

**For discussion on
26 February 2013**

Legislative Council Panel on Development

Development and Operation of Hotels

Purpose

This paper outlines the regulatory regimes for development and operation of hotels in Hong Kong, including controls on possible misuse of hotels for residential purpose, and informs Members of the follow-up actions taken by the relevant authorities in respect of the recent sale of hotel room units by the developer of The Apex Horizon in Kwai Chung.

Regulatory Regimes

2. Hotels are infrastructure in support of tourism and business. Any hotel development in Hong Kong is subject to planning, lands and buildings requirements in accordance with the relevant laws and the land lease of the site on which the hotel stands. At the operational stage, the hotel is required to apply for a hotel/guesthouse licence. The details are set out in the ensuing paragraphs.

Town Planning

3. Any new hotel development must comply with the statutory plans prepared under the Town Planning Ordinance (Cap. 131). According to the Definition of Terms used in Statutory Plans, ‘hotel’ means “any premises whose owner, occupier or proprietor holds out that, to the extent of his available accommodation, he will provide sleeping accommodation for any person presenting himself who appears able and willing to pay a reasonable sum for the services and facilities provided and is in a fit state to be received”. This definition is adopted from the Hotel and Guesthouse Accommodation Ordinance (Cap. 349) (HAGAO). The term ‘hotel’ includes boarding house

(but not one which falls within the definition of ‘Social Welfare Facility’), common lodging house, guesthouse, holiday house, and hotel-like service apartment. ‘Hotel’ is always permitted under “Commercial” zones and “Other Specified Uses” annotated “Mixed Use” zones. In a number of other zones, ‘hotel’ use requires planning approval by the Town Planning Board (TPB).

4. In the case of The Apex Horizon, the site was originally zoned “Industrial” and was rezoned to “Comprehensive Development Area” in 1993 upon request for rezoning by the then land owner and approval by TPB. The current comprehensive development on site, including a hotel tower, two service apartment towers and commercial/retail uses, was approved by TPB in July 2002. The site was subsequently rezoned to “Commercial (2)” in 2009 to reflect the land use of the completed developments on the site. According to the Notes of the “Commercial (2)” zone, ‘hotel’ is an always permitted use and ‘flat’ is not a permitted use.

Land Lease

5. Hotels are located on private lots acquired in the market or sites disposed of by Government for which the leases do not prohibit hotel use. The lease conditions governing each of these lots may be different depending on when the lease concerned is executed and the prevailing considerations at the time of execution.

6. For instance, some old leases do not contain user clause and the land use is virtually unrestricted. Although the lessee of such leases has the flexibility to determine which use to pursue in developing the land as far as lease conditions are concerned, the use and the development have to comply with the relevant legislation. In other cases, the lease may contain a user clause, such as “non-industrial” (residential use is allowed under such a user clause), “non-industrial excluding private residential” and “hotel purposes”, to cite a few examples. In some cases, the minimum and/or maximum gross floor area (GFA) for specific uses may also be stipulated.

7. The lessee has to pay a land premium assessed with reference to the lease conditions. If the lessee wishes to develop his lot differently from what is permitted under the lease, he may apply for lease modification which, if approved, would be subject to payment of additional premium as necessary, among other terms.

8. Sale of hotel developments in the market is usually on an en bloc basis. Concerns about possible misuse of hotels for residential purpose started to surface back in 2003 following an increase of applications for change of use to hotel purposes made to TPB and cases of hotel developments with rooms the design of which resembled residential flats. To curb possible abuses, Lands Department (LandsD) issued internal instructions in July 2003 requiring the imposition of restriction on alienation of hotel developments, except as a whole, in lease modification and land grant that permit development of hotel. Irrespective of whether such an alienation restriction is included in the lease, the lessee must comply with the lease conditions of the site in question and the relevant legislation.

9. In the case of The Apex Horizon, the lease governing the lot concerned (Kwai Chung Town Lot No. 467) was executed in June 2002. The key relevant terms of the lease are:

- (a) the user of “non-industrial (excluding godown and petrol filling station)”;
- (b) the GFA of the building designated or intended to be used for hotel purposes shall not be less than 21,190 square metres (the Hotel GFA requirement); and
- (c) the lessee must obtain LandsD’s approval to a Deed of Mutual Covenant (DMC) before he could dispose of the lot or any part thereof.

10. There is no restriction on alienation of part of the lot after compliance with the lease. In short, the lease does not prohibit disposal of undivided shares of and in the lot, but the lessee is required to comply with the lease, including the Hotel GFA requirement. Insofar as the lease control regime is concerned, the matter at issue is not the sale of hotel room units per se as this is not disallowed under the lease, but whether, following the sale, the hotel room units would in substance be used for hotel purpose such that the Hotel GFA requirement would be met in accordance with the lease.

11. In accordance with the requirement to obtain DMC approval, LandsD approved the DMC in respect of Kwai Chung Town Lot No. 467 Remaining Portion in 2006. The DMC allocated undivided shares to the development at

Kwai Chung Town Lot No. 467 Remaining Portion: service apartments, retail, hotel, car park and common areas. In 2011, LandsD approved the sub-DMC which divided the hotel into Hotel Room Units. This was again in accordance with the DMC approval requirement. The DMC provides for management of the development, and sets out the rights and obligations of the owners of the development. In giving its approval for the sub-DMC, LandsD imposed a condition that the lessee must inform prospective purchasers by sales literature that the hotel room units must be used for hotel purposes.

Buildings Ordinance

12. To encourage hotel development for supporting Hong Kong's tourism industry, the Building Authority (BA) has been exercising discretionary power to grant concessions to bona fide hotel developments since 1969, mainly in the form of exempting certain hotel areas from GFA calculation under section 42 of the Buildings Ordinance (Cap. 123) (BO). The concessions were formalized in November 2000 with the introduction of Regulation 23A of the Building (Planning) Regulations (B(P)R) under the BO, whereby a hotel development will be treated as a non-domestic development so as to enjoy a higher plot ratio and site coverage. In addition, certain areas and facilities essential for hotel operation could be disregarded for GFA calculation.

13. BA has issued a practice note setting out the criteria that BD would take into account in deciding whether a proposed development would be treated as a hotel development for the purpose of Regulation 23A of the B(P)R. Such criteria include -

- (a) whether the site is suitable for hotel development;
- (b) whether basic facilities required for hotel use are provided;
- (c) whether a central air-conditioning system and a centralized hot water supply system are provided; and
- (d) whether the building will be operated as a licensed hotel under the HAGAO.

14. Regulation 23A of the B(P)R also provides for sanction against subsequent unauthorized change of use of the hotel building from hotel to other

uses. For a hotel granted with hotel concessions, any change of use of the hotel building in whole or in part to a use other than that of a hotel will contravene Regulation 23A(4) and (6) of the B(P)R. If no hotel licence is issued or renewed in respect of the hotel under HAGAO, that would be deemed to be a change of use under Regulation 23A(5) of the B(P)R. In such circumstances, enforcement action may be taken by way of prosecution under Regulation 23A(8) of the B(P)R or the issue of an order under Regulation 23A(7) of the B(P)R to discontinue the present use.

15. In the case of The Apex Horizon, it is a hotel development (a 36-storey hotel tower resting on a 4-storey podium) with a total of 360 hotel rooms. The Occupation Permit issued on 2 November 2007 stipulates that the building is a hotel tower. In approving the building plans, concessions under Regulation 23A of the B(P)R were granted and the total accountable GFA for the hotel is about 21,191 square metres.

Hotel Licence

16. The operation of hotels and guesthouses in Hong Kong is regulated by the HAGAO, which requires that a hotel or a guesthouse has to be operated in accordance with either a licence or a certificate of exemption, unless it is excluded from the application of the HAGAO by the Hotel and Guesthouse Accommodation (Exclusion) Order (Cap. 349C). For the purposes of HAGAO, a “hotel” or “guesthouse” means any premises whose occupier, proprietor or tenant holds out that, to the extent of his available accommodation, he will provide sleeping accommodation for any person presenting himself who appears able and willing to pay a reasonable sum for the services and facilities provided and is in a fit state to be received. Premises in which all accommodation is exclusively provided on the basis of a minimum period of 28 continuous days for each letting and no waiver, refund or reduction of fees will be made if the letting is for any reason shortened to less than 28 continuous days are excluded from the application of HAGAO. The Office of the Licensing Authority (OLA) under the Home Affairs Department is responsible for the issue of licences and enforcement work. By end January 2013, 1,498 hotels or guesthouses were granted a valid licence issued under HAGAO.

17. In accordance with section 8(3) of HAGAO, a licence would not be granted if the premises intended to be used as a hotel or guesthouse does not meet, amongst others, the requirements on design, structure and fire precautions,

health, sanitation, safety and protection of life and property as set out in the BO and the Fire Services Ordinance (Cap. 95). The operation, keeping and management of the hotel or guesthouse shall also be under the continuous and personal supervision of the licensee. In addition, the licensee shall comply with all conditions as stipulated in the licence. Any person who operates, keeps, manages or otherwise has control of a hotel or a guesthouse in contravention of any licence condition is a criminal offence. Upon conviction, the offender is liable to a fine of \$100,000 and to imprisonment for two years, as well as a fine of \$10,000 for each day during which the offence continues.

18. The issue of a hotel or guesthouse license does not act as a waiver of any terms in any lease or licence granted by the Government, nor does it in any way affect or modify any agreement or covenant relating to any premises or building in which the hotel or guesthouse is situated. The OLA has reminded operators to ensure that the operation of their guesthouses is in compliance with the terms and conditions of all relevant documents in the application forms and guidelines, the covering letters for issuance of licence, etc.

Tax

Profits Tax

19. Any person carrying on a hotel business in Hong Kong is liable to profits tax. When a hotel owner sells the hotel business or hotel room units, profits on the sale is subject to profits tax if it is not a sale of capital asset.

Stamp Duty

20. The purchase and sale of hotel room units are subject to stamp duty too. For stamp duty purpose, a property is classified into residential or non-residential property by reference to its permitted use rather than the actual use or the label or description given to it. According to section 29A(1) of the Stamp Duty Ordinance (Cap. 117), the following instruments will be used in determining whether the permitted use of a property is residential or non-residential –

- (a) a Government lease or an agreement for a Government lease;
- (b) a DMC, within the meaning of section 2 of the Building Management Ordinance (Cap. 344);

- (c) an Occupation Permit issued under section 21 of the BO; or
- (d) any other instrument, such as new town planning legislation, which the Collector of Stamp Revenue is satisfied effectively restricts the permitted use of the property.

A property is regarded as a non-residential property if, under any of the above-mentioned documents, the property may not be used wholly or partly for residential purpose.

21. Under the Stamp Duty Ordinance currently in force, the instrument chargeable with ad valorem stamp duty for a non-residential property is the conveyance on sale, while that for a residential property includes both the agreement for sale and conveyance on sale (at a fixed duty of \$100 if ad valorem stamp duty had been paid for the agreement for sale). The Financial Secretary announced on 22 February 2013 that, subject to the enactment of the relevant legislation, with effect from 23 February 2013, the stamping of non-residential property transactions will be changed from the conveyance on sale to agreement for sale.

22. In addition, the purchase and sale of residential properties may be liable to Special Stamp Duty and Buyer's Stamp Duty. Special Stamp Duty is payable when any person acquires a residential property on or after 20 November 2010 and resells it within 24 months. The Financial Secretary announced on 26 October 2012 that, subject to the passing of the relevant legislation, the holding period would extend to 36 months with effect from 27 October 2012. On the same day, the Financial Secretary also announced, subject to the passing of the relevant legislation, the introduction of a Buyer's Stamp Duty with effect from 27 October 2012. Buyer's Stamp Duty will be levied at a flat rate of 15% on all residential properties acquired by any person except a Hong Kong permanent resident.

Follow-up Actions in Respect of the Sale of The Apex Horizon

23. Documents which are relevant to the sale of The Apex Horizon are at **Annexes A to J**. The relevant authorities have been taking follow-up actions on various fronts under their respective jurisdictions in a coordinated manner.

24. On lease administration, it came to the attention of LandsD in January 2013 that the lessee had disposed of one hotel room unit by agreement for sale and purchase in December 2012. While noting that alienation of individual hotel room units was not prohibited under lease, LandsD wrote to the lessee on 25 January 2013 to enquire about the fulfillment or otherwise of the Hotel GFA requirement and arrangements in relation to the sale of that hotel room unit. The purpose was to check that the unit had been sold for hotel use, that the sale materials had clearly conveyed that the room(s) for sale would be for the purposes of hotel and that the Hotel GFA requirement was not compromised. On 7 February 2013, the lessee asked for clarification about the Department's letter. In the late afternoon of 18 February 2013, the lessee sent the Department a letter responding to the latter's enquiries on the sale of the hotel room unit in December 2012, attaching an extract of the Agreement of Sale and Purchase for that unit sold and a copy of the draft Hotel Operation Agreement. The Department noted from news reports the same afternoon that the lessee would be putting its hotel room units for sale in the market later that day. The Department made further enquiries in writing on 19 February 2013. The Department is looking into the information and explanation provided by the lessee in response to the enquiries. If there is any breach of the lease, a right of re-entry accrues to the Government.

25. Separately, the OLA issued a letter on 19 February 2013 to the hotel licensee to request for detailed information about the mode of operation of the premises after the sale of individual units. The OLA has received the licensee's written reply and is now studying the information provided therein. Legal advice will be sought as necessary. An inspection to The Apex Horizon was also conducted on 20 February to ensure that the licensee has complied with the building and fire safety requirements as stipulated in HAGAO and the licence conditions.

26. The Administration is vigilantly investigating the case and will rigorously enforce against any substantiated contravention under the relevant regimes. If the building is no longer operated as a hotel and/or the licence is cancelled or refused to be renewed, it may contravene the relevant provisions of BO or breach the applicable conditions of the land grant. Depending on the case, Buildings Department would take appropriate enforcement in accordance with BO and LandsD would also take appropriate lease enforcement action, including but not limited to re-entering the property.

27. Meanwhile, the Administration has been repeatedly alerting members of the public that the hotel room units for sale are permitted for hotel use only and are not residential flats, and that the hotel room units are subject to the regulation of the hotel licence. The Administration has also on different occasions reminded members of the public to exercise extreme care in considering whether to make a purchase, and to clearly understand the relevant stipulations and statutory requirements, and that they should seek independent legal advice as necessary.

28. The Administration also understands that the Estate Agents Authority (EAA) has inspected the sales office of the project concerned to understand the sales practice of estate agents. The EAA would continue to keep in view the development of this case and would issue practice circular to the trade if necessary. The EAA has also reminded estate agents that they must not convey any inaccurate or misleading information in the course of property sale, and that estate agents should draw their clients' attention to the associated risks and recommend that their clients seek legal advice before purchase, in view of the complicated sales conditions of hotel or service apartment,

List of Annexes

Annex A	Land lease of the remaining portion of Kwai Chung Town Lot No.467 (KCTL No.467 R.P.)
Annex B	Occupation permit for The Apex Horizon
Annex C	Approved building plans for The Apex Horizon
Annex D	DMC and management agreement in respect of KCTL No.467 R.P.
Annex E	Sub-DMC and management agreement in respect of The Apex Horizon
Annex F	Sales brochure of The Apex Horizon provided by the developer
Annex G	Agreement for sale and purchase of the first hotel room unit transaction in December 2012
Annex H	Provisional agreement for sale and purchase of one of the hotel room unit transactions in February 2013 provided by the developer
Annex I	Draft Hotel Operation Agreement in relation to the sale of individual hotel room units of The Apex Horizon provided by the developer

Annex J Draft Deed of Adherence in relation to the sale of individual hotel
room units of The Apex Horizon provided by the developer

Development Bureau
Lands Department
Buildings Department
Planning Department
Home Affairs Department
Inland Revenue Department
February 2013



7171

7171

NEW GRANT NO. 7171

(CONDITIONS OF EXCHANGE)

DISTRICT: TSUEN WAN

~~SURVEY/DEMARCATION DISTRICT NO.~~

KWAI CHUNG TOWN LOT NO. 467

OWNER

PEARL WISDOM LIMITED

TERM

- 50 years from 4.6.2002
- ☒ ~~75 YEARS FROM 1ST JULY 1898 RENEWABLE FOR A FURTHER TERM OF 24 YEARS LESS THE LAST 3 DAYS THEREOF~~
- ☐ 99 YEARS FROM 1ST JULY 1898 LESS THE LAST 3 DAYS THEREOF
- ☒ ~~EXPIRING ON 30TH JUNE 2047~~

(☐ tick where applicable)

CROWN RENT ~~PER ANNUM/UP TO 30TH JUNE 1997 AND THEREAFTER AN AMOUNT EQUAL TO 3% OF THE RATEABLE VALUE FOR THE TIME BEING OF THE LOT~~ subject to General Condition No. 1 hereof

PREMIUM \$274,680,000.00

REFER TO VOL. FOLIO

Entered and Indexed S 24/6/02

7171

NEW GRANT NO. 7171

PARTICULARS AND CONDITIONS OF EXCHANGE

PARTICULARS AND CONDITIONS for the GRANT by the Government of the Hong Kong Special Administrative Region (hereinafter referred to as "the Government") of the lot described in the First Schedule hereto and shown coloured pink on Plan I annexed hereto for a term of fifty years commencing from the date of the Memorandum of Agreement annexed hereto at the rent specified in the said First Schedule and subject to the General and Special Conditions hereunder in exchange for the surrender of the OLD LOTS described in the Second Schedule hereto and shown coloured blue on Plan II annexed hereto.

First Schedule

PARTICULARS OF THE LOT

Registry No.	Location	Site	Area in square metres	Rent	Premium
Kwai Chung Town Lot No. 467	29-51 Wo Yi Hop Road, Kwai Chung, New Territories	As delineated and shown coloured pink and pink hatched blue on Plan I annexed hereto	7,825m ² (about)	An annual rent of an amount equal to 3% of the rateable value from time to time of the lot, subject to General Condition No. 1 hereof	\$274,680,000.00

Second Schedule

OLD LOTS TO BE SURRENDERED

Registry No.	Location	Area in square metres
Lot Nos. 289 & 309 in D.D. 444	29-51 Wo Yi Hop Road, Kwai Chung, New Territories	7,878.1m ² (about)

GENERAL CONDITIONS

Rent

1. Rent as specified in the Particulars of the Lot shall commence and be payable from the date of this Agreement and until the expiry of the term hereby granted, and shall be governed by the provisions of the Government Rent (Assessment and Collection) Ordinance, any regulations made thereunder and any amending legislation and also subject to a minimum rent of \$1 per annum (if demanded).

Acknowledgement by Grantee

2. The Grantee hereby expressly acknowledges :
 - (a) that the Government shall be under no liability whatsoever to the Grantee (which expression shall for the purpose of this Condition only include his successors, assigns, mortgagees, tenants or other occupiers of the lot whether lawful or otherwise) for any loss or damage howsoever arising in connection with or as a consequence of his grant of the lot and its subsequent development;
 - (b) that he has acquired the lot based on his site investigation (if any) or upon his own evaluation of land records and available geotechnical information whether obtained from Government sources or otherwise and has satisfied himself as to the state and condition of the lot in relation to the purposes for which the lot is to be developed or redeveloped;
 - (c) that he takes the lot, whether on, above or below the surface of the ground, in the state and condition as it exists on the date on which possession of the lot is deemed to be given in accordance with Special Condition No. (4) of these Conditions; and
 - (d) that he shall not be entitled to revoke, withdraw, cancel or resile in any way whatsoever from this Agreement nor be entitled in any way whatsoever to compensation or a reduction in the premium or any other compromise whatsoever should he subsequently determine that the lot is not fit for the purposes for which he acquired the lot.

Exclusion of warranty

3. (a) The Government has given no warranty, express or implied, as to the suitability or fitness of the lot or any part thereof for development whether in accordance with these Conditions or otherwise. The Grantee for himself, his successors or assigns undertakes not to make any claim against the Government for any loss or damage whatsoever which he may suffer as a result of or arising from the state and condition of the lot making it either unfit for the purpose for which he acquired the lot or rendering it impossible to achieve the scale of development originally intended.
 - (b) The Government in no way warrants the accuracy or correctness in any way whatsoever of any information made available or obtained, and in particular does not warrant that the lot is fit and suitable for any particular purpose.

Indemnity by Grantee

4. The Grantee shall indemnify and keep indemnified the Government against all actions, proceedings, liabilities, demands, costs, expenses and claims whatsoever arising from any damage caused to adjacent or adjoining land where such damage has, in the opinion of the Director of Lands (hereinafter referred to as "the Director") (whose opinion shall be final and binding upon the Grantee), arisen out of any development or redevelopment affecting the lot or part thereof or out of any other works which the Grantee is required to undertake in compliance with these Conditions.

Setting out

5. (a) The Director shall, at such time as he thinks fit or upon the application of the Grantee, set out the lot on the ground and the Grantee or his authorized representative after such setting out when called upon by the Director will attend at the lot to inspect the survey marks delineating the lot on the ground and will be given a plan showing the positions and descriptions of each such mark. The Grantee shall not commence any operations for building on the lot until it shall have been so set out by the Director. The Grantee shall take or cause to be taken all proper care and precautions to safeguard the said survey marks from disturbance or removal. If, before commencing any operations for building on the lot, any of the said survey marks are disturbed or removed, the Grantee shall apply in writing to the Director for replacement by survey and shall pay on demand to the Government in advance the prescribed fee therefor.

Encroachment upon
Government land

(b) In the event that the Grantee is found to have encroached upon and to be occupying Government land the Director may in his absolute discretion either require the Grantee to demolish any building or part of any building standing on such Government land, to reinstate such Government land to his satisfaction and deliver vacant possession of the same to the Government or pay to the Government such sum as the Director in his absolute discretion shall determine as the premium in respect of such Government land. A certificate under the hand of the Director shall be conclusive as to the extent of any such encroachment and as to the amount of the premium payable in respect thereof. If the Grantee fails to demolish any building as required by the Director as above it shall be lawful for the Director to demolish such building and the Grantee shall pay on demand to the Government the amount certified by the Director as the cost of such demolition. In the event that the Director exercises his discretion to require the payment of premium as aforesaid, upon the payment of such premium the area of Government land encroached upon shall be deemed in all respects to be part of the lot and shall be included in the lease of the lot when issued.

Maintenance

6. (a) The Grantee shall throughout the tenancy having built or rebuilt (which word refers to redevelopment as contemplated in sub-clause (b) below) in accordance with these Conditions (as defined in General Condition No. 12):

- (i) maintain all buildings in accordance with the approved design, disposition or height and any approved building plans without variation or modification thereto; and

- (ii) maintain all buildings erected or which may hereafter be erected in accordance with these Conditions or any subsequent contractual variation of them, in good and substantial repair and condition and in such repair and condition deliver up the same at the expiration or sooner determination of the tenancy.

(b) In the event of the demolition at any time during the tenancy of any building then standing on the lot or any part thereof the Grantee shall replace the same either by sound and substantial building or buildings of the same type and of no less gross floor area or by building or buildings of such type and value as shall be approved by the Director. In the event of demolition as aforesaid the Grantee shall within one calendar month of such demolition apply to the Director for consent to carry out building works for the redevelopment of the lot and upon receiving such consent shall within three calendar months thereof commence the necessary works of redevelopment and shall complete the same to the satisfaction of and within such time limit as is laid down by the Director.

Boundary stones

7. The Grantee shall permit boundary stones properly cut and marked with the number of the lot to be fixed at each angle thereof and either in or on the land itself or in or on any building erected thereon as may be required by the Director and shall pay the fees prescribed by him therefor as well as the prescribed fees for the refixing of such boundary stones which, through being lost, damaged or removed, need replacing.

Private streets, roads and lanes

8. Any private streets, roads and lanes which by these Conditions are required to be formed shall be sited to the satisfaction of the Director and included in or excluded from the area to be leased as may be determined by him and in either case shall be surrendered to the Government free of cost if so required. If the said streets, roads and lanes are surrendered to the Government, the surfacing, kerbing, draining (both foul and storm water sewers), channelling and road lighting thereof shall be carried out by the Government at the expense of the Grantee and thereafter they shall be maintained at public expense. If the said private streets, roads and lanes remain part of the area to be leased, they shall be lighted, surfaced, kerbed, drained, channelled and maintained by and at the expense of the Grantee in all respects to the satisfaction of the Director and the Director may carry out or cause to be carried out the installation and maintenance of road lighting for the sake of public interest as required. The Grantee shall bear the capital cost of installation of road lighting and allow free ingress and egress to and from the area to be leased to workmen and vehicles for the purpose of installation and maintenance of the road lighting.

Right to inspect

9. (a) The Grantee shall throughout the tenancy, at all reasonable times, permit the Director or his authorized representatives, with or without having given notice, to enter in or upon the lot or any part thereof or any building or part of any building erected on the lot for the purpose of inspecting the same so as to ascertain that there is no breach of or failure to observe any of these Conditions.

Breach of lease conditions

(b) The fulfilment by the Grantee of his obligations under these Conditions shall be a condition precedent to the grant or continuance of the tenancy, and in the event of any default by the Grantee in complying therewith such default shall be deemed to be a continuing breach and the subsequent acceptance by or on behalf of the Government of any rent or rates or other payment whatsoever shall not (except where the Government has notice of such breach and has expressly acquiesced therein) be deemed to constitute any waiver or relinquishment or otherwise prejudice the enforcement of the Government's right of re-entry for or on account of such default or any other rights, remedies or claims of the Government in respect thereof under these Conditions which shall continue in force and shall apply also in respect of default by the Grantee in the fulfilment of his obligations under these Conditions within any extended or substituted period as if it had been the period originally provided.

Re-entry

10. (a) Upon any failure or neglect by the Grantee to perform, observe or comply with any of these Conditions the Government shall be entitled to re-enter upon and take back possession of the lot or any part thereof and all or any buildings, erections and works erected or to be erected on the lot or any such part thereof or any part of such buildings, erections or works and thereupon this Agreement and the rights of the Grantee hereunder shall absolutely cease and determine (in respect of such part if the re-entry is upon a part only) but without prejudice nevertheless to the rights, remedies and claims of the Government in respect of any breach, non-observance or non-performance of any of these Conditions.

No compensation on re-entry

(b) In the event of re-entry by the Government for or in respect of or arising out of the breach, non-observance or non-performance by the Grantee of the provisions of these Conditions, the Grantee shall not be entitled to any refund of the premium paid by him or any part thereof or to any payment or compensation whatsoever whether in respect of the value of the land or any part thereof or any building or buildings erected or to be erected on the land or any part thereof or part of any such building or buildings or any amount expended by the Grantee in the preparation, formation or development of the lot or any part thereof or otherwise.

Lease

11. (a) When these Conditions have been performed and complied with to the satisfaction of the Director, the Grantee shall subject to approval of his title by the Director be entitled to a lease of the lot for the term stated in the preamble to these Conditions.

(b) The Grantee shall execute and take up a lease of the lot when called upon to do so by the Director and shall pay the prescribed fees therefor. In the event of more than one building being erected on the lot the Grantee may be required to take up a separate lease for the site of each separate building and shall pay the prescribed fees for every additional lease so required to be taken up.

(c) Pending the issue of the lease the tenancy of the lot shall be deemed to be upon and subject to, and such lease, when issued, shall be subject to and contain all exceptions, reservations, covenants, clauses, conditions and provisos as are now inserted in the leases issued by the Government of similar lots in the Hong Kong Special Administrative Region (hereinafter referred to as "Hong Kong") as varied, modified or extended by these Conditions.

Definitions

12. (a) The expression "Grantee" shall in these Conditions include the person entering into and executing this Agreement and where the context so admits or requires his executors, administrators and assigns and in the case of a corporation its successors and assigns and the expression "lot", except where the context otherwise requires, means the lot stated in the Particulars of the Lot hereof. Where the context so admits or requires, words importing the masculine gender shall be deemed to include females and corporations, and words in the singular shall be deemed to include the plural.

(b) The foregoing General Conditions shall be read and construed as varied or modified by the Special Conditions hereinafter contained, and the expression "these Conditions" whenever used shall mean and include the General and Special Conditions.

Marginal notes

13. The marginal notes to these Conditions shall not be deemed to be part of these Conditions and shall not affect the interpretation or construction thereof.

SPECIAL CONDITIONS

Surrender

(1) The Grantee shall at his own expense surrender to the Government free of cost the old lots described in the Second Schedule hereto to the satisfaction of the Director contemporaneously with the execution of this Agreement.

Indemnify Government against structures

(2) The Grantee acknowledges that there are some buildings and structures existing on the old lots and undertakes to demolish and remove at his own expense the said buildings and structures from the old lots. The Government will accept no responsibility or liability for any damage, nuisance or disturbance caused to or suffered by the Grantee by reason of the presence of the said buildings and structures and the Grantee shall indemnify and keep indemnified the Government from and against all liability, claims, costs, demands, actions or other proceedings whatsoever arising whether directly or indirectly out of or in connection with the presence and subsequent demolition and removal of the said buildings and structures.

Premium

(3) Having paid the deposit equal to 10% of the premium specified in the First Schedule hereto, the Grantee shall pay to the Government upon the execution of this Agreement by the Grantee the balance of the premium.

Possession

(4) (a) Subject to compliance with Special Condition No. (1) hereof and to the payment of the balance of the premium in accordance with Special Condition No. (3) hereof, possession of the lot shall be deemed to be given to and taken by the Grantee on the date of this Agreement.

(b) The lot is granted subject to all and any rights, claims, actions, proceedings and liabilities whether arising by way of adverse possession or otherwise as existing on the date of this Agreement in relation to the lot or any part thereof hereby granted.

Formation of the Future Public Road (time limit, manner and purpose)

(5) (a) The Grantee shall :

- (i) on or before the issue of the Occupation Permit by the Buildings Department in respect of the building or buildings erected or to be erected on the lot, at his own expense and in all respects to the satisfaction of the Director lay, form, provide and construct in such manner with such materials and to such standards, levels, alignment and design as the Director shall approve, (including the provision and construction of such bridges, tunnels, over-passes, under-passes, culverts, viaducts, flyovers, pavements, pedestrian crossing or such other structures as the Director in his sole discretion may require, so that building, vehicular and pedestrian traffic may be carried thereon) those portions of future public roads shown coloured green and pink hatched blue on Plan I annexed hereto (hereinafter respectively referred to as the "Green Area" and the "Pink Hatched Blue Area" and collectively referred to as "the Future Public Road");

- (ii) on or before the issue of the said Occupation Permit at his own expense and to the satisfaction of the Director surface, kerb and channel the Future Public Road and provide the same with such gullies, sewers, drains, fire hydrants with pipes connected to water mains, street lights, traffic signs, street furniture and road markings as the Director may require; and
- (iii) maintain at his own expense the Future Public Road or such part or parts thereof which have not been surrendered to the Government under Special Condition No. (10)(a) hereof or the possession of which have not been re-delivered to the Government under Special Condition No. (7) hereof (such part or parts are hereinafter collectively referred to as "the Remaining Part") together with all structures, services, street furniture, and plant constructed, installed and provided thereon or therein to the satisfaction of the Director until such time as possession of the entire Green Area has been re-delivered in accordance with Special Condition No. (7) hereof and the entire Pink Hatched Blue Area has been surrendered to the Government in accordance with Special Condition No. (10)(a) hereof.

Formation of the Future
Public Road (non-fulfilment)

(b) In the event of the non-fulfilment of the Grantee's obligations under sub-clause (a) of this Special Condition within the prescribed period stated therein, the Government may carry out the necessary works at the cost of the Grantee who shall pay to the Government on demand a sum equal to the cost thereof, such sum to be determined by the Director whose determination shall be final and shall be binding upon the Grantee.

No compensation on works on
the Future Public Road

(c) The Director shall have no liability in respect of any loss, damage, nuisance or disturbance whatsoever caused to or suffered by the Grantee arising out of or incidental to the fulfilment of the Grantee's obligations under sub-clause (a) of this Special Condition and no claim for compensation shall be made against the Government or the Director or his authorized officer by the Grantee in respect of any such loss, damage, nuisance or disturbance.

Restriction on use of the
Future Public Road

(6) The Grantee shall not without the prior written consent of the Director use the Future Public Road or any part or parts thereof for the purpose of storage or parking of vehicles or for the erection of any structure.

Possession of the Green Area

(7) For the purpose only of carrying out the necessary works specified in Special Condition No. (5)(a) hereof, the Grantee shall be granted possession of the Green Area on such date or dates to be specified in a letter or letters from the Director and on such terms and conditions and for such periods as the Director may at his sole discretion impose. The Green Area or any part or parts thereof shall be re-delivered to the Government on demand and in any event shall be deemed to have been re-delivered to the Government by the Grantee on the date of a letter from the Director indicating that these Conditions have been complied with to his satisfaction. The Grantee shall at all reasonable times while he is in possession of the Green Area or any part or parts thereof allow free access over and along the Green Area or such part or parts thereof the possession of which have not been re-delivered to the Government under these Conditions for all Government and public vehicular and pedestrian traffic.

Access to the Future Public Road and to the lot for inspection etc.

(8) (a) The Grantee shall at all times while he is in possession of the Future Public Road or any part or parts thereof:-

- (i) permit the Director, his officers, contractors and any other persons authorized by him, the right of ingress, egress and regress to, from and through the lot and the Future Public Road or any part or parts thereof for the purpose of inspecting, checking and supervising any works to be carried out in compliance with Special Condition No. (5)(a) hereof, and where necessary, the carrying out of any works pursuant to Special Condition No. (5)(b) hereof, and the carrying out, inspecting, checking and supervising of any other works which the Director may consider necessary in the Future Public Road or any part or parts thereof.
- (ii) permit the Government and the relevant public utility companies authorized by the Government the right of ingress, egress and regress to and from and through the lot and the Future Public Road or any part or parts thereof as the Government or the relevant public utility companies may require for the purpose of any works to be carried out in, upon or under the Future Public Road or any part or parts thereof or any adjoining land including but not limited to the laying and subsequent maintenance of all pipes, wire, conduits, cableducts and other conducting media and ancillary equipment necessary for the provision of telephone, electricity, gas (if any) and other services intended to serve the lot or any adjoining or neighbouring land or premises. The Grantee shall co-operate fully with the Government and also with the relevant public utility companies duly authorized by the Government on all matters relating to any of the aforesaid works to be carried out within the Future Public Road or any part or parts thereof.
- (iii) permit the officers of the Water Authority and such other persons as may be authorized by them the right of ingress, egress and regress to and from and through the lot and the Future Public Road or any part or parts thereof as the officers of the Water Authority or such authorized persons may require for the purpose of carrying out any works in relation to the operation, maintenance, repairing, replacement and alteration of any of the waterworks installations within the Future Public Road or any part or parts thereof.

(b) The Government shall have no liability in respect of any loss, damage, nuisance or disturbance whatsoever caused to or suffered by the Grantee or any person arising out of or incidental to the exercise of the rights by the Government, its officers, agents, contractors and any other persons or public utility companies duly authorized under sub-clause (a) of this Special Condition.

Right of way over the Pink
Hatched Blue Area

(9) The Grantee shall at all times after completion of the formation of the Pink Hatched Blue Area and until the surrender of the entire Pink Hatched Blue Area to the Government allow free access over and along the Pink Hatched Blue Area or such part or parts thereof which have not been surrendered to the Government under these Conditions for all Government and public vehicular and pedestrian traffic.

Surrender of the Pink Hatched
Blue Area

(10) (a) The Grantee shall, when called upon by the Director so to do, at his own expense surrender the Pink Hatched Blue Area or any part or parts thereof as the Director may require with vacant possession to the Government without compensation and free of cost and incumbrances to the satisfaction of the Director.

(b) The Grantee shall not in any way dispose of or deal with any of the undivided shares of and in the lot or enter into any agreement so to do unless and until he has at his own expense carved out the Pink Hatched Blue Area from the lot by way of a Deed Poll in such form and containing such provisions as the Director shall approve or require.

Concession under Building
(Planning) Regulation etc.

(c) It is hereby expressly agreed and declared that the contractual obligation on the part of the Grantee contained in sub-clause (a) of this Special Condition will not give rise to any expectation of, or claim for or in respect of, any concession or right in respect of additional site coverage or plot ratio whether under Regulation 22(1) of the Building (Planning) Regulations, any amendment thereto, substitution therefor, or otherwise and for the avoidance of doubt the Grantee expressly waives any and all claims in respect of or for any concession in respect of, or right to, additional site coverage or plot ratio under Regulation 22(1) of the Building (Planning) Regulations, any amendment thereto or substitution therefor.

Building covenant

(11) The Grantee shall develop the lot by the erection thereon of a building or buildings complying in all respects with these Conditions and all Ordinances, bye-laws and regulations relating to building, sanitation and planning which are or may at any time be in force in Hong Kong, such building or buildings to be completed and made fit for occupation on or before the 30th day of June, 2007.

User

(12) The lot or any part thereof or any building or buildings erected or to be erected thereon shall not be used for any purpose other than for non-industrial (excluding godown and petrol filling station) purposes.

Preservation of trees

(13) No tree growing on the lot or adjacent thereto shall be interfered with without the prior written consent of the Director who may, in granting consent, impose such conditions as to transplanting, compensatory landscaping or replanting as he may deem appropriate.

Landscaping

(14) The Grantee shall at his own expense landscape and plant with trees and shrubs any portion of the lot and podium (if any) not built upon and thereafter maintain and keep the same in a safe, clean, neat, tidy and healthy condition all to the satisfaction of the Director.

- Development conditions (15) Subject to these Conditions, upon development or redevelopment (which term refers solely to redevelopment contemplated in General Condition No. 6) of the lot or any part thereof :
- Compliance with Buildings Ordinance (a) any building or buildings erected or to be erected on the lot shall in all respects comply with the Buildings Ordinance, any regulations made thereunder and any amending legislation;
- Compliance with Town Planning Ordinance (b) no building or buildings may be erected on the lot or any part thereof or upon any area or areas outside the lot specified in these Conditions, nor may any development or use of the lot or any part thereof, or of any area or areas outside the lot specified in these Conditions take place, which does not in all respects comply with the requirements of the Town Planning Ordinance and any amending legislation;
- Total gross floor area (c) the total gross floor area of any building or buildings erected or to be erected on the lot shall not be less than 44,604 square metres and shall not exceed 74,340 square metres;
- Total gross floor area (hotel) (d) of the total gross floor area referred to in sub-clause (c) of this Special Condition, the total gross floor area of any building or buildings erected or to be erected on the lot designated and intended to be used for the purposes of a hotel or hotels (including ancillary commercial and recreational facilities thereto) shall not be less than 21,190 square metres. The Grantee hereby agrees that the Director shall have the sole discretion in determining whether any part or parts of any building or buildings erected or to be erected on the lot shall constitute commercial and recreational facilities ancillary to the hotel purposes under this sub-clause and the determination of the Director in this respect shall be final and binding upon the Grantee;
- Total gross floor area (commercial or retail or both) (e) of the total gross floor area referred to in sub-clause (c) of this Special Condition, the total gross floor area of any building or buildings erected or to be erected on the lot designated and intended to be used for commercial purpose or retail purpose or both shall not be less than 1,500 square metres;
- Height (f) no part of any building or other structure erected or to be erected on the lot together with any addition or fitting thereto (if any) shall exceed the height limit or limits specified pursuant to the Hong Kong Airport (Control of Obstructions) Ordinance Cap. 301, any orders or regulations thereunder made from time to time and any amending legislation;
- Design and disposition (g) the design and disposition of any building or buildings erected or to be erected on the lot shall be subject to the approval in writing of the Director and no building works (other than site formation works) shall be commenced on the lot until such approval shall have been obtained. For the purpose of these Conditions "building works" and "site formation works" shall be as defined in the Buildings Ordinance and any amending legislation thereto; and

- (h) for the avoidance of doubt, it is hereby agreed and declared that there is no guarantee that the building or buildings erected or to be erected on the lot can attain the maximum gross floor area stated in sub-clause (c) of this Special Condition and the Grantee shall have no claim against the Government in this respect.

Open space

(16) The Grantee shall at his own expense and to the satisfaction of the Director provide within the lot areas of open space of not less than 5,780 square metres or such lesser area as may be approved by the Director subject to conditions to be imposed at the Director's sole discretion and payment of premium where appropriate. The said open space shall not be used for any purpose other than recreational purposes for the proper use and enjoyment of the lot by the residents and occupiers of the building or buildings erected or to be erected on the lot and their bona fide guests and visitors. The said open space shall be located, formed, serviced, landscaped, planted, treated and provided with such equipment and facilities as the Director may require and in all respects to his satisfaction.

Recreational facilities

(17) (a) In the event of the lot or any part thereof or any building or part of any building on the lot being used for the purposes as permitted under Special Condition No. (12) hereof other than for the purposes of a hotel or hotels, the Grantee may erect, construct and provide within the lot such recreational facilities and facilities ancillary thereto (hereinafter referred to as "the Facilities") as may be approved in writing by the Director. The type, size, design, height and disposition of the Facilities shall also be subject to the prior written approval of the Director. The Facilities will not be taken into account for the purpose of calculating the total gross floor area stipulated in sub-clause (c) of Special Condition No. (15) hereof.

(b) In the event that the Facilities are provided in accordance with the provisions of sub-clause (a) of this Special Condition :

- (i) the Grantee shall throughout the term of years hereby agreed to be granted at his own expense maintain the Facilities erected, constructed or provided or which may at any time hereafter be erected, constructed or provided within the lot in good and substantial repair and condition and shall operate the Facilities to the satisfaction of the Director; and
- (ii) the Facilities shall only be used by the residents of the building or buildings erected or to be erected within the lot and their bona fide visitors and by no other person or persons whatsoever.

(c) Any area which is exempted from the gross floor area calculation under sub-clause (a) of this Special Condition shall be designated as common areas in any Deed of Mutual Covenant governing the rights of owners of undivided shares in the lot.

No advertisement

(18) (a) The Grantee shall not exhibit or display or allow or suffer to be exhibited or displayed on the lot or any part thereof or on the external part of any building or buildings or other structure or structures erected or to be erected thereon or any part thereof any bill, notice, placard, poster, sign or advertisement whatsoever so as to be visible from outside the lot or the building or buildings thereon (hereinafter collectively referred to as "such signs") without the prior written consent of the Director. In the event that any such signs shall be so exhibited or displayed without the consent as aforesaid, the Director may authorize any of his officers and contractors to remove any or all of such signs at his sole discretion at the cost of the Grantee who shall pay to the Government on demand a sum equal to the cost thereof, such sum to be determined by the Director whose determination shall be final and binding on the Grantee. For the purpose of removing any or all of such signs, the Grantee shall permit the Director, his officers, contractors and any other persons authorized by him the right of ingress, egress and regress to, from and through the lot and any building or buildings or other structure or structures erected or to be erected thereon or any part thereof.

No compensation on removal of signs

(b) The Director shall have no liability in respect of any loss, damage, nuisance or disturbance whatsoever caused to or suffered by the Grantee arising out of or incidental to the removal of such signs under sub-clause (a) of this Special Condition, and no claim for compensation shall be made against the Government or the Director or his authorized officer by the Grantee in respect of any such loss, damage, nuisance or disturbance.

No exempt building

(19) No building shall be erected on the lot of a type which by virtue of the Buildings Ordinance (Application to the New Territories) Ordinance and any regulations made thereunder is exempted from the provisions of the Buildings Ordinance and any regulations made thereunder.

Restriction on alienation before compliance

(20) Prior to compliance with these Conditions in all respects to the satisfaction of the Director the Grantee shall not except with the prior written consent of the Director and in conformity with any conditions imposed by him (including the payment of such fees as may be required by him) :

- (a) assign, underlet or part with possession of or otherwise dispose of the lot or any part thereof or any interest therein or any building or part of any building thereon (whether by way of direct or indirect reservation, the grant of any right of first refusal, option or power of attorney, or any other method, arrangement or document of any description) or enter into any agreement so to do;
- (b) solicit or accept, whether directly or indirectly or through a solicitor, agent, contractor or trustee or through a company in which the Grantee or its nominee is directly or indirectly the owner of shares or which is the owner of shares in the Grantee or otherwise, any money, money's worth or other valuable consideration of any description pursuant to any transaction, present or future, conditional or unconditional whereby the lot or any part thereof or any interest therein or any building or part of any building thereon is or may be sold, assigned, underlet or otherwise disposed of or affected, or enter into any agreement so to do; or

(c) mortgage or charge the lot or any part thereof or any interest therein except for the purpose of the development thereof in accordance with these Conditions and then only by way of a building mortgage, it being agreed that for this purpose a building mortgage shall be one :

- (i) whereby the lot is mortgaged or charged in favour of a licensed bank or a registered deposit-taking company authorized under section 16 of the Banking Ordinance to secure monies (and interest thereon) advanced or to be advanced to the Grantee for the purpose only of developing the lot in accordance with these Conditions and for the payment of legal and other professional fees in connection with such development and the mortgage (provided that such fees do not, in the aggregate, exceed 5% of the total amount secured by the mortgage), and for no other purpose;
- (ii) under which such advances (in the case of work done) are to be made to the Grantee only in amounts to be certified from time to time by the Authorized Person (appointed by the Grantee under the Buildings Ordinance for the development of the lot) as having been incurred by the Grantee for the development of the lot; and
- (iii) under which the mortgagee is obliged to release any share or interest in the lot from the mortgage unconditionally upon receipt of a sum representing the total purchase price under an agreement for sale and purchase approved by the Director in respect of that share or interest in the lot.

Registration

(21) Every assignment, mortgage, charge, underletting for more than three years or other alienation of the lot or any part thereof or any interest therein shall be registered at the Tsuen Wan New Territories Land Registry.

Deed of Mutual Covenant
incorporating Management
Agreement (if any)

(22) (a) Notwithstanding that these Conditions shall have been observed and complied with to the satisfaction of the Director, the Grantee shall not assign, mortgage, charge or part with the possession of or otherwise dispose of the lot or any part thereof or any interest therein or enter into any agreement so to do except by way of an assignment or other disposal of undivided shares in the lot together with the right to the exclusive use and occupation of individual floors and units in any building or buildings erected thereon and even then such assignment or other disposal shall be subject to the following conditions :

- (i) the Grantee must first submit to and obtain the approval in writing of the Director to a Deed of Mutual Covenant incorporating a Management Agreement (if any) (hereinafter referred to as "the DMC") to be entered into between the Grantee and the assignees from him of undivided shares in the lot;

- (ii) the DMC must be in a form and contain the provisions which the Director shall approve or require and it (and any approved amendment or amendments to it) must be registered by Memorial against the lot in the Tsuen Wan New Territories Land Registry;
 - (iii) the Grantee must comply with the approved terms and conditions of the DMC. No amendment thereto may be made without the prior written consent of the Director and the payment of such fees as might be required;
 - (iv) every assignment or other disposal of an undivided share or shares in the lot shall be subject to and with the benefit of the DMC;
 - (v) in the DMC the Grantee must allocate to those parts of the lot which comprise the common areas or amenities for the common use and benefit of owners for the time being of the lot (hereinafter referred to as "the Common Areas") a number of undivided shares in the lot which in the opinion of the Director is appropriate;
 - (vi) the Grantee may not assign, mortgage or charge (except by building mortgage or charge under Special Condition No. (20)(c) hereof) or otherwise dispose of or part with the possession of any undivided shares allocated to the Common Areas or any interest therein or enter into any agreement so to do except that upon execution of the DMC the whole of the said undivided shares in the Common Areas shall be assigned to and vested in the manager appointed in accordance with the DMC who must hold the said undivided shares on trust for the benefit of all owners for the time being of undivided shares in the lot;
 - (vii) the DMC must provide that, subject to sub-clause (viii) hereof, on termination of the manager's appointment the manager must assign the said undivided shares free of costs or consideration to its successor in office;
 - (viii) if an Owners' Corporation is formed under the Building Management Ordinance (Cap. 344), it may require the manager, in accordance with the DMC to assign the undivided shares in the Common Areas and transfer the management responsibilities to it free of costs or consideration, in which event, the said Owners' Corporation must hold them on trust for the benefit of all owners for the time being of undivided shares in the lot.
- (b) Sub-clause (a) of this Special Condition shall not apply to :
- (i) an assignment, underletting, mortgage or charge of the lot as a whole; or

(ii) an underletting of a part of the building erected thereon.

Restriction on partitioning

(23) Subject to Special Condition No. (10)(b) hereof, the Grantee shall not partition the lot or any part thereof, nor assign, mortgage, charge, demise, underlet, part with the possession of or otherwise dispose of the lot or any part of the lot that has already been partitioned or alienated as a part with the consent of the Director under this Special Condition except as a whole without having first obtained the written consent of the Director. Provided that without such consent, the Grantee may, after these Conditions shall have been complied with to the satisfaction of the Director, dispose of and deal in undivided shares in the lot or any such part and also underlet a part or parts of the building or buildings erected or to be erected on the lot or any such part.

One assignment

(24) Notwithstanding anything to the contrary herein contained, the Grantee (which expression shall, for the purpose of this Special Condition only, exclude his executors, administrators and assigns) may, after he has complied with Special Conditions Nos. (1) and (3) hereof but before he has in all respects observed and complied with and fulfilled all of his obligations under these Conditions to the satisfaction of the Director, assign the whole of the lot, but not a part thereof, absolutely.

Vehicular access

(25) (a) Subject to sub-clause (b) of this Special Condition, the Grantee shall have no right of ingress or egress to or from the lot for the passage of motor vehicles except between the points X and Y through Z and L and M through N shown and marked on Plan I annexed hereto or at such other points as may be specified or approved in writing by the Director.

(b) Upon surrender of the Pink Hatched Blue Area or any part or parts thereof in accordance with Special Condition No. (10)(a) hereof, the Grantee shall have no right of ingress or egress to or from the lot for the passage of motor vehicles except between the points X¹ and Y¹ through Z¹ and L¹ and M¹ through N¹ shown and marked on Plan I annexed hereto or at such other points as may be specified or approved in writing by the Director.

Temporary access

(c) Notwithstanding the provisions of the sub-clauses (a) and (b) of this Special Condition, upon development or redevelopment of the lot a temporary access for construction vehicles into the lot may be permitted in such position and subject to such conditions as may be imposed by the Director.

Construction of run-in and run-out

(d) (i) The Grantee shall not exercise the right of ingress and egress in sub-clauses (a), (b) and (c) of this Special Condition unless and until a run-in for each point of ingress and a run-out for each point of egress on existing public roads/footpaths outside the lot have been designed and constructed to the satisfaction of the Director. Upon completion of development or redevelopment referred to in sub-clause (c) of this Special Condition or when required by the Director so to do, such run-in and run-out constructed for temporary access shall be removed and the road/footpath area or areas upon which such run-in and run-out were constructed shall be reinstated to the same condition as the road/footpath area or areas were prior to construction of run-in and run-out unless otherwise agreed by the Director. The said works of design, construction, removal and reinstatement shall

be undertaken by the Grantee at his own expense to the satisfaction of the Director.

- (ii) Notwithstanding sub-clause (d)(i) of this Special Condition the Director may (but is not obliged to), upon the written request of the Grantee and at the cost of the Grantee, design, construct, remove and reinstate the run-in and run-out referred to in the said sub-clause (d)(i).

Parking requirements

(26) Spaces shall be provided within the lot to the satisfaction of the Director for the parking of :

- (a) (i) motor vehicles at the rate of one space for every five residential units or part thereof in the building or buildings erected or to be erected on the lot. Each of the spaces so provided shall occupy an area of 2.5 metres in width and 5.0 metres in length with a minimum headroom of 2.4 metres; and
- (ii) motor vehicles at the rate of one space for every 240 square metres or part thereof of gross floor area in the building or buildings erected or to be erected on the lot to be used for office purposes excluding any floor area to be used for such parking purposes and for loading and unloading of vehicles under Special Condition No. (27) hereof. Each of the spaces so provided shall occupy an area of 2.5 metres in width and 5.0 metres in length with a minimum headroom of 2.4 metres.
- (iii) motor vehicles at the rate of one space for every 200 square metres or part thereof of gross floor area in the building or buildings erected or to be erected on the lot to be used for retail purposes excluding any floor area to be used for such parking purposes and for loading and unloading of vehicles under Special Condition No. (27) hereof. Each of the spaces so provided shall occupy an area of 2.5 metres in width and 5.0 metres in length with a minimum headroom of 2.4 metres; and

Motor cycles spaces

- (b) motor cycles at the rate of 10% of the total provision of parking spaces for motor vehicles under sub-clause (a)(i) of this Special Condition provided that if the number of spaces required to be provided at the aforesaid rate is a decimal fraction, the same shall be rounded up to the next whole number. Each of the spaces so provided shall occupy an area of 1.0 metre in width and 2.0 metres in length with a minimum headroom of 2.4 metres.

Parking spaces excluded from gross floor area calculation

- (c) For the purpose of calculating the total gross floor area referred to in sub-clause (c) of Special Condition No. (15) hereof, there shall not be taken into account the spaces provided within the building or buildings erected or to be erected on the lot in accordance with sub-clauses (a) and (b) of this Special Condition.

(d) The spaces provided under sub-clauses (a) and (b) of this Special Condition shall not be used for any purpose other than for the purposes set out therein and only for the parking of motor vehicles licensed under the Road Traffic Ordinance and belonging to the residents or occupiers of the building or buildings erected or to be erected on the lot and their bona fide guests and visitors and in particular the said spaces shall not be used for the storage, display or exhibiting of motor vehicles for sale or otherwise.

Loading and unloading requirements

(27) (a) Subject to sub-clause (b) of this Special Condition, spaces shall be provided within the lot to the satisfaction of the Director for the loading and unloading of vehicles :

- (i) at the rate of one space for every 800 residential units or part thereof subject to a minimum of one loading/unloading bay for each residential block, such loading/unloading bay to be located adjacent to or within each residential block;
- (ii) at the rate of one space for every 5,000 square metres or part thereof of gross floor area to be used for office purposes; and
- (iii) at the rate of one space for every 1,000 square metres or part thereof of gross floor area to be used for retail purposes;

in the building or buildings erected or to be erected on the lot, all excluding any floor area used for loading and unloading purposes and for parking purposes provided under Special Condition No. (26) hereof. The spaces so provided shall each measure 3.5 metres x 11.0 metres with a minimum headroom of 4.1 metres. The spaces so provided shall not be used for any purpose other than for the loading and unloading of vehicles in connection with the said building or buildings.

Parking requirements for hotel purposes

(b) In the event of the lot or any part thereof being used for the purposes of a hotel or hotels the following requirements shall apply in addition to the requirements specified in sub-clause (a) of this Special Condition and Special Conditions Nos. (26)(a), (26)(b) and (29) hereof respectively but not in substitution therefor :

- (i) Spaces shall be provided within the lot to the satisfaction of the Director for the following number of spaces or such other additional number of spaces as may be required by the Director :
 - (I) 3 parking spaces for private cars, each measuring 2.5 metres x 5.0 metres with a minimum headroom of 2.4 metres;
 - (II) 2 loading and unloading bays, each measuring 11.0 metres x 3.5 metres with a minimum headroom of 4.1 metres;
 - (III) 3 lay-bys, each measuring 5.0 metres x 2.5 metres with a minimum headroom of 2.4 metres for taxi and private cars; and
 - (IV) 1 lay-by measuring 12.0 metres x 3.0 metres with a minimum headroom of 3.8 metres for single-deck tour buses;

- (ii) the spaces so provided shall be laid out in such a manner that vehicles on entering or leaving the lot shall do so in forward gear only;
- (iii) the disposition and layout of the hotel reception area and the access roads, parking stalls, arcades, passage-ways, escalators, lift entrances within the hotel and leading to public roads and footways shall be to the satisfaction of the Director; and
- (iv) the parking spaces, loading and unloading bays shall not be used for any purpose other than the purposes set out in sub-clause (b)(i) of this Special Condition.

Parking, loading and unloading spaces excluded from gross floor area calculation

(c) For the purpose of calculating the total gross floor area referred to in sub-clause (c) of Special Condition No. (15) hereof, there shall not be taken into account the spaces provided within the building or buildings erected or to be erected on the lot in accordance with sub-clauses (a) and (b) of this Special Condition.

Flexibility in parking, loading and unloading

(28) (a) Notwithstanding Special Conditions Nos. (26) and (27) hereof, the Grantee may increase or reduce the respective number of each type of space calculated in accordance with Special Conditions Nos. (26) and (27) hereof by not more than 5 percent or 50 numbers, whichever is the less, for the parking, and loading and unloading of the said motor vehicles.

Parking, loading and unloading spaces excluded from gross floor area calculation

(b) For the purpose of calculating the total gross floor area referred to in sub-clause (c) of Special Condition No. (15) hereof, there shall not be taken into account the spaces provided within the building or buildings erected or to be erected on the lot in accordance with sub-clause (a) of this Special Condition.

Loading and unloading space for refuse collection vehicle

(29) (a) Without prejudice to the number of spaces to be provided under Special Conditions Nos. (26) and (27) hereof, the Grantee shall provide within the lot to the satisfaction of the Director space for one loading and unloading bay for the loading and unloading of refuse collection vehicle together with adequate space for the manoeuvring of such vehicle. The loading and unloading space so provided shall occupy an area measuring not less than 16.0 metres x 8.5 metres with a minimum headroom of 4.9 metres.

(b) The space provided under sub-clause (a) of this Special Condition and the open space provided under Special Condition No. (16) hereof shall form part of the common areas for the common use and benefit of the owners for the time being of the lot.

Loading and unloading spaces excluded from gross floor area calculation

(c) For the purpose of calculating the total gross floor area referred to in sub-clause (c) of Special Condition No. (15) hereof, there shall not be taken into account the spaces provided within the building or buildings erected or to be erected on the lot in accordance with sub-clause (a) of this Special Condition.

Deposit of car park layout plan

(30) A plan approved by the Director indicating the layout of the parking, manoeuvring, loading and unloading spaces and the lay-bys to be provided within the lot in accordance with Special Conditions Nos. (26), (27), (28) and (29) hereof, or a copy of such plan certified by an Authorized Person (as defined in the Buildings Ordinance) shall be deposited with the Director. No transaction (except

a building mortgage under Special Condition No. (20)(c) hereof or such other transactions as the Director may approve) affecting the lot or any part thereof or any building or part of any building erected or to be erected on the lot shall be entered into prior to such deposit. The parking, manoeuvring, loading and unloading spaces and the lay-bys indicated on the said approved plan shall not be used for any purpose other than for the purposes set out in Special Conditions Nos. (26), (27) and (29) hereof. The Grantee shall maintain the parking, manoeuvring, loading and unloading spaces and the lay-bys in accordance with the said approved plan and shall not alter the layout except with the prior written consent of the Director.

Set back

(31) The Grantee shall not cut away, remove or set back any Government land adjacent to or adjoining the lot or carry out any building up, filling in or any slope treatment works of any kind whatsoever on any Government land except with the prior written consent of the Director who may, at his sole discretion, give his consent subject to such terms and conditions as he sees fit, including the grant of additional Government land as an extension to the lot at such premium as he may determine.

Cutting away

(32) (a) Where there is or has been any cutting away, removal or setting back of any land, or any building up or filling in or any slope treatment works of any kind whatsoever, whether with or without the prior written consent of the Director, either within the lot or on any Government land, which is or was done for the purpose of or in connection with the formation, levelling or development of the lot or any part thereof or any other works required to be done by the Grantee under these Conditions, or for any other purpose, the Grantee shall at his own expense carry out and construct such slope treatment works, retaining walls or other support, protection, drainage or ancillary or other works as shall or may then or at any time thereafter be necessary to protect and support such land within the lot and also any adjacent or adjoining Government or leased land and to obviate and prevent any falling away, landslide or subsidence occurring thereafter. The Grantee shall at all times during the term hereby granted maintain at his own expense the said land, slope treatment works, retaining walls or other support, protection, drainage or ancillary or other works in good and substantial repair and condition to the satisfaction of the Director.

(b) Nothing in sub-clause (a) of this Special Condition shall prejudice the Government's rights under these Conditions, in particular Special Condition No. (31) hereof.

(c) In the event that as a result of or arising out of any formation, levelling, development or other works done by the Grantee or owing to any other reason, any falling away, landslide or subsidence occurs at any time, whether in or from any land, within the lot or from any adjacent or adjoining Government or leased land, the Grantee shall at his own expense reinstate and make good the same to the satisfaction of the Director and shall indemnify the Government its agents and contractors from and against all costs, charges, damages, demands and claims whatsoever which shall or may be made, suffered or incurred through or by reason of such falling away, landslide or subsidence.

(d) In addition to any other rights or remedies herein provided for breach of any of these Conditions, the Director shall be entitled by notice in writing to call upon the Grantee to carry out, construct and maintain the said land, slope treatment works, retaining walls, or other support, protection, and drainage or ancillary or other works or to reinstate and make good any falling away, landslip or subsidence, and if the Grantee shall neglect or fail to comply with the notice to the satisfaction of the Director within the period specified therein, the Director may forthwith execute and carry out any necessary works and the Grantee shall on demand repay to the Government the cost thereof, together with any administrative or professional fees and charges.

No rock crushing

(33) No rock crushing plant shall be permitted on the lot without the prior written approval of the Director.

Anchor maintenance

(34) Where prestressed ground anchors have been installed, upon development or redevelopment of the lot or any part thereof, the Grantee shall at his own expense carry out regular maintenance and regular monitoring of the prestressed ground anchors throughout their service life to the satisfaction of the Director and shall supply to the Director such reports and information on all such monitoring works as the Director may from time to time in his absolute discretion require. If the Grantee shall neglect or fail to carry out the required monitoring works, the Director may forthwith execute and carry out the monitoring works and the Grantee shall on demand repay to the Government the cost thereof.

Spoil or debris

(35) (a) In the event of spoil or debris from the lot or from other areas affected by any development of the lot being eroded and washed down onto public lanes or roads or into road-culverts, foreshore or seabed, sewers, storm-water drains or nullahs or other Government properties, the Grantee shall be held responsible and shall at his own expense remove the spoil and debris from and make good any damage done to the public lanes or roads or road-culverts, sewers, storm-water drains or nullahs, foreshore or seabed or other Government properties. The Grantee shall indemnify the Government against all actions, claims and demands arising out of any damage or nuisance to private property caused by such erosion and washing down.

(b) Notwithstanding sub-clause (a) of this Special Condition the Director may (but is not obliged to), upon the written request of the Grantee and at the cost of the Grantee, remove the spoil and debris from and make good any damage done to the public lanes or roads or road-culverts, sewers, storm-water drains or nullahs, foreshore or seabed or other Government properties referred to in the said sub-clause (a).

Dumping (Government land)

(36) No earth, debris, spoil of whatsoever nature, or building materials shall be dumped on any Government land.

Utility services

(37) The Grantee shall take or cause to be taken all proper and adequate care, skill and precautions at all times and particularly during any construction, maintenance, renewal or repair work to avoid doing any damage to any Government or other existing drain, waterway or watercourse (including water main), footpath, sewer, nullah, pipe, cable, wire, utility service or any other works or installations (all together hereinafter referred to as "the Works and Services") being or running upon, over, under or adjacent to the lot or any part thereof and the Green Area, provided that the Grantee before carrying out any such work as

aforesaid shall make or cause to be made such proper search and enquiry as may be necessary to ascertain the present position and levels of any of the Works and Services, and shall submit his proposals for dealing with any of the Works and Services in writing to the Director for his approval in all respects, and shall not carry out any work whatsoever until the Director shall have given his written approval to the works and to such proposals aforesaid, and shall comply with any requirement of the Director in respect of the Works and Services, and shall bear the cost of meeting such requirements including the cost of any necessary protection, diversion, relaying or reinstatement, and except as provided in Special Condition No. (41) hereof shall at his own expense in all respects repair, make good and reinstate to the satisfaction of the Director any damage or disturbance caused to the surface of the lot or any part thereof and the Green Area or any of the Works and Services running on, over, under or adjacent to the lot or any part thereof and the Green Area in any manner arising out of any such construction, maintenance, renewal or repair work. If the Grantee fails to carry out any such necessary protection, diversion, relaying, repairing, making good and reinstatement of the lot or any part thereof and the Green Area or of any of the Works and Services to the satisfaction of the Director, he, the Director, may carry out any such protection, diversion, relaying, repairing, reinstatement or making good as he considers necessary and the Grantee shall pay to the Government on demand the cost of such works.

Damage to public roads

(38) (a) The Grantee shall at his own expense and to the satisfaction of the Director make good any damage done to adjoining public roads including street furniture by the Grantee, his contractors or sub-contractors or his or their workmen or vehicles or by any spoil from the lot.

(b) Notwithstanding sub-clause (a) of this Special Condition the Director may (but is not obliged to), upon the written request of the Grantee and at the cost of the Grantee, make good any damage done to the adjoining public roads including street furniture referred to in the said sub-clause (a).

Dumping (public roads)

(39) No materials shall be dumped or stored, nor shall any work be carried out within the boundaries of a public road or way without the prior written consent of the Director.

Construction of drains and channels

(40) The Grantee shall construct and maintain at his own expense and to the satisfaction of the Director such drains and channels, whether within the boundaries of the lot or on Government land, as the Director may consider necessary to intercept and convey into the nearest stream-course, catchpit, channel or storm-water drain all storm-water or rain-water falling or flowing on to the lot, and the Grantee shall be solely liable for and shall indemnify the Government and its officers from and against all actions, claims and demands arising out of any damage or nuisance caused by such storm-water or rain-water.

Damage to nullahs etc.

(41) (a) Any damage or obstruction caused by the Grantee, his servants or agents to any nullah, sewer, storm-water drain or water main within or adjoining the lot shall be made good by the Government at the cost of the Grantee, and the amount due in respect thereof shall be paid on demand to the Government by the Grantee.

(b) Notwithstanding sub-clause (a) of this Special Condition, the Grantee shall, at the request of the Director, make good such damage or obstruction as specified by the Director at his own expenses and in all respects to the satisfaction of the Director.

Connecting drains and sewers

(42) The works of connecting any drains and sewers from the lot to the Government stormwater drains and sewers, when laid and commissioned, may be carried out by the Director who shall not be liable to the Grantee for any loss or damage thereby occasioned and the Grantee shall pay to the Government on demand the cost of such connection works. Alternatively, the said connection works may be constructed by the Grantee at his own expense to the satisfaction of the Director and in such case any section of the said connection works which is constructed in Government land shall upon demand be handed over by the Grantee to the Government for future maintenance thereof at the expense of the Government and the Grantee shall pay to the Government on demand the cost of the technical audit in respect of the said connection works.

Foundations

(43) Any foundations to be constructed near or adjoining any water main, sewer, storm-water drain or nullah within or adjoining the lot shall comply with the requirements of the Director.

Filtered water supply

(44) A filtered water supply from Government mains will be given on the usual terms and subject to the provisions of the Waterworks Ordinance or any enactment amending or replacing the same, but no guarantee is given that any water that is supplied will be continuously available.

Salt water for flushing purposes

(45) A salt water supply from Government mains will be given for flushing purposes, and the Grantee will be required to accept this supply and to install plumbing capable of withstanding the corrosive effect of salt water. The salt water supply will be given on the usual terms and subject to the provisions of the Waterworks Ordinance or any enactment amending or replacing it.

Restriction on use of water supply

(46) Except with the prior written consent of the Water Authority, no water from Government mains shall be used for any heating, cooling or humidification purpose.

Access for Fire Services Appliances and personnel

(47) Throughout the term hereby granted :

(a) the Grantee shall at his own expense and to the satisfaction of the Director of Fire Services :

(i) provide suitable means of access for the passage of Fire Services appliances and Fire Services personnel to any building or buildings, structure or structures erected or placed or to be erected or placed on the lot;

(ii) at all times permit such Fire Services personnel and Fire Services appliances the free and uninterrupted use of such means of access; and

(iii) maintain such means of access and keep the same free from obstruction;

- (b) the Grantee shall permit the Director of Fire Services, his officers, servants or agents at all reasonable times with or without notice to enter upon the lot or any part thereof or any building or buildings, structure or structures or any part thereof erected or placed or to be erected or placed thereon for the purpose of inspecting the same so as to ensure that the requirements referred to in sub-clause (a) of this Special Condition have been complied with.

Provision of fire service installations and equipment

- (48) The Grantee shall at his own expense and to the satisfaction of the Director of Fire Services provide fire hydrants, fire fighting appliances, water pumping connections and such other fire service installations and equipment (as defined in the Fire Services Ordinance) as the Director of Fire Services in his sole discretion shall require within the lot (or, subject to the prior written consent and approval of the Director, on any adjacent or adjoining Government land) and within any building or buildings erected or to be erected thereon at such point or points as the Director of Fire Services may require. The Grantee shall maintain at his own expense the said fire hydrants, fire fighting appliances, water pumping connections and such other fire service installations and equipment in good condition and to the satisfaction of the Director of Fire Services.

Dangerous goods

- (49) The Grantee shall comply with all lawful requirements of the Director of Fire Services made under the Dangerous Goods Ordinance, any regulations made thereunder and any amendments thereto.

Supervisory and overhead charges

- (50) Wherever in these Conditions it is provided that :
 - (a) the Government or its duly authorized officers shall or may carry out works of any description on the lot or any part thereof or outside the lot (whether on behalf of the Grantee or on the failure of the Grantee to carry out such works or otherwise) at the cost of the Grantee or that the Grantee shall pay or repay to the Government or to its duly authorized officers on demand the cost of such works, such cost shall include such supervisory and overhead charges as may be fixed by the Government or by its duly authorized officers; or

Prior approval or consent

- (b) the prior approval or consent in writing of the Government or its duly authorized officers is required, they may give the approval or consent on such terms and conditions as they see fit or refuse it at their absolute discretion.

Definitions of gross floor area and site coverage

- (51) (a) For the purposes of these Conditions the expression "gross floor area" means the area contained within the external faces of the external walls (or in the absence of such walls the external perimeters) of any building or buildings erected or to be erected on the lot measured at each floor level (including any floor below the level of the ground), together with the area of each balcony in such building or buildings, which shall be calculated from the overall dimensions of the balcony (including the thickness of the sides thereof), and the expression "site coverage" means the area of the lot or part of the lot that is covered by any building or buildings or part of such buildings erected thereon.

- (b) Notwithstanding sub-clause (a) of this Special Condition the Director at his sole discretion may:

(i) in calculating the gross floor area or the site coverage of any building or buildings erected or to be erected on the lot (in addition to any floor space which may be excluded by Special Conditions Nos. (17)(a), (26)(c), (27)(c), (28)(b) and (29)(c) hereof), exclude:

(I) any floor space that he is satisfied is constructed or intended to be used solely for the parking or for the loading or unloading of motor vehicles or occupied solely by machinery or equipment for any lift, air-conditioning or heating system or any similar service and any space for refuse disposal; and

(II) subject to the payment by the Grantee of any premium and administrative fee as shall be determined by the Director:

(A) any structure or floor space, including, but not limited to, any communal podium garden, acoustic fin, noise barrier, sunshade, reflector, wing wall, wind catcher or funnel, or any part thereof (all hereinafter referred to as "environmentally friendly or innovative features") and any other structure or floor space which in the opinion of the Building Authority is an environmentally friendly or innovative feature (as to which his opinion shall be conclusive) and which, for that reason, has been excluded by the Building Authority from calculation of gross floor area or site coverage under the Buildings Ordinance; and

(B) any floor space or structure which has been excluded by the Building Authority from the calculation of gross floor area or site coverage under the Buildings Ordinance;

Calculation of gross floor area in buildings with curtain wall system forming external face of building

(ii) accept, for the purpose of calculating the gross floor area, the outer face of the structural elements of the building or buildings erected or to be erected on the lot as the external wall where a curtain wall system forms the external face of any building or buildings erected or to be erected on the lot provided that the outer face of the curtain wall system shall project no more than 300 millimetres from the outer face of the structural elements and provided also that the Director shall have the sole discretion in deciding what comprises a structural element of any building or buildings erected or to be erected on the lot.

(c) Communal podium gardens and any other structure or floor space referred to in sub-clause (b)(i) of this Special Condition shall, if so required by the Director, be designated as and form part of the common areas designated as such in any Deed of Mutual Covenant in respect of the lot or where appropriate, any section thereof.

(d) Notwithstanding sub-clauses (a) and (b) of this Special Condition, in the event of the lot or any part thereof being used for the purposes of a hotel or hotels, the Director at his sole discretion may in determining the gross floor area or the site coverage of any building or buildings erected or to be erected on the lot for such purposes exclude any floor space that is used solely for the back-of-house facilities of the hotel and which the Building Authority may permit to be excluded.

MEMORANDUM OF AGREEMENT

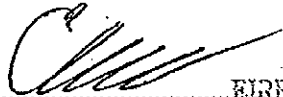
Memorandum that Pearl Wisdom Limited whose registered office is situate at

7th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong

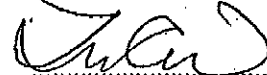
the person/s whose name/s is/are hereunder written/and whose seal is hereunder affixed, has/have this day agreed to carry out the terms and conditions of the foregoing Conditions of Exchange and the Grantee/s hereby agree/s fully to observe and perform the said Conditions and to be bound thereby and the District Lands Officer, Kwai Tsing on behalf of the Chief Executive of the Hong Kong Special Administrative Region hereby ratifies and confirms the said Exchange on the above Conditions.

Dated this 4th day of June 2002

For and on behalf of
PEARL WISDOM LIMITED



ELRENE YEUNG



Witness to the Seal of the Grantee and Solicitor
Signature(s) of its Attesting Officers/
Witness to the Signature(s) of the
Grantee

Hong Kong SAR

Seal of the Grantee and Signature(s)
of its Attesting Officers/
Signature(s) of the Grantee

Woo Chia Ching, Grace

Address 9/F., Cheung Kong Center,
2 Queen's Road Central,
Hong Kong

Witness to the Signature of
District Lands Officer Kwai Tsing
Cindy LEE

Personal Secretary II

Civil Servant,
Lands Department

District Lands Officer, Kwai Tsing

NEW GRANT NO. 7171
TWNTLR
COPY

Dated 14th June 2002

AGREEMENT

AND

CONDITIONS OF EXCHANGE

of

KWAI CHUNG TOWN LOT NO. 467

Grantee : Pearl Wisdom Limited

**Rent : As specified in General Condition
No. 1**

**Term : Fifty years, from the date of the
Memorandum of Agreement**

Lands Department

[illegible]

PLAN SUFFIX TABLE

C	Conference Plan
D	Dimensioned Plan
DI	Plan I in Surrender and Regrant Case
II	Plan II in Surrender and Regrant Case
L	Lease Plan
PO	Proposal Plan or Circulation Plan
SO	Setting-out Plan and Dimensioned / Setting-out Plan
SP	Sale Plan
SU	Plan attached to the deed of surrender
V	Variation Plan
X	Exco Plan

[illegible]

	DIM. PLAN	DI	Dia	
FIELD BOOK				
COMP.FOLDER	KT1439	KT1439	KT1439	
SVY.OFFICER	M.W.LAW	M.W.LAW	M.W.LAW	
TECH.OFFICER	Y.N.HO	W.F.HO	C.W.YIP	
DATE	30.8.97	16.7.99	10.6.02	
PLAN No.	KT1439	KT1439	KT1439	

A detailed black and white map of the Kowloon Peninsula, showing the urban layout, major roads, and surrounding areas. The map includes labels for various locations such as 'Da Chuen Ping Village', 'Chong Kwei Chung', 'Tai Pak Tin Village', 'Hing Fung Court', 'Shau Yuen Estate', 'On Yuen Estate', 'Kwai Fong Estate', and 'Kwai Chung'. The map also shows the 'Kowloon New Town' and the 'Kowloon New Town' area. The map is oriented with North at the top.

SCALE 1 : 20000

SIDE	DISTANCE IN METRES	BEARING ° ' "	Pt.	CORNER MARKED
A B	47.712	143 29 28		
B C	22.111	146 00 58		
Chord C D	26.586	233 51 48		
D E	72.800	236 01 04		
E F	7.302	243 31 43		
F G	8.982	261 01 09		
G H	7.371	319 40 37		
H J	42.159	326 56 06		
J K	6.806	334 40 06		
K P	6.594	10 38 54		
P Q	7.832	38 54 57		
Q A	96.360	55 58 01		

CURVE DATA

Arc CD = 28.591m Radius = 340.334m $\Delta = 4^{\circ}18'$

SPECIAL CONDITIONS

POINTS	L, M & N	L', M' & N'
	X, Y & Z	X', Y' & Z'

 PINK HATCHED BLUE **GREEN**

Survey Approved by

(TAU Yuk-ming)
District Land Surveyor
11/6/2003

District Survey Office, Kwai Tsing
Lands Department

FOR

FIX TABLE

er and Regrant Case
er and Regrant Case

Circulation Plan
and Dimensioned /

the deed of surrender

ORDINATES DATA
(IN 1980 DATUM)

04	832179.232
55	832207.618
21	832219.977
33	832199.314
01	832139.034
06	832132.417
19	832123.820
39	832118.850
57	832095.225
34	832092.889
80	832094.467
74	832099.377
38	832009.084

I	Dia	
M39	KT1439	
LAW	M.W.LAW	
NG	C.W.YIP	
99	10.8.02	
M39	KT1439	



LOCATION



SCALE 1 : 20000

SIDE	DISTANCE IN METRES	BEARING ° ' "	Pt.	CORNER MARKED BY
A B	47.712	143 29 28		
B C	22.111	146 00 58		
Chord C D	25.596	233 51 48		
D E	72.696	238 01 04		
E F	7.392	243 31 43		
F G	6.982	281 01 09		
G H	7.371	319 40 37		
H J	42.159	325 55 06		
J K	6.506	334 40 05		
K P	6.594	10 38 54		
P Q	7.832	38 54 57		
Q A	96.350	55 58 01		

CURVE DATA

Arc CD = 25.591m Radius = 340.334m Δ = 4°18'30"

SPECIAL CONDITIONS

POINTS L, M & N L', M' & N'
X, Y & Z X', Y' & Z'



PINK HATCHED BLUE



GREEN

COLOURED PINK A

METRES 20

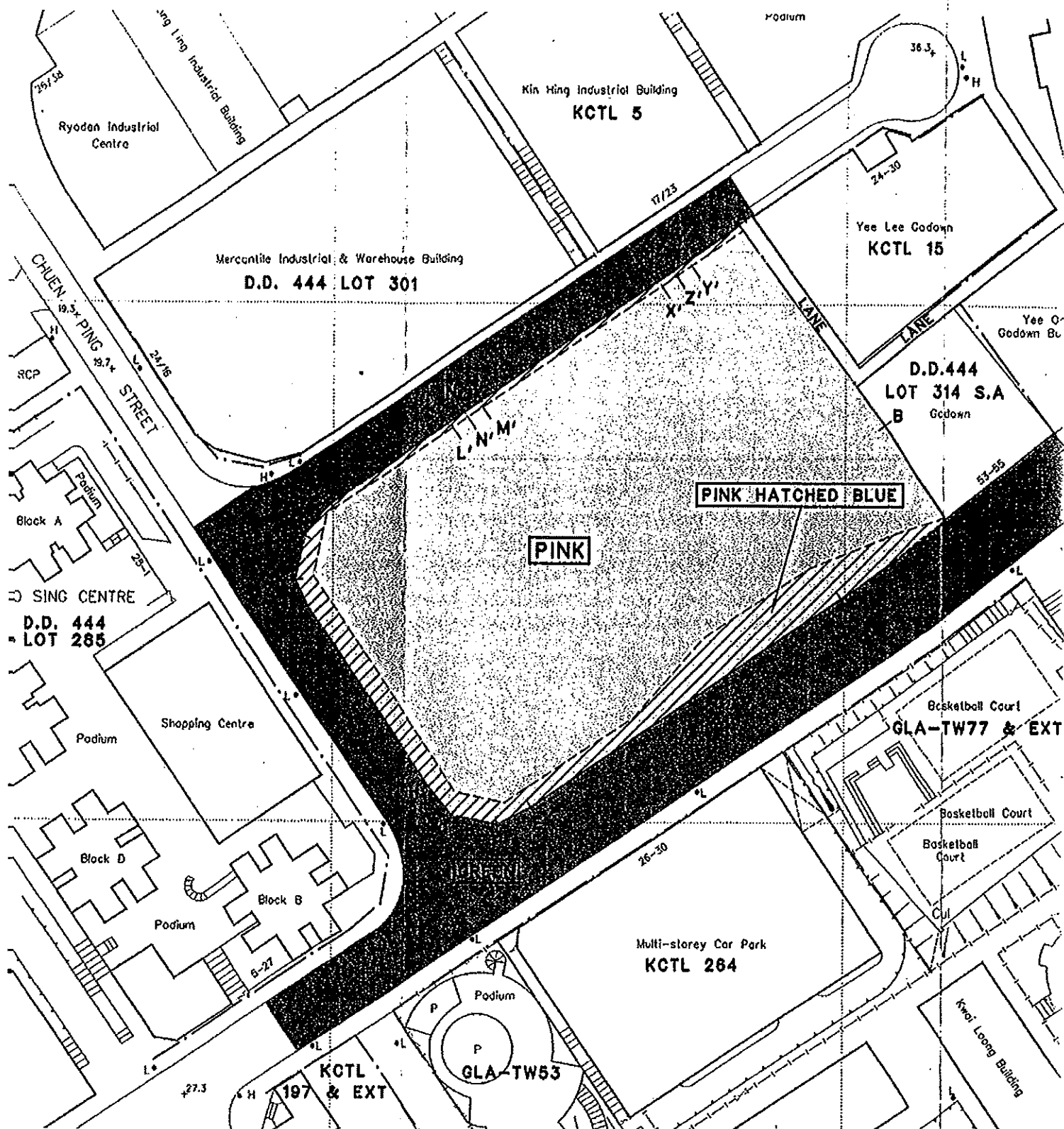
Survey Approved by

(TAU Yuk-ming)
District Land Surveyor



District Survey Office, Kwai Tsing
Lands Department

KWA I



RED PINK AND PINK HATCHED BLUE AREA 7 825 SQUARE METRES (ABOUT)

SCALE 1 : 1000

METRES 20 0 20 40 60 80 100 METRES

KWAI CHUNG TOWN LOT No. 467

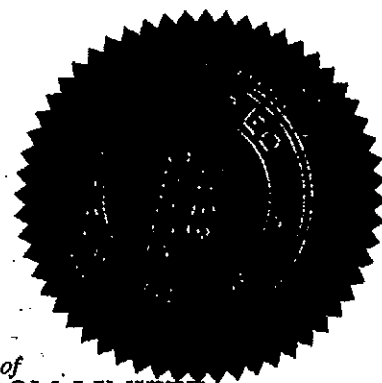
File Ref. N
Survey She
Layout Pla
Reference
PLAN N

PLAN I

TW NG 7171

DISTRICT LANDS OFFICE
KWAI TSING

LANDS DEPARTMENT



For and on behalf of
PEARL WISDOM LIMITED

[Signature]

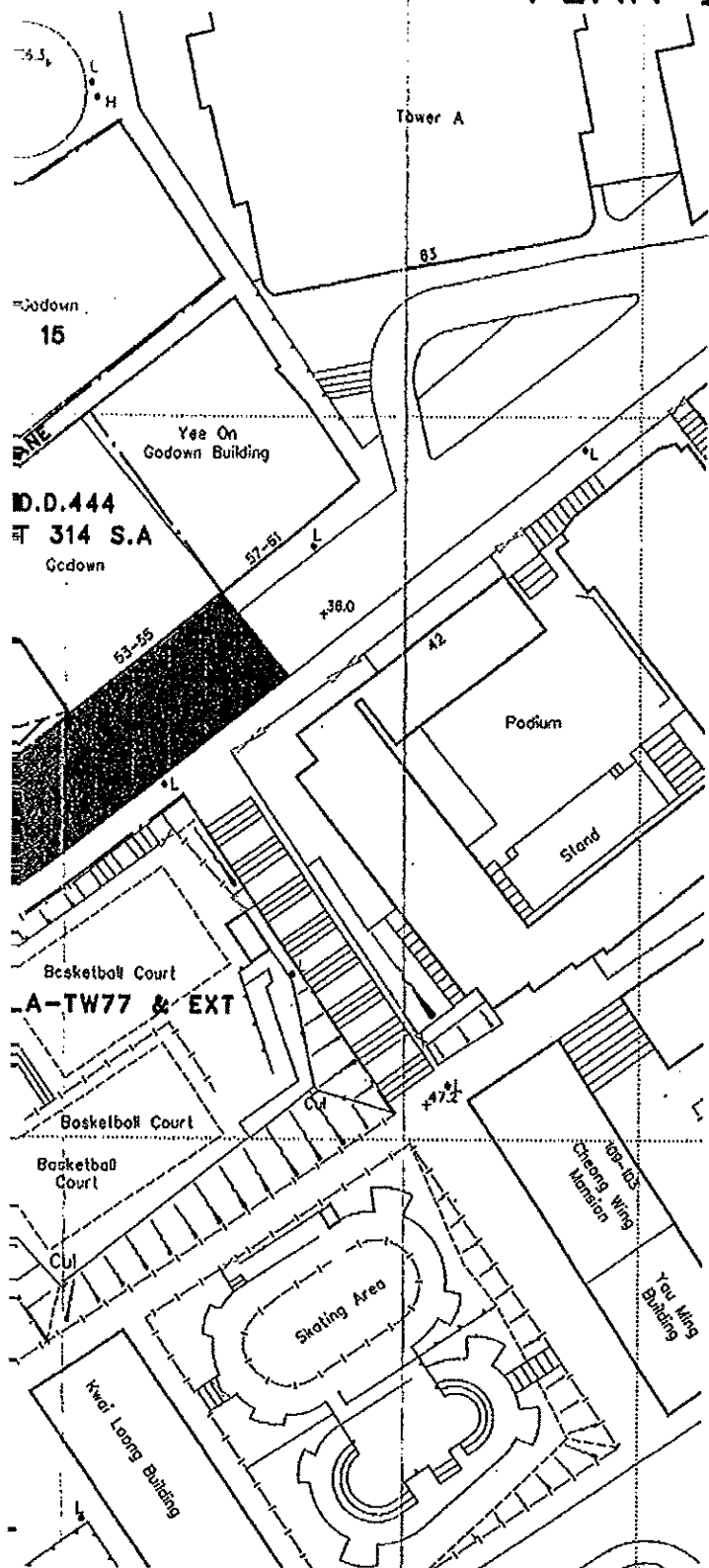
Authorized Signature(s)

Grantee

[Signature]

District Lands Officer
Kwai Tsing

4 Jun 2002
Date



File Ref. No. DLO/KT 24/KTLT/59A

Survey Sheet No. 7-SW-17C & 22A

Layout Plan No. L/KCE1/2B

Reference Plan No. (16)&(17) IN 24/KTLT/59A

PLAN No. KT1439-DIa



LOCATION

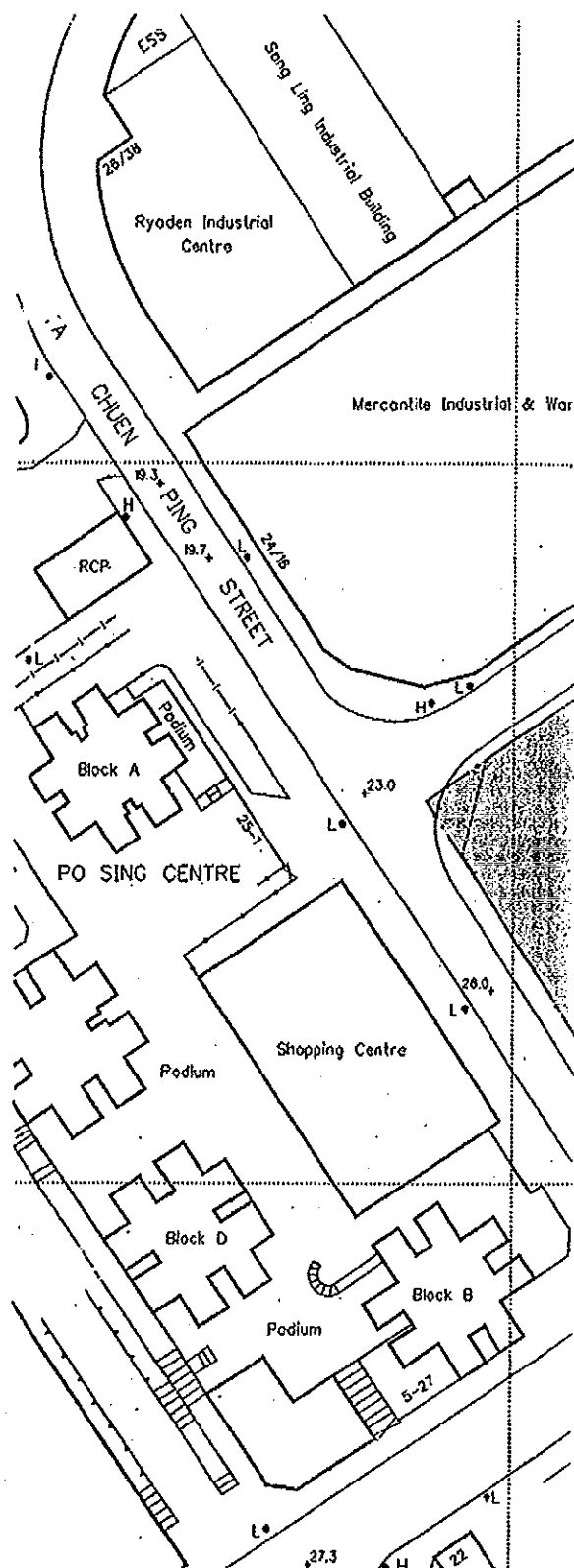


SCALE 1 : 20000

COLOURED BLUE AREAS TO BE SURRENDERED		
D.D.444	REGISTERED AREA	
LOT No.	m ² (about)	ft ² (about)
289	4 273.5	46,000
309	3 604.6	38,800
TOTAL AREA	7 878.1	84,800



P-3



SCALE

METRES 20 0 20

File Ref. No. DLO/KT 24/KTLT/59A

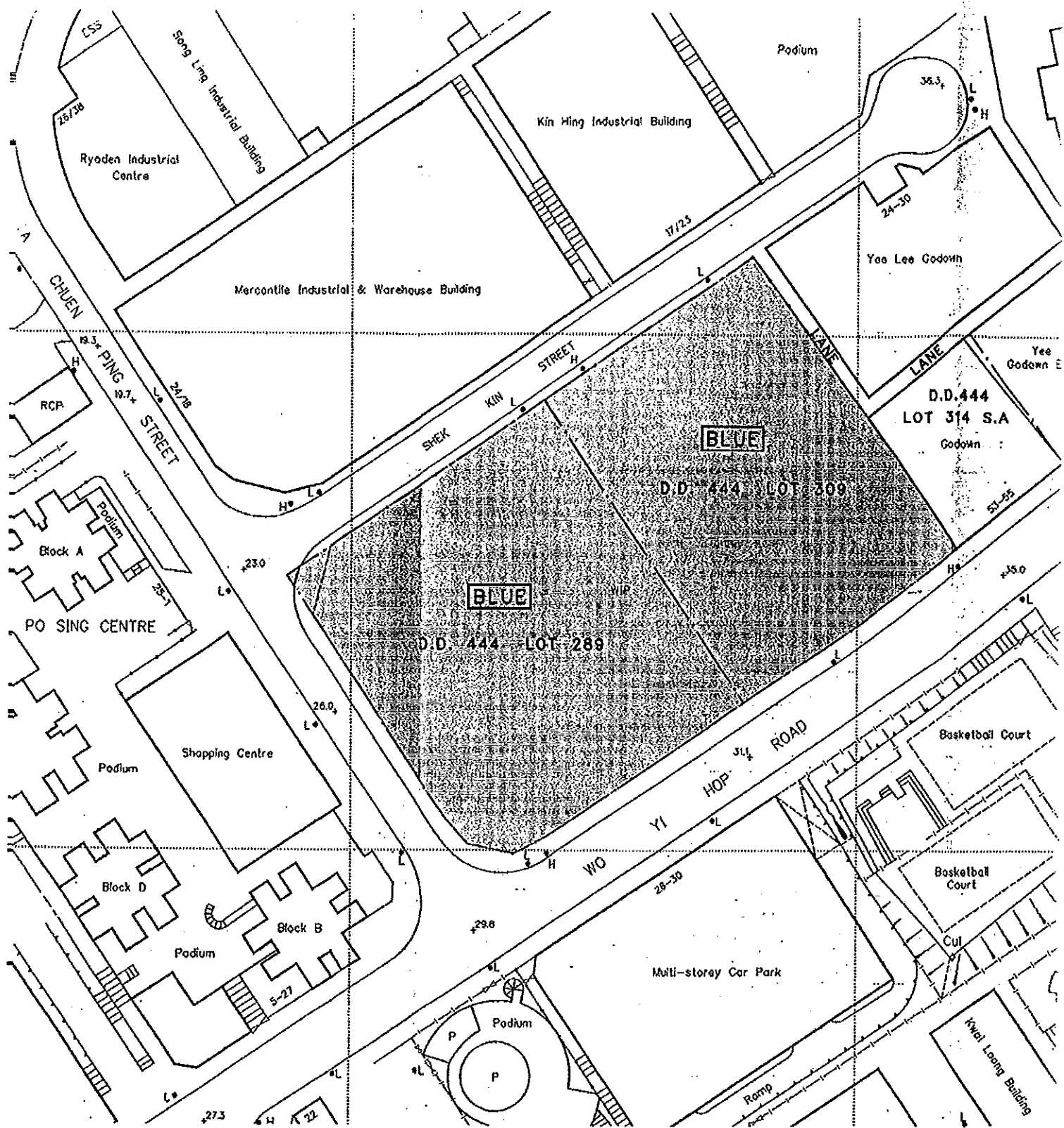
Survey Sheet No. 7-SW-17C & 22A



District Lands Office, Kwai Tsing
Lands Department

Plan prepared by District Survey Office, Kwai Tsing

LOT Nos. 289 AND



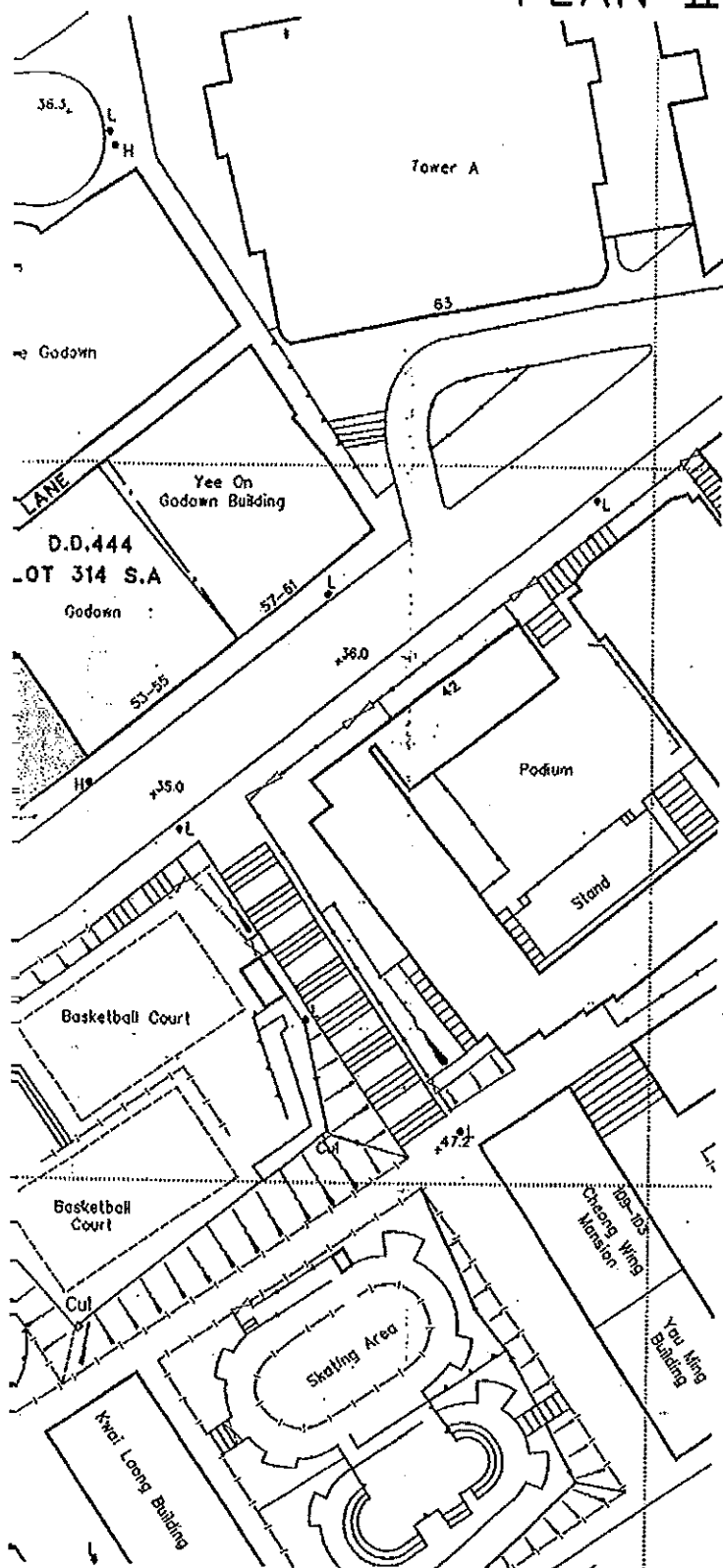
SCALE 1:1000

METRES 20 0 20 40 60 80 100 METRES

LOT Nos. 289 AND 309 IN D.D. 444

PLAN

PLAN II



TH NG 7171

DISTRICT LANDS OFFICE
KWAI TSING

LANDS DEPARTMENT



For and on behalf of
PEARL WISDOM LIMITED

[Handwritten Signature]

Authorized Signature(s)

[Handwritten Initials]

District Lands Officer
Kwai Tsing

23 JUN 2002

Date

SURRENDER PLAN

PLAN No. KT1439-II

Date : 12/07/1999

BUILDING AUTHORITY OF HONG KONG
FORM BD 104
BUILDINGS ORDINANCE
(Chapter 123)
Section 21

Phase II

Permit to occupy a new building

Permit No. NT 66/2007(OP)
Our Ref. No. BD 2/9026/01 (Pt. V)
To : Pearl Wisdom Ltd.
c/o Mr. LIN Hsien-wen Daniel
A & T Design International Ltd.
1/F., Tung Lee Commercial Building,
91-97 Jervois Street,
Hong Kong.

