustment (\$)	Percentage of Increase
G/F	1A	200	3:30 p.m. to 3:00 p.m. on the following day	18,000	22,000	22%
	1B	200		18,000	22,000	22%
2/F	2A	120		11,000	13,000	18%
	2B	120		11,000	13,000	18%
	2C	70		7,000	8,400	20%
	2E	120		11,000	13,000	18%
	2F	50		4,800	5,800	21%
	2G	30		2,800	3,400	21%
	3/F	3C		120	11,000	13,000
3D		50		4,800	5,800	21%
3E		30		2,800	3,400	21%
4/F	4A	70		7,000	8,400	20%
	4B	70		7,000	8,400	20%
	4C	70		7,000	8,400	20%
	4E	70		7,000	8,400	20%
	4F	70		7,000	8,400	20%
	4G	30	2,800	3,400	21%	
	4H	70	7,000	8,400	20%	
	4I	70	7,000	8,400	20%	
	4J	50	4,800	5,800	21%	
	4K	30	2,800	3,400	21%	

Remark: 20% discount will be offered to those licensed undertakers of burials meeting certain amount of booking (i.e. around 16 bookings of service halls per month).

## Rentals of Service Halls

**International Funeral Parlour**

**Date of Rental Adjustment: 1-4-2012**

Floor	Name of Service Hall	Capacity (Person)	Rental Time	Rental before Adjustment (\$)	Rental after Adjustment (\$)	Percentage of Increase
G/F	孝思堂	150	4:00 p.m. to 9:00 a.m. on the following day	Not provided	26,060	No assessment can be made
2/F	福海堂	130			18,930	
	壽山堂	80			17,060	
3/F	301	40	4:00 p.m. to 3:00 p.m. on the following day		3,300	
	302	40			3,300	
	303	40			3,300	
	304	30			3,000	
	305	30			3,000	
	306	30			3,000	
4/F	401	40			3,300	
	402	40			3,300	
	403	40			3,300	
	404	30			3,000	
	405	30			3,000	
	406	30			3,000	
5/F	501	40			3,300	
	502	40			3,300	
	503	40			3,300	
	504	30			3,000	
	505	30			3,000	
	506	30			3,000	



## **Rentals of Service Halls**

**TWGH Diamond Hill Funeral Parlour**

**Date of Rent Adjustment : 1-4-2012**

Floor	Name of Service Hall	Capacity (Person)	Rental Time	Rental before Adjustment (\$)	Rental after Adjustment (\$)	Percentage of Increase
G/F	A 堂	100	4:00 p.m. to 9:00 a.m. on the following day	Not provided	8,870	No assessment can be made
1/F	B 堂	100			8,870	
2/F	C 堂	100			8,870	
4/F	鑽 1	20	4:00 p.m. to 3:00 p.m. on the following day		1,950	
	鑽 2	20			1,950	
	鑽 3	20			1,950	
	鑽 5	20			1,950	
	鑽 6	20			1,950	
	鑽 7	20			1,950	
	鑽 8	20			1,950	
	鑽 9	20			1,950	

## **Rentals of Service Halls**

### **Kowloon Funeral Parlour\***

<b>Floor</b>	<b>Name of Service Hall</b>	<b>Capacity (Person)</b>	<b>Rental Time</b>	<b>* Rental before 31-5-2012 (\$)</b>	<b>@ Rental from 1-6-2012 to 30-6-2012 (\$)</b>	<b>@ Rental from 1-7-2012 onwards until further notice (\$)</b>
G/F	東海堂	320	4:00 p.m. to 10:00 a.m. on the following day	23,000	27,000	23,000
	德望堂	200		22,000	26,000	22,000
	景賢堂	160		19,000	22,000	19,000
2/F	永孝堂	70-80	4:00 p.m. to 3:00 p.m. on the following day	9,000	10,500	9,000
	永順堂	80-90		10,000	11,500	10,000
	201	40		4,000	4,600	4,000
	202	40		4,000	4,600	4,000
	203	40		4,000	4,600	4,000
	204	40		4,000	4,600	4,000
	206	40		4,000	4,600	4,000
	207	40		4,000	4,600	4,000
3/F	慈光堂	65		7,000	8,000	7,000
	光耀堂	80		8,000	9,200	8,000
	光大堂	80		8,000	9,200	8,000
	光榮堂	80		8,000	9,200	8,000
	聖光堂	150		16,000	19,000	16,000

#### **Remarks:**

- (1) \* A 15% and 30% surcharge will be imposed for any booking of service hall exceeding 10 days and 20 days respectively from the date of booking with effective from 1-3-2012 to 31-5-2012.
- (2) @ No surcharge will be imposed for any booking of service halls with effective from 1-6-2012 onwards until further notice.