Date 2 November 2007

I hereby permit the occupation of a new building at 33 Wo Yi Hop Road, Kwai Chung, New Territories on Section A of Kwai Chung Town Lot No. 467 and The Remaining Portion of Kwai Chung Town Lot No. 467 for the following purposes :-

Phase II

A development of one hotel tower over the Phase I podium comprising:-

Podium Floors (Portion in Phase II)

Lower Ground Mezzanine Floor	:	Lift shafts for non-domestic use.
Ground Floor	:	Lift shafts and air-conditioning plant room for non-domestic use.
1st Floor	:	Hotel support facilities and ancillary accommodation for non-domestic use.

/to be cond't.....

C of R&V
Land Registrar
DLO /TW&KT
CHE /NTW
District Police Commander /NT
C for C&S
Hong Kong Tourism Board
Director of Lands
DPO/TWK
CO/SM
EB
BIC/CS


(WONG Kwong-sang, Philip)
Chief Building Surveyor
for Building Authority

Note: (1) The building number quoted in this Permit is provisional only and is subject to possible confirmation/ amendment to be notified by the competent authority under section 32(2) of the Buildings Ordinance.

(2) The uses of the building described in this Permit are those shown on the plans approved by the Building Authority. Any subsequent changes in the uses of the building are subject to the control under section 25 and other relevant provisions of the Buildings Ordinance.



- 2 -

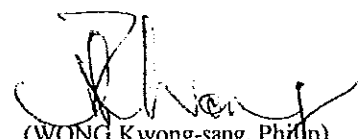
Permit No.: NT 66/2007(OP)

Ref.: BD 2/9026/01 (Pt. V)

Date: 2 November 2007

- *Hotel Tower
2nd Floor - 42nd Floor (inclusive) : Hotel guestrooms for domestic use and ancillary accommodation for non-domestic use.
- Roof Floor : A fire refuge floor with air-conditioning plant rooms, boiler room, potable pump room and ancillary accommodation for non-domestic use.

(*There are no 4th Floor, 13th Floor, 14th Floor, 24th Floor and 34th Floor for the hotel tower block.)


(WONG Kwong-sang, Philip)
Chief Building Surveyor
for Building Authority

DEVELOPMENT SCHEDULE

(Copied from Latest Approved Plans)

A. SITE AREA	7,825m ² (ABOUT)			
B. HEIGHT OF BUILDING	HEIGHT RESTRICTIONS	PROPOSED		SPECIAL CONDITION REFERS
	NOT TO EXCEED THE HEIGHT LIMIT OR LIMITS SPECIFIED PURSUANT TO THE HONG KONG AIRPORT (CONTROL OF OBSTRUCTIONS) ORDINANCE CAP.301	OVER 61m P.D.		S.C. (15)(f)
C. USE	NON-INDUSTRIAL (EXCLUDING GODOWN & PETROL FILLING STATION)	SERVICE APARTMENT & HOTEL		S.C. (12)
D. PERMITTED GROSS FLOOR AREA	REQUIRED UNDER LEASE	PROPOSED		S.C. (15)(c)
	MAX. 74,340m ² (HOTEL 21,190m ²) (SERVICE APARTMENT 51,650m ²) (COMMERCIAL / RETAIL 1,500m ²)	21191.458 + 51645.372 + 1501.554 = 74338.384m ² (HOTEL) (SERVICE APARTMENT) (COMMERCIAL / RETAIL)		
E. SCHEDULE OF ACCOMMODATION	ACCOMMODATION	REQUIRED UNDER THE LEASE	PROPOSED	SPECIAL CONDITION REFERS
	1.1 SERVICE APARTMENT UNITS	-	924 UNITS	-
	1.2 SERVICE APARTMENT G.F.A.	NOT MORE THAN 51650m ²	51645.372m ²	-
	1.3 HOTEL GUEST SUITE	-	360 SUITE	-
	1.4 HOTEL G.F.A.	NOT LESS THAN 21190m ²	21191.458m ²	S.C. (16) (d)
	1.5 COMMERCIAL / RETAIL G.F.A.	NOT LESS THAN 1500m ²	1501.554m ²	S.C. (15) (e)
	1.6 OPEN SPACE	5780m ²	5788.702m ²	S.C. (16)
	1.7 RESIDENT'S CLUB	-	2580.121m ²	S.C. (17)
	2.1 PRIVATE CAR PARKING	SERVICE APARTMENT (1:5 UNITS) HOTEL (3 PARKING SPACES) RETAIL (1:200m ²)	176 (REDUCE 185 BY 5%) 3 8	S.C. (26) (a) S.C. (28) S.C. (27) (b)
	2.2 MOTOR CYCLES SPACES	10% OF THE TOTAL PROVISION OF PARKING SPACES	18	S.C. (26) (b)
	2.3 LOADING & UNLOADING	SERVICE APARTMENT (1:800 UNITS) HOTEL (2 L/UL) RETAIL (1:1000m ²)	2 2 2	S.C. (27) (a) (b)
	2.4 REFUSE COLLECTION VEHICLE	1	1	S.C. (29) (a)
	3.1 TAXI LAY-BYS	3	3	S.C. (27) (b) (i) (ii)
	3.2 SINGLE DECK TOUR BUSES LAY-BYS	1	1	S.C. (27) (b) (i) (iv)
F. VEHICLE ACCESS	VEHICLE ACCESS	INGRESS AND EGRESS TO OR FROM THE LOT BETWEEN THE POINTS X AND Y THROUGH Z AND L AND M THROUGH N	VEHICLE ACCESS BETWEEN THE POINTS X AND Y THROUGH Z AND L AND M THROUGH N	S.C. (25) (a)

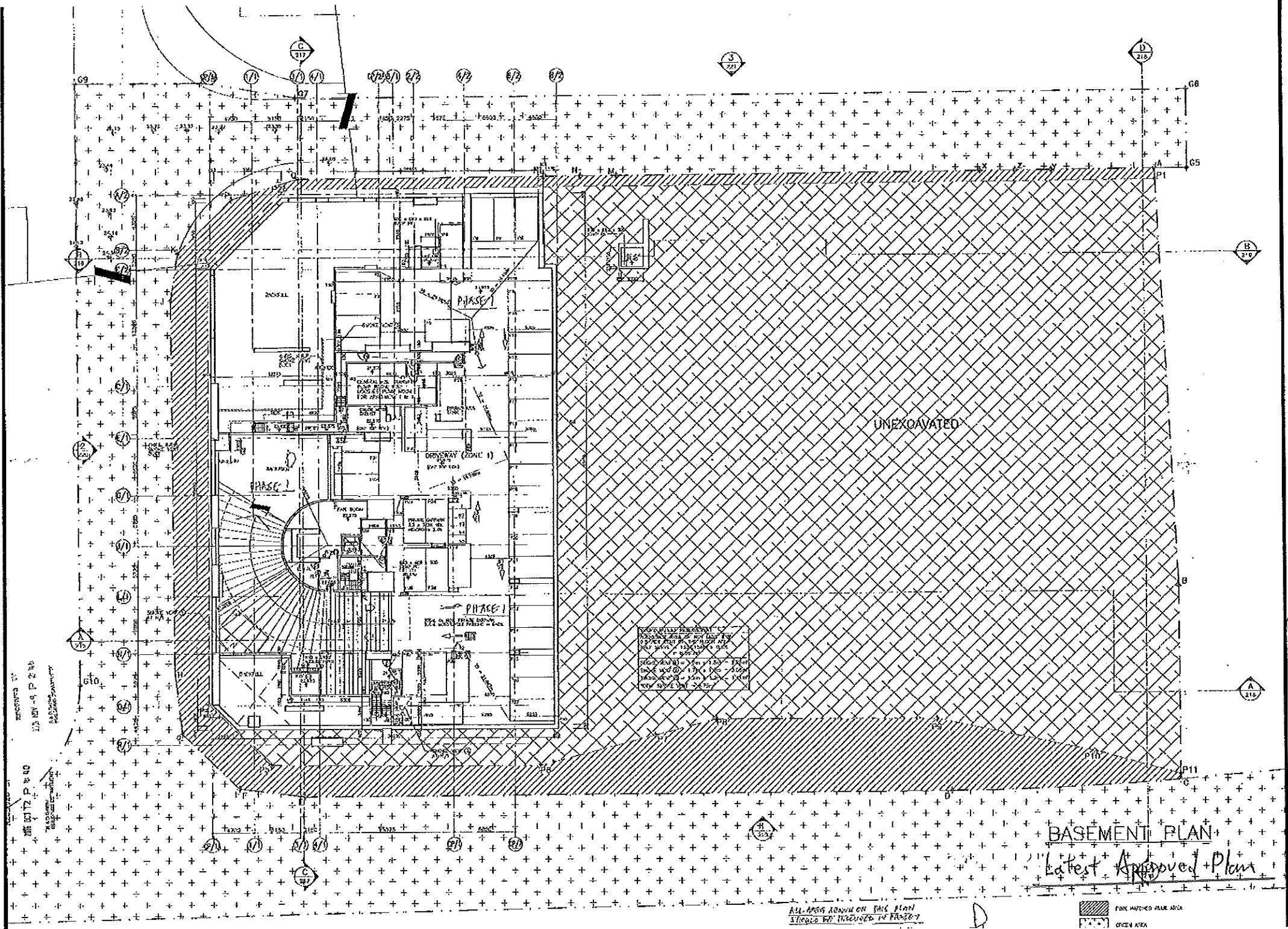
i
h
g
f
e
d
c
b
a

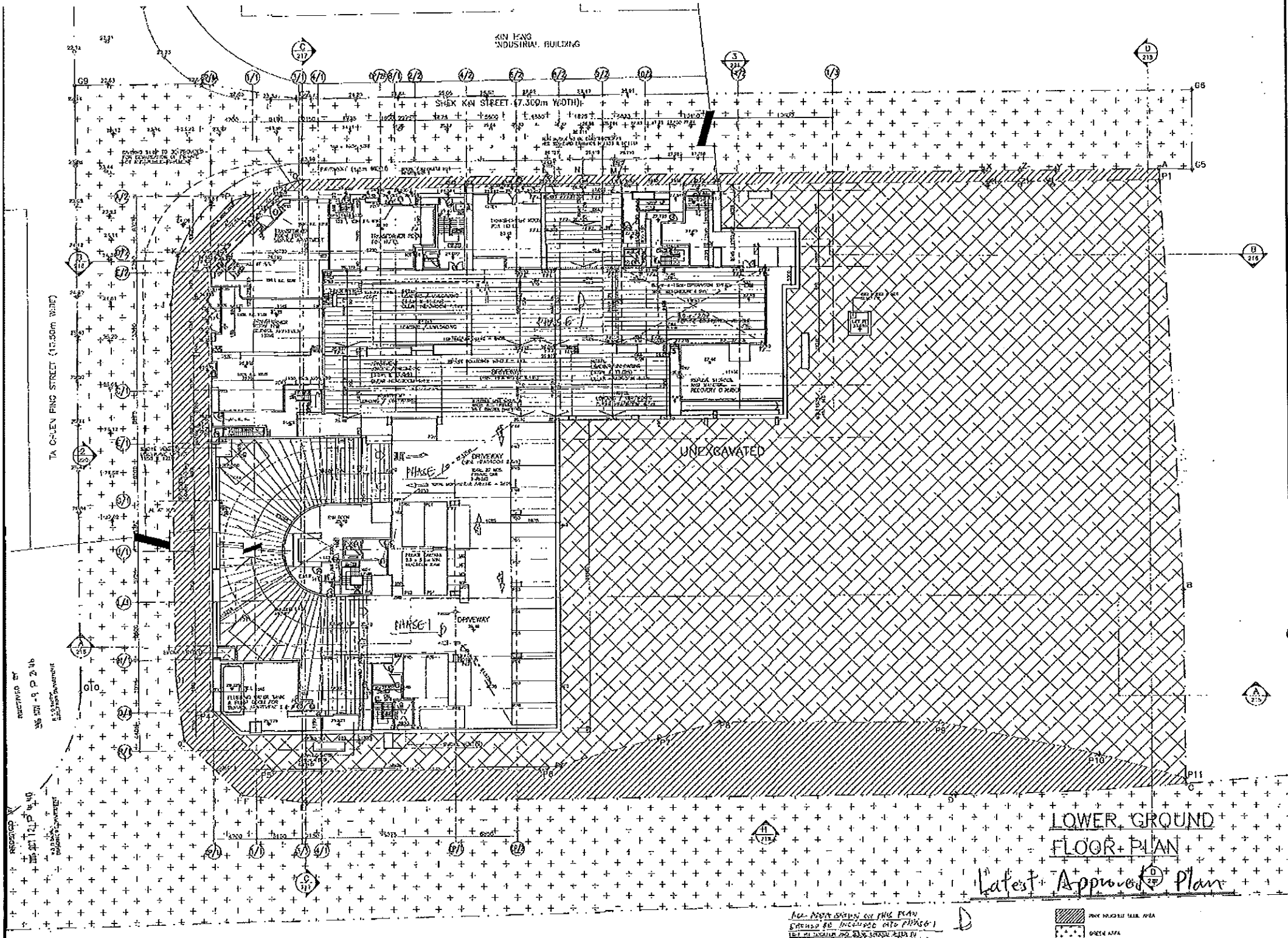
次別 NC

圖面修

工程名:

PR
SEI
KW
LO
WC
KW





KIN HING INDUSTRIAL BUILDING

100 KM. PLUS TRAIL
360 NOS. OF SUITE FOR HOTEL
THE ROOM REQUIRED: 1 < 24m² < 400
RM AREA PROVIDED = 27,508m²

SHEK KIN STREET (7.300m WIDTH)

SHEK KIN STREET

TA CHUEN PING STREET (10.50m WIDE)

IDE RV. FOR SERVICE APARTMENT
324 NOS. OF SUITE FOR SERVICE APARTMENT TOWER I & II
THE ROOM REQUIRED: 750 < 43m² < 1000
RM AREA PROVIDED = 64,705m²

LG. MEZZANINE FLOOR PLAN

Latest Approved Plan

AMENDMENT

PHASE 1

THE WORKS SHOWN ON THESE
PLAN ARE TYPE A WORKS
(BUILDING AMENDMENT) IN
RESPECT OF WHICH THE BUILDING
CONSENT IS APPLIED FOR

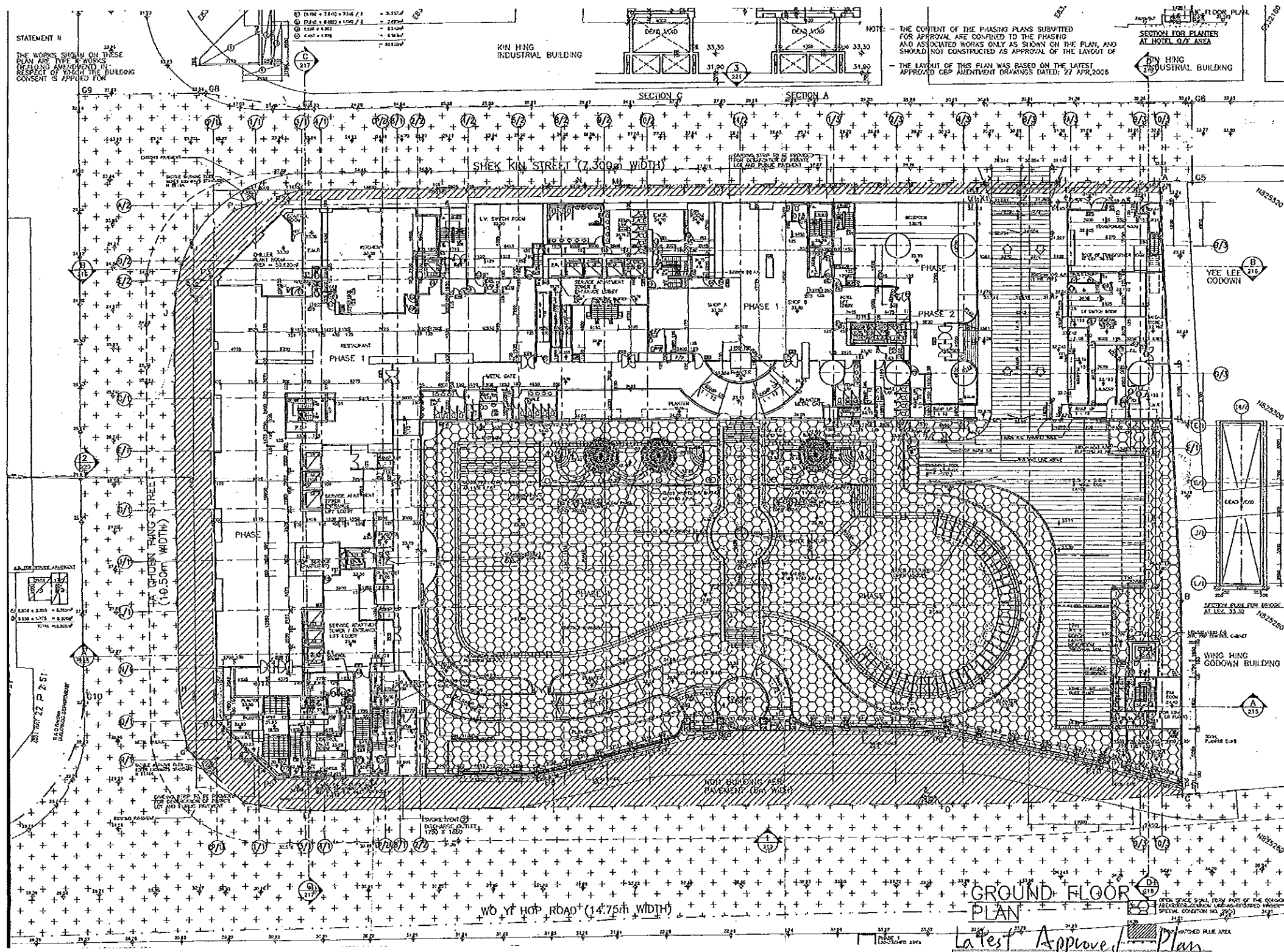
NOTE: - THE CONTENT OF THE PHASING PLANS SUBMITTED FOR APPROVAL ARE CONFINED TO THE PHASING AND ASSOCIATED WORKS ONLY AS SHOWN ON THE PLAN, AND SHOULD NOT CONSTRUCTED AS APPROVAL OF THE LAYOUT OF

- THE LAYOUT OF THIS PLAN WAS BASED ON THE LATEST APPROVED CDP AUDIT/RENT DRAWINGS DATED: 27 APR 2006

1st FLOOR PLAN

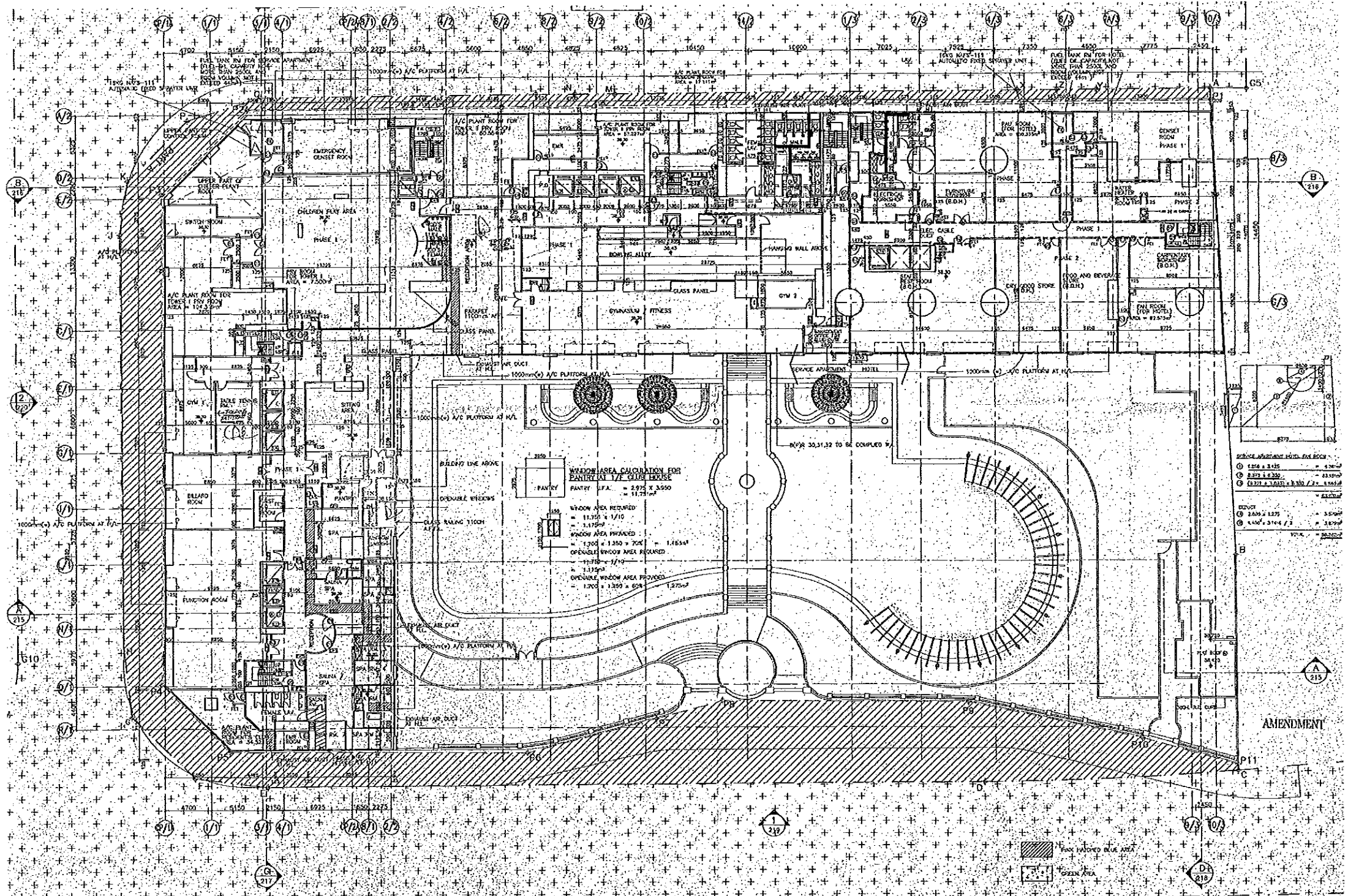
SECTION FOR PLANTER AT HOTEL Q/F AREA

BIN HING INDUSTRIAL BUILDING



GROUND FLOOR
PLAN

Latest Approved Plan



PERCENTAGE ADJUSTMENT FROM THE ROOM

① 1204 x 1350	= 1,625.4
② 2375 x 1,350	= 3,206.25
③ 1204 x 1,350	= 1,625.4

TOTAL = 6,457.05

ROOMS

① 2375 x 1,350	= 3,206.25
② 1204 x 1,350	= 1,625.4

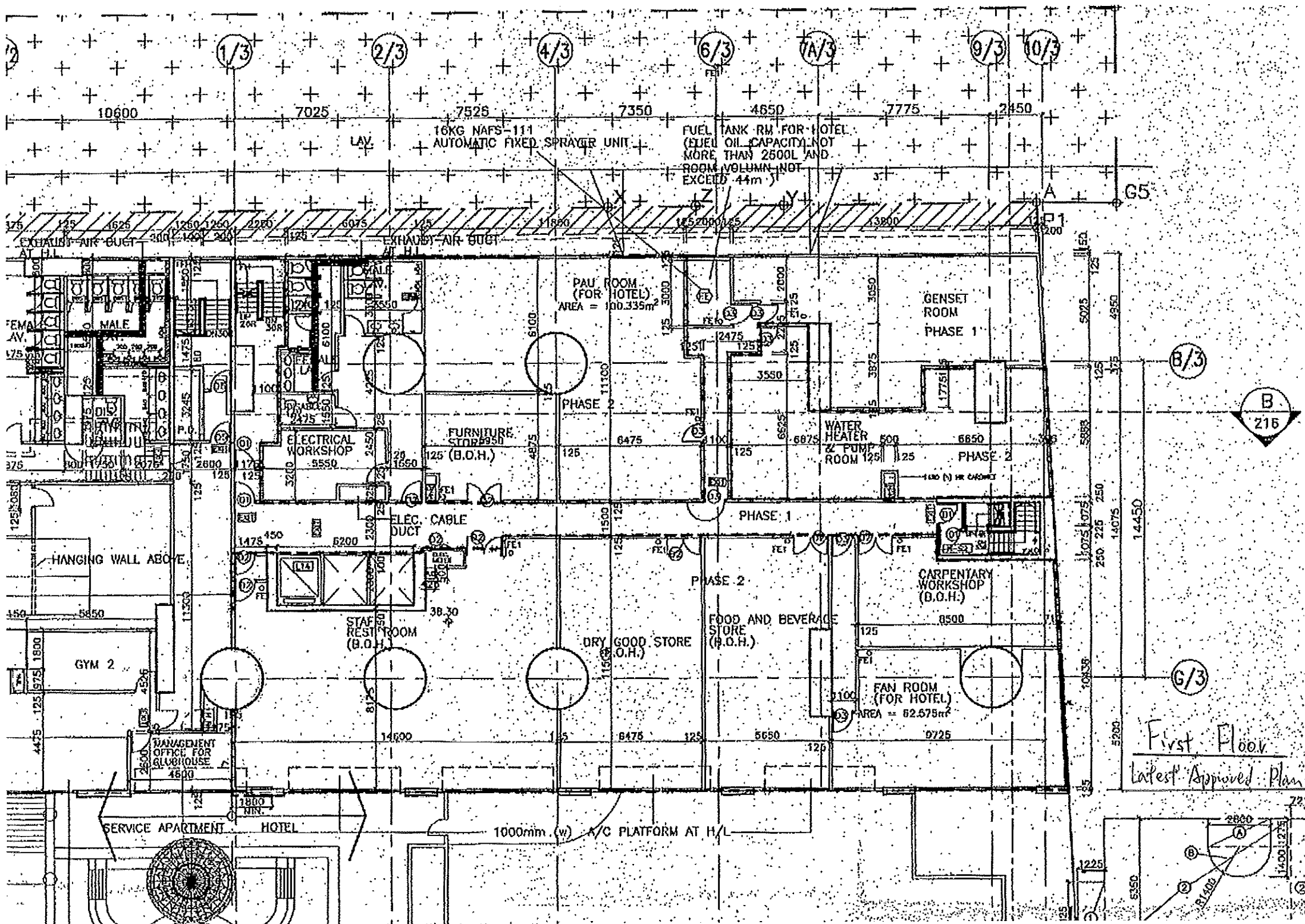
TOTAL = 4,831.65

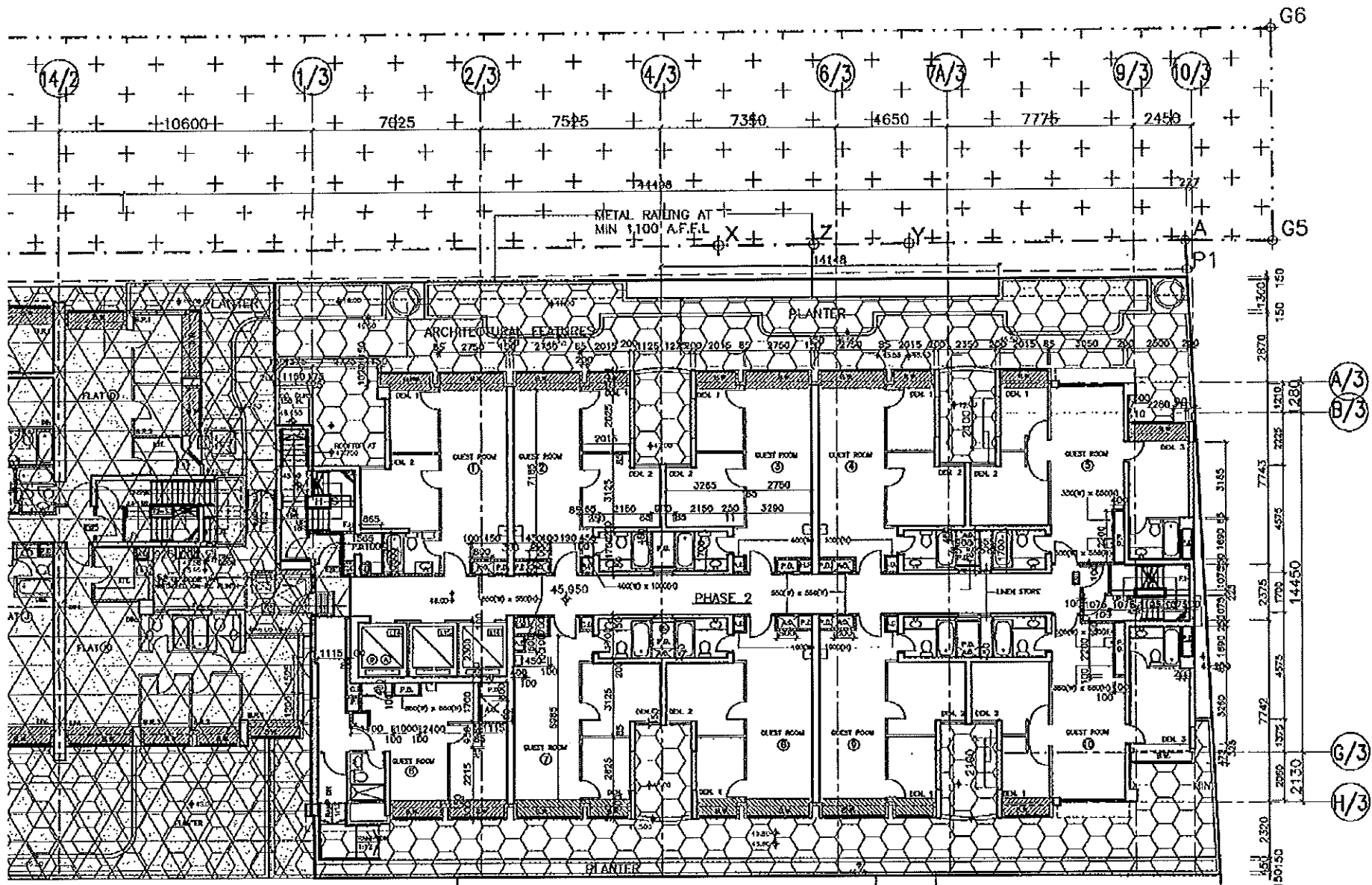
FIRST FLOOR Latest Approved Plan
PLAN

FRESH AIR FOR INTERNAL BATHROOMS AND SPA ROOM 3 & 5 TO BE PROVIDED BY FAU AT 10 L/S PER 100 SQ FT

PHASE 2

FREE PIT LOCATION AND TRENCH SHOULD REFER TO SITE FORMATION (GREEN AREA) PLUS JACKET SEPARATE SUBMISSION





EXTERNAL STONE CLADDING
WOULD BE INCLUDED INTO PHASE 1

2ND FLOOR PLAN OF HOTEL TOWER

(Latest Approved Plan)

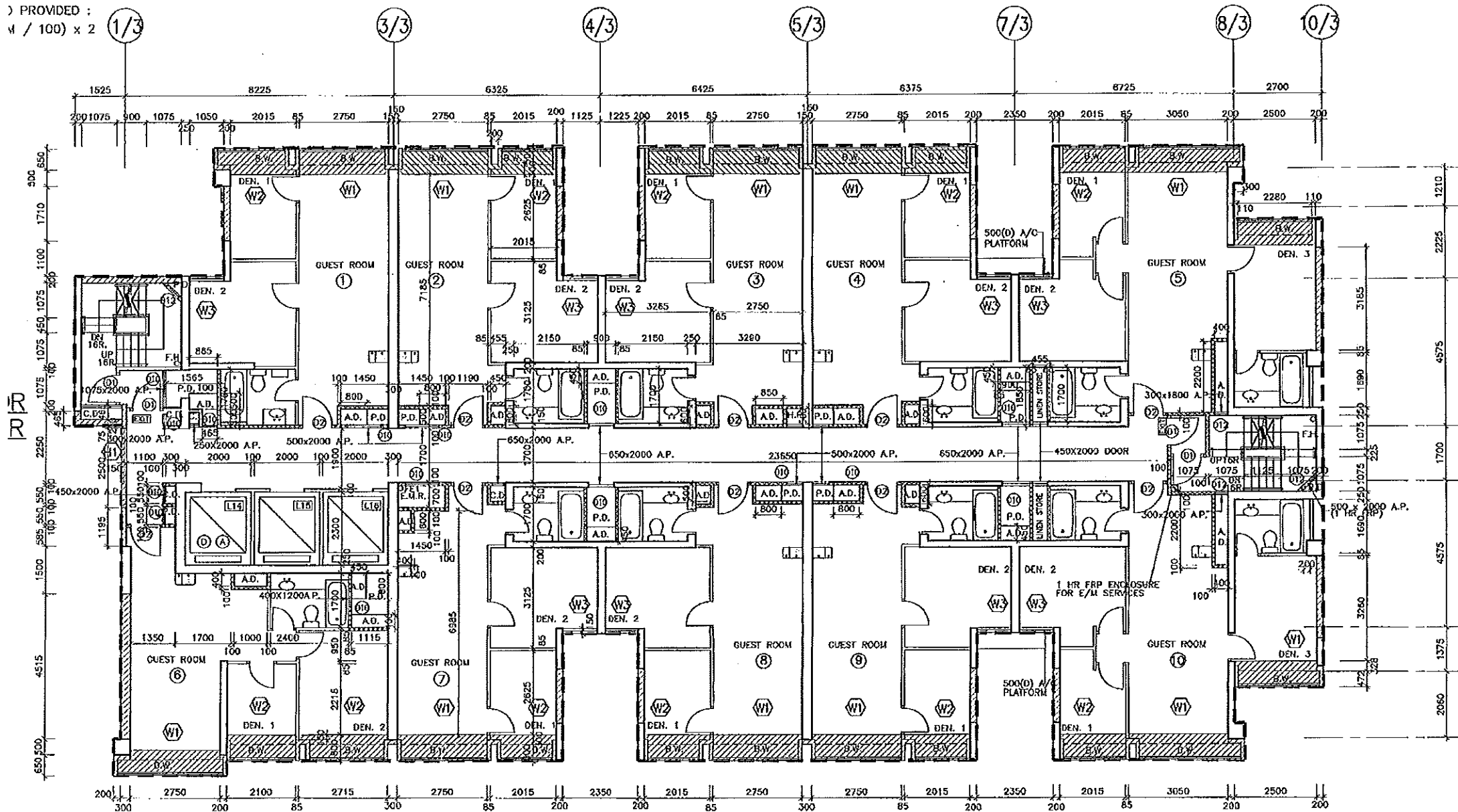
NOTE: - THE CONTENT OF THE PHASING PLANS SUBMITTED
FOR APPROVAL ARE CONFINED TO THE PHASING

$$= 198.585 \text{ m}^2 > 142.978 \text{ m}^2$$
 PHASE 1

(Latest Approved Plan)

PROVIDED :

1 / 100) x 2



TYPICAL FLOOR PLAN OF HOTEL TOWER
(3RD TO 42ND FLOOR)

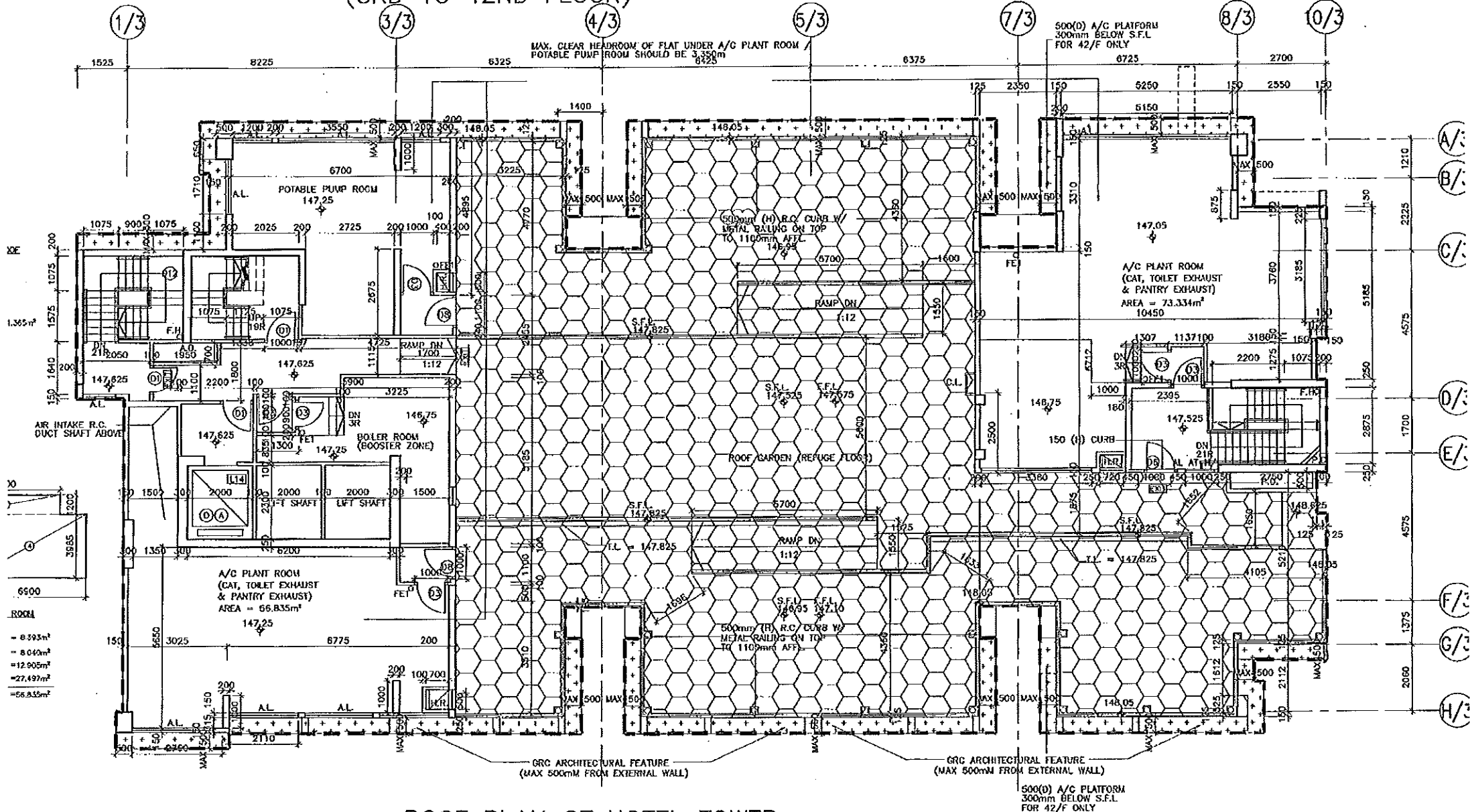
(Latest Approved Plan)

NON-STRUCTURAL PREFABRICATED
EXTERNAL WALL & BAY WINDOW

500(D) A/C PLATFORM
300mm BELOW S.F.L

(3RD TO 42ND FLOOR)

NON-STRUCTURAL PREFABRICATED EXTERNAL WALL & BAY WINDOW



ROOF PLAN OF HOTEL TOWER

(Latest Approved Plan)



PHASE 2

ALL PHASE 1 WORKS HAS BEEN COMPLETED
AND PHASE 1 O.P. HAS BEEN ISSUED ON 10 JULY 07



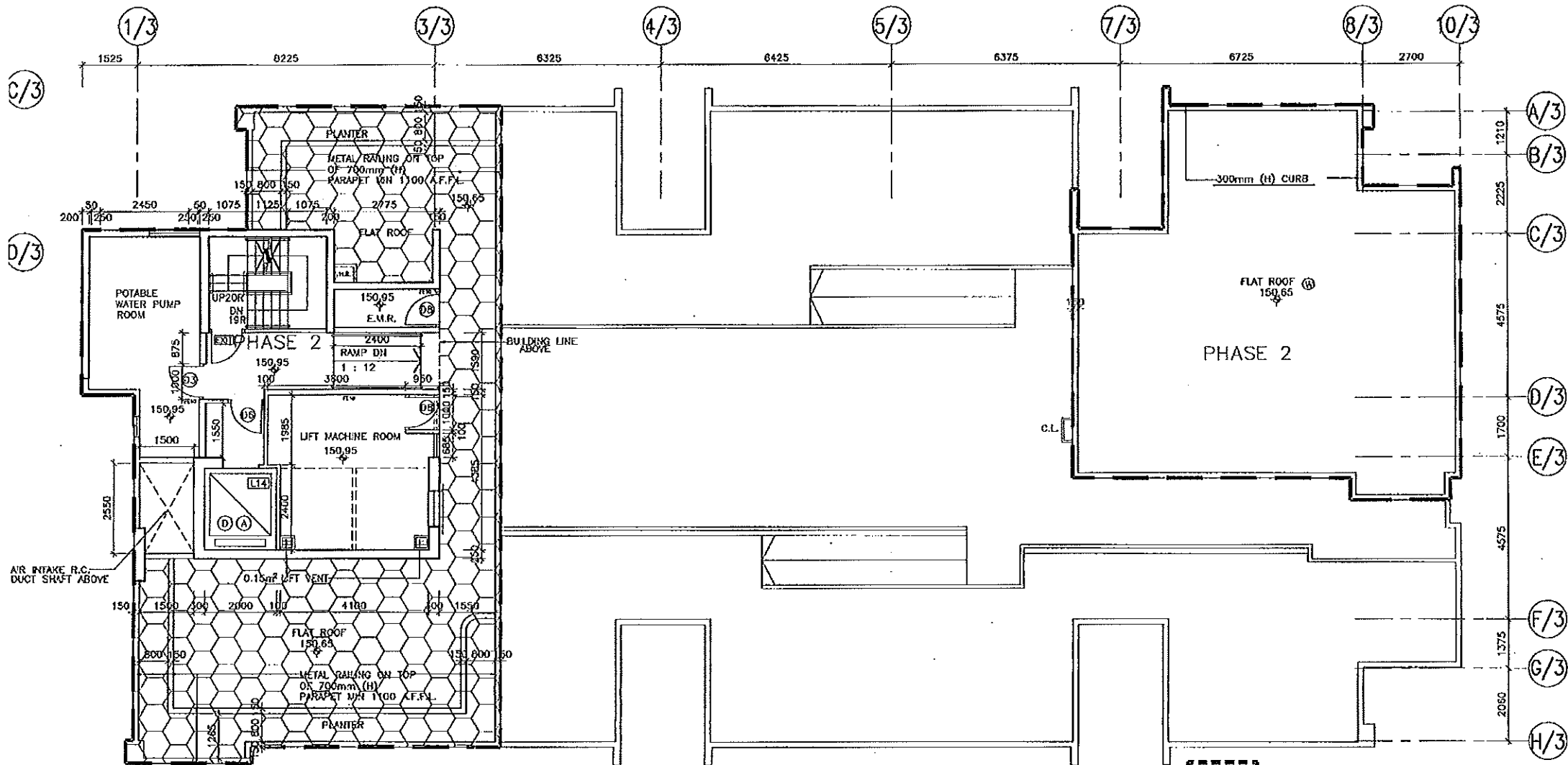
OPEN SPACE SHALL FORM PART OF THE COMMON AREAS FOR COMMON USE AS REQUIRED UNDER SPECIAL CONDITION NO. 28(b)



GRC ARCHITECTURAL FEATURE
(MAX 500 mm PROJECTION FROM EXTERNAL WALL)

ROOM

= 8.593m²
= 8.040m²
= 12.905m²
= 27.497m²
= 66.835m²



LIFT MACHINE FLOOR AT LEV. 150.95
(HOTEL TOWER)
(Latest Approved Plan)

PHASE 2
ALL PHASE 1 WORKS HAS BEEN COMPLETED
AND PHASE 1 O.P. HAS BEEN ISSUED ON 10 JULY 07



UNDER BUILDING REGULATION

SITE AREA	=	7,825m ²
CLASS OF SITE	=	C
HEIGHT OF BUILDING	=	OVER 61m
PERMITTED PLOT RATIO FOR NON-DOMESTIC	=	15
PERMITTED PLOT RATIO FOR DOMESTIC	=	10
PERMITTED SITE COVERAGE FOR NON-DOMESTIC (UNDER 15m)	=	100% (7825m ²)
{45.80 - MEAN STREET LEV. "TA CHUEN PING STREET" = 45.80 - [(23.13 + 29.95) / 2] = 19.26m}		
PERMITTED SITE COVERAGE FOR NON-DOMESTIC (OVER 61m)	=	65% (5086.250m ²)
PERMITTED SITE COVERAGE FOR DOMESTIC (OVER 61m)	=	40% (3130.000m ²)

ACTUAL SITE COVERAGE CALCULATION FOR NON-DOMESTIC (OVER 61m) :

PODIUM FLOOR	=	3587.674m ²
TOTAL	=	<u>3587.674m²</u> (45.977%) < 65%

ACTUAL SITE COVERAGE CALCULATION FOR DOMESTIC (OVER 61m) :

SERVICE APARTMENT I & BRIDGE	=	835.896m ²
SERVICE APARTMENT II	=	947.297m ²
TOTAL	=	<u>1483.193m²</u> (18.955%) < 40%

ACTUAL NON-DOMESTIC G.F.A. PROVIDED :

① RETAIL / COMMERCIAL G.F.A. PROVIDED :

RETAIL AT G/F	=	1485.580m ²
STAIRCASE R-ST AT LG/F MEZZ.	=	15.974m ²
TOTAL	=	<u>1501.554m²</u> > 1500m ² (PHASE 1)

② HOTEL G.F.A. PROVIDED :

ACTUAL GROSS FLOOR AREA FOR HOTEL SUPPORTING FACILITY

HOTEL ENTRANCE LOBBY / SETTING AREA / CHANGING ROOM AT G/F	=	504.916m ²
TOTAL	=	<u>504.916m²</u> (PHASE 1 & 2)

ACTUAL GROSS FLOOR AREA FOR HOTEL GUEST ROOM

LIFT NO. L14 AT LEV. 147.825'	=	10.980m ²
LIFT NO. L14 AT LEV. 150.95	=	13.754m ²
STAIRCASE H-S1 AT LG MEZZ. FLOOR PLAN	=	49.670m ²
STAIRCASE H-S2 AT G/F	=	13.438m ²
HOTEL SECOND FLOOR	=	<u>577.037m²</u>
HOTEL TYPICAL FLOOR (19/F-23/F, 25/F-27/F)	= 572.769 x 8 STOREYS	= 4582.152m ²
HOTEL TYPICAL FLOOR (28/F)	=	571.653m ²
HOTEL TYPICAL FLOOR (31/F, 33/F-42/F, 15/F-18/F, 26/F-33/F, 35/-42/F)	= 571.838 x 26 STOREYS	= 14867.788m ²
TOTAL	=	<u>20886.542m²</u>

TOTAL HOTEL G.F.A.	=	504.916 + 20886.542 = <u>21191.458m²</u> > 2119Cm ² (PHASE 1 & 2)
--------------------	---	--

$$\text{ACTUAL NON-DOMESTIC TOTAL G.F.A.} = 1501.554\text{m}^2 + 21191.458\text{m}^2 = 22693.012\text{m}^2 (2.900 \text{ P.R.})$$

(PHASE 1 & 2)

BACK OF HOUSE (EXEMPT G.F.A. CALCULATION)

HOTEL BACK OF HOUSE AT 1/F	=	562.964m ²
HOTEL BACK OF HOUSE AT TYPICAL FLOOR (2/F - 42/F)	= 1.536m ² x 36	= 55.296m ²
TOTAL	=	<u>628.260m²</u> (PHASE 1 & 2)

PERMITTED PLOT RATIO FOR DOMESTIC

$$= 10$$

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REMAINED PLOT RATIO FOR DOMESTIC

$$= \frac{15 - 2.900}{15} \times 10 = 8.067 (63,124.275\text{m}^2)$$

(PHASE 1 & 2)

UNDER LEASE (SPECIAL CONDITION)

SITE AREA = 7,825m²

CLASS OF SITE = C

PERMITTED G.F.A. (UNDER LEASE) :

RETAIL / COMMERICAL NOT LESS THAN 1500m²

HOTEL NOT LESS THAN 21190m²

SERVICE APARTMENT NOT MORE THAN 51650m²

TOTAL G.F.A. (UNDER LEASE) = 74340m²

ACTUAL G.F.A. PROVIDED :

① RETAIL / COMMERICAL G.F.A. PROVIDED :

RETAIL AT G/F	=	1485.580m ²	
STAIRCASE R-S1 AT LG/F MEZZ.	=	15.974m ²	
TOTAL		<u>1501.554m²</u>	> 1500m ²

② HOTEL G.F.A. PROVIDED :

ACTUAL GROSS FLOOR AREA FOR HOTEL SUPPORTING FACILITY

HOTEL ENTRANCE LOBBY / SETTING AREA / CHANGING ROOM AT G/F	=	504.916m ²	
TOTAL		<u>504.916m²</u>	

ACTUAL GROSS FLOOR AREA FOR HOTEL GUEST ROOM

LIFT NO. L-14 AT LEV. 147.625	=	10.990m ²	
LIFT NO. L-14 AT LEV 150.95	=	13.754m ²	
STAIRCASE H-S1 AT LG MEZZ. FLOOR PLAN	=	19.670m ²	
STAIRCASE H-S2 AT G/F	=	13.488m ²	
HOTEL SECOND FLOOR	=	577.037m ²	
HOTEL TYPICAL FLOOR (19/F-23/F, 25/F-27/F)	= 572.769 x 8 STOREYS	= 4582.152m ²	
HOTEL TYPICAL FLOOR (28/F)	=	571.563m ²	
HOTEL TYPICAL FLOOR (3/F, 5/F-12/F, 15/F-18/F, 29/F-33/F, 35/-42/F)	= 571.838 x 26 STOREYS	= 14867.788m ²	
TOTAL		<u>20686.542m²</u>	

TOTAL HOTEL G.F.A. = 504.916 + 20686.542 = 21191.458m² > 21190m²

BACK OF HOUSE (EXEMPT G.F.A. CALCULATION)

HOTEL BACK OF HOUSE AT 1/F	=	562.954m ²	
HOTEL BACK OF HOUSE AT TYPICAL FLOOR (2/F - 42/F)	= 1.836m ² x 36	= 66.096m ²	
TOTAL	=	<u>629.050m²</u>	

Ⓐ PERCENTAGE OF BACK OF HOUSE AGAINST HOTEL G.F.A. :

$$629.060 / 21191.458 \times 100 = 2.968\%$$

Ⓑ PERCENTAGE OF SUPPORTING FACILITIES AGAINST HOTEL G.F.A. :

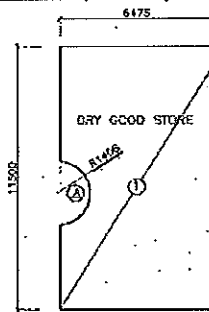
$$504.916 / 21191.458 \times 100 = 2.383\%$$

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①	21.710×6.375	=	138.401m ²
②	2.050×0.875	=	1.794m ²
③	6.650×0.875	=	5.819m ²
④	$\{8.150 \times 7.250\} - \{2.300 \times 1.675\} - \{2.725 \times 1.500\}$	=	51.893m ²
TOTAL			= 197.707m ²

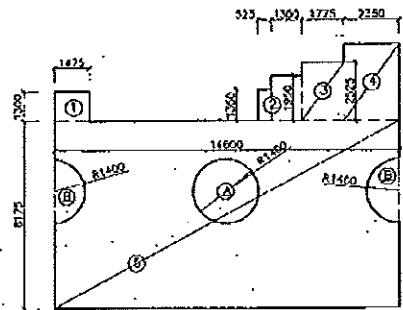
$$\textcircled{1} \quad 6.850 \times 11.500 = 64.975 \text{ m}^2$$

DEFLECT		
(A) 4.050 x 0.875	xx	3.500m ²
	TOTAL	61.475m ²



① 11.500×6.475	wa	74.463 m ²
	cs	74.463 m ²

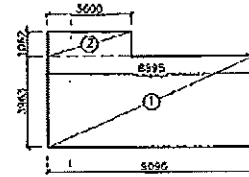
DEDUCT:
 (A) $(1.405 \times 1.405) \times 3.142 \times 1/2 = 3.106 m^2$
 TOTAL " 7.357 m²



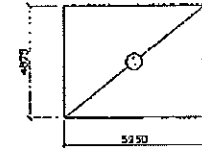
- ① $1.475 \times 1,300 = 1.918\text{m}^2$
- ② $(0.525 \times 1,350) + (1,300 \times 1.950) = 3.244\text{m}^2$
- ③ $1.775 \times 2.525 = 4.482\text{m}^2$
- ④ $2.350 \times 3.325 = 7.814\text{m}^2$
- ⑤ $14.600 \times 8.175 = 119.355\text{m}^2$

DEDUCT:

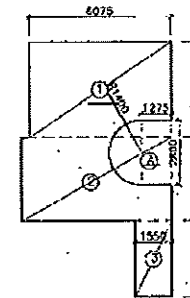
(A) $(1.400 \times 1.400) \times 3.142$	=	0.158 m ²
(B) $(1.400 \times 1.400) \times 3.142 \times 1/2 \times 2$	=	0.158 m ²
TOTAL =		124.498 m ²


$$\begin{aligned} \textcircled{1} \quad & (8.895 + 9.090)/2 \times 3.963 = 35.537 \text{ m}^2 \\ \textcircled{2} \quad & 3.600 \times 1.062 = 3.823 \text{ m}^2 \end{aligned}$$

TOTAL = 30,150m³

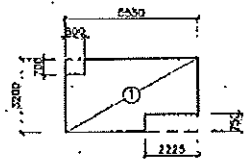


①	6.950×4.676	$\approx$	29.006m^2
	TOTAL	$=$	29.006m^2



①	0.075×4.150	=	25.211 m^3
②	8.425×3.825	=	23.201 m^3
③	1.550×3.325	=	5.154 m^3
			$= 53.656 \text{ m}^3$

SOURCE
 (A) $\frac{\{(1,400 \times 1,400) \times 3.142 \times (1/2)\} + (2,800 \times 1,275)}{}$ = 8,649m³
 TOTAL = 47,007m³

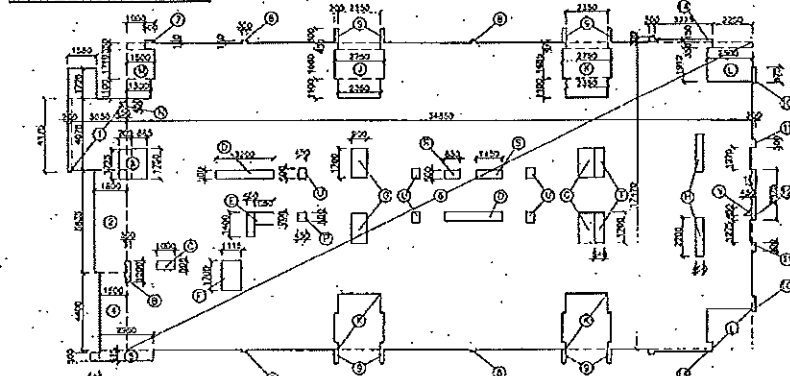

$$\textcircled{1} \quad (5,550 \times 3,200) + (0,850 \times 0,700) + (2,225 \times 0,750) = 15,531 \text{m}^2$$

TOTAL = 15.531m²

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GFA

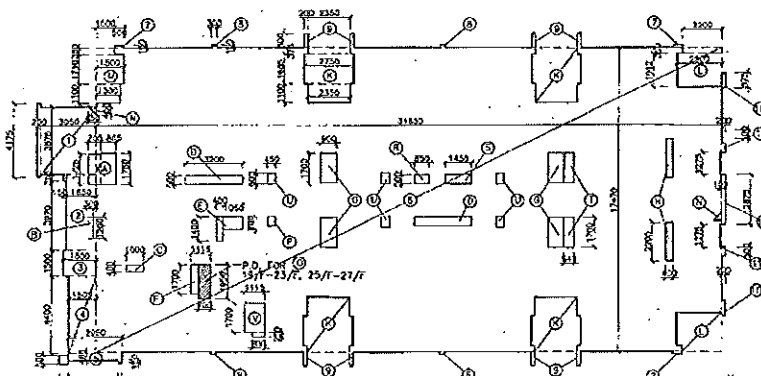
HOTEL SUITE UNIT



HOTEL SECOND FLOOR

①	$(3.050 \times 4.075) + (0.200 \times 4.175) + (3.550 \times 1.725)$	=	15.930m ²
②	1.800×3.835	=	10.003m ²
③	1.500×4.400	=	6.600m ²
④	$(2.950 \times 0.615) + (0.500 \times 0.500)$	=	2.064m ²
⑤	$(34.850 \times 17.170) - (0.100 \times 1.275 \times 2)$	=	608.575m ²
⑥	0.600×0.150	=	0.075m ²
⑦	$(0.300 \times 0.150) \times 4$	=	0.180m ²
⑧	$(0.200 \times 0.800) \times 8$	=	1.280m ²
⑨	$(0.200 \times 0.875) \times 2$	=	0.350m ²
⑩	$(0.200 \times 0.500) \times 2$	=	0.200m ²
⑪	0.200×2.875	=	0.575m ²
⑫	$[(3.225 \times 0.150) + (0.300 \times 0.300)] \times 2$	=	1.115m ²

⑬	$(0.700 \times 1.725) + (0.865 \times 1.750)$	=	2.721m ²
⑭	0.300×1.200	=	0.360m ²
⑮	1.000×0.500	=	0.500m ²
⑯	$(3.200 \times 0.500) \times 2$	=	3.200m ²
⑰	$(0.400 \times 1.400) + (1.050 \times 0.700)$	=	1.295m ²
⑱	1.115×1.700	=	1.896m ²
⑲	$(0.800 \times 1.700) \times 4$	=	6.120m ²
⑳	$(0.400 \times 2.200) \times 2$	=	1.760m ²
㉑	$[(2.350 \times 0.375) + (2.750 \times 1.650) + (2.350 \times 1.100)] \times 4$	=	32.400m ²
㉒	$[(2.350 \times 0.375) + (2.750 \times 1.650) + (2.350 \times 1.100)] \times 3$	=	24.300m ²
㉓	$[(2.300 \times 0.350) + (2.500 \times 1.912)] \times 2$	=	11.000m ²
㉔	$(1.000 \times 0.350) + (1.600 \times 1.710) + (1.300 \times 1.100)$	=	4.345m ²
㉕	$(0.450 \times 0.450 / 2) \times 2$	=	0.203m ²
㉖	0.450×0.500	=	0.225m ²
㉗	0.850×0.500	=	0.425m ²
㉘	1.450×0.500	=	0.725m ²
㉙	$(0.540 \times 1.700) \times 2$	=	1.836m ²
㉚	$(0.450 \times 2.400) \times 5$	=	5.400m ²
TOTAL		=	572.632m ²



HOTEL TYPICAL FLOOR

①	$(3.050 \times 3.875) + (0.200 \times 4.175) + (0.150 \times 0.355)$	=	12.701m ²
②	1.850×4.335	=	7.153m ²
③	1.600×1.500	=	2.400m ²
④	1.500×4.400	=	6.600m ²
⑤	$(2.950 \times 0.465) + (0.500 \times 0.500) + (0.200 \times 0.150)$	=	1.655m ²
⑥	$(34.850 \times 17.170) - (0.100 \times 1.275 \times 2)$	=	608.575m ²
⑦	0.600×0.150	=	0.075m ²
⑧	$(0.300 \times 0.150) \times 4$	=	0.180m ²
⑨	$(0.200 \times 0.800) \times 8$	=	1.280m ²
⑩	$(0.200 \times 0.875) \times 2$	=	0.350m ²
⑪	$(0.200 \times 0.500) \times 2$	=	0.200m ²
⑫	0.200×2.875	=	0.575m ²

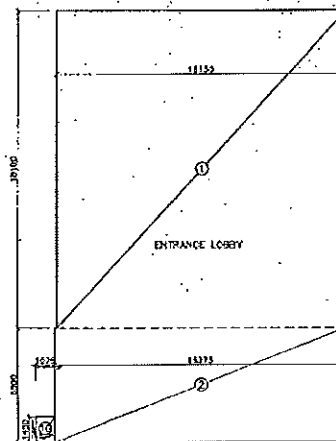
⑬	$(0.700 \times 1.725) - (0.865 \times 1.750)$	=	2.721m ²
⑭	0.300×1.200	=	0.360m ²
⑮	1.000×0.400	=	0.400m ²
⑯	$(3.200 \times 0.500) \times 2$	=	3.200m ²
⑰	$(0.400 \times 1.400) + (1.050 \times 0.700)$	=	1.295m ²
⑱	1.115×1.700	=	1.896m ²
⑲	$(0.800 \times 1.700) \times 4$	=	6.120m ²
⑳	$(0.400 \times 2.200) \times 2$	=	1.760m ²
㉑	$[(2.350 \times 0.375) + (2.750 \times 1.650) + (2.350 \times 1.100)] \times 4$	=	32.400m ²
㉒	$[(2.350 \times 0.375) + (2.750 \times 1.650) + (2.350 \times 1.100)] \times 3$	=	24.300m ²
㉓	$[(2.300 \times 0.350) + (2.500 \times 1.912)] \times 2$	=	11.000m ²
㉔	$(1.000 \times 0.350) + (1.600 \times 1.710) + (1.300 \times 1.100)$	=	4.345m ²
㉕	$(0.450 \times 0.450 / 2) \times 2$	=	0.203m ²
㉖	0.450×0.500	=	0.225m ²
㉗	0.850×0.500	=	0.425m ²
㉘	1.450×0.500	=	0.725m ²
㉙	$(0.540 \times 1.700) \times 2$	=	1.836m ²
㉚	$(0.450 \times 0.600) \times 5$	=	1.350m ²
TOTAL		=	571.835m ²

G.F.A. FOR 28/F

①	571.835	=	571.835m ²
②	571.835	=	571.835m ²
③	571.835	=	571.835m ²

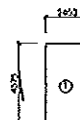
G.F.A. FOR 18/F-23/F, 25/F-27/F

①	571.835	=	571.835m ²
②	571.835	=	571.835m ²
③	571.835	=	571.835m ²



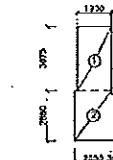
HOTEL ENTRANCE LOBBY AT G/F

①	16.150×15.100	=	243.815m ²
②	16.275×6.550	=	106.725m ²
③	$(2.045 \times 2.245) \times 5.100 / 2$	=	11.330m ²
④	2.255×1.375	=	3.101m ²
⑤	$(8.815 \times 9.105) \times 5.400 / 2$	=	46.470m ²
⑥	$(5.920 \times 2.425) + (1.400 \times 1.025) + (1.405 \times 3.1415 / 4)$	=	17.330m ²
⑦	4.645×2.800	=	12.995m ²
⑧	0.800×4.000	=	3.200m ²
⑨	2.255×1.850	=	4.172m ²
⑩	1.975×1.450	=	2.864m ²
TOTAL		=	504.916m ²



LIFT L-14 AT LEV. 147.625

①	2.400×4.575	=	10.980m ²
TOTAL		=	10.980m ²



LIFT L-14 AT LEV. 150.95

①	1.900×3.675	=	6.983m ²
②	2.050×2.950	=	6.048m ²
③	0.350×2.550	=	0.893m ²
TOTAL		=	13.924m ²



STAIRCASE H-S2 AT GROUND FLOOR

①	$(1.435 \times 1.605) \times 3.435 / 2$	=	4.221m ²
②	1.275×1.375	=	1.753m ²
③	1.805×4.065	=	7.340m ²
TOTAL		=	13.314m ²

STAIRCASE H-S1 AT LG MEZZ. FLOOR

①	4.855×4.280	=	20.778m ²
②	2.005×8.650	=	17.353m ²
③	2.065×2.780	=	5.761m ²
④	2.550×2.550	=	6.503m ²
TOTAL		=	50.395m ²

A+I D
藝達建築B.D.
F.S.D.

REMARKS

(Latest Approved Plan)

Plan Appr

HO Kw
Senior J
for BUILD
?STATEMENT 1.1
THE WORKS SHOWN
PLANS ARE TYPE
(BUILDING AMEND)
RESPECT OF WHICH
CONSENT IS APPL

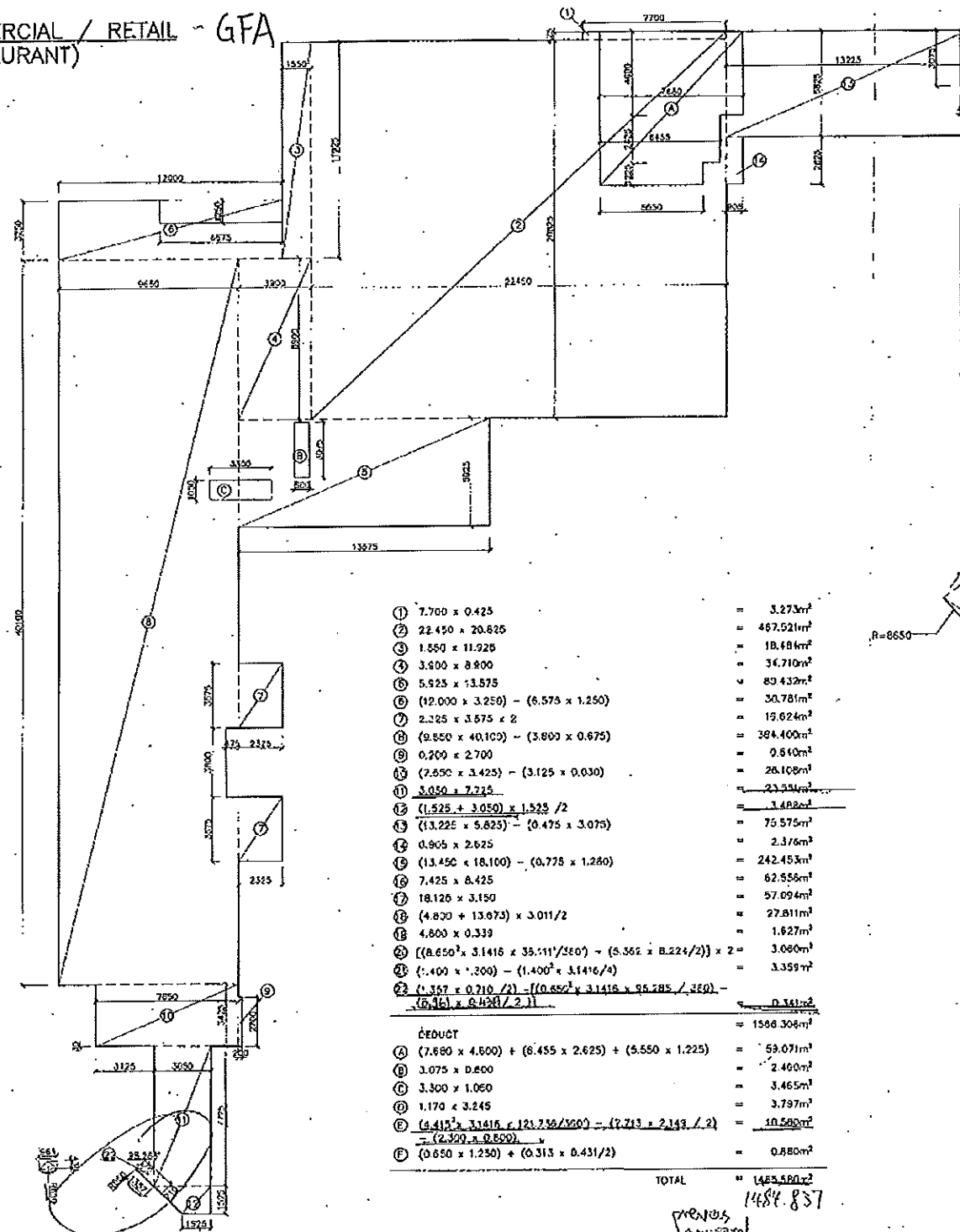
K. APRIL, 2007 F
J. SEPT., 2006 A
I. FEB., 2006 G
h. JUL., 2005 F
g. MAR., 2005 G
f. DEC., 2004 G
e. NOV., 2004 G
d. JUNE, 2004 G
c. NOV., 2003 G
b. JUNE, 2003 R
a. MAR., 2003 R

REVISIONS

工程及建築

PROPOSED I
SERVICE AP

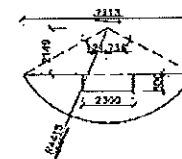
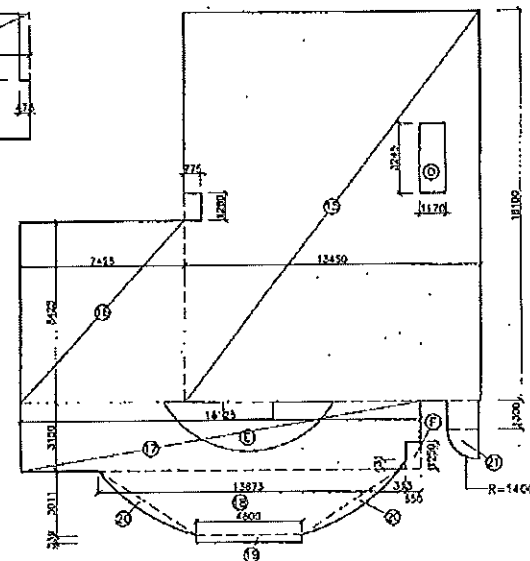
COMMERCIAL / RETAIL - GFA
(RESTAURANT)



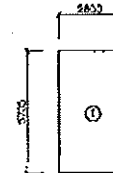
①	7.700×0.425	=	3.273m ²
②	22.450×20.825	=	467.521m ²
③	1.580×11.925	=	18.84km ²
④	3.800×8.800	=	33.440m ²
⑤	5.925×13.575	=	80.432m ²
⑥	$(12.000 \times 3.250) - (6.575 \times 1.250)$	=	30.781m ²
⑦	$2.325 \times 3.575 \times 2$	=	16.624m ²
⑧	$(9.850 \times 40.100) - (3.800 \times 0.675)$	=	394.400m ²
⑨	0.200×2.700	=	0.540m ²
⑩	$(2.650 \times 3.425) - (3.125 \times 0.030)$	=	26.108m ²
⑪	3.050×7.225	=	21.934m ²
⑫	$(1.525 \times 3.050) \times 1.525 / 2$	=	3.482m ²
⑬	$(13.225 \times 5.625) - (0.475 \times 3.075)$	=	75.575m ²
⑭	0.905×2.625	=	2.376m ²
⑮	$(13.450 \times 18.100) - (0.775 \times 1.280)$	=	242.453m ²
⑯	7.425×8.425	=	62.556m ²
⑰	18.125×3.150	=	57.094m ²
⑱	$(4.800 \times 13.673) \times 3.011 / 2$	=	27.811m ²
⑲	4.800×0.339	=	1.627m ²
⑳	$[(8.650 \times 3.1416 \times 35.111 / 360) - (5.362 \times 8.224 / 2)] \times 2$	=	3.080m ²
㉑	$(1.400 \times 1.300) - (1.400 \times 3.1416 / 4)$	=	3.359m ²
㉒	$(1.357 \times 0.710 / 2) - [(0.650 \times 3.1416 \times 95.785 / 360) - (6.461 \times 8.428 / 2)]$	=	0.341m ²
總計		=	1586.304m ²
①	$(7.680 \times 4.600) + (6.455 \times 2.625) + (5.550 \times 1.225)$	=	59.071m ²
②	3.075×0.800	=	2.460m ²
③	3.300×1.060	=	3.465m ²
④	1.170×3.245	=	3.797m ²
⑤	$(4.415 \times 3.1416 \times 121.756 / 360) - (7.213 \times 2.143 / 2)$	=	10.580m ²
⑥	(2.320×0.650)	=	1.508m ²
⑦	$(0.650 \times 1.250) + (0.313 \times 0.431 / 2)$	=	0.880m ²

TOTAL = 1484.837

previous
amendment



AMENDMENT



STAIRCASE R-S1 AT LG. MEZZ. FLOOR

①	2.800×5.703	=	15.974m ²
②		=	5.974m ²

THIS DEED made this 21st day of December
Two thousand and seven

BETWEEN :-

(1) PEARL WISDOM LIMITED whose registered office is situate at 7th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong (hereinafter called "the First Owner" which expression shall where the context so admits include its successors and assigns) of the first part;

(2) YEUNG KOON FAI (楊冠輝) and WONG SO KUEN (黃素娟) both of Flat F, 28th Floor, Service Apartment Tower I, The Apex, 33 Wo Yi Hop Road, Kwai Chung, New Territories, Hong Kong (hereinafter called "the First Purchaser" which expression shall where the context so admits include his executors administrators and assigns) of the second part;

(3) GOODWELL PROPERTY MANAGEMENT LIMITED (高衛物業管理有限公司) whose registered office is situate at 7th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong (hereinafter called "the Manager" which expression shall where the context so admits include its successors appointed in accordance with the provisions herein) of the third part.

WHEREAS :-

A. Immediately prior to the assignment to the First Purchaser (as mentioned in Recital D below), the First Owner was the registered owner of the Land (as hereinafter defined) which is held from the Government (as hereinafter defined) absolutely under and by virtue of the Government Grant (as hereinafter defined) under which a Government Grant will be granted for a term of 50 years commencing from the 4th day of June 2002 subject to the payment of the rent and the observance and performance of the terms and conditions therein reserved and contained.

B. The First Owner has developed or in the course of developing the Land in accordance with the Approved Plans and has constructed or is in the course of constructing thereon the Development. The Development comprises (inter alia) two Service Apartments, one Hotel, Retail Development and Carpark.

C. For the purpose of sale and defining individual ownership, the Land and the Development have been notionally divided into 70,843 equal undivided parts or shares, the allocation of which is set out in the First Schedule hereto.

D. By an assignment bearing even date and made between the First Owner of the first part and the First Purchaser of the second part the First Owner assigned unto the First Purchaser All Those 56 equal undivided 70,843rd parts or shares of and in the Land and the Development (as hereinafter defined) together with the full and exclusive right and privilege to hold use occupy and enjoy All That Flat F on the 28th Floor of Service Apartment Tower I of the Development.



E. Special Condition No.(22)(a) of the Government Grant requires the First Owner to submit to and obtain the approval in writing of the Director of Lands for a Deed of Mutual Covenant incorporating a Management Agreement providing inter alia, for the maintenance and management of the Development and the Director of Lands has given his approval to the terms of this Deed.

F. The parties hereto have agreed to enter into this Deed for the purpose of making provisions for the management, maintenance, repair, renovation, insurance and servicing of the Land and the Development, and their equipment, services and apparatus and for the purpose of defining and regulating the respective rights, interests and obligations of the Owners in respect of the Land and the Development.

NOW THIS DEED WITNESSETH as follows :-

SECTION I

DEFINITION AND INTERPRETATION

1.1 In this Deed including the recitals the following words and expressions shall have the following meanings ascribed to them whenever the context so permits :-

"Approved Plans"	The Development building plans prepared by the Authorized Person for the development of the Land approved by the Building Authority under Ref. No.BD2/9026/01 as the same may be amended from time to time with the approval of the Building Authority.
"Authorized Person"	means Mr. Daniel Lin Hsien Wen of A & T Design International Ltd. and this expression shall include any other authorized person or persons as defined in Section 2(1) of the Buildings Ordinance for the time being appointed by the First Owner.
"BMO"	The Building Management Ordinance, Cap. 344 (as may be amended from time to time).
"Carpark"	All Carparking Spaces, the Carpark Common Areas and the Carpark Common Facilities.
"Carparking Space"	A Carparking Space on basement, lower ground floor and lower ground mezzanine floor of the Development to which Undivided Shares have been allocated used for or ancillary to the parking of licensed motor vehicles or motor cycles and shown on the carpark layout plan approved by the Building Authority.
"Carpark Common Areas"	The whole of the Carpark except the Carparking Spaces which for identification purpose only are shown on the plans annexed hereto and thereon coloured indigo and are for the common use and benefit of the Owners of the Carparking Spaces.
"Carpark Common Facilities"	Such of the pipes, cables, wires and other services facilities and installations, whether ducted or otherwise which are or at any time may be in, under or over or passing through the Land and/or the Development, through which water and electricity and any other services are supplied for the common use and benefit of the Carpark, and lighting, petrol

interceptors, security system, closed circuit television system and other common facilities of and in the Carpark Common Areas and such of the facilities, fixtures, fittings, plants, machinery, apparatus and installations from time to time installed for the common use and benefit of the Carpark including but not limited to sewer and drains, fire fighting appliances and equipment, fire alarm system, sprinkler system, hose reels and fire hydrants.

"Carpark Common and/or Service Apartment Common and/or Retail Common Areas"	Such areas within the Lot and such systems, devices and facilities within the Development intended only for the joint common use and benefit of the Service Apartment, the Retail Development and the Carpark in accordance with this Deed but EXCLUDING all the other types of Common Areas and Facilities, and such areas within the Development in respect of which the exclusive right and privilege to hold, use, occupy and enjoy the same belongs to any particular Owner and such facilities within the Service Apartment, the Retail Development and/or the Carpark serving only any particular Owner; which for the purpose of identification only are shown and coloured violet on the plans annexed hereto (insofar as such areas, systems, devices and facilities are identifiable on such plans).
"Carpark Rules"	The rules governing the Carpark from time to time in force made as provided by this Deed.
"Club"	The area designated as Club House on the Approved Plans and shall include the building and facilities therein.
"Club Rules"	The rules governing the Club from time to time in force made pursuant to the provisions of this Deed.
"Common Areas"	The Development Common Areas, the Carpark Common Areas, the Service Apartment Common Areas, the Retail Common Areas and the Carpark Common and/or Service Apartment Common and/or Retail Common Areas.
"Common Facilities"	The Development Common Facilities, the Carpark Common Facilities, the Service Apartment Common Facilities and the Retail Common Facilities.
"Common Areas Undivided Shares"	The Undivided Shares allocated to the Common Areas and Common Facilities as set out in the First Schedule hereto and pursuant to this Deed.

"Communal Sky Gardens"	The area designated as Communal Sky Gardens on the Approved Plans.
"Conveyancing and Property Ordinance"	The Conveyancing and Property Ordinance as amended by the Conveyancing and Property (Amendment) Ordinance 1988 and any further or other statutory amendments, modifications or re-enactments thereof for the time being in force.
"Deed"	This Deed of Mutual Covenant Incorporating Management Agreement and includes any Sub-Deed of Mutual Covenant made pursuant to the provisions hereunder.
"Development"	The whole development erected on the Land to be known as "THE APEX (雍 雅 軒)".
"Development Common Areas"	Such areas for identification purpose are shown on the plans annexed hereto and thereon coloured red which include but not limited to "common parts" as defined in the BMO where appropriate, the passages, entrances, walkways, stairways, landings, drop-off areas, external wall of the podium of the Development (excluding the Hotel), E/M plant room, meter room, service areas, foundations, the Development foundations intended for the common use and benefit of the Development excluding the Service Apartment Common Areas, the Retail Common Areas, the Carpark Common Areas and the Carpark Common and/or Service Apartment Common and/or Retail Common Areas and any part, space, area the exclusive right and privilege to hold use and enjoy the same belongs to any particular Owner.
"Development Common Facilities"	All equipment, facilities and systems for the common use and benefit of the Development which include but not limited to the service duct underground, drains, channels, open channel, connection pipe, water pumps, wire, cables and other facilities whether ducted or otherwise which are or at any time may be in under or over or passing through the Land or adjacent land through which fresh or salt water, sewage, gas, electricity and other services are supplied to the Development, communal television and radio aerial system, lighting facilities, fire prevention and fighting equipment and apparatus, security systems and such other systems, devices and facilities within the Development for the common use and benefit of the Development excluding the Service Apartment Common Facilities, the Retail Common Facilities and the Carpark Common Facilities and such facilities within the Development

	serving only any particular Owner.
"Hotel"	Those parts of the Development as shown and coloured yellow on the plans hereto attached constructed or to be constructed for use as a hotel (including ancillary commercial and recreational facilities thereto) as permitted by the Government Grant.
"House Rules"	The rules made by the Manager relating to the use, operation and management of the Development (excluding the Carpark and the Club) from time to time in force as provided by this Deed.
"Government"	The Government of the Hong Kong Special Administrative Region of the People's Republic of China.
"Government Grant"	Agreement and Conditions of Exchange registered in the Land Registry as New Grant No.7171 and shall include any subsequent extensions or modifications thereto or renewal thereof.
"Land"	All that piece or parcel of land registered in the Land Registry as The Remaining Portion of Kwai Chung Town Lot No.467.
"Management Expenses"	The costs, charges and expenses reasonably and properly incurred by the Manager for the purpose of management and maintenance of the Land and the Development as provided in this Deed.
"Management Fee"	A due proportion of estimated Management Expenses and Manager's Remuneration payable by the Owners monthly in accordance with the provisions of this Deed.
"Management Funds"	All monies (including all interest and charges thereon) received, recovered or held by the Manager for the use and benefit of the Development pursuant to this Deed except only the Manager's Remuneration and the Sinking Fund.
"Management Shares"	The shares allocated to the Units in manner as set out in the Second Schedule hereto by reference to which the proportion of the Management Expenses and Manager's Remuneration to be borne by the Owners shall be calculated.
"Manager"	The management company or any other manager for

	the time being appointed as Manager of the Land and the Development pursuant to this Deed or the BMO.
"Manager's Remuneration"	The remuneration of the Manager as provided herein or in any Sub-Deed of Mutual Covenant made pursuant to the provisions hereunder.
"Month"	A calendar month.
"Occupation Permit"	An occupation permit or temporary occupation permit of the Development or any part thereof issued by the Building Authority.
"Occupier"	An occupant or occupier of a Unit or Hotel (as the case may be) for the time being and Occupiers shall be construed accordingly.
"Owner"	The person or persons who for the time being is the owner of any Undivided Share and registered as such under the Land Registration Ordinance (Cap. 128) of the Laws of Hong Kong and his executors, administrators, successors and assigns and every joint tenant or tenants in common of any Undivided Share, and where any Undivided Share has been mortgaged or charged by way of mortgage or charge, the word "Owner" shall include both mortgagor and mortgagee or, as the case may be, chargor and chargee but in respect of the mortgagee or chargee only if such mortgagee or chargee is in possession or in receipt of the rents and profits of that part of the Land or the Development relating to the Undivided Share or has foreclosed PROVIDED however that subject to the provisions of such mortgage or charge the voting rights attached to such Undivided Share by the provisions of this Deed shall be exercisable by the mortgagor or chargor unless the mortgagee or chargee is in possession or in receipt of the rents and profits of the Undivided Share or has foreclosed and Owners shall be construed accordingly.
"Owners' Committee"	A committee of the Owners of the Development established under the provisions of this Deed and where an Owners' Corporation has been formed, the management committee of the Owners' Corporation.
"Owners' Corporation"	The Owners' corporation of the Development formed in accordance with the provisions of the BMO.
"Public Road"	The Future Public Road referred to in Special Condition No.(5)(a) of the Government Grant.

“Retail Common Areas”	Those parts of the Retail Development not otherwise specifically assigned to or for the exclusive use of any one or more Owners, and shall include but not limited to retail loading and unloading spaces, switch room, TBE room, water check meter room, common toilets as shown and coloured orange on the plans annexed hereto.
“Retail Common Facilities”	Those facilities which are in under or above the Retail Development and serve the Retail Development as a whole, and shall include but not limited to all equipment, facilities and systems for the common use and benefit of the Retail Development and the Retail Common Areas and without limiting the generality of the foregoing, such of the pipes, cables, wires and other services, facilities, installation, whether ducted or otherwise which are or at any time may be in, under or over or passing through the Land and/or the Development, through which water, electricity and any other services are supplied for the common use and benefit of the Retail Development and the Retail Common Areas, and the lighting, communal television antennae, satellite antennae, radio aerials, security system and other common facilities of and in the Retail Common Areas and such of the facilities, fixtures, fittings, plants, machinery, apparatus and installation from time to time installed for the common use and benefit of the Retail Development and the Retail Common Areas including but not limited to sewers and drains, fire fighting appliances and equipment, fire alarm system, sprinklers system, hose reels, fire hydrants and smoke/heat detector systems.
“Retail Development”	Those parts of the Development (other than the Hotel) constructed or to be constructed for shops/commercial/restaurant use as indicated on the Approved Plans including loading/unloading spaces.
“Retail Owner”	An Owner entitled to the sole and exclusive right and privilege to hold use occupy and enjoy a Retail Unit.
“Retail Unit”	A Unit situated in the Retail Development.
"Roof"	The portion of the roof which is immediately above a Service Apartment Unit and included therein.
"Rules"	The Carpark Rules, the Club Rules and the House

Rules.

"Service Apartment"	The block or blocks of buildings as service apartments erected on the Land more particularly indicated on the Approved Plans.
"Service Apartment Common Areas"	Such areas for identification purpose are shown on the plans annexed hereto and thereon coloured green which include but not limited to the Club, the lift machine room, fuel tank room, service apartment loading and unloading spaces, TBE room, air-conditioning platform, air-conditioning plant room, refuge floor, E/M duct room, recreational facilities, swimming pool (for Service Apartment), entrance, refuge floor, Communal Sky Gardens and all other areas within the Development other than those being part of the Development Common Areas or Retail Common Areas or Carpark Common Areas or Carpark Common and/or Service Apartment Common and/or Retail Common Areas and is intended for the common use and benefit of the Service Apartment.
"Service Apartment Common Facilities"	All equipment, facilities and systems for the common use and benefit of the Service Apartment and the Service Apartment Common Areas and without limiting the generality of the foregoing, such of the pipes, cables, wires and other services, facilities, installations, whether ducted or otherwise which are or at any time may be in, under or over or passing through the Land and/or the Development, through which water, gas, electricity and any other services are supplied for the common use and benefit of the Service Apartment and the Service Apartment Common Areas, and the lighting, closed circuit television system, communal television antennae, satellite antennae, radio aerials, security system, lifts, children recreational facilities, and other common facilities of and in the Service Apartment Common Areas and such of the facilities, fixtures, fittings, plants, machinery, apparatus and installations from time to time installed for the common use and benefit of the Service Apartment and the Service Apartment Common Areas including but not limited to sewers and drains, fire fighting appliances and equipment, fire alarm system, sprinklers system, hose reels and fire hydrants.
"Service Apartment Unit"	A flat or unit of a Service Apartment intended for use as service apartment by individual Owner(s).

"Sinking Fund"	A special fund established and maintained by the Manager to provide for expenditure of a kind not expected by him to be incurred annually.
"Undivided Shares"	All those equal undivided parts or shares of and in the Land and the Development allocated as set out in the First Schedule hereto and Undivided Share shall be construed accordingly.
"Unit"	A flat/unit including its Roof (if any) within the Service Apartment/Retail Development intended for service apartment/retail use, or a Carparking Space the exclusive use and enjoyment of which has been or is intended to be assigned to an Owner.
"Upper Roof"	The roof immediately above the lift machine room.

In this Deed where the context so permits references to the singular shall include the plural and vice versa and references importing any of the masculine feminine and neuter genders shall include the others of them and references to persons shall include corporations.

SECTION II

RIGHTS AND OBLIGATIONS OF THE OWNERS

2.1 The First Owner shall at all times hereafter have the full and exclusive right and privilege to hold use occupy and enjoy to the exclusion of the First Purchaser All That the Development Together with the appurtenances thereto and the entire rents and profits thereof save and except only Common Areas and Common Facilities and All That the premises particularly described in Recital D hereof assigned to the First Purchaser Together with the appurtenances thereto and the entire rents and profits thereof Subject to payment of the due proportion of rent and the observance and performance of the covenants and conditions reserved by and contained in the Government Grant and this Deed.

2.2 The First Purchaser shall at all times hereafter have the full and exclusive right and privilege to hold use occupy and enjoy to the exclusion of the First Owner All that the said premises particularly described in Recital D hereof Together with the appurtenances thereto and the entire rents and profits thereof Subject to payment of the due proportion of the rent and the observance and performance of the covenants and terms reserved by and contained in the Government Grant and this Deed.

2.3 Each equal Undivided Share in the Land and the Development and the full and exclusive right and privilege to hold use, occupy and enjoy any part of the Development shall be held by the person or persons from time to time entitled thereto subject to and with the benefit of the rights, rights of way, privileges and obligations herein contained Provided That the Common Areas Undivided Shares shall not carry any voting rights or liability to pay fees under this Deed, nor shall such Undivided Shares be taken into account for the purpose of calculating the quorum of any meeting.

2.4 The Owners shall at all times hereafter be bound by and shall observe and perform the covenants, provisions and restrictions herein contained and the benefit and burden thereof shall be annexed to every part of the Land and the Development and the Undivided Share or Shares held therewith. The Conveyancing and Property Ordinance shall apply to this Deed.

2.5 Subject to the Government Grant and this Deed every Owner shall have the full right and liberty without reference to the other Owners or other persons who may be interested in any other equal Undivided Share or Shares in any way whatsoever and without the necessity of making such other Owners or other persons a party to the transaction to sell, assign, charge, lease, licence or otherwise dispose of or deal with his Undivided Share or Shares or interest in the Land and the Development together with the full and exclusive right and privilege to hold, use, occupy and enjoy such part or parts of the Development which may be held therewith but any such sale, assignment, legal charge, lease or licence shall be expressly subject to and with the benefit of this Deed.

2.6 The right to the exclusive use occupation and enjoyment of any part of the Land or the Development shall not be sold, assigned, charged, leased or otherwise dealt with separately from the Undivided Share or Shares with which the same is held Provided Always that the provisions of this clause shall not extend to leases or tenancy

the terms of which shall not exceed 10 years.

2.7 There is reserved and granted unto the First Owner the following rights and privileges for so long as it remains the Owner of Undivided Shares in the Land and the Development :-

- (a) The right for the First Owner, its contractors, servants, agents or other persons authorized by it at all reasonable times to enter into and upon the Common Areas of the Land and the Development with all necessary equipment plant and materials for the purpose of completing the construction of the Development in accordance with the Government Grant and the Approved Plans and to carry out works in under on or over the Land and the Development (excluding those parts of the Development to which the rights to the exclusive use and occupation are given to other Owners) as it sees fit Provided that the First Owner shall ensure that the enjoyment of the Development by other Owners and occupiers shall not be unreasonably affected and shall make good any damage caused by exercising the rights under this sub-clause (a) and shall indemnify the Owners against all loss damage claims costs and expenses resulting therefrom. The First Owner in pursuance of any such works shall notify the Owners, their servants, agents or licensees in writing as to the areas or parts of the Land and the Development that the Owners may not use while such works are being carried out.
- (b) The right to change, amend, vary, add to or alter the Approved Plans relating only to such part of the Development held by the First Owner provided that nothing herein shall absolve the First Owner from the requirements of obtaining the prior written approval of the Director of Buildings and the Director of Lands in compliance with the Government Grant and provided also that such right shall not interfere with any Owner's exclusive right to hold, use, occupy and enjoy the Unit or the Hotel which such Owner owns.
- (c) Subject to the approval of the Owners' Committee (or Owners' Corporation, if formed) the right to designate any part of the Development (not forming part of a Unit or Hotel) to be Development, Retail, Service Apartment or Carpark Common Areas from time to time provided that such areas are for the beneficial use of all relevant Owners. Where there is a dispute on whether an area is to be regarded as part of the Development Common Areas, Service Apartment Common Areas, Retail Common Areas or Carpark Common Areas or whether a facility is to be regarded as part of the Development Common Facilities, Service Apartment Common Facilities, Retail Common Facilities or Carpark Common Facilities, the decision of the Manager made in consultation with the Owners' Committee (or Owners' Corporation, if formed) shall be final and binding on all Owners.
- (d) Subject to the prior written approval of the Owners' Committee (or Owners' Corporation, if formed) the right to install in or affix to the Common Areas and Common Facilities such flues, pipes, conduits, chimneys, aerials, plant, machinery and other apparatus, signs, placards, posters and other advertising structures whatsoever (whether illuminated or not) together with the right to repair, maintain, service, remove or replace the same Provided That such

installation shall not unreasonably affect the enjoyment of the Development by the Owners and Occupiers and any consideration received therefor shall be credited to the management account for the benefit of all Owners.

- (e) The right, for the First Owner so long as it is the Owner of the whole of the Hotel, all the Units of the Retail Development or one particular Service Apartment, to enter into Sub-Deed (s) of Mutual Covenant in respect of the Hotel or the Retail Development or that Service Apartment or any part thereof Provided Always that such Sub-Deed(s) of Mutual Covenant shall not be in conflict with the provisions of this Deed and so long as the same shall not interfere with any Owner's exclusive right to hold, use, occupy and enjoy the Unit or Hotel which such Owner owns and Provided Further that such Sub-Deed(s) of Mutual Covenant shall have been previously approved in writing by the Director of Lands unless a waiver is given by the Director of Lands.
- (f) Subject to the approval of the Owners' Committee (or Owners' Corporation if formed), the right to adjust and/or re-align the boundary of the Land and to negotiate and agree with the Government in connection therewith and for that purpose to effect any surrender, extension or regrant Provided That the exercise of such right by the First Owner shall not interfere with an Owner's exclusive right to hold, use, occupy and enjoy the Unit or Hotel which he owns and Provided Further That in so far as such adjustment or re-alignment affects the Common Areas and Common Facilities any benefit obtained by the First Owner as a result of such adjustment or re-alignment shall be held upon trust for all the Owners and, if such benefit is in monetary terms, shall be credited towards the Management Funds.
- (g) The right without interference by the other Owners to designate or re-designate the floors numbering and to re-allocate and/or sub-allocate the Undivided Shares registered in the name of the First Owner Provided That the exercise by the First Owner of any of such rights shall not interfere with any other Owner's exclusive right to hold, use, occupy and enjoy the Unit or Hotel which he owns and shall not affect the Undivided Shares and Management Shares allocated to such Unit or Hotel.
- (h) The right to assign, mortgage, charge, lease, licence, franchise, part with possession of or otherwise deal with the Undivided Shares retained by the First Owner and/or the full and exclusive right and privilege to hold use occupy and enjoy the areas of the Land or the Development the exclusive right to hold use occupy and enjoy of which is held with such Undivided Shares and has not been assigned and to permit such areas to be used for such purposes as shall be approved by the relevant Government authorities Provided that the other Owners' right to use occupy and enjoy the Units or any part of the Development shall not be interfered with.
- (i) To re-allocate and/or sub-allocate the Management Shares allocated to those Units registered in the name of the First Owner Provided that the total number of Management Shares of the Development and the Management Shares allocated to the other Units belonging to other Owners shall remain

unchanged.

- (j) The right to dedicate to the public any part(s) of the Land and/or the Development vested in the First Owner in such manner as the First Owner shall in its absolute discretion deem fit Provided That in making such dedication the First Owner shall not interfere with an Owner's exclusive right to hold, use, occupy and enjoy the part of the Development which he owns.
- (k) The right to affix, maintain, alter, repair, service, replace, renew and remove any one or more chimneys, flues, pipes, masts, conduits, plant, machinery, equipment, lightning conductors and lightning fixtures, systems for broadcast transmission and reception, information distribution and communication, including, without limitation, communal aerial broadcast and distribution systems, microwave distribution systems, cable and wireless communications systems, telecommunications transmission, reception and transponder systems, aerials, dishes, antennae, transmitters, transponders, receivers, tuners and the ancillary equipment and connections thereto and other fixtures or structures of whatsoever kind on any part or parts of the Common Areas and Common Facilities and such other areas within the Land and the Development the exclusive right to hold, use, occupy and enjoy which are owned by the First Owner and, subject to the Government Grant, the right to affix, install, maintain, alter, repair, service, replace, renew and remove one or more signs and advertisements (illuminated or otherwise) on any part(s) of the Common Areas and Common Facilities and such areas within the Land and the Development the exclusive right to hold, use, occupy and enjoy which are owned by the First Owner and the right to enter into and upon the Common Areas and Common Facilities with or without workmen and equipment at all reasonable times on giving prior reasonable written notice (except in the case of emergency) for any or all of the purposes aforesaid and to license or otherwise permit or grant the right so to do to any other person and for this purpose to negotiate and enter into contracts, leases or licence agreements with such person for the installation, operation, management and maintenance of such aforementioned systems and to have the right to assign such contract, lease or licence agreement to the Manager or to the Owners' Committee (or Owners' Corporation, if formed) for the benefit of the Owners with (in so far as is possible) power for the Manager or the Owners' Committee (or Owners' Corporation, if formed) (as the case may be) to further assign the same to its successors Provided That the prior written approval of the Owners' Committee (or Owners' Corporation, if formed) shall be required if such fixtures signs advertisements and various systems are affixed on the Common Areas and Common Facilities and Provided Always that such installation shall not unreasonably affect the enjoyment of the Development or any Units or Hotel by the Owners or occupiers. All costs and expenses incurred in respect of the aforesaid shall be borne by the First Owner and Provided that the First Owner shall ensure that the least disturbance is caused and shall make good any damage caused by exercising the rights under this sub-clause (k) and Provided also that any consideration received thereof shall be credited to the Management Funds for the benefit of all Owners.
- (l) The right to sell, assign, confer or otherwise transfer or deal with the balance

of the maximum plot ratio of the Land and the Undivided Shares so retained by the First Owner or any part thereof by express assignment or otherwise from time to time on such terms and conditions as the First Owner shall deem fit.

- (m) The full and unrestricted right without interference by the other Owners to alter the use of any part of the Development owned by the First Owner to other uses subject to the Government Grant Provided that the other Owners' right to use occupy and enjoy the Units or Hotel or any parts of the Development shall not be interfered with.
- (n) The right to assign any of the Common Areas Undivided Shares to the Manager or an Owners' Corporation incorporated under the BMO for the general amenity of the Owners of the Development subject to the Government Grant and subject to this Deed and the relevant Sub-Deed(s) of Mutual Covenant (if any). Such Undivided Shares together with the exclusive right to hold, use, occupy and enjoy the relevant premises shall, if assigned to the Manager, be held by the Manager as trustee for all the Owners for the time being and in the event the Manager shall be wound up or have a receiving order made against it and another manager be appointed in its stead in accordance with this Deed, then the liquidator or the receiver shall assign such Undivided Shares together with the Common Areas and Common Facilities which they represent to the new manager Provided Always That nothing herein contained shall in any way fetter or diminish the rights and powers of the Manager contained in this Deed.
- (o) The right for the First Owner so long as it is the sole owner of the Service Apartment without the necessity of making any Owner entitled to the exclusive use, occupation and enjoyment of any part outside the Service Apartment (or part or parts thereof) in question a party thereto, to enter into Sub-Deed(s) of Mutual Covenant in respect of any Service Apartment or part or parts thereof Provided that such Sub-Deeds shall not conflict with the provisions of this Deed or the terms and conditions of the Government Grant nor interfere with any Owner's exclusive right to hold, use, occupy and enjoy the Unit or the Hotel which such Owner owns and Provided further that the said Sub-Deed(s) shall have been previously approved in writing by the Director of Lands.
- (p) The right within the first 12 months of this Deed to rectify such mistakes and errors appearing in this Deed due to omission or inadvertence Provided That such mistakes or errors do not affect the rights or obligations of the parties to this Deed.
- (q) The right to specifically assign any or all of the rights reserved under this Clause 2.7 to the Manager who shall then have the like rights of the First Owner as herein reserved.

2.8 The Owner of the Hotel shall have the following rights and privileges for so long as the whole of the Hotel is owned by an Owner :-

- (a) The right of shelter, support and protection for the Hotel.
- (b) The right at all times of free passage and running of gas, electricity, water, sewage, air-conditioning, telephone and all other services from and to the Hotel through the gutters, sewers, drains, flues, conduits, ducts, watercourses, cables, pipes, wires and other conducting media now or hereafter laid on or running through any part of the Land and any part of the Development.
- (c) The right at its own cost to alter, divert, vary, relay or reinstate any of the services and facilities serving exclusively the Hotel ("Hotel Services") at any time at its absolute discretion subject to the prior written approval or consent of the Manager and the Owners' Committee (or Owners' Corporation, if formed) Provided that proper and adequate care and precaution shall be taken during any alteration, diversions, variation, relaying or reinstatement works of the Hotel Services so as to ensure that no damage is caused to any conduit or other services or facilities within the Land and serving other parts of the Development other than the Hotel and Provided further that the Owner of the Hotel shall ensure that the enjoyment of the Development by other Owners and occupiers shall not be unreasonably affected and shall make good any damage caused by exercising the rights under this sub-clause (c) and shall indemnify the other Owners against all loss damage claims costs and expenses resulting therefrom.
- (d) The right to go, pass and repass over and along and to use in common with other Owners any of the Development Common Areas in connection with the proper use and enjoyment of the Hotel and to use and receive the benefit of the Development Common Facilities subject to the payment of the relevant Management Expenses by the Owner of the Hotel in the manner as mentioned in Clause 6.4.2 of this Deed.
- (e) The right at all reasonable times with or without surveyors, contractors, workmen and others and with or without vehicles, plant, equipment, material and machinery to enter upon the Common Areas for the purposes of extending or carrying out maintenance, repair, addition, alteration and other works to the Hotel or any part thereof and maintenance, repair, alteration, diversion, variation, relaying and reinstatement works to the Hotel Services Provided that the Owner of the Hotel shall ensure that the enjoyment of the Development by other Owners and occupiers shall not be unreasonably affected and shall make good any damage caused by exercising the rights under this sub-clause (e) and shall indemnify the other Owners against all loss damage claims costs and expenses resulting therefrom.
- (f) The free and uninterrupted rights of way for vehicular or pedestrian traffic to and from the Hotel.
- (g) The right to install, erect, exhibit, display, maintain, repair, remove and renew signs and advertisements on the walls, columns and other structural elements of, within around and on the boundary of the Hotel as the Owner of the Hotel shall deem fit and the right of access over the Common Areas with or without servants, workmen and others and with or without plant, equipment,

machinery and material for the purposes of inspecting, installing, erecting, exhibiting, displaying, maintaining, repairing, removing and renewing such signs and advertisements Provided that the Owner of the Hotel shall ensure that the enjoyment of the Development by other Owners and occupiers shall not be unreasonably affected and shall make good any damage caused by exercising the rights under this sub-clause (g) and shall indemnify the other Owners against all loss damage claims and costs and expenses resulting therefrom.

- (h) The right of access to the lighting conduits, such fire services, ventilation and other services, facilities, installations, fixtures, ancillary works, plants and materials fixed on or in or to the roof slabs, walls and other structural elements of the Hotel.
- (i) The right to alter and run additional services to serve and benefit exclusively the Hotel on the walls, columns, beams, ceilings, roof slabs, carriageway/floor slabs and other structural elements of, in, around, within, above and below the Hotel and the related right of access over the Common Areas with or without servants, workmen and others and with or without plant, equipment, machinery and material Provided that the Owner of the Hotel shall ensure that the enjoyment of the Development by other Owners and occupiers shall not be unreasonably affected and shall make good any damage caused by exercising the rights under this sub-clause (i) and shall indemnify the other Owners against all loss damage claims costs and expenses resulting therefrom.
- (j) Subject to the necessary approval of the relevant government departments and the terms of the Government Grant, the right to alter or vary at any time the use of the Hotel without having to obtain the approval or consent of any Owner or the Manager.
- (k) The right to hold, use, occupy and enjoy and to receive the rents and profits from any part(s) of the Hotel and to sell, assign, mortgage, part with possession or otherwise dispose of or deal with such part as the Owner of the Hotel shall think fit but subject to the terms of the Government Grant.
- (l) The right to allocate re-allocate and/or sub-allocate the Undivided Shares so retained by the Owner of the Hotel to any part of the Hotel in such manner as it deems fit Provided That the total number of Undivided Shares for the Hotel remains unchanged, and to assign, mortgage, charge, lease, license, franchise or otherwise deal with the full and exclusive right and privilege to hold, use, occupy and enjoy any such premises Provided That such dealings shall not contravene the terms and conditions of the Government Grant.

2.9 The Owners of the Development hereby jointly and severally irrevocably APPOINT the First Owner as their attorney and grant unto the First Owner the full right power and authority to do all acts deeds matters and things and to execute and sign seal and as their act and deed deliver such deed or deeds and to sign such documents or instruments as may be necessary for the exercise of or incidental to the First Owner's

rights mentioned in Clause 2.7 above with full power and delegation and the Owners hereby further jointly and severally and irrevocably undertake to do all acts deeds matters and things and to execute sign seal and deliver such deeds and to sign such documents or instruments as may be necessary to give effect to the above grant.

2.10 Each assignment of the Units shall include a covenant in substantially the following terms : "The Purchaser hereby covenants with the Vendor for itself and as agent for Pearl Wisdom Limited ("the First Owner" which expression shall include its successors assigns and attorneys) to the intent that such covenants shall bind the Property and the owner or owners thereof for the time being and other person or persons deriving title under the Covenanting Purchaser (each and all of whom including the Purchaser is and are hereinafter included in the expression "the Covenanting Purchaser") and shall enure for the benefit of the Development and be enforceable by the First Owner and their successors and assigns that :-

- (i) the Covenanting Purchaser confirms and acknowledges the covenants, rights, entitlements, exceptions and reservations ("the said rights") granted and conferred on the First Owner under Clause 2.7 of a Deed of Mutual Covenant Incorporating Management Agreement dated the 21st day of December 2007 and the Covenanting Purchaser shall not do or permit anything to be done which will in any way affect or hinder the exercise of the said rights by the First Owner;
- (ii) the Covenanting Purchaser shall, if required by the First Owner, do everything necessary, including giving express consents in writing to the exercise of the said rights by the First Owner, to facilitate the exercise of the said rights by the First Owner;
- (iii) the Covenanting Purchaser hereby expressly and irrevocably appoints the First Owner to be its attorney and grants unto the First Owner the full right power and authority to give all consents and to do all acts matters and things and to execute and sign seal and as the acts and deeds of the Covenanting Purchaser deliver such deeds and to sign such documents or instruments as may be necessary for the exercise of or incidental to the exercise of the rights conferred on the First Owner as aforesaid with full power of delegation and the Covenanting Purchaser hereby further covenants to do all acts matters and things and to execute sign seal and deliver such deeds or deeds and to sign such documents or instruments as may be necessary to give effect to such appointment and grant; and
- (iv) in the event of the Covenanting Purchaser selling or otherwise disposing of the Property, the Covenanting Purchaser shall sell or otherwise dispose of the Property upon the condition that the purchaser or assignee thereof shall enter into the same binding covenants on terms similar in scope and extent as the covenants (i), (ii) and (iii) hereinbefore contained.

PROVIDED that upon the Covenanting Purchaser complying with and performing the covenant (iv) hereinbefore contained, the Covenanting Purchaser shall not be liable for any breach of the covenants (i), (ii) and (iii) hereinbefore contained which may happen after the Covenanting Purchaser

shall have sold or otherwise disposed of the Property in respect whereof such purchaser or assignee shall have entered into such covenants similar to scope and extent as the covenants (i), (ii) and (iii) hereinbefore contained.”

SECTION III

RIGHTS AND PRIVILEGES THE BENEFIT OF WHICH IS HELD WITH EACH UNDIVIDED SHARE TOGETHER WITH THE FULL AND EXCLUSIVE RIGHT AND PRIVILEGE TO HOLD USE OCCUPY AND ENJOY ANY UNIT HELD THEREWITH

A. Service Apartment Units

3.1.1 The Owner of a Service Apartment Unit shall have the benefit of the following rights and privileges, subject to this Deed and the Rules and subject to the rights of the Manager and the First Owner herein provided :-

- (a) full right and liberty for each Owner of a Service Apartment Unit, his tenants, servants, agents and licensees (in common with all persons having the like right) to go pass and repass over and along and use the Development Common Areas and the Development Common Facilities and the Service Apartment Common Areas and the Service Apartment Common Facilities and the Carpark Common and/or Service Apartment Common and/or Retail Common Areas for all purposes connected with the proper use and enjoyment of his Service Apartment Unit;
- (b) the right to subjacent and lateral support from other parts of the Service Apartment and the right to subjacent and lateral support from the foundations and all other parts of the Development;
- (c) the free and uninterrupted passage and running of water, sewage, gas, electricity, telephone and all other services from and to the Service Apartment Unit owned by the Owner through the sewers, drains, watercourses, cables, pipes and wires which now are or may at any time hereafter be in under or passing through the Land and the Development for the proper use and enjoyment of the Service Apartment Unit owned by the Owner.

B. Hotel

3.2.1 The Owner of the Hotel shall have the benefit of the following rights and privileges, subject to this Deed and the Rules and subject to the rights of the Manager and the First Owner herein provided :-

- (a) full right and liberty for the Owner of the Hotel, his tenants, servants, agents and licensees (in common with all persons having the like right) to go pass and repass over and along and use the Development Common Areas and the Development Common Facilities for all purposes connected with the proper use and enjoyment of the Hotel;
- (b) the right to subjacent and lateral support from the foundations and all other parts of the Development;
- (c) the free and uninterrupted passage and running of water, sewage, gas, electricity, telephone and all other services from and to the Hotel through the

sewers, drains, watercourses, cables, pipes and wires which now are or may at any time hereafter be in under or passing through the Land and the Development for the proper use and enjoyment of the Hotel.

C. Retail Units

3.3.1 The Owner of a Retail Unit shall have the benefit of the following rights and privileges, subject to this Deed and the Rules and subject to the rights of the Manager and the First Owner herein provided :-

- (a) full right and liberty for each Owner of a Retail Unit, his tenants, servants, agents and licensees (in common with all persons having the like right) to go pass and repass over and along and use the Development Common Areas and the Development Common Facilities and the Retail Common Areas and the Retail Common Facilities and the Carpark Common and/or Service Apartment Common and/or Retail Common Areas for all purposes connected with the proper use and enjoyment of his Retail Unit;
- (b) the right to subjacent and lateral support from other parts of the Retail Development and the right to subjacent and lateral support from the foundations and all other parts of the Development;
- (c) the free and uninterrupted passage and running of water, sewage, gas, electricity, telephone and all other services from and to the Retail Unit owned by the Owner through the sewers, drains, watercourses, cables, pipes and wires which now are or may at any time hereafter be in under or passing through the Land and the Development for the proper use and enjoyment of the Retail Unit owned by the Owner.

D. Carpark

3.4.1 The Owner of a Carparking Space shall have the benefit of the following rights and privileges subject to this Deed and the House Rules (where applicable) and Carpark Rules (if any) and subject to the rights of the Manager and the First Owner herein provided :-

- (a) full right and liberty for each Owner of a Carparking Space, his tenants, servants, agents and licensees (in common with all persons having the like right) to go pass and repass over and along and use the Development Common Areas and the Development Common Facilities and the Carpark Common Areas and the Carpark Common Facilities and the Carpark Common and/or Service Apartment Common and/or Retail Common Areas for all purposes connected with the proper use and enjoyment of his Carparking Space;
- (b) the right to subjacent and lateral support from other parts of the Carpark and the right to subjacent and lateral support from the foundations and all other parts of the Development;
- (c) the free and uninterrupted passage and running of water, sewage, gas,

electricity, telephone and all other services from and to the Carparking Space owned by the Owner through the sewers, drains, watercourses, cables, pipes and wires which now are or may at any time hereafter be in under or passing through the Land and the Development for the proper use and enjoyment of the Carparking Space owned by the Owner.

E. Provision Applicable to All Owners

3.5.1 Each Owner or occupier of a Unit may, with the prior written approval of the Manager and in accordance with such terms or conditions as the Manager may impose, with or without servants, workmen and others at all reasonable times on reasonable written notice (except in the case of emergency) enter into and upon the Common Areas for the purposes of carrying out any work for the maintenance and repair of his Unit or its services (such work not being the responsibility of the Manager hereunder) causing as little disturbance as possible and forthwith making good any damage caused thereby.

SECTION IV

RIGHTS AND PRIVILEGES SUBJECT TO WHICH EACH UNDIVIDED SHARE TOGETHER WITH THE FULL AND EXCLUSIVE RIGHT AND PRIVILEGE TO HOLD USE OCCUPY AND ENJOY ANY UNIT IS HELD

A. Service Apartment Units

4.1 The following are the rights and privileges subject to which each Undivided Share and the exclusive right to hold use occupy and enjoy each Service Apartment Unit is held :-

- (a) The Manager shall have full right and privilege at all reasonable times on notice (except in the case of emergency) with or without agents, surveyors, workmen and others to enter into and upon the Service Apartment Units or any part or parts thereof for the purposes of inspecting, examining, maintaining and effecting repairs to such Service Apartment Units or the Service Apartment or the Development or any part or parts thereof or any of the common facilities therein or any other apparatus and equipment used or installed for the benefit of the Development or any part or parts thereof as part of the amenities thereof which are not for the sole use and enjoyment of any individual Owner.
- (b) Rights and privileges over along and through each Service Apartment Unit equivalent to those set forth in paragraphs (b) and (c) of Clause 3.1.1.

B. Hotel

4.2 The following are the rights and privileges subject to which each Undivided Share and the exclusive right to hold use occupy and enjoy the Hotel is held :-

- (a) The Manager shall have full right and privilege at all reasonable times on notice (except in the case of emergency) with or without agents, surveyors, workmen and others to enter into and upon the Hotel or any part or parts thereof for the purposes of inspecting, examining, maintaining and effecting repairs to such Hotel or to the Development or any part or parts thereof or any of the common facilities therein or any other apparatus and equipment used or installed for the benefit of the Development or any part or parts thereof as part of the amenities thereof which are not for the sole use and enjoyment of any individual Owner.
- (b) Rights and privileges over along and through the Hotel equivalent to those set forth in paragraphs (b) and (c) of Clause 3.2.1.

C. Retail Development

4.3 The following are the rights and privileges subject to which each Undivided Share and the exclusive right to hold use occupy and enjoy each Retail Unit is held :-

- (a) The Manager shall have full right and privilege at all reasonable times on notice (except in the case of emergency) with or without agents, surveyors, workmen and others to enter into and upon the Retail Units or any part or parts thereof for the purposes of inspecting, examining and maintaining such Retail Units or the Retail Development or the Development or any part or parts thereof or any common facilities therein or any other apparatus and equipment used or installed for the benefit of the Development or any part or parts thereof as part of the amenities thereof which are not for the sole use and enjoyment of any individual Owner.
- (b) Rights and privileges over along and through each Retail Unit equivalent to those set forth in paragraphs (b) and (c) of Clause 3.3.1.

D. Carpark

4.4 The following are the rights and privileges subject to which each Undivided Share and the exclusive right to hold use occupy and enjoy each Carparking Space is held :-

- (a) The Manager shall have full right and privilege at all reasonable times on notice (except in the case of emergency) with or without agents, surveyors, workmen and others to enter into and upon the Carpark or any part or parts thereof for the purposes of inspecting, examining and maintaining such Carpark or the Development or any part or parts thereof or any common facilities therein or any other apparatus and equipment used or installed for the benefit of the Development or any part or parts thereof as part of the amenities thereof which are not for the sole use and enjoyment of any individual Owner.
- (b) Rights and privileges over along and through each Carparking Space equivalent to those set forth in paragraphs (b) and (c) of Clause 3.4.1.

E. Provision Applicable to All Owners

4.5. Subject always to the rights of the First Owner under this Deed and the provisions of this Deed, the Manager shall have full right and authority to manage all of the Common Areas and Common Facilities. Should there be any damage to any of the Common Areas or Common Facilities or structures caused by the negligent or wilful acts or omission of any Owner or his licensees agents or servants, the Manager shall be entitled to require such Owner to remedy the damage or to procure such remedy at the expense of such Owner.

SECTION V

COVENANTS, PROVISIONS AND RESTRICTIONS TO BE OBSERVED AND PERFORMED BY THE OWNERS

A. Provisions Applicable to all Owners

5.1.1 Each Owner of any Undivided Share in the Land and the Development shall prior to completion of any assignment or other deeds or documents relating thereto furnish to the Manager in writing full information in respect of the assignment or transfer.

5.1.2 Each Owner shall promptly pay and discharge all existing and future taxes, rates, assessments and outgoings of every kind and description for the time being assessed or payable in respect of that part of the Development owned by him and shall indemnify the other Owners from and against all liability therefor.

5.1.3 Each Owner shall pay to the Manager on the due date his due proportion of the Management Expenses payable by such Owner as herein provided.

5.1.4 No Owner shall make any structural alterations to any Unit or Hotel owned by him unless with the prior approval of the Building Authority and any other relevant Government authority and prior written consent from the Manager (other than the Hotel) and such alterations will not interfere with or affect the rights of other Owners. No provisions shall be made pursuant to this Deed preventing an Owner from taking legal action against another Owner in this respect nor will any Owner use, cut, injure, damage, alter or interfere with any part or parts of the Common Areas or the Common Facilities nor any equipment or apparatus on in or upon the Land not being equipment or apparatus for the exclusive use enjoyment and benefit of any such Owner.

5.1.5 No Owner will permit or suffer to be done any act or thing in contravention of the laws and regulations as amended or modified or re-enacted thereof for the time being in force.

5.1.6 No Owner will permit or suffer to be done any act or thing whereby any insurance on the Development or any part thereof may become void or voidable or whereby the premium for any such insurance may be increased and in the event of any breach of this Clause by any Owner, in addition to being responsible for any other liability incurred thereby, such Owner shall pay to the Manager the amount of any increase in premium caused by or on account of such breach.

5.1.7 Each Owner shall be responsible for and shall indemnify all other Owners and Occupiers and the Manager against all actions, proceedings, claims and demands whatsoever arising out of or in respect of any loss or damage to any person or property caused by or as the result of the act or default or negligence or omission of such Owner or any Occupier of any part of the Development owned by him or any person using such part of the Development with his consent expressed or implied or by or through or in any way owing to the overflow of water or spread of fire therefrom.

5.1.8 Except with the prior written consent of the Director of Environmental

Protection and the Manager, the Owners shall not install or use on the Land or any part thereof or in any building or buildings erected thereon any machinery, furnace, boiler or other plant or equipment or any fuel, method or process of manufacture or treatment which might in any circumstances result in the discharge or emission of any pollutant or any noxious, harmful or corrosive matter, whether it be in the form of gas, smoke, liquid, solid or otherwise.

5.1.9 Each Owner shall be responsible for and shall indemnify the Manager and the other Owners and Occupiers for the time being against the acts negligence defaults and omissions of all persons occupying with his consent expressed or implied any part or parts of the Development owned by him and shall pay all costs, charges and expenses incurred in repairing or making good any loss or damage caused by the act, negligence or default or omission of any such person. In the case of loss or damage which the Manager is responsible hereunder to make good or repair such costs, charges and expenses shall be recoverable by the Manager as herein provided and in the case of loss or damage suffered by other Owners or Occupiers of any part of the Development for which the Manager is not responsible hereunder to repair or make good, such costs, charges and expenses together with all other damages recoverable by law shall be recoverable by the person or persons sustaining the loss or damage.

5.1.10 No Owner shall at any time exercise or attempt to exercise any statutory or common law right to partition the Land or the Development.

5.1.11 No Owner shall do or permit or suffer to be done and each Owner will take all possible steps to prevent his tenants, Occupiers or licensees from doing any act, deed, matter or thing which in any way interferes with or affects or which is likely to interfere with or affect the management and maintenance of the Development.

5.1.12 Each Owner shall maintain in good repair and condition that part of the Development owned by him to the satisfaction of the Manager and in such manner so as to avoid any loss, damage, nuisance or annoyance to the Owners or Occupiers of any other part or parts of the Development.

5.1.13 No Owner shall use or permit or suffer the part of the Development owned by him to be used for any illegal or immoral purpose nor shall he do cause or permit or suffer to be done any act or thing which may be or become a nuisance or annoyance to or cause damage or inconvenience to other Owners and Occupiers for the time being of Units and/or Hotel in the Development the neighbouring lot or lots or premises.

5.1.14 No Owner shall use or permit or suffer any part of the Development owned by him to be used except in accordance with the Government Grant, this Deed, Rules or other Ordinances and Regulations or other permit, consent or requirement from time to time applicable thereto.

5.1.15 No Owner shall bring on to or keep any livestock, poultry or reptiles on any part of the Development Provided that domestic animal or birds or other pets may only be kept in a Service Apartment Unit subject to and in accordance with the House Rules. Without in any way limiting the foregoing, no domestic animal or birds or other pets shall be kept in a Service Apartment Unit if the same has been the cause of reasonable complaint by at least two Service Apartment Units owners or occupiers, the

reasonableness of the complaint shall be determined by the Manager at its absolute discretion. In no event shall dogs be permitted in lifts or in any part of the Development intended for common use unless carried or on leash and wearing mouth strap.

5.1.16 The refuse collection chamber located in the Development shall be used only in the manner prescribed by the Manager and subject to the Rules governing the same.

5.1.17 No Owner shall alter, repair, connect to or in any other way interfere with or affect the Common Areas and Common Facilities of the Development without the prior written consent of the Manager.

5.1.18 All Owners shall at all times observe and perform the Rules and all the covenants conditions and provisions of this Deed and comply with the terms of the Government Grant.

5.1.19 No Owner shall do or suffer or permit to be done anything whereby the flushing or drainage system of the Development may be clogged or the efficient working thereof may be impaired.

5.1.20 No Owner shall :-

- (a) make any structural or other alterations to any part of the Development which may damage affect or interfere with the rights use and enjoyment of any other part thereof by other Owners;
- (b) do or permit to be done any act or thing which may or will alter the external appearance of the Development without the prior consent in writing of the Manager and any Government authorities if required;
- (c) do or permit or suffer to be done by his tenants, occupiers or licensees any act or thing which may interfere with or affect the construction of any part of the Development at any time in the course of construction or the maintenance of the Development;
- (d) make any alteration to any installation or fixtures so as to affect or be likely to affect the supply of water, electricity or gas or other services to or in the Land and the Development;
- (e) cut or damage any of the structural walls or beams or columns, ceilings, roofs or floors of any structural part of the Development or do anything whereby the structural strength of any part of the Development may be affected.

5.1.21 Subject as herein provided, each Owner of a Retail/Service Apartment Unit may at its own expense install in the part of the Development owned by him such additions, improvements, fixtures, fittings and decoration and remove the same Provided however that no such installation or removal shall cause any structural damage or interfere with the enjoyment of any other part of the Development or contravene any relevant Ordinance, regulation, rules or requirement of the Government or other competent authority.

5.1.22 No Owner shall use the Development or any part thereof for any purpose which is in contravention of the terms and conditions contained in the Government Grant or the Occupation Permit or any applicable Regulations or any Ordinances, or store any hazardous, dangerous or unlawful goods or combustible or explosive substances or any "dangerous" or "prohibited" goods within the meaning of the Dangerous Goods Ordinance (Cap.295).

5.1.23 Subject to Clause 5.1.27, no air-conditioning units or plants or any other fixture shall be installed through the windows or external walls of the Development without the prior written consent of the Manager to any such installations and that all conditions of such consent (if any) having been complied with and all possible measures shall be taken to prevent excessive noise, condensation or dripping onto any part of the Development. Every Owner shall at his own costs and expenses keep and maintain the air-conditioning or other units or plants (if any) serving exclusively his part of the Development in good repair and condition.

5.1.24 No Owner shall use any part of the Service Apartment or in any part of the Common Areas and Common Facilities or the doors, windows or bay windows of his Service Apartment Unit of and in the Development for the purposes of drying or hanging laundry (except in permitted places), or placing or storing any dustbins, garbage cans, furniture, machinery, goods or chattels or other things thereon or therein other than in the spaces specifically provided for such purpose.

5.1.25 No part of the Common Areas shall be obstructed or incumbered nor shall any refuse or other matter or things be placed or left thereon nor shall any part thereof be used for any business or private purpose and no Owner shall do or suffer or permit to be done anything therein as may be or become a nuisance or cause annoyance to any other Owners or Occupiers of the Development.

5.1.26 No Owner shall throw out or discard or permit or suffer to be thrown out or discarded from any part of the Development owned by him any refuse, rubbish, litter or other article or thing whatsoever except using the services and facilities provided for the disposal thereof.

5.1.27 No Owner shall, without the prior written consent of the Manager and the conditions of such consent having been complied with, install, or affix any air conditioning units or plants or other articles to any part of the Development (with the exception of window-type air conditioning units in the space (if any) specifically provided for such purpose) or affix any frames, iron cage or any other structures whether made of wood, metal, cement or any other materials to upon or along the exterior walls of or outside his Unit or in the Common Areas or any part thereof.

5.1.28 No Owner shall enclose or permit or suffer to be enclosed any windows (save with the prior written consent of the Manager) of his Unit and/or Hotel and no Owner shall do or suffer to be done anything that may change alter or damage the outlook of any part of the Development including erecting any structure thereto.

5.1.29(i) No Owner (other than the Owner of the Hotel) shall without the prior consent in writing of the Manager repaint re-decorate or alter the appearance of the facade or

exterior of any Unit or any part thereof.

5.1.29(ii) No Owner shall without the prior consent in writing of the Manager erect or display any flags and flag poles racks for flower pots canopies of any kind along the exterior wall areas of any part of the Development.

5.1.30 Each Owner shall keep the interior of his Unit or Hotel and all electrical and sanitary appliances and other services therein in good repair and condition and to maintain the same in such manner so as to avoid any loss, damage, nuisance or annoyance to other Owner or Occupier and not to interfere or affect adversely the proper functioning of the services systems of any other Unit or Hotel.

5.1.31 No Owner or Occupier shall use or permit to be used any Unit or Hotel for industrial or godown purposes or the purpose of a funeral parlour, coffin shop, temple or Buddhist hall for the performance of the ceremony known as "Ta Chai" (打齋) or for any similar ceremony or for any illegal or immoral purpose or metal beater's shop or for any offensive trade or business.

5.1.32 No Owner shall overload or permit or suffer to be overloaded the electrical circuits within the Development and no Owner shall install or use or permit or suffer to be installed or used any equipment, apparatus or machinery which exceeds the loading of the electrical main or wiring.

5.1.33 No Owner shall dispose of or discharge or permit or suffer to be disposed of or discharged any waste, refuse, garbage or rubbish in any part or parts of the Development other than that part or parts of the Development specially designated for the purpose and only in the manner as specified or approved by the Manager.

5.1.34 No Owner shall permit any sewage, waste water or effluent containing sand, cement, silt or any other suspended or dissolved material to flow from the Development onto any adjoining land or allow waste matter which is not part of the final product from waste processing plants to be deposited anywhere within the Development and the Owners shall have all such matter removed from the Development in a proper manner to the satisfaction of the Director of Environmental Protection and the Manager.

5.1.35 The Service Apartment Common Facilities of the Development shall only be used and enjoyed by the residents of the Service Apartment subject to such rules as may be from time to time laid down by the Manager.

5.1.36 No partitioning shall be erected or installed in any part of the Development which does not leave clear access for fire exits and save and except with the consent of the Manager no windows shall be wholly or partially blocked or the light and air therefrom in any way obstructed.

5.1.37 No Owner shall permit or suffer to be erected affixed installed or attached in or on at the door or doors or entrance or entrances of any part of the Development any metal grille or shutter or gate which shall in any way contravene the regulations of the Fire Services Department or other competent authority concerned from time to time in force and/or which may in any way impede the free and uninterrupted passage over through and along any of the Common Areas and Common Facilities.

5.1.38 No Owner shall obstruct the access to the Upper Roof which shall at all times remain open and unobstructed. In case the access is being obstructed the Manager shall have the power to restore the access to such condition so as to comply with the Fire Service Regulations or other relevant Government regulations at the expenses of the Owner in default.

5.1.39 No Owner shall produce or permit or suffer to be produced any music or noise (including sound produced by broadcasting or any apparatus or equipment capable of producing reproducing receiving or recording sound) or vibration or other acts or things in or on the part of the Development owned by him so as to cause a nuisance to other Owners Occupiers or users of the Development.

5.1.40 No Owner including the First Owner shall have the right to convert any of the Common Areas and the Common Facilities to his own use or for his own benefit or to convert any of his own areas to Common Areas unless approved by the Owners' Committee or Owners' Corporation.

5.1.41 The First Owner shall have no right to designate retained areas (if any) as Common Areas unless such areas are for the beneficial use of all Owners and unless the approval of the Owners' Committee or Owners' Corporation has been obtained. Neither the First Owner nor the Manager shall have the right to redesignate Common Areas.

B. Provisions Applicable to Owners of Service Apartment Only

5.2.1. All Service Apartment Units shall be used for service apartments purposes only and in particular shall not be used for any form of commercial letting or occupancy in bed spaces or cubicles or as an office, store, factory, shop or for any other commercial use or for the conduct of any trade, profession or business whatsoever.

5.2.2 Unless otherwise provided herein no Owner shall have the right to use the Upper Roof (except that the Owners may use such Upper Roof for escape in event of fire or emergency). The Manager shall have the right to enter and remove anything erected or placed on the Upper Roof in contravention of this Deed and any Regulations made under the Buildings Ordinance and any Regulations of the Fire Services Department at the cost and expense of the Owners erecting or placing the same.

5.2.3 Each Owner of the Service Apartment Unit shall observe and perform the House Rules.

5.2.4 No Owner or Occupier shall store or permit to be stored in any Service Apartment Unit any hazardous, dangerous, explosive or combustible goods or materials except such as may be reasonably required for the purpose of cooking and heating.

5.2.5 The Club shall be for the exclusive use by the Owners of the Service Apartment and their direct guests and each Owner or Occupier of the Service Apartment Unit shall only use and enjoy the Club for recreational purposes and subject to the Club Rules from time to time laid down by the Manager.

5.2.6 No external signs signboards notices advertisements flags banners poles cages

shades sculptures or other projections or structures whatsoever extending outside the exterior of the Service Apartment be erected installed or otherwise affixed to or projected from any part of the Service Apartment.

5.2.7 Each Owner or Occupier of the Service Apartment shall at his own costs and expenses keep and maintain the window curtain and blind facing and visible from the exterior of the Service Apartment in white colour.

5.2.8 No Owner shall erect any private aerial on the exterior of any part of the Service Apartment but may connect to any communal aerial and radio system installed in the Service Apartment with the permission of the Manager and in accordance with any rules of the Service Apartment relating to the same.

5.2.9 The Communal Sky Gardens shall be for the exclusive use of the Owners of the Service Apartments their tenants and visitors only and such areas shall not be used for any purpose or by any other persons without the prior consent of the Building Authority.

C. Provisions Applicable to the Owner of the Hotel Only

5.3.1 The Owner of the Hotel shall use the Hotel as a hotel (including ancillary commercial and recreational facilities thereto) as permitted by the Government Grant.

5.3.2 No Owner of the Hotel shall use the Hotel for carrying on any business or trade in contravention of any of the provisions of this Deed or the Government Grant or in contravention of any restriction or prohibition imposed by any appropriate Government authorities.

D. Provisions Applicable to the Owners of the Retail Development only

5.4.1 Each Owner of the Retail Development shall be solely responsible for and shall indemnify all other Owners from all actions proceedings claims demands costs and expenses arising directly or indirectly out of the installation, use or removal of any advertising signs exhibited on or from his Retail Unit or any defect therein or non-repair thereof.

5.4.2 Each Owner of the Retail Development shall promptly pay his due proportion of air-conditioning charges to the Manager.

5.4.3 In the case of any Owner of the Retail Development operating a restaurant in any Retail Unit, such Owner shall keep at his own expenses all kitchens and cooking equipment and water apparatus used by him and his servants agents licensees and customers in good clean sanitary and tenantable repair and condition in accordance with the regulations or bye-laws of all Public Health and other Government authorities concerned.

5.4.4 The installation of and repair to the electrical wiring from the switch rooms to any Retail Unit shall be carried out by the Manager or any contractor appointed or approved by the Manager at the expense of the Owner of the Retail Unit thereof and in such manner as the Manager shall in its absolute discretion think fit.

5.4.5 No Owner of the Retail Development shall use his Retail Unit for carrying on any business or trade in contravention of any of the provisions of this Deed or the Government Grant or in contravention of any restriction or prohibition imposed by any appropriate Government authorities.

5.4.6 No Owner shall erect any private aerial on the exterior of any part of the Retail Unit but may connect to any communal aerial and radio system installed in the Retail Development with the permission of the Manager and in accordance with any rules of the Retail Development relating to the same.

E. Provisions Applicable to the Owners of the Carparking Spaces only

5.5.1 The Carparking Spaces shall only be used for the purpose of parking licensed motor vehicles and/or motor cycles.

5.5.2 No Owner or Occupier of a Carparking Space shall allow any motor vehicle and/or motor cycles parked in his Carparking Space to deteriorate to a condition detrimental to the environmental appearance of the Development.

5.5.3 Each Owner or Occupier of a Carparking Space shall perform and observe the Carpark Rules (if any).

5.5.4 No Owner shall erect any private aerial on any part of the Carparking Space but may connect to any communal aerial and radio system installed in the Carpark with the permission of the Manager and in accordance with any rules of the Carpark relating to the same.

SECTION VI

MANAGEMENT OF THE DEVELOPMENT

A. Appointment of Manager

6.1.1 Goodwell Property Management Limited shall be appointed as the Manager for all the Owners to undertake the management, operation, servicing, renovation and security of the Land and the Development (excluding the Hotel) initially for a term of two (2) years from the date of this Deed and such appointment may be terminated by: (i) the Manager giving to the Owners' Committee or Owners' Corporation, (if formed) not less than three (3) calendar months' notice in writing to terminate the appointment and where there is no Owners' Committee or Owners' Corporation, by serving such a notice on each of the Owners and by displaying such a notice in a prominent place in the Development, or (ii) the Owners' Committee or Owners' Corporation (if formed) giving three (3) calendar months' notice in writing to the Manager to terminate its service pursuant to a resolution of the Owners pursuant to Clause 8.1.2 (d) of this Deed and/or (iii) by the Owners' Corporation pursuant to the provisions of the Seventh Schedule to the BMO. For the avoidance of doubt, the Manager shall take up management only for those parts of the Development in respect of which an Occupation Permit has been issued. The appointment of the Manager shall be terminated forthwith whether before or after the said initial term if the Manager shall go into liquidation (except for the purpose of amalgamation or reconstruction which has been formally notified and consented to by the Owners' Committee or Owners' Corporation). Upon termination of the appointment of the Manager, the Owners' Committee or Owners' Corporation shall establish, employ or appoint such or such type of development management company or agency as it shall in its discretion think fit to carry out the management and maintenance of the Development (excluding the Hotel) in accordance with the provisions of this Deed. No provision in this Deed shall limit the application of the Seventh Schedule to the BMO by restricting or prohibiting termination of the Manager's appointment or his resignation during the said initial period. For the avoidance of doubt, it is expressly declared that the Hotel and the services and facilities serving the same shall be maintained and managed by the Owner of the Hotel.

6.1.2 Upon termination of the appointment of the Manager in whatever manner, a meeting of the Owners shall be convened to appoint a manager to take its place or in the case of the Manager being wound up or having a receiving order made against it or failing to convene a meeting of the Owners as aforesaid, the Owners in the aggregate holding not less than 5% of Undivided Shares may forthwith convene a meeting of the Owners to appoint a manager to take its place, and such meeting shall appoint a manager who shall on the expiry of the notice of termination of the Manager's appointment given by or to the Manager as the case may be and henceforth become vested with all the powers and duties of the Manager hereunder. The outgoing Manager shall within 2 months of the date of his appointment ends:

- (a) prepare (i) an income and expenditure account for the period beginning with the commencement of the financial year in which the Manager's appointment ends and ending on the date the Manager's appointment ends; and (ii) a balance sheet as at the date the Manager's appointment ends, and shall arrange for that account and balance sheet to be audited by a certified

public accountant or by some other independent auditor specified in the resolution of the Owners' Committee (if any) or in the absence of any such specification, by such certified public accountant or other independent auditor as may be chosen by the Manager;

- (b) deliver to the Owners' Committee (if any) or the Manager appointed in his place any books or records of account, papers, plans, documents and other records in respect of the control, management and administration of the Development; and
- (c) assign to the Manager appointed in its place or the Owners' Corporation (if formed) the Common Areas Undivided Shares together with all of the Common Areas and Common Facilities

Notwithstanding anything hereinbefore contained, it is hereby declared and agreed that at no time shall the Development be without a responsible duly appointed manager to manage any of the buildings after the issue of an Occupation Permit covering the same.

B. Powers and Duties of Manager

6.2.1 During the term of its appointment as the Manager, the Manager will subject to Clauses 6.1.1 and 6.1.2 and the provisions of the BMO manage the Land and the Development in a proper manner and in accordance with the provisions of this Deed and each Owner hereby irrevocably appoints the Manager as agent for all Owners in respect of any matters concerning the Common Areas and Common Facilities duly authorized in accordance with the provisions of this Deed with full power of delegation to enforce the provisions of this Deed against the other Owner. The Manager shall be responsible for and shall have the authority to do all such acts and things as may be necessary or expedient for the proper management of the Development. Without in any way limiting the generality of the foregoing the Manager shall have the following duties :-

- (1) To put in hand work necessary to maintain any and every part of the Development and all Common Areas and Common Facilities so that the same are maintained in a good, clean and safe condition at all times and for this purpose to employ reputable and competent contractors and workmen. The Manager will on reasonable notice (except in case of emergency) be allowed to enter into all Units and/or the Hotel for the purpose of effecting necessary repairs to the Development and shall be responsible for the remedy of all damage or loss caused by the negligence or wilful or criminal acts of the Manager, his servant, agent, contractors or other person employed or appointed by the Manager.
- (2) To ensure that all Owners or Occupiers of the Units maintain the Units owned or occupied by them in a satisfactory manner and if there is any default on the part of any such Owners or Occupiers, to put in hand (at reasonable notice) any necessary maintenance and to take all necessary steps to recover the cost therefor from the defaulting Owner or Occupier.
- (3) To paint wash tile or otherwise treat as may be appropriate the external walls

of the Development and all Common Areas at such intervals as the same may reasonably be required to be done.

- (4) To replace any glass in the Common Areas that may be broken.
- (5) To keep the Common Areas well lighted.
- (6) To keep in good order and repair the ventilation of the Common Areas.
- (7) To keep the Common Areas in a clean sanitary and tidy condition.
- (8) To prevent any decaying, noxious, excrementitious or other refuse matter from being deposited on the Development or any part thereof and to remove all refuse from such parts of the Development and arrange for its disposal at such regular intervals and to maintain on the Development refuse collection facilities.
- (9) To prevent the obstruction of the Common Areas and to remove any article or thing causing the obstruction and to recover the costs therefor from the person causing such obstruction.
- (10) To keep away and prevent hawkers from carrying on business within the Land and the Development and to remove the hawker found to be so doing and to post up notices prominently of any kind as the Manager deems fit at any part of the Common Areas to the effect that hawker is prohibited on the Land.
- (11) To keep all the common sewers, drains, watercourses and pipes free and clear from obstruction.
- (12) To keep the Common Facilities in good condition and working order.
- (13) To keep all plant, machinery and equipment including but without limiting the generality of the foregoing, all lighting equipment, air-conditioning system, ventilation system (if any), water systems, public address systems (if any), fire fighting equipment, sprinkler systems, lifts, lift shafts, escalators and maintenance unit in good condition and working order and, in the case of lifts, in accordance with any laws and regulations applicable thereto.
- (14) To prevent so far as is possible any refuse or other matter being deposited, washed, eroded or falling from the Development into any part of the public highway, sewers, drains, nullahs or other Government property and to remove any such matter therefrom and to ensure that no damage is done to any drains, waterways, watercourses, footpaths, sewers, nullahs, pipes, cables, wires, utility services or other works being in under over or adjacent to the Land or any part thereof by reason of any maintenance or other works carried out by the Manager as herein provided and to make good any such damage.
- (15) To remove any structure, installation, bills, notices, placard, posters, advertisement, flag, banner, poles, cages, signboard, sunshade, bracket, fitting or other things in or on the Development (including any Upper Roof) which

have been erected in contravention of the terms of the Government Grant or this Deed or regulations of the Buildings Ordinance or regulations of Fire Services Department and/or without the written permission of the Manager (or if such permission has been given upon the expiration or withdrawal of the same) and to demand and recover from the person by whom such structure or other thing as aforesaid was erected or installed the cost of such removal and the making good of any damages thereby caused.

- (16) To maintain fire fighting equipment and fire alarms and fire shutters and other fire services installations (if required by Government) and to the satisfaction of the Director of the Fire Services and so far as may be possible, to maintain the Development safe from fire hazards at all times.
- (17) To provide security force, watchmen, porters and caretakers and such other staff as shall be determined by the Manager in its reasonable discretion and to provide and maintain security installations, to maintain security in the Development at all times.
- (18) To maintain and operate or contract for the installation, maintenance and operation of the wireless and/or television aerials (if any) which serve the Development.
- (19) To manage, control and maintain within the Development the parking of cars and other vehicles, the flow of vehicular traffic, the use of roads, ramps and passage and carparking space.
- (20) To keep and maintain the landscaped areas in a clean, neat and tidy condition.
- (21) To provide such Chinese New Year, Christmas and other festival decorations for the Development as the Manager shall in his sole discretion consider desirable.
- (22) To do all things the Manager shall deem necessary or desirable for the purposes of maintaining and improving all facilities or services in or on the Development for the better enjoyment or use of the Development by its Owners, Occupiers and their licensees Provided that prior approval of the Owners' Committee or the Owners' Corporation (if formed) must be obtained if such improvement of the facilities or services involves expenditure in excess of 10% of the current annual management budget.
- (23) To appoint solicitors with authority to accept service on behalf of all the Owners of all legal proceedings relating to the Land and the Development (except proceedings relating to the rights or obligations of individual Owners) or any part thereof and, in particular but without limiting the foregoing, in all proceedings in which the Government shall be a party and at all times within 7 days of being requested so to do by the Director of Lands or other competent officer, to appoint a solicitor who shall undertake to accept service on behalf of all such Owners for the purpose of Order 10 Rule 1 of the Rules of the High Court (or any provision amending or in substitution for the same).

- (24) To prevent any person other than any Owners, tenants, Occupiers of any part of the Development or their bona fide visitors from occupying or using any part of the Development otherwise than in accordance with the Government Grant or the provisions of this Deed.
- (25) To take all steps necessary or expedient for complying with the Government Grant and any statutory or Government requirements concerning or relating to the Development for which no Owner, tenant or Occupier of any part of the Development is solely and directly responsible.
- (26) To take all precautions to prevent and to take action to remedy any breach by any Owner or other person residing in or visiting the Development any provisions of the Government Grant or this Deed.
- (27) To prevent any person from detrimentally altering or injuring any part of the Development or any of the Common Areas and Common Facilities.
- (28) To demand, collect and receive all amounts payable by the Owners under the provisions of this Deed.
- (29) To pay and discharge out of all monies so collected all outgoings relating to the management of the Development reasonably and necessarily incurred by the Manager hereunder.
- (30) To insure and keep insured the Common Areas and Common Facilities to the full new reinstatement value as comprehensively as reasonably possible and in particular against loss or damage by fire and such other risks or perils as the Manager shall deem fit and in respect of public and/or Occupiers' liability insurance and liability as employer of employees of the Manager with some reputable insurance company or companies in the name of the Manager for and on behalf of itself as Manager and the Owners according to their respective interests and in the sum or sums as the Manager shall deem fit and to pay all premia required to keep such insurance policies in force.
- (31) To keep proper accounts of all income received and expenditure incurred by and of all payments made to the Manager in respect of carrying out its duties hereunder as herein provided and to prepare summaries of income and expenditure at least every three months and publish the same in the management office within the Land and the Development for a reasonable time.
- (32) To represent the Owners in all matters and dealings with Government or any statutory body any utility or other competent authority or any other person whomsoever in any way touching or concerning the management of the Development.
- (33) To commence, conduct, carry on and defend legal and other proceedings touching or concerning the management of the Land and the Development or the management thereof in the name of the Manager.

- (34) To enforce the due observance and performance by the Owners or any person occupying any part of the Development through under or with the consent of any such Owner of the terms and conditions of this Deed and the Rules made hereunder and to take action including the commencement and conduct and defence of legal proceedings to enforce the due observance and performance thereof and/or to recover damages for any breach non-observance or non-performance thereof and the registration and enforcement of charges as hereinafter mentioned.
- (35) Subject to the provisions of Clause 6.2.2, to make, revoke or amend the Rules in respect of the Development, the Service Apartment and the Carpark as hereinafter provided which shall not be inconsistent with this Deed.
- (36) To post the name of any Owner and Occupier in default or in breach of the terms and conditions of this Deed as aforesaid together with particulars of the default or breach on the notice boards and/or other prominent spaces within the Development.
- (37) To recruit, dismiss and employ such staff as may from time to time be necessary to enable the Manager to perform its powers and duties provided in this Deed on such terms as the Manager shall in its absolute discretion decide and to provide accommodation within the Development, uniforms, working clothes, tools, appliances, cleaning and other materials and all equipment necessary therefor.
- (38) To deal with all enquiries, complaints, reports and correspondences relating to the Development.
- (39) To engage suitable qualified personnel to inspect, keep and maintain in good substantial repair and condition and carry out all works in respect of any slopes, slope treatment works, retaining walls and other structures (collectively referred to as "slope structures") within or outside the Land or the Development at the expense of the Owners as required by and in compliance with the Government Grant and in accordance with the Maintenance Manual and "Geoguide 5 - Guide to Slope Maintenance" issued by the Geotechnical Engineering Office (as amended from time to time) and all other guidelines issued from time to time by the appropriate Government department regarding the maintenance of the slope structures and to collect from Owners all costs lawfully incurred or to be incurred in carrying out the necessary slope structures maintenance, repair and other works provided that the Manager shall not be made personally liable for carrying out any such requirements of the Government Grant and those of the Director of Buildings which shall remain the responsibility of the Owners if, having used all reasonable endeavours, the Manager has not been able to collect the costs of the required works from all Owners. For the purpose of this sub-clause (39), the definition of the Manager shall include the Owners' Corporation, if formed.
- (40) To act as agent for and on behalf of all Owners in respect of all matters concerning the Common Areas and Common Facilities duly authorized in

accordance with the provisions of this Deed and the Manager is hereby authorized to act as such agent.

- (41) To do all such other things as are reasonably incidental to the proper management of the Land and the Development in accordance with the Government Grant or this Deed or for the common benefit of the Owners.
- (42) To manage, regulate, control and maintain within the Development, parking and loading and unloading of goods and the flow of vehicular traffic.
- (43) To remove any vehicle parked on the Common Areas and Common Facilities not so designated for parking or which shall cause an obstruction and any damage caused to such vehicles during or as a consequence of such removal shall be the sole responsibility of the Owners thereof.
- (44) To repair and maintain the drains and channels and drainage system whether within or outside the Land serving the Development which are required to be maintained pursuant to the Government Grant.
- (45) To enter into contracts and to engage, employ, remunerate and dismiss solicitors, architects, accountants and other professional advisers and consultants, contractors, workmen, servants, agent, watchmen, caretakers and other building staff and attendants Provided That where any major contract involves sums in excess of (i) HK\$100,000.00 or such other sum in substitution therefor as the Secretary for Home Affairs may specify by notice in the Gazette, or (ii) 20% of the total amount of the relevant budget or such other percentage in substitution therefor as may be approved by the Owners' Corporation by a resolution passed at a general meeting of the Owners, whichever is the lesser, such major contract shall be awarded in accordance with the provisions in Clause 6.2.6 hereof.
- (46) To delegate or subcontract in whole or in part its rights and obligations for the management, maintenance, operation of the Development or any part thereof and the control of the Club and its facilities to other agents or managers on such terms and conditions as the Manager shall in its discretion think fit. Provided that the Manager shall not transfer or assign any of its rights and obligations hereunder and shall at all times remain liable to the Owners in accordance with the provisions of this Deed and such other agents or managers shall remain answerable to the Manager. The Manager shall at all times be responsible for the management and control of the Development (including any part thereof) and no provision in this Deed shall attempt to take away or reduce such responsibility.
- (47) To maintain the Public Road in accordance with Special Condition No.(5)(a)(iii) of the Government Grant.
- (48) To maintain the central integrated air-conditioning system (if any).
- (49) To provide appropriate and sufficient waste separation and recovery facilities including, but not limited to, waste separation bins at such locations within the

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

- (50) To organize any activities as the Manager may consider appropriate on a regular basis to promote the environmental awareness of the Owners and occupiers of the Development and the Manager shall encourage them to participate in such activities with a view to improving the environmental conditions of the Development.
- (51) To make house rules to require the Owners and occupiers of the Development to dispose of their rubbish properly for waste separation and recycling purposes.
- (52) To ensure that artificial lighting to staircases and their backup emergency systems are well maintained and in effective working order.
- (53) To effectively manage, operate and maintain the Club.
- (54) To control, operate and maintain the Communal Sky Gardens.

6.2.2 Subject to the approval of the Owners' Committee or the Owners' Corporation once in being, the Manager shall have power from time to time to make, revoke and amend the Rules :-

- (a) regulating the use occupation, maintenance and environmental control of the Development the Service Apartment the Retail Development and the Carpark respectively and any of the Development Common Areas and of any of the facilities, services or amenities thereof and the conduct of persons occupying, using or visiting the same; and
- (b) regarding any matter or thing which the Manager is empowered to do pursuant to these presents;

Provided That they are not inconsistent with this Deed or any relevant Sub-Deed(s) of Mutual Covenant and such Rules shall be binding on all of the Owners of the Development and their tenants, licensees, servants or agents. A copy of such Rules from time to time in force shall be posted on the public notice board in the Development, the Service Apartment, the Retail Development or the Carpark or the relevant part of the Development Common Areas as the case may be and a copy thereof shall be supplied to each Owner on request free of charge.

6.2.3 All acts and decisions of the Manager arrived at in accordance with the provisions of this Deed in respect of any of the matters aforesaid shall be binding in all respects on all the Owners for the time being.

- 6.2.4 (a) The Manager shall further have the right and power to require each Owner (except the Owner of the Hotel and the Owner of the Carpark) to pay a proportionate part of the expenditure for the provision, operation, management, upkeep and maintenance of the areas and facilities of the

Club and the Retail Common Facilities and the Service Apartment Common Facilities as the Manager shall consider fair and reasonable.

- (b) Without prejudice to the generality of the foregoing, the Manager shall have the right and power (in consultation with the Owners' Committee or Owners' Corporation, if formed) to make rules for and to require payment of fees for the use of the facilities of the Club such fees to be utilized towards maintenance and repair of the Club. Any deficit will be made up by contribution by the Owner as provided in above Clause 6.2.4 (a). Any surplus will be treated as part of the Management Funds.

6.2.5 Neither the Manager nor any servant agent or other person employed by the Manager shall be liable to the Owners or any of them or to any person or persons whomsoever whether claiming through, under or in trust for any Owner or otherwise, for or in respect of any act, deed, matter or thing done or omitted in pursuance of or purported pursuance of the provisions of this Deed and/or the Rules not being an act or omission involving criminal liability or dishonesty or negligence and the Owners shall fully and effectually indemnify the Manager and all such persons from and against all actions, proceedings, claims and demands whatsoever arising directly or indirectly out of or in connection with the management of the Land and the Development or any act, deed, matter or thing done or omitted as aforesaid and all costs and expenses in connection therewith and not involving criminal liability, dishonesty or negligence on the part of the Manager or any such person or persons aforesaid.

6.2.6 The Manager shall not, in any financial year, enter into any contract relating to the management of the Land and the Development that involves sums in excess of (i) the sum of HK\$100,000.00 or such other sum in substitution therefor as the Secretary for Home Affairs may specify by notice in the Gazette or (ii) 20% of the total amount of the relevant budget or such other percentage in substitution therefor as may be approved by the Owners' Corporation by a resolution passed at a general meeting of the Owners, whichever is the lesser, unless the contract complies with such standards and guidelines as may be specified in a Code of Practice referred to in Section 20A(3) of the BMO and relating to procurement and tender procedures and at intervals of not more than 3 years.

C. Manager's Remuneration

6.3.1 The Manager (other than the Owners' Committee or Owners' Corporation, if formed when acting as Manager) for the performance of its duties herein shall be paid by way of remuneration at the rate of 10% of the total actual Management Expenses (excluding Manager's Remuneration and any capital expenditure) provided that the Owners' Committee or the Owners' Corporation, if formed may be empowered to decide to include, at its own discretion, any capital expenditure (i.e. expenditure of a kind not incurred annually) for calculating the Manager's Remuneration at the said rate of 10% or at such lower rate as the Owners' Committee or the Owners' Corporation (if formed) may consider appropriate necessarily and reasonably incurred in the management of the Development. The said rate of 10% may be reviewed by resolution at meetings of the Owners, the Owners' Committee or the Owners' Corporation if formed.

6.3.2 The Manager's Remuneration as aforesaid shall be the net remuneration of the Manager for its services as Manager and shall not be subject to any requirement by the

Manager to disburse or provide from such money any staff, facilities, accountancy services, or other professional supervision for the Land and the Development the cost for which shall be a direct charge upon the Management Funds.

6.3.3 Each Owner of the Hotel and/or a Unit includes a car parking space shall pay his due proportion of the Manager's Remuneration to the Manager in advance on the first day of each month. The Manager's Remuneration may be increased or reviewed by a resolution duly passed by the Owners' Committee or Owners' Corporation, if formed. Payment of the Manager's Remuneration shall be monthly in advance in the sum of one twelfth of the annual remuneration of the Manager being 10% of the total actual annual Management Expenses (excluding the Manager's Remuneration and any capital expenditure), adjustment to the correct amount to be made within 21 days from completion of audit.

D. Management Expenses in respect of the Hotel

6.4.1 Notwithstanding anything to the contrary contained in this Deed, so long as ownership of the Hotel remains vested in one Owner, the maintenance and management of the same shall be undertaken by the Owner of the Hotel or the manager as appointed by it to do so.

6.4.2 The Owner of the Hotel shall pay a due proportion of the Management Expenses for the maintenance and management of the Land and the Development (other than the Units and the Hotel) and of the Development Common Areas and Development Common Facilities calculated on the basis of the Management Shares allocated to the Hotel.

E. Management Expenses in respect of the Development

6.5.1 The Owners of the Development shall pay to the Manager monthly in advance in the manner hereinafter provided the Management Expenses which shall include but not limited to the following :-

- (a) The Rent and all sums (other than the premium) payable under the Government Grant unless and until apportionment or separate assessment in respect of each part of the Development has been made by the Government Provided where there is a substantial increase in the Rent the whole of the Rent of the Land shall be borne and paid directly by the Owner(s) in the proportion of the Undivided Shares owned by them instead of having the same paid out of the ordinary management fee receivable hereunder Provided further that the Manager shall have the discretion in deciding whether or not an increase in Rent is substantial.
- (b) The proper and necessary cost of carrying out all or any of the duties of the Manager set out herein.
- (c) The cost of purchasing or hiring all necessary plant equipment and machinery in connection with the management and maintenance of the Land and the Development other than the Units.

- (d) The cost of employing staff to administer the management of the Development including (but not limited to) salaries, bonuses, gratuity, provident fund and /or long service payment, premium for employees' compensation and medical insurance of the security force, watchmen, gardeners, caretakers and other staff and other reasonable costs incidental thereto.
- (e) All reasonable professional fees and costs incurred by the Manager including :-
 - (i) fees and costs of surveyors, rating surveyors, valuers, architects, engineers and others employed in connection with the management, maintenance and improvement of the Development,
 - (ii) solicitors and other legal fees and costs,
 - (iii) fees and costs of any accountants, auditors and/or any other consultants employed in connection with the management accounts or the Manager's statements in connection with the management accounts as hereinafter referred to.
- (f) All water, gas, electricity, telephone and other services charges except separately metered to individual Units and/or the Hotel.
- (g) The cost of all fuel and oil incurred in connection with the operation of the Common Areas and Common Facilities.
- (h) The cost of maintaining and operating emergency generators and the cost of providing emergency lighting of the Development.
- (i) The cost of effecting insurance aforesaid mentioned in Clause 6.2.1 (30) hereof.
- (j) All charges, assessments, impositions and other outgoings payable by the Owners in respect of all parts of the Development Common Areas.
- (k) The cost of postage, stationery and other sundry items incurred by the Manager in connection with the management of the Development.
- (l) Subject to Clause 6.6.1(a) and Clause 6.6.2(a) of this Deed, a Sinking Fund to meet the expenditure for major works of a capital or non-recurrent nature. Such Fund shall be a trust fund managed by the Manager but all sums in such Fund shall be the property of the Owners. Such Fund shall be interest bearing and special reference shall be made to this Fund in the annual accounts and an estimate shall be given as to the time of any likely need to draw on the Fund and as to the amount of money that will be then needed. The Owners in the Annual General Meeting shall decide the amount to be contributed to such Fund for the ensuing year.
- (m) The Manager's Remuneration for carrying out its management duties in

accordance with the provisions herein contained.

- (n) The cost and expense of maintaining the building structures or such part or parts thereof or other items that are required to be maintained under the Government Grant.
- (o) The costs of providing uniforms for the security force, watchmen, gardeners, caretakers and cleaners employed for the management of the Land and the Development and replacement of the same.
- (p) The cost of landscaping and maintaining repairing cleansing and operating the Club, the play areas and all sport and recreational facilities of the Development.
- (q) Rent and Rates of the management offices (if any).
- (r) Air-conditioning charges of the management offices.
- (s) Furniture, fixtures, fittings and other appliances in the management offices.
- (t) Any other items of expenditure which are in the absolute discretion of the Manager considered to be necessary for the management of the Land and the Development.

For the avoidance of doubt, the Management Expenses payable by the Owners in accordance with this Deed shall not include any sum attributable or relating to the cost of completing the construction of the Development or any part thereof or any of the Common Areas and Common Facilities therein all of which sums shall be borne solely by the First Owner.

6.5.2 Each of the Owners shall pay to the Manager monthly Management Fee in relation to each Service Apartment Unit, Retail Unit or Carparking Space or the Hotel in accordance with the following principles and in the following manner :-

- (a) The Owner of each Service Apartment Unit shall pay in advance on the first day of each calendar month 1/12th of the due proportion of the annual budgeted Management Expenses for the Service Apartment Units as shown in the Service Apartment Units Budget (determined in accordance with Clause 6.9.1(b) of Section H of Section VI of this Deed) which due proportion shall be the same proportion as the number of Management Shares allocated to his Service Apartment Unit (as specified in the Second Schedule hereto) bears to the total number of Management Shares allocated to all the Service Apartment Units (as specified in the Second Schedule hereto) and 1/12th of the due proportion of the annual budgeted Management Expenses for the Service Apartment Units as shown in the Carpark Common and/or Service Apartment Common and/or Retail Common Areas Budget (determined in accordance with Clause 6.9.1(e) of Section H of Section VI of this Deed) which due proportion shall be the same proportion as the number of Management Shares allocated to his Service Apartment Unit (as specified in the Second Schedule hereto) bears to the total number of Management Shares allocated to all the

Service Apartment Units, the Retail Units and the Carparking Spaces (as specified in the Second Schedule hereto).

- (b) The Owner of each Retail Unit shall pay in advance on the first day of each calendar month 1/12th of the due proportion of the annual budgeted Management Expenses for the Retail Units as shown in the Retail Units Budget (determined in accordance with Clause 6.9.1(c) of Section H of Section VI of this Deed) which due proportion shall be the same proportion as the number of Management Shares allocated to his Retail Unit (as specified in the Second Schedule hereto) bears to the total number of Management shares allocated to all the Retail Units (as specified in the Second Schedule hereto) and 1/12th of the due proportion of the annual budgeted Management Expenses for the Retail Units as shown in the Carpark Common and/or Service Apartment Common and/or Retail Common Areas Budget (determined in accordance with Clause 6.9.1(e) of Section H of Section VI of this Deed) which due proportion shall be the same proportion as the number of Management Shares allocated to his Retail Unit (as specified in the Second Schedule hereto) bears to the total number of Management Shares allocated to all the Service Apartment Units, the Retail Units and the Carparking Spaces (as specified in the Second Schedule hereto).
- (c) The Owner of each Carparking Space shall pay in advance on the first day of each calendar month 1/12th of the due proportion of the annual budgeted Management Expenses for the Carparking Spaces as shown in the Carparking Spaces Budget (determined in accordance with Clause 6.9.1(d) of Section H of Section VI of this Deed) which due proportion shall be the same proportion as the number of Management Shares allocated to his Carparking Space (as specified in the Second Schedule hereto) bears to the total number of Management shares allocated to all the Carparking Spaces (as specified in the Second Schedule hereto) and 1/12th of the due proportion of the annual budgeted Management Expenses for the Carparking Spaces as shown in the Carpark Common and/or Service Apartment Common and/or Retail Common Areas Budget (determined in accordance with Clause 6.9.1(e) of Section H of Section VI of this Deed) which due proportion shall be the same proportion as the number of Management Shares allocated to his Carparking Space (as specified in the Second Schedule hereto) bears to the total number of Management Shares allocated to all the Service Apartment Units, the Retail Units and the Carparking Spaces (as specified in the Second Schedule hereto).
- (d) The Owner of the Hotel shall pay in advance on the first day of each calendar month 1/12th of the due proportion of the annual budgeted Management Expenses for the Hotel which due proportion shall be the same proportion as the number of Management Shares allocated to the Hotel (as specified in the Second Schedule hereto) bears to the total number of Management Shares allocated to the Development. The Management Expenses payable by the Owner of the Hotel will be shown in the Development Common Budget as referred to in Clause 6.9.1(a).

6.5.3 Subject to the provisions of the preceding Clause 6.5.2, each Owner shall pay in full a due proportion of the cost and expenses mentioned in Clause 6.5.1 of this Sub-Section E (being the Management Expenses) whether or not his Unit or Hotel is occupied. No Owner shall be called upon to pay more than his fair share of

Management Expenses. The First Owner shall pay all Management Expenses for the Undivided Shares unsold.

- (a) Each Owner shall pay to the Manager monthly in advance the Management Fee calculated by the Manager in accordance with the Management Shares as set out in the Second Schedule hereto and PROVIDED THAT if the total contributions receivable as aforesaid by the Manager shall be insufficient to meet the Management Expenses by reason of any further Management Expenses whether incurred or to be incurred over and above the said estimated Management Expenses, such deficiency shall be carried forward to and recouped by adjusting the annual budget and the Management Fee for the next financial year provided always that the Manager may demand from each Owner on giving not less than one month's prior notice in writing the additional monthly contribution payable by each Owner as determined by the Manager pursuant to the provisions of this Deed PROVIDED THAT :- (i) such demand shall not be made more than once for every financial year for the purpose of the management of the Land and the Development; (ii) in exceptional circumstances it may be recovered by special contribution in one lump sum as the Manager shall deem fit to meet the said further Management Expenses including its remuneration due thereon; and (iii) the revised annual management budget shall be subject to review of the Owners' Committee or Owners' Corporation, if formed.
- (b) If there should be any surplus after payment of all the costs charges and expenses then the surplus shall be credited to the Management Funds and be applied towards the Management Expenses of the Land and the Development in such manner as the Manager may decide.
- (c) The Manager shall be entitled to charge the Owner concerned a reasonable sum as consideration for granting and processing any consent required from the Manager pursuant to this Deed provided that such consideration shall form part of the Management Funds PROVIDED THAT the Manager shall be entitled to charge and retain a reasonable administrative fee for processing such consent and such fee shall be paid into the Management Funds.

6.5.4 The Owner of the Hotel shall be liable for the payment of the management and maintenance charges in respect of the Hotel. The Owner of the Hotel shall have no liability for any contribution towards any management and maintenance charges for any other part of the Development save and except a proportion of the Management Expenses for the maintenance and management of the Land and the Development (other than the Units and the Hotel) and of the Development Common Areas and Development Common Facilities. The costs for such management and maintenance shall be borne by the Owners of the Hotel and other parts of the Development in accordance with their respective proportions of Management Shares in the Development.

6.5.5 The Manager shall from time to time notify each Owner in writing in the manner hereinafter mentioned of the amount of the Management Fee estimated as aforesaid and such amount shall be payable by each Owner monthly in advance from the commencement of the month immediately following the date of notification, the initial Management Fee being payable from the date of this Deed for the Development

or a later date at the discretion of the Manager. In the event of the latter the decision of the Manager shall apply to all the Units and the Hotel of the Development.

6.5.6 In the event of the Manager acquiring shares in the Land and the Development pursuant to SECTION VII hereof references to "Owners" in this Sub-Section of SECTION VI shall be deemed to exclude the Manager.

E. Security for and Recovery of Moneys Due to the Manager

6.6.1 The first person who becomes the Owner of each Unit shall, in respect of such Unit before taking possession thereof :-

- (a) pay to the Manager in respect of each Unit in the Development purchased by him a sum equivalent to two months' Management Fee being as to the sum equivalent to one month's Management Fee the deposit by way of security against his liabilities under this Deed and such sum shall be transferable but not refundable and shall not be set off against contributions towards Management Expenses required to be made by him under this Deed and as to the remaining sum equivalent to one month's Management Fee which shall be transferable but not refundable as his contribution towards the Sinking Fund for expenditure of a kind not expected by the Manager to be incurred annually as mentioned in Clause 6.5.1(l) hereof;
- (b) save and except the First Owner pay to the Manager a sum which may be fixed in proportion to the Management Shares for the deposit of various utilities for the Common Areas and Common Facilities, and a sum to be decided by the Manager as necessary (but not exceeding one month's Management Fee) as special cleaning charges for services provided by the Manager for debris removal/decoration charges Provided that any monies paid as special cleaning charges not used for debris removal/decoration are to be paid into the Management Funds;
- (c) pay to the Manager a sum equal to two months' monthly contributions as advance payment for the first and second months of the Management Fee for such Unit

Provided that the First Owner shall only be required to make contribution to the Sinking Fund and pay the Management Fee deposit and special cleaning charges if it remains the Owner of the Undivided Shares of any Unit which remain unsold for three (3) months after (i) execution of this Deed or (ii) the date when the First Owner is in a position validly to assign those Undivided Shares, whichever is the later. All outgoings including the Management Fee up to and inclusive of the date of the first assignment of a Unit shall be paid by the First Owner.

6.6.2 The first person who becomes the Owner of the Hotel shall, in respect of the Hotel before taking possession thereof :-

- (a) pay to the Manager in respect of the Hotel a sum equivalent to two months' Management Fee being as to the sum equivalent to one month's Management Fee the deposit by way of security against his liabilities under this Deed and

such sum shall be transferable but not refundable and shall not be set off against contributions towards Management Expenses required to be made by him under this Deed and as to the remaining sum equivalent to one month's Management Fee which shall be transferable but not refundable as his contribution towards the Sinking Fund for expenditure of a kind not expected by the Manager to be incurred annually as mentioned in Clause 6.5.1(l) hereof;

- (b) pay to the Manager a sum to be decided by the Manager as necessary (but not exceeding one month's Management Fee) as special cleaning charges for services provided by the Manager for debris removal/decoration charges Provided that any monies paid as special cleaning charges not used for debris removal/decoration are to be paid into the Management Funds and also pay the deposits of various utilities directly to utility companies;
- (c) pay to the Manager a sum equal to two months' monthly contributions as advance payment for the first and second months of the Management Fee for the Hotel

Provided that the First Owner shall only be required to make contribution to the Sinking Fund and pay the Management Fee deposit and special cleaning charges if it remains the Owner of the Hotel which remain unsold for three (3) months after (i) execution of this Deed or (ii) the date when the First Owner is in a position validly to assign the Hotel, whichever is the later. All outgoings including the Management Fee up to and inclusive of the date of the first assignment of the Hotel shall be paid by the First Owner.

6.6.3 If any Owner shall fail to pay any amount payable hereunder within 30 days of the date on which the demand is made as aforesaid, he shall further pay to the Manager :-

- (a) Interest thereon calculated at the rate of 2% per annum above the prime rate from time to time specified by The Hongkong and Shanghai Banking Corporation Limited on the outstanding amount due from the Owner for the period during which it remains unpaid; and
- (b) A collection charge of not exceeding 10% of the amount due to cover the cost (other than legal costs (on a solicitor and own client basis) of proceedings as hereinafter mentioned) of the extra work occasioned by the default.

Provided that all interest and collection charges received shall be credited to the management account.

6.6.4 All amounts which become payable by any Owner in accordance with the provisions of this Deed together with interest thereon at the rate of 2% per annum above the prime rate from time to time specified by The Hongkong and Shanghai Banking Corporation Limited and the said collection charge and all damages claimed for breach of any of the provisions of this Deed and all other expenses incurred in or in connection with recovering or attempting to recover the same shall be recoverable by civil action at the suit of the Manager and the claim in any such action may include a claim for the solicitor and own client costs of the Manager in such action and the defaulting Owner

shall in addition to the amount claimed in such action be liable for such costs. In any such action the Manager shall conclusively be deemed to be acting as the agent or agents for and on behalf of the Owners as a whole and no Owner sued under the provisions of this Deed shall raise or be entitled to raise any defence of want of authority or take objection to the right of the Manager as plaintiff to sue or to recover such amounts as may be found to be due.

6.6.5 In the event of any Owner failing to pay any sum due and payable by him in accordance with the provisions of this Deed within 30 days of the date on which the same became payable or failing to comply with the terms or conditions of this Deed, the Manager may discontinue providing management services to the defaulting Owners and the amount thereof together with interest as aforesaid and the said collection charge and all costs and expenses which may be incurred in recovering or attempting to recover the same including the legal expenses referred to in Clause 6.6.4 of this Sub-Section E and in registering the charge hereinafter referred to, shall stand charge on the Undivided Share or Shares of the defaulting Owner and the Manager shall be entitled without prejudice to any other remedy hereunder to register a Memorial of such charge in the Land Registry against the Undivided Share or Shares of the defaulting Owner. Such charge shall remain valid and enforceable as hereinafter mentioned notwithstanding that judgment has been obtained for the amount thereof unless and until such judgment has been satisfied.

6.6.6 Any charge registered in accordance with the last preceding paragraph shall be enforceable as an equitable charge by action at the suit of the Manager for an order for sale of the Undivided Share or Shares of the defaulting Owner together with the right to the exclusive use, occupation and enjoyment of the Unit held therewith and the provisions of Clause 6.6.4 of this Sub-Section E shall apply equally to any such action.

6.6.7 All persons on acquiring any Unit and/or Hotel in the Development shall first ascertain from the Manager that there are no outstanding Management Fees due in respect of that Unit and/or Hotel. If there are outstanding Management Fees, the new Owner and the outgoing Owner shall be jointly and severally liable to pay the same.

6.6.8 There shall be no provision in this Deed for interrupting the supply of electricity, water, gas or other utilities which are provided by public utility companies to any Unit and/or Hotel or to prevent access to the Unit and/or Hotel by reason of the Owner of that Unit and/or Hotel failing to pay any fees or to comply with any other provisions under this Deed.

F. Application of Monies received by the Manager

6.7.1 Subject to SECTION VII hereof all insurance moneys, compensation received or damages recovered by the Manager in respect of any damage or loss suffered in respect of any part of the Land and the Development shall be expended by the Manager in the repair, rebuilding or reinstatement of that part of the Land and the Development.

6.7.2 Where any insurance moneys, compensation, damages, costs, and expenses or refunds are received or recovered (as the case may be) by the Manager in respect of any matter or thing for which any claim has been made against the Owners or any of them as provided in Sub-Section E of SECTION VI hereof the same shall, after deduction of

any costs or expenses incurred by the Manager in recovering the same, be credited to the accounts of those Owners against which a claim has been made in the same proportion as such claim.

6.7.3 All moneys paid to the Manager including those by way of interest and collection charges and the interest earned on interest bearing bank account(s) maintained by the Manager pursuant to this Deed or in the form of fee or other consideration which the Manager is entitled to charge under Clause 6.5.3 (c) of this Deed for granting any consent to an Owner where the same is required shall be held on trust for all the Owners for the time being and shall be paid into an interest bearing account or accounts maintained with a licensed bank and form part of the Management Funds PROVIDED THAT the Manager may retain or pay into a current account a reasonable amount thereof to cover expenditure of a minor nature but such amount shall not exceed such figure as is determined from time to time by a resolution of the Owners' Committee (if any).