**1. Funeral Service : Rental of Freezer**

	<b>Name of Funeral Parlour</b>	<b>Date of price adjustment</b>	<b>Price before adjustment (\$)</b>	<b>Price after adjustment (\$)</b>	<b>Difference</b>	<b>Remarks</b>
1	Hong Kong Funeral Home	Information not provided				
2	International Funeral Parlour	No rental service				
3	Kowloon Funeral Parlour	A total of \$4,200 for the first 14 days service and a daily rate of \$200 thereafter (No adjustment of price)			0%	Including embalming service
4	Diamond Hill Funeral Parlour	No rental service				
5	Universal Funeral Parlour	Information not provided				
6	Po Fook Memorial Hall	1-4-2012	150/day	300/day	100%	Free of charge with purchase of coffin
7	Grand Peace Funeral Parlour	Funeral business commenced on 27-4-2012		A total of \$3,500 for the first 7 days and a daily rate of \$400 thereafter.	Not applicable	
8	Ex-Sai Sing Funeral Parlour	Information not provided				

## **2. Funeral Service: Make-up Service for the Deceased**

	<b>Name of Funeral Parlour</b>	<b>Date of price adjustment</b>	<b>Price before adjustment (\$)</b>	<b>Price after adjustment (\$)</b>	<b>Difference</b>	<b>Remarks</b>
1	Hong Kong Funeral Home	Information not provided				
2	International Funeral Parlour	1-4-2012	Information not provided	600	No assessment can be made	
3	Kowloon Funeral Parlour	300 (No adjustment)			0%	
4	Diamond Hill Funeral Parlour	1-4-2012	Information not provided	600	No assessment can be made	
5	Universal Funeral Parlour*	Information not provided		2% of coffin price i.e. \$116-\$840	No assessment can be made	Purchase of coffin package can use the designated funeral hall service
6	Po Fook Memorial Hall	400 (No adjustment)			0%	
7	Grand Peace Funeral Parlour	Funeral business commenced on 27-4-2012		400	0%	
8	Ex-Sai Sing Funeral Parlour	Information not provided				

### 3. Funeral Service: Decoration of Service Hall

	Name of Funeral Parlour		Date of price adjustment	Price before adjustment (\$)	Price after adjustment (\$)	Difference	Remarks
1	Hong Kong Funeral Home	(a) Cheapest Price	Information not provided				
		(b) Medium price					
2	International Funeral Parlour	(a) Cheapest Price	1-4-2012	Information not provided	670 for reposing rooms/ 821 for service halls	No assessment can be made	Flower banner + Photo Frame
		(b) Medium price			Information not provided	No assessment can be made	
3	Kowloon Funeral Parlour	(a) Cheapest Price	700 (No adjustment)			0%	
		(b) Medium price	1,300 (No adjustment)			0%	
4	Diamond Hill Funeral Parlour	(a) Cheapest Price	1-4-2012	Information not provided	670 for reposing rooms/ 821 for service halls	No assessment can be made	Hall decorated with flower + Flower Photo Frame
		(b) Medium price			Information not provided	No assessment can be made	
5	Universal Funeral Parlour*	(a) Cheapest Price	Information not provided		950	No assessment can be made	
		(b) Medium price			Information not provided	No assessment can be made	
6	Po Fook Memorial Hall	(a) Cheapest Price	900 (No adjustment)			0%	
		(b) Medium price	1,400 (No adjustment)			0%	

7	Grand Peace Funeral Parlour	(a) Cheapest Price	Funeral business commenced on 27-4-2012	1,800	0%	
		(b) Medium price		2,400	0%	
8	Ex-Sai Sing Funeral Parlour	(a) Cheapest Price	Information not provided			
		(b) Medium price				

#### **4. Funeral Service : Ceremony Director**

	Name of Funeral Parlour	Date of price adjustment	Price before adjustment (\$)	Price after adjustment (\$)	Difference	Remarks
1	Hong Kong Funeral Home	Information not provided				
2	International Funeral Parlour	1-4-2012	Information not provided	220/hour	No assessment can be made	
3	Kowloon Funeral Parlour	200/hour (No adjustment)			0%	
4	Diamond Hill Funeral Parlour	1-4-2012	Information not provided	219/hour	No assessment can be made	
5	Universal Funeral Parlour*	Information not provided		170/hour	No assessment can be made	
6	Po Fook Memorial Hall	170/hour (No adjustment)			0%	
7	Grand Peace Funeral Parlour	Funeral business commenced on 27-4-2012		220/hour	0%	
8	Ex-Sai Sing Funeral Parlour	Information not provided				