G. Owners' Interest in Management Fees

6.8.1 Any person ceasing to be the Owner of any Unit and/or Hotel shall in respect of the Unit and/or Hotel of which he ceases to be the Owner thereupon cease to have any interest in the Management Funds and the Sinking Fund held by the Manager including the deposit paid under Clause 6.6.1 and/or Clause 6.6.2 of this Section to the intent that all such Management Funds and the Sinking Fund shall be held and applied for the management of the Land and the Development irrespective of changes in ownership of the Unit and/or Hotel PROVIDED that any such deposit payable under Clause 6.6.1 (a) and/or Clause 6.6.2 (a) (except the Sinking Fund) and 6.6.1 (b) (except the special cleaning charge) of this Section may be transferred into the name of the new Owner of such Unit and/or Hotel AND PROVIDED further that upon the Land reverting to the Government and no renewal of the Government Grant or further Lease being obtainable or upon the rights and obligations hereunder being extinguished as provided in SECTION VII hereof any balance of the said funds or in the case of extinguishment of rights and obligations as aforesaid an appropriate part of the said funds shall be divided between the then Owners of the Development in proportion to the respective contribution made by them or their respective predecessors immediately prior to such reversion or in the case of the extinguishment of rights and obligations as aforesaid between the Owners whose rights and obligations are extinguished and the sum so divided shall be repaid to such Owners by the Manager.

H. Management Records and Accounts

6.9.1 In respect of each financial year, the Manager shall prepare five separate and independent annual budgets as follows (such budgets except those for the first financial year, shall be prepared in consultation with the Owners' Committee or Owners' Corporation, if formed) :-

- (a) One annual budget ("the Development Common Budget") covering all proposed expenditure for the maintenance and management of the Development Common Areas and Development Common Facilities but excluding all proposed expenditure which in the reasonable opinion of the Manager is exclusively contributable to the Service Apartment Common

Areas, the Service Apartment Common Facilities, the Retail Common Areas, the Retail Common Facilities, the Carpark Common Areas, the Carpark Common Facilities and the Carpark Common and/or Service Apartment Common and/or Retail Common Areas.

- (b) One annual budget ("the Service Apartment Units Budget") for the Service Apartment Units covering (a) all proposed expenditure which in the reasonable opinion of the Manager is exclusively contributable to the Service Apartment Units, the Service Apartment Common Areas and the Service Apartment Common Facilities and (b) all the income and expenditure specifically referable to the recreational facilities for the exclusive use and benefit of the Owners of the Service Apartment Units including but not limited to the running costs, cleaning, repair and maintenance thereof and (c) a fraction of the proposed expenditure covered by the Development Common Budget in which the numerator shall be the total number of Management Shares allocated to all the Service Apartment Units and the denominator is the total number of Management Shares allocated to the Development.
- (c) One annual budget ("the Retail Units Budget") for the Retail Units covering (a) all proposed expenditure which in the reasonable opinion of the Manager is exclusively contributable to the Retail Units, the Retail Common Areas and the Retail Common Facilities and (b) a fraction of the proposed expenditure covered by the Development Common Budget in which the numerator shall be the total number of Management Shares allocated to all the Retail Units and the denominator is the total number of Management Shares allocated to the Development.
- (d) One annual budget ("the Carparking Spaces Budget") for the Carparking Spaces covering (a) all proposed expenditure which in the reasonable opinion of the Manager is exclusively contributable to the Carparking Spaces, the Carpark Common Areas and the Carpark Common Facilities and (b) a fraction of the proposed expenditure covered by the Development Common Budget in which the numerator shall be the total number of Management Shares allocated to all the Carparking Spaces and the denominator is the total number of Management Shares allocated to the Development.
- (e) One annual budget ("the Carpark Common and/or Service Apartment Common and/or Retail Common Areas Budget") covering (a) all proposed expenditure which in the reasonable opinion of the Manager is exclusively contributable to the Carpark Common and/or Service Apartment Common and/or Retail Common Areas and (b) a fraction of the proposed expenditure covered by the Development Common Budget in which the numerator shall be the total number of the Management Shares allocated to all the Service Apartment Units, the Retail Units and the Carparking Spaces and the denominator is the total number of Management Shares allocated to the Development.

6.9.2 The first financial year for the purpose of management of the Land and the Development shall commence from the date of the Occupation Permit and shall terminate on 31st December in the ensuing year PROVIDED that if the duration of the

first financial year shall be less than SIX calendar months then the first financial year shall extend to and end on 31st December of the next succeeding year and thereafter the financial year shall commence on 1st January of that year and shall terminate on 31st December in the ensuing year. The financial year may not be changed more than once every five years unless the change is approved by a resolution of the Owners' Committee (or the Owners' Corporation, if formed).

6.9.3 All moneys collected by the Manager in the exercise of his powers and duties hereunder (save and except sufficient petty cash in such amount to be approved by the Owners' Committee (or the Owners' Corporation, if formed) from time to time for day-to-day requirements and unless otherwise authorized by the Owners' Committee (or the Owners' Corporation, if formed) shall be deemed to be held in trust by the Manager for all Owners and shall be paid into an interest-bearing account or accounts maintained with a licensed bank the title of such account or accounts shall refer to the Management Funds of the Development and only be used for the good and efficient management of the Land and the Development. Any reference to an account in this Clause is a reference to an account opened with a bank granted a licence under the Banking Ordinance (Cap. 155).

6.9.4 The Manager shall keep true and proper books or records of all financial and other records of all monies received in the exercise of its powers and duties hereunder and all expenditure thereof and shall keep all bills, invoices, vouchers, receipts and other documents referred to in those accounts for at least 6 years. The Manager shall within 1 month after each consecutive period of 3 months prepare a summary of income and expenditure in respect of its management of the Land and the Development of that period and shall display a copy of it in a prominent place of the Development for a reasonable time.

6.9.5 Within 60 days after the close of each financial year the Manager shall prepare income and expenditure account and balance sheet for that preceding financial year which accounts shall comprise a set of accounts for the entire management of the Land and the Development and shall be certified correct by such auditors as may be appointed by the Manager. The Owners at an owners' meeting shall have the power to have the annual accounts to be audited by an independent auditor of their own choice.

6.9.6 (a) The Manager shall appoint a firm of certified public accountants (subject to the Owners at a meeting appointing a different firm of certified public accountant) to audit the income and expenditure accounts and balance sheet concerning the management of the Land and the Development and to certify correct the annual income and expenditure accounts and balance sheet as hereinbefore provided. The Manager may revoke the appointment of such firm and appoint another firm in its place at any time as it may deem necessary subject to the right of the Owners at a meeting appointing a different firm of certified public accountant.

(b) In the event of the termination of the Manager's appointment as provided in this Deed, the outgoing Manager shall within 2 months of the date the Manager's appointment ends prepare an account up to the date of termination which shall be audited by an independent auditor to be chosen by the Owners' Committee (or Owners' Corporation, if formed). On the last day of its service

the Manager shall hand over to the Owners' Committee (or Owners' Corporation, if formed) all documents, records, plans and accounts relating to the Development.

- 6.9.7 (a) For the purpose of fixing the contributions payable by the Owners, an annual budget showing the estimated Management Expenses for the ensuing year shall be prepared by the Manager. The first annual budget shall be prepared by the Manager prior to the date of this Deed and shall cover the period from the date of this Deed until 31st December of the ensuing year. Subsequent annual budgets shall be prepared by the Manager within a reasonable time before the close of each financial year by the Manager in consultation with the Owners' Committee (or Owners' Corporation, if formed) at least one month prior to the commencement of the relevant financial year. Such budgets shall include all sums which in the opinion of the Manager will be necessary to meet the Management Expenses for the ensuing financial year and shall include an amount for contingencies.
- (b) In the event that the Manager is of the opinion that any of the annual budget for the then current financial year is insufficient to cover all expenditure the Manager may prepare a revised budget or budgets subject to review by the Owners' Committee (or Owners' Corporation, if formed).
- (c) In respect of each financial year, the Manager shall:
- (i) send a copy of the draft annual budget to the Owners' Committee or the Owners' Corporation, if formed where there is no Owners' Committee or Owners' Corporation, if formed display a copy of the same in a prominent place in the Development;
 - (ii) send or display, as the case may be, with the copy of the draft annual budget a notice inviting each Owner to send his comments on the draft annual budget to the Manager within a period of 14 days from the date the draft annual budget was sent or first displayed;
 - (iii) after the end of that period, prepare an annual budget specifying the total estimated Management Expenses during that financial year;
 - (iv) send a copy of the annual budget to the Owners' Committee or Owners' Corporation, if formed, or where there is no Owners' Committee, display a copy of the annual budget in a prominent place in the Development;
 - (v) upon request in writing by any Owner supply him with a copy of any draft annual budget or annual budget and shall on payment of a reasonable copying and delivery charges, supply copy to that person.
- 6.9.8 (a) The Manager shall post on the public notice board of the Development for a reasonable time a copy of the annual accounts and shall upon request in writing of an Owner and upon payment of a reasonable charge supply extra copy or copies of the same.

- (b) The Manager shall put on the public notice board of the Development for a reasonable time the quarterly summary of income and expenditure of the management of the Land and the Development.

SECTION VII

EXTINGUISHMENT OF RIGHTS UNDER THIS DEED

7.1.1 In the event of the Development or any part or parts thereof being so damaged by fire, typhoon, earthquake, subsidence or other cause so as to render the same substantially unfit for use and occupation, the Manager shall convene a meeting of the Owners of the part or parts of the Development so affected and such meeting may resolve by a 75% majority of the Owners of not less than 75% of the Undivided Shares allocated to that part of the Development that has been damaged (excluding Common Areas Undivided Shares) present and voting that by reason of insufficiency of insurance monies, changes in building law and/or regulations or any other circumstances whatsoever, it is not practicable to reinstate and rebuild such part or parts of the Development then in such event the Undivided Shares in the Land and the Development representing such part or parts shall be acquired by the Manager and the Owners of such Undivided Shares shall in such event be obliged to assign the same and all rights and appurtenances thereto to the Manager upon trust to forthwith dispose of the same by public auction and to distribute the net proceeds of sale amongst the Owners of such parts of the Development in proportion to the respective Undivided Shares previously held by such former Owners except the Manager. All insurance moneys received in respect of any policy of insurance on such parts of the Development shall likewise be distributed amongst such former Owners. In such event all the rights privileges obligations and covenants of such former Owners under this Deed shall be extinguished so far as the same relate to such former Owners of their parts of the Development Provided Always that if it is resolved to reinstate or rebuild such part or parts of the Development each Owner of such part or parts shall pay the excess of the costs of reinstatement or rebuilding of such part or parts over and above the proceeds from the insurance of such part or parts in proportion to the respective number of Undivided Shares held by him and that until such payment the same will be a charge upon his interest in the Land and the Development and be recovered as a civil debt.

7.1.2 The following provisions shall apply to a meeting convened by the Manager as provided in Clause 7.1.1 hereof :-

- (a) Every such meeting shall be convened by at least fourteen (14) days' notice in writing served on the relevant Owners specifying the time and place of the meeting;
- (b) No business shall be transacted at any meeting unless a quorum is present. A quorum shall consist of the Owners present in person in whom not less than seventy-five per cent (75%) of the total number of Undivided Shares in the part of the Development in question (excluding Common Areas Undivided Shares) are vested;
- (c) The Chairman shall be an Owner chosen by the Owners present at such meeting to preside at the meeting;
- (d) The Chairman shall cause a record to be kept of the persons present at the meeting and notes of the proceedings thereof;

- (e) Every Owner shall have one vote for each Undivided Share allocated to the part of the Development (excluding Common Areas Undivided Shares) vested in him and in the case of Owners who together are entitled to one such Undivided Share such Owners shall jointly have one vote for each such Undivided Share and in case of dispute the first named of such Owners shall have the right to vote;
- (f) Votes may be given either personally;
- (g) A resolution passed at a duly convened meeting by a seventy-five per cent (75%) majority of the Owners present in person and voting shall be binding on all the Owners of the relevant part of the Development PROVIDED as follows :-
 - (i) the notice convening the meeting shall specify the intention to propose a resolution concerning such matter;
 - (ii) any resolution purported to be passed at any such meeting concerning any other matter shall not be valid;
 - (iii) no resolution shall be valid if it is contrary to the provisions of this Deed;
- (h) The accidental omission to give notice as aforesaid to any Owner shall not invalidate the meeting or any resolution passed thereat.

SECTION VIII

MEETINGS OF THE OWNERS AND OWNERS' COMMITTEE

A. Meetings of Owners of the Development

8.1.1 From time to time there shall be meetings of the Owners to discuss and decide matters concerning the Development and in regard to such meetings the following provisions shall apply :-

- (a) One such meeting to be known as the Annual Meeting shall be held once in each calendar year commencing with the year following that in which the Occupation Permit for the Development is issued for the purpose of electing or removing the members of the Owners' Committee of the Development and transacting any other business of which due notice is given in the notice convening the meeting.
- (b) A meeting may be validly convened by the Owners of the Development who in the aggregate have vested in them for the time being not less than 5% of the Undivided Shares (excluding Common Areas Undivided Shares) or alternatively by the Manager.
- (c) Every such meeting shall be convened by at least fourteen days' notice in writing specifying the time and place of and the business to be transacted at the meeting.
- (d) No business shall be transacted at any meeting unless a quorum is present when the meeting proceeds to business. The quorum shall be 10% of the Owners.
- (e) The Chairman of the Owners' Committee shall preside at every such meeting or, in his absence, by an Owner appointed by the Owners as chairman for that meeting.
- (f) The Chairman shall cause a record to be kept of the persons present at the meeting and the proceedings thereof.
- (g) Votes may be given either personally or by proxy.
- (h) All resolutions put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by at least one Owner entitled to be present and present in person at the meeting. A poll, if demanded, shall be taken at such time and in such manner as the Chairman shall direct.
- (i) On a show of hands, every Owner entitled to be present and present either in person or by proxy at the meeting shall have one vote in respect of each Undivided Share that he owns. In case of a poll, every Owner of an Undivided Share (excluding Common Areas Undivided Shares) shall have one vote either personally or by proxy for every Undivided Share held by him. In case

of Owners who together are entitled to one such Share such Owners shall jointly have one vote for each Undivided Share and in case of dispute the first-named of such Owners shall have the right to vote.

- (j) In the case of an equality of votes the Chairman shall have a second or casting vote.
- (k) The instrument appointing a proxy shall be in writing signed by the Owner or, if the Owner is a body corporate, under the seal of that body and shall be lodged with the person or persons who convened the meeting not less than 24 hours before the time for the holding of the meeting at which the proxy proposes to vote, or within such lesser time as the Chairman shall allow.

8.1.2 Any resolution on any matter concerning the Land and Development passed at a duly convened meeting by a majority of the Owners present in person or by proxy and voting in proportion to number of Undivided Shares (excluding Common Areas Undivided Shares) held at such meeting shall be binding on all the Owners Provided as follows :-

- (a) The 14 days' written notice convening the meeting shall specify the intention to propose a resolution concerning such matter.
- (b) Any resolution purported to be passed at such meeting concerning any other matters shall not be valid.
- (c) No resolution shall be valid if it is contrary to the provisions of this Deed.
- (d) Any resolution for the removal of the Manager of the Development shall only be valid if passed by the Owners of not less than 50% of the total number of Undivided Shares in the Development (excluding Common Areas Undivided Shares).

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

B. Meeting of Owners' Committee

8.2.1 There shall be established an Owners' Committee of the Development which shall consist of not less than 9 and not more than 10 Owner members. The members of the Owners' Committee shall be made up of :-

- (i) not more than 5 representatives from the Service Apartment and the Retail Development;
- (ii) not more than 3 representatives from the Hotel; and
- (iii) not more than 1 representative from the Carpark.

8.2.2 (a) The Manager shall as soon as possible but in any event not later than 9 months from the date of execution of this Deed convene a meeting of the Owners, which meeting shall appoint a Chairman and committee of Owners or shall appoint a management committee for the purpose of forming an Owners' Corporation under the BMO.

- (b) The Owners' Committee shall determine the manner in which its proceedings shall be conducted.
- (c) The Owners' Committee may at any time co-opt any Owner to fill up any vacancy until the next Annual General Meeting.
- (d) The Owners' Committee may permit any Owner or Occupiers of his Unit to attend any of its meetings at appointed times.
- (e) The function of the Owners' Committee shall be limited to (i) representing the Owners in all dealings with the Manager, (ii) undertaking such duties contained in this Deed and such other duties as may be delegated to the Owners' Committee by resolutions passed at meetings of Owners hereinbefore provided, (iii) reviewing the draft annual management budget and revised budgets prepared by the Manager, (iv) the approval of the Carpark Rules, the Club Rules and the House Rules made from time to time by the Manager and (v) liaising with the Manager in respect of all matters concerning the management of the Land and the Development.
- (f) No business shall be transacted at any meeting of the Owners' Committee unless a quorum is present when the meeting proceeds to business. The quorum at a meeting of the Owners' Committee shall be 50% of the members of the Owners' Committee (rounded up to the nearest number) or 3 such members, whichever is the greater.
- (g) The Manager shall, whenever requested so to do by the Owners' Committee, send a representative or representatives (as nominated by the Manager) to the Owners' Committee meetings.

SECTION IX

MISCELLANEOUS

9.1.1 No person shall after ceasing to be an Owner of any Undivided Shares in the Land and the Development be liable for any debts, liabilities or obligations under the covenants, terms and conditions of this Deed in respect of such Undivided Shares and/or the part of the Development held therewith save and except in respect of any breach non-observance or non-performance by such person of any such covenant or term or condition prior to his ceasing to be the Owner thereof.

9.2.1 All notices or demands required to be served hereunder shall be sufficiently served if addressed to the party intended to receive the same and sent by prepaid post to or left at the last address (if any) of such Owner notified to the Manager or if a copy is also left at or sent to the Unit of which the party to be served is the Owner notwithstanding that such party is not personally occupying the same Provided However that where notices are to be given to an Owner who is a mortgagee or chargee such notice shall be served on the mortgagee or chargee if a company at its registered office or last known place of business in Hong Kong and if an individual at his last known residence. All notices required to be given to the Manager shall be properly served if sent by prepaid post or by hand or delivered to the registered office of the Manager or left at the management office in the Development.

9.3.1 (a) The provisions in this Deed shall be null and void to the extent that (i) they are contrary to the Government Grant or (ii) they prejudice the operation of the BMO Provided however that the remaining provisions which do not so prejudiced the Government Grant or the said Ordinance shall remain in full force and effect.

(b) In the event the Owners shall at any time incorporate themselves into an Owners' Corporation under the BMO, the meeting of the Owners' Corporation shall take the place of the meeting of Owners under this Deed, and the management committee of the Owners' Corporation shall take the place of the Owners' Committee under this Deed.

(c) The provisions of the Seventh and Eighth Schedules to the BMO shall be incorporated into this Deed and in case of conflict, the provisions of the said Seventh and Eighth Schedules shall prevail.

9.4.1 All non-resident Owners of Undivided Shares shall provide the Manager with an address in Hong Kong for service of notices under the terms of this Deed.

9.5.1 The First Owner shall at its own cost make a direct translation or summary in Chinese of this Deed within 3 months of the signing hereof and ensure that it is available for inspection at the management office and for the taking of copies by Owners at reasonable copying charges. In the event of any dispute arising out of the interpretation of the Chinese translation and the English version of this Deed, the English version shall prevail.

9.5.2 The First Owner shall prepare or cause to be prepared a set of plans certified

as to their accuracy by an Authorized Person showing the Common Areas. A set of such plans shall be kept at the management office and may be inspected by the Owners during normal office hours free of charge. A copy of such plans is annexed to this Deed.

9.6.1 After the execution of this Deed the First Owner shall assign to the Manager free of costs and consideration the whole of the Common Areas Undivided Shares together with the Common Areas and Common Facilities and the Manager shall hold the Common Areas Undivided Shares together with the Common Areas and Common Facilities on trust for the benefit of all the Owners.

9.6.2 On termination of the Manager's appointment the Manager shall assign free of costs the Common Areas Undivided Shares together with the Common Areas and Common Facilities free of costs or consideration to its successor in office Provided that if an Owners' Corporation is formed under the BMO, the Manager shall, if required by the Owners' Corporation, assign the Common Areas Undivided Shares together with the Common Areas and Common Facilities to the Owners' Corporation free of any expenses, costs or consideration, in which event, the Owners' Corporation must hold them on trust for the benefit of all Owners for the time being of the Land and the Development Provided Always that nothing herein contained shall in any way fetter or diminish the rights, power, authorities, entitlements, duties and obligations of the Manager contained in this Deed.

9.6.3 The rights of the First Owner set out in Clause 2.7 shall be subject to the rights and privileges of the Owner of the Hotel and shall not in any way adversely affect or prejudice the rights and privileges of the Owner of the Hotel under this Deed.

9.6.4 Notwithstanding anything contained in this Deed, the Manager shall not represent the Owner of the Hotel in any dealings with the Government directly affecting the Hotel.

9.7.1 The First Owner shall provide, at its own expense, temporary noise abatement and dust protection measures within the Development so as to minimize inconvenience to Owners from the continuing construction on the Land.

IN WITNESS whereof the First Owner, and the Manager hereto have caused their respective Common Seals to be hereunto affixed and the First Purchaser has set his hand and seal the day and year first above written.

THE FIRST SCHEDULE ABOVE REFERRED TO

Summary of Allocation of Undivided Shares

Service Apartment :

	<u>No. of Undivided Shares allocated to each Tower</u>	
Tower I	23,272	
Tower II	<u>19,194</u>	42,466

Retail Development : 1,355

Hotel : 21,190

Carpark :

<u>Carparking Space</u>	<u>Car Park No.</u>	<u>Floor</u>	<u>No. of Undivided Shares</u>	
176 Private Car Parking Space	P1 to P44	Basement	@13	572
	P45 to P71	Lower Ground	@13	351
	P72 to P123	Lower Ground		
		Mezzanine	@13	676
	P135 to P187	Lower Ground		
		Mezzanine	@13	689
8 Commercial Car Parking Space	P127 to P134	Lower Ground		
		Mezzanine	@13	104
3 Hotel Car Parking Space	P124 to P126	Lower Ground		
		Mezzanine	@13	39
18 Motor Cycle Parking Space	M1 to M5	Basement	@2	10
	M6 to M10	Lower Ground	@2	10
	M11 to M18	Lower Ground		
		Mezzanine	@2	16

Common Areas 3,365

TOTAL UNDIVIDED SHARES : 70,843

Allocation of Undivided Shares to each Service Apartment Unit

<u>Tower</u>	<u>Floor</u>	<u>Unit</u>	<u>No. of Undivided Shares allocated to each Unit</u>	<u>Sub-Total</u>
I	2/F	Flat A	56	
		Flat B	42	
		Flat C	41	
		Flat D	41	
		Flat E	42	
		Flat F	56	
		Flat G	65	
		Flat H	43	
		Flat J	43	
		Flat K	43	
		Flat L	43	
		Flat M	43	558
I	3/F – 50/F *	Flat A	56	
		Flat B	41	
		Flat C	41	
		Flat D	41	
		Flat E	41	
		Flat F	56	
		Flat G	65	
		Flat H	42	
		Flat J	43	
		Flat K	43	
		Flat L	43	
		Flat M	42	<u>22,714</u>
				23,272

Note : (i) “*” = There are no designation of 4/F, 13/F, 14/F, 24/F, 34/F and 44/F.
(ii) 26/F of Tower I is Refuge Floor.

Allocation of Undivided Shares to each Service Apartment Unit

<u>Tower</u>	<u>Floor</u>	<u>Unit</u>	<u>No. of Undivided Shares allocated to each Unit</u>	<u>Sub-Total</u>
II	2/F	Flat A	49	
		Flat B	41	
		Flat C	39	
		Flat D	42	
		Flat E	56	
		Flat F	43	
		Flat G	42	
		Flat H	42	
		Flat J	44	
		Flat K	59	457
II	3/F – 50/F *	Flat A	49	
		Flat B	41	
		Flat C	39	
		Flat D	42	
		Flat E	56	
		Flat F	43	
		Flat G	42	
		Flat H	42	
		Flat J	44	
		Flat K	59	<u>18,737</u>
				19,194

Note : (i) “*” = There are no designation of 4/F, 13/F, 14/F, 24/F, 34/F and 44/F.
(ii) 26/F of Tower II is Refuge Floor.

THE SECOND SCHEDULE ABOVE REFERRED TO

Summary of Allocation of Management Shares

Service Apartment :

	No. of Management Shares allocated to each Tower	
Tower I	23,272	
Tower II	<u>19,194</u>	42,466

Retail Development : 1,355

Hotel : 21,190

Carpark :

<u>Carparking Space</u>	<u>Car Park No.</u>	<u>Floor</u>	<u>No. of Management Shares</u>	
176 Private Car Parking Space	P1 to P44	Basement	@13	572
	P45 to P71	Lower Ground	@13	351
	P72 to P123	Lower Ground		
		Mezzanine	@13	676
	P135 to P187	Lower Ground		
		Mezzanine	@13	689
8 Commercial Car Parking Space	P127 to P134	Lower Ground		
		Mezzanine	@13	104
3 Hotel Car Parking Space	P124 to P126	Lower Ground		
		Mezzanine	@13	39
18 Motor Cycle Parking Space	M1 to M5	Basement	@2	10
	M6 to M10	Lower Ground	@2	10
	M11 to M18	Lower Ground		
		Mezzanine	@2	16

Common Areas 0

TOTAL MANAGEMENT SHARES : 67,478

Allocation of Management Shares to each Service Apartment Unit

<u>Tower</u>	<u>Floor</u>	<u>Unit</u>	<u>No. of Management Shares allocated to each Unit</u>	<u>Sub-Total</u>
I	2/F	Flat A	56	
		Flat B	42	
		Flat C	41	
		Flat D	41	
		Flat E	42	
		Flat F	56	
		Flat G	65	
		Flat H	43	
		Flat J	43	
		Flat K	43	
		Flat L	43	
		Flat M	43	558
I	3/F – 50/F *	Flat A	56	
		Flat B	41	
		Flat C	41	
		Flat D	41	
		Flat E	41	
		Flat F	56	
		Flat G	65	
		Flat H	42	
		Flat J	43	
		Flat K	43	
		Flat L	43	
		Flat M	42	<u>22,714</u>
				23,272

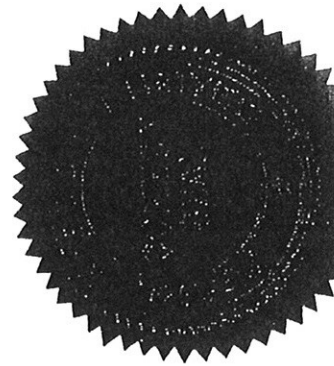
Note : (i) “*” = There are no designation of 4/F, 13/F, 14/F, 24/F, 34/F and 44/F.
(ii) 26/F of Tower I is Refuge Floor.

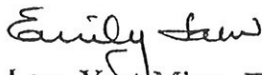
Allocation of Management Shares to each Service Apartment Unit

<u>Tower</u>	<u>Floor</u>	<u>Unit</u>	<u>No. of Management Shares allocated to each Unit</u>	<u>Sub-Total</u>
II	2/F	Flat A	49	
		Flat B	41	
		Flat C	39	
		Flat D	42	
		Flat E	56	
		Flat F	43	
		Flat G	42	
		Flat H	42	
		Flat J	44	
		Flat K	59	457
II	3/F – 50/F *	Flat A	49	
		Flat B	41	
		Flat C	39	
		Flat D	42	
		Flat E	56	
		Flat F	43	
		Flat G	42	
		Flat H	42	
		Flat J	44	
		Flat K	59	<u>18,737</u>
				19,194

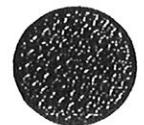
Note : (i) “*” = There are no designation of 4/F, 13/F, 14/F, 24/F, 34/F and 44/F.
(ii) 26/F of Tower II is Refuge Floor.

SEALED with the Common Seal of the)
)
First Owner and SIGNED by Chung)
)
Sun Keung, Davy, director duly)
)
authorized by resolution of the)
)
Board of Directors of the First Owner)
)
whose signature(s) is/are verified by :-)




Lam Yuet Ming, Emily
Solicitor, Hong Kong SAR
P. C. Woo & Co.

SIGNED SEALED AND DELIVERED by)
)
the First Purchaser (having been previously)
)
identified by production of their Hong)
)
Kong Identity Card(s) No(s).E674381(5))
)
and E857248(1) respectively in the)
)
presence of :-)




CHENG KA YU
Solicitor, Hong Kong SAR
P. C. Woo & Co.

DANIEL LIN HSIEN WEN
AUTHORIZED PERSON-ARCHITECT

UNEXCAVATED



註冊摘要編號 M/N: 08011403210029 A4C

BASEMENT PLAN

B.D.
F.S.D.

REMARKS

LEGEND

- ① CARPARK COMMON AREAS
- ② CARPARK COMMON AND/OR SERVICE APARTMENT COMMON AND/OR RETAIL COMMON AREAS

SCALE NO. 000000 000000 REVISIONS

REVISIONS

PROJECT

PROPOSED HOTEL AND SERVICE APARTMENT AT THE REMAINING PORTION OF KWAI CHUNG TOWN LOT NO.467, 33 WO YI HOP ROAD, KWAI CHUNG, N.T.

DRAWING TITLE

BASEMENT PLAN

DRAWN BY APPROVED BY

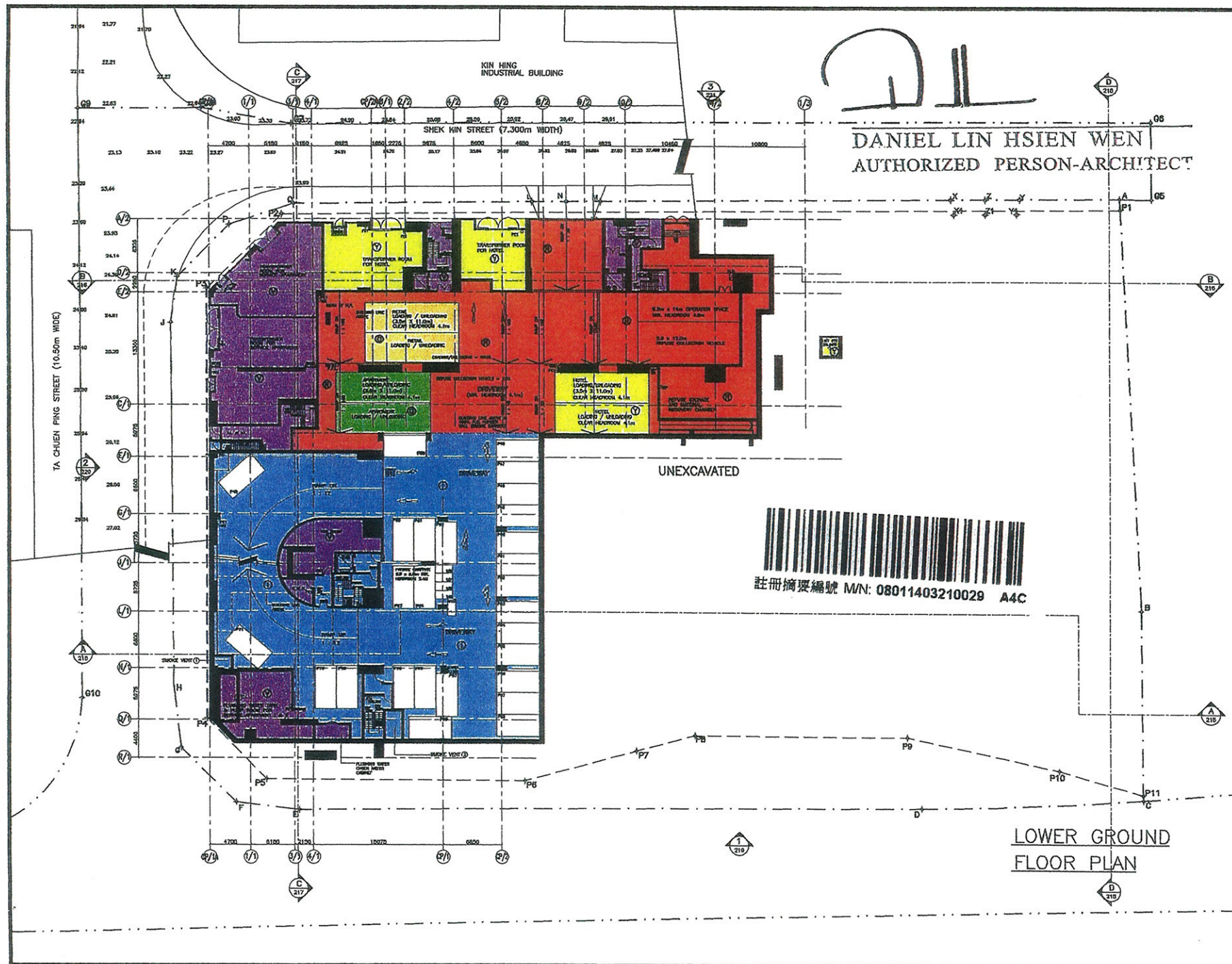
REVIEWED BY PROJECT NO.

A 00508

ISSUED FOR DATE OCT., 2005

DRAWING NO. SCALE

DMC 1(b) 1:200



DANIEL LIN HSIEN WEN
AUTHORIZED PERSON-ARCHITECT

B.D.
F.S.D.

REMARKS

- LEGEND
- ① CARPARK COMMON AREAS
 - ② SERVICE APARTMENT COMMON AREAS
 - ③ RETAIL COMMON AREAS
 - ④ CARPARK COMMON AND/OR SERVICE APARTMENT COMMON AND/OR RETAIL COMMON AREAS
 - ⑤ DEVELOPMENT COMMON AREAS
 - ⑥ HOTEL

REVISION NO. & DATE

REVISIONS

PROJECT

PROPOSED HOTEL AND SERVICE APARTMENT AT THE REMAINING PORTION OF KWAI CHUNG TOWN LOT NO.467, 33 WO YI HOP ROAD, KWAI CHUNG, N.T.

DRAWING TITLE

LOWER GROUND FLOOR PLAN

DRAWN

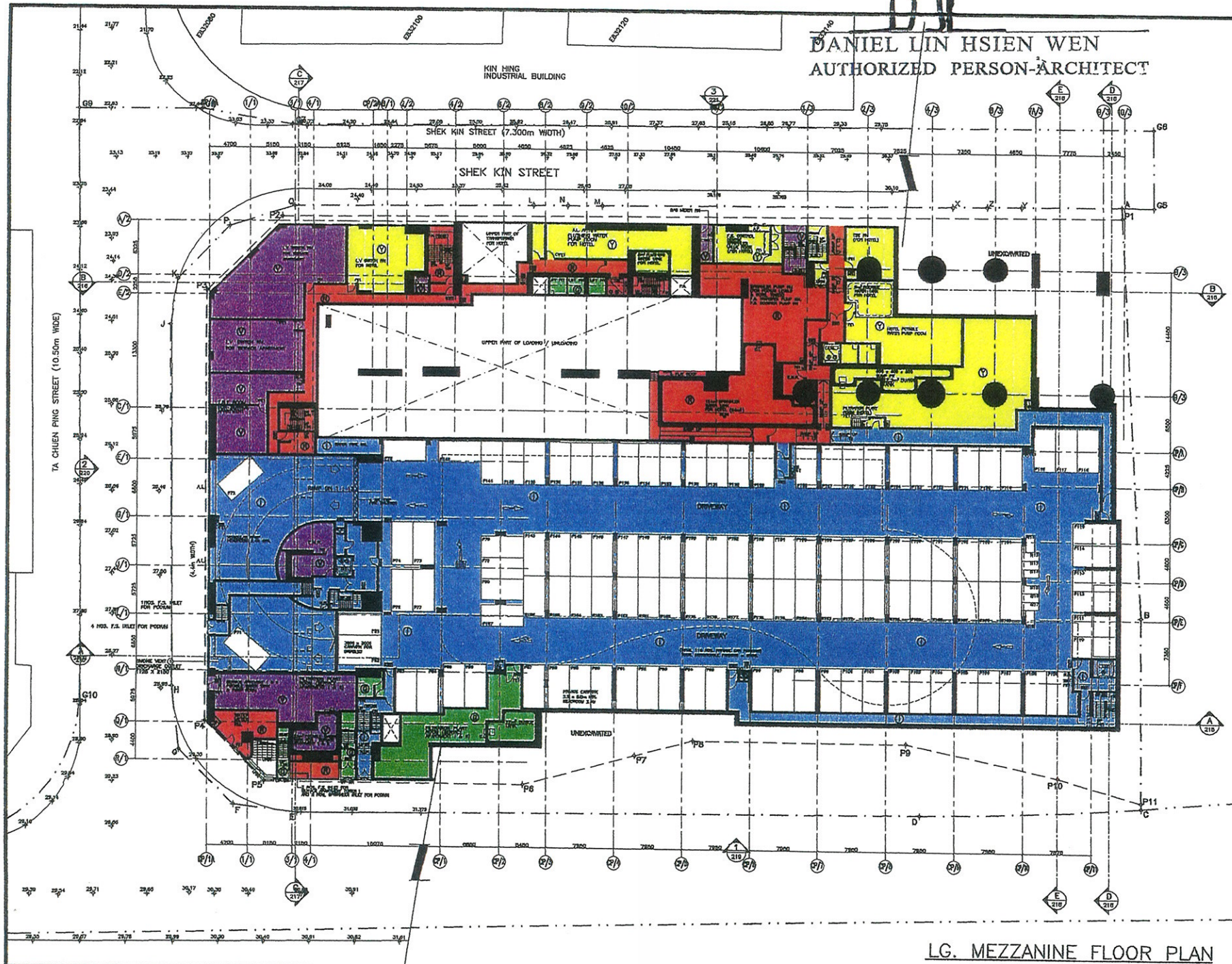
APPROVED

REVIEWED

ISSUED FOR

DRAWING NO.

DMC 2(b) 1:200



DANIEL LIN HSIEN WEN
AUTHORIZED PERSON-ARCHITECT

A+T DESIGN
藝達建築設計公司

B.D.

F.B.D.

REMARKS

LEGEND

- ① CARPARK COMMON AREAS
- ② SERVICE APARTMENT COMMON AREAS
- ③ CARPARK COMMON AND/OR SERVICE APARTMENT COMMON AND/OR RETAIL COMMON AREAS
- ④ DEVELOPMENT COMMON AREAS
- ⑤ HOTEL

2. DRAWING NO. 00508 DATE 10/10/2005

3. PROJECT NAME

4. PROJECT LOCATION

PROPOSED HOTEL AND SERVICE APARTMENT AT THE REMAINING PORTION OF KWAI CHUNG TOWN LOT NO.487, 33 WO YI HOP ROAD, KWAI CHUNG, N.T.

5. DRAWING TITLE

LOWER GROUND MEZZANINE FLOOR PLAN

6. DRAWN BY DATE APPROVED

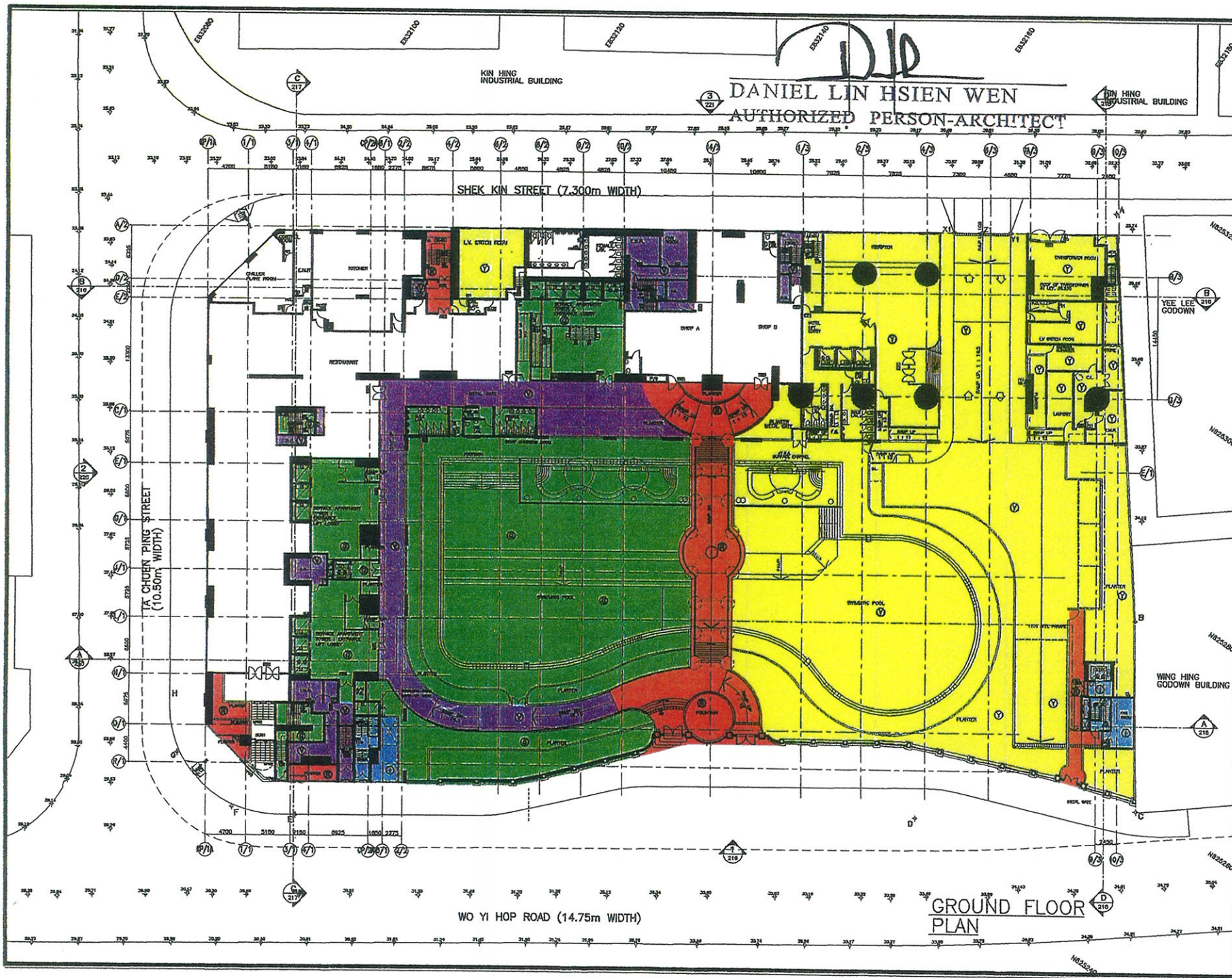
7. REVIEWED BY DATE

8. ISSUED FOR DATE

9. DRAWING NO. 10. SCALE

DMC 3(a) 1:200

LG. MEZZANINE FLOOR PLAN



A-T DESIGN
藝達建築設計公司

B.O.
F.S.O.

REMARKS

LEGEND

REVISIONS

PROPOSED HOTEL AND SERVICE APARTMENT AT THE REMAINING PORTION OF KWAI CHUNG TOWN LOT NO.467, 33 WO YI HOP ROAD, KWAI CHUNG, N.T.

DRAWING TITLE

GROUND FLOOR PLAN

DRAWN BY

APPROVED BY

REVIEWED BY

ISSUED FOR

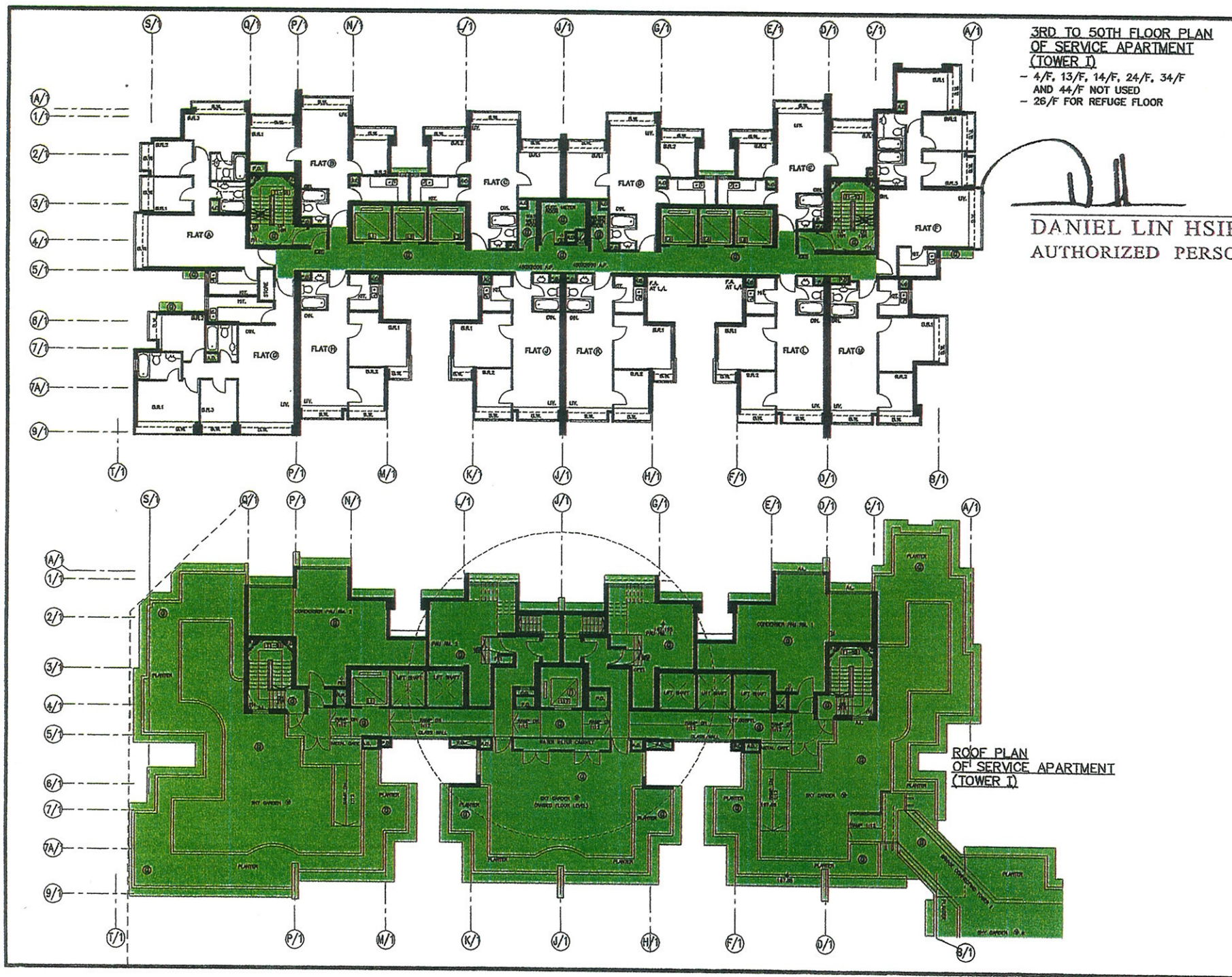
DRAWING NO.

DMC 4(a) 1:200

$\frac{3}{21}$ 

1
210

DMC 6(a) 1:200



**3RD TO 50TH FLOOR PLAN
OF SERVICE APARTMENT
(TOWER I)**

- 4/F, 13/F, 14/F, 24/F, 34/F
AND 44/F NOT USED
- 26/F FOR REFUGE FLOOR

DANIEL LIN HSIEN WEN
AUTHORIZED PERSON-ARCHITECT

A+T DESIGN
藝達建築設計公司

S.D.

F.O.D.

REMARKS

LEGEND

① SERVICE APARTMENT
COMMON AREAS

R.D.N. DATE 0000000000

REVISIONS

PROJECT

PROPOSED HOTEL AND
SERVICE APARTMENT
AT THE REMAINING
PORTION OF KWAI CHUNG
TOWN LOT NO.467,
33 WO YI HOP ROAD,
KWAI CHUNG, N.T.

DRAWING TITLE

TYPICAL FLOOR PLAN
& ROOF PLAN OF
SERVICE APARTMENT
(TOWER I)

DRAWN BY

CHECKED BY

ISSUED FOR

DATE

SCALE

DMC 7(a) 1:100

D.D.

F.S.D.

REMARKS

LEGEND

② SERVICE APARTMENT
COMMON AREAS

3RD TO 50TH FLOOR PLAN
OF SERVICE APARTMENT
(TOWER II)

- 4/F, 13/F, 14/F, 24/F, 34/F
AND 44/F NOT USED
- 26/F FOR REFUGE FLOOR

DANIEL LIN HSIEN WEN
AUTHORIZED PERSON-ARCHITECT

DATE NO. & DATE

REVISIONS

PROJECT

PROPOSED HOTEL AND
SERVICE APARTMENT
AT THE REMAINING
PORTION OF KWAI CHUNG
TOWN LOT NO.467,
33 WO YI HOP ROAD,
KWAI CHUNG, N.T.

DRAWING TITLE

TYPICAL FLOOR PLAN
& ROOF PLAN OF
SERVICE APARTMENT
(TOWER II)

DRAWN

APPROVED

REVIEWED

JOB NO.

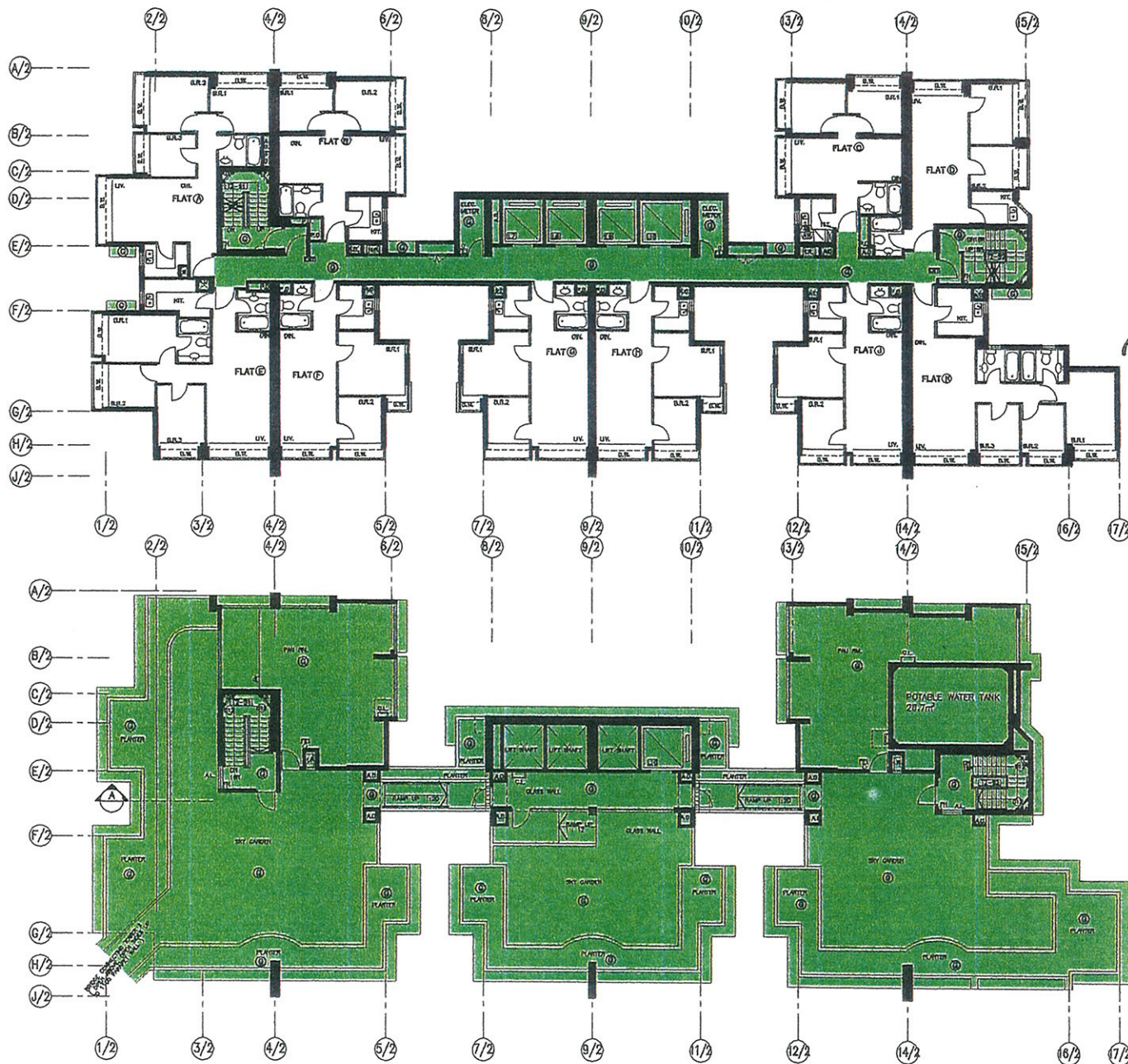
ISSUED FOR

DATE

DRAWING NO.

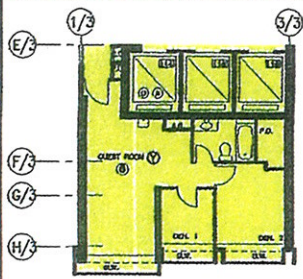
SCALE

DMC 8(a) 1:100

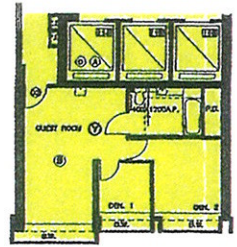


SERVICES APARTMENT TOWER II ROOF PLAN

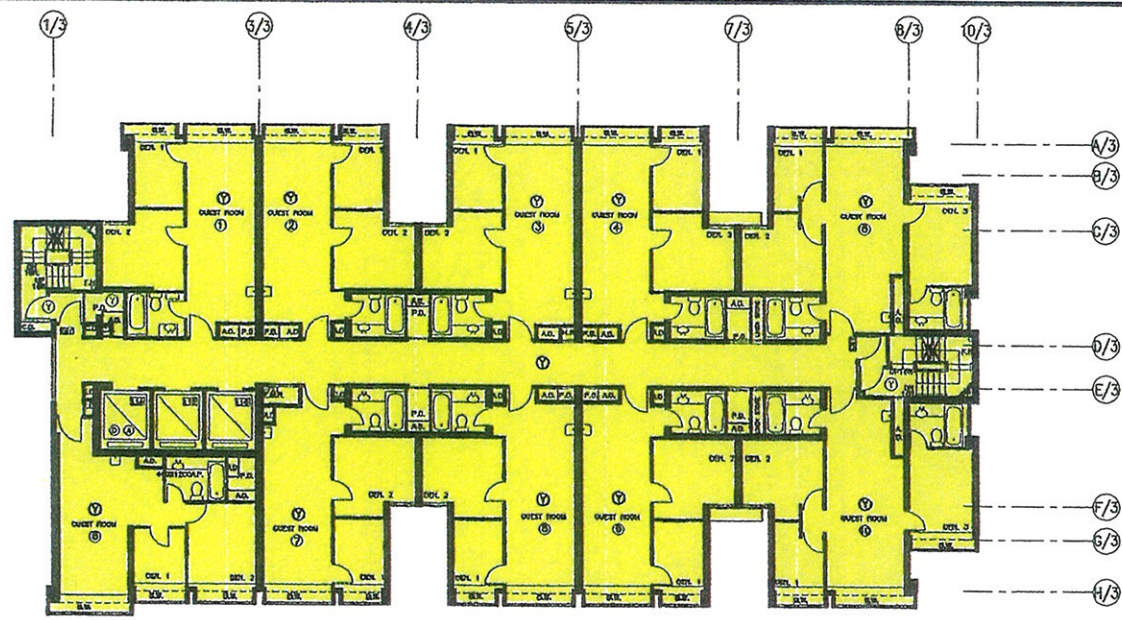




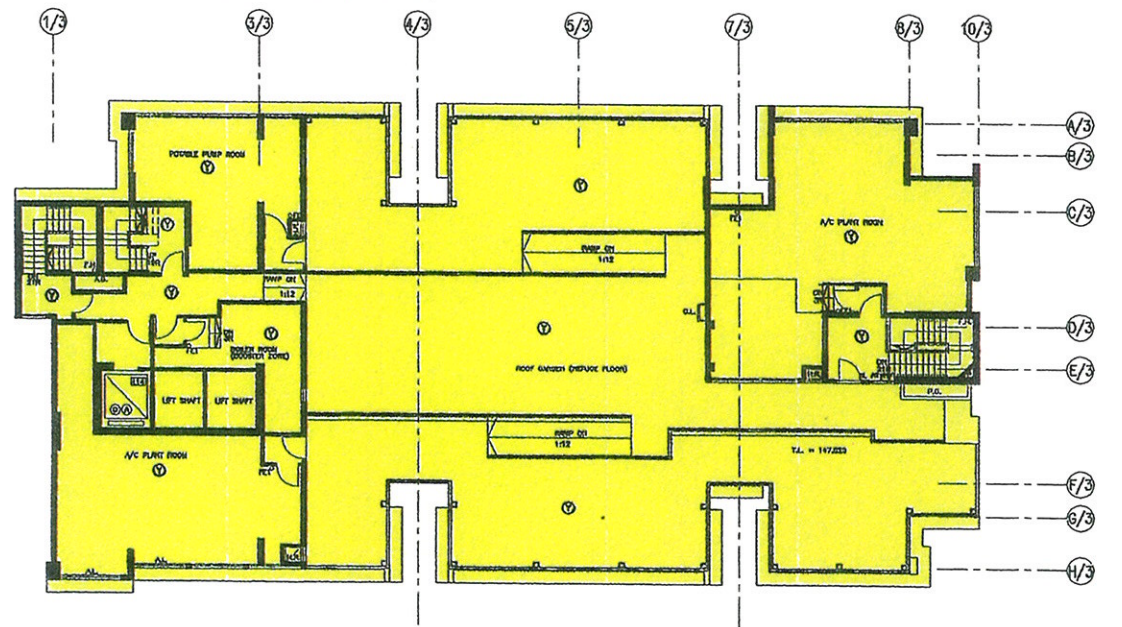
PART PLAN OF GUEST ROOM
FOR 28TH FLOOR



PART PLAN OF GUEST ROOM FOR
DISABLE AT 19TH - 23RD FLOOR
AND 25TH - 27TH FLOOR



TYPICAL FLOOR PLAN OF HOTEL TOWER
(3RD TO 42ND FLOOR)



ROOF PLAN OF HOTEL TOWER

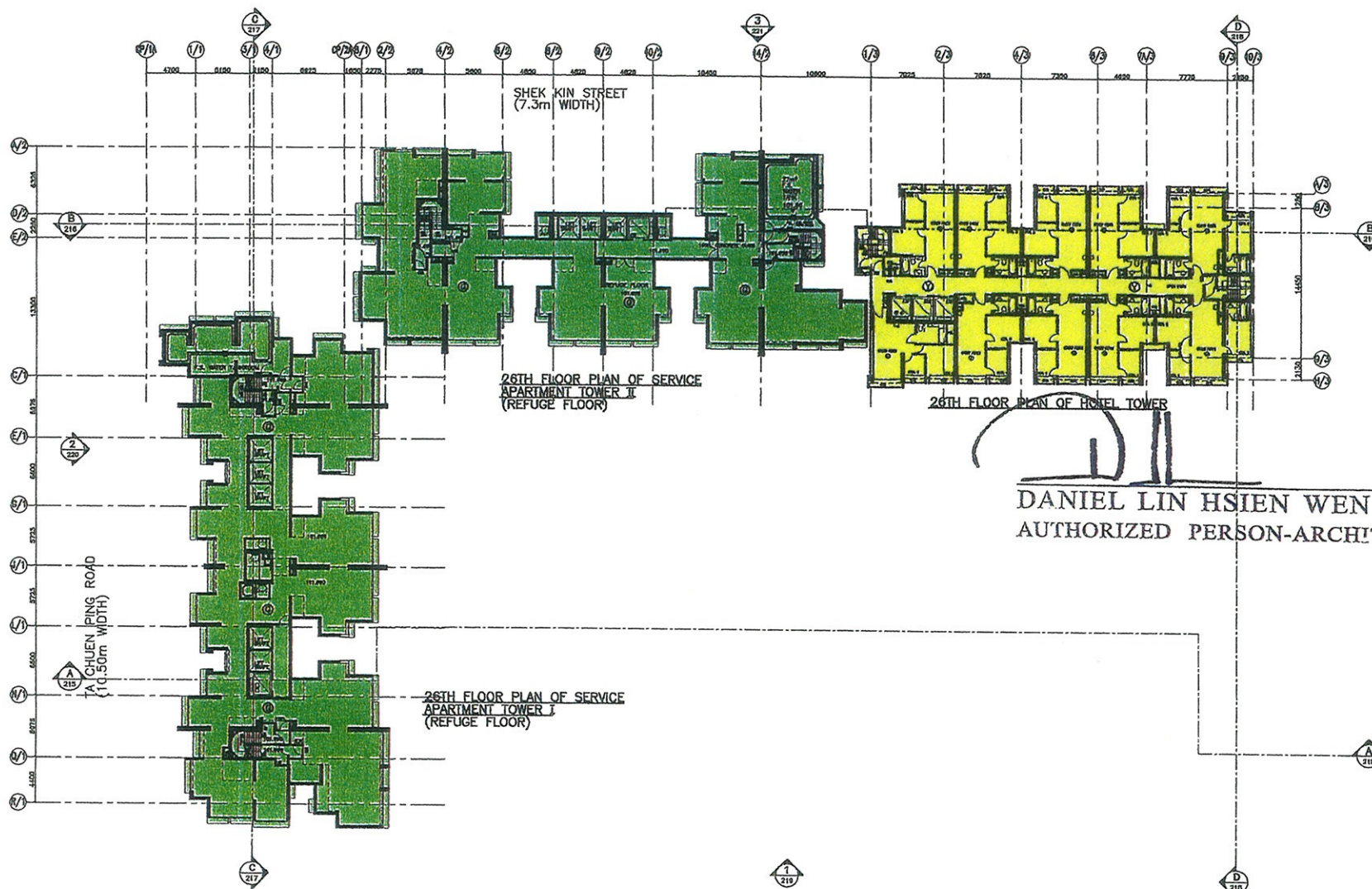
[Signature]

DANIEL LIN HSIEN WEN
AUTHORIZED PERSON-ARCHITECT



註冊摘要編號 M/N: 08011403210029 A4C

B.A.	
F.A.A.	
REMARKS	
LEGEND	HOTEL
REVISION NO.	000000
DATE	
REVISIONS	
PROJECT	PROPOSED HOTEL AND SERVICE APARTMENT AT THE REMAINING PORTION OF KWAI CHUNG TOWN LOT NO.467, 33 WO YI HOP ROAD, KWAI CHUNG, N.T.
DRAWING TITLE	TYPICAL FLOOR PLAN & ROOF PLAN OF HOTEL
DRAWN	APPROVED
REVIEWED	JOB NO.
ISSUED FOR	DATE
DRAWING NO.	SCALE
	DMC 9(a) 1:100



DANIEL LIN HSIEN WEN
AUTHORIZED PERSON-ARCHITECT

B.D.

P.A.D.

REMARKS

LEGEND

- ① SERVICE APARTMENT COMMON AREAS
- ② HOTEL

REVISION NO. DATE REVISIONS

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REVISION NO. DATE REVISIONS

REVISION NO. DATE REVISIONS

REVISION NO. DATE REVISIONS

PROPOSED HOTEL AND SERVICE APARTMENT AT THE REMAINING PORTION OF KWAI CHUNG TOWN LOT NO.467, 33 WO YI HOP ROAD, KWAI CHUNG, N.T.

DRAWING TITLE

REFUGE FLOOR OF SERVICE APARTMENT & HOTEL AT 26TH FLOOR PLAN

DRAWN APPROVED

REVIEWED JOB NO.

ISSUED FOR DATE OCT., 2005

DRAWING NO. SCALE

DMC 10(a) 1:200



註冊編號 M/N: 08011403210029 A4C

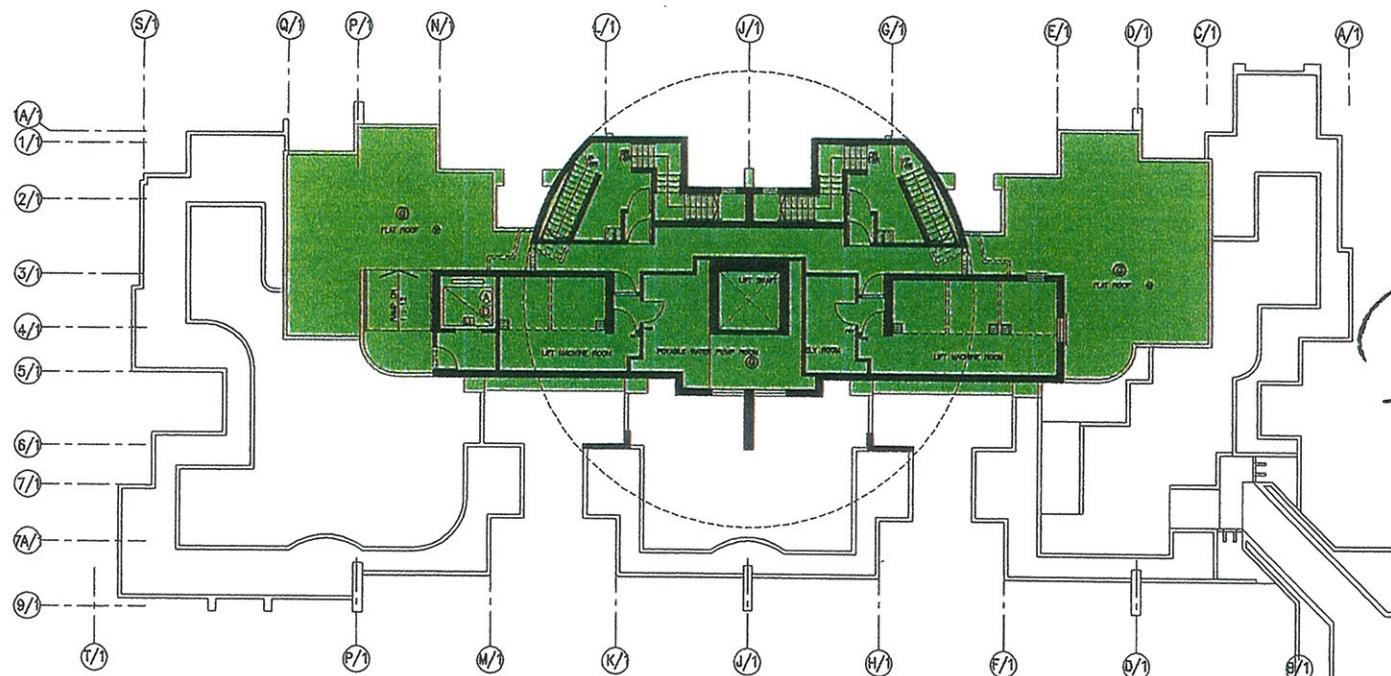
R.D.

F.R.D.

REVISIONS

LEGEND

① SERVICE APARTMENT
COMMON AREAS



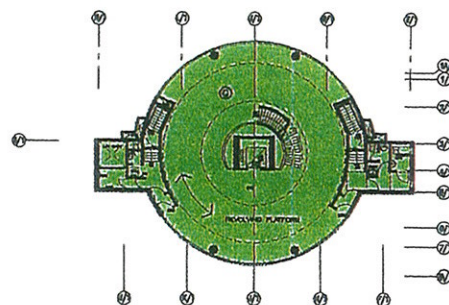
DLL

DANIEL LIN HSIEN WEN
AUTHORIZED PERSON ARCHITECT

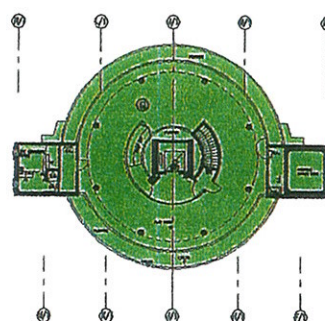
LIFT MACHINE ROOM AT LEV.170.10



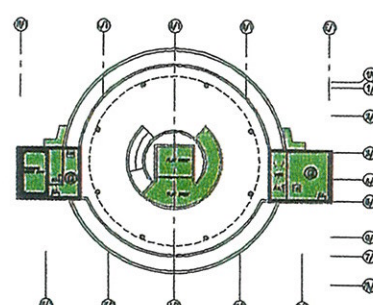
註冊摘要編號 M/N: 08011403210029 A4C



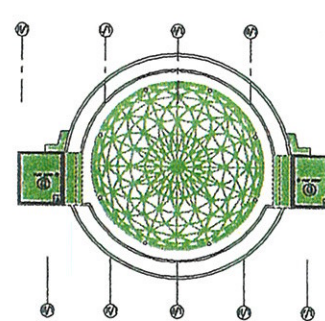
SKY GYM AT 174.10
SCALE 1 : 200



TOP ROOF PLAN 178.25
SCALE 1 : 200



LIFT MACHINE ROOM AT LEVEL 180.55
SCALE 1 : 200



② UPPER ROOF PLAN
SCALE 1 : 200

2.11 NO. 0110 DATE 11/11/2005

REVISIONS

2.12 PROJECT

PROPOSED HOTEL AND
SERVICE APARTMENT
AT THE REMAINING
PORTION OF KWAI CHUNG
TOWN LOT NO.487,
33 WO YI HOP ROAD,
KWAI CHUNG, N.T.

2.13 DRAWING TITLE

LIFT MACHINE,
GYMNASIUM FLOOR &
TOP ROOF PLAN OF
SERVICE APARTMENT
TOWER 1

2.14 DRAWN 2.15 APPROVED

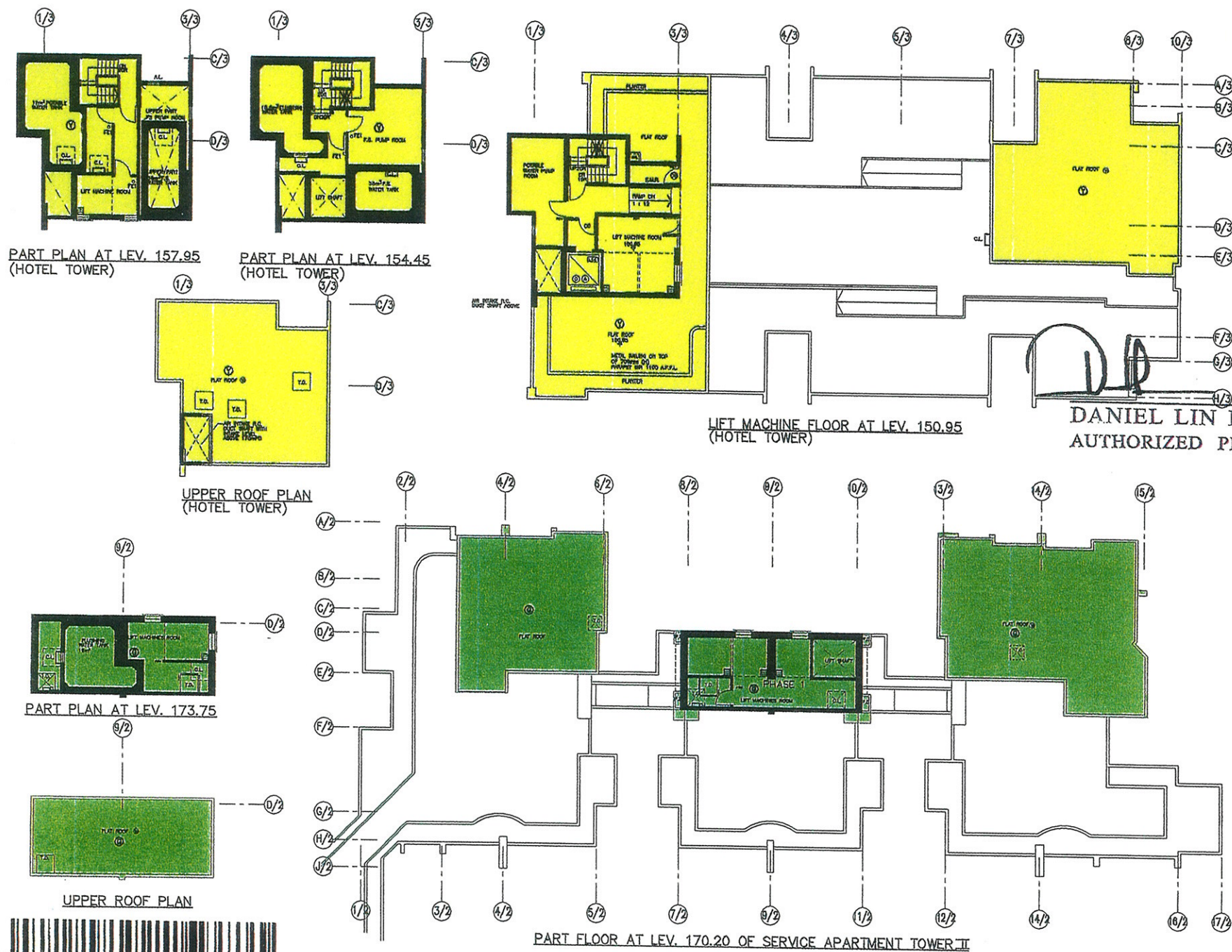
2.16 REVIEWED 2.17 JOB NO.

2.18 ISSUED FOR 2.19 DATE
OCT., 2005

2.20 DRAWING NO. 2.21 SCALE

DMC 11(a) 1:100

A+T DESIGN
藝達建築設計公司



DANIEL LIN HSIEN WEN
AUTHORIZED PERSON-ARCHITECT

2210. 8/10/05 001/001
001/001
001/001
PROPOSED HOTEL AND
SERVICE APARTMENT
AT THE REMAINING
PORTION OF KWAI CHUNG
TOWN LOT NO.467,
33 WO YI HOP ROAD,
KWAI CHUNG, N.T.

DRAWING TITLE
LIFT MACHINE FLOOR &
TOP ROOF PLAN OF
SERVICE APARTMENT
TOWER II & HOTEL

DRAWN BY: 001/001
CHECKED BY: 001/001
ISSUED FOR: 001/001
DATE: OCT., 2005
DRAWING NO.: 001/001
SCALE: DMC 12(a) 1:100

Dated the 21st day of December 2007.

PEARL WISDOM LIMITED

and

YEUNG KOON FAI
WONG SO KUEN

and

GOODWELL PROPERTY MANAGEMENT LIMITED

DEED OF MUTUAL COVENANT
INCORPORATING MANAGEMENT AGREEMENT

in respect of

THE REMAINING PORTION OF
KWAI CHUNG TOWN LOT NO.467



註冊摘要編號 Memorial No.:

08011403210029

本文書於2008年1月14日在土地註冊處
以上述註冊摘要編號註冊。

This instrument was registered in the
Land Registry by the above Memorial
No. on 14 January 2008.

土地註冊處處長
Land Registrar

I hereby certify that this is
a true and complete copy of
the original.

Dated the 16 OCT 2008

WOO, KWAN, LEE & LO,
25th Floor, Jardine House,
1 Connaught Place,
Hong Kong.

Solicitor, Hong Kong SAR
Woo, Kwan, Lee & Lo

Docu#0290

B900/IC/sl

BETWEEN:

- WHEREAS:**

- 1 -

First Schedule hereto.

(5) For the purpose of fixing and determining the amount to be contributed by each Owner of the Hotel Room Units towards the Hotel Management Expenses (as hereinafter defined) and the Hotel Management Funds (as hereinafter defined), Hotel Management Shares (as hereinafter defined) shall be allocated to the Hotel Room Units in the manner as are more particularly set out in the Second Schedule hereto. The total of the Hotel Management Shares together make up the 21,190 Management Shares (as defined in the Principal Deed) allocated to the Hotel under the Principal Deed.

(6) By an Assignment bearing even date herewith and made between the First Owner of the one part and the Covenanting Owner of the other part, the First Owner assigned unto the Covenanting Owner All Those [] equal undivided 70,843rd parts or shares of and in the Land and the Development Together with the full and exclusive right and privilege to hold use occupy and enjoy All That Hotel Room Unit No.[] on the [] Floor of The Apex Horizon (also known as the Hotel) of the Development ("**the First Hotel Room Unit**").

(7) The parties hereto have agreed to enter into these presents to provide for the proper Management (as hereinafter defined), operation, servicing, maintenance, repair, decoration, renovation, improvement and insurance of the Hotel and for the purposes of defining and regulating the rights interests and obligations of themselves and all subsequent owners in respect of the Hotel.

(8) The Director of Lands has given his approval to the terms of this Sub-Deed.

NOW THIS DEED WITNESSETH as follows:

SECTION I

DEFINITIONS

Expressions used in this Sub-Deed shall (unless otherwise specifically defined or re-defined herein) have the same meanings as defined in the Principal Deed.

"Applicable Conditions"	All or any applicable laws and regulations applicable to the Hotel and/or any hotel operation or business and for the time being in force in Hong Kong, including but not limited to, where applicable, the Hotel and Guesthouse Accommodation Ordinance (Chapter 349 of the Laws of Hong Kong), the Hotel Proprietors Ordinance (Chapter 158 of the Laws of Hong Kong) and the Hotel Accommodation Tax Ordinance (Chapter 348 of the Laws of Hong Kong) the Hotel Rules and all Permits applicable thereto.
"Chairman"	The chairman of the Hotel Owners' Committee (as hereinafter defined) appointed in accordance with the provisions hereof from time to time.
"Hotel Common Areas"	All those areas or parts of the Hotel the right to the use of which is designated by the First Owner in accordance with the provisions of this Sub-Deed for common use and benefit of the Owners and occupiers of the Hotel Room Units and the right to the exclusive use of which is not given by this Sub-Deed or otherwise to the First Owner or the Owner of any individual Hotel Room Unit and is not otherwise specifically assigned and which, without limiting the generality of the foregoing, include external walls of the Hotel (including, but not limited to, curtain walls, glass walls and windows on the exterior part of the Hotel), Hotel Recreational Facilities (as hereinafter defined), Hotel Transformer Rooms (as hereinafter defined), all entrance doors of the Hotel Room Units, lay-bys, loading and unloading spaces, parapet-walls, canopies, flat roofs, upper roofs, roofs, electric meter rooms, filtration plant room, cable duct, fire services control centre, sprinkler valve room, refuge floor, fire services pump room, architectural features, planters, lift lobbies, halls, transfer plate, staircases, walkways, fan room, switch rooms, landscaped areas, open spaces, driveways, ramps, water pump rooms, services ducts, back-of-house areas, store rooms, workshops, laundry, hotel staff rooms, lavatories, water feature, PAU room, genset room, water heater and pump rooms, air-conditioning plant rooms, telecommunications and broadcasting equipment room, boiler room, water tanks, surge tank, lift shafts, lift machine room, lift pits, planter metal gate, electric meter rooms, reception, pipe ducts and air ducts. For the purpose of identification, the Hotel Common Areas are

shown coloured brown on the plans certified as to their accuracy by and on behalf of the Authorized Person (as defined in the Principal Deed) annexed hereto.

"Hotel Common Facilities"	All those installations and facilities in the Hotel Common Areas used in common by or installed for the common benefit of all the Hotel Room Units and not for the exclusive use or benefit of any individual Hotel Room Unit or the Hotel as a whole and which include, without limiting the generality of the foregoing, the Works and Installations (as hereinafter defined), surface channel, hotel signs, signboards, lightning pole, drains, switches, meters, pipes, pumps, wires, cables, lights, antennae, external decorative aluminium louvres, lifts, installations and facilities in the lift machine rooms, water tanks, fire warning and fighting equipment, refuse disposal equipment and apparatus, back-of-house facilities and other service facilities apparatus whether ducted or otherwise.
"Hotel Licence"	The licence in respect of the Hotel from time to time issued by the Licensing Authority under the Hotel and Guesthouse Accommodation Ordinance (Chapter 349 of the Laws of Hong Kong) and for the time being in force and the expression " Hotel Licence " includes all terms and conditions upon and subject to which the said licence shall be issued and/or such other terms and conditions as may from time to time be imposed by the Licensing Authority in respect of or in connection with the said licence.
"Hotel Management Budget"	The annual budget prepared by the Hotel Manager in accordance with Clause 1(a) of Subsection D of Section VI of this Sub-Deed.
"Hotel Management Expenses"	All costs, expenses and charges reasonably and necessarily incurred or to be incurred for the Management of the Hotel, including the Management Fee (as defined in the Principal Deed) payable by the Hotel to the Manager (as defined in the Principal Deed) under the Principal Deed and the Hotel Manager's Remuneration.
"Hotel Management Fee"	A due proportion of estimated Hotel Management Expenses and Hotel Manager's Remuneration (as hereinafter defined) payable by the Owners of the Hotel Room Units monthly in accordance with the provisions of this Sub-Deed.
"Hotel Management Fund"	All monies (including all interest and charges thereon) received, recovered or held by the Hotel Manager for the use and benefit of the Hotel pursuant to this Sub-Deed except only the Hotel Manager's Remuneration and the Hotel Sinking Fund.

"Hotel Management Shares"	The shares allocated to the Hotel Room Units in manner as set out in the Second Schedule hereto by reference to which the proportion of the Hotel Management Expenses and Hotel Manager's Remuneration to be borne by the Owners of the Hotel Room Units shall be calculated. The total of the Hotel Management Shares together make up the 21,190 Management Shares (as defined in the Principal Deed) allocated to the Hotel under the Principal Deed.
"Hotel Manager"	[] or the Manager for the time being appointed under the provisions in these presents to manage the Hotel pursuant to the provisions of this Sub-Deed.
"Hotel Manager's Remuneration"	The remuneration payable to the Hotel Manager pursuant to the provisions of this Sub-Deed.
"Hotel Owners' Committee"	The Hotel Owners' Committee formed under the provisions of this Sub-Deed.
"Hotel Recreational Facilities"	All recreational facilities of the Hotel including, but not limited to the swimming pool as shown coloured brown on the Ground Floor Plan annexed hereto and other areas or facilities provided within the Hotel for use by the Owners and occupiers of the Hotel Room Units and their bona fide visitors for recreational purposes.
"Hotel Room Unit" or "Hotel Room Units"	Guest room(s) and/or suite(s) in the Hotel to which equal Undivided Shares (as defined in the Principal Deed) have been or may be sub-allocated.
"Hotel Room Unit Percentage"	As regards each Hotel Room Unit, the percentage representing the proportion which the number of equal Undivided Shares for the time being allocated to such Hotel Room Unit bears to the total number of equal Undivided Shares for the time being allocated to all Hotel Room Units.
"Hotel Rules"	The rules which have been or may be made pursuant to these presents by the Hotel Manager relating to the Management, use, operation and maintenance of the Hotel from time to time.
"Hotel Sinking Fund"	A special fund to be established and maintained by the Hotel Manager to provide for expenditure of a kind not expected by him to be incurred annually.
"Hotel Transformer Rooms"	All transformer rooms within the Hotel including ventilation systems, building services, the enclosing wall of the Hotel Transformer Rooms, cable entry facilities, structures for cable

ducts/troughs/raisers/draw pits and meter boards serving the transformer rooms within the Hotel.

"Licensing Authority"	The Hotel and Guesthouse Accommodation Authority constituted under the Hotel and Guesthouse Accommodation Ordinance (Chapter 349 of the Laws of Hong Kong).
"maintain"	Operate, service, repair, uphold, support, rebuild, overhaul, pave, purge, scour, cleanse, empty, amend, replace, renovate, improve and decorate or any of such of the foregoing as may be applicable in the circumstances and are in the interest of good management.
"Management"	All duties and obligations to be performed and observed by the Hotel Manager pursuant to the provisions of this Sub-Deed.
"Permit(s)"	All or any permits, licences, consents, approvals, certificates, qualifications, specifications, registrations and/or any other authorisations (including, in particular but without limitation, the Hotel Licence) as may from time to time be required under applicable laws or regulations or by any Government or other authority for or in respect of the operation, carrying on or conduct of hotel operation or business at the Hotel and which expression includes all or any terms and conditions upon and subject to which the said permits, licences, consents, approvals, certificates, qualifications, specifications, registrations and/or any other authorisations shall be issued, given or granted and/or such other terms and conditions as may from time to time be imposed by such Government or other authority and, where applicable, for the time being in force.
"Works and Installations"	The major works and installations in the Hotel which require regular maintenance on a recurrent basis, a schedule of which as at the date hereof is included in the Third Schedule to this Sub-Deed.

SECTION II

RIGHTS OF THE FIRST OWNER AND THE COVENANTING OWNER

1. The First Owner shall at all times hereafter subject to and with the benefit of the Government Grant, the Principal Deed, this Sub-Deed and the Applicable Conditions have the sole and exclusive right and privilege to hold, use, occupy and enjoy to the exclusion of the Covenanting Owner the whole of the Hotel together with the appurtenances thereto and the entire rents and profits thereof save and except the First Hotel Room Unit and the Hotel Common Areas and the Hotel Common Facilities.
2. The Covenanting Owner shall at all times hereafter subject to and with the benefit of the Government Grant, the Principal Deed, this Sub-Deed and the Applicable Conditions have the full and exclusive right and privilege to hold, use, occupy and enjoy to the exclusion of the First Owner the First Hotel Room Unit together with the appurtenances thereto and the entire rents and profits thereof.
3. Subject to Section VIII hereof, the respective grants hereinbefore contained shall in each case be for the residue of the term of years created under the Government Grant.
4. Each Undivided Share of and in the Land and the Development and the full and exclusive right and privilege to hold use occupy and enjoy any part of the Hotel and to receive the rents and profits therefrom shall be held by the Owner or Owners of the Hotel Room Units concerned from time to time entitled thereto subject to and with the benefit of the Government Grant, the Principal Deed, this Sub-Deed and the Applicable Conditions.
5. The Owners of the Hotel Room Units shall at all times hereafter be bound by and shall observe and perform the covenants provisions and restrictions set out in the Government Grant, the Principal Deed, this Sub-Deed and the Applicable Conditions and the benefit and burden thereof shall be annexed to every part of the Hotel and the Undivided Share or Shares held therewith. The Conveyancing and Property Ordinance (Cap.219) shall apply to this Sub-Deed.
6. Subject to the provisions of the Government Grant, the Principal Deed, this Sub-Deed and the Applicable Conditions, every Owner of the Hotel Room Units for the time being of any Undivided Share shall have the full right and liberty without reference to the other Owners or other persons who may be interested in any other Undivided Share in any way whatsoever and without the necessity of making such other Owners or other persons a party to the transaction to sell assign mortgage lease licence or otherwise dispose of or deal with his Undivided Share or interest in the Land and the Development together with the exclusive right and privilege to hold use occupy and enjoy such Hotel Room Units which may be held therewith (subject to the Applicable Conditions, the provisions of the Government Grant, the Principal Deed and this Sub-Deed) but any such sale assignment mortgage lease licence or other disposal shall be expressly subject to and with the benefit of

the Principal Deed and this Sub-Deed.

7. The right to the exclusive use occupation and enjoyment of any part of the Land and the Hotel shall not be sold, assigned, mortgaged, charged, licensed or otherwise dealt with separately from the Undivided Share(s) with which the same is held Provided Always that the provisions of this Clause shall not extend to leases or tenancies or licences (where applicable) the terms of which shall not exceed ten years (including any renewal thereof) at any one time.

8. Each and every Owner of the Hotel Room Units covenants with the First Owner with the intent that the covenants, rights, entitlements, exceptions and reservations herein conferred upon the First Owner shall bind each and every Owner of the Hotel Room Units and their respective successors and assigns and are intended to run and shall run with the Land and the Hotel and any interest therein and shall apply notwithstanding any provisions to the contrary contained in this Sub-Deed that the First Owner shall for as long as it remains the beneficial owner of any Undivided Shares of the Hotel have the right at any time or times and from time to time as it shall deem fit to do all or any of the following acts or deeds and to exercise all or any of the following rights which are hereby expressly excepted and reserved unto the First Owner without the concurrence or approval of any other Owner of the Hotel Room Units, the Hotel Manager or any other person interested in the Land and the Hotel except otherwise provided in the following sub-clauses :

- (a) Subject to the prior written approval of the Hotel Owners' Committee (if formed), the right to change, amend, vary, add to or alter the Approved Plans (as defined in the Principal Deed) for the Hotel or any part thereof existing at the date hereof without the concurrence or approval of the Owners of the Hotel Room Units or any of the parties hereto. But nothing herein shall absolve the First Owner from the requirements of obtaining the prior written consent of the Director of Buildings and any other statutory Government Authorities pursuant to the Government Grant and/or the Applicable Conditions Provided that any such change amendment variation addition or alteration shall not interfere with an Owner of the Hotel Room Unit's right to hold use occupy and enjoy such part of the Hotel which he owns (subject to the Applicable Conditions) or impede or restrict the access to and from any such part of the Hotel (subject to the Applicable Conditions).
- (b) The right to enter into a further sub-deed or sub-deeds of mutual covenant in respect of any part or parts of the Land and the Hotel owned by the First Owner Provided that such sub-deed or sub-deeds of mutual covenant shall not conflict with the provisions of the Government Grant, the Principal Deed or this Sub-Deed and the Applicable Conditions Provided Further That such sub-deed or sub-deeds of mutual covenant shall require the approval of the Director of Lands but where the Director of Lands is satisfied upon submission of the sub-deed or sub-deeds of mutual covenant that the sub-deed or sub-deeds of mutual covenant relate(s) only to the internal sub-division of a

Hotel Room Unit and by the sub-deed or sub-deeds of mutual covenant there will be no alteration to the Hotel Common Areas created under this Sub-Deed or liability for Hotel Management Expenses or other expenses under this Sub-Deed, the Director of Lands may in its absolute discretion waive the requirement of approval of such sub-deed or sub-deeds of mutual covenant.

- (c) In addition to and without in any way prejudicing the right of the First Owner under sub-clause (b) above, the full right and power to designate and declare by deed or in writing any area or part or parts of the Land and the Hotel the sole and exclusive right to hold, use, occupy and enjoy of which and to receive the rents and profits therefrom is for the time being owned by the First Owner to be additional Hotel Common Areas whereupon with effect from and for the duration of such designation or declaration such area or part or parts shall form part of the Hotel Common Areas and the Owners of the Hotel Room Units shall contribute to the maintenance and upkeep of the same as if they were part of the Hotel Common Areas Provided that
 - (i) such designation are for the benefit of all Owners of the Hotel Room Units and the approval by a resolution of Owners of the Hotel Room Units at an Owners' meeting of the Hotel Room Units convened under this Sub-Deed has been obtained; and
 - (ii) the exercise of the rights of the First Owner under this sub-clause (c) shall not in any way interfere with any other Owner of the Hotel Room Unit's exclusive right to hold, use, occupy and enjoy the Hotel Room Unit which such other Owner of the Hotel Room Unit owns (subject to the Applicable Conditions, the provisions of the Government Grant, the Principal Deed and this Sub-Deed) and his rights and interests under this Sub-Deed in respect of such Hotel Room Unit and shall not restrict or impede such other Owner of the Hotel Room Unit's right of access to and from the Hotel Room Unit which such other Owner of the Hotel Room Unit owns (subject to the Applicable Conditions).
- (d) The right to assign free of consideration all or any part of the Hotel Common Areas designated or created under the terms of this Sub-Deed together with Undivided Shares thereof (if any) to the Hotel Manager (who shall hold the same as trustee for all the Owners of the Hotel Room Units) subject to this Sub-Deed and the Government Grant and the Principal Deed and/or the Applicable Conditions for the common use and benefit of the Owners of the Hotel Room Units. All costs expenses and stamp duty (if any) of and incidental to such assignment shall be borne by the Hotel Manager and be paid out by way of the Hotel Management Expenses.

For the avoidance of doubt, the aforesaid rights may be exercised by the First Owner together

with any other rights which the First Owner may also be entitled to exercise under Clause 2.7 of Section II of the Principal Deed and such rights shall be deemed to be incorporated in this Clause 8 and without prejudice to the rights set out above.

9. In connection with the exercise of or incidental to the First Owner's rights mentioned in the preceding Clause 8 of Section II of this Sub-Deed, without prejudice to the generality of any of the aforesaid rights, each Owner of the Hotel Room Units agrees that the First Owner (and its successors and assigns) may without joining the Owners of the Hotel Room Units sign and/or seal and execute such deed(s) or document(s) as it or they consider(s) necessary or desirable for the exercise of or incidental to the First Owner's rights under the preceding Clause 8 of Section II of this Sub-Deed and each Owner of the Hotel Room Units do hereby irrevocably appoint the First Owner (and its successors and assigns) as his attorney (with full power of substitution and delegation and may act through such officers, employees, agents, nominees and any substitute attorneys as the attorney may from time to time appoint) to exercise effect and perform such rights and/or to sign and/or seal and execute any deed(s) and document(s) on his behalf (without concurrence or approval of any Owner of the Hotel Room Units, but if necessary, in conjunction with the First Owner and/or other Owners of the Hotel Room Units) and as his act and deed to deliver such deed(s) and document(s) as shall be required in connection with the exercise of such rights by the First Owner (and its successors and assigns) to effectuate any of the aforesaid purposes and such Owner of the Hotel Room Units hereby covenants that he will ratify and confirm all that the First Owner (and its successors and assigns) as such attorney as aforesaid shall lawfully do or cause to be done by virtue of this Sub-Deed and that the power of attorney hereby given shall bind the executor or executors and the administrator or administrators and the successor or successors and assign or assigns of such Owners of the Hotel Room Units and shall not be revoked by the death incapacity or the winding up (as the case may be) of such Owners of the Hotel Room Units.

10. In addition to and without in any way prejudicing the covenant under Clause 2.10 of the Principal Deed, in the event that an Owner of the Hotel Room Unit shall assign alienate transfer or otherwise dispose of his Hotel Room Unit, the Owner of the Hotel Room Unit shall include in the relevant assignment, instrument in writing or document a covenant in substantially the following terms : "The Purchaser hereby covenants with the Vendor for itself and as agent for Pearl Wisdom Limited ("the First Owner" which expression shall include its successors assigns and attorneys) to the intent that such covenants shall bind the Property and the owner or owners thereof for the time being and other person or persons deriving title under the Covenanting Purchaser (each and all of whom including the Purchaser is and are hereinafter included in the expression "the Covenanting Purchaser") and shall enure for the benefit of THE APEX HORIZON (also known as the Hotel) and be enforceable by the First Owner and their successors and assigns that :-

- (i) the Covenanting Purchaser confirms and acknowledges the covenants, rights, entitlements, exceptions and reservations ("the said rights") granted and conferred on the First Owner under Clause 2.7 of the Deed of Mutual Covenant Incorporating Management Agreement dated the 21st day of December 2007 registered in the Land Registry by Memorial

No.08011403210029 and Clause 8 of Section II of the Sub-Deed of Mutual Covenant and Management Agreement dated [] respectively and the Covenanting Purchaser shall not do or permit anything to be done which will in any way affect or hinder the exercise of the said rights by the First Owner;

- (ii) the Covenanting Purchaser shall, if required by the First Owner, do everything necessary, including giving express consents in writing to the exercise of the said rights by the First Owner, to facilitate the exercise of the said rights by the First Owner;
- (iii) the Covenanting Purchaser hereby expressly and irrevocably appoints the First Owner to be its attorney and grants unto the First Owner the full right power and authority to give all consents and to do all acts matters and things and to execute and sign seal and as the acts and deeds of the Covenanting Purchaser deliver such deeds and to sign such documents or instruments as may be necessary for the exercise of or incidental to the exercise of the rights conferred on the First Owner as aforesaid with full power of delegation and the Covenanting Purchaser hereby further covenants to do all acts matters and things and to execute sign seal and deliver such deeds or deeds and to sign such documents or instruments as may be necessary to give effect to such appointment and grant; and
- (iv) in the event of the Covenanting Purchaser selling or otherwise disposing of the Property, the Covenanting Purchaser shall sell or otherwise dispose of the Property upon the condition that the purchaser or assignee thereof shall enter into the same binding covenants on terms similar in scope and extent as the covenants (i), (ii) and (iii) hereinbefore contained.

PROVIDED that upon the Covenanting Purchaser complying with and performing the covenant (iv) hereinbefore contained, the Covenanting Purchaser shall not be liable for any breach of the covenants (i), (ii) and (iii) hereinbefore contained which may happen after the Covenanting Purchaser shall have sold or otherwise disposed of the Property in respect whereof such purchaser or assignee shall have entered into such covenants similar to scope and extent as the covenants (i), (ii) and (iii) hereinbefore contained.”

SECTION III

EASEMENTS RIGHTS AND PRIVILEGES THE BENEFIT OF WHICH IS HELD WITH EACH HOTEL ROOM UNIT

The Owner of a Hotel Room Unit shall have the benefit of the following easements, rights and privileges subject to the provisions of the Principal Deed, this Sub-Deed, the Hotel Rules and the Applicable Conditions and subject to the rights of the Hotel Manager and the First Owner as herein provided :

- (a) Full right and liberty for any Owner of the Hotel Room Units for the time being, his lawful occupants, guests, licensees, servants and agents (in common with all persons having the like right) to go pass or repass, over and along the Hotel Common Areas and the Development Common Areas (as defined in the Principal Deed) and to use the Hotel Common Facilities and the Development Common Facilities (as defined in the Principal Deed) for all purposes connected with the proper use and enjoyment of such Hotel Room Unit.
- (b) The right to subjacent and lateral support and to shelter and protection from the other parts of the Hotel and of the Development.
- (c) The free and uninterrupted passage and running of water, sewage, gas, electricity, ventilation, telephone and various other services from and to the Hotel Room Unit owned by the Owner of the Hotel Room Unit through the sewers, drains, watercourses, cables, pipes and wires which now are or may at any time hereafter be, in, under or passing through such Hotel Room Unit or the Hotel or the Development or any part or parts thereof for the proper use and enjoyment of the Hotel Room Unit owned by the Owner of the Hotel Room Unit.
- (d) The right for any Owner of the Hotel Room Units with or without workmen plant equipment and materials at all reasonable times after obtaining (except in the case of emergency) the consent of the Manager (as defined in the Principal Deed), the Hotel Manager or (as the case may be) the Owner of the relevant Hotel Room Unit (which consent shall not be unreasonably withheld) to enter upon other parts of the Land and the Development and the Hotel as may be necessary for the purpose of carrying out any works for the maintenance and repair of his Hotel Room Unit (such work not being the responsibility of the Hotel Manager under this Sub-Deed and which cannot practically be carried out without such access) causing as little disturbance as possible and forthwith making good any damage caused thereby.

SECTION IV

EASEMENTS, RIGHTS AND PRIVILEGES SUBJECT TO WHICH EACH HOTEL ROOM UNIT IS HELD

Subject to the provisions of the Principal Deed, this Sub-Deed, the Hotel Rules and the Applicable Conditions and subject to the rights of the Hotel Manager and the First Owner as herein provided, the following are the easements rights and privileges subject to which each Undivided Share and the right to hold use occupy and enjoy each Hotel Room Unit is held:

1. The Hotel Manager shall have full right and privilege at all reasonable times subject to reasonable prior written notice (except in the case of emergency) with or without agents, surveyors, workmen and others to enter into go pass or repass over along and upon each Hotel Room Unit for the purposes of effecting necessary repairs to the Hotel and installing, inspecting, examining and maintaining the Hotel Common Areas or the Hotel Common Facilities of in under adjacent or adjoining to such Hotel Room Unit or any other apparatus and equipment used or installed for the benefit of the Hotel or any part or parts thereof as part of the amenities thereof or to abate any hazard or nuisance which does or may affect the Hotel Common Areas or the Hotel Common Facilities or other Owners of the Hotel Room Units Provided that the Hotel Manager shall in the exercise of such right ensure that the least disturbance is caused to the Hotel Room Units and shall at his own costs and expense make good any damage caused thereby and shall be liable for negligence or wilful or criminal acts of the Hotel Manager, his staff and contractors.
2. Easements, rights and privileges of the Owners of other Hotel Room Units under Section III hereof.
3. Easements, rights and privileges of the First Owner under Clause 8 of Section II of this Sub-Deed and under Clause 2.7 of the Principal Deed.
4. The Hotel Manager shall have full right and authority to control and manage the Hotel Common Areas and the Hotel Common Facilities or any part thereof subject to the provisions of the Government Grant, the Principal Deed and this Sub-Deed.

SECTION V

COVENANTS PROVISIONS AND RESTRICTIONS TO BE OBSERVED AND PERFORMED BY THE OWNERS OF THE HOTEL ROOM UNITS

Subject to the provisions of the Principal Deed, this Sub-Deed, the Hotel Rules and the Applicable Conditions and subject to the rights of the Hotel Manager and the First Owner as herein provided, the following are the covenants provisions and restrictions to be observed and performed by the Owners of the Hotel Room Units :

1. The Hotel Room Unit shall be used for hotel purposes as part of the Hotel in accordance with the Government Grant, the Applicable Conditions and the Occupation Permit (as defined in the Principal Deed). For the avoidance of doubt, the Hotel Room Unit shall not be used for any other purpose(s) not permitted under Special Condition No.(12) of the Government Grant. Subject to the Government Grant, in compliance with the Occupation Permit dated 2nd November 2007 in relation to the 2nd to 42nd Floors (inclusive) (designations of 4th, 13th, 14th, 24th and 34th Floors omitted) of the Hotel, the Hotel Room Units shall be used for domestic use and the ancillary accommodation shall be used for non-domestic use.
2. Subject to the provisions of the Principal Deed, this Sub-Deed, the Hotel Rules and the Applicable Conditions, no Owner of a Hotel Room Unit shall erect or place or cause or permit to be erected or placed any advertising sign or structure on the flat roofs or roofs or upper roofs (if any) of the Hotel or any part thereof and the Hotel Manager shall have the right to enter and to remove anything erected or placed on the flat roofs or roofs or upper roofs (if any) of the Hotel or any part thereof in contravention of this provision at the cost and expenses of the defaulting Owner of a Hotel Room Unit.
3. No Owner of a Hotel Room Unit shall construct illegal structures on any flat roof(s) (if any) of the Hotel of whatsoever nature and contravene any applicable laws and regulations.
4. No Owner of a Hotel Room Unit shall keep, hang or exhibit or permit or suffer to be kept, hung or exhibited any clothing, laundry or object(s) in the Hotel Common Areas or outside his Hotel Room Unit or within such part(s) of his Hotel Room Unit including (without limitation) on or in or upon or above the door, window or any bay window or that may be visible from the exterior of the Hotel.
5. No Hotel Room Unit or any part thereof shall be used for carrying on any business or trade in contravention of any of the Applicable Conditions, the provisions of the Principal Deed, this Sub-Deed, the Government Grant or any condition, restriction or prohibition imposed by the Licensing Authority or any other Government authority.
6. Each Owner of a Hotel Room Unit shall maintain all or any structures, erections, installations, facilities, internal walls, partitions, fixtures, fittings, furnitures,

furnishings, appliances and equipment in his Hotel Room Unit (save and except those forming part of the Hotel Common Areas or the Hotel Common Facilities) and all or any items which may affect structural safety or safety of any person or property or sanitation in his Hotel Room Unit (save and except those items forming part of the Hotel Common Areas or the Hotel Common Facilities), in each case in proper order and conditions and, where applicable, proper working order and conditions and in accordance with the Applicable Conditions.

7. Each Owner of a Hotel Room Unit shall keep and maintain his Hotel Room Unit in proper hygienic and sanitary condition and in accordance with all applicable laws and regulations (including, in particular and without limitation, those relating to public health) and any rules, regulations or requirements imposed by or of any health, environmental and other relevant authorities, and, where applicable, in accordance with the Applicable Conditions.

8. Each Owner of a Hotel Room Unit agrees and undertakes that all electrical installations concerning his Hotel Room Unit and/or any other parts of the Hotel shall be installed, inspected, tested and certified by a registered electrical worker approved by the Hotel Manager.

9. Each Owner of a Hotel Room Unit shall not do or cause or permit or suffer to be done any act or thing which may result in the contravention of any term or condition of any insurance policy effected for the Hotel or any part or contents thereof or render any such insurance policy void or voidable or increase the premium payable therefor.

10. Each Owner of any Hotel Room Unit shall prior to completion of any assignment or other deeds or documents relating thereto furnish to the Hotel Manager in writing the scheduled date and name(s) of the new owner(s) in respect of the assignment or transfer.

11. Each Owner of any Hotel Room Unit shall promptly pay and discharge all existing and future taxes, rates, assessments and outgoings of every kind and description for the time being assessed or payable in respect of any Hotel Room Unit owned by him.

12. Each Owner of any Hotel Room Unit shall pay to the Hotel Manager on the due date his due proportion of the Hotel Management Expenses payable by such Owner of the Hotel Room Unit as herein provided.

13. No Owner of any Hotel Room Unit shall make any structural alterations to any Hotel Room Unit owned by him unless with the prior approval of the Building Authority and any other relevant Government authority and prior written consent from the Hotel Manager and such alterations will not interfere with or affect the rights of other Owners of the Hotel Room Units. No provisions shall be made pursuant to this Sub-Deed preventing an Owner of the Hotel Room Units from taking legal action against another Owner of the Hotel Room Units in this respect nor will any Owner of the Hotel Room Units use, cut, injure, damage, alter or interfere with any part or parts of the Hotel Common Areas or the Hotel

Common Facilities nor any equipment or apparatus on in or upon the Land and the Hotel not being equipment or apparatus for the exclusive use enjoyment and benefit of any such Owner of the Hotel Room Units.

14. No Owner of any Hotel Room Unit will permit or suffer to be done any act or thing in contravention of the laws and regulations as amended or modified or re-enacted thereof for the time being in force.

15. No Owner of any Hotel Room Unit will permit or suffer to be done any act or thing whereby any insurance on the Hotel or the Development or any part thereof may become void or voidable or whereby the premium for any such insurance may be increased and in the event of any breach of this Clause by any Owner of the Hotel Room Unit, in addition to being responsible for any other liability incurred thereby, such Owner of the Hotel Room Unit shall pay to the Hotel Manager the amount of any increase in premium caused by or on account of such breach.

16. Each Owner of any Hotel Room Unit shall be responsible for and shall indemnify all other Owners and occupiers of the Hotel Room Units and the Hotel Manager against all actions, proceedings, claims and demands whatsoever arising out of or in respect of any loss or damage to any person or property caused by or as the result of the act or default or negligence or omission of such Owner or occupier of any Hotel Room Unit owned by him or any person using such part of the Hotel Room Unit with his consent expressed or implied or by or through or in any way owing to the overflow of water or spread of fire therefrom.

17. Except with the prior written consent of the Director of Environmental Protection and the Hotel Manager, the Owners of the Hotel Room Units shall not install or use on the Land or any part of the Hotel any machinery, furnace, boiler or other plant or equipment or any fuel, method or process of manufacture or treatment which might in any circumstances result in the discharge or emission of any pollutant or any noxious, harmful or corrosive matter, whether it be in the form of gas, smoke, liquid, solid or otherwise.

18. Each Owner of any Hotel Room Unit shall be responsible for and shall indemnify the Hotel Manager and the other Owners and occupiers of the Hotel Room Units for the time being against the acts negligence defaults and omissions of all persons occupying with his consent expressed or implied any Hotel Room Unit owned by him and shall pay all costs, charges and expenses incurred in repairing or making good any loss or damage caused by the act, negligence or default or omission of any such person. In the case of loss or damage which the Hotel Manager is responsible hereunder to make good or repair such costs, charges and expenses shall be recoverable by the Hotel Manager as herein provided and in the case of loss or damage suffered by other Owners or occupiers of any Hotel Room Unit for which the Hotel Manager is not responsible hereunder to repair or make good, such costs, charges and expenses together with all other damages recoverable by law shall be recoverable by the person or persons sustaining the loss or damage.

19. No Owner of any Hotel Room Unit shall at any time exercise or attempt to

exercise any statutory or common law right to partition the Hotel Room Unit owned by him.

20. No Owner of the Hotel Room Unit shall do or permit or suffer to be done and each Owner of any Hotel Room Unit will take all possible steps to prevent his occupiers or licensees from doing any act, deed, matter or thing which in any way interferes with or affects or which is likely to interfere with or affect the management and maintenance of the Hotel.

21. Each Owner of any Hotel Room Unit shall keep the Hotel Room Unit owned by him in good repair and condition to the satisfaction of the Hotel Manager and in such manner so as to avoid any loss, damage, nuisance or annoyance to the Owners or occupiers of any other Hotel Room Unit.

22. No Owner of any Hotel Room Unit shall use or permit or suffer the Hotel Room Unit owned by him to be used for any illegal or immoral purpose nor shall he do cause or permit or suffer to be done any act or thing which may be or become a nuisance or annoyance to or cause damage or inconvenience to other Owners and occupiers for the time being of the Hotel and/or the Development and/or the neighbouring lot or lots or premises.

23. No Owner of any Hotel Room Unit shall use or permit or suffer any part of the Hotel Room Unit owned by him to be used except in accordance with the Government Grant, the Principal Deed, this Sub-Deed, the Hotel Rules or the Applicable Conditions or other Ordinances and Regulations or other permit, consent or requirement from time to time applicable thereto.

24. No Owner of any Hotel Room Unit shall bring on to or keep any livestock, poultry or reptiles, pet or dogs on any part of the Hotel and the Development.

25. No Owner of any Hotel Room Unit shall alter, repair, connect to or in any other way interfere with or affect the Hotel Common Areas and Hotel Common Facilities without the prior written consent of the Hotel Manager.

26. All Owners of the Hotel Room Units shall at all times observe and perform the Hotel Rules and all the covenants conditions and provisions of the Principal Deed and this Sub-Deed and comply with the terms of the Government Grant and the Applicable Conditions.

27. No Owner of any Hotel Room Unit shall do or suffer or permit to be done anything whereby the flushing or drainage system of the Hotel and the Development may be clogged or the efficient working thereof may be impaired.

28. No Owner of any Hotel Room Unit shall :-

- (a) make any structural or other alterations to any part of the Hotel and the Development which may damage affect or interfere with the rights use and enjoyment of any other part thereof by other Owners of the Hotel and the

Development;

- (b) do or permit to be done any act or thing which may or will alter the external appearance of the Hotel and the Development without the prior consent in writing of the Hotel Manager and any Government authorities if required;
- (c) do or permit or suffer to be done by his occupiers or licensees any act or thing which may interfere with or affect the construction of any part of the Hotel and the Development at any time in the course of construction or the maintenance of the Hotel and the Development;
- (d) make any alteration to any installation or fixtures so as to affect or be likely to affect the supply of water, electricity or gas or other services to or in the Land and the Hotel and the Development;
- (e) cut or damage any of the structural walls or beams or columns, ceilings, roofs or floors of any structural part of the Hotel and the Development or do anything whereby the structural strength of any part of the Hotel and the Development may be affected.

29. No Owner of any Hotel Room Unit shall use his Hotel Room Unit or the Hotel or any part thereof for any purpose other than that permitted by the Government Grant and the Occupation Permit and in accordance with any applicable Regulations or any Ordinances and the Principal Deed and this Sub-Deed and the Applicable Conditions, or store any hazardous, dangerous or unlawful goods or combustible or explosive substances or any "dangerous" or "prohibited" goods within the meaning of the Dangerous Goods Ordinance (Cap.295).

30. Subject to Clause 33 of this Section V, no air-conditioning units or plants or any other fixture shall be installed through the windows or external walls of the Hotel Room Unit. Every Owner of the Hotel Room Units shall at his own costs and expenses keep and maintain the air-conditioning or other units or plants (if any) serving exclusively his Hotel Room Unit in good repair and condition.

31. No part of the Hotel Common Areas shall be obstructed or incumbered nor shall any refuse or other matter or things be placed or left thereon nor shall any part thereof be used for any business or private purpose and no Owner of any Hotel Room Unit shall do or suffer or permit to be done anything therein as may be or become a nuisance or cause annoyance to any other Owners or occupiers of the Hotel and the Development.

32. No Owner of any Hotel Room Unit shall throw out or discard or permit or suffer to be thrown out or discarded from any part of the Hotel Room Unit owned by him any refuse, rubbish, litter or other article or thing whatsoever except using the services and facilities provided for the disposal thereof.

33. No Owner of any Hotel Room Unit shall, without the prior written consent of

the Hotel Manager and the conditions of such consent having been complied with, install, or affix any air conditioning units or plants or other articles to any part of his Hotel Room Unit or affix any frames, iron cage or any other structures whether made of wood, metal, cement or any other materials to upon or along the exterior walls of or outside his Hotel Room Unit or in the Hotel Common Areas or any part thereof.

34. No Owner of any Hotel Room Unit shall enclose or permit or suffer to be enclosed any windows of his Hotel Room Unit and no Owner of any Hotel Room Unit shall do or suffer to be done anything that may change alter or damage the outlook of any part of the Hotel including erecting any structure thereto.

35. No Owner of any Hotel Room Unit shall without the prior consent in writing of the Hotel Manager repaint re-decorate or alter the appearance of the facade or exterior of any Hotel Rom Unit or any part thereof.

36. No Owner of any Hotel Room Unit shall without the prior consent in writing of the Hotel Manager erect or display any flags and flag poles racks for flower pots canopies of any kind along the exterior wall areas of any part of the Hotel.

37. Each Owner of the Hotel Room Unit shall keep the interior of his Hotel Room Unit and all electrical and sanitary appliances and other services therein in good repair and condition and to maintain the same in such manner so as to avoid any loss, damage, nuisance or annoyance to other Owner or occupier of any Hotel Room Unit and not to interfere or affect adversely the proper functioning of the services systems of any other Hotel Room Unit.

38. No Owner or occupier of any Hotel Room Unit shall use or permit to be used any Hotel Room Unit for industrial or godown purposes or the purpose of a funeral parlour, coffin shop, temple or Buddhist hall for the performance of the ceremony known as "Ta Chai" (打齋) or for any similar ceremony or for any illegal or immoral purpose or metal beater's shop or for any offensive trade or business.

39. No Owner of any Hotel Room Unit shall overload or permit or suffer to be overloaded the electrical circuits within the Hotel and the Development and no Owner of the Hotel Room Unit shall install or use or permit or suffer to be installed or used any equipment, apparatus or machinery which exceeds the loading of the electrical main or wiring.

40. No Owner of any Hotel Room Unit shall dispose of or discharge or permit or suffer to be disposed of or discharged any waste, refuse, garbage or rubbish in any part or parts of the Hotel other than that part or parts of the Hotel specially designated for the purpose and only in the manner as specified or approved by the Hotel Manager.

41. No Owner of any Hotel Room Unit shall permit any sewage, waste water or effluent containing sand, cement, silt or any other suspended or dissolved material to flow from his Hotel Room Unit onto any part of the Hotel and the Development and the adjoining land or allow waste matter which is not part of the final product from waste processing plants to be deposited anywhere within the Hotel and the Development and the Owners of the Hotel

Room Units shall have all such matter removed from the Hotel and the Development in a proper manner to the satisfaction of the Director of Environmental Protection and the Hotel Manager.

42. No partitioning shall be erected or installed in any part of the Hotel and the Development which does not leave clear access for fire exits and save and except with the consent of the Hotel Manager no windows shall be wholly or partially blocked or the light and air therefrom in any way obstructed.

43. No Owner of any Hotel Room Unit shall permit or suffer to be erected affixed installed or attached in or on at the door or doors or entrance or entrances of any Hotel Room Unit any metal grille or shutter or gate.

44. No Owner of any Hotel Room Unit shall obstruct the access to the Upper Roof of the Hotel which shall at all times remain open and unobstructed. In case the access is being obstructed the Hotel Manager shall have the power to restore the access to such condition so as to comply with the Fire Service Regulations or other relevant Government regulations at the expenses of the Owner of the Hotel Room Unit in default.

45. No Owner of any Hotel Room Unit shall produce or permit or suffer to be produced any music or noise (including sound produced by broadcasting or any apparatus or equipment capable of producing reproducing receiving or recording sound) or vibration or other acts or things in or on the Hotel Room Unit owned by him so as to cause a nuisance to other Owners occupiers or users of the Hotel.

46. No Owner of any Hotel Room Unit including the First Owner shall have the right to convert any of the Hotel Common Areas and the Hotel Common Facilities to his own use or for his own benefit or to convert any of his own areas to Hotel Common Areas unless approved by the Hotel Owners' Committee (if formed).

47. The First Owner shall have no right to designate retained areas (if any) as Hotel Common Areas unless such areas are for the beneficial use of all Owners of the Hotel Room Units and unless the approval of the Hotel Owners' Committee (if formed) has been obtained. Any payment received for the approval shall be credited to the Hotel Sinking Fund. Neither the First Owner nor the Hotel Manager shall have the right to redesignate Hotel Common Areas.

48. No Owner of any Hotel Room Unit shall permit any gambling activity in any Hotel Room Unit or any part thereof.

49. No Owner of any Hotel Room Unit shall permit any barbecue or flame cooking in any Hotel room Unit or any part thereof.

50. No roller skating is allowed in any part of the Hotel.

51. No burning of incense and/or any other material is allowed in any part of the Hotel. No smoking is allowed on any part of the Hotel Common Areas save and except such areas as may be designated by the Hotel Manager.

52. No Owner of any Hotel Room Unit shall alter or permit or suffer to be altered any part of the sprinkler system, the fire fighting equipment or the fire prevention system installed in any part of the Hotel except that such alteration shall be carried out by the Hotel Manager or a registered contractor appointed or approved by the Hotel Manager at the

expense of such Owner causing the alteration in accordance with the Fire Service (Installation Contractors) Regulations and with the prior approval of the Hotel Manager and the Fire Services Department.

The covenants, provisions and restrictions set out in this Section V shall be without prejudice to the rights reserved to the First Owner under Clause 8 of Section II of this Sub-Deed and under Clause 2.7 of the Principal Deed.

SECTION VI

MANAGEMENT OF THE HOTEL

A. Appointment of the Hotel Manager

1. The Management of the Hotel shall be undertaken by the Hotel Manager.
2. (a) Subject to the provisions of the Building Management Ordinance (Chapter 344 of the Laws of Hong Kong), the Government Grant, the Principal Deed, this Sub-Deed and the Applicable Conditions, the Hotel Manager is hereby appointed as the first manager to manage the Hotel for the initial term of TWO years from the date hereof and thereafter shall continue to manage the Hotel until its appointment is terminated in accordance with the provisions of this Sub-Deed.
 - (b) The appointment of the Hotel Manager shall be terminated :
 - (i) by resignation from such appointment by the Hotel Manager giving not less than three months' notice in writing to the Hotel Owners' Committee (or where there is no Hotel Owners' Committee, by giving such notice to each of the Owners of the Hotel Room Units and by displaying such a notice in a prominent place in the Hotel. Such notice may be given by delivering it personally to the Owners of the Hotel Room Units; or by sending it by post to the Owners of the Hotel Room Units at his last known address; or by leaving it at his Hotel Room Unit or by depositing it in the letter box for his Hotel Room Unit.); or
 - (ii) by removal (without compensation) by the Hotel Owners' Committee upon a majority resolution of meeting of the Owners of the Hotel Room Units under Clause A12(b) of Section VII hereof and the giving of three months' notice in writing to the Hotel Manager; or
 - (iii) if the Hotel Manager is wound up or has a receiving order made against it.
 - (c) Upon termination of the Hotel Manager's appointment in any circumstances whatsoever, the Hotel Owners' Committee shall procure that another person shall be appointed as the new Hotel Manager and such appointment shall take effect forthwith upon termination of the appointment of the Hotel Manager at that time and the Hotel Owners' Committee shall on behalf of the Owners of the Hotel Room Units enter into a management agreement with such new Hotel Manager which rights duties and obligations shall be consistent with those set out in this Sub-Deed.

3. Subject to the provisions of the Building Management Ordinance (Chapter 344 of the Laws of Hong Kong), the Hotel Manager shall be appointed to act as agent for and on behalf of all Owners of the Hotel Room Units duly authorized in accordance with the provisions of this Sub-Deed in respect of any matters concerning the Hotel Common Areas and the Hotel Common Facilities and each Owner of the Hotel Room Units hereby appoints the Hotel Manager irrevocably as agent in respect of any matter concerning the Hotel Common Areas and the Hotel Common Facilities duly authorized in accordance with the provisions of this Sub-Deed and with full power of delegation to enforce the provisions of this Sub-Deed and to execute and sign all deeds and documents for and on behalf of all the Owners of the Hotel Room Units as shall be required or may be deemed proper for or in relation to all or any of the purposes of this Sub-Deed.

4. The Hotel Manager shall be bound by and shall observe and perform all of the conditions duties and obligations herein provided and shall have all of the rights and privileges herein granted to the Hotel Manager.

5. The Hotel Manager shall at all times hereafter be bound by and shall observe and perform the covenants provisions and restrictions set out in the Government Grant, the Principal Deed, this Sub-Deed and the Applicable Conditions so long as he remains the Hotel Manager.

B. Powers and Duties of the Hotel Manager

1. The Hotel Manager will manage the Hotel in a proper manner and in accordance with the Principal Deed and this Sub-Deed. The powers and duties of the Hotel Manager set out in this Clause shall be without prejudice to the rights privileges powers and duties of the Manager (as defined in the Principal Deed) set out in the Principal Deed, including but not limited to Clause B 4.2(a) of Section IV and Clauses B 6.2.1(1) and (22) of Section VI of the Principal Deed. The powers and duties of the Hotel Manager set out in this Clause shall only be applicable and (as the case may be) be exercised performed and/or undertaken by the Hotel Manager insofar as not in conflict with the rights privileges powers and duties of the Manager (as defined in the Principal Deed) and insofar as the same are not (as the case may be) being exercised performed and/or undertaken by the Manager (as defined in the Principal Deed) pursuant to the Principal Deed. Except as otherwise herein expressly provided the Hotel Manager shall be responsible for and shall have full and unrestricted authority to do all such acts and things as may be necessary or requisite for the proper Management of the Hotel. Without in any way limiting the generality of the foregoing, the Hotel Manager shall have the following duties and powers namely :

- (a) To employ a qualified architect or professional to inspect the Hotel (save only the interior of the Hotel Room Units) including the Hotel Common Areas and the Hotel Common Facilities at such time or times as the Hotel Manager shall deem necessary and to prepare a report of such inspection which report will be kept at the Hotel Manager's office in the Hotel and will be open to inspection

by all Owners of the Hotel Room Units and occupiers of any part of the Hotel and the Hotel Manager will furnish upon request to any such Owner or occupier of the Hotel Room Units a copy of the report at a reasonable charge PROVIDED THAT any charges or fee collected hereunder shall be credited to the Hotel Sinking Fund.

- (b) To put in hand and ensure the satisfactory completion of works necessary to maintain any Hotel Common Areas and Hotel Common Facilities so as to ensure that the same are maintained in a good clean and safe condition at all times and for this purpose to employ reputable and competent contractors and workmen.
- (c) To ensure that all the Owners or occupiers of the Hotel Room Units maintain the Hotel Room Units owned or occupied by them and if there shall be any default on the part of any such Owners or occupiers of the Hotel Room Units to put in hand any necessary maintenance and to take all possible steps to recover the cost therefor from the defaulting Owner or occupier of the Hotel Room Units.
- (d) To paint wash tile or otherwise treat as may be appropriate the Hotel Common Areas at such intervals as the same may in the opinion of the Hotel Manager be reasonably required to be done.
- (e) To replace any glass in the Hotel Common Areas that has been broken.
- (f) To keep all the Hotel Common Areas properly lighted and ventilated.
- (g) To keep in good order and repair the ventilation of the enclosed Hotel Common Areas.
- (h) To keep the Hotel Common Areas and all parts thereof in a clean sanitary and tidy condition.
- (i) To prevent any decaying noxious excrementitious or other refuse matter from being deposited on the Hotel or any part thereof and to remove all refuse from such parts of the Hotel and arrange for its disposal at such regular intervals and to maintain either on or off the Hotel refuse collection facilities to the satisfaction of the Director of Food and Environmental Hygiene.
- (j) To prevent the obstruction of all the Hotel Common Areas and to remove any article or thing causing obstruction. If and whenever any article or thing shall be placed or stored on or in any part of the Hotel Common Areas, the Hotel Manager or its agents, servants, caretakers or cleaners shall first give the defaulting party (if identifiable) reasonable prior written notice (except in the case of emergency) to remove the article or thing causing the obstruction. In

the event that such defaulting party cannot be identified, the Hotel Manager shall have the right without giving any prior notice to the defaulting party to remove such article and thing from such part of the Hotel Common Areas to another place or places as the Hotel Manager shall think fit. All costs and expenses incurred by the Hotel Manager for such removal shall be reimbursed upon demand to the Hotel Manager by the defaulting party and the defaulting party shall not claim against the Hotel Manager or its agents, servants, caretakers or cleaners for any loss or damage to such article or thing due to such removal.

- (k) To keep all the common sewers drains watercourse and pipes in the Hotel free and clear from obstructions.
- (l) To keep all the Hotel Common Facilities in good and working order and to extend or provide additional facilities as the Hotel Manager shall in its reasonable discretion deem necessary or desirable for the benefit of the Hotel provided that the prior approval by a resolution of the Owners of the Hotel Room Units at an Owners' meeting of the Hotel Room Units convened under this Sub-Deed is required for any improvement works of the Hotel Common Facilities which involve expenditure in excess of 10% of the current annual Hotel Management Budget.
- (m) To keep all plant machinery and equipment serving the Hotel including but not limited to all lighting equipment water and sewage systems lifts and lift shafts in good and working order and in accordance with any laws and regulations applicable thereto and whenever it shall be necessary or convenient so to do at the Hotel Manager's reasonable discretion and subject to prior written approval of the Hotel Owners' Committee (if formed), to enter into contracts with third parties for the maintenance thereof. The Hotel Manager shall also be responsible for all works required for any alteration to the sewage system and future connection of the same to the public culvert to be constructed if so required by the Government and all costs and expenses for such works shall be borne by the Owners of the Hotel Room Units provided that such costs and expenses shall first be paid out of the Hotel Sinking Fund.
- (n) To prevent so far as is possible any refuse or other matter being deposited washed eroded or falling from the Hotel onto any part of any public roads or any road-culverts sewers drains nullahs or other Government property and to remove any such matter therefrom and to ensure that no damage is done to any part of any Government or other drains waterways watercourses footpaths sewers nullahs pipes cables wires utility services or other works being in under over or adjacent to the Hotel or any part thereof by reason of any maintenance or other works carried out by the Hotel Manager as herein provided and to make good any such damage to the satisfaction of the

Government.

- (o) To remove any structure installation signboard sunshade bracket fitting or other things in or on any part of the Hotel which have been erected in contravention of the terms of this Sub-Deed or of the regulations of the Buildings Ordinance or any other applicable laws and regulations and/or without the prior written permission of the Hotel Manager (or if such permission has been given upon the expiration or withdrawal of the same or if the conditions of such permission are in breach) and to demand and recover from the person by whom such structure or other things as aforesaid was erected or installed the cost of such removal and the making good of any damages thereby caused.
- (p) To maintain fire fighting equipment and fire alarms and to comply with all requirements of the Fire Services Department including but not limited to keeping of access for the passage of Fire Services appliances and personnel free from obstruction and generally so far as may be possible to maintain the Hotel safe from fire at all times.
- (q) To provide a security force watchmen and caretakers and to provide with and maintain burglar alarms and other security equipment and generally so far as may be possible to maintain security in the Hotel at all times.
- (r) To do all things which the Hotel Manager shall in his absolute discretion deem necessary or desirable for the purposes of maintaining and improving the Hotel Common Facilities for the better enjoyment or use of the Hotel by its occupiers and the licensees and sub-licensees of the Owners of the Hotel Room Units provided that the prior approval by a resolution of the Owners of the Hotel Room Units at an Owners' meeting of the Hotel Room Units convened under this Sub-Deed is required for any improvement works of the Hotel Common Areas and Hotel Common Facilities which involve expenditure in excess of 10% of the current annual Hotel Management Budget.
- (s) To appoint solicitors to advise on matters which arise in the Management of the Hotel which necessitate professional legal advice and with authority to accept service on behalf of all the Owners of the Hotel Room Units of all legal proceedings relating to the Hotel or any part thereof (except proceedings relating to the rights or obligations of individual Owners of the Hotel Room Units) and in particular but without limiting the foregoing in all proceedings in which the Government shall be a party and at all times within 7 days of being requested so to do by any relevant government authority or other competent officer to appoint a solicitor who shall undertake to accept service on behalf of all such Owners of the Hotel Room Units for the purpose of Order 10 Rule 1 of the Rules of High Court (or any provisions amending or in

substitution for the same).

- (t) To prevent (by legal action if necessary) any person including an Owner of the Hotel Room Units from occupying or using otherwise than in accordance with the written permission of the Hotel Manager or the provisions of this Sub-Deed, the Government Grant, the Occupation Permit or the Applicable Conditions any of the Hotel Common Areas or any part of the Hotel.
- (u) To take all steps necessary or expedient for complying with the covenants and conditions contained in the Government Grant and any Government requirements concerning or relating to the Hotel for which no Owner or occupier of the Hotel Room Units is directly responsible.
- (v) To prevent (by legal action if necessary) and to take action to remedy any breach by any Owner of the Hotel Room Units or other person occupying or visiting the Hotel and of any terms and conditions contained in the Government Grant, the Occupation Permit, the Applicable Conditions or this Sub-Deed.
- (w) To prevent any person detrimentally altering or injuring any part of the Hotel or any of the Hotel Common Facilities.
- (x) To demand collect and receive all amounts payable by Owners of the Hotel Room Units under the provisions of this Sub-Deed and any relevant Sub-Sub-Deed of Mutual Covenant.
- (y) To pay and discharge out of all monies so collected all outgoings relating to the Management of the Hotel or incurred by the Hotel Manager hereunder.
- (z) Unless otherwise directed by the Hotel Owners' Committee (if formed), to insure and keep insured to the full new reinstatement value in respect of the whole Hotel as comprehensively as reasonably possible and in particular against loss or damage by fire or other perils and to effect insurance against public and occupiers' liability and employer's liability in respect of employees employed within or exclusively in connection with the Management of the Hotel and other liabilities in such items or in such amounts as the Hotel Manager may think fit such insurance to be in the name of the Hotel Manager itself for and on behalf of all the Owners of the Hotel Room Units of the according to their respective interests and to pay all premia required to keep such insurance policies in force and updated.
- (aa) To keep proper records of accounts of all expenditure incurred by and of all payments made to the Hotel Manager in respect of carrying out its duties hereunder as hereinafter provided.

- (ab) To represent the Owners of the Hotel Room Units in all matters and dealings with the Government or the Manager under the Principal Deed or any utility or other competent authority or any other person whomsoever in any way touching or concerning the Hotel or the Hotel Common Areas and the Hotel Common Facilities with power to bind all Owners of the Hotel Room Units as to any policy adopted or decision reached or action taken in relation to any such dealings so long as the same does not contravene or is not in conflict with any of the provisions of this Sub-Deed.
- (ac) To commence conduct carry on and defend legal and other proceedings touching or concerning the Hotel or the Management thereof in the name of the Hotel Manager.
- (ad) To enforce the due observance and performance by the Owners of the Hotel Room Units or any person occupying any part of the Hotel through under or with the consent of any such Owner of the Hotel Room Unit of the terms and conditions of this Sub-Deed and the Hotel Rules hereunder and to take action including the commencement and conduct of legal proceedings to enforce the due observance and performance thereof and/or to recover damages for any breach non-observance or non-performance thereof and the registration and enforcement of charges as hereinafter mentioned.
- (ae) To enforce the due observance and performance of the Hotel Rules.
- (af) To post and specify any Hotel Room Unit in default or in breach of the terms and conditions of this Sub-Deed as aforesaid together with particulars of the default or breach on the notice boards and/or other prominent spaces within the Hotel after prior written notice to the defaulting Owner of the Hotel Room Unit if the defaulting Owner of the Hotel Room Unit fails to remedy his default or breach after a reasonable period of time has been given to him to do so.
- (ag) To recruit dismiss and employ such staff as may from time to time be required to perform and discharge its duties hereunder on such terms as the Hotel Manager shall in its absolute discretion decide and to provide accommodation within the Hotel uniforms working clothes tools appliance cleaning and other materials and all equipment necessary therefor.
- (ah) To take all reasonable actions to abate any nuisance affecting the Owners and occupiers of the Hotel Room Units and any Hotel Room Unit and for such purpose and when necessary upon reasonable prior written notice to the Owner of the relevant Hotel Room Unit (except in case of emergency) to enter into any part or Hotel Room Unit of the Hotel for the purpose of abating such nuisance.

- (ai) To do all such other things as are reasonably incidental to the Management of the Hotel.
- (aj) To repair and keep in good repair and condition the Hotel Common Facilities and the Hotel Common Areas and when necessary upon reasonable prior written notice (except in case of emergency) to enter into any part or any Hotel Room Unit of the Hotel for the purpose of carrying out necessary repairs to the Hotel and the Hotel Common Areas and the Hotel Common Facilities or to abate any hazard or nuisance which does or may affect the Hotel Common Areas and the Hotel Common Facilities or other Owners of the Hotel Room Units Provided that the Hotel Manager shall in the exercise of such right ensure that the least disturbance is caused to the Hotel Room Units and shall at his own costs and expenses repair any damage caused thereby and shall be liable for negligence or wilful or criminal acts of the Hotel Manager, his employees, contractors or agents.
- (ak) Except in accordance with Clause 7 of Subsection B of this Section VI, the Hotel Manager shall not enter into any contract that involves (i) amounts in excess of \$200,000.00 (or such other amount as the Secretary for Home Affairs may specify by notice in the Gazette) or (ii) an average annual expenditure of more than 20% of the Hotel Management Budget or revised Hotel Management Budget (as the case may be) (or such other percentage as the Secretary for Home Affairs may specify by notice in the Gazette), whichever is the lesser.
- (al) To manage, control and maintain the lay-bys and the loading and unloading spaces of goods or passenger within and/or in the Hotel Common Areas and the flow of vehicular traffic over all roads and other areas intended for common use and in particular to ensure that the Hotel Common Areas and all roads and other areas intended for common use remain unobstructed.
- (am) To install in or affix to and use (or permit any person to install in or affix to and use) any part of the Hotel Common Areas for the installation, erection and maintenance of flue pipes, conduits, aerials and/or dish installation (if any), apparatus, structures and/or other equipment relating to the broadcasting and/or reception of cable and/or satellite television and/or other telecommunication systems, plant, machinery and other apparatus or equipment (all of which upon such installation or erection shall form part of the Hotel Common Facilities) and to lease licence install affix erect place and maintain or contract for the leasing, licensing, installation and maintenance of communal radio and/or television aerials and/or satellite master antennae television system and/or cable television system which serve the Hotel or any part thereof and such apparatus, equipment, cables, wires, pipes, antennae or structures in relation thereto in accordance with Clause 8 of this Subsection B of Section VI of this Sub-Deed (where appropriate) and for such purposes to

apply for all necessary licence(s) or consent(s) from the Government and/or other relevant authorities provided that the written approval by a resolution of Owners of the Hotel Room Units at an Owners' meeting of the Hotel Room Units convened under this Sub-Deed has been obtained prior to the exercise of such rights and that such installation shall not unreasonably affect the enjoyment of the Hotel by the Owners and occupiers of the Hotel Room Units. Any consideration received therefor shall be credited to the Hotel Sinking Fund.

- (an) To repair, maintain, clean, paint or otherwise treat or decorate as appropriate, the structure and fabric of the Hotel and the external walls elevations and facade thereof.
- (ao) To impose charges, restrictions, regulations and conditions for the use of the Hotel Common Areas and the Hotel Common Facilities including the Hotel Recreational Facilities and their ancillary facilities in the Hotel Common Areas and Hotel Common Facilities, to remove any person thereon who fails to comply with or is in breach of any Hotel Rules relating to such facilities and to exclude any person who has been in persistent breach of such Hotel Rules from the use of such facilities for such period as the Hotel Manager shall in its discretion deem appropriate PROVIDED THAT any charges or fee collected hereunder shall be credited to the Hotel Sinking Fund.
- (ap) Subject to sub-clause (ak) of this clause, to enter into contracts and to engage, employ, remunerate and dismiss solicitors, architects, accountants and other professional advisers and consultants, contractors, workmen, servants, agents, watchmen, caretakers and other building staff and attendants and to do all such things as are reasonably incidental to the Management of the Hotel.
- (aq) To improve, control, operate and manage the Hotel Recreational Facilities and to landscape, plant with trees and shrubs, flowers, bushes, grass and other vegetation on any part or parts of the Hotel Common Areas and Hotel Common Facilities and maintain the same including any access steps staircases and ramps, whether the same are within the Hotel.
- (ar) To repair any drainage system whether within or outside the Hotel which is required to be maintained pursuant to the provisions of the Principal Deed.
- (as) To make suitable arrangements for the supply, use or provision of water, gas and electricity and any other utility or service and any rights and privileges to or for the Hotel or any part thereof and to lease or licence any part of the Land or of the Development adjacent to the Hotel or land or building on the vicinity of the Hotel for the use and benefit of the Hotel or any part thereof on such terms as the Hotel Manager deems fit PROVIDED THAT the written approval of the Hotel Owners' Committee (if formed) of the same shall first be

obtained.

- (at) To prevent any person from overloading the floors of the Hotel or any part or parts thereof.
- (au) To prevent any person from overloading any of the electrical installations and circuits or any of the mains or wiring in the Hotel.
- (av) To ensure that the Owners of the Hotel Room Units and their occupiers or licencees use the water supply properly.
- (aw) To deal with all enquiries, complaints, reports and correspondence relating to the Hotel as a whole.
- (ax) To provide such Christmas, Chinese New Year and other festive decorations and to organize such festive celebrations or activities for the Hotel as the Hotel Manager shall in its reasonable discretion consider desirable Provided that prior approval by a resolution of Owners of the Hotel Room Units at an Owners' meeting of the Hotel Room Units convened under this Sub-Deed is required for any decorations of the Hotel Common Areas and the Hotel Common Facilities which involves expenditure in excess of 10% of the current annual Hotel Management Budget.
- (ay) Subject as otherwise provided in this Sub-Deed to give or withhold its written consent or approval to anything which requires its written consent or approval pursuant to this Sub-Deed or any relevant Sub-Sub-Deed of Mutual Covenant provided that the Hotel Manager shall act reasonably in giving or withholding such written consent or approval and to impose conditions or additional conditions relating thereto.
- (az) Subject as otherwise provided in this Sub-Deed, from time to time to compile rules and regulations governing :
 - (i) the convening, conduct and procedure of meetings of the Owners of the Hotel Room Units, the Hotel Owners' Committee and any sub-committees thereof;
 - (ii) the establishment, appointment and constitution of sub-committees of the Hotel Owners' Committee;
 - (iii) the conduct of the ballot for the election or re-election of Owners of the Hotel Room Units as members of the Hotel Owners' Committee;
 - (iv) all other matters to regulate the meetings of the Owners of the Hotel Room Units, the Hotel Owners' Committee and any sub-committees

thereof and to facilitate the transaction of business thereat.

For the avoidance of doubt, if any rules or regulations made pursuant to this sub-clause (az) shall conflict with the other provisions(s) of this Sub-Deed or the Building Management Ordinance (Chapter 344 of the Laws of Hong Kong), the latter shall prevail.

- (ba) To convene such meetings of the Owners of the Hotel Room Units as may be necessary or requisite and to act as secretary to keep the minutes of such meetings.
- (bb) If the Hotel Manager shall in its discretion deem fit to operate or contract for the operation of shuttle bus services for the use and benefit of the Owners of the Hotel Room Units and their occupiers and licensees for the time being whether on its own or together with the Manager (as defined in the Principal Deed) and/or other Owners of the Land and the Development and during such times and at such intervals and to such destinations as the Hotel Manager may think appropriate and to charge the users of the shuttle bus services such fares as the Hotel Manager may think reasonable PROVIDED THAT the prior written approval of the Hotel Owners' Committee is obtained for the exercise of the right under this sub-clause and any fares collected hereunder shall be credited to the Hotel Sinking Fund.
- (bc) Without prejudice to the Hotel Manager's obligations under this Sub-Deed, to appoint or employ agents, contractors or sub-managers which may include professional property management companies to carry out the Management, maintenance, operation and control of the Hotel Common Areas and Hotel Common Facilities or any part or parts thereof on such terms and conditions as the Hotel Manager shall in its discretion think fit. For avoidance of doubt, the Hotel Manager shall not assign or transfer any of his duties or obligations under this Sub-Deed to such person or company and such person or company shall remain responsible to the Hotel Manager. The Hotel Manager shall at all times be responsible for the management and control of the whole Hotel or any part thereof in accordance with the provisions of this Sub-Deed.
- (bd) To maintain all areas open spaces and facilities within the Hotel as are required to be maintained under the provisions of the Government Grant, the Principal Deed and the Applicable Conditions in the manner as provided therein and in accordance with applicable laws and regulations and requirements of the Licensing Authority and other Government authority.
- (be) Without prejudice to the other powers and duties of the Hotel Manager contained herein, to carry out such decoration, renovation, improvement works or such other works whether or not of a cosmetic nature in respect of the Hotel Common Areas and the Hotel Common Facilities or any part(s)

thereof for the purpose of enhancing, upgrading or improving the appearance, condition or amenities of the Hotel Provided that prior approval by a resolution of the Owners of the Hotel Room Units at an Owners' meeting of the Hotel Room Units convened under this Sub-Deed is required for any improvement works of the Hotel Common Areas and Hotel Common Facilities or any improvements to facilities or services which involves expenditure in excess of 10% of the current annual Hotel Management Budget.

- (bf) To provide appropriate and sufficient waste separation and recovery facilities including, but not limited to, waste separation bins at such locations within the Hotel Common Areas as the Hotel Manager may consider suitable and convenient to facilitate waste separation and recovery by the Owners of the Hotel Room Units and their occupiers and licensees and to ensure that the recovery facilities shall consist of material that will not cause any fire hazard and shall be placed in locations so as not to cause obstruction to any fire escape route and shall maintain the facilities in an environmentally acceptable and hygienic manner to avoid creating nuisance to the Owners of the Hotel Room Units and their occupiers and licensees. Such recyclable materials recovered from the waste separation and recovery facilities shall be properly collected, stored and sent for recycling if the Hotel Manager considers appropriate and fit to do so.
- (bg) To organize any activities as the Hotel Manager may consider appropriate on a regular basis to promote the environmental awareness of the Owners of the Hotel Room Units and their occupiers and licensees and to encourage the Owners of the Hotel Room Units and their occupiers and licensees to participate in such activities with a view to improving the environmental conditions of the Hotel.
- (bh) To make Hotel Rules to require the Owners of the Hotel Room Units and their occupiers and licensees to dispose of any refuse rubbish litter or other article or thing properly for waste separation and recycling purposes.
- (bi) To make Hotel Rules to protect the environment of the Hotel and to implement waste reduction and recycling measures with reference to guidelines on property management issued from time to time by the Director of Environmental Protection.
- (bj) To inspect, maintain and carry out all necessary works for the maintenance of the Works and Installations which form part of the Hotel Common Facilities.
- (bk) To upkeep the Hotel Transformer Rooms in accordance with the provisions and maintenance responsibilities stipulated in the Code of Practice 101 for Distribution Substation Design Version 9.1 by CLP Power Hong Kong Limited and any amendment thereto.

2. The Hotel Manager shall have power to make Hotel Rules before the formation of the Hotel Owners' Committee for the purpose of regulating the use management and maintenance of the Hotel and any of the structures facilities services or amenities thereof and the conduct of persons occupying using or visiting the same. It may (subject to the approval of the Hotel Owners' Committee if any) from time to time revoke and amend the Hotel Rules. The Hotel Rules and any amendments thereto must not be inconsistent with or contravene the provisions of the Principal Deed, this Sub-Deed, the Building Management Ordinance (Chapter 344 of the Laws of Hong Kong) or the conditions of the Government Grant or the Applicable Conditions. Such Hotel Rules shall be binding on all of the Owners of the Hotel Room Units and their occupiers licensees servants or agents. A copy each of the Hotel Rules from time to time in force shall be posted on the public notice board in a prominent place in the Hotel and a copy thereof shall be supplied to each Owner of the Hotel Room Units on request free of charge.

3. All acts and decisions of the Hotel Manager arrived at in accordance with the provisions of this Sub-Deed in respect of any of the matters aforesaid shall be binding in all respects on all the Owners of the Hotel Room Units for the time being.

4. The Hotel Manager shall have power to commence proceedings for the purpose of enforcing the observance and performance by any Owner of the Hotel Room Unit or any person occupying any part of the Hotel through under or with the consent of any such Owner of the Hotel Room Unit of the covenants conditions and provisions of this Sub-Deed and of the Hotel Rules made hereunder and of recovering damages for the breach non-observance or non-performance thereof. The provisions of Clause 3 of Subsection E of this Section hereinafter appearing shall apply to all such proceedings.

5. The Hotel Manager shall have the right and power to require each Owner of the Hotel Room Unit to pay a proportionate part of all the expenditure lawfully incurred or to be incurred for the provision, operation, necessary repair, decoration, renovation, improvement, Management, upkeep and maintenance of the Hotel Common Areas and Hotel Common Facilities as provided in this Sub-Deed Provided that prior approval by a resolution of the Owners of the Hotel Room Units at an Owners' meeting of the Hotel Room Units convened under this Sub-Deed is required for any improvement works of the Hotel Common Areas and Hotel Common Facilities which involves expenditure in excess of 10% of the current annual Hotel Management Budget.

6. Notwithstanding any provision to the contrary herein contained, the Hotel Manager's rights and duties to manage the Hotel shall not include carrying out any improvements to facilities or services which involve expenditure in excess of 10% of the current annual Hotel Management Budget except with the prior approval by resolution of Owners of the Hotel Room Units at the meeting of Owners of the Hotel Room Units convened under this Sub-Deed.

7. The procurement of supplies, goods, or services by the Hotel Manager or the

Hotel Owner's Committee that involves (a) amounts in excess of \$200,000.00 (or such other sum as the Secretary for Home Affairs may specify by notice in the Gazette) or (b) an average annual expenditure of more than 20% of the Hotel Management Budget (or such other percentage as the Secretary for Home Affairs may specify by notice in the Gazette), whichever is the lesser, must be by invitation to tender and the standards and guidelines as may be specified in a Code of Practice referred to in section 20A of the Building Management Ordinance (Chapter 344 of the Laws of Hong Kong) will apply to the Hotel Manager or the Hotel Owners' Committee with any appropriate variations.

8. Contracts for the installation or use of aerial broadcast distribution or telecommunications network facilities and contracts for the provision of broadcast distribution network or telecommunications network services to be entered into by the Hotel Manager shall be subject to the following conditions :-

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

C. Hotel Manager's Remuneration

1. The Hotel Manager's Remuneration shall not exceed ten percent (10%) per annum (subject to variation by resolution of the Owners of the Hotel Room Units at meetings of the Owners of the Hotel Room Units convened under this Sub-Deed) of the total annual Hotel Management Expenses of the Hotel (excluding the Hotel Manager's Remuneration itself, and any capital expenditure (or expenditure drawn out of the Hotel Sinking Fund as referred to in Clause 11 of Subsection D of this Section VI)) necessarily and reasonably incurred in the Management of the Hotel provided that by a resolution of the Owners of the Hotel Room Units at an Owners' meeting of the Hotel Room Units convened under this Sub-Deed any capital expenditure or expenditure drawn out of the Hotel Sinking Fund may be included for calculating the Hotel Manager's Remuneration at the rate applicable under this clause or at such lower rate as considered appropriate by the Owners of the Hotel Room Units. Payment of the Hotel Manager's Remuneration shall be in advance in the manner as shall be determined by the Hotel Manager. Any over-payment of the Hotel Manager's Remuneration in the year in question shall be refunded and be paid by the Hotel Manager into the Hotel Management Fund within 21 days of the completion of the auditing of the annual accounts for such year as provided under Clause 5 of Subsection H of this Section and any adjustment payment that needs to be made by the Owners of the Hotel Room Units to bring the amount paid to the Hotel Manager by way of remuneration for the year in question

to the correct amount for such year calculated in accordance with the first sentence of this clause shall likewise be made within 21 days of the completion of the auditing of the annual accounts for such year.

2. The sums payable to the Hotel Manager under the provisions aforesaid shall be the net remuneration of the Hotel Manager for its services as Hotel Manager and shall not include the costs and expenses for any staff, facilities, accountancy services or other professional supervision for the Hotel which costs and expenses shall be payable out of the Hotel Management Fund or the Hotel Sinking Fund as appropriate.

D. Hotel Management Budget and Contribution by Owners of the Hotel Room Units

1. (a) The Hotel Manager shall prepare an annual budget to be called “the Hotel Management Budget” for the ensuing financial year for the purpose of determining the contributions respectively payable by the Owners of the Hotel Room Units and such budget shall show all the estimated Hotel Management Expenses of the Hotel for the ensuing financial year.
- (b) A copy of the draft Hotel Management Budget shall be sent to the Hotel Owners' Committee or, where there is no Hotel Owners' Committee, shall be displayed in a prominent place in the Hotel for at least 7 consecutive days, together with a notice inviting each Owner of the Hotel Room Unit to send his comments to the Hotel Manager within a period of 14 days from the date the draft Hotel Management Budget was sent or first displayed.
- (c) After the end of the 14-day period, the Hotel Manager shall prepare the Hotel Management Budget and send a copy to the Hotel Owners' Committee or, where there is no Hotel Owners' Committee, display a copy in a prominent place in the Hotel and cause it to remain so displayed for at least 7 consecutive days.
- (d) If the Hotel Manager has not complied with sub-clauses (b) and (c) of this clause before the start of a financial year (other than the first financial year), the total amount of Hotel Management Expenses for that year shall, until the Hotel Manager has so complied, be deemed to be the same as the previous financial year. If the aforesaid have been complied with, the amount which the Owners of the Hotel Room Units shall contribute shall be calculated and adjusted accordingly.
- (e) Where a Hotel Management Budget has been sent or displayed in accordance with sub-clauses (b) and (c) of this clause and the Hotel Manager wishes to revise it, he shall follow the same procedures in respect of the revised Hotel Management Budget as apply to the draft Hotel Management Budget and Hotel Management Budget by virtue of sub-clauses (a), (b) and (c) of this

clause.

- (f) Where a revised Hotel Management Budget is sent or displayed in accordance with sub-clause (e) of this clause the total amount of Hotel Management Expenses for that financial year shall be the total Hotel Management Expenses or the estimated Hotel Management Expenses specified in the revised Hotel Management Budget and the amount that Owners of the Hotel Room Units shall contribute towards the Hotel Management Expenses shall be calculated and adjusted accordingly.
- (g) The Hotel Manager shall supply any Owner of the Hotel Room Units with a copy of any draft Hotel Management Budget or Hotel Management Budget on request and upon payment of a reasonable copying charge PROVIDED THAT any charges or fee collected hereunder shall be credited to the Hotel Sinking Fund.

2. The financial year for the purposes of the Hotel Management Budget shall be from 1st January to 31st December in each year (both days inclusive). The first Hotel Management Budget shall be prepared by the Hotel Manager before the date falling one month after the date of this Sub-Deed and shall cover the period from the date of this Sub-Deed until, if such date is on or before 30th June of the year, 31st December of that year, or if such date is after 30th June of the year, until 31st December of the following year.

3. The Hotel Management Expenses set out in the Hotel Management Budget shall include but not be limited to the following :

- (a) The Management Fee (as defined in the Principal Deed) payable by the Hotel to the Manager (as defined in the Principal Deed) under the Principal Deed;
- (b) Government Rents for the whole of the Hotel if there is no separate assessment or apportionment for individual Hotel Room Units;
- (c) The premia payable for the insurance of the whole Hotel against fire and other perils, third party and property owners' liability, employers' liability and other liabilities as the Hotel Manager deems fit;
- (d) Charges for the supply and consumption of water, gas, electricity, telephone, central air-conditioning (if any) and other utilities to in and for, and any similar charges in connection with the Management and maintenance of the Hotel other than the Hotel Room Units;
- (e) The cost and expenses of maintaining the foundations, columns and other structures constructed or to be constructed for the support of the Hotel and such other areas or drains, nullahs, sewers, pipes, watermains and channels whether within or outside the Hotel that are required to be maintained under

the Government Grant;

- (f) The costs of lighting, repairing, maintaining, cleaning, painting, decorating and keeping in good condition any parts of the Hotel Common Areas, the Hotel Common Facilities or any part thereof;
- (g) The costs of operating the Hotel Common Facilities;
- (h) Remuneration for accountants, caretakers, security guards, watchmen, porters, cleaners and attendants and such other staff as may be required for the proper Management of the Hotel;
- (i) The costs of refuse collection, storage and disposal in respect of the Hotel;
- (j) Such legal or other fees and costs which may be reasonably and properly incurred by the Hotel Manager in the performance of any duty or in the exercise of any power hereunder;
- (k) The costs of preparing annual accounts for the Owners of the Hotel Room Units and of having the same properly audited by an independent certified public accountant;
- (l) The Hotel Manager's Remuneration;
- (m) Any other costs, charges and expenses reasonably and necessarily incurred by the Hotel Manager in the performance of any duty or in the exercise of any power under this Sub-Deed or under any sub-sub-deed or sub-sub-deeds of mutual covenant in respect of any part or parts of the Hotel;

but such costs, charges and expenses shall exclude costs, charges and expenses of a capital nature, which shall be payable out of the Hotel Sinking Fund hereinafter mentioned. Costs, charges and expenses of a capital nature shall include but not be limited to those relating to establishment, improvement and replacement of installations, systems, facilities, equipment and apparatus within or forming part of the Hotel Common Areas and the Hotel Common Facilities Provided that prior approval by a resolution of the Owners of the Hotel Room Units at an Owners' meeting of the Hotel Room Units convened under this Sub-Deed is required for any improvement works referred to in this clause which involves expenditure in excess of 10% of the current annual Hotel Management Budget.

4. Each annual Hotel Management Budget shall contain the estimated Hotel Management Expenses which are attributable to the Hotel or for the benefit of all the Owners of the Hotel Room Units.

5. The annual Hotel Management Budget shall be reviewed by the Hotel Owners' Committee (when it has been established pursuant to the provisions of this Sub-Deed), and in the light of such review, the Hotel Manager may alter such Hotel Management Budget based

on the suggestions of the Hotel Owners' Committee and the Hotel Management Budget as reviewed or altered as aforesaid shall be deemed adopted.

6. The Hotel Manager shall determine the amount which each Owner of a Hotel Room Unit shall contribute towards the Hotel Management Expenses in accordance with the following principles :

- (a) Each Owner of a Hotel Room Unit shall contribute to the amount assessed under the annual Development Common Budget prepared by the Manager (as defined in the Principal Deed) as referred to in Clause 6.9.1(a) of the Principal Deed in the proportion which the number of the Hotel Management Shares allocated to his Hotel Room Unit bears to the total number of the Management Shares (as defined in the Principal Deed) allocated to the Hotel; and
- (b) Each Owner of a Hotel Room Unit in addition to the amount payable under (a) above shall in respect of each Hotel Room Unit of which he is the Owner contribute to the amount assessed under the annual Hotel Management Budget in the proportion which the number of Hotel Management Shares allocated to his Hotel Room Unit bears to the total number of the Management Shares (as defined in the Principal Deed) allocated to the Hotel.

7. The First Owner shall make payments and contributions towards the Hotel Management Expenses which are of recurrent nature in respect of those Hotel Room Units and Undivided Shares unsold. All outgoings including the Hotel Management Expenses and any Government rent up to and inclusive of the date of assignment of the Hotel Room Units pursuant to and in accordance with the relevant agreement for sale and purchase shall be paid by the First Owner. An Owner of the Hotel Room Unit must not be required to make any payment or reimburse the First Owner for these outgoings.

8. The Hotel Manager shall determine the amount which each Owner of the Hotel Room Unit shall contribute towards the Hotel Management Expenses in accordance with the provisions of this Sub-Deed and shall determine the time and place of payment and unless otherwise determined by the Hotel Manager each Owner of the Hotel Room Unit shall on the first day of each and every calendar month (whether legally demanded or not) pay to the Hotel Manager a sum representing one-twelfth of such Owner of the Hotel Room Unit's liability to contribute to the Hotel Management Expenses for that year.

9. (a) In the event of a deficiency occurring or seeming to the Hotel Manager likely to occur or if there shall be any change in circumstances which in the opinion of the Hotel Manager (whose decision shall be conclusive save for manifest error) require any revision to the Hotel Management Budget, the Hotel Manager may at any time during the financial year prepare a revised Hotel Management Budget in accordance with the procedures set out in Clauses 1(b) and (c) of Subsection D of this Section. Such revised Hotel Management Budget shall be reviewed by the Hotel Owners' Committee and the provisions of Clause 5 of Subsection D of this Section shall apply mutatis mutandis to the revised Hotel Management

Budget as to the annual Hotel Management Budget. A revised Hotel Management Budget may be further revised as often as the Hotel Manager considers reasonably necessary.

(b) The Hotel Manager shall also have the power, in the event of a revised Hotel Management Budget completed pursuant to and in accordance with sub-clause (a) hereof, to add to the amount to be contributed monthly by any Owner of the Hotel Room Units such additional amount in accordance with the provisions of Clause 6 of this Subsection as shall be necessary to meet revised estimated expenditure in any financial year to the intent that any such amounts shall form part of the monthly contribution of such Owner to the Hotel Management Expenses and be recoverable accordingly.

10. Notwithstanding any provision to the contrary herein contained, the Hotel Manager shall be entitled in its discretion :

- (a) to charge the Owners of the Hotel Room Units a reasonable administrative fee for granting and processing any consent required from the Hotel Manager pursuant to these presents Provided that such consent shall not be unreasonably withheld;
- (b) to charge the Owners of the Hotel Room Units for the temporary use of electricity, water or other utilities supplied by the Hotel Manager and for the collection and removal of fitting out or decoration debris;
- (c) from time to time to make rules and regulations governing the supply and use of electricity, air-conditioning or water to the Hotel Common Areas and the Hotel Common Facilities, the payment and recovery of charges for installation, disconnection, reconnection and readings of meters, damage to meters and default interest to a like extent as are from time to time made by the Government;
- (d) to enter with or without workmen at all reasonable times on prior written notice (except in case of emergency) upon all parts of the Hotel necessary for the purpose of replacing, repairing and maintaining any of the electricity water conduits lines mains and pipes serving any part of the Hotel whether or not the same belong exclusively to any Hotel Room Unit Provided that the Hotel Manager shall at his own expense repair any damage caused by its negligent, criminal or wilful acts or the negligent, criminal or wilful acts of its workmen or sub-contractors Provided further that the Hotel Manager shall ensure that the least disturbance and inconvenience are caused;

Provided always that all monies fees or charges received by the Hotel Manager under the provisions of this Clause shall be held by the Hotel Manager on trust for all the Owners of the Hotel Room Units for the time being and shall be credited to the Hotel Sinking Fund.

11. (a) There shall be established and maintained by the Hotel Manager a Hotel Sinking Fund in respect of the Hotel Common Areas and the Hotel Common Facilities for payment of expenses of a capital nature which means expenses of a kind not expected by the Hotel Manager to be incurred annually. Such expenses shall include, inter alia, expenses for the renovation, improvement and repair of the Hotel Common Areas and the Hotel Common Facilities, the purchase, setting up, improvement, replacement and addition of installations, systems, facilities, equipment, tools, plant and machineries within the Hotel Common Areas and the Hotel Common Facilities and the costs of the relevant investigation works and professional services Provided that prior approval by a resolution of the Owners of the Hotel Room Units at a meeting of the Owners of the Hotel Room Units convened under this Sub-Deed is required for any improvement works referred to in this clause which involves expenditure in excess of 10% of the current annual Hotel Management Budget. Each Owner of a Hotel Room Unit shall pay to the Hotel Manager on the first day of each and every calendar month commencing on such date and year as the Hotel Manager may reasonably determine such sum proportionate to the number of Hotel Management Shares allocated to his Hotel Room Unit as shall be necessary to establish or maintain the Hotel Sinking Fund at such level as the Hotel Manager shall deem appropriate Provided that the amount of such sum and the time when such sum shall be payable shall be determined by the Hotel Owners' Committee, if formed, or by a resolution of the Owners of the Hotel Room Units.
- (b) The Hotel Sinking Fund shall be deposited in an interest bearing account at a bank within the meaning of Section 2 of the Banking Ordinance (Chapter 155) the title of which shall refer to the Hotel Sinking Fund for the Hotel and that account shall be used exclusively for the purposes referred to in sub-clause (a) above and managed by the Hotel Manager on trust of all Owners of the Hotel Room Units. All sums in the Hotel Sinking Fund shall be the property of the Owners of the Hotel Room Units. Reference shall be made to the Hotel Sinking Fund in the annual account(s) in respect of the Management of the Hotel and an estimate shall be made in such account(s) of the time when there be a need to draw on the Hotel Sinking Fund, and the amount of money that will be then needed.
- (c) Each Owner of a Hotel Room Unit shall make further periodic contributions to the Hotel Sinking Fund. The Annual General Meeting of the Owners of the Hotel Room Units shall by a resolution of Owners of the Hotel Room Units decide the amount to be contributed by the Owners of the Hotel Room Units to the Hotel Sinking Fund for the ensuing year and the time when those contributions will be payable.
- (d) Except in a situation considered by the Hotel Manager to be an emergency, money must not be paid out of the Hotel Sinking Fund unless it is for a

purpose approved by a resolution of the Hotel Owners' Committee (if any). The Hotel Manager must not use the Hotel Sinking Fund for the payment of any outstanding Hotel Management Expenses arising from or in connection with the day-to-day Management of the Hotel.

- (e) The payments made by the Owners of the Hotel Room Units towards the Hotel Sinking Fund are neither refundable to any Owner of the Hotel Room Units by the Hotel Manager nor transferable to any new Owner of the Hotel Room Units.

E. Security for and recovery of moneys due to the Hotel Manager

1. The first person who becomes the Owner of a Hotel Room Unit (that is, the assignee from the First Owner), shall, in respect of such Hotel Room Unit, upon taking up the relevant assignment thereof :

- (a) pay to the Hotel Manager in respect of the Hotel Room Unit assigned to him a sum equivalent to three months' Hotel Management Fee being as to the sum equivalent to one month's Hotel Management Fee the deposit by way of security against his liabilities under this Sub-Deed and such sum shall be transferable but not refundable and shall not be set off against contributions towards the Hotel Management Expenses required to be made by him under this Sub-Deed and as to the remaining sum equivalent to two months' Hotel Management Fee which shall be transferable but not refundable as his contribution towards the Hotel Sinking Fund;
- (b) pay to the Hotel Manager a sum which may be fixed in proportion to the Hotel Management Shares for the deposit of various utilities for the Hotel Common Areas and Hotel Common Facilities, and a sum to be decided by the Hotel Manager as necessary (but not exceeding one month's Hotel Management Fee) as special cleaning charges for services provided by the Hotel Manager for debris removal/decoration charges Provided that any monies paid as special cleaning charges not used for debris removal/decoration are to be paid into the Hotel Sinking Fund;
- (c) pay to the Hotel Manager a sum equal to two months' monthly contributions as advance payment for the first and second months of the Hotel Management Fee for his Hotel Room Unit.

Provided that the First Owner shall only be required to make contribution to the Hotel Sinking Fund and pay the Hotel Management Fee deposit and special cleaning charges if it remains the Owner of the Undivided Shares of any Hotel Room Unit which shall remain unsold for three (3) months after execution of this Sub-Deed. All outgoings including the Hotel Management Fee up to and inclusive of the date of the first assignment of a Hotel Room Unit shall be paid by the First Owner.

2. If any Owner of the Hotel Room Units shall fail to pay any amount payable hereunder within 30 days of the date on which the demand is made as aforesaid, he shall further pay to the Hotel Manager :

- (a) Interest on the amount unpaid calculated from the date of demand at a rate of not exceeding two per cent per annum above the prime rate from time to time specified by the Hongkong And Shanghai Banking Corporation Limited; and
- (b) A collection charge of not exceeding ten per cent of the amount due to cover the cost (other than legal costs of proceedings as hereinafter mentioned) of the extra work occasioned by the default.

3. All amounts which become payable by any Owner of the Hotel Room Unit in accordance with the provisions of this Sub-Deed together with interest thereon as aforesaid and the said collection charge and all damages claimed for breach of any of the provisions of this Sub-Deed and all other expenses incurred in connection with recovering or attempting to recover the same shall be recoverable by civil action at the suit of the Hotel Manager and the claim in any such action may include a claim for the solicitor and own client costs of the Hotel Manager in such action. In any such action the Hotel Manager shall conclusively be deemed to be acting as the agent or agents for and on behalf of the Owners of the Hotel Room Units as a whole and no Owner of the Hotel Room Units sued under the provisions of this Sub-Deed shall raise or be entitled to raise any defence of want of authority or take objection to the right of the Hotel Manager as plaintiff to sue or to recover such amounts as may be found to be due.

4. In the event of any Owner of the Hotel Room Units failing to pay any sum due and payable by him in accordance with the provisions of this Sub-Deed or failing to pay any damages awarded by any court for breach of any of the terms or conditions of this Sub-Deed within 30 days of the date on which the same became payable the amount thereof together with interest as aforesaid and the said collection charge and all costs and expenses which may be incurred in recovering or attempting to recover the same including the legal expenses referred to in Clause 3 of this Subsection and in registering the charge hereinafter referred to shall stand charged on the Undivided Share(s) of the defaulting Owner of the Hotel Room Unit and the Hotel Manager shall be entitled without prejudice to any other remedy hereunder to register a Memorial of such charge in the Land Registry against the Undivided Share(s) and the Hotel Room Unit or Units held therewith of the defaulting Owner of the Hotel Room Unit. Such charge shall remain enforceable as hereinafter mentioned notwithstanding that judgment has been obtained for the amount thereof unless and until such judgment has been satisfied.

5. Any charge registered in accordance with the last preceding paragraph shall be enforceable as an equitable charge by action at the suit of the Hotel Manager for an order for sale of the Undivided Share(s) of the defaulting Owner of the Hotel Room Units together with the right to the exclusive use occupation and enjoyment of the Hotel Room Unit held therewith subject to the Applicable Conditions, the provisions of the Government Grant, the

Principal Deed and this Sub-Deed and the provisions of Clause 3 of this Subsection shall apply equally to any such action.

F. Application of monies received by the Hotel Manager

1. Subject to Section VIII hereof, all insurance moneys compensation received or damages recoverable by the Hotel Manager in respect of any damage or loss suffered in respect of any part of the Hotel shall be expended by the Hotel Manager in the repair rebuilding or reinstatement of that part of the Hotel.

2. Where any compensation damages costs or expenses are received or recovered (as the case may be) by the Hotel Manager in respect of any matter or thing for which claim has been made against the Owners of the Hotel Room Units or any of them as provided in Clause 3 of Subsection E of this Section, the same shall after deduction of any costs or expenses incurred by the Hotel Manager in recovering the same be credited to the accounts of those Owners of the Hotel Room Units against whom a claim has been made in the same proportions as such claim.

3. All moneys paid to the Hotel Manager by way of interest and collection charges shall be credited to the Hotel Sinking Fund.

G. Owners of the Hotel Room Units' interest in fund(s)

Any person ceasing to be an Owner of any Undivided Share(s) in the Land and the Hotel shall thereupon cease to have any interest in the funds held by the Hotel Manager including the deposit paid under Clause 1(a) of Subsection E of this Section and the Hotel Sinking Fund to the intent that all such funds shall be held and applied for the Management of the Hotel irrespective of changes in the ownership of the Undivided Share(s) in the Land and the Hotel PROVIDED that any deposit paid under Clause 1(a) of Subsection E of this Section shall be transferred into the name of the new Owner of the Hotel Room Unit of such Undivided Share(s) AND PROVIDED further that upon the Land reverting to the Government or no renewal of the Government Grant being obtainable or upon the rights and obligations hereunder being extinguished as provided in Section VII of the Principal Deed, any balance of the said funds or in the case of extinguishment of rights and obligations as aforesaid an appropriate part of the said funds and any appropriate part of the Sinking Fund (as defined in the Principal Deed) held by the Manager (as defined in the Principal Deed) in respect of the Hotel shall be divided between the then Owners of the Hotel Room Units in proportion to the respective contributions made by them or their respective predecessors under the provisions of Subsections D and E of this Section immediately prior to such reversion or in the case of extinguishment of rights and obligations as aforesaid between the Owners of the Hotel Room Units whose rights and obligations are extinguished.

H. Management records and Accounts

1. The Hotel Manager may change the financial year once only in every five

years (unless otherwise approved by the Hotel Owners' Committee (if any)) by giving 3 months' notice in writing in advance to the Owners of the Hotel Room Units.

2. All monies and deposits collected by the Hotel Manager in the exercise of its powers and duties hereunder shall be held by the Hotel Manager on trust for and on behalf of all the Owners of the Hotel Room Units and be paid into an interest-bearing bank account at a licensed bank within the meaning of section 2 of the Banking Ordinance (Chapter 155), the title of which shall refer to the Management of the Hotel and shall only be used for the good and efficient Management of the Hotel (save and except that the Hotel Manager may retain or pay into a current account a reasonable amount to cover expenditure of a minor nature as is from time to time determined by a resolution of the Hotel Owners' Committee (if any) and in such amount and subject to such conditions as may be approved by a resolution of the Hotel Owners' Committee (if any)).

3. The Hotel Manager shall keep true and proper books or records of account and other financial records of all monies received or expended in the exercise of its powers and duties hereunder and shall keep all bills, invoices, receipts and other documents referred to in those books and records for at least 6 years.

4. Within 1 month after each consecutive period of 3 months, or such shorter period as the Hotel Manager may select, the Hotel Manager shall prepare a detailed summary of the income and expenditure and balance sheet in respect of its Management of the Hotel within that period and shall exhibit the same in a prominent place in the Hotel and cause it to remain so displayed for at least 7 consecutive days.

5. Within 2 months after the close of each financial year, the Hotel Manager shall prepare annual accounts comprising income and expenditure accounts and balance sheet in respect of the preceding financial year, display a copy of the income and expenditure account and balance sheet in a prominent place in the Hotel and cause it to remain so displayed for at least 7 consecutive days. Such accounts shall be audited by auditors appointed by the Hotel Manager provided always that the Owners of the Hotel Room Units at an Owners' meeting of the Hotel Room Units convened under this Sub-Deed shall have power to require such annual accounts to be audited by an independent auditor of their choice. Each annual account shall include details of the Hotel Sinking Fund required by Clause 11 of Subsection D of this Section and an estimate of the time when there will be a need to draw on that fund, and the amount of money that will be then needed.

6. The Hotel Manager shall upon written request and upon the payment by an Owner of the Hotel Room Units of a reasonable copying charge send to that Owner of the Hotel Room Unit a copy of any books or records of account at any time after the same shall have been prepared as herein provided Provided that all charges collected hereunder shall be credited to the Hotel Sinking Fund.

7. The Hotel Manager shall upon reasonable notice permit the Owners of the Hotel Room Units to inspect the books or records of account and any of the accounts

prepared pursuant hereto and to take extracts therefrom.

8. The Hotel Manager shall have power to appoint a firm of Certified Public Accountants to audit the accounts and records of the Hotel Manager concerning the Management of the Hotel and to certify the annual accounts prepared in accordance with the foregoing clauses and the accountant's fees shall be part of the Hotel Management Expenses. The Hotel Manager shall further have power to replace such firm and to appoint another firm in their place as it may deem necessary from time to time provided that the Hotel Owners' Committee or the Owners of the Hotel Room Units at a meeting of the Owners of the Hotel Room Units may choose to appoint an auditor of their choice from time to time.

9. (a) Subject to sub-clause (b) of this Clause 9, if the Hotel Manager's appointment ends for any reason, he shall, as soon as practicable after his appointment ends, and in any event within 14 days of the date his appointment ends, deliver to the Hotel Owners' Committee (if any) or the hotel manager appointed in his place any movable property in respect of the control, Management and administration of the Hotel that is under his control or in his custody or possession, and that belongs to the Owners of the Hotel Room Units.

(b) If the Hotel Manager's appointment ends for any reason, he shall within 2 months of the date his appointment ends:

(i) prepare:

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

(2) a balance sheet as at the date his appointment ends,

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

(ii) deliver to the Hotel Owners' Committee (if any) or the hotel manager appointed in his place any books or records of account, papers, documents, plans and other records which are required for the purpose of the preceding sub-clause (b)(i) of this Clause 9 and have not been delivered under sub-clause (a) of this Clause 9.

10. Subject to Clause 6(b) of Section X of this Deed, on termination of the Hotel Manager's appointment, the Hotel Manager must assign the Undivided Shares in the Hotel Common Areas and the Hotel Common Facilities free of costs or consideration to its

successor in office as the Hotel Manager who must hold the said Undivided Shares on trust for the benefit of all the Owners of the Hotel Room Units.

SECTION VII

A. Meetings of the Owners of the Hotel Room Units

1. An Annual General Meeting of the Owners of the Hotel Room Units shall be held at least once a year commencing with the year following the execution of this Sub-Deed. The Owners of the Hotel Room Units may meet from time to time as occasion may require to discuss and decide matters concerning the Management of the Hotel.

2. The Annual General Meeting and any meeting of the Owners of the Hotel Room Units shall be convened either by (a) the Hotel Manager, (b) the Hotel Owners' Committee or (c) an Owner of the Hotel Room Units appointed to convene such a meeting by Owners of the Hotel Room Units of not less than 5% of all the Undivided Shares in aggregate in the Hotel and in each case by at least 14 days' prior notice in writing to the Owners of the Hotel Room Units specifying the date, time and place of the meeting, the subjects to be discussed and the resolutions (if any) that are to be proposed at the meeting. The notice of meeting referred to in this Clause may be given either personally or by post addressed to the Owners of the Hotel Room Units at their last known addresses or by leaving the notice at their Hotel Room Units or depositing the notices in the letter boxes of their Hotel Room Units.

3. No business shall be transacted at any such meeting unless a quorum is present when the meeting proceeds to business and 1/10th of the Owners of the Hotel Room Units shall be a quorum. For the purpose of this clause, 1/10th of the Owners of the Hotel Room Units shall mean 1/10 of the number of the Owners of the Hotel Room Units without regard to their ownership of any particular percentage of the total number of Undivided Shares of the Hotel and shall not be construed as the Owners the Hotel Room Units of 1/10 of the Undivided Shares in the Hotel in aggregate.

4. The only persons entitled to attend any such meeting and thereat shall be the Owners of the Hotel Room Units or the representative or representatives of the Owner or Owners of the Hotel Room Units duly appointed by the Owner or Owners of the Hotel Room Units in writing.

5. The Chairman of the Hotel Owners' Committee shall be the chairman of the meeting. If the meeting is convened by the Hotel Manager or an Owner of the Hotel Room Unit appointed as mentioned in Clause 2 of this Subsection A, the person convening the meeting shall be the chairman of the meeting.

6. All resolutions passed at such meeting by a majority of the Owners of the Hotel Room Units present in person or by proxy and voting shall be binding on all the Owners of the Hotel Room Units and the Hotel Manager Provided that such resolutions shall not be contrary to any of the covenants terms and conditions contained in this Sub-Deed, the Principal Deed, the Government Grant and the Applicable Conditions.

7. A resolution put to the vote of the meeting shall be decided by majority of

votes by a poll to be taken at such time and in such manner as the Hotel Manager shall direct.

8. Subject to Clause 13 of this Subsection A, every Owner of the Hotel Room Units entitled to be present and actually present at the meeting shall have one vote for every Undivided Share held by him.

9. In the case of Owners of the Hotel Room Units who together are entitled to one Undivided Share such Owners shall jointly have one vote for each Undivided Share and the vote in respect of that share may be cast by a proxy jointly appointed by the co-owners or by a person appointed by the co-owners from amongst themselves and if no appointment has been made as aforesaid, the vote in respect of that share may be cast either personally or by proxy by one of the co-owners, and, in the case of any meeting where more than one of the co-owners seeks to cast a vote in respect of the Undivided Share, only the vote that is cast, in person or by proxy, by the co-owner whose name, in order of priority, stands highest in relation to that Undivided Share in the register kept at the Land Registry shall be treated as valid. In case of an equality of votes the chairman of the meeting shall have, in addition to a deliberative vote, a second or casting vote. Without prejudice to the foregoing provisions, the votes of Owners of the Hotel Room Units may be given either personally or by proxy.

10. The Hotel Manager shall send a representative or representatives to all such meetings and a record of the persons present at the meeting and the proceedings thereof shall be kept.

11. Within 9 months from the date of these presents, the Hotel Manager shall convene a meeting of the Owners of the Hotel Room Units for the purpose of forming a Hotel Owners' Committee and electing the first Chairman thereof. Subject to Clause 4 of Subsection B of this Section, the first Chairman of the Hotel Owners' Committee shall act until the first Annual General Meeting of the Owners of the Hotel Room Units when the post of Chairman of the Hotel Owners' Committee shall fall vacant and an election for Chairman of the Hotel Owners' Committee shall be held. Thereafter a Chairman shall be elected at each Annual General Meeting of the Owners of the Hotel Room Units for the ensuing year.

12. The function of the Hotel Owners' Committee is to represent the Owners of the Hotel Room Units in all dealings with the Hotel Manager and to undertake such other duties as the Hotel Manager may with the approval of the Hotel Owners' Committee delegate to the Hotel Owners' Committee and without in any way limiting the generality of the foregoing:

- (a) to liaise and consult with the Hotel Manager in respect of all matters concerning the Management of the Hotel;
- (b) to remove the Hotel Manager with the sanction of a resolution at a meeting of the Owners of the Hotel Room Units duly convened and passed by a majority of Owners of the Hotel Room Units holding not less than fifty percent (50%) of the Undivided Shares (excluding the Undivided Shares allocated to the

Hotel Common Areas and the Hotel Common Facilities) of the Hotel and upon the giving to the Hotel Manager not less than three months' notice in writing;

- (c) to appoint (whether in place of any Hotel Manager removed or to fill any vacancy) any hotel management company or agent as a Hotel Manager of the Hotel upon the termination of the then Hotel Manager's employment;
- (d) to undertake consider review and/or exercise all or any of the powers and duties conferred on the Hotel Owners' Committee by virtue of the provisions of this Sub-Deed.

13. Notwithstanding any provisions herein contained, the Undivided Shares allocated to the Hotel Common Areas and the Hotel Common Facilities shall not be taken into account for the purpose of voting or calculating the quorum of any meeting. Accordingly, the Undivided Shares as referred to in Clause 8 of this Subsection shall not include the Undivided Shares allocated to the Hotel Common Areas and the Hotel Common Facilities.

B. Meeting of the Hotel Owners' Committee

1. A meeting of the Hotel Owners' Committee may be convened at any time by the Chairman or any 2 members of the Hotel Owners' Committee.

2. In the election of the members to the Hotel Owners' Committee, the Owners of the Hotel Room Units shall endeavour to elect such number of representatives from the Owners for the time being of the Hotel Room Units to represent the Owners of the Hotel Room Units PROVIDED THAT the total number of representatives shall not be less than 9.

3. Any Owner (including any one or two or more co-owners) for the time being of the Undivided Share or Shares in the Land and the Hotel shall be eligible for election to the Hotel Owners' Committee. In the event of an Owner of the Hotel Room Units being a corporate body, the representative(s) appointed by such Owner shall be eligible for such election. The appointment of a representative or representatives by a corporate body shall be in writing addressed to the Hotel Owners' Committee and may be revoked at any time on notice in writing given to the Hotel Owners' Committee.