## **5. Funeral Service : Hearse**

	Name of Funeral Parlour	Date of price adjustment	Price before adjustment (\$)	Price after adjustment (\$)	Difference	Remarks
1	Hong Kong Funeral Home	Information not provided				
2	International Funeral Parlour	1-4-2012	Included in the coffin package		No assessment can be made	
3	Kowloon Funeral Parlour	Included in the coffin package (No adjustment)			0%	
4	Diamond Hill Funeral Parlour	1-4-2012	Included in the funeral service package		No assessment can be made	
5	Universal Funeral Parlour*	Information not provided		Included in the coffin package	No assessment can be made	
6	Po Fook Memorial Hall	600 (No adjustment)			0%	
7	Grand Peace Funeral Parlour	Funeral business commenced on 27-4-2012		Varied with the distance between hospital and crematorium/burial ground and type of coffin	0%	
8	Ex-Sai Sing Funeral Parlour	Information not provided				

## **6. Funeral Service : Decoration of Hearse**

	<b>Name of Funeral Parlour</b>	<b>Date of price adjustment</b>	<b>Price before adjustment (\$)</b>	<b>Price after adjustment (\$)</b>	<b>Difference</b>	<b>Remarks</b>
1	Hong Kong Funeral Home	Information not provided				
2	International Funeral Parlour	1-4-2012	Information not provided	949	No assessment can be made	Hearse wreath + flower decoration
3	Kowloon Funeral Parlour	250 (No adjustment)			0%	
4	Diamond Hill Funeral Parlour	1-4-2012	Information not provided	949	No assessment can be made	Hearse wreath + flower decoration
5	Universal Funeral Parlour*	Information not provided		170 - 3,000	No assessment can be made	Hearse wreath / Hearse flower decoration
6	Po Fook Memorial Hall	200 (No adjustment)			0%	
7	Grand Peace Funeral Parlour	Funeral business commenced on 27-4-2012		Varied with the distance between hospital and crematorium/burial ground and type of coffin	Not applicable	
8	Ex-Sai Sing Funeral Parlour	Information not provided				



## **7. Funeral Service : Buddhist Ceremony**

	Name of Funeral Parlour		Date of price adjustment	Price before adjustment (\$)	Price after adjustment (\$)	Difference	Remarks
1	Hong Kong Funeral Home	(a) Cheapest Price	Information not provided				
		(b) Medium price					
2	International Funeral Parlour	(a) Cheapest Price	1-4-2012	Information not provided	4,000	No assessment can be made	四眾四出頭唸經
		(b) Medium price			Information not provided	No assessment can be made	
3	Kowloon Funeral Parlour	(a) Cheapest Price	400 (No adjustment)			0%	
		(b) Medium price	2,200 (No adjustment)			0%	
4	Diamond Hill Funeral Parlour	(a) Cheapest Price	1-4-2012	Information not provided	4,380	No assessment can be made	尼姑四眾四出頭唸經
		(b) Medium price			Information not provided	No assessment can be made	
5	Universal Funeral Parlour	(a) Cheapest Price	Information not provided				
		(b) Medium price					
6	Po Fook Memorial Hall	(a) Cheapest Price	0(No adjustment)			0%	
		(b) Medium price	5,000(No adjustment)			0%	
7	Grand Peace Funeral Parlour	(a) Cheapest Price	Funeral business commenced on 27-4-2012		4,800	Not applicable	
		(b) Medium price			12,800	Not applicable	

8	Ex-Sai Sing Funeral Parlour	(a) Cheapest Price	Information not provided	
		(b) Medium price		

## 8. Funeral Service : Taoist Ceremony

	Name of Funeral Parlour		Date of price adjustment	Price before adjustment (\$)	Price after adjustment (\$)	Difference	Remarks
1	Hong Kong Funeral Home	(a) Cheapest Price	Information not provided				
		(b) Medium price					
2	International Funeral Parlour	(a) Cheapest Price	1-4-2012	Information not provided	4,181	No assessment can be made	三眾一醮
		(b) Medium price			Information not provided	No assessment can be made	
3	Kowloon Funeral Parlour	(a) Cheapest Price	400 (No adjustment)			0%	
		(b) Medium price	2,700 (No adjustment)			0%	
4	Diamond Hill Funeral Parlour	(a) Cheapest Price	1-4-2012	Information not provided	4,181	No assessment can be made	三眾一醮師
		(b) Medium price			Information not provided	No assessment can be made	
5	Universal Funeral Parlour	(a) Cheapest Price	Information not provided				
		(b) Medium price					
6	Po Fook Memorial Hall	(a) Cheapest Price	500 (No adjustment)			0%	
		(b) Medium price	6,700 (No adjustment)			0%	
7	Grand Peace Funeral Parlour	(a) Cheapest Price	Funeral business commenced on 27-4-2012		6,800	Not applicable	
		(b) Medium price			16,800	Not applicable	