4. A member of the Hotel Owners' Committee shall hold office until the Annual General Meeting of Owners of the Hotel Room Units next following his appointment or election provided that :

- (a) He shall nevertheless cease to hold office if :
 - (i) he resigns by notice in writing to the Hotel Owners' Committee;

- (ii) he ceases to be eligible; or
 - (iii) he becomes bankrupt or insolvent or is convicted of a criminal offence other than a summary offence not involving dishonesty.
 - (b) If in any Annual General Meeting of Owners of the Hotel Room Units at which an election of the Hotel Owners' Committee should take place, the office of the retiring members or any of them is not filled, or if in any year no Annual General Meeting of the Hotel Room Units is held, the members of the Hotel Owners' Committee shall continue to be in office until the next Annual General Meeting of Owners of the Hotel Room Units.
5. Retiring members of the Hotel Owners' Committee shall be eligible for re-election.
6. Subject to Clause 2 above, the Hotel Owners' Committee may appoint any eligible Owner of the Hotel Room Unit to fill any casual vacancy or as an additional member for the current term.
7. The Hotel Owners' Committee may continue to act notwithstanding any vacancies in the number provided that the number is not reduced below 5. In the event that the number is reduced below 5 the remaining member of the Hotel Owners' Committee may act but only for the purpose of calling for a meeting of the Owners of the Hotel Room Units to elect a Hotel Owners' Committee.
8. Any one or more members of the Hotel Owners' Committee may be removed from office by resolution passed at a meeting of the Owners of the Hotel Room Units and new members of the Hotel Owners' Committee may be elected in the place of those removed from office.
9. The Hotel Owners' Committee shall have full power to make rules and by-laws regulating the conduct and procedure of its meetings and the performance of its duties and obligations provided that no such regulation or by-laws shall be contrary to or inconsistent with the provisions of the Principal Deed and this Sub-Deed.
10. (a) The officers of the Hotel Owners' Committee ("Officers") shall be:
- (i) the Chairman;
 - (ii) the secretary; and
 - (iii) such other officers (if any) as the Hotel Owners' Committee may from time to time elect.

The Officers shall be elected by the Owners of the Hotel Room Units, such

election to be held at or as soon as reasonably possible after the Annual General Meeting of Owners of the Hotel Room Units at which the Hotel Owners' Committee is elected and at such other times as may be necessary.

- (c) All casual vacancies of the Officers shall be filled by election or appointment by the members of the Hotel Owners' Committee as it may from time to time determine.

11. The person or persons convening the meeting of the Hotel Owners' Committee shall, at least 7 days before the date of the meeting, give notice of the meeting to each member of the Hotel Owners' Committee, and that notice shall specify the place, date and time of the meeting and the resolutions (if any) that are to be proposed at the meeting.

12. The quorum at a meeting of the Hotel Owners' Committee shall be at least half of total number of members of the Hotel Owners' Committee (rounded up to the nearest whole number), or 3 such members, whichever is the greater.

13. A meeting of the Hotel Owners' Committee shall be presided over by :

- (a) the Chairman; or
- (b) in the absence of the Chairman, a member of the Hotel Owners' Committee appointed as Chairman for that meeting.

14. At a meeting of the Hotel Owners' Committee, each member present shall have 1 vote on a question before the Hotel Owners' Committee and if there is an equality of votes, the Chairman thereof shall have, in addition to a deliberative vote, a casting vote.

SECTION VIII

REINSTATEMENT

The covenants and provisions set out in this Section VIII shall be without prejudice to Clauses 7.1.1 and 7.1.2 of Section VII of the Principal Deed. The covenants and provisions set out in this Section VIII shall only be applicable where the damage or destruction by fire or in any other circumstances whatsoever is/are not as serious as to render the Hotel or any part or parts thereof substantially unfit for use and occupation and insofar as the same do not contradict with Clauses 7.1.1 and 7.1.2 of Section VII of the Principal Deed. In the event of the Hotel or any part or parts thereof being so damaged by fire, typhoon, earthquake, subsidence or other cause so as to render the same substantially unfit for use and occupation, Clauses 7.1.1 and 7.1.2 of Section VII of the Principal Deed shall prevail.

1. Where any Hotel Room Unit or any part thereof shall be damaged or destroyed by fire or in any other circumstances whatsoever, the Owner of such Hotel Room Unit shall be liable to carry out and complete such repair and reinstatement works as regards the same in such manner and to such extent and by such time as the Hotel Manager, the Licensing Authority and/or any other relevant authority may require with a view to ensure that the Hotel, the Hotel Licence and any other Permit shall not be adversely affected or prejudiced and such Owner of such Hotel Room Unit shall bear all charges, costs, expenses and other liabilities whatsoever arising therefrom.

2. Where any one or more Hotel Room Units or any part thereof shall, together with any other parts of the Hotel, be damaged or destroyed by fire or in any other circumstances, then :

- (i) insofar as damage or destruction to any particular Hotel Room Unit or any part thereof is concerned, the provisions contained in Clause 1 above shall apply; and
- (ii) insofar as damage or destruction to any part(s) of the Hotel (other than the Hotel Room Units) are concerned, all Owners of the Hotel Room Units shall be jointly and severally liable to carry out and complete such repair and reinstatement works as regards such other parts of the Hotel in such manner and to such extent and by such time as the Hotel Manager, the Licensing Authority and/or any other relevant authority may require with a view to ensure that the Hotel, the Hotel Licence and any other Permit shall not be adversely affected or prejudiced provided that in this respect, insofar as the charges, costs, expenses and other monetary liabilities arising from any such works are concerned, Owners of the Hotel Room Units shall be liable to bear a pro rata part of the same in proportion to their respective Hotel Room Unit Percentage.

3. In addition and without prejudice to the generality of the provisions contained in Clauses 1 and 2 above :

- (i) where Clauses 1 and/or 2 applies and where any insurance proceeds shall be or become payable to any Owner of the Hotel Room Unit as the insured thereunder under any insurance policy effected and maintained by the Hotel Manager by reason of the occurrence of the event triggering the application of Clauses 1 and/or 2 above, the Hotel Manager shall have full power and authority and shall be fully entitled to receive, use and apply all or any such insurance proceeds to pay and discharge any amount for which such Owner of such Hotel Room Unit may become liable under Clauses 1 and/or 2 above provided that if the Hotel Manager shall do so, the Hotel Manager shall give written notice to such Owner of such Hotel Room Unit of its intention to do so and, where applicable, of the use and application of such proceeds; and
- (ii) the Hotel Manager shall have full power and authority to carry out any works to be carried out by the Owner(s) of Hotel Room Unit(s) concerned (whether or not with any other Owner(s) of Hotel Room Unit(s)) under Clauses 1 and/or 2 above as agent for and on behalf of the Owner(s) of Hotel Room Unit(s) concerned and if the Hotel Manager shall notify the Owner(s) of Hotel Room Unit(s) concerned in writing that the Hotel Manager shall do so, the Hotel Manager shall be entitled to carry out any such works as agent on behalf of the Owner(s) of Hotel Room Unit(s) concerned to the exclusion of such Owner(s) of Hotel Room Unit(s), who shall not carry out any such works except with prior written consent of the Hotel Manager and in full co-operation with Hotel Manager.

SECTION IX

EXCLUSIONS AND INDEMNITIES

The Hotel Manager, its servants, agents or contractors shall not be liable to the Owners of the Hotel Room Units or any of them or to any person or persons whomsoever whether claiming through, under or in trust for any Owner of the Hotel Room Units or otherwise, for or in respect of any act, deed, matter or thing done or omitted to be done in pursuance or purported pursuance of the provisions of this Sub-Deed or otherwise not being an act or omission involving criminal liability or dishonesty or negligence on the part of the Hotel Manager, its employees, agents or contractors. Without in any way limiting the generality of the foregoing, the Hotel Manager, its employees, agents or contractors shall not be held liable for any damage, loss or injury caused by or in any way arising out of :

- (a) any defect in or failure or breakdown of the Hotel or any of the Hotel Common Areas or the Hotel Common Facilities; or
- (b) any failure, malfunction or suspension of the supply of water, electricity or other utility or service to the Hotel; or
- (c) fire or flooding or the overflow or leakage of water or other effluent from anywhere whether within or outside the Hotel; or
- (d) the activity of termites, cockroaches, rats, mice or other pests or vermin; or
- (e) theft, burglary, robbery or crime within the Hotel;

unless it can be shown that such damage, loss or injury was caused by an act or omission of the Hotel Manager, its employees, agents or contractors involving criminal liability or dishonesty or negligence and Provided that the contribution or any other charges payable under this Sub-Deed or any part thereof shall not be abated or cease to be payable on account thereof.

SECTION X

MISCELLANEOUS

1. Without prejudice to any provisions herein contained, no person shall after ceasing to be an Owner of any Undivided Shares in the Land and the Hotel be liable for any debts liabilities or obligations under the covenants terms and conditions of this Sub-Deed in respect of such Undivided Shares and/or the part of the Hotel held therewith save and except in respect of any breach non-observance or non-performance by such person of any such covenant or term or condition prior to his ceasing to be the Owner of the Hotel Room Unit thereof.
2. Each Owner of the Hotel Room Unit shall notify the Hotel Manager of the name and address of the person authorized by him to accept service of process. Each Owner of the Hotel Room Unit must provide the Hotel Manager with an address within the jurisdiction for service of notices under the terms of this Sub-Deed.
3. There shall be public notice boards at such prominent places in the Hotel as the Hotel Manager may from time to time determine. There shall be exhibited on each of such public notice boards a copy of the Hotel Rules from time to time in force and all notices which under this Sub-Deed are required to be exhibited thereon and such other notices and announcements as the Hotel Manager may from time to time decide to exhibit or approve for exhibition thereon. Except in the case of a notice required by this Sub-Deed or by law to be served personally or in any other manner, the exhibition of a notice on such public notice boards for three consecutive days shall be due notice of the contents thereof to each Owner of the Hotel Room Unit, his licensees servants and agents.
4. Subject as hereinbefore provided in the case notices to be affixed to the public notice boards, all notices or demands required to be served hereunder shall be sufficiently served if served personally upon the party to be served or sent by post addressed to the party to whom the notices or demands are given at his last known address of which the party to be served is the Owner of the Hotel Room Units notwithstanding that such party shall not personally occupy the same Provided that where notice is to be given to an Owner of the Hotel Room Units who is a chargor, such notice may also be served on the chargee, if a company, at its registered office or last known place of business in Hong Kong and, if an individual, at his last known place of business or residence. All notices required to be given to the Hotel Manager shall be sufficiently served if sent by prepaid post addressed to or if by hand left at the registered office of the Hotel Manager.
5. The covenants and provisions of this Sub-Deed shall be binding on the parties hereto and their respective executors, administrators, successors in title and assigns and the benefit and burden thereof shall be annexed to the Hotel Room Units, the Hotel Common Areas and the Hotel Common Facilities and to the Undivided Shares respectively held therewith.

6. (a) (i) No provision in this Sub-Deed shall prejudice or contravene or in any way be construed or constructed so as to prejudice or exclude or contravene the provisions of the Building Management Ordinance (Chapter 344 of the Laws of Hong Kong) and the Schedules thereto and/or any other applicable laws and regulations.
- (ii) The provisions of the Schedules 7 and 8 to the Building Management Ordinance (Chapter 344 of the Laws of Hong Kong) shall be deemed to be incorporated in and form part of this Sub-Deed and shall prevail over any other provision in this Sub-Deed that is inconsistent with them.
- (b) Upon execution of this Sub-Deed, the First Owner shall assign the whole of the Undivided Shares in the Hotel Common Areas and the Hotel Common Facilities free of cost or consideration to the Hotel Manager appointed under this Sub-Deed who must hold the said Undivided Shares on trust for the benefit of all Owners of the Hotel Room Units. The Hotel Manager must assign the Undivided Shares free of costs or consideration to his successor as Hotel Manager on termination of his appointment and, if the Owners' Corporation of the Development (as defined in the Principle Deed) is formed under the Building Management Ordinance (Chapter 344 of the Laws of Hong Kong), it may require the Hotel Manager, in accordance with this Sub-Deed to assign the Undivided Shares in the Hotel Common Areas and the Hotel Common Facilities to it free of costs or consideration, in which event, the Owners' Corporation must hold such Undivided Shares on trust for the benefit of all the Owners of the Hotel Room Units.
7. The First Owner (which expression, for the purpose of this clause, shall exclude its assigns) shall at the costs of the First Owner and within one month from the date of this Sub-Deed cause this Sub-Deed to be translated into Chinese and a copy of this Sub-Deed and such Chinese text shall be available for inspection free of costs at the Hotel Manager's office in the Hotel. A copy of this Sub-Deed and the Chinese text of this Sub-Deed shall be supplied to each Owner of the Hotel Room Units on request at his expense and upon payment of a reasonable charge. All charges received shall be credited to the Hotel Sinking Fund. In the event of dispute as to the effect or construction thereof, the English text shall prevail.
8. A set of plans showing the Hotel Common Areas and Hotel Common Facilities where such can be shown and delineated on plans as appropriate and any subsequent amendments thereto shall be prepared by the First Owner and certified as to their accuracy by the Authorised Person and kept at the Hotel Manager's office and may be inspected by the Owners of the Hotel Room Units during normal office hours free of costs and charges.

9. The Undivided Shares allocated to the Hotel Common Areas and the Hotel Common Facilities shall not carry any voting rights at any meeting whether under this Sub-Deed, the Building Management Ordinance (Chapter 344 of the Laws of Hong Kong) or otherwise or liability to pay any fees under this Sub-Deed, nor shall such Undivided Shares be taken into account for the purpose of calculating the quorum of any meeting under this Sub-Deed.

10. The First Owner (which expression, for the purpose of this clause, shall exclude its assigns) shall at its own costs compile for the reference of the Owners of the Hotel Room Units and the Hotel Manager a maintenance manual for the Works and Installations setting out the following details :

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

The First Owner shall also deposit a full copy thereof in the management office of the Hotel within one month of the date of this Sub-Deed for inspection by all Owners of the Hotel Room Units free of charge and taking copies at their own expenses and on payment of a reasonable charge. All charges received shall be credited to the Hotel Sinking Fund.

11 The schedule of the Works and Installations set out in the Third Schedule hereto and the maintenance manual for the Works and Installations shall be revised if necessary in future to take into account any necessary changes such as addition of works and installations set out in the Third Schedule hereto in the Hotel and the updating of maintenance strategies in step with changing requirements.

12. The Owners of the Hotel Room Units may, by a resolution of Owners of the Hotel Room Units at a meeting of the Owners of the Hotel Room Units convened under this Sub-Deed, decide on revisions to be made to the schedule of the Works and Installations set out in the Third Schedule hereto and the maintenance manual for the Works and Installations, in which event the Hotel Manager shall procure from a qualified professional or consultant the revised schedule of the Works and Installations set out in the Third Schedule hereto and the revised maintenance manual for the Works and Installations within such time as may be prescribed by the Owners of the Hotel Room Units at a meeting of the Owners of the Hotel Room Units convened under this Sub-Deed.

13. All costs incidental to the preparation of the revised schedule of the Works and Installations set out in the Third Schedule hereto and the revised maintenance manual for the Works and Installations will be paid out of the Hotel Sinking Fund.

14. The Hotel Manager shall deposit the revised maintenance manual for the Works and Installations in the management office of the Hotel within one month from the date of its preparation for inspection by all Owners of the Hotel Room Units free of charge and taking copies at their own expenses and on payment of a reasonable charge. All charges received shall be credited to the Hotel Sinking Fund.

15. The provisions contained in this Sub-Deed shall apply and be construed subject to the terms and conditions of the Government Grant and of the Principal Deed so that in the event of any conflict or inconsistency between any provision of this Sub-Deed and any provision in the Government Grant and/or the Principal Deed, the relevant provision in the Government Grant and the Principal Deed shall prevail.

16. No failure or delay by any party hereto in exercising any right, power or remedy under this Sub-Deed shall operate as a waiver thereof, nor shall any single or partial exercise of the same preclude any further exercise thereof or the exercise of any other right, power or remedy. No waiver by any party hereto of a breach of any provision hereof shall be valid unless expressly made in writing and executed by such party or be deemed to be a waiver of any subsequent breach of that or any other provision hereof. The rights and remedies of any party hereto under this Sub-Deed shall be cumulative and shall not prejudice or otherwise affect any rights or remedies of such party at law or otherwise.

17. In this Sub-Deed, unless the context permits or requires otherwise :

- (a) references to statutory provisions shall be construed as references to those provisions as amended or re-enacted or as their application may be modified by other provisions (whether on, before or after the date hereof) from time to time and shall include any re-enactment thereof (whether with or without modification);
- (b) references herein to Clauses, Sub-Clauses, Paragraphs, Sub-Paragraphs and Schedules are to clauses, sub-clauses, paragraphs and sub-paragraphs in and

schedules to this Sub-Deed and the Schedules to this Sub-Deed shall form part of this Sub-Deed;

- (c) the headings are inserted for convenience only and shall not affect the construction of this Sub-Deed;
- (d) words importing the singular include the plural and vice versa; words importing a gender include every gender and references to "person" includes individual, firm, public body, any body of persons, corporate or unincorporated;
- (e) in construing this Sub-Deed:
 - (i) the rule known as the ejusdem generis rule shall not apply and accordingly general words introduced by the word "other" shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things; and
 - (ii) general words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words.

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

THE FIRST SCHEDULE ABOVE REFERRED TO

Sub-allocation of Undivided Shares

Hotel Room Units :

<u>Floor</u>	<u>Hotel Room Unit No.</u>	<u>No. of Undivided Shares sub-allocated to each Hotel Room Unit</u>	<u>Sub-Total</u>
2/F	1	54	562
	2	54	
	3	54	
	4	54	
	5	71	
	6	41	
	7	54	
	8	54	
	9	54	
	10	<u>72</u>	
3/F – 18/F # (13 storeys)	1	54	7,592
	2	54	
	3	54	
	4	54	
	5	74	
	6	58	
	7	54	
	8	54	
	9	54	
	10	<u>74</u>	
19/F – 27/F # (8 storeys)	1	54	4,648
	2	54	
	3	54	
	4	54	
	5	74	
	6	55	
	7	54	
	8	54	
	9	54	
	10	<u>74</u>	

28/F	1	54	
	2	54	
	3	54	
	4	54	
	5	74	
	6	58	
	7	54	
	8	54	
	9	54	
	10	<u>74</u>	584

29/F – 42/F # (13 storeys)	1	54	
	2	54	
	3	54	
	4	54	
	5	74	
	6	58	
	7	54	
	8	54	
	9	54	
	10	<u>74</u>	7,592

<u>Hotel Common Areas :</u>	212
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TOTAL UNDIVIDED SHARES :	<u><u>21,190</u></u>
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Note : “#” = There are no designation of 4/F., 13/F., 14/F., 24/F and 34/F.

THE SECOND SCHEDULE ABOVE REFERRED TO

Allocation of Hotel Management Shares

Hotel Room Units :

<u>Floor</u>	<u>Hotel Room Unit No.</u>	<u>No. of Hotel Management Shares allocated to each Hotel Room Unit</u>	<u>Sub-Total</u>
2/F	1	55	565
	2	54	
	3	55	
	4	55	
	5	72	
	6	40	
	7	54	
	8	54	
	9	54	
	10	<u>72</u>	
3/F – 18/F # (13 storeys)	1	55	7,670
	2	54	
	3	55	
	4	55	
	5	75	
	6	59	
	7	54	
	8	54	
	9	54	
	10	<u>75</u>	
19/F – 27/F # (8 storeys)	1	55	4,696
	2	54	
	3	55	
	4	55	
	5	75	
	6	56	
	7	54	
	8	54	
	9	54	
	10	<u>75</u>	

28/F	1	55	
	2	54	
	3	55	
	4	55	
	5	75	
	6	58	
	7	54	
	8	54	
	9	54	
	10	<u>75</u>	589

29/F – 42/F # (13 storeys)	1	55	
	2	54	
	3	55	
	4	55	
	5	75	
	6	59	
	7	54	
	8	54	
	9	54	
	10	<u>75</u>	7,670

Hotel Common Areas :

0

TOTAL HOTEL MANAGEMENT SHARES : 21,190

Note : “#” = There are no designation of 4/F., 13/F., 14/F., 24/F and 34/F.

THE THIRD SCHEDULE ABOVE REFERRED TO

Works and Installations as at the date of this Sub-Deed :

- (i) structural elements;
- (ii) external wall finishes and roofing materials;
- (iii) fire safety elements;
- (iv) plumbing system;
- (v) drainage system;
- (vi) fire services installations and equipment;
- (vii) electrical wiring system;
- (viii) lift installations;
- (ix) window installations; and
- (x) central air-conditioning and ventilation system.

SEALED with the Common Seal)
)
of Pearl Wisdom Limited, the First Owner,)
)
and SIGNED by)
)
)
)
)
)
whose signature(s) is/are verified by:)

SEALED with the Common Seal)
)
of)
)
)
the Hotel Manager, and SIGNED by)
)
)
)
)
)
whose signature(s) is/are verified by:)

SIGNED SEALED AND DELIVERED)
)
by the Covenanting Owner/)
)
SEALED with the Common Seal of the)
)
Covenanting Owner and)
)
SIGNED by)
)
)
)
)
)
in the presence of:)

[INTERPRETED to the Covenanting Owner by :-]

Dated the _____ day of _____.

PEARL WISDOM LIMITED

and

and

**SUB-DEED OF MUTUAL COVENANT AND
MANAGEMENT AGREEMENT**

in respect of

**THE APEX HORIZON (also known as
The Hotel) of THE APEX
erected on
THE REMAINING PORTION OF
KWAI CHUNG TOWN LOT NO.467**

WOO, KWAN, LEE & LO
SOLICITORS &C
25TH FLOOR, JARDINE HOUSE
1 CONNAUGHT PLACE
CENTRAL, HONG KONG SAR.

B900/IC/VH/sl

Approved form



THE APEX HORIZON 雍澄軒



位於葵涌市地段第467號的餘段內之「酒店房間」〔其定義見於雍澄軒酒店分公契〕，屬於雍澄軒酒店的一部份，而且根據新批地條件第7171號及相關入伙紙規定，「酒店房間」必須用作酒店之用途，並不可作其他用途包括私人住宅用途等。

就本樓書的內容而言，凡提及或關於「雍澄軒酒店租約」，均是指雍澄軒酒店的酒店房間使用准許協議(licence agreement)，「租客」指酒店房間使用准許協議項下的酒店房間准許使用人(licensee)，而「租金」即指酒店房間准許使用人所交付的酒店房間准許使用金(licence fee)。所有雍澄軒酒店房間使用准許協議，均明確訂明任何酒店房間准許使用人並不享有酒店房間的獨有享用權(exclusive possession)，法律上絕不構成任何「租契」(lease)、「租賃」(tenancy)或「租賃協議」(tenancy agreement)。在本樓書中，凡提及或使用其他與租約相關的字眼或詞語或概念，均應按前述解釋。

The Hotel Room Units (as defined in the Sub-Deed of Mutual Covenant and Management Agreement of the Remaining Portion of Kwai Chung Town Lot No.467) shall form part of the hotel known as The Apex Horizon and according to New Grant No.7171 and the relevant Occupation Permit, the Hotel Room Units shall only be used for hotel purposes and not for any other purposes or uses including, among others, private residential purposes or uses.

For the purposes of this Sales Brochure, any references to or expression used in connection with "tenancy agreements" of The Apex Horizon shall mean licence agreements of The Apex Horizon, tenants shall mean the licensees referred to in the licence agreements of The Apex Horizon and rental income shall mean licence fees payable by the licensees under the licence agreements of The Apex Horizon. It is expressly provided that no exclusive possession shall be given to the licensees under the licence agreements of The Apex Horizon and nothing provided in any of the licence agreements shall constitute lease, tenancy or tenancy agreement. "Tenancy agreements" and/or any other words, expressions or concepts mentioned and/or used in this Sales Brochure that may relate to "tenancy agreements" shall be construed in accordance with the aforesaid.

1. 每名「業主」均須簽訂一份依附契約以使其接受「酒店營運合同」約束。「酒店營運合同」乃重要法律文件，敬請細閱全文。售樓處備有「酒店營運合同」及依附契約副本(包括影印本及電子版)，歡迎準買家免費查閱。
2. 閣下如對購買「酒店房間」的有關法律影響及/或稅務存有任何疑問，應諮詢專業意見。相關責任由閣下承擔。
3. 每名「業主」均按「酒店營運合同」條款委任「酒店營運人」處理其「酒店房間」作為「雍澄軒酒店」一部分之管理及營運等相關事宜並且在「酒店營運合同」所允許的範疇內並應按適用法律須不時給予酒店營運人指示。
4. 「酒店房間」收益回報視乎屆時全球及本地經濟及旅遊業狀況。

1. Each Owner shall be bound by the Hotel Operation Agreement by entering into a deed of adherence. Please be advised to refer to the full version of the Hotel Operation Agreement which is an important legal document. Copies of the Hotel Operation Agreement and the deed of adherence (including photocopy and electronic copy) are available for inspection by prospective purchasers in the sales office(s) free of charge.
2. You are recommended to consult your professional advisers if you are in any doubt as to the taxation and legal implications of any matters relating to the purchase of the Hotel Room Unit. The relating responsibilities shall be borne by you.
3. Each Owner shall appoint the Hotel Operator to manage and operate his Hotel Room Unit as part of the Hotel in accordance with the Hotel Operation Agreement and shall give instructions to the Hotel Operator as regards the management and operation of his Hotel Room Unit to the extent permitted under the Hotel Operation Agreement and in accordance with the applicable laws.
4. Returns on Hotel Room Units shall depend on the global and the local economies and tourism performance.

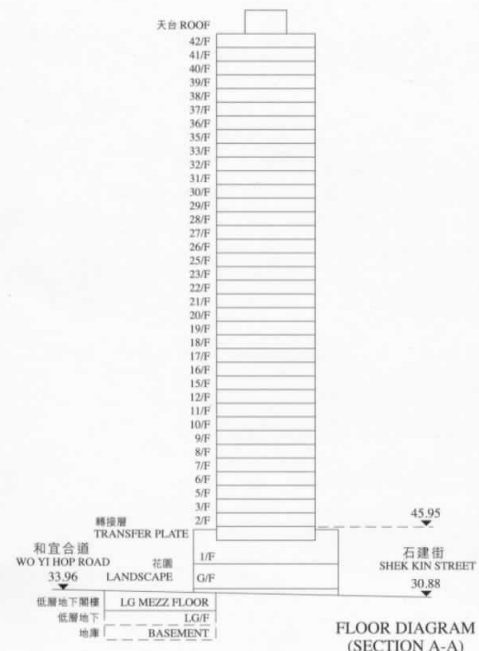
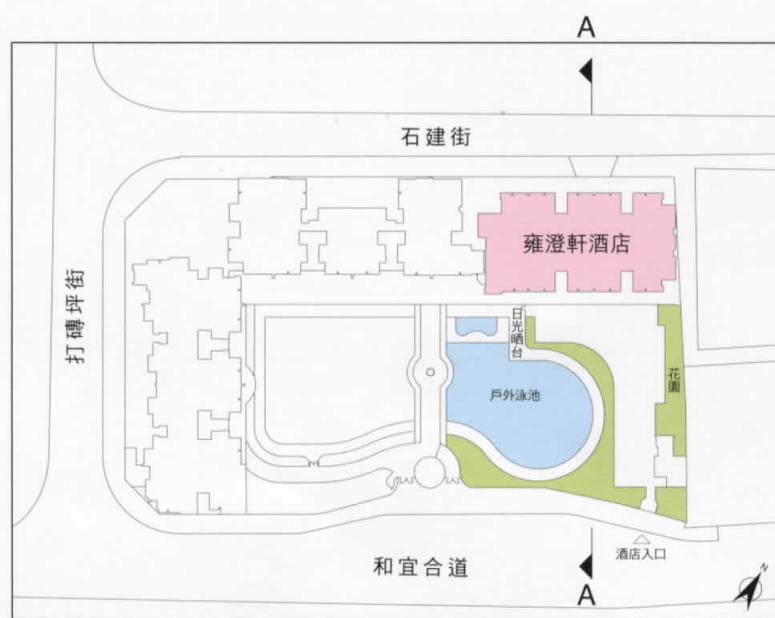
平面圖 Floor Plan

3-42樓平面圖 (不設4、13、14、24及34樓)

3RD - 42ND FLOOR PLAN (4/F, 13/F, 14/F, 24/F & 34/F ARE OMITTED)



座別圖 BLOCK PLAN



2樓平面圖

2ND FLOOR PLAN



面積表 Area Schedule

酒店房間 Hotel Room Unit	樓層 Floor	建築面積 Gross Floor Area 平方呎(sq.ft.)	實用面積 Saleable Area 平方呎(sq.ft.)	窗台 Bay Window 平方呎(sq.ft.)
1	2/F - 42/F	661	498	28
2	2/F - 42/F	660	500	25
3	2/F - 42/F	662	501	25
4	2/F - 42/F	661	501	25
5	2/F	874	670	25
	3/F - 42/F	904	675	43

註：1. 建築面積包括窗台，實用面積不包括窗台

2. 不設4/F、13/F、14/F、24/F及34/F

Remarks: 1. Gross Floor Area includes Bay Window and Saleable Area does not include Bay Window

2. 4/F, 13/F, 14/F, 24/F & 34/F are omitted

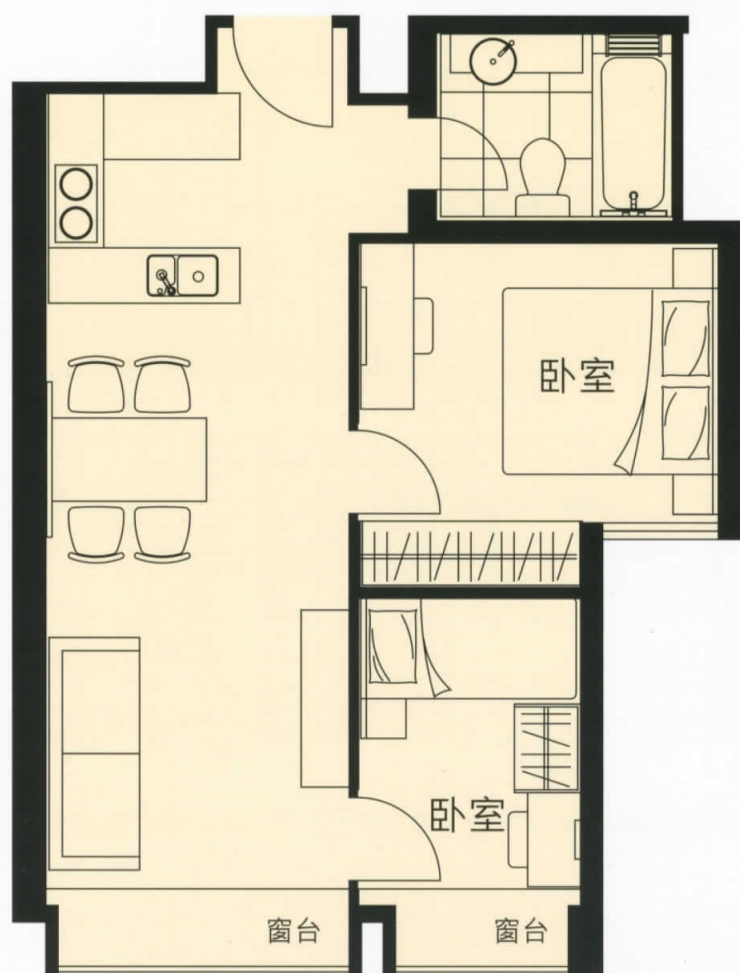
酒店房間 Hotel Room Unit	樓層 Floor	建築面積 Gross Floor Area 平方呎(sq.ft.)	實用面積 Saleable Area 平方呎(sq.ft.)	窗台 Bay Window 平方呎(sq.ft.)
6	2/F	502	374	25
	3/F - 18/F	716	525	44
	19/F - 27/F	688	503	44
	28/F	714	524	44
	29/F - 42/F	716	525	44
7	2/F - 42/F	656	497	25
8	2/F - 42/F	660	500	25
9	2/F - 42/F	660	500	25
10	2/F	880	674	26
	3/F - 42/F	909	679	44

傢俬布局圖

Furniture Layout Plan

2房2廳

酒店行政房間布局，
間隔實用，裝修傢具齊備。

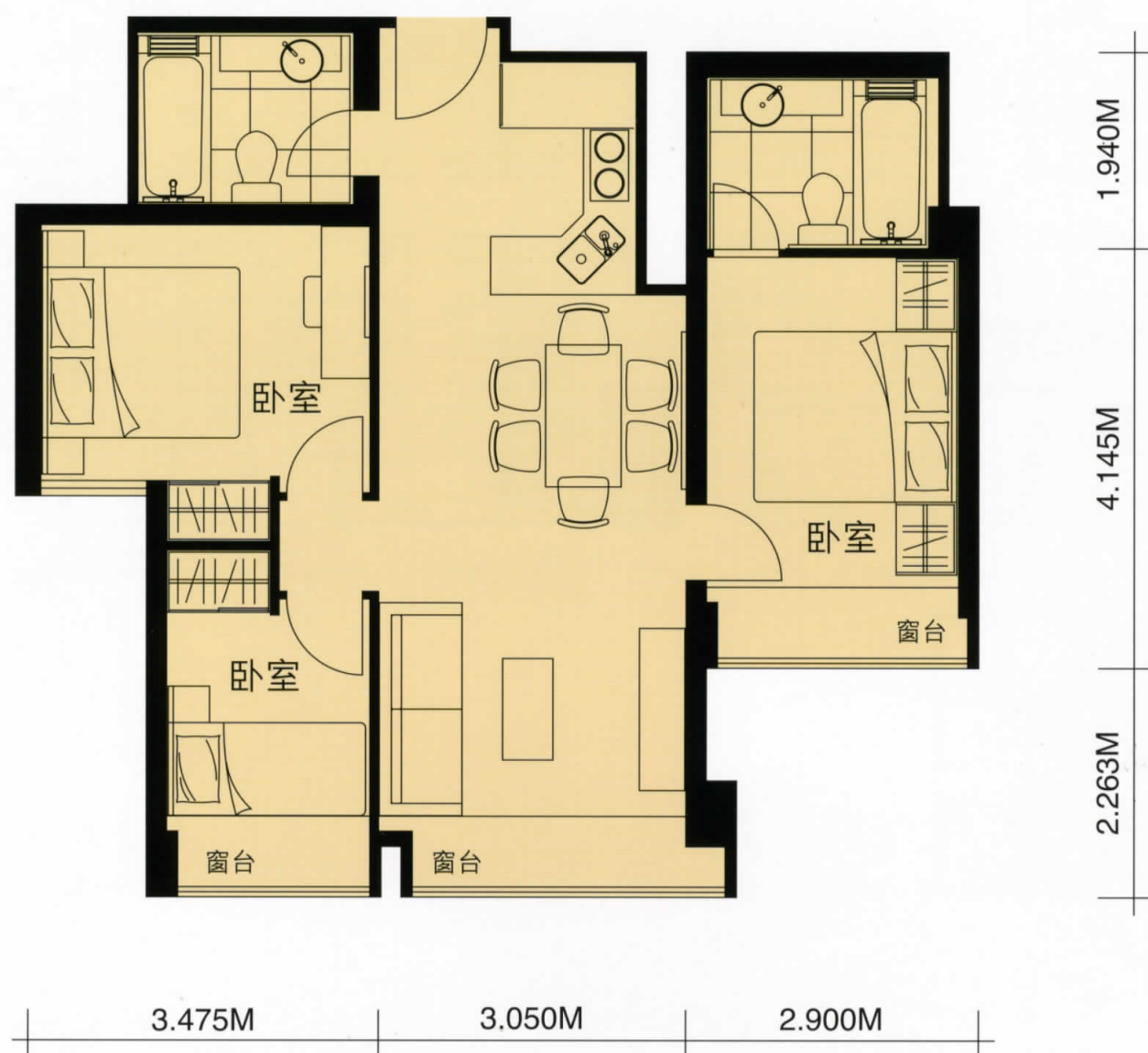


2.900M 3.475M

上圖為11樓至42樓9號酒店房間之傢俬布局圖
(不設13樓、14樓、24樓及34樓)

3房2廳

廳房寬敞舒適，極具空間感，裝潢時尚，
雙浴室設計盡顯氣派，酒店行政房間昇級之選。



上圖為11樓至41樓10號酒店房間之傢俬布局圖
(不設13樓、14樓、24樓及34樓)

傢俬布局圖

Furniture Layout Plan

2-10樓 (不設4樓)
2ND - 10TH FLOOR (4/F IS OMITTED)



11-42樓 (不設13、14、24、及34樓)

11TH - 42ND FLOOR (13/F, 14/F, 24/F and 34/F ARE OMITTED)



28樓酒店房間局部圖則

19樓至23樓及25樓至27樓傷殘人士酒店房間局部圖則

42樓酒店房間局部圖則

發展項目資料及政府批地書重要條款

Project Information and Salient Points of Government Grant

物業名稱¹ : 雍澄軒酒店
地段編號 : 葵涌市地段第467號之剩餘部份
地租 : 每年為差餉估值之3%
地址 : 葵涌和宜合道33號
地契用途限制 : 非工業用途 (不包括貨倉及加油站)
年期 : 由2002年6月4日起至2052年6月3日
賣方 : PEARL WISDOM LIMITED
賣方之控股公司 : 長江實業(集團)有限公司
賣方律師 : 胡關李羅律師行
香港中環怡和大廈廿五樓
電話 : 2847 7888
傳真 : 2845 0239

*買家必須自行聘請代表律師
香港律師會查詢電話 : 2846 0500
網址 : www.hklawsoc.org.hk

物業座數 : 1座

物業層數 : 2-42樓 (酒店房間樓層)
*酒店房間由2樓開始
*不設4、13、14、24及34樓

物業單位總數 : 共360個酒店房間

車位總數 :
3個酒店車位, 每個約8呎2吋闊、16呎5吋長(2.5米×5米)

地下入口大堂樓面至樓面高度
約16呎5吋 (約5米)

單位樓面至樓面高度⁺
2至41樓—約9呎2吋(約2.8米)
42樓—約9呎10吋(約3.0米)
⁺指該樓層之石屎地台面與上一層石屎地台面之高度距離

滿意紙發出日期 :
2008年11月24日

物業之管理人 :
Horizon Hotels & Suites Limited

每月酒店物業管理支出及營運支出費* :
酒店房間每平方呎每月約港幣2.90元 (以建築面積計算)
*(已包括發展物業公契下之管理費)

批地文件的摘要

1. 政府批地條款 : 新批地條件第7171號
2. 地段編號 : 葵涌市地段第467號
3. 年期 : 由2002年6月4日起計為期50年
4. 該地段或其任何部份或現已或將會建於該處的建築物不得用作非工業用途(貨倉及加油站除外)以外的用途。
5. 如「承批人」違反此等「批地條款」, 或「承批人」導致毗連或毗鄰土地或該地段損害, 而地政總署署長(其意見將作終論並對「承批人」約束)認為上述損害乃因「承批人」發展或重建該地段或其任何部份或任何其他工程所致, 「承批人」需向「政府」賠償和繼續賠償所有由此招致之訴訟、法律程序、責任、索求、費用、開支及索償。

特此敬告: 請詳閱新批地條件第7171號(“政府批地書”)的全文。政府批地書為重要法律文件。賣方已在售樓處存放了政府批地書之影印本及電子文本, 供準買家免費查閱。

DEVELOPMENT LOT NO. : The Apex Horizon
: The Remaining Portion of Kwai Chung Town Lot No. 467
GOVERNMENT RENT : 3% of the ratable value per annum
ADDRESS : 33 Wo Yi Hop Road, Kwai Chung
USER : Non-industrial purpose (excluding godown and petrol filling station)
LEASE TERM : From 4th June 2002 to 3rd June 2052
VENDOR : Pearl Wisdom Limited
VENDOR'S : Cheung Kong (Holdings) Limited
HOLDING COMPANY
VENDOR'S : Woo, Kwan, Lee & Lo
SOLICITORS : 25/F, Jardine House, 1 Connaught place, Central, Hong Kong
Tel: 2847 7888
Fax: 2845 0239

*Purchasers must appoint their own solicitors
The Law Society of Hong Kong
Tel: 2846 0500
Website: www.hklawsoc.org.hk

NO. OF BLOCK : 1

STOREY:
2/F to 42/F (Hotel Room Unit Floors)
*Hotel Room Units are on 2/F and above
*4/F, 13/F, 14/F, 24/F and 34/F are omitted

NO. OF UNITS AVAILABLE FOR SALE:
360 Hotel Room Units

CAR PARKING SPACES:
3 Hotel car parking spaces
Dimension of each space –
Approx. 8'2" × 16'5" (2.5m × 5m)

FLOOR-TO-FLOOR HEIGHT OF G/F ENTRANCE:
Approx. 16' 5" (5.0m)

FLOOR TO FLOOR HEIGHT OF UNITS*:
2/F to 41/F
Approx. 9'2" (2.8m)
42/F – Approx. 9'10" (3.0m)
⁺refer to the height between the top surface of the structural slab of a floor and the top surface of the structural slab of its immediate upper floor

DATE OF CERTIFICATE OF COMPLIANCE:
24th November 2008

MANAGER OF THE DEVELOPMENT:
Horizon Hotels & Suites Limited

MONTHLY CONTRIBUTION TO HOTEL MANAGEMENT EXPENSES AND HOTEL OPERATION EXPENSES*:
Approximately HK\$2.90 per sq.ft. per month for Hotel Room Units (based on GFA)
* (Inclusive of management fees under the DMC)

SALIENT POINTS OF GOVERNMENT GRANT

1. Government Grant : New Grant No.7171
2. Lot No. : Kwai Chung Town Lot No.467
3. Lease Term : 50 years commencing from 4th June 2002
4. The lot or any part thereof or any building or buildings erected or to be erected thereon shall not be used for any purpose other than for non-industrial (excluding godown and petrol filling station) purposes.
5. The Grantee shall indemnify and keep indemnified the Government against all actions, proceedings, liabilities, demands, costs, expenses and claims whatsoever arising from any damage caused to adjacent or adjoining land where such damage has, in the opinion of the Director (whose opinion shall be final and binding upon the Grantee), arisen out of any development or redevelopment affecting the lot or part thereof or out of any other works which the Grantee is required to undertake in compliance with these Conditions.

Please be advised to refer to the full version of the New Grant No. 7171 ("Government Grant") which is an important legal document.

Copies of the Government Grant (including photocopy and electronic copy) are available for inspection by prospective purchasers in the sales office(s) free of charge.

建築用料說明

Fittings & Finishes Schedule

酒店房間(42樓10號酒店房間除外)

牆身：

- 牆身見光處批盪後再髹上等乳膠漆（浴室除外）。
- 浴室牆見光處鋪砌高級瓷磚或進口天然石至假天花。

天花：

- 天花為上等乳膠漆或鋁質天花配設嵌入式天花燈（浴室除外）。
- 浴室裝設鋁質天花及嵌入式天花燈。

地台：

- 鋪砌高級雲石紋地磚配地腳線式線槽（浴室除外）。
- 浴室地台見光處鋪砌高級高溫磚。

窗戶：

鋁質窗框配綠色玻璃，窗台位鋪砌天然石。

門扇：

大門選用名貴木紋膠板面實心木門配防盜眼及門鎖。室內門扇選用名貴木紋膠板空心木門或附有百頁。

浴室：

名貴面盆配天然石檯面及全套座廁，浴缸配沐浴及淋浴裝置。浴室配件包括浴室鏡、毛巾架、廁紙架、浴袍掛鉤及玻璃層架等。設有抽氣裝置。

供水：

冷熱水喉管全部採用有膠層保護之銅喉。裝有即熱式電熱水爐供應室內熱水。

電視及電話：

裝有電話插座及天線接收插座，可接收本地電視 / 電台節目及衛星電視。

電力供應：

裝有美觀安全電插蘇掣。電線均採用地腳式線槽及明暗電線喉管安裝方法，並設有配電箱包括漏電保護器。

電訊設備：

設有固網電話線及寬頻上網插座。

酒店公用地方

酒店外牆：

基座外牆鋪砌進口天然石 / 高級高溫磚 / 玻璃外牆 / 金屬百頁等裝飾材料。大廈外牆鋪砌瓷磚、裝置鋁窗。

地下入口大堂：

以進口天然石 / 木材 / 鏡及其他物料裝飾。假天花裝上美觀水晶燈飾，冷氣供應。

各層電梯大堂：

牆身及地台以進口天然石 / 瓷磚 / 鏡及其他物料裝飾。裝有高貴水晶天花吊燈。

電梯：

載客電梯供各層使用。全部載客電梯內提供冷氣供應。載客電梯內以天然石 / 不銹鋼 / 鏡等裝飾，並裝有歐洲Swarovski水晶光纖天花燈箱。

停車位：

備有室內停車場車位。停車場入口裝置先進監察系統，加強保安。

保安及管理：

由專業酒店管理公司負責，提供日夜24小時管理及保安服務。地下電梯大堂裝有智能咭開關大門。

備註：

和記環球電訊有限公司及和記電訊有限公司在物業範圍內設有電訊傳輸及分配網絡設備提供服務。其他一切未列舉者，或前述各項如因賣方為求質素而加以更改，均必依照政府部門最後批准之圖則完成，並恕不另行通告。賣方保留一切權利，按實際情況以同等質素之建築材料及設備代替上述所列各項。

建築用料說明

Fittings & Finishes Schedule

HOTEL ROOM UNITS (Unit 10 at 42/F excluded)

Walls:

Plastered and painted with emulsion paint to exposed surface (except bathrooms).
Bathrooms – Ceramic tile or natural stone to exposed surface up to false ceiling level.

Ceilings:

Emulsion paint finish to exposed surface or aluminium false ceiling with recessed downlight as necessary (except bathrooms).
Bathrooms – Aluminium false ceiling with recessed downlight.

Floors:

Marble like pattern homogeneous floor tiles with plastic skirting trunking system (except bathrooms).
Bathrooms – Homogeneous floor tiles to exposed surface.

Windows:

Fluorocarbon coated aluminium frames with green tinted glass. Window sills finished with natural stone.

Doors:

Entrance Door – Timber grain pattern plastic laminate verneer finished solid core construction and fitted with door viewer and lock.
Internal Doors – Timber grain pattern plastic laminate verneer finished hollow core construction with louvers as necessary.

Bathroom:

Vitreous china flushing water closet complete with plastic seat and cover. Wash basin with natural stone counter top. Bath tub completed with bath/shower fitting. Accessories including mirrors, towel rack, paper holder, robe hook and glass shelf. Air extraction system installation is provided.

Water Supply:

PVC-coated copper pipes are provided for both hot water and cold water. Hot water supply provided by instantaneous type electric water heaters.

Telephone and FM/T.V. Outlet:

Telephone outlets are provided. TV/FM outlets for local TV/FM programs and satellite TV programme are provided.

Electricity:

General-use socket outlets are provided. All cables are run in skirting trunking and surface / concealed conduit system. Surface conduits enclosed in false ceilings, mouldings, cornices, cabinets, bulkheads. MCB board completed with RCD is provided for each guestroom.

Telephone and Internet Provision:

All hotel room units are provided with fixed telephone line and broadband internet outlet.

PUBLIC AREA

External Wall:

Podium finished with natural stone / tiles / glass walls / metal louvers and other materials. Tower finished with ceramic tiles. Aluminium windows with fluorocarbon finish.

G/F Main Entrance Lobby:

Decorated with natural stone / timber / mirror and other materials. Suspended false ceiling with pendent crystal lighting and air-conditioning are provided.

Typical Lift Lobby:

Decorated with natural stone/tiles/mirror and other materials. Pendant crystal lightings are installed.

Lift:

Passenger lifts serving each typical floor are provided. Air conditioning is provided inside each passenger lift car. Passenger lift car interior finished with natural stone or stainless steel panel or decorative mirror, European Swarovski crystal optic fibre light box is also provided.

Carpark:

Covered car parks are available. Vehicular control system had been installed at the carpark main entrance.

Management & Security System:

The premises will be managed with 24 hours security and maintenance services for common areas. G/F lift lobby entrance is operated by smart cards.

Miscellaneous:

Transmission and distribution telecommunication equipment will be installed by Hutchison Global Communications Limited and Hutchison Telecommunications (Hong Kong) Limited in the Development. The vendor reserves the right to make modifications and changes to all the above provisions and other items not listed without notice and which will be in accordance with the final plans to be approved by the Government. The vendor reserves the right to substitute other materials of comparable quality and standard for the intended materials as listed in the Fittings & Finishes Schedule.

查詢熱線 HOTLINE:

3167 8888

本樓書內之相片、圖像、繪圖及插圖僅供參考之用，並不構成賣方及下列提述人士及公司的任何保證、申述或要約，不論明示或默示。樓書內相片、圖像、繪圖及插圖可能經過電腦圖像修飾處理。相片、圖像、繪圖及插圖是畫家對該等相片、圖像、繪圖及插圖內所描畫的主題之想像之表達。而刊載的相片、圖像、繪圖及插圖，亦可能與本發展項目及/或雍澄軒酒店無關，且並非準確反映本發展項目之完成狀況及面貌。任何人士應作本發展項目及/或雍澄軒酒店實地考察以了解本發展項目及/或雍澄軒酒店及其周圍地區及環境。本樓書所有內容或其任何部份之中英文版本如有歧義，一律以英文版本為準。本樓書內一切資料，均以政府最後批准之圖則及正式買賣合約及發展物業公契、雍澄軒酒店分公契及酒店營運合同內的條文為準。

Photos, pictures, drawings and perspectives in this Sales Brochure are for reference only and shall not be construed as giving any offer representation or warranty whether expressly or impliedly by the Vendor and the parties named below. Photos, pictures, drawings and perspectives may have been enhanced by computer graphics. Photos, pictures, drawings and perspectives may be expressions of artists' imagined impressions of the subject matter depicted therein. Photos, pictures drawings and perspectives contained in this Sales Brochure may not relate to the development and/or The Apex Horizon, and may not accurately reflect the conditions and appearance of the completed development. All parties shall visit and inspect the development site and The Apex Horizon to understand the development site and The Apex Horizon, its surrounding areas and environment. In case of discrepancy between the English version & Chinese version in respect of all or any part of the contents of this Sales Brochure, the English version shall prevail. All information given in this Sales Brochure shall be subject to final plans to be approved by Government and the terms and conditions of the Agreement for Sale and Purchase and Principal DMC, Sub-DMC and Hotel Operation Agreement.

賣方之控股公司 Holding Company of the Vendor

 **長江實業(集團)有限公司**
CHEUNG KONG (HOLDINGS) LIMITED

榮獲Pricewaterhouse Coopers主審，Financial Times 專業分析，
評選為「全球最受推崇地產建造有限公司」。

策劃興建及售樓代理 Project Manager & Sales Agent

 **長江實業地產發展有限公司**
CHEUNG KONG PROPERTY DEVELOPMENT LIMITED

賣方 Vendor

PEARL WISDOM LIMITED

賣方律師 Vendor's Solicitor

胡關李羅律師行

Woo, Kwan, Lee & Lo

物業郵寄地址：新界葵涌和宜合道33號 地區：葵涌

Postal Address of the Development : 33 Wo Yi Hop Road, Kwai Chung, New Territories

District: Kwai Chung

本廣告/宣傳資料內載列的相片、圖像、繪圖或素描顯示純屬畫家對有關發展項目之想像。有關相片、圖像、繪圖或素描並非按照比例繪畫及/或可能經過電腦修飾處理。準買家如欲了解發展項目的詳情，請參閱售樓說明書。賣方亦建議準買家到有關發展地盤作實地考察，以對該發展地盤、其周邊地區環境及附近的公共設施有較佳了解。The photographs, images, drawings or sketches shown in this advertisement/promotional material represent an artist's impression of the development concerned only. They are not drawn to scale and/or may have been edited and processed with computerized imaging techniques. Prospective purchasers should make reference to the sales brochure for details of the development. The vendor also advises prospective purchasers to conduct an on-site visit for a better understanding of the development site, its surrounding environment and the public facilities nearby.

雍澄軒 豪華酒店

THE APEX HORIZON

DELUXE ALL-SUITE-HOTEL



閒坐閱讀廊 靜享寫意優閒

多重優惠 無限驚喜
首100名買家獲贈首年*

The Apex Horizon Club 會所會籍

往返葵芳港鐵站之專車服務

NOW TV共11個精選頻道

獨立電話網絡服務



活力健身房 尊享先進器械



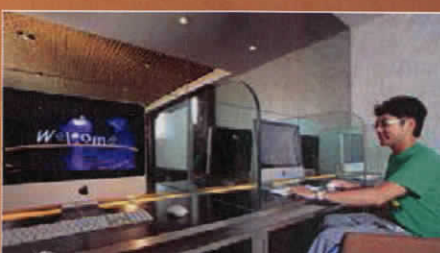
影視遊戲區 展現玩樂動感



兒童樂園 啟迪創意童真



免費專車 逍遙暢達



消閒上網 暢遊網絡世界

The Apex Horizon Club 並非雍澄軒酒店之任何部份。The Apex Horizon Club does not form part of The Apex Horizon.

本廣告/宣傳資料內載列的相片、圖像、繪圖或素描顯示純屬畫家之想像。有關相片、圖像、繪圖或素描並非按照雍澄軒酒店繪畫及/或可能經過電腦修飾處理。準買家應到雍澄軒酒店作實地考察，以對雍澄軒酒店、其周邊環境及附近的公共設施有較佳了解。

The photographs, images, drawings or sketches shown in this advertisement/promotional material represent an artist's impression only. They are not drawn according to The Apex Horizon and/or may have been edited and processed with computerized imaging techniques. Prospective purchasers should conduct an on-site visit for a better understanding of The Apex Horizon, its surrounding environment and the public facilities nearby.

*以交易完成日起計為期一年

位於葵涌市地段第467號的餘段內之「酒店房間」〔其定義見於雍澄軒酒店分公契〕，屬於雍澄軒酒店的一部份，而且根據新批地條件第7171號及相關入伙紙規定，「酒店房間」必須用作酒店之用途，並不可作其他用途包括私人住宅用途等。

就本單張的內容而言，凡提及或關於「雍澄軒酒店租約」，均是指雍澄軒酒店的酒店房間使用准許協議(licence agreement)，「租客」指酒店房間使用准許協議項下的酒店房間准許使用人(licensee)，而「租金」即指酒店房間准許使用人所交付的酒店房間准許使用金(licence fee)。所有雍澄軒酒店房間使用准許協議，均明確訂明任何酒店房間准許使用人並不享有酒店房間的獨有享用權(exclusive possession)，法律上絕不構成任何「租契」(lease)、「租賃」(tenancy)或「租賃協議」(tenancy agreement)。在本單張中，凡提及或使用其他與租約相關的字眼或詞語或概念，均應按前述解釋。

1. 每名「業主」均須簽訂一份依附契約以使其接受「酒店營運合同」約束。「酒店營運合同」乃重要法律文件，敬請細閱全文。售樓處備有「酒店營運合同」及依附契約副本(包括影印本及電子版)，歡迎準買家免費查閱。
2. 閣下如對購買「酒店房間」的有關法律影響及/或稅務存有任何疑問，應諮詢專業意見。相關責任由閣下承擔。
3. 每名「業主」均按「酒店營運合同」條款委任「酒店營運人」處理其「酒店房間」作為「雍澄軒酒店」一部分之管理及營運等相關事宜並且在「酒店營運合同」所允許的範圍內並應按適用法律不時給予酒店營運人指示。
4. 「酒店房間」收益回報視乎屆時全球及本地經濟及旅遊業狀況。

The Hotel Room Units (as defined in the Sub-Deed of Mutual Covenant and Management Agreement of the Remaining Portion of Kwai Chung Town Lot No.467) shall form part of the hotel known as The Apex Horizon and according to New Grant No.7171 and the relevant Occupation Permit, the Hotel Room Units shall only be used for hotel purposes and not for any other purposes or uses including, among others, private residential purposes or uses.

For the purposes of this Leaflet, any references to or expression used in connection with "tenancy agreements" of The Apex Horizon shall mean licence agreements of The Apex Horizon, tenants shall mean the licensees referred to in the licence agreements of The Apex Horizon and rental income shall mean licence fees payable by the licensees under the licence agreements of The Apex Horizon. It is expressly provided that no exclusive possession shall be given to the licensees under the licence agreements of The Apex Horizon and nothing provided in any of the licence agreements shall constitute lease, tenancy or tenancy agreement. "Tenancy agreements" and/or any other words, expressions or concepts mentioned and/or used in this Leaflet that may relate to "tenancy agreements" shall be construed in accordance with the aforesaid.

1. Each Owner shall be bound by the Hotel Operation Agreement by entering into a deed of adherence. Please be advised to refer to the full version of the Hotel Operation Agreement which is an important legal document. Copies of the Hotel Operation Agreement and the deed of adherence (including photocopy and electronic copy) are available for inspection by prospective purchasers in the sales office(s) free of charge.
2. You are recommended to consult your professional advisers if you are in any doubt as to the taxation and legal implications of any matters relating to the purchase of the Hotel Room Unit. The relating responsibilities shall be borne by you.
3. Each Owner shall appoint the Hotel Operator to manage and operate his Hotel Room Unit as part of the Hotel in accordance with the Hotel Operation Agreement and shall give instructions to the Hotel Operator as regards the management and operation of his Hotel Room Unit to the extent permitted under the Hotel Operation Agreement and in accordance with the applicable laws.
4. Returns on Hotel Room Units shall depend on the global and the local economies and tourism performance.

本單張內之相片、圖像、繪圖及插圖僅供參考之用，並不構成賣方及下列提述人士及公司的任何保證、申述或要約，不論明示或默示。單張內相片、圖像、繪圖及插圖可能經過電腦圖像修飾處理。相片、圖像、繪圖及插圖是畫家對該等相片、圖像、繪圖及插圖內所描畫的主題之想像之表達。而刊載的相片、圖像、繪圖及插圖，亦可能與本發展項目及/或雍澄軒酒店無關，且並非準確反映本發展項目之完成狀況及面貌。任何人士應作本發展項目及/或雍澄軒酒店實地考察以了解本發展項目及/或雍澄軒酒店及其周圍地區及環境。本單張所有內容或其任何部份之中英文版本如有歧義，一律以英文版本為準。本單張內一切資料，均以政府最後批准之圖則及正式買賣合約及發展物業公契、雍澄軒酒店分公契及酒店營運合同內的條文為準。

Photos, pictures, drawings and perspectives in this Leaflet are for reference only and shall not be construed as giving any offer representation or warranty whether expressly or implied by the Vendor and the parties named below. Photos, pictures, drawings and perspectives may have been enhanced by computer graphics. Photos, pictures, drawings and perspectives may be expressions of artists' imagined impressions of the subject matter depicted therein. Photos, pictures drawings and perspectives contained in this Leaflet may not relate to the development and/or The Apex Horizon, and may not accurately reflect the conditions and appearance of the completed development. All parties shall visit and inspect the development site and The Apex Horizon to understand the development site and The Apex Horizon, its surrounding areas and environment. In case of discrepancy between the English version & Chinese version in respect of all or any part of the contents of this Leaflet, the English version shall prevail. All information given in this Leaflet shall be subject to final plans to be approved by Government and the terms and conditions of the Agreement for Sale and Purchase and Principal DMC, Sub-DMC and Hotel Operation Agreement.

賣方之控股公司 Holding Company of the Vendor

策劃興建及售樓代理 Project Manager & Sales Agent

 長江實業(集團)有限公司
CHEUNG KONG (HOLDINGS) LIMITED

 長江實業地產發展有限公司
CHEUNG KONG PROPERTY DEVELOPMENT LIMITED

來源PricewaterhouseCoopers主辦・Financial Times 專業分析・
評選為「全球最受推崇地產建造有限公司」。

賣方 Vendor
PEARL WISDOM LIMITED

賣方律師 Vendor's Solicitor
胡關李羅律師行
Woo, Kwan, Lee & Lo

物業郵寄地址：新界葵涌和宜合道33號 地區：葵涌
Postal Address of the Development: 33 Wo Yi Hop Road, Kwai Chung, New Territories

District: Kwai Chung

本廣告/宣傳資料內載列的相片、圖像、繪圖或素描顯示純屬畫家對有關發展項目之想像。有關相片、圖像、繪圖或素描並非按照比例繪畫及/或可能經過電腦修飾處理。準買家如欲了解發展項目的詳情，請參閱售樓說明書。賣方亦建議準買家到有關發展地盤作實地考察，以對該發展地盤、其周邊地區環境及附近的公共設施有較佳了解。The photographs, images, drawings or sketches shown in this advertisement/promotional material represent an artist's impression of the development concerned only. They are not drawn to scale and/or may have been edited and processed with computerized imaging techniques. Prospective purchasers should make reference to the sales brochure for details of the development. The vendor also advises prospective purchasers to conduct an on-site visit for a better understanding of the development site, its surrounding environment and the public facilities nearby.

買家須關注事宜:

一般酒店營運都是將酒店房間以 Licence (准許使用)方式租予公眾作短期住宿。雍澄軒酒店亦是如其他酒店般營運, 酒店房間用作酒店用途, 提供一般酒店短期住宿, 絕不可作私人住宅之用。

雍澄軒酒店房間買家連同及向其他所有業主承諾將酒店房間委託給酒店營運人管理及營運, 獲取所各自購入酒店房間 licence fee (准許使用金)的收益, 而酒店營運人亦有最終簽訂及終止酒店房間 licence agreement (准許使用協議)權力。

酒店營運人可以將任何空置的雍澄軒酒店房間以 licence (准許使用)方式租予任何人士作短期酒店住宿, 酒店客人與酒店營運人簽署酒店房間 licence agreement (准許使用協議)並遵守該等條款, 便可入住。但如任何政府部門認為任何酒店住客的住宿情況有違相關批地文件之條款或者將酒店房間用作 (private residential use) 私人住宅, 酒店營運人有權終止相關的酒店房間 licence agreement (准許使用協議)。

酒店房間准許使用協議 licence agreement 絕不涉及獨有享用權 exclusive possession, 法律上不構成租契 lease, 租賃 tenancy 或租賃協定 tenancy agreement。

發展物業公契及雍澄軒酒店分公契重要條款

Sallent Points of Principal DMC and Sub-DMC

(中英文版本如有歧義，以英文版本為準。Where there is discrepancy in meaning between the English and Chinese versions, the English version shall prevail)

發展物業公契摘要：

1. 「公用地方」指發展物業公用地方、停車場公用地方、服務式住宅公用地方、零售公用地方以及停車場公用及/或服務式住宅公用及/或零售公用地方。
2. 各業主均須根據本契據規定，於到期日向管理人支付其適當比例之應付管理開支。
3. 所有業主均須時刻遵守及履行規則以及本契據之所有契諾、條件及條款，並遵守政府批地書之條款。
4. 高衛物業管理有限公司獲委任為發展物業之首任管理人，任期由發展物業公契之日期起計，為期2年。
5. 第三節
與各不可分割等份連同持有、使用、佔用及享用任何所持單位之完整及獨有權利及特權一併持有之權利及特權

B. 酒店

- 3.2.1 在本契據及規則規限下及根據本契據所規定之管理人及第一業主權利，酒店業主擁有以下權利及特權：

- (a) 酒店業主、其租客、僱工、代理及獲特許人士（與所有擁有類似權利之人士一同）享有充份權利及自由，為一切正當使用及享用其擁有的酒店之目的，而往返、通過及使用發展物業公用地方及發展物業公用設施；
- (b) 獲得發展物業地基及所有其他部分之下方及側面支撐；
- (c) 透過現時或此後鋪設於土地及發展物業之內、之下或經過土地及發展物業之溝渠、污水渠、排水渠、水道、纜線、管道及電線，暢通無阻及不斷地輸送往來於酒店之用水、污水、燃氣、電力、電話及所有其他服務，以供正當使用及享用酒店。

6. 第四節

持有各不可分割等份連同持有、使用、佔用及享用任何所持單位之完整及獨有權利及特權須遵守之權利及特權

B. 酒店

- 4.2 持有各不可分割等份及持有、使用、佔用及享用酒店之專有權利受以下權利及特權規限：

- (a) 管理人享有充份權利及特權，於發出合理通知後（緊急情況除外）之一切合理時間，不論有否帶同代理、測量師、工人及其他人士，進入及逗留於酒店或其任何部分，以便對該等酒店或發展物業或其任何部分或任何公用設施或發展物業或其任何部分所使用或為其安裝之任何其他儀器及設備（作為其設施之一部分，並非供任何個別業主單獨使用及享用）進行檢查、檢修、保養及修理。
- (b) 與第3.2.1條(b)及(c)段所載者相同之酒店之權利及特權。

7. 第五節

業主須遵守及履行之契諾、規定及限制

C. 僅適用於酒店業主之規定

- 5.3.1 酒店業主僅可按政府批地書規定，將酒店（包括附屬商業及娛樂設施）用作酒店用途。
- 5.3.2 酒店業主不得將酒店用於開展違反本契據或政府批地書任何規定或有違任何主管政府機構施加之任何限制或禁止之任何業務或經營。

8. 第六節

發展物業之管理

C. 管理人之酬金

- 6.3.1 管理人（而非業主委員會或業主立案法團）就履行其於本契據下之職責所收取之年度酬金為實際年度管理開支總額10%（不包括管理人酬金及任何資本開支），惟業主委員會或業主立案法團（如已成立）在計算管理人之酬金時可全權酌情決定，按上述10%比率或按業主委員會或業主立案法團（如已成立）可能認為合適之較低比率計入管理發展物業過程中必需及合理引致之任何資本支出（即並非每年產生之某類開支）。上述10%比率可由業主或業主委員會或業主立案法團（如已成立）會議決議案進行檢討。

- 6.3.2 上述管理人酬金應為管理人以管理人身份提供服務所獲得之酬金淨額，管理人無須就土地及發展物業工作之人員、設施、會計服務或其他專業監督之費用自該等酬金中支取或撥付款項，該等費用應直接自管理基金中計付。

- 6.3.3 各酒店及/或單位（包括停車位）業主須每月初第一天提前向管理人支付各自應佔比例之管理人酬金。管理人酬金可由業主委員會或業主立案法團（如已成立）妥為通過之決議案予以增加或檢討。管理人酬金須每月提前支付管理人年度酬金之十二分之一（即實際年度管理開支總額10%，不包括管理人酬金及任何資本開支），對正確金額之調整須於審核完成後二十一內作出。

D. 與酒店有關之管理開支

- 6.4.1 即使本契據載有任何相反規定，只要酒店之所有權仍歸屬一名業主，保養及管理酒店之工作就須由酒店業主或其委任之管理人承擔。

- 6.4.2 酒店業主須支付應佔比例之管理開支，以供保養及管理土地及發展物業（各單位及酒店除外）、發展物業公用地方及發展物業公用設施之用，該等比例按分配予酒店之管理等份計算。

發展物業公契及雍澄軒酒店分公契重要條款

Salient Points of Principal DMC and Sub-DMC

(中英文版本如有歧義，以英文版本為準。Where there is discrepancy in meaning between the English and Chinese versions, the English version shall prevail.)

Summary of Principal DMC:-

1. "Common Areas" means the Development Common Areas, the Carpark Common Areas, the Service Apartment Common Areas, the Retail Common Areas and the Carpark Common and/or Service Apartment Common and/or Retail Common Areas.

2. Each Owner shall pay to the Manager on the due date his due proportion of the Management Expenses payable by such Owner as herein provided.

3. All Owners shall at all times observe and perform the Rules and all the covenants conditions and provisions of this Deed and comply with the terms of the Government Grant.

4. The DMC Manager, Goodwell Property Management Limited is appointed as the first manager to manage the Development for the initial term of 2 years from the date of this Deed.

5. SECTION III

RIGHTS AND PRIVILEGES THE BENEFIT OF WHICH IS HELD WITH EACH UNDIVIDED SHARE TOGETHER WITH THE FULL AND EXCLUSIVE RIGHT AND PRIVILEGE TO HOLD USE OCCUPY AND ENJOY ANY UNIT HELD THEREWITH

B. Hotel

3.2.1 The Owner of the Hotel shall have the benefit of the following rights and privileges, subject to this Deed and the Rules and subject to the rights of the Manager and the First Owner herein provided :-

- (a) full right and liberty for the Owner of the Hotel, his tenants, servants, agents and licensees (in common with all persons having the like right) to go pass and repass over and along and use the Development Common Areas and the Development Common Facilities for all purposes connected with the proper use and enjoyment of the Hotel;
- (b) the right to subjacent and lateral support from the foundations and all other parts of the Development;
- (c) the free and uninterrupted passage and running of water, sewage, gas, electricity, telephone and all other services from and to the Hotel through the sewers, drains, watercourses, cables, pipes and wires which now are or may at any time hereafter be in under or passing through the Land and the Development for the proper use and enjoyment of the Hotel.

6. SECTION IV

RIGHTS AND PRIVILEGES SUBJECT TO WHICH EACH UNDIVIDED SHARE TOGETHER WITH THE FULL AND EXCLUSIVE RIGHT AND PRIVILEGE TO HOLD USE OCCUPY AND ENJOY ANY UNIT IS HELD

B. Hotel

4.2 The following are the rights and privileges subject to which each Undivided Share and the exclusive right to hold use occupy and enjoy the Hotel is held :-

- (a) The Manager shall have full right and privilege at all reasonable times on notice (except in the case of emergency) with or without agents, surveyors, workmen and others to enter into and upon the Hotel or any part or parts thereof for the purposes of inspecting, examining, maintaining and effecting repairs to such Hotel or to the Development or any part or parts thereof or any of the common facilities therein or any other apparatus and equipment used or installed for the benefit of the Development or any part or parts thereof as part of the amenities thereof which are not for the sole use and enjoyment of any individual Owner.
- (b) Rights and privileges over along and through the Hotel equivalent to those set forth in paragraphs (b) and (c) of Clause 3.2.1.

7. SECTION V

COVENANTS, PROVISIONS AND RESTRICTIONS TO BE OBSERVED AND PERFORMED BY THE OWNERS

C. Provisions Applicable to the Owner of the Hotel Only

5.3.1 The Owner of the Hotel shall use the Hotel as a hotel (including ancillary commercial and recreational facilities thereto) as permitted by the Government Grant.

5.3.2 No Owner of the Hotel shall use the Hotel for carrying on any business or trade in contravention of any of the provisions of this Deed or the Government Grant or in contravention of any restriction or prohibition imposed by any appropriate Government authorities.

8. SECTION VI

MANAGEMENT OF THE DEVELOPMENT

C. Manager's Remuneration

6.3.1 The Manager (other than the Owners' Committee or Owners' Corporation, if formed when acting as Manager) for the performance of its duties herein shall be paid by way of remuneration at the rate of 10% of the total actual Management Expenses (excluding Manager's Remuneration and any capital expenditure) provided that the Owners' Committee or the Owners' Corporation, if formed may be empowered to decide to include, at its own discretion, any capital expenditure (i.e. expenditure of a kind not incurred annually) for calculating the Manager's Remuneration at the said rate of 10% or at such lower rate as the Owners' Committee or the Owners' Corporation (if formed) may consider appropriate necessarily and reasonably incurred in the management of the Development. The said rate of 10% may be reviewed by resolution at meetings of the Owners, the Owners' Committee or the Owners' Corporation if formed.

6.3.2 The Manager's Remuneration as aforesaid shall be the net remuneration of the Manager for its services as Manager and shall not be subject to any requirement by the Manager to disburse or provide from such money any staff, facilities, accountancy services, or other professional supervision for the Land and the Development the cost for which shall be a direct charge upon the Management Funds.

6.3.3 Each Owner of the Hotel and/or a Unit includes a car parking space shall pay his due proportion of the Manager's Remuneration to the Manager in advance on the first day of each month. The Manager's Remuneration may be increased or reviewed by a resolution duly passed by the Owners' Committee or Owners' Corporation, if formed. Payment of the Manager's Remuneration shall be monthly in advance in the sum of one twelfth of the annual remuneration of the Manager being 10% of the total actual annual Management Expenses (excluding the Manager's Remuneration and any capital expenditure), adjustment to the correct amount to be made within 21 days from completion of audit.

D. Management Expenses in respect of the Hotel

6.4.1 Notwithstanding anything to the contrary contained in this Deed, so long as ownership of the Hotel remains vested in one Owner, the maintenance and management of the same shall be undertaken by the Owner of the Hotel or the manager as appointed by it to do so.

6.4.2 The Owner of the Hotel shall pay a due proportion of the Management Expenses for the maintenance and management of the Land and the Development (other than the Units and the Hotel) and of the Development Common Areas and Development Common Facilities calculated on the basis of the Management Shares allocated to the Hotel.

雍澄軒酒店分公契摘要

1. 本「雍澄軒酒店分公契」乃2007年12月21日於土地註冊處註冊為「註冊摘要」第08011403210029號之「公契及管理協議」(「發展物業公契」)的補充條文。
2. 「適用條款」指現時在香港生效的所有或任何適用於「酒店」及/或任何酒店事業或業務的適用法律與規例，包括但不限於(如適用者)《旅館業條例》(香港法例第349章)、《酒店東主條例》(香港法例第158章)、《酒店房租稅條例》(香港法例第348章)、《酒店規則》及所有適用的許可證。
3. 「酒店公用地方」指「第一業主」按照本「雍澄軒酒店分公契」條款指定供「酒店房間」、「業主」及佔用人公用與共享使用權，而未根據本「雍澄軒酒店分公契」等向「第一業主」或個別「酒店房間」、「業主」授予專用權，並且未特別轉讓的「酒店」地方或範圍。茲毋損前文之一般規定，「酒店公用地方」包括「酒店」之外牆(包括但不限於「酒店」外部的幕牆、玻璃幕牆及窗)、「酒店康樂設施」、「酒店變壓器房」、「酒店房間」所有入口大門、路旁停車處、客貨上落車位、矮牆、簷篷、平台天台、上層天台、天台、電錶房、濾水裝置房、電纜槽、消防控制中心、消防灑水系統閥門房、隔火層、消防泵房、建築特色、盆栽、電梯大堂、堂廊、大樓轉換層、樓梯、走道、風機房、電掣房、園景美化地方、休憩地方、行車道、斜路、水泵房、裝備槽、後勤地方、儲物室、工作間、洗衣房、酒店職員室、廁所、水景、鮮風機房、發電機組房、熱水器及泵房、冷氣機房、電訊及廣播設備室、鍋爐房、水箱、調壓池、電梯槽、電梯機房、電梯坑、盆栽鐵閘、電錶房、接待處、水管槽及通風槽。「酒店公用地方」已於本文所夾附經「認可人士」(釋義以「發展物業公契」所訂為準)核證準確的圖則以棕色顯示，以資識別。
4. 「酒店公用設施」指在「酒店公用地方」安裝或提供予所有「酒店房間」公用與共享而非任何個別「酒店房間」或「酒店」整體專用或專享的所有裝置與設施，茲毋損前文之一般規定包括「工程與裝置」、地面排水渠、酒店招牌、牌板、避雷桿、排水渠、開關裝置、水電錶、水管、泵、電線、電纜、照明燈飾、天線、外部裝飾百葉窗、電梯、電梯機房內裝置與設施、水箱、火警警報及滅火設備、垃圾處理設備與器具、後勤設施及其他鋪管或非鋪管服務設施和器具。
5. 「旅館牌照」指「發牌當局」不時根據《旅館業條例》(香港法例第349章)就「酒店」發出而現時生效的牌照。「旅館牌照」一詞包括簽發上述牌照必須遵從的所有條款與條件及/或「發牌當局」不時就着或因應上述牌照制訂的其他條款與條件。
6. 「發牌當局」指根據《旅館業條例》(香港法例第349章)組成的旅館業監督。
7. 第II節
「第一業主」及「立約業主」的權利

1. 「該土地」及「發展項目」每份「不可分割份數」及持有、使用、佔用與享用「酒店」任何部份和收取該處租金

及利潤之全權、專有權與特權，將歸於不時擁有此等權益的「酒店房間」、「業主」，惟需遵從及附帶「政府批地書」、「發展物業公契」、本「雍澄軒酒店分公契」及「適用條款」之利益。

2. 各「酒店房間」、「業主」此後時刻均需履行和遵守「政府批地書」、「發展物業公契」、本「雍澄軒酒店分公契」及「適用條款」所訂的契諾、條款及限制規定，並受其約束，上述契諾、條款及限制規定之利益和責任將附帶於「酒店」每部份及相關之「不可分割份數」。《物業轉易及財產條例》(香港法例第219章)適用於本「雍澄軒酒店分公契」。

8. 第V節

「酒店房間」、「業主」應遵守及履行契諾、條款及限制規定

1. 「酒店房間」應按照「政府批地書」、「適用條款」及「入伙紙」(釋義以「發展物業公契」所訂為準)規定作「酒店」一部份的酒店用途。
2. 任何「酒店房間」或其任何部份均不可用作經營違反任何「適用條款」、「發展物業公契」、本「雍澄軒酒店分公契」、「政府批地書」各條款、「發牌當局」或任何其他「政府」部門制訂的條件、限制規定或禁令的業務或商業。
3. 每名「酒店房間」、「業主」現同意並承諾，所有關乎其「酒店房間」及/或「酒店」其他部份之電力裝置均需由「酒店經理人」核准的註冊電業工程人員安裝、檢查、測試和驗證。
4. 除非事前獲得環境保護署署長及「酒店經理人」書面同意，「酒店房間」、「業主」不可在「該土地」或「酒店」任何部份安裝或使用任何機器、熔爐、鍋爐或其他機械或設備，又或使用任何燃料或生產加工方法或處理程序，以致可能導致排出或洩出任何污染物或有毒、有害或腐蝕性物質，不論此等物質透過氣體、煙霧、液體、固體或其他方式排出或洩出亦然。
5. 「酒店房間」、「業主」不可將任何牲口、禽鳥、爬蟲類、寵物或狗隻攜進「酒店」或「發展項目」任何部份或在該處飼養。
6. 除「政府批地書」及「入伙紙」允許和遵照任何適用「規例」或「條例」、「發展物業公契」、本「雍澄軒酒店分公契」及「適用條款」的用途外，「酒店房間」、「業主」不可以將「酒店房間」或「酒店」或其任何部份作任何其他用途，亦不可儲存任何危害性、危險性、非法、易燃或爆炸性物品或《危險品條例》(香港法例第295章)釋定的「危險品」或「違禁品」。
7. 「酒店房間」、「業主」除非事前已獲得「酒店經理人」發出書面同意，並且已履行「酒店經理人」酌情附帶的條件，否則不可在其「酒店房間」任何部份安裝或裝設任何冷氣機、機組或其他物件，又或在該處外牆或外部或「酒店公用地方」或其任何部份安裝任何框架、鐵籠或其他以

發展物業公契及雍澄軒酒店分公契重要條款

Sallent Points of Principal DMC and Sub-DMC

(中英文版本如有歧義，以英文版本為準。Where there is discrepancy in meaning between the English and Chinese versions, the English version shall prevail)

木、金屬、水泥或其他物料製造的建築物。

8. 「酒店房間」「業主」概不可密封或允許或容忍他人密封其「酒店房間」任何窗戶，此外亦不可作出或容忍他人作出任何行為，以致可能更改、改變或損害「酒店」任何部份的外觀，包括在該處搭建任何建築物。
9. 如非事前獲得「酒店經理人」書面同意，「酒店房間」「業主」概不可重新髹漆粉飾、重新裝修或更改「酒店房間」或其任何部份面牆或外部的樣貌。
10. 如非事前獲得「酒店經理人」書面同意，「酒店房間」「業主」概不可在「酒店」任何部份的外牆範圍安裝或展示任何類型的旗及旗桿、花架或陽篷。
11. 「酒店房間」「業主」或佔用人不可使用或允許他人使用任何「酒店房間」作工業或貨倉用途，或用作殯儀館、棺材店、廟宇、舉行打齋或同類儀式之佛堂，又或任何非法或不道德用途，或營運打鐵店或其他厭惡性行業或業務。
12. 不得在「酒店」及「發展項目」任何部份搭建或安裝任何間隔，以致阻塞緊急走火通道，此外如非獲「酒店經理人」同意，亦不可完全或局部遮蓋任何窗戶，又或遮擋光線或空氣。
13. 除非獲得「酒店業主委員會」(如已成立者)批准，否則任何「酒店房間」「業主」(包括「第一業主」)均無權將「酒店公用地方」及「酒店公用設施」改為私人使用或享用，又或將其擁有的地方改為「酒店公用地方」。
14. 「第一業主」無權將預留地方(如有者)劃為「酒店公用地方」，除非此等地方乃供「酒店房間」全體「業主」公用共享，並且已獲得「酒店業主委員會」(如已成立者)批准則例外。任何因給予上述批准所收取的款項，一律撥入「酒店備資基金」。「第一業主」或「酒店經理人」均無權再劃定「酒店公用地方」。
15. 「酒店房間」「業主」不可允許他人在任何「酒店房間」或其任何部份進行賭博活動。
16. 「酒店房間」「業主」不可允許他人在任何「酒店房間」或其任何部份燒烤或以明火煮食。
17. 「酒店」任何範圍均不可玩滾軸溜冰。
18. 「酒店」任何範圍均不可燃燒香燭及/或其他物料。除「酒店經理人」指定的範圍外，「酒店公用地方」一律禁煙。

9. 第VI節

「酒店」管理事宜

A. 委任「酒店經理人」

遵從《建築物管理條例》(香港法例第344章)、「政府批地書」、「發展物業公契」、本「雍澄軒酒店分公契」及「適用條款」之規定，現正式委任「酒店經理人」為管理「酒店」的首任經理人，最初任期為時兩(2)年，由本「雍澄軒酒店分公契」訂立日開始，屆後仍然繼續留任管理「酒店」，直至其委任權責按照本「雍澄軒酒店分公契」的條款終止為止。

C. 「酒店經理人酬金」

「酒店經理人酬金」不可超過「酒店」「管理」事務必要及合理招致之「酒店」年度「酒店管理開支」總額(不包括「酒店經理人酬金」及任何資本開支(或從本第VI節D次節第11條所載「酒店備資基金」撥付的開支))百分之十(10%)(惟「酒店房間」「業主」可於根據本「雍澄軒酒店分公契」召開的「酒店房間」「業主」會議議決修改酬金百分率)。然而，「酒店房間」「業主」可於根據本「雍澄軒酒店分公契」召開的「酒店房間」「業主」會議議決，在計算「酒店經理人酬金」時按照本條所訂百分率或彼等認為恰當的較低百分率計入任何資本開支或由「酒店備資基金」撥付的開支。

E. 「酒店房間」「業主」應付予「酒店經理人」款項的保證金及追討程序

每個「酒店房間」的首任「業主」(即「第一業主」之受讓人)佔用其受讓物業之前，必須就其「酒店房間」：

- (a) 向「酒店經理人」支付就其承讓的「酒店房間」相等於三(3)個月「酒店管理費」的款項。其中相等於一(1)個月的「酒店管理費」款項將作為按金，以保證其履行本「雍澄軒酒店分公契」所訂的責任，管理按金可以轉戶但不予退還，任何「業主」均不得抵扣管理按金而拒絕繳付本「雍澄軒酒店分公契」規定其支付的「酒店管理開支」。其餘相等於兩(2)個月的「酒店管理費」款項將作為「酒店備資基金」供款，本供款可以轉戶但不予退還；
- (b) 向「酒店經理人」支付按照「酒店管理份數」比例釐定的款項，作為「酒店公用地方」及「酒店公用設施」各公用服務的按金，另支付「酒店經理人」視為必要的款項(但金額不超過一(1)個月「酒店管理費」)，作為「酒店經理人」提供泥頭清理/裝修清潔的特別清潔服務費。任何付訖的特別清潔服務費如未用於泥頭清理/裝修清潔，一律撥入「酒店備資基金」；
- (c) 就其受讓的「酒店房間」向「酒店經理人」支付相等於兩(2)個月「酒店管理費」的款項，作為其「酒店房間」預付的第一及第二個月「酒店管理費」。

10. 「不可分割份數」之細分

「酒店房間」：

樓層	「酒店房間」編號	每分子每套「酒店房間」之「不可分割份數」數額	小計
2樓	1	54	
	2	54	
	3	54	
	4	54	
	5	71	
	6	41	
	7	54	
	8	54	
	9	54	
	10	72	
			562
3至18樓# (共13層)	1	54	
	2	54	
	3	54	
	4	54	
	5	74	
	6	58	
	7	54	
	8	54	
	9	54	
	10	74	
			7,592
19至27樓# (共8層)	1	54	
	2	54	
	3	54	
	4	54	
	5	74	
	6	55	
	7	54	
	8	54	
	9	54	
	10	74	
			4,648
28樓	1	54	
	2	54	
	3	54	
	4	54	
	5	74	
	6	58	
	7	54	
	8	54	
	9	54	
	10	74	
			584
29至42樓# (共13層)	1	54	
	2	54	
	3	54	
	4	54	
	5	74	
	6	58	
	7	54	
	8	54	
	9	54	
	10	74	
			7,592
「酒店公用地方」：			212
「不可分割份數」總額：			21,190

註：# 指不設4、13、14、24及34樓。

11. 「酒店管理份數」之分配

「酒店房間」：

樓層	酒店房間編號	分配予每套「酒店房間」之「酒店管理份數」數額	小計
2樓	1	55	
	2	54	
	3	55	
	4	55	
	5	72	
	6	40	
	7	54	
	8	54	
	9	54	
	10	72	
			565
3至18樓# (共13層)	1	55	
	2	54	
	3	55	
	4	55	
	5	75	
	6	59	
	7	54	
	8	54	
	9	54	
	10	75	
			7,670
19至27樓# (共8層)	1	55	
	2	54	
	3	55	
	4	55	
	5	75	
	6	56	
	7	54	
	8	54	
	9	54	
	10	75	
			4,696
28樓	1	55	
	2	54	
	3	55	
	4	55	
	5	75	
	6	58	
	7	54	
	8	54	
	9	54	
	10	75	
			589
29至42樓# (共13層)	1	55	
	2	54	
	3	55	
	4	55	
	5	75	
	6	59	
	7	54	
	8	54	
	9	54	
	10	75	
			7,670
「酒店公用地方」：			0
「酒店管理份數」總額：			21,190

註：# 指不設4、13、14、24及34樓。

發展物業公契及雍澄軒酒店分公契重要條款

Sallent Points of Principal DMC and Sub-DMC

(中英文版本如有歧義，以英文版本為準。Where there is discrepancy in meaning between the English and Chinese versions, the English version shall prevail)

特此敬告：請分別詳閱與葵涌市地段第467號餘段有關之公契（包括管理協議）（“發展物業公契”）及與建築在葵涌市地段第467號餘段的雍澄軒酒店（亦稱為酒店）有關之分公契（包括管理協議）（“雍澄軒酒店分公契”）的全文。發展物業公契及雍澄軒酒店分公契均為重要法律文件。賣方已在售楼處存放了發展物業公契及雍澄軒酒店分公契各自之影印本及電子文本，供準買家免費查閱。

Summary of Sub-DMC of The Apex Horizon:-

1. This Sub-Deed is supplemental to the Deed of Mutual Covenant Incorporating Management Agreement dated 21st December 2007 and registered in the Land Registry by Memorial No.08011403210029 ("the Principal Deed").
2. "Applicable Conditions" means all or any applicable laws and regulations applicable to the Hotel and/or any hotel operation or business and for the time being in force in Hong Kong, including but not limited to, where applicable, the Hotel and Guesthouse Accommodation Ordinance (Chapter 349 of the Laws of Hong Kong), the Hotel Proprietors Ordinance (Chapter 158 of the Laws of Hong Kong) and the Hotel Accommodation Tax Ordinance (Chapter 348 of the Laws of Hong Kong) the Hotel Rules and all Permits applicable thereto.
3. "Hotel Common Areas" means all those areas or parts of the Hotel the right to the use of which is designated by the First Owner in accordance with the provisions of this Sub-Deed for common use and benefit of the Owners and occupiers of the Hotel Room Units and the right to the exclusive use of which is not given by this Sub-Deed or otherwise to the First Owner or the Owner of any individual Hotel Room Unit and is not otherwise specifically assigned and which, without limiting the generality of the foregoing, include external walls of the Hotel (including, but not limited to, curtain walls, glass walls and windows on the exterior part of the Hotel), Hotel Recreational Facilities, Hotel Transformer Rooms, all entrance doors of the Hotel Room Units, lay-bys, loading and unloading spaces, parapet-walls, canopies, flat roofs, upper roofs, roofs, electric meter rooms, filtration plant room, cable duct, fire services control centre, sprinkler valve room, refuge floor, fire services pump room, architectural features, planters, lift lobbies, halls, transfer plate, staircases, walkways, fan room, switch rooms, landscaped areas, open spaces, driveways, ramps, water pump rooms, services ducts, back-of-house areas, store rooms, workshops, laundry, hotel staff rooms, lavatories, water feature, PAU room, genset room, water heater and pump rooms, air-conditioning plant rooms, telecommunications and broadcasting equipment room, boiler room, water tanks, surge tank, lift shafts, lift machine room, lift pits, planter metal gate, electric meter rooms, reception, pipe ducts and air ducts. For the purpose of identification, the Hotel Common Areas are shown coloured brown on the plans certified as to their accuracy by and on behalf of the Authorized Person (as defined in the Principal Deed) annexed hereto.
4. "Hotel Common Facilities" means All those installations and facilities in the Hotel Common Areas used in common by or installed for the common benefit of all the Hotel Room Units and not for the exclusive use or benefit of any individual Hotel Room Unit or the Hotel as a whole and which include, without limiting the generality of the foregoing, the Works and Installations, surface channel, hotel signs, signboards, lightning pole, drains, switches, meters, pipes, pumps, wires, cables, lights, antennae, external decorative aluminium louvres, lifts, installations and facilities in the lift machine rooms, water tanks, fire warning and fighting equipment, refuse disposal equipment and apparatus, back-of-house facilities and other service facilities apparatus whether ducted or otherwise.
5. "Hotel Licence" means the licence in respect of the Hotel from time to time issued by the Licensing Authority under the Hotel and Guesthouse Accommodation Ordinance (Chapter 349 of the Laws of Hong Kong) and for the time being in force and the expression "Hotel Licence" includes all terms and conditions upon and subject to which the said licence shall be issued and/or such other terms and conditions as may from time to time be imposed by the Licensing Authority in respect of or in connection with the said licence.
6. "Licensing Authority" means The Hotel and Guesthouse Accommodation Authority constituted under the Hotel and Guesthouse Accommodation Ordinance (Chapter 349 of the Laws of Hong Kong).
7. SECTION II
RIGHTS OF THE FIRST OWNER AND THE COVENANTING OWNER
 1. Each Undivided Share of and in the Land and the Development and the full

and exclusive right and privilege to hold use occupy and enjoy any part of the Hotel and to receive the rents and profits therefrom shall be held by the Owner or Owners of the Hotel Room Units concerned from time to time entitled thereto subject to and with the benefit of the Government Grant, the Principal Deed, this Sub-Deed and the Applicable Conditions.