8	Ex-Sai Sing Funeral Parlour	(a) Cheapest Price	Information not provided	
		(b) Medium price		

### **9. Funeral Service : Tantric Ceremony**

	Name of Funeral Parlour		Date of price adjustment	Price before adjustment (\$)	Price after adjustment (\$)	Difference	Remarks
1	Hong Kong Funeral Home	(a) Cheapest Price	Information not provided				
		(b) Medium price					
2	International Funeral Parlour	(a) Cheapest Price	To be arranged by bereaved family				
		(b) Medium price					
3	Kowloon Funeral Parlour	(a) Cheapest Price	To be arranged by bereaved family				
		(b) Medium price					
4	Diamond Hill Funeral Parlour	(a) Cheapest Price	To be arranged by bereaved family				
		(b) Medium price					
5	Universal Funeral Parlour	(a) Cheapest Price	Information not provided				
		(b) Medium price					
6	Po Fook Memorial Hall	(a) Cheapest Price	To be arranged by bereaved family				
		(b) Medium price					
7	Grand Peace Funeral Parlour	(a) Cheapest Price	Funeral business commenced on 27-4-2012		5,000	Not applicable	
		(b) Medium price			18,000	Not applicable	
8	Ex-Sai Sing Funeral Parlour	(a) Cheapest Price	Information not provided				
		(b) Medium price					

# **10. Funeral Service : Christian Ceremony**

	<b>Name of Funeral Parlour</b>		<b>Date of price adjustment</b>	<b>Price before adjustment (\$)</b>	<b>Price after adjustment (\$)</b>	<b>Difference</b>	<b>Remarks</b>
1	Hong Kong Funeral Home	(a) Cheapest Price	Information not provided				
		(b) Medium price					
2	International Funeral Parlour	(a) Cheapest Price	To be arranged by bereaved family				
		(b) Medium price					
3	Kowloon Funeral Parlour	(a) Cheapest Price	To be arranged by bereaved family				
		(b) Medium price					
4	Diamond Hill Funeral Parlour	(a) Cheapest Price	To be arranged by bereaved family				
		(b) Medium price					
5	Universal Funeral Parlour	(a) Cheapest Price	Information not provided				
		(b) Medium price					
6	Po Fook Memorial Hall	(a) Cheapest Price	To be arranged by bereaved family				
		(b) Medium price					
7	Grand Peace Funeral Parlour	(a) Cheapest Price	To be arranged by bereaved family				
		(b) Medium price					
8	Ex-Sai Sing Funeral Parlour	(a) Cheapest Price	Information not provided				
		(b) Medium price					

## **11. Funeral Service : Catholic Ceremony**

	<b>Name of Funeral Parlour</b>		<b>Date of price adjustment</b>	<b>Price before adjustment (\$)</b>	<b>Price after adjustment (\$)</b>	<b>Difference</b>	<b>Remarks</b>
1	Hong Kong Funeral Home	(a) Cheapest Price	Information not provided				
		(b) Medium price					
2	International Funeral Parlour	(a) Cheapest Price	To be arranged by bereaved family				
		(b) Medium price					
3	Kowloon Funeral Parlour	(a) Cheapest Price	To be arranged by bereaved family				
		(b) Medium price					
4	Diamond Hill Funeral Parlour	(a) Cheapest Price	To be arranged by bereaved family				
		(b) Medium price					
5	Universal Funeral Parlour	(a) Cheapest Price	Information not provided				
		(b) Medium price					
6	Po Fook Memorial Hall	(a) Cheapest Price	To be arranged by bereaved family				
		(b) Medium price					
7	Grand Peace Funeral Parlour	(a) Cheapest Price	To be arranged by bereaved family				
		(b) Medium price					
8	Ex-Sai Sing Funeral Parlour	(a) Cheapest Price	Information not provided				
		(b) Medium price					

Note: \* According to information available on the website.