2. The Owners of the Hotel Room Units shall at all times hereafter be bound by and shall observe and perform the covenants provisions and restrictions set out in the Government Grant, the Principal Deed, this Sub-Deed and the Applicable Conditions and the benefit and burden thereof shall be annexed to every part of the Hotel and the Undivided Share or Shares held therewith. The Conveyancing and Property Ordinance (Cap.219) shall apply to this Sub-Deed.

8. SECTION V
COVENANTS PROVISIONS AND RESTRICTIONS TO BE OBSERVED AND PERFORMED BY THE OWNERS OF THE HOTEL ROOM UNITS

1. The Hotel Room Unit shall be used for hotel purposes as part of the Hotel in accordance with the Government Grant, the Applicable Conditions and the Occupation Permit (as defined in the Principal Deed).
2. No Hotel Room Unit or any part thereof shall be used for carrying on any business or trade in contravention of any of the Applicable Conditions, the provisions of the Principal Deed, this Sub-Deed, the Government Grant or any condition, restriction or prohibition imposed by the Licensing Authority or any other Government authority.
3. Each Owner of a Hotel Room Unit agrees and undertakes that all electrical installations concerning his Hotel Room Unit and/or any other parts of the Hotel shall be installed, inspected, tested and certified by a registered electrical worker approved by the Hotel Manager.
4. Except with the prior written consent of the Director of Environmental Protection and the Hotel Manager, the Owners of the Hotel Room Units shall not install or use on the Land or any part of the Hotel any machinery, furnace, boiler or other plant or equipment or any fuel, method or process of manufacture or treatment which might in any circumstances result in the discharge or emission of any pollutant or any noxious, harmful or corrosive matter, whether it be in the form of gas, smoke, liquid, solid or otherwise.
5. No Owner of any Hotel Room Unit shall bring on to or keep any livestock, poultry or reptiles, pet or dogs on any part of the Hotel and the Development.
6. No Owner of any Hotel Room Unit shall use his Hotel Room Unit or the Hotel or any part thereof for any purpose other than that permitted by the Government Grant and the Occupation Permit and in accordance with any applicable Regulations or any Ordinances and the Principal Deed and this Sub-Deed and the Applicable Conditions, or store any hazardous, dangerous or unlawful goods or combustible or explosive substances or any "dangerous" or "prohibited" goods within the meaning of the Dangerous Goods Ordinance (Cap.295).
7. No Owner of any Hotel Room Unit shall, without the prior written consent of the Hotel Manager and the conditions of such consent having been complied with, install, or affix any air conditioning units or plants or other articles to any part of his Hotel Room Unit or affix any frames, iron cage or any other structures whether made of wood, metal, cement or any other materials to upon or along the exterior walls of or outside his Hotel Room Unit or in the Hotel Common Areas or any part thereof.
8. No Owner of any Hotel Room Unit shall enclose or permit or suffer to be enclosed any windows of his Hotel Room Unit and no Owner of any Hotel Room Unit shall do or suffer to be done anything that may change alter or damage the outlook of any part of the Hotel including erecting any structure thereto.
9. No Owner of any Hotel Room Unit shall without the prior consent in writing of

the Hotel Manager repaint re-decorate or alter the appearance of the facade or exterior of any Hotel Room Unit or any part thereof.

10. No Owner of any Hotel Room Unit shall without the prior consent in writing of the Hotel Manager erect or display any flags and flag poles racks for flower pots canopies of any kind along the exterior wall areas of any part of the Hotel.
11. No Owner or occupier of any Hotel Room Unit shall use or permit to be used any Hotel Room Unit for industrial or godown purposes or the purpose of a funeral parlour, coffin shop, temple or Buddhist hall for the performance of the ceremony known as "Ta Chai" (打齋) or for any similar ceremony or for any illegal or immoral purpose or metal beater's shop or for any offensive trade or business.
12. No partitioning shall be erected or installed in any part of the Hotel and the Development which does not leave clear access for fire exits and save and except with the consent of the Hotel Manager no windows shall be wholly or partially blocked or the light and air therefrom in any way obstructed.
13. No Owner of any Hotel Room Unit including the First Owner shall have the right to convert any of the Hotel Common Areas and the Hotel Common Facilities to his own use or for his own benefit or to convert any of his own areas to Hotel Common Areas unless approved by the Hotel Owners' Committee (if formed).
14. The First Owner shall have no right to designate retained areas (if any) as Hotel Common Areas unless such areas are for the beneficial use of all Owners of the Hotel Room Units and unless the approval of the Hotel Owners' Committee (if formed) has been obtained. Any payment received for the approval shall be credited to the Hotel Sinking Fund. Neither the First Owner nor the Hotel Manager shall have the right to redesignate Hotel Common Areas.
15. No Owner of any Hotel Room Unit shall permit any gambling activity in any Hotel Room Unit or any part thereof.
16. No Owner of any Hotel Room Unit shall permit any barbecue or flame cooking in any Hotel room Unit or any part thereof.
17. No roller skating is allowed in any part of the Hotel.
18. No burning of incense and/or any other material is allowed in any part of the Hotel. No smoking is allowed on any part of the Hotel Common Areas save and except such areas as may be designated by the Hotel Manager.

9. SECTION VI
MANAGEMENT OF THE HOTEL

A. Appointment of the Hotel Manager

Subject to the provisions of the Building Management Ordinance (Chapter 344 of the Laws of Hong Kong), the Government Grant, the Principal Deed, this Sub-Deed and the Applicable Conditions, the Hotel Manager is hereby appointed as the first manager to manage the Hotel for the initial term of TWO years from the date hereof and thereafter shall continue to manage the Hotel until its appointment is terminated in accordance with the provisions of this Sub-Deed.

C. Hotel Manager's Remuneration

The Hotel Manager's Remuneration shall not exceed ten percent (10%) per annum (subject to variation by resolution of the Owners of the Hotel Room Units at meetings of the Owners of the Hotel Room Units convened under this Sub-Deed) of the total annual Hotel Management Expenses of the Hotel (excluding the Hotel Manager's Remuneration itself, and any capital expenditure (or expenditure drawn out of the Hotel Sinking Fund as referred to in Clause 11 of Subsection D of this Section VI)) necessarily and reasonably incurred in the Management of the Hotel provided that by a resolution of the

發展物業公契及雍澄軒酒店分公契重要條款

Sallient Points of Principal DMC and Sub-DMC

(中英文版本如有歧義，以英文版本為準。Where there is discrepancy in meaning between the English and Chinese versions, the English version shall prevail)

Owners of the Hotel Room Units at an Owners' meeting of the Hotel Room Units convened under this Sub-Deed any capital expenditure or expenditure drawn out of the Hotel Sinking Fund may be included for calculating the Hotel Manager's Remuneration at the rate applicable under this clause or at such lower rate as considered appropriate by the Owners of the Hotel Room Units.

E. Security for and recovery of moneys due to the Hotel Manager

The first person who becomes the Owner of a Hotel Room Unit (that is, the assignee from the First Owner), shall, in respect of such Hotel Room Unit, upon taking up the relevant assignment thereof:

(a) pay to the Hotel Manager in respect of the Hotel Room Unit assigned to him a sum equivalent to three months' Hotel Management Fee being as to the sum equivalent to one month's Hotel Management Fee the deposit by way of security against his liabilities under this Sub-Deed and such sum shall be transferable but not refundable and shall not be set off against contributions towards the Hotel Management Expenses required to be made by him under this Sub-Deed and as to the remaining sum equivalent to two months' Hotel Management Fee which shall be transferable but not refundable as his contribution towards the Hotel Sinking Fund;

(b) pay to the Hotel Manager a sum which may be fixed in proportion to the Hotel Management Shares for the deposit of various utilities for the Hotel Common Areas and Hotel Common Facilities, and a sum to be decided by the Hotel Manager as necessary (but not exceeding one month's Hotel Management Fee) as special cleaning charges for services provided by the Hotel Manager for debris removal/decoration charges Provided that any monies paid as special cleaning charges not used for debris removal/decoration are to be paid into the Hotel Sinking Fund;

(c) pay to the Hotel Manager a sum equal to two months' monthly contributions as advance payment for the first and second months of the Hotel Management Fee for his Hotel Room Unit.

10. Sub-allocation of Undivided Shares

Hotel Room Units:

Floor	Hotel Room Unit No.	No. of Undivided Shares sub-allocated to each Hotel Room Unit	Sub-Total
2/F	1	54	
	2	54	
	3	54	
	4	54	
	5	71	
	6	41	
	7	54	
	8	54	
	9	54	
	10	72	
			562
3/F - 18/F # (13 storeys)	1	54	
	2	54	
	3	54	
	4	54	
	5	74	
	6	68	
	7	54	
	8	54	
	9	54	
	10	74	
			7,592
19/F - 27/F # (8 storeys)	1	54	
	2	54	
	3	54	
	4	54	
	5	74	
	6	65	
	7	54	
	8	54	
	9	54	
	10	74	
			4,648
28/F	1	54	
	2	54	
	3	54	
	4	54	
	5	74	
	6	68	
	7	54	
	8	54	
	9	54	
	10	74	
			584
29/F - 42/F # (13 storeys)	1	54	
	2	54	
	3	54	
	4	54	
	5	74	
	6	68	
	7	54	
	8	54	
	9	54	
	10	74	
			7,692
Hotel Common Areas			212
TOTAL UNDIVIDED SHARES			21,190

Note: "*" = There are no designation of 4/F., 13/F., 14/F., 24/F and 34/F.

11. Allocation of Hotel Management Shares

Hotel Room Units :

Floor	Hotel Room Unit No.	No. of Hotel Management Shares allocated to each Hotel Room Unit	Sub-Total
2/F	1	55	
	2	54	
	3	55	
	4	55	
	5	72	
	6	40	
	7	54	
	8	54	
	9	54	
	10	72	
			565
3/F - 18/F # (13 storeys)	1	55	
	2	54	
	3	55	
	4	55	
	5	75	
	6	69	
	7	54	
	8	54	
	9	54	
	10	75	
			7,670
19/F - 27/F # (8 storeys)	1	55	
	2	54	
	3	55	
	4	55	
	5	75	
	6	56	
	7	54	
	8	54	
	9	54	
	10	75	
			4,696
28/F	1	55	
	2	54	
	3	55	
	4	55	
	5	75	
	6	68	
	7	54	
	8	54	
	9	54	
	10	75	
			589
29/F - 42/F # (13 storeys)	1	55	
	2	54	
	3	55	
	4	55	
	5	75	
	6	69	
	7	54	
	8	54	
	9	54	
	10	75	
			7,670
Hotel Common Areas			0
TOTAL HOTEL MANAGEMENT SHARES			21,190

Note : '#' = There are no designation of 4/F., 13/F., 14/F., 24/F and 34/F.

Please be advised to refer to the full version of each of the Deed of Mutual Covenant Incorporating Management Agreement in respect of The Remaining Portion of Kwai Chung Town Lot No. 467 ("Principal DMC") and the Sub-Deed of Mutual Covenant and Management Agreement in respect of The Apex Horizon (also known as The Hotel) of The Apex erected on The Remaining Portion of Kwai Chung Town Lot No. 467 ("Sub-DMC").

The Principal DMC and Sub-DMC are important legal documents.

Copies of each of the Principal DMC and the Sub-DMC (including photocopy and electronic copy) are available for inspection by prospective purchasers in the sales office(s) free of charge.

面積定義：

“實用面積”為：

由牆壁圍起的單位，其樓面面積(包括任何露台、工作平台及陽台的樓面面積但不包括其他面積)由單位、露台、工作平台或陽台圍牆外圍起計(視屬何情況而定)，但如圍牆分隔兩個毗連單位、露台、工作平台或陽台(視屬何情況而定)，則須由牆壁的中央起計，並包括單位、露台、工作平台或陽台(視屬何情況而定)的內部間隔及支柱，但不包括圍繞着該單位、露台、工作平台或陽台(視屬何情況而定)之牆壁外的公用部份。露台、工作平台或陽台的樓面面積亦不包括鄰接單位之牆壁或邊界的整個厚度。如任何圍牆鄰接公用地方，則包括該圍牆的整個厚度。如露台、工作平台或陽台不是被圍牆圍起，其露台、工作平台或陽台的面積則由露台、工作平台或陽台的外界起計。

其他面積：

任何窗台之面積，其面積由窗台圍牆外圍或窗台的玻璃窗外圍起計，及由窗台與垂直至樓面的牆壁相接之處起計，但並不包括該牆壁之厚度。

FLOOR AREA means :

“SALEABLE AREA” MEANS :

The floor area of a unit enclosed by walls (inclusive of the floor area of any balconies, utility platforms and verandahs but exclusive of the Other Areas), which area (including any balcony, utility platform or verandah enclosed by walls) shall be measured from the exterior of the enclosing walls of such unit, balconies, utility platforms or verandahs (as the case may be) except where such enclosing walls separate two adjoining units, balconies, utility platforms or verandahs (as the case may be), in which case the measurement shall be taken from the middle of those walls, and shall include the internal partitions and columns within such unit, balconies, utility platforms or verandahs (as the case may be); but shall exclude the common parts outside the enclosing walls of such unit, balconies, utility platforms or verandahs (as the case may be), and for balconies, utility platforms or verandahs, shall exclude the whole thickness of the enclosing walls or boundary which abut onto the unit Provided That if any of the enclosing walls abut onto a common area, then the whole thickness of the enclosing walls which so abut shall be included. Where a balcony, utility platform or verandah is not enclosed by a solid wall, the floor area of such balcony, utility platform or verandah shall be measured from the external boundary of the said balcony, utility platform or verandah.

Other Areas:

The area of any bay window which shall be measured from the exterior of the enclosing walls or glass windows of such bay window and from the point where the bay window meets the wall dropping to the floor level of a unit excluding the thickness of such wall.

雍澄軒主要消閒設施：泳池

Main facility for recreational use in The Apex Horizon: swimming pool

酒店營運合同重要條款

Salient Points of Hotel Operation Agreement

(中英文版本如有歧義，以英文版本為準。Where there is discrepancy in meaning between the English and Chinese versions, the English version shall prevail.)

Summary of the salient provisions of the Hotel Operation Agreement relating to The Apex Horizon

1. RECITAL C

Each New Owner is required, inter alia, to covenant with PWL and the other Owners that the Hotel Unit owned by the New Owner shall be used according to the specified user as designated in the respective assignment of the Hotel Unit and for hotel purposes as part of the Hotel ("User Covenant") in accordance with the Government Grant (as defined in the Principal Deed), the Applicable Conditions (as defined in the Sub-DMC) and the Occupation Permit (as defined in the Principal Deed) and for the further avoidance of doubt, a New Owner of Hotel Room Unit(s) is required to covenant with the Hotel Operator and as a separate covenant covenants with each other Owner that his Hotel Room Unit(s):

- (i) shall not be used for any other purpose(s) not permitted under Special Condition No.(12) of the Government Grant;
- (ii) shall be subject further to the Government Grant; and
- (iii) shall be used in compliance with the Occupation Permit dated 2nd November 2007.

2. OWNERS' COVENANT TO APPOINT HOTEL OPERATOR

Save as expressly provided otherwise (and subject to the Owner's right to appoint Marketing Agent in respect of Marketing Matters in relation to the Owner's Hotel Room Unit), each Owner hereby appoints the Hotel Operator as the manager and operator (to the exclusion of anyone else) of the Owner's Hotel Room Unit with the intention that the Hotel Operator shall manage and operate that Hotel Room Unit for and on behalf of that Owner as part of the Hotel and insofar as the law permits as agent for the Owner and in accordance with the Hotel Operation Applicable Conditions.

4. GENERAL OBLIGATIONS AND UNDERTAKINGS OF OWNER

Each Owner hereby agrees with and undertakes to the Hotel Operator and as a separate covenant covenants with each other Owner that:

- (c) each Owner shall not, and shall procure its agent, attorney and/or

representative (as the case may be), including without limitation, the Marketing Agent, not to do any act or thing or permit, allow or suffer any act or thing to be done which may:

- (i) lead to or result in any contravention or breach of any terms or conditions of this Agreement, any of the Hotel Operation Applicable Conditions and/or any other applicable laws and regulations;
- (ii) affect or prejudice any Permit or lead to the revocation, suspension, cancellation, amendment or non-renewal of any Permit or render any Permit liable to be revoked, suspended, cancelled, amended and/or not renewed;
- (iii) result in the contravention of any term or condition of any insurance policy effected for the Hotel or contents therein or relating thereto or render any such insurance policy void or voidable or increase the premium payable therefor; and

- (iv) affect or prejudice the Hotel Matters (including any supply of water, electricity, gas, telephone or other utility to the Hotel or the safety, hygiene or sanitation of the Hotel or safety of any person or property);

and the Hotel Operator's opinion as to whether or not any act or thing may lead to any consequence referred to or contemplated in this Clause 4(c) shall be final and conclusive and be binding on the Owner and the Hotel Operator shall have the power to require the Owner to rectify and provide such remedy as the Hotel Operator may in its sole and absolute discretion from time to time consider necessary or appropriate;

- (e) each Owner hereby unconditionally and irrevocably authorises and appoints the Hotel Operator (and/or any other person as the Hotel Operator may at any time or from time to time consider appropriate) (to the exclusion of anyone else) to apply for, obtain, renew and maintain all or any Permits (including without limitation the Hotel Licence) in the name of the Hotel Operator (or where the Hotel Operator considers appropriate, in the name of such other person) for and on behalf of that Owner and insofar as the law permits as agent for that Owner and to do all acts and things and take all steps and action and execute all deeds, undertakings and/or other documents as the Hotel Operator may at any time or from time to time in its sole and absolute discretion consider necessary or appropriate in relation thereto. Each Owner hereby expressly acknowledges and agrees that the Hotel Operator shall owe no duty to any of the Owners to apply for, obtain, renew and/or maintain all or any Permits and the Hotel Operator shall not be liable for any failure or delay in doing so unless the failure is solely caused by any

breach by the Hotel Operator of any of its duties or obligations under this Agreement;

- (f) the Hotel Room Unit shall be used for hotel purposes as part of the Hotel in accordance with the Government Grant, the Principal Deed, the Sub-DMC, the Hotel Operation Applicable Conditions and the Occupation Permit and, for the avoidance of doubt and subject to the conditions of the Occupation Permit, the Hotel Room Unit shall not be used for private residential purpose and/or any other purpose(s) not permitted under Special Condition No.(12) of the Government Grant.

6. USE AND OPERATION OF HOTEL ROOM UNIT AS PART OF HOTEL

6.1 Save as expressly provided otherwise and subject to Clause 6.4, each Owner of the Hotel Room Unit hereby agrees with and undertakes to the Hotel Operator and as a separate covenant covenants with each other Owner that:

- (a) the Owner shall authorise the Hotel Operator to manage and operate the Owner's Hotel Room Unit for and on behalf of the Owner as part of the Hotel and insofar as the law permits as agent for the Owner and in accordance with the Hotel Operation Applicable Conditions without interference from the Owner and/or its agent, attorney and/or representative; and
- (d) no person shall use or occupy any Hotel Room Unit unless (i) as a licensee pursuant to and in accordance with the licence granted by the Hotel Operator under the licence agreement referred to in Clause 5.3(c)(iii); (ii) in accordance with the provisions of this Agreement; and (iii) in compliance with all terms and conditions and requirements as the Hotel Operator may impose in its sole and absolute discretion and subject thereto, in accordance with the Hotel Operation Rules; and the person so using or occupying any Hotel Room Unit shall cease to have the right to use, occupy and/or enjoy the Hotel Room Unit if the licence granted by the Hotel Operator for such purpose shall expire or be revoked, terminated or withdrawn due to any reason whatsoever.

6.4 Notwithstanding the provisions contained in Clauses 6.1, 6.2 and 6.3 herein,

- (a) (i) the Owner of the Hotel Room Unit shall give instruction in writing to the Hotel Operator on such interval basis as the Hotel Operator sees fit

as regards the room revenue, charges and other charges or amounts payable by any guests, occupiers, contractors, parties and/or other persons whomsoever for admittance, staying and/or occupying that Owner's Hotel Room Unit ("Licence Fee");

- (ii) in the event that the Owner of the Hotel Room Unit has given such instruction in relation to the Licence Fee of the Hotel Room Unit, the Hotel Operator shall adopt the instruction and decision as given by the Owner unless it may lead to any consequence referred to or contemplated in Clause 4(c); and
 - (iii) without derogating the provisions contained in Clause 6.6, if the Owner fails to give the instruction in relation to the Licence Fee of the Hotel Room Unit, the Hotel Operator shall be entitled to give recommendation and/or advice or to inform the Owner of the Hotel Room Unit or to seek any consent from the Owner of the Hotel Room Unit on such interval basis as the Hotel Operator see fit as regards the Licence Fee of the Hotel Room Unit. If the Hotel Operator receives no response in writing from the Owner regarding the Licence Fee of the Hotel Room Unit, the Hotel Operator shall be entitled, where it may consider appropriate at its sole and absolute discretion, (1) to notify the Owner in writing that the Hotel Operator may adopt such Licence Fee which the Hotel Operator has recommended and/or advised the Owner or (2) not to enter into or renew any licence agreement with any licensee in respect of the use of the Hotel Room Unit; and the Hotel Operator shall not be held liable for any claim, losses or damages whatsoever arising from or in connection with the Licence Fee so adopted by the Hotel Operator and/or the Owner failing to give the instruction in relation to the Licence Fee and/or the Hotel Operator refusing to enter into or renew any such licence agreement.
- (b) (i) the Hotel Operator shall give recommendation and/or advice and inform the Owner of the Hotel Room Unit in writing of such recommendation and/or advice on such interval basis as the Hotel Operator sees fit as regards the choices of furniture layout, internal layout, design and material of furniture, fittings, beddings, mattresses, divans, bed bases, upholstered furniture (if any) and such items to be used or placed in the Hotel Room Unit which are required to meet specified standard as prescribed by any of the Hotel Operation Applicable Conditions and /or any other applicable laws and

regulations including but not limited to the Fire Safety (Commercial Premises) Ordinance (Cap. 502, Laws of Hong Kong) in respect of that Owner's Hotel Room Unit (the "Furnishing") and the recommended suppliers or products and their respective quotations. If the Hotel Operator receives no response in writing from the Owner regarding the Furnishing of the Hotel Room Unit within such period of time as set out in the Hotel Operator's written recommendation and/or advice, the Hotel Operator may adopt such Furnishing which the Hotel Operator sees fit and procure such Furnishing for and on behalf of the Owner. The Hotel Operator shall be fully entitled to, in its sole and absolute discretion, determine the amount of any charges or sums to be charged to the Owner in relation to the Furnishing of his Hotel Room Unit and the Owner shall pay to the Hotel Operator such amount as determined and requested in writing by the Hotel Operator within such prescribed period of time and the Hotel Operator shall not be held liable for any claim, losses or damages whatsoever arising from or in connection with the Furnishing so adopted by the Hotel Operator;

- (ii) If the Owner of the Hotel Room Unit does not want to adopt the Furnishing as recommended by the Hotel Operator or the Owner wishes to change or replace any Furnishing, the Owner shall inform in writing to the Hotel Operator as regards his choices of the Furnishing in respect of that Owner's Hotel Room Unit, and shall obtain the prior written consent from the Licensing Authority through the Hotel Operator at the costs of the Owner (as may be charged at such rate as the Hotel Operator sees fit) and the Hotel Operator shall have the absolute right and discretion to reject or suspend the Owner's choice of Furnishing (including, without limitation, not to allow any works relating to the installation, fixing or replacement of such Furnishing to be made or carried out in the Owner's Hotel Room Unit and/or to stop the making or carrying out of any such works therein) until the Licensing Authority's written consent is obtained.

6.5 The Owner of the Hotel Room Unit hereby acknowledges and agrees that if, apart from the Hotel Room Unit of which the Owner is the registered owner, any other Hotel Room Units may be or become available for the use, occupation and/or enjoyment by guests and/or other persons, the Hotel Operator shall be entitled to determine, in its sole and absolute discretion, the priority for making

available the Hotel Room Unit and other Hotel Room Units or any one or more of them for the use, occupation and/or enjoyment by guests and/or other persons (including the priority for granting licence of the Hotel Room Unit and/or other Hotel Room Unit(s) for such purpose to any guest and/or any other person) and the Hotel Operator's decision in this respect shall be final and conclusive and be binding on the Owner. The Owner of the Hotel Room Unit shall not challenge any decision or determination of the Hotel Operator in this respect or make any claim or demand in relation thereto due to any reason or on any ground whatsoever (irrespective of whether or not the Hotel Room Unit shall have been made available for use, occupation and/or enjoyment by any guest or other person or whether the Owner of the Hotel Room Unit may suffer any losses as a result).

- 6.6 The Owner of the Hotel Room Unit further acknowledges and agrees that no warranty, representation, agreement or undertaking has been or shall be made by the Hotel Operator as to whether or not and if so, when and for what period the Hotel Room Unit shall or can be licensed to any person as hotel guest room or the amount of revenue, income, profits, charges or other amounts whatsoever (if any) which may directly or indirectly arise or derive from the Owner's ownership of the Hotel Room Unit or any operation, management, work, activity, licence, contract or arrangement whatsoever in relation to the Hotel Room Unit or the Hotel or any part thereof or any control, management, supervision or operation of Hotel Matters by or on the part of or on behalf of the Hotel Operator and the Owner of the Hotel Room Unit shall not (and shall not be entitled to) bring, make or threaten any claim or demand whatsoever against the Hotel Operator in relation to any such matter due to any reason or on any ground whatsoever.
- 6.8 In addition to and without derogating or prejudice to any other provisions of this Agreement conferring any power, authority or discretion of the Hotel Operator, even if the Hotel Operator is otherwise required under any other provisions of this Agreement to inform the Owner or obtain the relevant instructions from the Owner before it takes any action or step or exercises its powers in relation to any matter or decision, in case of emergency, the Hotel Operator shall be entitled to take such action or step and exercise its power in such manner as it may consider in its sole and absolute discretion necessary or appropriate for the purpose of managing and operating the Hotel (including without limitation, undertaking any emergency maintenance or repair) without first informing the Owner or obtaining the instructions from the Owner, Provided that the Hotel Operator shall,

after taking the relevant action or step or exercising its relevant power and as soon as reasonably practicable, inform the Owner in writing of the action or step taken and power exercised and the emergency circumstances involved. All the costs in relation to the action or step taken and power exercised pursuant to this Clause 6.8 shall be borne by the Owners or the relevant Owners in such manner as the Hotel Operator shall in its absolute and sole discretion consider appropriate, and in no event shall the Hotel Operator be subject to any claims, damages, losses, costs, expenses or liabilities resulting from or in connection with the aforesaid.

7. COLLECTION AND PAYMENT OF CHARGES

- 7.1A (a) (i) Subject to the provisions contained in Clause 7.1A(b), (c) and (d) below and other provisions contained in this Agreement, the Owner of the Hotel Room Unit shall be entitled to room revenue payable or paid by guest and/or other person in respect of provision of accommodation to such guest and/or person at the Hotel Room Unit, of which the Owner of the Hotel Room Unit is the registered owner, as part of the Hotel.
- (ii) Subject to the provisions contained in Clause 7.1A(b) and (c) below and other provisions contained in this Agreement, the Owner of the Hotel Room Unit may receive and collect any security deposit for Licence Fee (as defined in Clause 6.4(a)(i)) from any licensee of the Hotel Room Unit, of which the Owner of the Hotel Room Unit is the registered owner, provided that (1) the determination, payment and collection of such security deposit shall be an agreement and arrangement between the Owner and the licensee only; (2) such security deposit shall be collected by the Owner from the licensee, and the Hotel Operator shall not be responsible for the collection; and (3) nothing in or contemplated under such arrangement, in the sole and absolutely opinion of the Hotel Operator, may adversely affect the operation and management of the Hotel or any particular part thereof or may be inconsistent with other provisions of this Agreement or the Hotel Operation Applicable Conditions. The Owner hereby expressly acknowledges and agrees that the Hotel Operator shall not be required to be bound by or to observe any such arrangement for security deposit between the Owner and the licensee if and to the extent that, in the sole and absolute opinion of the Hotel Operator, such arrangement may

adversely affect the operation and management of the Hotel or any particular part thereof or may be inconsistent with other provisions of this Agreement or the Hotel Operation Applicable Conditions; and the Owner undertakes to indemnify and hold harmless the Hotel Operator against all claims, losses, costs, damages, expenses and/or any other liabilities resulting from or in connection with any such arrangement for security deposit.

9. REMUNERATION AND OTHER ENTITLEMENTS OF HOTEL OPERATOR

9.1 The Hotel Operator shall be entitled to the remuneration determined in accordance with Schedule 1 hereto.

10. DEPOSIT AND SECURITY

10.1 The Owner shall:

- (a) pay to the Hotel Operator by way of deposit as security for the due payment of all amounts which may be or become due, owing or payable by the Owner in relation to Hotel Matters or in his capacity as owner a sum not less than the aggregate total of three months' monthly contribution of the Hotel Operation Expenses attributable to the Hotel Room Unit for the time being payable by the Owner and such deposit shall be non-refundable but may be transferable in accordance with the provisions contained in Clause 10.4 below;
- (b) in addition and without prejudice to any obligations and liabilities of the Owner under Clause 10.1(a) above, pay to the Hotel Operator a sum not less than the aggregate total of two months' monthly contribution of the Hotel Operation Expenses attributable to the Hotel Unit as advance payment of the first two months' contribution and such sum shall be non-refundable and non-transferable; and
- (c) in addition and without prejudice to any obligations and liabilities of the Owner under Clauses 10.1(a) and 10.1(b) above, pay to the Hotel Operator a sum of HK\$5,000 as security for the due payment of the utility services which may be utilised by or relating to the Hotel Room Unit and such sum shall be non-refundable but may be transferable in accordance with the provisions contained in Clause 10.4 below provided that the Hotel Operator shall be entitled to, where it considers appropriate in its sole and absolute discretion, to increase the amount of such payment and the Owner shall pay to the Hotel Operator such increase as determined and requested in writing

by the Hotel Operator within such prescribed period of time.

The Owner shall make the first payment of each sum referred to in this Clause 10.1 to the Hotel Operator by not later than the date of assignment in respect of his own Hotel Unit.

14. SALE OR OTHER DISPOSAL OF HOTEL ROOM UNIT

14.1 The Owner hereby agrees with and undertakes to the Hotel Operator and as a separate covenant covenants with each other Owner that:

- (a) the Owner shall not sell, assign, or otherwise dispose of or deal with the Hotel Unit or any interest therein unless and until the Owner shall procure the subsequent purchaser, assignee or successor-in-title to enter into the sale and purchase agreement and the assignment relating thereto, each of which shall contain (including without limitation) covenants as set out in the Appendix I ("Covenants") and which shall not contain any other covenants or provisions that may restrict in any way or extent the effect and validity of any or all of the Covenants.

19. APPOINTMENT OF HOTEL OPERATOR

19.1 (b) The appointment of the Hotel Operator shall not be terminated at any time before the 15th anniversary (the "Date") of the date of this Agreement and thereafter the Hotel Operator shall continue to manage the Hotel on the same terms and conditions as provided in this Agreement, unless (i) the Hotel Operator is in material breach of this Agreement with a resolution at a meeting of the Owners of the Hotel Units duly convened is passed by a majority of Owners of the Hotel Units holding MORE than seventy-five percent (75%) of the Undivided Shares in aggregate (excluding the Undivided Shares allocated to the Hotel Common Areas and the Hotel Common Facilities) of the Hotel resolving that the Hotel Operator's breach of its duties or obligations under this Agreement would result in the non-renewal or cancellation of the Hotel Licence (and in each of such event, provisions set out in Clause 19.5(a) shall be applicable notwithstanding any contrary provisions of this Agreement) or (ii) the Hotel Operator commits fraud or dishonesty when exercising or performing its powers or obligations under this Agreement or the Hotel Operator's breach of its duties or obligations under this Agreement is the sole cause of the non-renewal or cancellation of the Hotel Licence or the Hotel Operator is wound up or has a receiving order made against it (and in each of such event, provisions set

out in Clause 19.5(b) shall be applicable notwithstanding any contrary provisions of this Agreement), notwithstanding the Hotel Operator ceasing to be the Hotel Manager in accordance with the provisions of the Sub-DMC.

- (c) After the Date (as defined in Clause 19.1(b)), the appointment of the Hotel Operator may be terminated:
 - (i) by the Hotel Operator by resignation from such appointment giving of not less than six months' notice in writing to the Hotel Operation Owners' Committee (or where there is no Hotel Operation Owners' Committee, by giving such notice to each of the Owners of the Hotel Units) and by displaying such a notice in a prominent place in the Hotel. Such notice may be given by delivering it personally to the Owners or by sending it by post to the Owners at his last known address or by leaving it at his Hotel Unit or by depositing it in the letterbox of his Hotel Unit if available, provided that if any Hotel Unit is co-owned or jointly owned by more than one Owner (whether as joint tenants or tenants in common or otherwise), such notice delivered or sent pursuant to Clause 22.3 shall be deemed to be validly served on each co-Owner or each joint Owner of the relevant Hotel Unit;
 - (ii) by removal (without compensation) by the Hotel Operation Owners' Committee or the Corporation (if formed) as per Clause 19.5 hereof.

19.5 Subject to the provisions in Clause 19.1,

- (a) the appointment of the Hotel Operator shall not be terminated in any circumstances whatsoever unless the Hotel Operation Owners' Committee or the Corporation (if formed) shall procure that another duly qualified and experienced hotel operator shall be appointed as the new Hotel Operator upon the sanction of a resolution at a meeting of the Owners of the Hotel Units duly convened and passed by a majority of Owners of the Hotel Units holding MORE than seventy-five percent (75%) of the Undivided Shares in aggregate (excluding the Undivided Shares allocated to the Hotel Common Areas and the Hotel Common Facilities) of the Hotel and the Hotel Operation Owners' Committee or the Corporation (if formed) shall on behalf of the Owners of the Hotel Units enter into a confirmation of appointment with such new Hotel Operator and before the giving of not less than six months' notice in writing to the Hotel Operator and such appointment of the new Hotel Operator shall take effect forthwith upon termination of the appointment of the Hotel Operator in accordance with the provisions set out in Clause 19.1(c).

- (b) in the event that the Hotel Operator is wound up or has a receiving order made against it or resigns pursuant to Clause 19.1, or if it is purported to terminate the appointment of the Hotel Operator due to its fraud or dishonesty when exercising or performing its powers or obligations under this Agreement or due to the fact that the breach of the Hotel Operator's duties or obligations under this Agreement is the sole cause of the non-renewal or cancellation of the Hotel Licence pursuant to Clause 19.1(b), the Hotel Operation Owners' Committee or the Corporation (if formed) shall promptly procure that another duly qualified and experienced hotel operator shall be appointed as the new Hotel Operator upon the sanction of a resolution at a meeting of the Owners of the Hotel Units duly convened and passed by a majority of Owners of the Hotel Units holding MORE than fifty percent (50%) of the Undivided Shares in aggregate (excluding the Undivided Shares allocated to the Hotel Common Areas and the Hotel Common Facilities) of the Hotel and the Hotel Operation Owners' Committee or the Corporation (if formed) shall on behalf of the Owners of the Hotel Units enter into a confirmation of appointment with such new Hotel Operator with rights duties and obligations that shall be identical with those out in this Agreement.

20. TAXATION

20.1 The Owner agrees with and undertakes to the Hotel Operator that the Owner shall fully pay and discharge all liabilities for Taxation falling on the Owner when due.

20.2 In addition and without prejudice to the provisions contained in Clause 20.1, the Owner shall be liable for filing any return or providing any information to any authority relating to Taxation as such Owner may at any time or from time to time be or become obliged or liable or required to do so under applicable laws or regulations or by the relevant authority, provided that the above shall not affect or prejudice the full power and authority of the Hotel Operator to complete, file and submit tax return and provide information to any authority on or relating to Taxation (if any) payable or paid under any applicable laws or regulations as regards Taxation paid or caused or arranged to be paid by Hotel Operator. Each Owner hereby expressly acknowledges and agrees that the Hotel Operator shall owe no duty to any of the Owners to complete, file and/or submit any tax return and/or provide information to any authority on Taxation and the Hotel Operator shall not be liable for any failure or delay to do any such acts and the Owner

shall not (and shall not be entitled to) bring, make or threaten any claim or demand whatsoever against the Hotel Operator in relation to any such acts done by or on behalf of the Hotel Operator or any failure or delay to do such acts due to any reason or on any ground whatsoever.

20.3 The Owner undertakes to indemnify and hold harmless the Hotel Operator against all claims, losses, costs, damages, expenses and/or any other liabilities resulting from or in connection with that Owner's filing of any return or provision of any information to any authority on or relating to Taxation or that Owner's payment or discharge of any liability for Taxation falling on that Owner or any failure or delay in doing so in accordance with any applicable laws or regulations or as required by the relevant authority.

26. COVENANTS

- (g) each and every Owner shall execute a Deed of Adherence in the form annexed hereto and any Owner for the time being who shall not have executed such a Deed of Adherence shall execute the same forthwith on a request in writing to do so given to him by the Hotel Operator.

SCHEDULE 1

REMUNERATION PAYABLE TO HOTEL OPERATOR

1. The Hotel Operator's Remuneration shall not exceed ten percent (10%) ("Maximum Percentage") per annum of the total annual Hotel Operation Expenses of the Hotel (excluding the Hotel Operator's Remuneration itself) and any capital expenditure or expenditure drawn out of the Hotel Operation Fund may be included for calculating the Hotel Operator's Remuneration at the rate applicable under this provision. Payment of the Hotel Operator's Remuneration shall be in advance in the manner as shall be determined by the Hotel Operator. The Maximum Percentage may be increased by a resolution of the Owners of the Hotel Units or the Hotel Operation Owners' Committee or the Corporation if formed. Any over-payment of the Hotel Operator's Remuneration in the year in question shall be refunded and be paid by the Hotel Operator into the Hotel Operation Fund within 21 days of the completion of the auditing of the annual accounts for such year as and any adjustment payment that needs to be made by the Owners of the Hotel Units to bring the amount paid to the Hotel Operator by way of remuneration for the year in question to the correct amount for such year calculated in accordance with the first sentence of this provision shall likewise be made within 21 days of the completion of the auditing of the annual accounts for

such year.

2. The sums payable to the Hotel Operator under the provision aforesaid shall be the net remuneration of the Hotel Operator for its services as Hotel Operator and shall not include the costs and expenses for any staff, facilities, accountancy services or other professional supervision for the Hotel which costs and expenses shall be payable out of the Hotel Operation Fund.

關於雍澄軒酒店營運合同之重要條款摘要

1. 敘文C

每名「新業主」必須(除其他責任外)與「PWL」及其他「業主」協議，承諾其將根據「政府批地書」(釋義以「發展物業公契」所訂為準)、「適用條款」(釋義以「雍澄軒酒店分公契」所訂為準)及「入伙紙」(釋義以「發展物業公契」所訂為準)規定，依照個別「酒店物業」轉讓契約所列明的用途使用其「酒店物業」，以作為「雍澄軒酒店」一部份(「用途協諾」)。為免存疑，現聲明每名「酒店房間」「新業主」必須與「酒店營運人」協諾，另獨立與每名其他「業主」協議以承諾其「酒店房間」：

- (i) 不可作「政府批地書」特別條款第(12)條不允許的用途；
- (ii) 必須遵從「政府批地書」的規定；及
- (iii) 必須遵照2007年11月2日發予「雍澄軒酒店」之「入伙紙」的規定用途。

2. 「業主」協議承諾委任「酒店營運人」

除非另有明確規定(惟「業主」有權委任「市場代理」處理「業主」所持有「酒店房間」的「市場推廣事宜」)，每名「業主」現委託「酒店營運人」，由「酒店營運人」(摒除所有其他人士)管理及營運「業主」的「酒店房間」。「酒店營運人」應在法律許可的情況下遵照「酒店營運條款」，以「業主」代理的身份代表「業主」管理及營運該「酒店房間」，以作為「雍澄軒酒店」的一部份。

4. 「業主」的一般責任及承諾

每名「業主」現與「酒店營運人」協議及承諾，並另獨立與每名其他「業主」協議以承諾如下：

- (c) 每名「業主」本身不可，並應達致包括但不限於「市場代理」的代理、授權代表及/或代表(視乎情況而定)不會作出任何行為、事項或允許、准許或容忍他人作出任何行為或事項，以致可能：
 - (i) 導致或引致違反「本酒店營運合同」的任何條款或規章、任何「酒店營運條款」及/或任何其他適用法律與規例；
 - (ii) 影響或妨礙任何「酒店營運牌照」，或引致任何「酒店營運牌照」被撤銷、暫時吊銷、取消、修改或不獲續牌，或需依法被撤銷、暫時吊銷、取消、修改及/或不獲續牌；
 - (iii) 導致違反「雍澄軒酒店」、其財物或其他相關保險保單的條款或條件規定，或導致此等保險保單失效、可能失效或增加保費；及
 - (iv) 影響或妨礙任何「酒店營運事宜」(包括「雍澄軒酒店」任何供水、供電、氣體、電話或其他公用服務設施，或「雍澄軒酒店」的保安、衛生或清潔，或任何人身或財物安全)；

「酒店營運人」就任何行為或事項是否會引致上文第4(c)條所述後果作出的決定將作終論，並對「業主」具約束效力。「酒店營運人」有權要求「業主」給予補救及提供「酒店營運人」不時自行酌情為必要或恰當的補償；

- (e) 每名「業主」現無條件及不可撤回地授權並委任「酒店營運人」(及/或「酒店營運人」隨時或不時認為合適的其他人士)(摒除所有其他人士)代表「業主」以「酒店營運人」的名義(或以「酒店營運人」認為合適的其他人士名義)申請、取得、續領及持有所有或任何「酒店營運牌照」(包括但不限於「旅館牌照」)，並就此在法律許可的情況下以「業主」代理的身份，按「酒店營運人」隨時或不時自行酌情為必要或恰當，作出所有行為及事項和採取所有措施及行動，以及訂立所有契約、承諾及/或其他文件。每名「業主」現明確確認及同意，「酒店營運人」對任何「業主」並不負上申請、取得、續領及/或持有「酒店營運牌照」之任何責任；另外，除非純粹因「酒店營運人」違反「本酒店營運合同」訂明的責任或義務所致，否則「酒店營運人」不需因無法或延誤辦理上述事項而向任何「業主」承擔任何責任。
- (f) 「酒店房間」應根據「政府批地書」、「發展物業公契」、「雍澄軒酒店分公契」、「酒店營運條款」及「入伙紙」規定作酒店用途，並作為「雍澄軒酒店」一部份。為免存疑及遵從「入伙紙」的條款規定，現聲明「酒店房間」不可用作私人住宅及/或作「政府批地書」特別條款第(12)條不允許的用途。

6. 作為「雍澄軒酒店」一部份的「酒店房間」使用及營運事宜

- 6.1 除另有明文規定外及遵從第6.4條之規定，每名「酒店房間」「業主」現與「酒店營運人」協議及承諾，並另獨立與每名其他「業主」協議以承諾如下：
 - (a) 「業主」授權「酒店營運人」代表「業主」以「雍澄軒酒店」一部份的形式管理和營運「業主」的「酒店房間」，以及在法律許可和遵照「酒店營運條款」規定以「業主」代理的身份，且不受「業主」及/或其代理、授權代表及/或其他代表干預；及
 - (d) 除非(i)根據及按照第5.3(c)(iii)條所述之「酒店房間」使用准許協議獲「酒店營運人」授予之使用准許，作為酒店房間准許使用人，(ii)根據「本酒店營運合同」之規定，以及(iii)遵從「酒店營運人」可獨有絕對的情訂立之一切條款、條件及要求並在不抵觸該等條款、條件及要求之情況下遵從「酒店營運守則」，否則概無任何人士可使用或佔用任何「酒店房間」。如「酒店營運人」為有關目的而授予之使用准許期滿失效或因

為任何原因被撤銷、終止或撤回，使用或佔用任何「酒店房間」之人士將不再有權使用、佔用及／或享用有關「酒店房間」。

6.4 儘管第6.1、6.2及6.3條另有規定：

- (a) (i) 每位「酒店房間」「業主」均需每隔「酒店營運人」視為恰當的一段時間向「酒店營運人」發出書面指示，說明酒店客人、佔用人、承辦商、有關方及／或其他人士進入、逗留及／或佔用「酒店房間」應支付的酒店房間收入、費用及其他收費與款項(「酒店房間准許使用金」)；
 - (ii) 「酒店房間」「業主」向「酒店營運人」發出關於「酒店房間」的「酒店房間准許使用金」的指示後，除非可能導致第4(c)條所載的情況，否則「酒店營運人」必須接納「業主」的指示及決定；及
 - (iii) 茲不減損第6.6條之規定，若「酒店房間」「業主」未能就其「酒店房間」之「酒店房間准許使用金」發出指示，「酒店營運人」有權按其視為恰當每隔一段時間就「酒店房間」之「酒店房間准許使用金」提供建議及／或意見或通知「酒店房間」「業主」或徵取「酒店房間」「業主」之任何同意。如「業主」並未就此以書面回應「酒店營運人」，「酒店營運人」有權按其自行酌情為恰當：(1)向「業主」發出書面通知，說明「酒店營運人」可採納其建議及／或提出意見的「酒店房間准許使用金」；或(2)不與任何酒店房間准許使用人訂立或續訂使用「酒店房間」的任何酒店房間使用准許協議。倘因「酒店營運人」採納上述「酒店房間准許使用金」及／或「業主」不就「酒店房間准許使用金」發出指示及／或「酒店營運人」拒絕訂立或續訂任何酒店房間使用准許協議而招致或引起任何索償、損失或損害，「酒店營運人」概毋須承擔責任。
- (b) (i) 「酒店營運人」須按其視為恰當地每隔一段時間就「業主」之「酒店房間」內須依照任何「酒店營運條款」及／或任何其他適用法律及規例(包括但不限於《消防安全(商業處所)條例》(香港法例第502章))達到指定標準的傢俬佈局、內部佈局、傢俬設計及質料、配件、寢具、床褥、貴妃椅、床架、軟墊布藝傢俬(如有者)和「酒店房間」擬使用或擺設的其他物件(統稱「裝潢設計」)提出建議及／或意見，以及就建議的供應商或產品及彼等各自的報價提出建議及／或意見，並以書面通知有關「業主」此等建議及／或意見。如「業主」並未於「酒店營運人」的建議及／或意見書所訂明期限內就「酒店房間」的「裝潢設計」以書面回應「酒店營運人」，「酒店營運人」可採納其視為恰當的「裝潢設計」並代表「業主」辦妥此等「裝潢設計」。「酒店營運人」擁有全權行使絕對酌情權釐定應向「業主」收取的「酒店房間」「裝潢設計」費用或款項，而「業主」須在指定期限

內向「酒店營運人」支付其釐定並以書面通知的金額。如因「酒店營運人」採納「裝潢設計」而招致或引起任何索償、損失或損害，「酒店營運人」概毋須就此承擔責任。

- (ii) 如「酒店房間」「業主」不欲採納「酒店營運人」建議的「裝潢設計」或「業主」擬更改或更換任何「裝潢設計」，必須發出書面通知向「酒店營運人」說明其為「酒店房間」選擇的「裝潢設計」，並在事前透過「酒店營運人」向「發牌當局」申領同意書，費用由「業主」承擔(收費率按「酒店營運人」視為恰當)。「酒店營運人」擁有絕對權利及酌情權拒絕或暫緩執行「業主」所選擇的「裝潢設計」(包括但不限於不允許在「業主」的「酒店房間」進行或執行任何關乎安裝、固定或更換此等「裝潢設計」的工程及/或制止在該處進行或執行任何此等工程)，直至「發牌當局」發出書面同意為止。

6.5 「酒店房間」「業主」現確認及同意，倘除其為註冊業主的「酒店房間」外尚有其他「酒店房間」可供酒店客人及/或其他人士使用、佔用及/或享用，「酒店營運人」有絕對的酌情權決定該「酒店房間」及其他「酒店房間」或任何或多間「酒店房間」供酒店客人及/或其他人士使用、佔用及/或享用的優先次序(包括就此向酒店客人及/或任何其他人士授予該「酒店房間」及/或其他「酒店房間」准許使用權的優先次序)。「酒店營運人」如上作出之決定將作終論，並對「業主」具約束效力。「酒店房間」「業主」概不可反對「酒店營運人」所作出的上述決定，亦不可基於任何原因或理由就此提出索償或索求(不論「酒店房間」是否已供任何酒店客人或其他人士使用、佔用及/或享用，亦不論「酒店房間」「業主」是否因而蒙受損失)。

6.6 「酒店房間」「業主」並且確認及同意，有關「酒店房間」會否或可否以酒店客房形式授權任何人士使用，以及如可使用的具體期限，或「業主」擁有「酒店房間」可直接或間接創造或衍生的收益、收入、利潤、收費或其他款項(如有者)之金額，或任何關乎「酒店房間」或「雍澄軒酒店」或其任何部份的營運活動、管理事務、工作、活動、使用許可、合約或安排，或「酒店營運人」或其代表如何控制、管理、監督或營運「酒店營運事宜」，「酒店營運人」現時並無而將來亦不會作出任何保證、聲明、協議或承諾。「酒店房間」「業主」不可(亦無權)基於任何原因或理由，就任何此等事項對「酒店營運人」作出、提出或威脅作出任何索償或索求。

6.8 附加於並在不減損或影響「酒店營運人」於本「酒店營運合同」任何其他條款下獲授予的權力、權限及酌情權下，即使根據本「酒店營運合同」任何其他條款，「酒店營運人」就任何事宜或決定採取任何行動或措施或行使其權

力前，須通知「業主」或取得「業主」有關指示，如屬緊急情況，「酒店營運人」有權以其獨有絕對酌情認為為管理及營運「雍澄軒酒店」而屬必需或合適的方式，採取措施或行動或行使權力（包括但不限於進行任何緊急保養或維修工作），而無須事先通知「業主」或取得「業主」的指示，惟「酒店營運人」須在採取有關行動或措施或行使其有關權力後，在合理可行的範圍內盡快以書面方式通知「業主」已採取的行動或措施及行使的權力以及當中涉及的緊急情況。所有有關根據本第6.8條採取的行動或措施或行使的權力之開支須按「酒店營運人」以其獨有絕對酌情認為為合適的方式由「業主」或有關「業主」承擔，惟於任何情況下，「酒店營運人」均毋須因為或關於前述行為而承擔任何索償、損害、損失、開支、費用或責任。

7. 收取及支付費用

- 7.1A (a) (i) 遵從以下第7.1A(b)、(c)及(d)條和「本酒店營運合同」其他條款之規定，「酒店房間」「業主」有權收取酒店客人及/或其他人士因逗留其乃註冊業主而屬於「雍澄軒酒店」一部份的「酒店房間」所應付或已付的酒店房間收入。
- (ii) 遵從下文第7.1A(b)及(c)條和「本酒店營運合同」其他條款之規定，「酒店房間」「業主」可向其以註冊業主身份持有的「酒店房間」的任何「酒店房間」准許使用人收取及收納任何「酒店房間准許使用金」（釋義以第6.4(a)(i)條所訂為準）之保證按金，然而(1)釐定金額、付款及收取須保證按金純屬「業主」與酒店房間准許使用人之間的協定及安排；(2)保證按金須由「業主」向酒店房間准許使用人收取，「酒店營運人」概不負責收費；及(3)按照「酒店營運人」絕對自主的意見，上述安排指定或擬指定的內容概不可妨礙「雍澄軒酒店」或該處任何個別部份的營運及管理，又或違反「本酒店營運合同」或「酒店營運條款」的其他規定。「業主」現明確確認及同意，假如按照「酒店營運人」絕對自主的意見，此等由「業主」與酒店房間准許使用人協定的保證按金安排可能妨礙「雍澄軒酒店」或該處任何個別部份的營運及管理，又或違反「本酒店營運合同」或「酒店營運條款」其他規定，「酒店營運人」將不受有關安排約束亦不須遵從有關安排。「業主」現承諾如有此等保證按金安排引致或與之相關的任何索償、損失、費用、損害、開支及/或其他責任，其將向「酒店營運人」作出彌償並確保其免責。

9. 「酒店營運人」的酬金及其他應享有權利

- 9.1 「酒店營運人」有權領取根據附錄一釐定的酬金。

10. 按金及保證金

10.1 「業主」應：

- (a) 向「酒店營運人」支付按金，以保證其妥善支付「業主」應就「酒店營運事宜」或基於業主身份而到期應付、欠繳或應繳之所有款項。按金金額不可少於「業主」現時應就「酒店房間」攤付的三(3)個月「酒店營運支出」。按金不予退還但可按照下文第10.4條規定轉戶；
- (b) 茲附加於並毋損上述第10.1(a)條所訂「業主」應履行的責任及義務，向「酒店營運人」支付不少於「酒店物業」應攤付兩(2)個月「酒店營運支出」的款項，作為首兩(2)個月的預付款項。本預付款項不予退還，亦不可轉戶；及
- (c) 茲附加於並毋損上述第10.1(a)及10.1(b)條所訂「業主」應履行的責任及義務，向「酒店營運人」支付相等於港幣五千元正的款項，以保證妥善支付「酒店房間」使用或相關的公用服務費。有關款項不予退還但可按照下文第10.4條規定轉戶。「酒店營運人」有權按其自行酌情為恰當調高上述付款的金額。「業主」須在指定期限內支付「酒店營運人」釐定及書面通知的增加金額。

「業主」應最遲在其「酒店物業」轉讓當日向「酒店營運人」支付本第10.1條所訂每筆款項的首次付款。

14. 出售或以其他方式處置「酒店房間」

14.1 「業主」現與「酒店營運人」協議及承諾，另獨立與每名其他「業主」協議以承諾如下：

- (a) 除非及直至「業主」達致其繼任買家、受讓人或產權繼承人簽訂買賣合同及轉讓契(其各自當中須包含(包括但不限於)附件一所載的契諾(「該等契諾」))但不可包含可能以任何方式或程度限制任何或所有該等契諾的效力或有效性的任何其他契諾或條款)，「業主」不可出售、轉讓或以其他方式出讓或處置「酒店物業」或其任何權益。

19. 委任「酒店營運人」

19.1 (b) 儘管「酒店營運人」不再根據「雍澄軒酒店公契」擔任「酒店經理人」，「本酒店營運合同」日期的十五周年日(「日期」)之前任何時間，概不可終止「酒店營運人」的委任權責，其後「酒店營運人」亦會繼續同樣依照「本酒店營運合同」之條款與規章管理「雍澄軒酒店」，除非(i)「酒店營運人」嚴重違反「本酒店營運合同」，並且合共持有「雍澄軒酒店」「不可分割份數」超過百分之七十五(75%) (不包括「酒店公用地方」及「酒店公用設施」之「不可分割份數」)的「酒店物業」「業主」於正式召開的「酒店物業」「業主」會議上以多數票通過決議決就「酒店營運人」違反其於「本酒店營運合同」項下的職責或義務會導

致不獲續發或被吊銷「旅館牌照」(於上述各情況下，儘管「本酒店營運合同」另有任何相反規定，第19.5(a)條之規定將會適用)，或(ii)「酒店營運人」於行使其於「本酒店營運合同」項下之權力或履行其於「本酒店營運合同」項下之義務時作出欺詐或不誠實行為，或不獲續發或被吊銷「旅館牌照」的唯一原因乃「酒店營運人」違反其於「本酒店營運合同」項下之職責或義務，或「酒店營運人」清盤或受制於接管令(於上述各情況下，儘管「本酒店營運合同」另有任何相反規定，第19.5(b)條之規定將會適用)則屬例外。

- (c) 「日期」(釋義以第19.1(b)條所訂為準)屆滿後，可以以下列方式終止「酒店營運人」的委任權責：
- (i) 「酒店營運人」可向「酒店營運業主委員會」發出最少六(6)個月書面通知辭職(如無「酒店營運業主委員會」則向每名「酒店物業」業主發出通知)並在「雍澄軒酒店」顯眼地點張貼通知書。上述通知書如手遞至「業主」、郵寄至「業主」最後為人所知的地址或置於其「酒店物業」或投入其「酒店物業」的信箱(如有者)，即視為正式送達，惟如任何「酒店物業」是由多於一個「業主」(不論作為聯權共有人、分權共有人或其他方式)共同或聯權擁有，根據第22.3條送遞或寄出之有關通知將被視為已向有關「酒店物業」各共同「業主」或各聯權「業主」有效發出；
 - (ii) 「酒店營運業主委員會」或「法團」(如已成立者)可根據第19.5條(無償)辭退「酒店營運人」。

19.5 遵從第19.1條規定，

- (a) 除非「酒店營運業主委員會」或「法團」(如已成立者)經由合共持有「雍澄軒酒店」「不可分割份數」總額(不包括「酒店公用地方」及「酒店公用設施」之「不可分割份數」)超過百分之七十五 (75%)的「酒店物業」業主於正式召開的「業主」會議以多數票通過決議案批准，達致委任另一正式合資格並富經驗的酒店營運人為新「酒店營運人」，否則於任何情況下均不可終止「酒店營運人」的委任權責。「酒店營運業主委員會」或「法團」(如已成立者)應在給予「酒店營運人」不少於六(6)個月書面通知之前代表「酒店物業」業主與新「酒店營運人」訂立聘任確認書。「酒店營運人」的委任權責按照第19.1(c)條規定終止後，新「酒店營運人」的委任即告生效。
- (b) 如「酒店營運人」清盤或受制於接管令或根據第19.1條辭職，又或有意因「酒店營運人」於行使其於「本酒店營運合同」項下之權力或履行「本酒店營運合同」項下之義務時作出欺詐或不誠實行為，或因不獲續發或被吊銷「旅館牌照」的唯一原因乃「酒店營運人」違反其於「本酒店營運合同」項下之職責或義務，而根據第19.1(b)條終止「酒店營運人」的

委任權責，「酒店營運業主委員會」或「法團」(如已成立者)應從速經由合共持有「雍澄軒酒店」「不可分割份數」總額(不包括「酒店公用地方」及「酒店公用設施」之「不可分割份數」)超過百分之五十(50%)的「酒店物業」「業主」於正式召開的「酒店物業」「業主」會議以多數票通過決議案批准，達致委任另一正式合資格並富經驗的酒店營運人為新「酒店營運人」。「酒店營運業主委員會」或「法團」(如已成立者)應代表「酒店物業」「業主」與新「酒店營運人」訂立聘任確認書，訂明「本酒店營運合同」所載相同的權利、責任及義務。

20. 稅項

20.1 「業主」現與「酒店營運人」協議及承諾，其將履行全責支付所有其應繳之「稅項」。

20.2 茲附加於並且毋損上文第20.1條之規定，「業主」須遵照適用法律或規例或相關政府部門規定，隨時或不時履行責任、義務或規定向任何政府部門提交任何關於「稅項」的申報表或提供任何相關資料，然而前述規定概不影響或妨礙「酒店營運人」全面行使權力或權限根據任何關乎其已繳納或已達致或安排他人繳納「稅項」的適用法律或規例所應繳或繳訖的「稅項」而填報、交送及提交稅務申報表，以及向任何政府部門提供資料(如有者)。每名「業主」現明確確認及同意，「酒店營運人」概不會就填報、交送及/或提交稅務申報表及/或向任何政府部門提供「稅項」資料向任何「業主」承擔責任；如並未辦理或延誤辦理上述事宜，「酒店營運人」概毋須承擔責任，而「業主」不可(亦無權)就「酒店營運人」或其代表所作的任何此等行為或因「酒店營運人」基於任何事故或理由並未辦理或延誤辦理上述事宜而提出、作出或威脅提出任何索償或索求。

20.3 「業主」現承諾，如因「業主」提交任何關於「稅項」的申報表或向任何政府部門提供「稅項」相關資料，或因「業主」應負責支付或清償任何「稅項」負債，或因「業主」並未或延誤遵照任何適用法律或規例或相關政府部門要求支付或清償任何「稅項」負債，以致招致或與之相關之任何索償、損失、費用、損害、開支及/或任何其他責任，「業主」將向「酒店營運人」作出彌償並確保其免責。

26. 契諾

(g) 每名「業主」均需根據本文所夾附表格指定的格式，簽訂「依附契約」。任何現任「業主」倘尚未簽訂該契約，應在「酒店營運人」發出書面要求時立即簽署該文件。

附錄一

應付予「酒店營運人」的酬金

1. 「酒店營運人酬金」不可超出每年「酒店營運支出」總額(不包括「酒店營運人酬金」)百分之十(10%)(「最高百分比」)。」計算「酒店營運人酬金」時可計入任何由「酒店營運基金」支取的資本開支或開支。「最高百分比」可由「酒店物業」「業主」、「酒店營運業主委員會」或「法團」(如已成立者)議決增加。「酒店營運人酬金」需要預付，付款方式由「酒店營運人」指定。如任何年度多繳「酒店營運人酬金」，「酒店營運人」應在該年度的賬目審計完畢後二十一(21)天內退回溢額並存入「酒店營運基金」。同樣，如各「酒店物業」「業主」需支付任何調整款項以令「酒店營運人」的酬金達到依照本條首句規定計算的正確金額，「業主」亦應在該年度的賬目審計完畢後二十一(21)天內付款。
2. 根據前述規定付予「酒店營運人」的款項乃其提供「酒店營運人」服務之淨酬金，並不包括「雍澄軒酒店」任何職員、設施、會計服務或其他專業指導服務的費用與開支，上述費用與開支將直接由「酒店營運基金」支付。

「酒店營運人」就任何行為或事項是否會引致上文第4(c)條所述後果作出的決定將作終論，並對「業主」具約束效力。「酒店營運人」有權要求「業主」給予補救及提供「酒店營運人」不時自行酌情為必要或恰當的補償；

- (e) 每名「業主」現無條件及不可撤回地授權並委任「酒店營運人」(及/或「酒店營運人」隨時或不時認為合適的其他人士)(摒除所有其他人士)代表「業主」以「酒店營運人」的名義(或以「酒店營運人」認為合適的其他人士名義)申請、取得、續領及持有所有或任何「酒店營運牌照」(包括但不限於「旅館牌照」)，並就此在法律許可的情況下以「業主」代理的身份，按「酒店營運人」隨時或不時自行酌情為必要或恰當，作出所有行為及事項和採取所有措施及行動，以及訂立所有契約、承諾及/或其他文件。每名「業主」現明確確認及同意，「酒店營運人」對任何「業主」並不負上申請、取得、續領及/或持有「酒店營運牌照」之任何責任；另外，除非純粹因「酒店營運人」違反「本酒店營運合同」訂明的責任或義務所致，否則「酒店營運人」不需因無法或延誤辦理上述事項而向任何「業主」承擔任何責任。
- (f) 「酒店房間」應根據「政府批地書」、「發展物業公契」、「雍澄軒酒店分公契」、「酒店營運條款」及「入伙紙」規定作酒店用途，並作為「雍澄軒酒店」一部份。為免存疑及遵從「入伙紙」的條款規定，現聲明「酒店房間」不可用作私人住宅及/或作「政府批地書」特別條款第(12)條不允許的用途。

6. 作為「雍澄軒酒店」一部份的「酒店房間」使用及營運事宜

- 6.1 除另有明文規定外及遵從第6.4條之規定，每名「酒店房間」「業主」現與「酒店營運人」協議及承諾，並另獨立與每名其他「業主」協議以承諾如下：
 - (a) 「業主」授權「酒店營運人」代表「業主」以「雍澄軒酒店」一部份的形式管理和營運「業主」的「酒店房間」，以及在法律許可和遵照「酒店營運條款」規定以「業主」代理的身份，且不受「業主」及/或其代理、授權代表及/或其他代表干預。除非獲得「酒店營運人」根據「本酒店營運合同」條款明確允許，否則「業主」不能以「業主」的「酒店房間」作私人用途；及
 - (d) 除非(i)根據及按照第5.3(c)(iii)條所述之「酒店房間」使用准許協議獲「酒店營運人」授予之使用准許，作為酒店房間准許使用人，(ii)根據「本酒店營運合同」之規定，以及(iii)遵從「酒店營運人」可獨有絕對酌情訂立之一切條款、條件及要求並不抵觸該等條款、條件及要求之情況下遵從「酒店營運守則」，否則概無任何人士可使用或佔用任何「酒店房間」。如「酒店營運人」為有關目的而授予之使用准許期滿失效或因

為任何原因被撤銷、終止或撤回，使用或佔用任何「酒店房間」之人士將不再有權使用、佔用及／或享用有關「酒店房間」。

6.4 儘管第6.1、6.2及6.3條另有規定：

- (a) (i) 每位「酒店房間」「業主」均需每隔「酒店營運人」視為恰當的一段時間向「酒店營運人」發出書面指示，說明酒店客人、佔用人、承辦商、有關方及／或其他人士進入、逗留及／或佔用「酒店房間」應支付的酒店房間收入、費用及其他收費與款項(「酒店房間准許使用金」)；
 - (ii) 「酒店房間」「業主」向「酒店營運人」發出關於「酒店房間」的「酒店房間准許使用金」的指示後，除非可能導致第4(c)條所載的情況，否則「酒店營運人」必須接納「業主」的指示及決定；及
 - (iii) 茲不減損第6.6條之規定，若「酒店房間」「業主」未能就其「酒店房間」之「酒店房間准許使用金」發出指示，「酒店營運人」有權按其視為恰當每隔一段時間就「酒店房間」之「酒店房間准許使用金」提供建議及／或意見或通知「酒店房間」「業主」或徵取「酒店房間」「業主」之任何同意。如「業主」並未就此以書面回應「酒店營運人」，「酒店營運人」有權按其自行酌情為恰當：(1)向「業主」發出書面通知，說明「酒店營運人」可採納其建議及／或提出意見的「酒店房間准許使用金」；或(2)不與任何酒店房間准許使用人訂立或續訂使用「酒店房間」的任何酒店房間使用准許協議。倘因「酒店營運人」採納上述「酒店房間准許使用金」及／或「業主」不就「酒店房間准許使用金」發出指示及／或「酒店營運人」拒絕訂立或續訂任何酒店房間使用准許協議而招致或引起任何索償、損失或損害，「酒店營運人」概毋須承擔責任。
- (b) (i) 「酒店營運人」須按其視為恰當地每隔一段時間就「業主」之「酒店房間」內須依照任何「酒店營運條款」及／或任何其他適用法律及規例(包括但不限於《消防安全(商業處所)條例》(香港法例第502章))達到指定標準的傢俬佈局、內部佈局、傢俬設計及質料、配件、寢具、床褥、貴妃椅、床架、軟墊布藝傢俬(如有者)和「酒店房間」擬使用或擺設的其他物件(統稱「裝潢設計」)提出建議及／或意見，以及就建議的供應商或產品及彼等各自的報價提出建議及／或意見，並以書面通知有關「業主」此等建議及／或意見。如「業主」並未於「酒店營運人」的建議及／或意見書所訂明期限內就「酒店房間」的「裝潢設計」以書面回應「酒店營運人」，「酒店營運人」可採納其視為恰當的「裝潢設計」並代表「業主」辦妥此等「裝潢設計」。「酒店營運人」擁有全權行使絕對酌情權釐定應向「業主」收取的「酒店房間」「裝潢設計」費用或款項，而「業主」須在指定期限

breach by the Hotel Operator of any of its duties or obligations under this Agreement;

- (f) the Hotel Room Unit shall be used for hotel purposes as part of the Hotel in accordance with the Government Grant, the Principal Deed, the Sub-DMC, the Hotel Operation Applicable Conditions and the Occupation Permit and, for the avoidance of doubt and subject to the conditions of the Occupation Permit, the Hotel Room Unit shall not be used for private residential purpose and/or any other purpose(s) not permitted under Special Condition No.(12) of the Government Grant.

6. USE AND OPERATION OF HOTEL ROOM UNIT AS PART OF HOTEL

- 6.1 Save as expressly provided otherwise and subject to Clause 6.4, each Owner of the Hotel Room Unit hereby agrees with and undertakes to the Hotel Operator and as a separate covenant covenants with each other Owner that:

- (a) the Owner shall authorise the Hotel Operator to manage and operate the Owner's Hotel Room Unit for and on behalf of the Owner as part of the Hotel and insofar as the law permits as agent for the Owner and in accordance with the Hotel Operation Applicable Conditions without interference from the Owner and/or its agent, attorney and/or representative, and the Owner shall not make any personal use of the Owner's Hotel Room Unit otherwise than as expressly permitted by the Hotel Operator in accordance with the terms of this Agreement; and
- (d) no person shall use or occupy any Hotel Room Unit unless (i) as a licensee pursuant to and in accordance with the licence granted by the Hotel Operator under the licence agreement referred to in Clause 5.3(c)(iii); (ii) in accordance with the provisions of this Agreement; and (iii) in compliance with all terms and conditions and requirements as the Hotel Operator may impose in its sole and absolute discretion and subject thereto, in accordance with the Hotel Operation Rules; and the person so using or occupying any Hotel Room Unit shall cease to have the right to use, occupy and/or enjoy the Hotel Room Unit if the licence granted by the Hotel Operator for such purpose shall expire or be revoked, terminated or withdrawn due to any reason whatsoever.

- 6.4 Notwithstanding the provisions contained in Clauses 6.1, 6.2 and 6.3 herein,

- (a) (i) the Owner of the Hotel Room Unit shall give instruction in writing to the Hotel Operator on such interval basis as the Hotel Operator sees fit

as regards the room revenue, charges and other charges or amounts payable by any guests, occupiers, contractors, parties and/or other persons whomsoever for admittance, staying and/or occupying that Owner's Hotel Room Unit ("Licence Fee");

- (ii) in the event that the Owner of the Hotel Room Unit has given such instruction in relation to the Licence Fee of the Hotel Room Unit, the Hotel Operator shall adopt the instruction and decision as given by the Owner unless it may lead to any consequence referred to or contemplated in Clause 4(c); and
- (iii) without derogating the provisions contained in Clause 6.6, if the Owner fails to give the instruction in relation to the Licence Fee of the Hotel Room Unit, the Hotel Operator shall be entitled to give recommendation and/or advice or to inform the Owner of the Hotel Room Unit or to seek any consent from the Owner of the Hotel Room Unit on such interval basis as the Hotel Operator see fit as regards the Licence Fee of the Hotel Room Unit. If the Hotel Operator receives no response in writing from the Owner regarding the Licence Fee of the Hotel Room Unit, the Hotel Operator shall be entitled, where it may consider appropriate at its sole and absolute discretion, (1) to notify the Owner in writing that the Hotel Operator may adopt such Licence Fee which the Hotel Operator has recommended and/or advised the Owner or (2) not to enter into or renew any licence agreement with any licensee in respect of the use of the Hotel Room Unit; and the Hotel Operator shall not be held liable for any claim, losses or damages whatsoever arising from or in connection with the Licence Fee so adopted by the Hotel Operator and/or the Owner failing to give the instruction in relation to the Licence Fee and/or the Hotel Operator refusing to enter into or renew any such licence agreement.

- (b) (i) the Hotel Operator shall give recommendation and/or advice and inform the Owner of the Hotel Room Unit in writing of such recommendation and/or advice on such interval basis as the Hotel Operator sees fit as regards the choices of furniture layout, internal layout, design and material of furniture, fittings, beddings, mattresses, divans, bed bases, upholstered furniture (if any) and such items to be used or placed in the Hotel Room Unit which are required to meet specified standard as prescribed by any of the Hotel Operation Applicable Conditions and /or any other applicable laws and

THIS AGREEMENT is made the 6th day of December
Two thousand and twelve

BETWEEN

Parties

- (1) PEARL WISDOM LIMITED (Business Registration No.20454647 and Company Registration No.569441) whose registered office is situate at 7th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong (who and whose successors-in-title and persons deriving title under or through it or them are hereinafter where not inapplicable included under the designation "the Vendor")
- (2) [REDACTED] ([REDACTED]) (Holder of Hong Kong Identity Card No. [REDACTED]) of [REDACTED] (who and whose successors-in-title and persons deriving title under or through him or them are hereinafter where not inapplicable included under the designation "the Purchaser")
- (3) HORIZON HOTELS & SUITES LIMITED (Business Registration No. 32397904 and Company Registration No. 786764 whose registered office is situate at 7th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong ("the Hotel Operator").



WHEREAS:-

Recitals

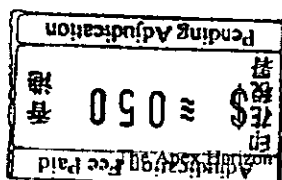
- (1) The construction of the Hotel has been completed and the Occupation Permit in respect of the Hotel was issued by the Building Authority on 2nd November 2007.
- (2) A Certificate of Compliance has been issued by the Director of Lands pursuant to the conditions of the Government Grant.
- (3) The Land and the Hotel are notionally divided into such undivided parts or shares as hereinafter provided.

NOW IT IS HEREBY AGREED AS FOLLOWS:-

Interpretation

1. (1) In this Agreement including the recitals the following expressions shall have the following meanings except where the context otherwise permits or requires:-

- (a) "business day" means a day other than Saturdays, Sundays and public holidays and on which banks are open for business in Hong Kong.



- (b) "Deed of Mutual Covenant" means the Deed of Mutual Covenant Incorporating Management Agreement registered in the Land Registry by Memorial No.08011403210029 by which the rights, interests and obligations of all or any of the co-owners of the Land and the Development among themselves are defined.
- (c) "Development" means the entire development which has been constructed on the Land and known as "THE APEX (雍雅軒)".
- (d) "Government Grant" means the Government Grant document specified in Schedule 1.
- (e) "the Hotel" means the hotel which has been constructed on the Land comprised in the Development of which the Hotel Room Unit forms part.
- (f) "Hotel Room Unit" means the property described in Schedule 2.
- (g) "Land" means all that piece or parcel of land known and registered in the Land Registry as The Remaining Portion of Kwai Chung Town Lot No.467.
- (h) "Occupation Permit" means the written permission issued by the Building Authority under the provisions of the Buildings Ordinance for the Hotel to be occupied and includes a Temporary Occupation Permit.
- (i) "Office hours" means 10:00 a.m. to 4:30 p.m. on weekdays and 10:00 a.m. to 12:00 noon on Saturdays.
- (j) "Sub-Deed" means the Sub-Deed of Mutual Covenant and Management Agreement in respect of the Hotel approved by the Director of Lands on 13th May 2011.
- (h) "Hotel Operation Agreement" means the agreement relating to the management and operation of the Hotel made between the Vendor, the Hotel Operator and the Purchaser (or such other purchaser of a unit in the Hotel as the Vendor may determine) in such form as may be determined by the Vendor or such other agreement for the management of the Hotel for the time being replacing the Hotel Operation Agreement as the same may be varied or modified from time to time.

(2) In this Agreement, if the context permits or requires, the singular number shall include the plural and the masculine gender shall

include the feminine and the neuter.

Sale and purchase

2. (1) The Vendor shall sell and the Purchaser shall purchase the Hotel Room Unit TOGETHER with the right in common with the Vendor or other person or persons claiming through, under or in trust for the Vendor to use for the purpose of access to and egress from the Hotel Room Unit the lifts, entrance hall, staircases and landings in the Hotel and the Development and such of the passages therein intended for common use and serving the Hotel Room Unit and the appurtenances thereto and TOGETHER with all rights of way (if any) and other rights and all privileges, easements and appurtenances thereunto belonging or appertaining AND all the estate, right, title, interest, property, claim and demand whatsoever of the Vendor in and to the Hotel Room Unit EXCEPTING AND RESERVING unto the Vendor and its successors and assigns other than the Purchaser the right to the exclusive use, occupation and enjoyment of the whole of the Development SAVE AND EXCEPT :-

- (a) the Hotel Room Unit;
- (b) such areas and facilities (if any) as may be designated as Common Areas and Common Facilities in the Deed of Mutual Covenant or are intended for common use; and
- (c) such areas and facilities (if any) as may be designated as Hotel Common Areas and Hotel Common Facilities in the Sub-Deed or are intended for common use.

(2) There is reserved unto the Vendor, its successors and assigns, other than the Purchaser all other rights and privileges reserved or to be reserved unto the Vendor or its successors in title and assigns as are contained in the Deed of Mutual Covenant, in particular the rights specified in Clause 2.7 thereof and as are contained in the Sub-Deed.

Purchase price

3. (1) The purchase price shall be the sum set out in Schedule 3 and shall be paid by the Purchaser to Messrs. Woo, Kwan, Lee & Lo as agents for the Vendor in the manner set out in Schedule 3.

(2) The Vendor declares that Messrs. Woo, Kwan, Lee & Lo are the Vendor's agents for the purposes of receiving all moneys payable to the Vendor pursuant to this Agreement including the balance of the purchase money payable upon completion.

(3) The Vendor further declares that the payment to such agents of any deposit, instalments of the purchase moneys (if any) and the balance thereof shall be a full and sufficient discharge of the Purchaser's obligations hereunder.

(4) The Vendor may revoke the authority of the agents and

appoint other solicitors as agents in their place. No such revocation shall be valid unless it:-

- (a) is in writing addressed to the Purchaser; and
- (b) is delivered to the Purchaser or his solicitors, at least seven clear days prior to completion; and
- (c) specifically identifies this Agreement.

(5) In respect of each payment of the purchase price or any part thereof required to be made hereunder, the Purchaser shall deliver to the Vendor's solicitors on the date on which such payment is required to be made hereunder a cashier order issued or a cheque certified good for payment by a licensed bank in Hong Kong in favour of the Vendor's solicitors for the relevant amount.

(6) Without prejudice to any other remedy hereunder, the Vendor shall be entitled to demand and receive payment of interest on the amount of any part of the purchase price not paid on its due date at the rate of 2% per annum above the prime rate specified by The Hongkong and Shanghai Banking Corporation Limited from time to time calculated from the date on which the same ought to have been paid by the Purchaser to the date of actual payment.

Completion

4. The sale and purchase shall be completed at the office of Messrs. Woo, Kwan, Lee & Lo during office hours on or before the date as specified in Schedule 4 ("Completion Date").

Proper assurance

5. On completion of the sale and purchase, against the payment of the balance of the purchase price and subject to the stamp duty on this Agreement and any sub-sale or nomination, including any special stamp duty and any applicable stamp duty under the Stamp Duty Ordinance (Cap.117) having been paid, the Vendor and all other necessary parties (if any) will execute a proper assurance of the Hotel Room Unit to the Purchaser or the Purchaser's nominee or sub-purchaser free from incumbrances but subject to the Government Grant and subject as provided in this Agreement.

Licence fees,
profits,
outgoings, etc.

6. The licence fees and profits shall be received and all outgoing shall be discharged by the Vendor up to and inclusive of the actual day of completion, and as from but exclusive of that day all outgoing shall be discharged by the Purchaser. All such licence fees, profits and outgoing shall, if necessary, be apportioned between the Vendor and the Purchaser and paid on completion.

Risk

7. (1) Immediately after the signing of this Agreement, the Hotel Room Unit shall as between the Vendor and the Purchaser be at the Purchaser's risk. The Purchaser is

hereby advised to take out proper insurance coverage on the Hotel Room Unit for his own protection and benefit.

- (2) As from the date of this Agreement, the Vendor shall hold in trust for the Purchaser the benefit of any existing policy of insurance relating to the Hotel Room Unit.
- (3) The Vendor does not warrant that any or any adequate policy of insurance exists relating to the Hotel Room Unit or, if any such policy exists, that it will be renewed on expiration.
- (4) The Vendor shall, if required, and at the expense of the Purchaser obtain or consent to an endorsement of notice of the Purchaser's interest on the policy of insurance relating to the Hotel Room Unit and in such case the Vendor (keeping such policy in force) may require the Purchaser to pay on completion a proportionate part of the premium from the date of this Agreement.

Requisition of
title

8. (1) Any requisitions or objections in respect of the title or otherwise arising out of this Agreement shall be delivered in writing to the Vendor's solicitors as soon as practicable within seven (7) days after the delivery of the title deeds in the possession of the Vendor to the Purchaser's solicitors otherwise the same shall be considered as waived and the Purchaser shall be deemed to have accepted the Vendor's title (in which respect time shall be of the essence of this Agreement).

(2) If the Purchaser shall make and insist on any objection or requisition in respect of the title or otherwise which the Vendor shall be unable or (on the ground of difficulty, delay or expense or on any other reasonable ground) unwilling to remove or comply with, the Vendor shall, notwithstanding any previous negotiation or litigation, be at liberty to cancel the sale on giving to the Purchaser or his Solicitors at least 14 days' notice in writing to that effect, in which case unless the objection or requisition shall have been in the meantime withdrawn, the sale shall on the expiry of the notice be cancelled and the Purchaser shall be entitled to a return of the deposit and other sums of money already paid but without interest, costs or compensation.

Government
Grant, easements
mis-description

9. (1) The Hotel Room Unit is sold subject to and with the benefit of the Government Grant, for the term of years created thereby or absolutely (as the case may be) and with any right of renewal thereby granted and subject to all easements (if any) subsisting therein.

(2) It is a condition of this Agreement that the Purchaser shall on completion take such action and execute such documents as the Vendor may require so that the Purchaser shall become bound by the

Hotel Operation Agreement as if he were a party thereto.

(3) The Purchaser shall in the Assignment of the Hotel Room Unit enter into the covenants with the Vendor set out in the Annexure hereto to the intent that the same shall run with the Land and shall procure any nominee or sub-purchaser of the Purchaser to do likewise. The Purchaser shall not be deemed to have fulfilled his obligations under this Agreement until he and/or his nominee or sub-purchaser shall have executed an Assignment required under this Agreement in accordance with this Clause 9(3).

(4) No error, mis-statement or mis-description shall cancel the sale nor shall any compensation be allowed in respect thereof save as otherwise provided in this Agreement and except where such error, mis-statement or mis-description relates to a matter materially and adversely affecting the value or user of the Hotel Room Unit.

Physical condition

10. The Purchaser purchases with full knowledge of the physical condition of the Hotel Room Unit and the fittings and finishes therein and takes them as they stand.

Rights of
Purchaser

11. (1) The Purchaser shall at any time before completion of the sale and purchase be at liberty to sub-sell the Hotel Room Unit without any interference or charges by the Vendor or anyone claiming under or through the Vendor.

(2) The Purchaser shall not charge, mortgage or assign or otherwise dispose of the benefit of this Agreement unless such charge, mortgage assignment or other disposal is expressed to be subject to and with the benefit of the terms of the Hotel Operation Agreement.

(3) The Purchaser hereby covenants with the Vendor that in the event that the Purchaser sub-sells the Hotel Room Unit or transfers the benefit of this Agreement in any manner whatsoever and whether by written or unwritten agreement before the completion hereof, the Purchaser will procure from the sub-purchaser, donee, nominee, beneficiary, attorney or other transferee whomsoever a covenant in the sub-sale Agreement for Sale and Purchase or impose a binding obligation in such other agreement to the effect that such sub-purchaser or other transferee whomsoever shall (i) disclose, by setting out at length in the sub-sale Agreement for Sale and Purchase or other agreement whatsoever, full details (including identity card or business registration numbers and full addresses) of all confirmors, nominees and other intermediate parties who had purchased or sold the Hotel Room Unit or any interest therein by any means whatsoever and the full monetary price or other consideration including any commission, reservation or agents fee or any other amount which any of the parties knows has been paid or given over to any person in addition to the consideration payable to the Vendor for the assignment; and (ii) will

procure from any subsequent sub-purchaser or other transferee covenants, in the subsequent sub-sale Agreement for Sale and Purchase or impose a binding obligation in any other agreement, having similar effect as Clause 9(3) and this Clause 11(3).

Good title

12. The Vendor shall at his own expense show a good title to the Hotel Room Unit and produce to the Purchaser for his perusal such certified or other copies of any deeds or documents of title, wills and matters of public record as may be necessary to complete such title. The costs of verifying the title, including search fees, shall be borne by the Purchaser who shall also, if he requires certified copies of any documents in the Vendor's possession relating to other property retained by the Vendor as well as to the Hotel Room Unit, pay the cost of such certified copies.

Documents of title

13. Such of the documents of title as relate exclusively to the Hotel Room Unit will be delivered to the Purchaser. All other documents of title in the possession of the Vendor will be retained by him and he will, if required, give to the Purchaser a covenant for the safe custody, production and delivery of copies thereof at the expense of the Purchaser.

Costs and disbursements of Agreement

14. (1) Each party shall pay his own solicitors' costs of and incidental to the preparation and completion of this Agreement and the subsequent Assignment.

(2) (a) If the Purchaser shall request the Vendor to execute more than one assignment in respect of the Hotel Room Unit and if the Vendor shall at its absolute discretion accedes to such request, the Purchaser shall on completion pay the additional costs charged by the Vendor's solicitors for their approval, and

(b) If the Purchaser shall request the Vendor to assign the Hotel Room Unit to his nominee or sub-purchaser the Purchaser shall on completion pay the additional costs charged by the Vendor's solicitors for the perusal of any instrument of Nomination or Sub-Sale Agreement.

Stamp duty, etc.

(3) All stamp duties and registration fees payable on this Agreement, any agreement specified in paragraph (g) of Schedule 5, the subsequent Assignment and any chargeable agreement for sale within meaning of the Stamp Duty Ordinance in relation to this sale and purchase, and any counterpart(s) thereof and any penalty for late stamping thereof shall be wholly borne and paid by the Purchaser.

(4) The professional fee for the plan(s) annexed hereto and/or to be annexed to the subsequent Assignment shall be borne and paid by the Purchaser.

(5) The costs of and incidental to the preparation and delivery to the Purchaser of certified copies of documents in the Vendor's possession relating as well to the Hotel Room Unit as to other property retained by the Vendor shall be borne and paid by the Purchaser.

Time of the
essence

15. Time shall in every respect be of the essence of this Agreement.

Default of
Purchaser

16. (1) Should the Purchaser fail to observe or comply with any of the terms and conditions herein contained or to make the payments in accordance with Schedule 3 or any interest payable hereunder within 7 days of the due date, the Vendor may give to the Purchaser notice in writing calling upon the Purchaser to make good his default. In the event of the Purchaser failing within 21 days from the date of service of such notice fully to make good his default, the Vendor may by a further notice in writing forthwith determine this Agreement.

(2) Upon the determination of this Agreement pursuant to sub-clause (1) all sums paid by the Purchaser up to 10% of the purchase price by way of deposit shall be forfeited to the Vendor.

(3) Upon determination of this Agreement, the Vendor may resell the Hotel Room Unit either by public auction or private contract subject to such stipulations as the Vendor may think fit and any increase in price on a resale shall belong to the Vendor. On a resale, any deficiency in price shall be made good and all expenses attending such resale shall be borne by the Purchaser and such deficiency and expenses shall be recoverable by the Vendor as and for liquidated damages Provided That the Purchaser shall not be called upon to bear such deficiency or expenses unless the Hotel Room Unit is resold within 6 months of the determination of this Agreement. The Vendor shall be entitled to hold and retain all part payments of purchase price made by the Purchaser hereunder as security for the losses and/or damages which the Vendor may suffer as a result of the breach of this Agreement by the Purchaser. Such money may, at the option of the Vendor, be used to set off against any or all losses, expenses, deficiency in price and damages suffered by the Vendor.

(4) On the exercise of the Vendor's right to determine this Agreement as aforesaid the Vendor shall have the right, if this Agreement shall have been registered at the Land Registry, to register at the Land Registry an instrument signed by the Vendor alone evidencing determination as aforesaid of the sale of the Hotel Room Unit and to vacate the registration of this Agreement and on the signing of the said instrument by the Vendor, the Purchaser shall be deemed to have been divested of any interest in the Hotel Room Unit under this Agreement.

Default of Vendor

17. In the event of the Vendor failing to complete the sale in

accordance with the terms and conditions hereof, it shall not be necessary for the Purchaser to tender an Assignment to the Vendor for execution before taking proceedings to enforce specific performance of this Agreement.

18. Nothing in this Agreement shall be construed as to prevent either the Vendor or the Purchaser from bringing an action and obtaining a decree for specific performance of this Agreement either in lieu of the aforesaid damages or in addition to such damages as the party bringing such action may have sustained by reason of the breach by the other party to this Agreement.

Vacant possession

19. Subject to Clause 20, vacant possession of the Hotel Room Unit shall be given by the Vendor to the Hotel Operator on behalf of the Purchaser on completion.

Deed of Mutual
Covenant and
Hotel Operation
Agreement

20. The Hotel Room Unit is sold subject to and with the benefit of the Deed of Mutual Covenant, the Sub-Deed and the Hotel Operation Agreement.

Cost of Deed of
Mutual Covenant

21. The Purchaser shall pay to Messrs. Woo, Kwan, Lee & Lo a due proportion of the costs of and incidental to the preparation stamping registration and completion of the above mentioned Deed of Mutual Covenant and the Sub-Deed in accordance with the scale of costs prescribed in the Solicitors (General) Costs Rules which include the costs for the provision of a certified copy thereof.

Utility deposits

22. Before delivery of possession of the Hotel Room Unit to the Hotel Operator the Purchaser shall :-

- (1) reimburse the Vendor a due proportion of any deposits paid by the Vendor for the supply of water, electricity and gas (if any) to the common parts of the Development; and
- (2) pay to the Vendor or the Hotel Manager (as defined in the Sub-Deed) the debris removal fee/decoration charge as may from time to time be charged or levied under the Sub-Deed;
- (3) deposit and maintain with the Hotel Manager a sum equivalent to one month's management fee payable by him under the Sub-Deed as deposit to secure the due payment of the monthly management fee payable thereunder;
- (4) pay to the Hotel Manager a sum equivalent to two months' monthly contribution by him under the Sub-Deed as payment for contribution to the Hotel Sinking Fund (as defined in the Sub-Deed);

- (5) pay to the Hotel Manager such sum as is equivalent to two months' management fee payable under the Sub-Deed as payment in advance of the first two months' management fee;
- (6) from time to time reimburse the Manager and/or the Hotel Manager the security deposits for various utilities for the Common Areas and/or Common Facilities (as defined in the Deed of Mutual Covenant) and for the Hotel Common Areas and/or Hotel Common Facilities;
- (7) reimburse the Vendor a due proportion of the security deposit and Sinking Fund payable by the Vendor under the Deed of Mutual Covenant; and
- (8) pay all amounts required to be paid by the Purchaser under the Hotel Operation Agreement upon the Purchaser becoming the owner of the Hotel Room Unit.

Registration

23. This Agreement shall be registered at the Land Registry within 1 month from the date hereof.

No mortgage by Vendor

24. The Vendor shall not after the execution of this Agreement enter into any mortgage or charge of the Hotel Room Unit.

Release of purchase money

25. If and so long as there is a mortgage of or charge on the Hotel Room Unit, all money paid hereunder shall be paid to Messrs. Woo, Kwan, Lee & Lo as stakeholders and shall be applied by them only for the purpose of obtaining reassignment/release of the Hotel Room Unit unless a sufficient sum is held to obtain such reassignment/release in which case Messrs. Woo, Kwan, Lee & Lo may release to the Vendor the amount of excess over and above the sum sufficient to discharge the mortgage or charge as aforesaid.

26. The parties hereto hereby declare that they fully understand and acknowledge that the date of this Agreement (which date will be identified in the Questionnaire Form I.R.S.D.112 for the stamping of this Agreement and the subsequent Assignment of the Hotel Room Unit) will be the date upon which the valuation of the Hotel Room Unit under Section 27 of the Stamp Duty Ordinance is to be made.

Notices

27. Any notice required to be given hereunder shall be deemed to have been validly given if addressed to the party to whom the notice is given and sent by ordinary prepaid post to the address of such party herein stated or to his last known address if a notification of change of address has previously been given to the other party or his solicitors and shall be deemed to have been served on the second business day after the date of posting.

Non-business day
etc.

28. (a) If the day on which completion of the sale and purchase is to take place as hereinbefore provided shall fall on a day on which Typhoon Signal No. 8 or above is hoisted or Black Rainstorm Warning is issued at any time between the hours of 9:00 a.m. and 5:00 p.m., completion of the sale and purchase shall be automatically postponed to the immediately following day which is a business day and on which no Typhoon Signal No. 8 or above is hoisted or Black Rainstorm Warning is issued at any time between the hours of 9:00 a.m. and 5:00 p.m.

(b) Unless the contrary intention is expressed, if the day on which completion of the sale and purchase is to take place as hereinbefore provided shall fall on a day which is not a business day, completion of the sale and purchase shall be automatically postponed to the immediately following day which is a business day.

Marginal Notes

29. The marginal notes to this Agreement shall not be deemed to be part hereof and shall not affect the interpretation or construction of this Agreement.

Certificate of
value

30. It is hereby certified that the transaction hereby effected does not form part of a larger transaction or a series of transactions in respect of which the amount or value or the aggregate amount or value of the consideration exceeds HK\$4,000,000.00.

Stamp Duty
Ordinance

31. (1) For the purpose of section 29B(1) and (5) of the Stamp Duty Ordinance, the matters to be specified are as set out in Schedule 5 hereto. Notwithstanding that the Hotel Room Unit is stated as non-residential property in paragraph (e) of Schedule 5, the Purchaser agrees that the Purchaser shall submit this Agreement to the Collector of Stamp Revenue for adjudication within 21 days from the date of the agreement specified in paragraph (g) of Schedule 5 as to whether it is chargeable with any stamp duty and, if so, what amount of stamp duty is chargeable thereon. If the Purchaser fails to submit this Agreement to the Collector for adjudication within the time specified above, the Vendor may (but shall not be obliged to) submit this Agreement to the Collector for adjudication as aforesaid. The adjudication fee shall be borne and paid by the Purchaser. In the event that stamp duty is adjudicated to be payable on this Agreement the Purchaser shall pay the same within the time prescribed by the Collector and indemnify the Vendor against any liability which the Vendor may incur by reason of any default on the part of the Purchaser, including any additional stamp duty or penalty. The Purchaser agrees and accepts that the Vendor shall have no liability to the Purchaser in connection with the statement in paragraph (e) of Schedule 5. In the event that the Purchaser shall have failed to submit this Agreement for adjudication by the Collector within the time specified above or at all the Purchaser shall be in addition to any stamp duty payable on this Agreement, solely responsible for any additional stamp duty and penalty held to be chargeable on this Agreement by the

Collector and shall indemnify the Vendor against any liability in respect of any stamp duty, additional stamp duty and penalty;

(2) In the event of any sub-sale or nomination by the Purchaser the Purchaser shall pay or procure to be paid any stamp duty and special stamp duty and any other applicable stamp duty on the instrument(s) effecting the same;

(3) The Purchaser shall indemnify the Vendor and keep the Vendor fully indemnified from and against all claims, damages, losses, costs and expenses whatsoever which the Vendor may suffer or incur or sustain as a result of or relating to any breach of this Clause or Clause 14(3) by the Purchaser;

(4) Clause 9 (3), Clause 11(3) and this Clause 31 shall survive completion of the sale and purchase.

Hotel Operator

32. The Hotel Operator undertakes that upon the Purchaser agreeing to become bound by the Hotel Operation Agreement the Hotel Operator shall become bound to the Purchaser under the Hotel Operation Agreement as if the Purchaser were a party thereto.

SCHEDULE 1

A Government Lease in respect of the Land is deemed to have been granted under and by virtue of Section 14 of the Conveyancing and Property Ordinance Cap.219 upon compliance with the terms and conditions contained in certain Agreement and Conditions of Exchange registered in the Land Registry as New Grant No.7171, particulars of which are as follows :-

- (a) Parties : Pearl Wisdom Limited of the one part and the District Lands Officer, Kwai Tsing on behalf of the Chief Executive of the Hong Kong Special Administrative Region of the other part.
- (b) Date : The 4th day of June 2002.
- (c) Term : 50 years from the 4th day of June 2002.
- (d) Lot Number : Kwai Chung Town Lot No.467.

SCHEDULE 2

ALL THOSE 54 equal undivided 70,843rd parts or shares of and in the Land which for the purposes of identification is shown on the Site Plan attached hereto and thereon coloured pink and of and in the Development TOGETHER with the full and exclusive right and privilege to hold use occupy and enjoy ALL THAT HOTEL ROOM UNIT NO. 9 on the THIRTY-EIGHTH FLOOR of the Hotel (now known as THE APEX HORIZON) of the Development (as shown and designated "P" on the Floor Plan(s) hereto attached and thereon coloured pink).

SCHEDULE 3

The purchase price mentioned in Clause 3(1) shall be HK\$3,590,000.00, and payable by the Purchaser to Messrs. Woo, Kwan, Lee & Lo as follows : -

- (i) the amount of HK\$100,000.00 has been paid as the preliminary deposit on signing the agreement preliminary to this Agreement;
- (ii) the amount of HK\$259,000.00 being further deposit shall be paid on or before the 6th day of December 2012;
- (iii) the amount of HK\$718,000.00 being part payment of the purchase price shall be paid on or before the 29th day of December 2012; and
- (iv) the amount of HK\$2,513,000.00 being balance of the purchase price shall be paid on completion.

(The preliminary deposit together with the further deposit(s) (if any) constitute the deposit of the purchase price)

SCHEDULE 4

Completion Date : the 29th day of January 2013.

SCHEDULE 5

Matters required to be specified under Section 29B(5) of the Stamp Duty Ordinance:

- (a)
 - (1) Name of the Vendor - Page 1 refers
Address/Registered Office of the Vendor - Page 1 refers
 - (2) Name of the Purchaser - Page 1 refers
Address/Registered Office of the Purchaser - Page 1 refers
- (b)
 - (1) Identification Number of the Vendor - N/A
 - (2) Identification Number of the Purchaser - Page 1 refers (if applicable)
- (c)
 - (1) Business Registration Number of the Vendor - Page 1 refers
 - (2) Business Registration Number of the Purchaser - Page 1 refers (if applicable)
- (d) Description and location of the Hotel Room Unit - Schedule 2 refers
- (e) The Hotel Room Unit is non-residential property within the meaning of Section 29A(1) of the Stamp Duty Ordinance.
- (f) Date of this Agreement - Page 1 refers
- (g) This Agreement was preceded by a Provisional Contract on the same terms made between Cheung Kong Property Development Limited as sales agent of the Vendor and the Purchaser dated the 30th day of November 2012.
- (h) There is an agreed date for the conveyancing on sale or assignment of the Hotel Room Unit as stated in Schedule 4.
- (i) There is an agreed consideration for the conveyancing on sale or assignment that is to, or may, take place pursuant to this Agreement and the amount of the consideration is stated in Schedule 3.
- (j) There is no other consideration which the parties signing this Agreement know has been paid or given, to any person for or in connection with this Agreement or any conveyance on sale or assignment pursuant to this Agreement (excluding legal expenses and commission).

Annexure

1.. The Purchaser hereby expressly COVENANTS with the Vendor to the intent that the burden of these covenants shall run with the Hotel Room Unit and be binding on the Purchaser his executors, administrators and assigns or successors in title :-

- (i) to notify the Manager (as defined in the Deed of Mutual Covenant) and the Hotel Manager (as defined in the Sub-Deed) in writing of any intended change of ownership of the Hotel Room Unit within 14 days from the date of the agreement for sale and purchase in respect thereof;
- (ii) to pay all stamp duty or additional stamp duty or further stamp duty due and payable on this sale and purchase and to pay or procure the payment of any special stamp duty and any applicable stamp duty of any sub-sale or nomination (collectively "the Stamp Duty") as may be now or hereafter assessed by the Government of the Hong Kong Special Administrative Region;
- (iii) to indemnify and keep the Vendor indemnified against any loss or damage suffered by the Vendor resulting from any delay or default in payment of the Stamp Duty; and
- (iv) in the event of default in payment by the Purchaser of the Stamp Duty to pay or repay to the Vendor or reimburse the Vendor with the amount of the Stamp Duty paid or advanced by the Vendor on behalf of the Purchaser together with interest thereon at the rate of 4% over and above the Prime Lending Rate quoted by The Hongkong and Shanghai Banking Corporation Limited from time to time calculated from the date of payment or advance by the Vendor to the date of payment or repayment or reimbursement by the Purchaser of such amount together with all legal costs, disbursements and fees incurred by the Vendor in securing recovery of all amounts of the Stamp Duty so paid by the Vendor on behalf of the Purchaser on a full indemnity basis.

2. The Purchaser hereby covenants with the Vendor for itself and as agent for Pearl Wisdom Limited (as the First Owner under the Deed of Mutual Covenant and the Sub-Deed which expression shall include its successors assigns and attorneys) ("the First Owner") and the Hotel Operator to the intent that such covenants shall bind the Hotel Room Unit and the owner or owners thereof for the time being and other person or persons deriving title under the Purchaser (each and all of whom including the Purchaser is and are hereafter included in the expression "the Covenanting Purchaser") and shall enure for the benefit of the Development and be enforceable by the First Owner and/or the Hotel Operator and their respective successors and assigns that :-

- (i) the Covenanting Purchaser confirms and acknowledges the covenants, rights, entitlements, exceptions and reservations granted and conferred on (a) the First Owner under Clause 2.7 of the Deed of Mutual Covenant and (b) the Hotel Operator and/or other owners as provided in the Hotel Operation Agreement and the Covenanting Purchaser shall not do or permit anything to be done which will in any way affect or hinder the exercise of the said rights (a) by the First Owner under the Deed of Mutual Covenant and (b) by the Hotel Operator and/or other owners as provided in the Hotel Operation Agreement;
- (ii) the Covenanting Purchaser shall, if required by the First Owner and/or the Hotel Operator, do everything necessary, including giving express consents in writing to the exercise of the rights by the First Owner and/or the Hotel Operator and/or other owners as aforesaid, to facilitate the exercise of the rights by the First Owner and/or the Hotel Operator and/or other owners as aforesaid;
- (iii) the Covenanting Purchaser hereby expressly and irrevocably appoints (a) the First Owner to be its attorney and grants unto the First Owner the full right power and authority to give all consents and to do all acts matters and things and to execute and sign seal and as the acts and deeds of the Covenanting Purchaser deliver such deeds and to sign such documents or instruments as may be necessary for the exercise of or incidental to the exercise of the rights conferred on the First Owner as aforesaid with full power of delegation and the Covenanting Purchaser hereby further covenants to do all acts matters and things and to execute sign seal and deliver such deeds and to sign such

documents or instruments as may be necessary to give effect to such appointment and grant; and (b) the Hotel Operator to be its attorney and grants unto the Hotel Operator the full right power and authority to give all consents and to do all acts matters and things and to execute and sign seal and as the acts and deeds of the Covenanting Purchaser deliver such deeds and to sign such documents or instruments as may be necessary for the exercise of or incidental to the exercise of the rights conferred on the Hotel Operator and/or other owners as aforesaid with full power of delegation and the Covenanting Purchaser hereby further covenants to do all acts matters and things and to execute sign seal and deliver such deeds and to sign such documents or instruments as may be necessary to give effect to such appointment and grant;

- (iv) in the event of the Covenanting Purchaser selling or otherwise disposing of the Hotel Room Unit, the Covenanting Purchaser shall sell or otherwise dispose of the Hotel Room Unit upon the condition that the purchaser or assignee thereof shall enter into the same binding covenants on terms similar in scope and extent as the covenants (i), (ii), (iii) and (iv) herein contained;
- (v) the Covenanting Purchaser shall maintain the hotel of which the Hotel Room Unit forms part ("the Hotel") as a hotel in accordance with currently applicable laws and regulations for the remainder of the term for which the Land on which the Hotel is erected is held and any extension or extensions thereof;
- (vi) the Covenanting Purchaser shall abide by the provisions in the Hotel Operation Agreement as if the same terms and covenants on the part of the New Owner (as defined in the Hotel Operation Agreement) set out therein are made directly by the Covenanting Purchaser;
- (vii) the Covenanting Purchaser shall upon the Hotel Room Unit being vested in him or them on demand by the First Owner and/or the Hotel Operator take such action and execute such documents including (without limitation) a Deed of Adherence as the First Owner and/or the Hotel Operator may require so that the Covenanting Purchaser shall become bound by the Hotel Operation Agreement

as if it were an original party thereto in the capacity and on the part of a New Owner as referred to therein in respect of the Hotel Room Unit ;

- (viii) if the Hotel Operation Agreement shall be terminated for whatever reason the Covenanting Purchaser shall on demand by the First Owner and/or the Hotel Operator enter into a similar agreement with such parties as may then be acting in capacities similar to the Hotel Operator in the Hotel Operation Agreement or take such action and execute such documents as the First Owner and/or the Hotel Operator may require so that the Covenanting Purchaser shall become bound thereby;
- (ix) the Covenanting Purchaser shall notify and furnish full information to the Hotel Operator in writing of any change of ownership of the Hotel Room Unit within 14 days from the date of the assignment in respect thereof or other deeds or documents effecting such change of ownership;
- (x) The Covenanting Purchaser shall not charge, mortgage, assign or otherwise dispose of the Hotel Room Unit and/or any interests therein unless such charge, mortgage, assignment or other disposal is expressed to be subject to and with the benefit of the terms of the Hotel Operation Agreement;
- (xi) in the event of the Covenanting Purchaser selling or otherwise disposing of the Hotel Room Unit, the Covenanting Purchaser shall sell or otherwise dispose of the Hotel Room Unit upon the condition that the purchaser or assignee thereof shall enter into the same binding covenants on terms similar in scope and extent as the covenants (v), (vi), (vii), (viii), (ix), (x) and (xi) herein contained

PROVIDED that upon the Covenanting Purchaser complying with and performing the covenants (iv) and (xi) hereinbefore contained, the Covenanting Purchaser shall not be liable for any breach of the covenants (i), (ii), (iii), (v), (vi), (vii), (viii), (ix) and (x) hereinbefore contained which may happen after the Covenanting Purchaser shall have sold or otherwise disposed of the Hotel Room Unit in respect whereof such purchaser or assignee shall have entered into such covenants similar to scope and extent as the covenants (i), (ii), (iii), (v), (vi), (vii), (viii), (ix) and (x) hereinbefore contained.

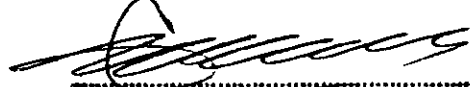
AS WITNESS the hands of the said parties hereto the day and year first above written.

SIGNED by Yip Kin Ming)

Director(s))

for and on behalf of the Vendor whose
signature(s) is/are verified by :-)

For and on behalf of
PEARL WISDOM LIMITED


Authorized Signature(s)


CHAN SAU CHING, IVY
Solicitor, Hong Kong SAR
Woo, Kwan, Lee & Lo

SIGNED by Chiu Kwok Hung, Justin)

Director(s))

for and on behalf of the Hotel Operator)
whose signature(s) is/are verified by :-)

For and on behalf of
Horizon Hotels & Suites Limited


Authorized Signature(s)


CHAN SAU CHING, IVY
Solicitor, Hong Kong SAR
Woo, Kwan, Lee & Lo

SIGNED by the Purchaser in the
presence of :-

)
)
)



A handwritten signature in black ink, appearing to be 'LY' followed by a flourish.

LI YUEN SZE, Solicitor
Charles Yeung Clement Lam Liu & Yip
Hong Kong SAR

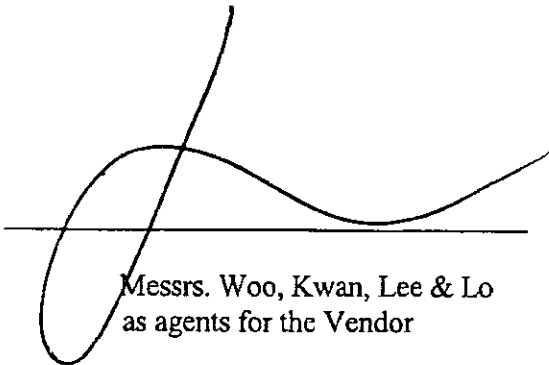
INTERPRETED to the Purchaser in the Cantonese dialect of the Chinese language by :-

A handwritten signature in black ink, appearing to be 'TAM' followed by a flourish.

TONY W.S. TAM

Back to Charles Yeung Clement Lam Liu & Yip
Solicitors, Hong Kong SAR

RECEIVED the day and year first above written)
of and from the Purchaser the above mentioned)
deposit of HONG KONG DOLLARS THREE)
HUNDRED AND FIFTY NINE THOUSAND)
ONLY.)HK\$359,000.00



Messrs. Woo, Kwan, Lee & Lo
as agents for the Vendor

Dated the 6th day of December 2012.

AGREEMENT

for Sale and Purchase



註冊摘要編號 Memorial No.:
12122800430042

本文書於2012年12月28日在土地註冊處
以上述註冊摘要編號註冊。

This instrument was registered in the
Land Registry by the above Memorial
No. on 28 December 2012.


土地註冊處處長
Land Registrar

WOO, KWAN, LEE & LO

SOLICITORS &c.

25TH FLOOR, JARDINE HOUSE

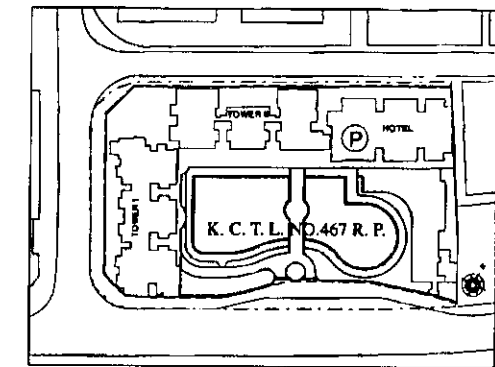
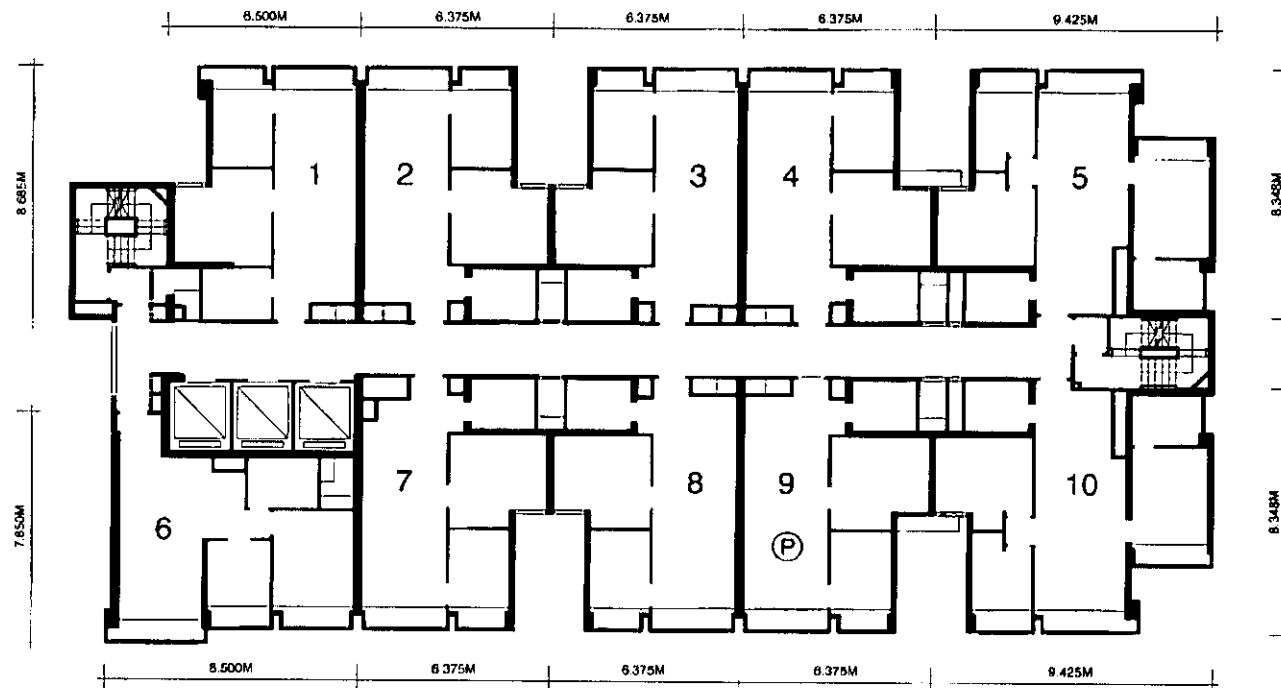
CENTRAL, HONG KONG SAR

The Apex Horizon

Charles Yeeung Clement Lam (林煥榮)
encl: 174 (2012-12-28) (2012)

A320/IC/sl

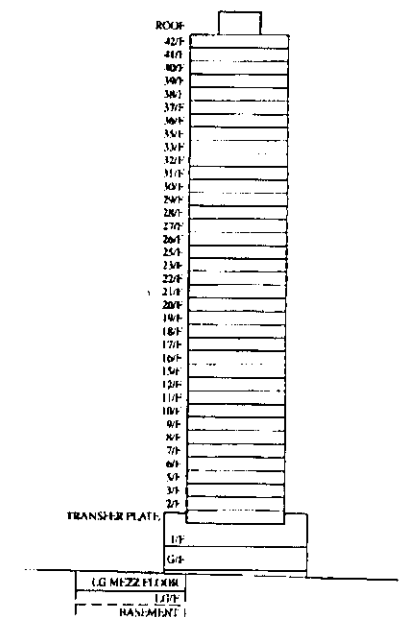
THE REMAINING PORTION OF KWAI CHUNG TOWN LOT NO.467



SITE PLAN

APPROX. SCALE 1 : 2280

FLOOR DIAGRAM



38TH FLOOR PLAN, HOTEL
(4/F, 13/F, 14/F, 24/F and 34/F are omitted)



註冊摘要編號 M/N: 12122800430042 A4C

(P) = PINK

賣方 Vendor:

PEARL-WISDOM LTD.
B.R. NO.: 20454647

賣方代理人 Sales Agent For Vendor:

長江實業地產發展有限公司
香港皇后大道中2號長江集團中心8樓 電話: (852) 8128 8128
CHEUNG KONG PROPERTY DEVELOPMENT LIMITED
8/F Cheung Kong Center, 2 Queen's Road Central, Hong Kong
Tel: (852) 8128 8128

賣方律師 Vendor's Solicitors:

WONG KWAN LEE & LO
25/F, JARDINE HOUSE
1 LORNAUGH PLACE
CENTRAL, HONG KONG
TEL: 2847-7888
SOLICITOR CODE: W201

編號

No.

日期

Date

營業代表

Sales Rep.

附件 Annex H

買方姓名 Purchaser(s):

身份証 / 商業登記証號碼: I.D./B.R.No.:

買方地址 Address:

電話 Tel.No.:

聯絡人 Person to Contact:

訂購樓宇地點及名稱:

THE APEX HORIZON

Location & Name of Building: K.C.T.L. NO. 467 R.P.

物業 P R O P E R T Y	座別 Block(s)	樓次 Floor(s)	單位/車位 Unit(s)/Car Parking Space(s)	面積 Area	買價 Purchase Price
			HOTEL ROOM UNIT NO. [REDACTED]		HK\$ [REDACTED]
					合共 Total: HK\$ [REDACTED]

以政府屋宇地政署批准之樓宇圖則為準

Subject to the building plans approved or to be approved by the Building Authority

付款辦法 Payment Terms:

(PAYMENT METHOD: A --- PLAN A)

- 1) [REDACTED] BEING PRELIMINARY DEPOSIT TO BE PAID UPON SIGNING OF THIS PROVISIONAL CONTRACT AND THE PURCHASER SHALL SIGN THE FORMAL AGREEMENT FOR SALE AND PURCHASE ON OR BEFORE [REDACTED] 2013.
- 2) [REDACTED] BEING FURTHER DEPOSIT OF THE PURCHASE PRICE TO BE PAID ON OR BEFORE [REDACTED] 2013.
- 3) [REDACTED] BEING PART PAYMENT OF THE PURCHASE PRICE TO BE PAID ON OR BEFORE [REDACTED] 2013.
- 4) [REDACTED] BEING BALANCE OF THE PURCHASE PRICE TO BE PAID ON [REDACTED] 2013.

(HK\$)

(THE PRELIMINARY DEPOSIT TOGETHER WITH THE FURTHER DEPOSIT(S) (IF ANY) CONSTITUTE THE DEPOSIT OF THE PURCHASE PRICE)

WITH EXISTING CONDITION

買方經由地產代理轉介 The Purchaser is introduced by the Estate Agent.

下列為賣方將付與下述地產代理之轉介費作為其推介上述買方根據本臨時合約之條款向賣方購買上述物業。本臨時合約各方明白下述地產代理並非賣方就銷售上述物業各事宜之代理人。再者賣方付與下述地產代理之轉介費亦不能構成或視為聘用下述地產代理為賣方之代理人，且下述地產代理之任何陳述及 / 或承諾均為其個人責任並與賣方無關。
Listed below is the Referral Fee that the Vendor will pay to the Estate Agent for introduction of the Purchaser to the Vendor for purchase of the Property pursuant to the terms and conditions of Provisional Contract. It is hereby acknowledged and agreed by all the parties hereto that the Estate Agent is not acting as the Vendor's agent for or in connection with the sale of the Property or any aspect and payment of the Referral Fee to the Estate Agent shall not constitute or be deemed to constitute the appointment of the Estate Agent as the Vendor's agent in any way and the Vendor shall not be held liable for any representation and/or warranty made by the Estate Agent who shall be solely responsible for the same.

地產代理 Estate Agent

身份証 / 商業登記証號碼 I.D./B.R. No.

轉介費 Referral Fee

臨時收據 TEMPORARY RECEIPT

茲收到港幣 Received HK\$

附帶條件 Other Terms and Conditions:-

1. 在未簽訂正式買賣合約（正式買賣合約）之前，本臨時合約為有法律約束力之合約。
Prior to the signing of the formal Agreement for Sale and Purchase ("Agreement"), this Provisional Contract shall in all respects constitute a legally binding contract.
2. 買賣上述單位之樓價已在此臨時合約之付款辦法列出，賣方保留權利修改上述付款辦法及樓價在計算方面之錯誤與遺漏，樓價及付款辦法以正式買賣合約所列為準。
The Purchase Price in respect of the Property is set out in the Payment Terms of this Provisional Contract. The Vendor reserves the right to rectify any errors omissions in calculating the Payment Terms and the Purchase Price of the Property. The amount of the Purchase Price and the Payment Terms shall be as stated in the Agreement.
3. 買方需於 2 個工作天內（即上述簽訂正式買賣合約日期當日或之前）到上述賣方律師樓辦理下列手續 - (a) 簽署賣方律師樓所訂定之正式買賣合約，合約內容買方不能更改，並(b) 交付臨時合約到期應付之款項。
The Purchaser shall within 2 working days from the date hereof (that means on or before the above date of signing of the Agreement) attend the office of the Vendor's Solicitors to (a) sign the Agreement in such standard form as prepared by the Vendor's Solicitors which shall not be altered by the Purchaser, and (b) make further payment in accordance with Payment Terms.
4. 買賣雙方同意成交 / 於賣方通知買方上述單位入伙紙（入伙紙）已發出及買方可將上述單位業權有效地轉讓與買方之通知書之日期起十四天內（成交日期）/ 於 2013/07/07 或之前（成交日期）在辦公時間內於賣方律師行完成。就本條款而言，入伙紙之發出日期將作為上述單位建築完成日期。
The Vendor and the Purchaser agree to complete the sale and purchase during office hours at the office of the Vendor's Solicitors / within 14 days of the Purchaser being notified in writing that the Occupation Permit in respect of the Property (the Occupation Permit) has been issued and the Vendor is in a position to sign the Property to the Purchaser ("the Completion Date") / on or before 2013/07/07 ("the Completion Date"). For the purpose of this Clause, the Property is deemed to be completed on the date on which the Occupation Permit is issued.
5. 今同意並聲明本臨時合約只適用於買方個人，買方並無權將本臨時合約之權益以任何形式轉讓給第三者。
It is hereby agreed and declared that this Provisional Contract is personal to the Purchaser and the Purchaser shall have no right to transfer the benefit of this Provisional Contract to a third party.
6. 賣方保留修改單位建築圖則之權利。
The Vendor reserves the right to alter the building plans in respect of the Property whenever the Vendor considers necessary.
7. 有關本臨時合約（如有）及 / 或正式買賣合約及 / 或樓契之蓋印費、上手契約證本之費用、登記費用、圖則費及大廈公契附屬公契及管理合約及其他有關上述單位之文件等費用及買方律師費包括處理、完成、簽署、交付蓋印及登記本臨時合約及 / 或正式買賣合約及 / 或樓契，蓋由買方負責。
The stamp duty on this Provisional Contract (if any) and / or the Agreement and / or the Assignment, the charges for certified copy title deeds, the registration fees, plan fees and the Deed and the Sub-Deed of Mutual Covenant and Management Agreement and any other documents relating to the sale and purchase of the Property and all the Purchaser's Solicitor's charges and disbursements in respect of the preparing, completing, executing, stamping and registration of this Provisional Contract and / or the Agreement and / or the Assignment shall be solely borne and paid by the Purchaser.
8. 上述訂金餘款，部份售價及售價餘額需以抬頭寫上賣方 / 賣方律師樓之銀行本票支付。
All Part payments of the Purchase Price and the balance of the Purchase Price shall be paid by the Purchaser by way of cashier orders drawn in favour of the Vendor / the Vendor's Solicitors.
9. 如買方或任何人代表買方在未簽正式買賣合約前將本臨時合約登記於土地註冊處登記冊內，賣方或賣方代理人可單方面簽署及登記於土地註冊處一備忘錄將本臨時合約取消，同時買方於此同意並授權賣方可將一份經賣方單獨簽名之備忘錄在土地註冊處登記，以取消本臨時合約原有之註冊。
Should this Provisional Contract be registered in the Land Registry by the Purchaser or by any person on its behalf before the Agreement is signed, the Vendor or its Sales Agent may unilaterally sign and register a Memorandum to vacate or cancel this Provisional Contract from the register or record in the Land Registry and the Purchaser hereby consents and authorizes the Vendor and / or its Sales Agent to sign and register such Memorandum in the Land Registry to vacate and cancel this Provisional Contract from the register or record in the Land Registry.
10. 買方如有更改通訊地址 / 電話，須以書面通知賣方。
The Purchaser shall inform the Vendor in writing of any change in correspondence address / telephone number.
11. 上述單位乃屬印花稅條例第 29A(1) 條所註釋之 * 住宅 / 非住宅用途物業。
The Property is * residential property / non-residential property within the meanings of Section 29A(1) of the Stamp Duty Ordinance.
12. 在此臨時合約簽定前，合約雙方並無其他口頭或類似此臨時合約之協議。
This Provisional Contract is not preceded by an unwritten sale agreement or an agreement for sale, made between the same parties hereto and on the same terms and conditions hereof.
13. 買賣雙方同意於正式買賣合約中列出印花稅條例第 29B(5) 項所需之資料。
The Vendor and the Purchaser shall execute the Agreement containing the matters specified in Section 29B(5) of the Stamp Duty Ordinance.
14. 無論正式買賣合約簽署與否，賣方有權遞交此臨時合約予印花稅署代買方繳納印花稅。所代繳納之印花稅，賣方有權從買方已交之售價中扣除及向買方追討所導致售價欠款及有關利息。
Irrespective of whether the Agreement is signed by the parties, the Vendor has the right to submit this Provisional Contract to the Stamp Office and pay the stamp duty hereon for the Purchaser. The amount of the stamp duty so paid for the Purchaser can be deducted by the Vendor from the Purchase Price already paid by the Purchaser and the Vendor shall be entitled to claim against the Purchaser for any deficiency in the payment of Purchase Price arising therefrom with interest.
15. 如買方不遵行此臨時合約內之任何條款或未能依時支付訂金或 / 及各期售價款額時，賣方有權終止此合約及將買方已繳付之所有訂金及售價款額沒收，賣方有權保留或轉售上述物業予他人。此條款並不影響賣方之其他權利。
If the Purchaser fails to observe any of the terms and conditions herein contained or fails to pay any of the above payment due, the Vendor shall be entitled to determine this Provisional Contract and forfeit the deposits or payments of the purchase money already paid and the Vendor shall be entitled to retain or sell the Property to any other party. This clause shall not preclude or prejudice any other rights or remedies of the Vendor.
16. 本臨時合約之中文本僅供參考之用，如有差異，仍以英文本為準。
The Chinese version of this Provisional Contract is for reference only and the English version thereof shall prevail in case of disparity.
17. 此臨時合約內所訂之日期必須嚴格遵守。
Time shall in every respect be of the essence of this Provisional Contract.
18. 如賣方在上述物業之權益屬衡平法上的權益，而非法律上的產權，買方不得因此提出反對。
The Purchaser shall raise no objection if the Vendor's interest in the Property is an equitable interest and not a legal estate.

重要提示，買方請小心閱讀 WARNING TO PURCHASERS - PLEASE READ CAREFULLY

- (i) 此合約是有約束力的合約，但預期你會簽署一張正式買賣合約。
This is A BINDING AGREEMENT but you will be expected to sign later a formal sale and purchase agreement.
- (ii) 在簽正式合約前，應請教律師保障你的權益，使此交易可妥善完成。
Before you do so you should instruct a solicitor to protect your interests and to ensure that your purchase is properly completed.
- (iii) 你可聘用自己選擇的獨立律師來完成此宗交易，或聽取賣方的律師處理此宗交易。
You can instruct your own independent solicitor to act for you to conduct the purchase or you can instruct the Vendor's solicitor to act for you as well as for the Vendor.
- (iv) 此提示建議你聘用自己選擇的律師，他能在此宗交易每一階段中給你獨立專業意見。
YOU ARE RECOMMENDED TO INSTRUCT YOUR OWN SOLICITOR, who will be able at every stage of your purchase to give you independent advice.
- (v) 如你聘用賣方的同一律師來代表你以及如買賣雙方發生利益衝突時，賣方律師將會不能保障到你的權益，在此情況下你須另聘律師，而最後你所須付的全部律師費或會比你從開始便雇用獨立律師為高。
If you instruct the solicitor for the Vendor to act for you as well and if a conflict arises between you and the Vendor he will not be able to protect your interests and you will then have to instruct your own solicitor anyway, in which case the total fees you will have to pay may be higher than the fees which you would have had to pay if you had instructed your own solicitor in the first place.
- (vi) 請小心考慮是否聘用自己選擇的獨立律師或僱用賣方的同一律師來保障你的權益，你可自由選擇。
Please think carefully before deciding whether to instruct your own independent solicitor or the Vendor's solicitor, to protect your interests. You are free to choose whichever option you prefer.

有關香港執業律師之資料，可向香港律師會查詢：香港中環德輔道中 71 號永安集團大廈 3 字樓

For the details of solicitor firm's practicing in Hong Kong, please contact the Law Society of Hong Kong: 3/F Wing On House, 71 Des Voeux Road Central, Hong Kong
電話: 2846-0500 傳真: 2845-0387 網址: www.hklawsoc.org.hk DX: 009100 中環 1
Tel: 2846-0500 Fax: 2845-0387 Website: www.hklawsoc.org.hk DX: 009100 Central 1

買方同意長江實業地產發展有限公司，經絡集團(香港)有限公司及尚乘財富策劃有限公司各集團成員公司使用其個人資料為買方提供有關物業、按揭及其他服務及產品之資料及最新消息。如買方不欲接收上述資料及最新消息，請以書面通知 Cheung Kong Marketing Services Limited (地址: 香港皇后大道中 2 號長江集團中心 7 樓)，無須支付任何手續費。
The Purchaser agrees the use of his/her personal data for receiving all the information and updates of the properties, mortgages and other services and products from the group of companies of each of Cheung Kong Property Development Limited, mReferral Corporation (HK) Limited and AMTD Financial Planning Ltd. If the Purchaser does not want to receive any of the aforementioned information and updates, please notify Cheung Kong Marketing Services Limited (Address: 7/F, Cheung Kong Center, 2 Queen's Road Central, Hong Kong). No fees will be charged.

* 刪除不適用部份。

* Delete the inappropriate words or clauses.

19, 20, 21 & 22 SEE ATTACHMENT

長江實業地產發展有限公司
CHEUNG KONG PROPERTY DEVELOPMENT LIMITED

授權簽名 Authorized Signature(s)

買方 Purchaser(s)

Attachment

物業名稱：酒店房間編號 [] 於 [] 樓，雍澄軒酒店-和宜合道 33 號，葵涌市地段第 467 號餘段

Property：Hotel Room Unit No. [] (also known as Suite No. []) on [] Floor, The Apex Horizon, 33 Wo Yi Hop Road, Kwai Chung, N.T. The Remaining Portion of Kwai Chung Town Lot No. 467 ("Hotel Room Unit")

買方名稱 Purchaser：[]

Clause 19 第 19 條

上述單位只可按批地文件編號 7171 及日期為 2007 年 11 月 2 日之入伙紙編號 66/2007(OP)的條款用作酒店之用途，並不可作其他用途包括私人住宅用途等。

The Property shall only be used for hotel purposes in accordance with the terms of New Grant No. 7171 and the Occupation Permit No.66/2007(OP) dated 2 November 2007 and not for other purposes or uses including, among others, private residential purposes or uses.

Clause 20 第 20 條

- (i) Subject to Clause 21, the Property is sold subject to and with the benefit of the licence agreement (if any), particulars of which are set out in the attached Schedule 1. If no particulars are set out in Schedule 1, it means that the Property is vacant at the time of the signing of this Provisional Contract.
- (i) 受制於第 21 條下，上述單位乃在受酒店房間使用准許協議（如有者）規限並享有酒店房間使用准許協議利益的情況下售出，詳情載列於附表 1。如附表 1 並無列出細節，即表示簽署本臨時合約時上述單位正處於空置情況。
- (ii) If the licence agreement expires or is terminated for whatever reason prior to completion of the sale and purchase ("completion") or if the Property is vacant at any time prior to completion, the Vendor may (but is not obliged to) through the Hotel Operator enter into new licence agreement(s) with the existing or new licensee(s) for such term(s) not exceeding six months from the date(s) the new licence agreement(s) is/are entered into at such monthly/daily licence fees as the Hotel Operator may in its absolute discretion determine after taking into account the then market conditions.
- (ii) 如酒店房間使用准許協議在買賣完成（「成交」）前期滿失效或因任何原因而終止，或如上述單位在成交前任何時間處於空置情況，賣方可（但無義務）透過酒店營運人與原有或新酒店房間准許使用人簽訂新的酒店房間使用准許協議，其期限由簽訂新的酒店房間使用准許協議當日起計不超過六個月，而每月／每日的酒店房間准許使用金則由酒店營運人考慮過當其時的市場狀況後以其絕對酌情權釐定。
- (iii) In the case that no licence agreement of the Property has been entered into or if the licence agreement(s) as referred to in Sub-Clauses (i) and (ii) above expire(s) or is/are terminated for whatever reason prior to completion so that there is no licence agreement subsisting at the time of completion, subject to Clause 21, vacant possession of the Property shall be given by the Vendor to the Hotel Operator on behalf of the Purchaser on completion and the Purchaser shall not raise any objection thereto.
- (iii) 就上述單位如無簽訂酒店房間使用准許協議，或如上文第(i)及第(ii)款所述的酒店房間使用准許協議在成交前期滿失效或因任何原因而終止，以致成交時並無酒店房間使用准許協議存續，則受制於第 21 條下，賣方須在成交時將上述單位在空置情況下的管有交予酒店營運人（作為買方的代表），而買方不得提出異議。
- (iv) The licence agreement(s) as referred to in Sub-Clauses (i) and (ii) above may be terminated, without the Purchaser's consent, in the event of any breach of the terms and conditions thereof by the licensee(s).
- (iv) 如酒店房間准許使用人違反上文第(i)及第(ii)款所述的酒店房間使用准許協議的條款及細則，有關酒店房間使用准許協議可在無需買方同意的情況下予以終止。

Clause 21 第 21 條

The Property is sold subject to and with the benefit of the Deed, the Sub-Deed of Mutual Covenant and Management Agreement and the Hotel Operation Agreement.

上述單位乃在受大廈公契、附屬公契及管理合約及酒店營運合同規限並享有其利益的情況下售出。

Clause 22 第 22 條

The Purchaser shall in the Agreement and the Assignment of the Property enter into the covenants set out in the attached Schedule 2 with the Vendor.

買方需於上述單位的正式買賣合約及樓契訂立載列於附表 2 的契諾。

Schedule 1 附表 1

The licence referred to in Clause 20 第 20 條所述的酒店房間使用准許

Licence No. 酒店房間使用准許編號	Suite No. 房間編號	Start Date 開始日期	End Date 終止日期	Licence Fee 酒店房間准許使用金
[]	[]	2012/09/01	2013/09/01	\$ []

Purchaser(s) Signature 買方簽名

Date 日期

To : PEARL WISDOM LIMITED (“賣方”)

Re : Property 物業 : Hotel Room Unit No. _____ (also known as Suite No. _____) on _____ Floor,
The Apex Horizon, 33 Wo Yi Hop Road, Kwai Chung, N.T. The Remaining Portion of Kwai Chung Town Lot No.
467 (“Hotel Room Unit”)

酒店房間編號 _____ 於 _____ 樓, 雍澄軒酒店-和宜合道 33 號, 葵涌市地段第 467 號餘段 (“酒店房間”)

Provisional Contract No. 臨時合約編號 : PEAR02 _____ (“Provisional Contract” “臨時合約”)

In consideration of the Vendor, Pearl Wisdom Limited, agreeing to enter into Provisional Contract, I/we as Buyer of the Hotel Room Unit hereby confirm to the Vendor my /our full understanding and agreement to the following:-

為了取得賣方同意與我本人/我公司簽署臨時合約, 我本人/我公司作為購置酒店房間的買方向賣方確認完全明白及同意以下各項:-

1. I/We have received a copy of the sales brochure of The Apex Horizon. I/We understand that all the earlier advertisement and promotional materials that I/we have received shall be subject to the contents of the sales brochure of The Apex Horizon and the relevant documents as set out hereinbelow (as defined in the below) .

我本人/我公司確認收到雍澄軒酒店樓書乙份。我本人/我公司亦理解先前所收悉宣傳或推廣資料均以雍澄軒酒店樓書的內容及相關文件(其定義見下)為準。

2. I/We have perused the sales brochure of The Apex Horizon (“Hotel”), the Provisional Contract, New Grant No. 7171 (“Government Grant”), Occupation Permit No.66/2007(OP) dated 2 November 2007 (“Occupation Permit”), letter dated 20 November 2008 from Lands Department (“Lands Department letter”), the Deed of Mutual Covenant Incorporating Management Agreement in respect of The Remaining Portion of Kwai Chung Town Lot No. 467, the Sub-Deed of Mutual Covenant and Management Agreement in respect of The Apex Horizon (also known as The Hotel) of The Apex erected on The Remaining Portion of Kwai Chung Town Lot No. 467 (“Sub-DMC”), the Hotel Operation Agreement and the form of each of the sale and purchase agreement, assignment and the Deed of Adherence (collectively, the “relevant documents”).

我本人/我公司已經閱讀雍澄軒酒店樓書、臨時合約、批地文件、入伙紙、日期2008年11月20日地政總署函件 (“地政總署函件”)、葵涌市地段第467號餘段有關之公契〔包括管理協議〕、建於葵涌市地段第467號餘段雍雅軒之雍澄軒酒店(又稱「酒店」)之分公契及管理協議(“雍澄軒酒店分公契”)、酒店營運合同及各買賣合約、轉讓契及依附契約的格式文本 (統稱“相關文件”)。

3. I/We have been advised by the Vendor that the relevant documents are important legal documents and that I/we shall be bound by the terms and conditions of the relevant documents upon my/our purchase of the Hotel Room Unit.

賣方已告知我本人/我公司相關文件為重要法律文件, 而且在我本人/我公司購入酒店房間時即須受相關文件的條款約束。

4. I/We have been advised by the Vendor to obtain independent legal advice and professional opinion (including taxation) of any matters relating to the purchase of the Hotel Room Unit (including, among others, sale and purchase agreement and assignment in respect of the Hotel Room Unit, Hotel Operation Agreement and Deed of Adherence and if financing is required for purchase of the Hotel Room Unit, mortgage and/or financing documents and/or any related documents) before signing this Letter and the Provisional Contract.

賣方已告知我本人/我公司應在簽署本函及臨時合約前就任何關於購買酒店房間事宜 (包括但不限於酒店房間買賣合約、轉讓契、酒店營運合同及依附契約並且如需任何貸款購買酒店房間, 亦包括按揭文件及/或貸款文件及/或任何相關文件)向律師及專業人士尋求獨立法律及專業意見(包括稅務)。

5. I/We understand from the relevant documents that the Hotel Room Unit shall only be used for hotel purposes and not for any other purposes including, among others, private residential purposes or uses in accordance with the Government Grant, the Occupation Permit and the Lands Department Letter.

我本人/我公司從相關文件中明白根據批地文件、入伙紙及地政總署函件, 酒店房間必須作酒店用途而且並不可用作其他用途包括私人住宅等用途。

6. I/We fully understand that the property that I am/we are going to purchase is a Hotel Room Unit (which falls within the definition of "Hotel Room Unit" as provided in the Sub-DMC) and the Hotel Room Unit shall be used as part of The Apex Horizon and the use of the Hotel Room Unit shall be governed by the relevant documents.
我本人/我公司清楚明白將購入的物業是酒店房間(即符合雍澄軒酒店分公契內的酒店房間定義)並作為雍澄軒酒店的一部分及按相關文件的規限及條款使用酒店房間。
7. As owner of the Hotel Room Unit, 作為酒店房間業主
- (a) I/we shall be liable to make monthly contribution to the Hotel Management Expenses as provided in the Sub-DMC and monthly contribution to the Hotel Operation Expenses as provided in the Hotel Operation Agreement;
我本人/我公司必須按雍澄軒酒店分公契承擔支付每月的酒店管理費及按酒店營運合同承擔支付每月的酒店營運支出；
 - (b) I/we shall ensure that the Hotel Room Unit shall be used for hotel purposes and shall be used as a part of the hotel known as The Apex Horizon;
我本人/我公司確使酒店房間必須作為酒店房間用途並且作為雍澄軒酒店的一部分；
 - (c) I/We shall appoint the Hotel Operator to manage and operate my/our Hotel Room Unit as part of the Hotel in accordance with the Hotel Operation Agreement and shall give instructions to the Hotel Operator as regards the management and operation of my/our Hotel Room Unit to the extent permitted under the Hotel Operation Agreement and in accordance with the applicable laws;
我本人/我公司明白須按酒店營運合同條款委任酒店營運人管理及營運我本人/我公司的酒店房間作為雍澄軒酒店一部分之管理及營運等相關事宜，並且在「酒店營運合同」所允許的範疇內並按適用法律就管理及營運我本人/我公司的酒店房間不時給予酒店營運人指示；
 - (d) I/We understand that returns on Hotel Room Unit shall depend on the global and the local economies and tourism performance.
我本人/我公司明白酒店房間收益回報視乎屆時全球及本地經濟及旅遊業狀況。
8. I/we shall not and shall procure my/our agent and/or representative not to do any act or thing or permit, allow or suffer any act or thing to be done which may:
我本人/我公司不會，及促使我本人/我公司的代理人及/或代表人不會，作任何行為或事件或容許任何行為及/或事件以至可能
- (i) lead to or result in any contravention or breach of any terms or conditions of the Hotel Operation Agreement and/or any other applicable laws and regulations;
引至或導致違反任何酒店營運合同條款及/或任何適用的法律及法則；
 - (ii) affect or prejudice any permits (including, without limitation, the Hotel Licence).
影響或妨礙任何營運牌照（包括但不限於旅館牌照）。
9. I/We shall execute upon execution of the assignment in respect of my/ our purchase of the Hotel Room Unit a Deed of Adherence to the Hotel Operation Agreement in the form as specified in the Hotel Operation Agreement.
我本人/我公司於簽署購入酒店房間的轉讓契時亦同時簽署酒店營運合同中指定格式的依附契約。

If any conflict between the contents of the English version and Chinese version of this Letter arises, the contents of the English version of this Letter shall prevail.

如本函的中文版本與英文版本的内容有歧義，所有內容均以英文版本為準。

This is to confirm that I/we have, after due and careful consideration of the contents of this Letter, signed this Letter to signify my/our understanding of the above and agreement to be bound by all the contents as set out in the above.

我本人/我公司確認經過詳盡及小心考慮本函內容後簽署本函的，而簽署本函是表示我本人/我公司完全明白及同意上述內容。

Purchaser(s) signature 買方簽署

Date 日期

Schedule 2

1. The Purchaser hereby expressly COVENANTS with the Vendor to the intent that the burden of these covenants shall run with the Hotel Room Unit and be binding on the Purchaser his executors, administrators and assigns or successors in title :-
 - (i) to notify the Manager (as defined in the Deed of Mutual Covenant) and the Hotel Manager (as defined in the Sub-Deed) in writing of any intended change of ownership of the Hotel Room Unit within 14 days from the date of the agreement for sale and purchase in respect thereof;
 - (ii) to pay all stamp duty or additional stamp duty or further stamp duty due and payable on this sale and purchase and to pay or procure the payment of any special stamp duty and any applicable stamp duty of any sub-sale or nomination (collectively "the Stamp Duty") as may be now or hereafter assessed by the Government of the Hong Kong Special Administrative Region;
 - (iii) to indemnify and keep the Vendor indemnified against any loss or damage suffered by the Vendor resulting from any delay or default in payment of the Stamp Duty; and
 - (iv) in the event of default in payment by the Purchaser of the Stamp Duty to pay or repay to the Vendor or reimburse the Vendor with the amount of the Stamp Duty paid or advanced by the Vendor on behalf of the Purchaser together with interest thereon at the rate of 4% over and above the Prime Lending Rate quoted by The Hongkong and Shanghai Banking Corporation Limited from time to time calculated from the date of payment or advance by the Vendor to the date of payment or repayment or reimbursement by the Purchaser of such amount together with all legal costs, disbursements and fees incurred by the Vendor in securing recovery of all amounts of the Stamp Duty so paid by the Vendor on behalf of the Purchaser on a full indemnity basis.
2. The Purchaser hereby covenants with the Vendor for itself and as agent for Pearl Wisdom Limited (as the First Owner under the Deed of Mutual Covenant and the Sub-Deed which expression shall include its successors assigns and attorneys) ("the First Owner") and the Hotel Operator to the intent that such covenants shall bind the Hotel Room Unit and the owner or owners thereof for the time being and other person or persons deriving title under the Purchaser (each and all of whom including the Purchaser is and are hereafter included in the expression "the Covenantee Purchaser") and shall enure for the benefit of the Development and be enforceable by the First Owner and/or the Hotel Operator and their respective successors and assigns that :-
 - (i) the Covenantee Purchaser confirms and acknowledges the covenants, rights, entitlements, exceptions and reservations granted and conferred on (a) the First Owner under Clause 2.7 of the Deed of Mutual Covenant and (b) the Hotel Operator and/or other owners as provided in the Hotel Operation Agreement and the Covenantee Purchaser shall not do or permit anything to be done which will in any way affect or hinder the exercise of the said rights (a) by the First Owner under the Deed of Mutual Covenant and (b) by the Hotel Operator and/or other owners as provided in the Hotel Operation Agreement;
 - (ii) the Covenantee Purchaser shall, if required by the First Owner and/or the Hotel Operator, do everything necessary, including giving express consents in writing to the exercise of the rights by the First Owner and/or the Hotel Operator and/or other owners as aforesaid, to facilitate the exercise of the rights by the First Owner and/or the Hotel Operator and/or other owners as aforesaid;
 - (iii) the Covenantee Purchaser hereby expressly and irrevocably appoints (a) the First Owner to be its attorney and grants unto the First Owner the full right power and authority to give all consents and to do all acts matters and things and to execute and sign seal and as the acts and deeds of the Covenantee Purchaser deliver such deeds and to sign such documents or instruments as may be necessary for the exercise of or incidental to the exercise of the rights conferred on the First Owner as aforesaid with full power of delegation and the Covenantee Purchaser hereby further covenants to do all acts matters and things and to execute sign seal and deliver such deeds and to sign such documents or instruments as may be necessary to give effect to such appointment and grant; and (b) the Hotel Operator to be its attorney and grants unto the Hotel Operator the full right power and authority to give all consents and to do all acts matters and things and to execute and sign seal and as the acts and deeds of the Covenantee Purchaser deliver such deeds and to sign such documents or instruments as may be necessary for the exercise of or incidental to the exercise of the rights conferred on the Hotel Operator and/or other owners as aforesaid with full power of delegation and the Covenantee Purchaser hereby further covenants to do all acts matters and things and to execute sign seal and deliver such deeds and to sign such documents or instruments as may be necessary to give effect to such appointment and grant;
 - (iv) in the event of the Covenantee Purchaser selling or otherwise disposing of the Hotel Room Unit, the Covenantee Purchaser shall sell or otherwise dispose of the Hotel Room Unit upon the condition that the purchaser or assignee thereof shall enter into the same binding covenants on terms similar in scope and extent as the covenants (i), (ii), (iii) and (iv) herein contained;
 - (v) the Covenantee Purchaser shall maintain the hotel of which the Hotel Room Unit forms part ("the Hotel") as a hotel in accordance with currently applicable laws and regulations for the remainder of the term for which the Land on which the Hotel is erected is held and any extension or extensions thereof;
 - (vi) the Covenantee Purchaser shall abide by the provisions in the Hotel Operation Agreement as if the same terms and covenants on the part of the New Owner (as defined in the Hotel Operation Agreement) set out therein are made directly by the Covenantee Purchaser;

- (vii) the Covenanting Purchaser shall upon the Hotel Room Unit being vested in him or them on demand by the First Owner and/or the Hotel Operator take such action and execute such documents including (without limitation) a Deed of Adherence as the First Owner and/or the Hotel Operator may require so that the Covenanting Purchaser shall become bound by the Hotel Operation Agreement as if it were an original party thereto in the capacity and on the part of a New Owner as referred to therein in respect of the Hotel Room Unit ;
- (viii) if the Hotel Operation Agreement shall be terminated for whatever reason the Covenanting Purchaser shall on demand by the First Owner and/or the Hotel Operator enter into a similar agreement with such parties as may then be acting in capacities similar to the Hotel Operator in the Hotel Operation Agreement or take such action and execute such documents as the First Owner and/or the Hotel Operator may require so that the Covenanting Purchaser shall become bound thereby;
- (ix) the Covenanting Purchaser shall notify and furnish full information to the Hotel Operator in writing of any change of ownership of the Hotel Room Unit within 14 days from the date of the assignment in respect thereof or other deeds or documents effecting such change of ownership;
- (x) The Covenanting Purchaser shall not charge, mortgage, assign or otherwise dispose of the Hotel Room Unit and/or any interests therein unless such charge, mortgage, assignment or other disposal is expressed to be subject to and with the benefit of the terms of the Hotel Operation Agreement;
- (xi) in the event of the Covenanting Purchaser selling or otherwise disposing of the Hotel Room Unit, the Covenanting Purchaser shall sell or otherwise dispose of the Hotel Room Unit upon the condition that the purchaser or assignee thereof shall enter into the same binding covenants on terms similar in scope and extent as the covenants (v), (vi), (vii), (viii), (ix), (x) and (xi) herein contained

PROVIDED that upon the Covenanting Purchaser complying with and performing the covenants (iv) and (xi) hereinbefore contained, the Covenanting Purchaser shall not be liable for any breach of the covenants (i), (ii), (iii), (v), (vi), (vii), (viii), (ix) and (x) hereinbefore contained which may happen after the Covenanting Purchaser shall have sold or otherwise disposed of the Hotel Room Unit in respect whereof such purchaser or assignee shall have entered into such covenants similar to scope and extent as the covenants (i), (ii), (iii), (v), (vi), (vii), (viii), (ix) and (x) hereinbefore contained.

Dated the _____ day of _____

PEARL WISDOM LIMITED

HORIZON HOTELS & SUITES LIMITED

and

[•]/
[•] LIMITED

HOTEL OPERATION AGREEMENT
relating to
THE APEX HORIZON
located at
The Remaining Portion of Kwai Chung Lot No. 467

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THIS AGREEMENT is made on

BETWEEN:

- (1) **PEARL WISDOM LIMITED**, a company incorporated under the laws of Hong Kong with Business Registration No.20454647 and Company Registration No.569441, and whose registered office is situate at 7th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong (who and whose successors-in-title and persons deriving title under or through it or them are hereinafter where not inapplicable included under the designation "PWL");
- (2) **HORIZON HOTELS & SUITES LIMITED**, a company incorporated under the laws of Hong Kong with registered no. [●] and whose registered office is situate at 7th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong (who and whose successors-in-title and persons deriving title under or through it or them are hereinafter where not inapplicable included under the designation ("Hotel Operator");
- (3) [●] (Holder of Hong Kong Identity Card No.[●]) of [●] /
[●] **LIMITED**, a company incorporated under the laws of [●] with registered no. [●] and whose registered office is situate at [●]
("Covenanting Owner").

WHEREAS:

- (A) Prior to an Assignment dated [●] made between PWL as vendor and the Covenanting Owner as purchaser in respect of Hotel Room Unit No. [●], PWL is the registered owner of the entire Hotel.
- (B) PWL proposes to assign to the New Owners (for avoidance of doubt, including the Covenanting Owner) certain Hotel Units on condition, inter alia, that each of them shall become bound by the provisions of this Agreement as if they were a party to this Agreement.
- (C) Each New Owner is required, inter alia, to covenant with PWL and the other Owners that the Hotel Unit owned by the New Owner shall be used according to the specified user as designated in the respective assignment of the Hotel Unit and for hotel purposes as part of the Hotel ("User Covenant") in accordance with the Government Grant (as defined in the Principal Deed), the Applicable Conditions (as defined in the Sub-DMC) and the Occupation Permit (as defined in the Principal Deed) and for the further avoidance of doubt, a New Owner of Hotel Room Unit(s) is required to covenant with the Hotel Operator and as a separate covenant covenants with each other Owner that his Hotel Room Unit(s):
 - (i) shall not be used for any other purpose(s) not permitted under Special Condition No.(12) of the Government Grant;

- (ii) shall be subject further to the Government Grant; and
- (iii) shall be used in compliance with the Occupation Permit dated 2nd November 2007.
- (D) For the purpose of compliance with the Government Grant, the Principal Deed and the Sub-DMC, this Agreement provides for the operation, keeping, management and control of the Hotel Units and every part thereof under the continuous and personal supervision of the Hotel Operator, and defines and regulates the respective rights, interests and obligations of the Owners, the New Owners and the Hotel Operator in respect of the upkeep of the hotel operations and the carrying out of any Hotel Matters, inter alia, the obtaining, maintaining and renewal of the Hotel Licence and for facilitating the Owners in the strict compliance with, implementation and enforcement of the User Covenant.
- (E) The parties hereto have agreed that the entering into of these present is for the benefit of its own and for the benefit of their respective personal representatives, successors-in-title and permitted assigns.
- (F) The Owners agree to appoint the Hotel Operator to provide, and the Hotel Operator agrees to provide, management and other services in relation to, inter alia, the Hotel Units upon and subject to the terms and conditions set out in this Agreement.

NOW IT IS HEREBY AGREED as follows:

1. INTERPRETATION

- 1.1 In this Agreement, except where the context expressly requires or provides otherwise, the following expressions shall have the following meanings:

"Business Day"	a day (excluding Saturday) on which commercial banks in Hong Kong are generally open for normal banking business in Hong Kong;
"Commencement Date"	the date of this Agreement;
"Corporation"	the corporation in respect of the Hotel registered under Section 8 of Building Management Ordinance (Cap.344 of the Laws of Hong Kong) if permitted by applicable laws and regulations to be established under the Sub-DMC;
"Date"	has the meaning provided in Clause 19.1(b);
"Deed of Mutual Covenant" or " Principal Deed"	the Deed of Mutual Covenant Incorporating Management Agreement registered in the Land Registry by Memorial No. 0801140321 by which the rights, interests and obligations of all or any of the co-owners of the land and

the Development among themselves are defined;

"Development"

the entire development which has been constructed on the Land and known as "THE APEX (雍雅軒)";

"Furnishing "

has the meaning provided in Clause 6.4(b);

"Hotel"

The Apex Horizon 雍澄軒酒店 which is constructed on the Land comprised in the Development of which the Hotel Unit forms part;

"Hotel Licence"

the licence in respect of the Hotel from time to time issued by the Licensing Authority under the Hotel and Guesthouse Accommodation Ordinance (Chapter 349 of the Laws of Hong Kong) and for the time being in force and the expression **"Hotel Licence"** includes all terms and conditions *of or upon and subject to* which the said licence *is, was or shall be* issued, given, granted or *renewed* and/or such other terms and conditions as may from time to time be imposed by the Licensing Authority in respect of or in connection with the said licence *and in each case for the time being in force* and in the event that the Hotel and Guesthouse Accommodation Ordinance (Chapter 349 of the Laws of Hong Kong) is amended, repealed and/or replaced, such licence that may be issued by the competent authority under the equivalent applicable laws and regulations;

"Hotel Manager"

the manager for the time being appointed under the provisions of the Sub-DMC to manage the Hotel pursuant to the provisions of the Sub-DMC, including, for the avoidance of doubt, the DMC Manager referred to in the Deed of Mutual Covenant, where applicable;

"Hotel Matters"

all or any matters (excluding Marketing Matters) which may at any time or from time to time (directly or indirectly) arise from or be attributable to the Hotel or any part thereof or any operation, business, work, activity, structure, erection, installation, facility, wall, partition, fixture, fitting, furniture, furnishing, appliance, equipment or any item, obtaining, maintaining and renewal of any Permits whatsoever at or relating to the Hotel or any part thereof or the conduct, operation, keeping, management or control of the Hotel or any part thereof or any of the above (including any contract, agreement or arrangement whatsoever at any time or from time to time entered into or to be entered into by or on behalf of the Hotel Operator, whether as principal, agent or otherwise, in relation to any such matter);

"Hotel Applicable Conditions"	Operation all or any applicable laws and regulations applicable to the Hotel and/or any hotel operation or business and for the time being in force in Hong Kong (including, where applicable, the Hotel and Guesthouse Accommodation Ordinance (Chapter 349 of the Laws of Hong Kong), the Hotel Proprietors Ordinance (Chapter 158 of the Laws of Hong Kong) and the Hotel Accommodation Tax Ordinance (Chapter 348 of the Laws of Hong Kong)) or such equivalent applicable laws and regulations in case of amendment, repeal or replacement of each of the aforesaid and all or any terms, conditions and provisions under this Agreement, the Hotel Operation Rules, the Government Grant, the Principal Deed, the Sub-DMC, and all applicable Permits;
"Hotel Operation Budget"	the annual budget at any time or from time to time prepared by the Hotel Operator as contemplated in Clause 8 hereof, as the same or any part thereof may be revised, varied, amended or supplemented from time to time;
"Hotel Operation Expenses"	all or any charges, expenditures, sums, amounts and/or liabilities whatsoever: (i) which may at any time or from time to time (directly or indirectly) arise from or be attributable to Hotel Matters; and/or (ii) which the Hotel Operator may at any time or from time to time directly or indirectly suffer, sustain, incur or become liable in or for or relating to Hotel Matters or the performance of any duty or obligation or the exercise of any power, right or remedy by the Hotel Operator as operator or manager of the Hotel; and shall include or exclude such items as more particularly described in Hotel Operation Rules;
"Hotel Operation Fund"	all or any funds and/or monies whatsoever at any time or from time to time actually received by the Hotel Operator from the Owners and for the time being held by the Hotel Operator in such account(s) as prescribed for in Section D of the Hotel Operation Rules, being contributions made or to be made by the Owners for or towards payment of Hotel Operation Expenses or any part thereof (but excluding the Hotel Operator's

Remuneration and Other Entitlements);

"Hotel Operation Owners' Committee"	the Hotel Operation Owners' Committee contemplated to be formed under the provisions of this Agreement, which shall have the same composition as the Hotel Owners' Committee as defined in the Sub-DMC and the provisions and procedures for the meeting and the election of members in relation to the Hotel Owners' Committee contained in the Sub-DMC shall apply mutatis mutandis to the Hotel Operation Owners' Committee subject to the provisions set out in this Agreement;
"Hotel Operation Rules"	such rules and/or regulations for the time being applicable to Hotel Matters as the Hotel Operator may, subject to applicable laws and regulations, provisions of the Government Grant and this Agreement, at any time or from time to time make, impose, lay down, prescribe, amend, revoke and/or supplement in its sole and absolute discretion;
"Hotel Operator's Remuneration and Other Entitlements"	all or any charges paid or payable to the Hotel Operator or to which the Hotel Operator may at any time or from time to time be or become entitled for its own account and benefit in respect of services provided or to be provided by it as operator or manager of the Hotel and all or any reimbursements to or sums indemnified, paid or to be indemnified or paid or payable to or in favour of the Hotel Operator in respect of amounts or liabilities which the Hotel Operator may suffer, sustain, incur or become liable pursuant to this Agreement or otherwise as operator or manager of the Hotel;
"Hotel Room Unit(s)"	guest rooms and/or suites in the Hotel to which undivided shares of and in the Land and the Development have been or may be allocated and as set out in the relevant schedule to the Principal Deed and/or Sub-DMC;
"Hotel Units"	collectively the Hotel Room Units, the Hotel Car Parking Spaces (as defined in the Principal Deed and/or the Sub-DMC) on the Mezzanine Floor and the expression "Hotel Unit" means any of them;
"Land"	means all that piece or parcel of land known and registered in the Land Registry as The Remaining Portion of Kwai Chung Town Lot No.467;
"Licence Fee"	has the meaning provided in Clause 6.4(a)(i);

"Licensing Authority"	the Hotel and Guesthouse Accommodation Authority constituted under the Hotel and Guesthouse Accommodation Ordinance (Chapter 349 of the Laws of Hong Kong), or such other competent authority established pursuant to and/or under the equivalent applicable laws and regulation in the event of amendment, repeal and/or replacement of the Hotel and Guesthouse Accommodation Ordinance (Chapter 349 of the Laws of Hong Kong);
"Management Shares"	the management shares allocated or to be allocated to the Hotel Units of the Development (each as defined in the Principal Deed and/or Sub-DMC) as set out in the relevant schedule to the Principal Deed and/or Sub-DMC;
"Marketing Agent"	the agent or contractor which may be appointed by the Owner provided that prior written notification has been given to the Hotel Operator, for the purpose of carrying out the Marketing Matters in relation to that Owner's Hotel Room Unit. Such agent shall include, without limitation, the Hotel Operator itself, travel agents, leasing agents and other professional agencies;
"Marketing Matters"	all or any matter which may at any time or from time to time (directly or indirectly) arise from or be attributable to the marketing and promotion of a Hotel Room Unit, for the purpose of bringing in of guests to a Hotel Room Unit, as decided by and performed at the costs of the Owner of that Hotel Room Unit;
"New Owner"	means any person to whom PWL has assigned an undivided share in the Land and in the Hotel together with the right to the exclusive use and occupation of a Hotel Room Unit and/or the Hotel Car Parking Space and the assigns and the successors-in-title of such person and any persons deriving title under or through it or them and shall include, for the avoidance of doubt, the Covenantee Owner;
"owner(s) or Owner(s)"	means, PWL, any New Owner and/or any person(s) who for the time being appear(s) from the records at the Land Registry to be the owner(s) of the Undivided Share(s) and shall include the registered mortgagee (as defined in the Building Management Ordinance (Chapter 344 of the Laws of Hong Kong)) in possession of the Undivided Share(s) and such other chargee in possession of the Undivided Share(s) who may be appointed under any instrument or by operation of law;

"Owner's Hotel Room Unit"	the Hotel Room Unit allocated to an Owner under the relevant assignment;
"Owner(s)' interest(s) in the Hotel"	the interests of each Owner in the Land and in the Hotel and all appurtenant and other rights relating thereto;
"Permit(s)"	all or any permits, licences, consents, approvals, certificates, qualifications, specifications, registrations and/or any other authorisations (including the Hotel Licence) as may from time to time be required under applicable laws or regulations or by any Government or other authority for or in respect of the operation, carrying on or conduct of hotel operation or business at or relating to the Hotel and for the time being in force (and which expression includes all or any terms and conditions of or upon and subject to which the said permits, licences, consents, approvals, certificates, qualifications, specifications, registrations and/or any other authorisations or any of them were, are or shall be issued, given, renewed or granted and/or such other terms and conditions as may from time to time be imposed by such Government or other authority in relation thereto and, where applicable, for the time being in force);
"Sub-DMC"	the Sub-deed of Mutual Covenant and Management Agreement dated [●] made between PWL, the Hotel Operator and [●], as the same may be amended or supplemented from time to time;
"Taxation"	any liability to any form of taxation, duty, impost, levy or other amount payable to any revenue, customs or fiscal or tax authorities (whether created or imposed in Hong Kong or any other part of the world) and including, where applicable, interests, penalties, costs, charges and expenses incidental or relating to such liability; and
"Undivided Share(s) "	All those equal undivided parts or shares of and in the Land and the Development and allocated or to be allocated to the Hotel Room Units and Hotel Car Parking Space (each as defined in the Principal Deed and/or Sub-DMC) and as set out in the relevant schedule to the Principal Deed and/or Sub-DMC.

- 1.2 Unless the context herein provides or requires otherwise, words and expressions defined in the Principal Deed or Sub-DMC shall have the same meaning when used in this Agreement.

- 1.3 References to statutory provisions shall be construed as references to those provisions as amended or re-enacted or as their application may be modified by other provisions (whether on, before or after the date hereof) from time to time and shall include any re-enactment thereof (whether with or without modification).
- 1.4 Unless the context provides or requires otherwise, references herein to Clauses, Sub-Clauses, Paragraphs, Sub-Paragraphs and Schedules are to clauses, sub-clauses, paragraphs and sub-paragraphs in and schedules to this Agreement and the Schedules to this Agreement shall form part of this Agreement.
- 1.5 The expressions "**Hotel Operator**" "**New Owner**" and "**Owner**" shall, where the context permits or requires, include their respective personal representatives, successors-in-title and permitted assigns and any person deriving title under or through it or them.
- 1.6 The headings are inserted for convenience only and shall not affect the construction of this Agreement.
- 1.7 Unless the context requires or provides otherwise, the expressions "**subsidiary**" and "**holding company**" shall bear the meanings respectively ascribed thereto by the Companies Ordinance (Cap. 32 of the Laws of Hong Kong).
- 1.8 In construing this Agreement:
- (a) the rule known as the ejusdem generis rule shall not apply and accordingly general words introduced by the word "**other**" shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things;
 - (b) general words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words;
 - (c) unless the context otherwise requires or permits, references to the singular number shall include references to the plural number and vice versa; and words denoting any gender shall include all genders;
 - (d) unless the context provides or requires otherwise, references to "**charge(s)**" shall include remuneration, fees, charges, costs, expenses and disbursements whatsoever;
 - (e) references to "**consent**" shall include consent, approval, permission or authorisation and those terms and conditions upon or subject to which the relevant consent, approval, permission or authorisation is, was or shall be issued, given, granted or renewed and for the time being in force;
 - (f) references to "**including**" or "**include(s)**" shall mean "including, in particular and without limitation," or "include(s), in particular and without limitation,";

- (g) references to "**loss(es)**" shall include losses, damages, charges, costs, expenses and other liabilities whatsoever;
 - (h) references to "**person**" shall include individual, firm, body corporate or unincorporate; and
 - (i) references to "**structure(s) and other item(s)**" shall include structures, erections, installations, systems, facilities, walls, partitions, fixtures, fittings, furniture, furnishings, appliances, apparatus, equipment, doors and other items whatsoever.
- 1.9 Where the Hotel Operator shall have any power or authority (whether under this Agreement, or at law or otherwise) to make or impose any rule, regulation, term, condition or requirement at any time or from time to time, the Hotel Operator shall also have power and authority to prescribe, amend, revoke or supplement the same at any time or from time to time and this Agreement shall be construed accordingly; and any reference to any rule, regulation, term, condition or requirement at any time or from time to time made or imposed by the Hotel Operator shall be construed as references to the same as made, imposed, prescribed, amended, revoked or supplemented (whether on, before or after the date hereof) from time to time accordingly.
- 1.10 Unless the context provides or requires otherwise, where under this Agreement the day on which any act, matter or thing is to be done is a day other than a Business Day, such act, matter or thing shall be done on the immediately succeeding Business Day.
- 1.11 In this Agreement, references to this Agreement or any other agreement or document shall be construed as references to this Agreement or such agreement or document as the same may be amended or supplemented from time to time.

2. OWNERS' COVENANT TO APPOINT HOTEL OPERATOR

Save as expressly provided otherwise (and subject to the Owner's right to appoint Marketing Agent in respect of Marketing Matters in relation to the Owner's Hotel Room Unit), each Owner hereby appoints the Hotel Operator as the manager and operator (to the exclusion of anyone else) of the Owner's Hotel Room Unit with the intention that the Hotel Operator shall manage and operate that Hotel Room Unit for and on behalf of that Owner as part of the Hotel and insofar as the law permits as agent for the Owner and in accordance with the Hotel Operation Applicable Conditions.

3. DURATION OF THIS AGREEMENT

This Agreement shall take effect from the Commencement Date and thereafter shall continue until the expiry of the Government Grant, including the renewal thereof (if any).

4. GENERAL OBLIGATIONS AND UNDERTAKINGS OF OWNER

Each Owner hereby agrees with and undertakes to the Hotel Operator and as a separate covenant covenants with each other Owner that:

- (a) each Owner shall at all times comply with and observe and shall procure his agent, attorney and/or representative (as the case may be), including without limitation, the Marketing Agent, to comply with and observe all Hotel Operation Applicable Conditions and all other laws and regulations from time to time applicable to the Owner in respect of that Owner's Hotel Room Unit and, where applicable, any other Hotel Unit(s) and perform and discharge all his obligations and liabilities in full thereunder or otherwise as such Owner;
- (b) save as expressly provided otherwise and subject to Clause 6.4 of this Agreement, each Owner hereby authorises the Hotel Operator to operate, keep, manage and control the Hotel and every part thereof (including the Hotel Room Unit) and the Hotel Matters and to supervise such operation, keeping, management and control as agent of the Owner and in each case free from eviction or any interference or disturbance by or on behalf of the Owner or any successors-in-title or assign of the Owner or any person through whom the Owner shall derive title to or right to occupy the Hotel Unit or any other person claiming by, through or under the Owner;
- (c) each Owner shall not, and shall procure its agent, attorney and/or representative (as the case may be), including without limitation, the Marketing Agent, not to do any act or thing or permit, allow or suffer any act or thing to be done which may:
 - (i) lead to or result in any contravention or breach of any terms or conditions of this Agreement, any of the Hotel Operation Applicable Conditions and/or any other applicable laws and regulations;
 - (ii) affect or prejudice any Permit or lead to the revocation, suspension, cancellation, amendment or non-renewal of any Permit or render any Permit liable to be revoked, suspended, cancelled, amended and/or not renewed;
 - (iii) result in the contravention of any term or condition of any insurance policy effected for the Hotel or contents therein or relating thereto or render any such insurance policy void or voidable or increase the premium payable therefor; and
 - (iv) affect or prejudice the Hotel Matters (including any supply of water, electricity, gas, telephone or other utility to the Hotel or the safety, hygiene or sanitation of the Hotel or safety of any person or property);

and the Hotel Operator's opinion as to whether or not any act or thing may lead to any consequence referred to or contemplated in this Clause 4(c) shall be final and conclusive and be binding on the Owner and the Hotel Operator shall have the power to require the Owner to rectify and provide such remedy

as the Hotel Operator may in its sole and absolute discretion from time to time consider necessary or appropriate;

- (d) no alteration, modification, addition, renovation, redecoration, refurbishment, repair, replacement or maintenance works to the Hotel Room Unit or any part thereof or any internal layout, furniture layout, fire services installations layout or any other layout or any structures and other items in the Hotel Room Unit and/or any other part of the Hotel or relating thereto (including but not limited to any fire, electrical, lighting, ventilation, water, gas, cooking appliance, sanitation, disabled and/or any other installations, facilities, appliances and/or equipment; any doors or door locks; any plumbing and pipe-works) shall be allowed, made or carried out save and except in each case (i) subject to and in accordance with all applicable laws and regulations and the terms and conditions and requirements as the Hotel Operator and, where applicable, the Licensing Authority may make from time to time and subject thereto, in accordance with the Hotel Operation Rules; (ii) subject to the prior approval or, if applicable, "no objection" indication from the Licensing Authority and any other relevant government department, which shall be obtained through the Hotel Operator and not otherwise; and (iii) subject to Clause 6.4(b)(ii) where applicable;
- (e) each Owner hereby unconditionally and irrevocably authorises and appoints the Hotel Operator (and/or any other person as the Hotel Operator may at any time or from time to time consider appropriate) (to the exclusion of anyone else) to apply for, obtain, renew and maintain all or any Permits (including without limitation the Hotel Licence) in the name of the Hotel Operator (or where the Hotel Operator considers appropriate, in the name of such other person) for and on behalf of that Owner and insofar as the law permits as agent for that Owner and to do all acts and things and take all steps and action and execute all deeds, undertakings and/or other documents as the Hotel Operator may at any time or from time to time in its sole and absolute discretion consider necessary or appropriate in relation thereto. Each Owner hereby expressly acknowledges and agrees that the Hotel Operator shall owe no duty to any of the Owners to apply for, obtain, renew and/or maintain all or any Permits and the Hotel Operator shall not be liable for any failure or delay in doing so unless the failure is solely caused by any breach by the Hotel Operator of any of its duties or obligations under this Agreement;
- (f) the Hotel Room Unit shall be used for hotel purposes as part of the Hotel in accordance with the Government Grant, the Principal Deed, the Sub-DMC, the Hotel Operation Applicable Conditions and the Occupation Permit and, for the avoidance of doubt and subject to the conditions of the Occupation Permit, the Hotel Room Unit shall not be used for private residential purpose and/or any other purpose(s) not permitted under Special Condition No.(12) of the Government Grant;
- (g) in addition and without prejudice to the generality of the provisions contained in Clause 4, the Owner shall not remove, tamper, meddle or interfere with any warning, instruction label or notice at any time or from time to time erected, affixed, installed or attached in or at or displayed in the Hotel Room Unit or

any part thereof (including without limitation any electrical warning or instruction label, notice for fire escape route, fire extinguisher location label, instruction label for safety use of electrical appliances) save and except in accordance with all applicable laws and regulations and the terms and conditions and such requirements as the Hotel Operator and, where applicable, the Licensing Authority may make from time to time and subject thereto, in accordance with the Hotel Operation Rules; and

- (h) in addition and without prejudice to the obligation or liability of the Owner under the Sub-DMC or under any other contract or arrangement which are binding on the Owner or at law or otherwise, each Owner of the Hotel Room Unit shall procure that the furnishing, maintenance, repair and condition, structural safety, hygienic and sanitary conditions of his Hotel Room Unit shall be in accordance with all applicable laws and regulations (including those relating to public health) and any rules, regulations or requirements which may at any time or from time to time be imposed or required by any health, environmental and other relevant authorities, and in accordance with the terms and conditions and requirements as the Hotel Operator may make from time to time in the Hotel Operation Rules and, where applicable, the Licensing Authority, may make from time to time.

5. GENERAL POWERS AND DUTIES OF THE HOTEL OPERATOR

- 5.1 Each Owner hereby acknowledges, agrees, consents and undertakes with the Hotel Operator and as a separate covenant covenants with each other Owner that, subject to the provisions contained in Clause 8.4 of this Agreement and other express provisions contained in this Agreement and the Hotel Operation Rules, the Hotel Operator shall have full power and authority and shall be entitled to exercise sole and absolute discretion over or in relation to the Hotel Matters (whether or not the same shall relate to the Hotel Room Unit) or any matter whatsoever as regards which the Hotel Operator may or shall have any power or authority over the same or in relation thereto (whether under this Agreement or at law or otherwise) and the Hotel Operator shall have full power and authority to determine, decide and/or deal with all or any such matters and to do and/or take any acts, steps or action and to enter into and/or execute all or any agreements, arrangements, deeds or documents whatsoever in relation thereto (whether or not legally binding and whether as principal or otherwise), in each case in such manner and to such extent and upon and subject to such terms and conditions as the Hotel Operator may in its sole and absolute discretion from time to time consider necessary or appropriate in the ordinary course of business of managing and operating the Hotel. For the avoidance of doubt, the foregoing provisions contained in this Clause 5.1 shall be in addition and without prejudice to any other provisions in this Agreement conferring any power, authority or discretion on the Hotel Operator. Save that the Owner shall retain full power and control over the Marketing Matters (including without limitation the appointment of the Marketing Agent in accordance with this Agreement), Furnishing and Licence Fee and subject to Clause 6.4 of this Agreement, the Owner shall not be entitled to give any instruction or direction to the Hotel Operator and/or its employees, agents and/or contractors or to cause or allow or suffer any interference with or disturbance to any exercise or use of power or authority or any performance or discharge of duty or obligation by or on

behalf of the Hotel Operator and the Hotel Operator shall not be under any duty or obligation to follow, comply with or carry out any such instruction and/or direction given or purported to be given by the Owner.

- 5.2 Save as expressly provided otherwise, and in addition and without prejudice to the generality of the provisions contained in Clause 5.1 above, the Hotel Operator shall have powers as agent of the Owner to do, deal with and attend to all or any of such acts, matters or things as the Hotel Operator may, from time to time, consider appropriate and/or necessary and to decide whether or not to exercise such powers or any of them and in each case in such manner and to such extent and upon and subject to such terms and conditions as the Hotel Operator may in its sole and absolute discretion from time to time consider necessary or appropriate.
- 5.3 (a) The parties hereto acknowledge and agree that the Hotel Operator may from time to time enter into hotel operation agreement or agreement with other owner(s) of Hotel Unit(s) (whether before, on or after the date hereof) for or in relation to the provision by the Hotel Operator of management and other services in relation to any other Hotel Unit(s) upon and subject to the terms and conditions set out therein and/or owners of any other hotels as the Hotel Operator may in its absolute discretion see fit and for the avoidance of doubt, any remuneration that shall be payable to the Hotel Operator under the aforesaid hotel operation agreement or agreement shall not be subject to or affected by the provisions contained in Schedule 1 hereof.
- (b) In addition and without prejudice to the generality of the provisions contained in this Clause 5.3(a) above or otherwise in this Agreement, the Owner hereby expressly acknowledges and agrees that conflict of interest may arise between the Owner on the one part and other owner(s) or any one or more of them on the other part in relation to Hotel Matters or any provision of service or performance of duty or obligation by the Hotel Operator towards the Owner and/or any other owner(s) and/or any other person as contemplated under Clause 5.3(c)(vi) below or otherwise in this Agreement and where conflict of interest may at any time or from time to time arise as aforesaid, the Hotel Operator shall in each case act or refrain from acting in such manner and to such extent as the Hotel Operator may in its sole and absolute discretion consider appropriate, and the Owner shall not hold the Hotel Operator liable for any breach of duty or obligation in any respect and the Owner shall have no right or remedy to require the Hotel Operator to act or to cease to act or to refrain from acting in such circumstances or in any manner whatsoever.
- (c) In addition and without prejudice to the generality of the provisions contained in Clause 5.2 and in this Clause 5.3(a) and (b) above or otherwise in this Agreement, the Owner further acknowledges and agrees that the Hotel Operator shall be fully entitled to:
- (i) all charges and any other amounts whatsoever at any time or from time to time payable or paid to the Hotel Operator by any other owner(s) of the Hotel Unit(s) and/or any other person and the Hotel Operator shall have no obligation or liability whatsoever to pay or account to the Owner any such sums received or to be received by the Hotel Operator;

- (ii) effect and maintain such insurance as the Hotel Operator thinks fit for and on behalf of all the Owners and to pay all premia required to keep such insurance policies in force and updated. In addition and without prejudice to the foregoing, whenever in the sole and absolute opinion of the Hotel Operator that it is desirable to include the Hotel Operator and/or all the Owners or Owners of such part of the Hotel in any insurance effected and/or maintained by the Hotel Manager under the Sub-DMC as co-insured, the Hotel Operator shall have power to require the Hotel Manager, and in any event all the Owners shall procure the Hotel Manager, to include the Hotel Operator and/or all the Owners or Owners of such part of the Hotel as decided by the Hotel Operator as co-insured under such insurance policy or policies and all the costs for effecting and maintaining the insurance aforesaid shall be borne by the Owners as part of the Hotel Management Expenses under the Sub-DMC but in no event shall the Hotel Operator be subject to any liability for the adequacy of the insurances obtained and/or maintained;
- (iii) grant a licence (but not otherwise) in favour of any person who wishes to occupy such Hotel Room Unit, and in this connection, enter into a licence agreement with such licensee, in respect of the use of such Hotel Room Unit (notwithstanding the appointment of the Marketing Agent) and to keep and maintain the relevant details/record of the licensee as may be required by the relevant laws and regulations;
- (iv) take any step or action (including the commencement, conduct, defence, discontinuance or settlement of legal proceedings) relating to Hotel Matters in such manner as the Hotel Operator may in its sole and absolute discretion from time to time consider necessary or appropriate; and
- (v) notify the mortgagee (if any) of the Owner's Hotel Unit under the subsisting mortgage as appeared in the Land Registry of any material and/or persistent breach of this Agreement by such Owner as the Hotel Operator may in its sole and absolute discretion from time to time consider necessary or appropriate/where, in the opinion of the Hotel Operator, such breach would adversely affect or prejudice the renewal of the Hotel Licence.

- 5.4 (a) Save and except for the Hotel Operator's duties and obligations as expressly provided in this Agreement, the Hotel Operator shall not owe any other duties or obligations whatsoever as trustee or agent (as the case may be) towards the Owner (whether under this Agreement or at law or otherwise) and all duties and obligations (including any duty of care) for which the Hotel Operator may be or become liable as trustee or agent (as the case may be) (whether under this Agreement or at law or otherwise) are, to the maximum extent permitted by applicable laws, hereby expressly excluded and the Owner shall not hold the Hotel Operator liable for any such duty or obligation or any breach or

default in relation thereto or any losses arising therefrom or attributable thereto, including liability for negligence on the part of the Hotel Operator and/or its employees, servants, agents, contractors or any of them.

- (b) Save and except where this Agreement shall expressly provide otherwise, the Hotel Operator shall not be obliged to provide the Owner with any information and/or documents concerning Hotel Matters or any matter relating to or arising from this Agreement or otherwise. In the event where the Hotel Operator shall provide the Owner with any information and/or documents (whether at its discretion or pursuant to any obligation or otherwise), the Owner shall be liable to bear all charges and other liabilities whatsoever arising therefrom as determined by the Hotel Operator from time to time and notify to the Owner.
- 5.5
 - (a) Notwithstanding any provision contained in this Agreement to the contrary, should the Hotel Operator be hindered or prevented from providing or otherwise become unable to provide all or any services and/or to perform all or any of its duties and/or obligations as operator or manager of the Hotel (whether arising under this Agreement or at law or otherwise) by reason of (directly or indirectly) any breach or default on the part of the Owner and/or any other owner and/or any other circumstances beyond the control of the Hotel Operator, then notwithstanding the continuance of this Agreement the Hotel Operator shall be entitled, in its sole and absolute discretion, to suspend the provision of such services and/or performance of such duties and/or obligations directly or indirectly affected by any such breach or default or circumstances as the Hotel Operator may in its sole and absolute discretion consider appropriate, and the Hotel Operator shall not be liable for any losses which the Owner may suffer, sustain, incur or become liable or any claim or demand whatsoever arising therefrom.
 - (b) Notwithstanding any suspension by the Hotel Operator of the provision of any services or performance of any duties or obligations as contemplated in this Clause 5.5:
 - (i) the Owner shall remain fully liable for all obligations and liabilities on the part of the Owner (whether pursuant to this Agreement or at law or otherwise) and all such obligations and liabilities on the part of the Owner (including the Owner's obligation or liability for payment of any sum or amount whatsoever) shall not be affected in any respect; and
 - (ii) the exercise of any power or remedy by the Hotel Operator pursuant to this Agreement or otherwise shall not be affected in any respect.
- 5.6 The Owner hereby expressly acknowledges and agrees that the Owner shall be bound by, and shall observe and comply with, all or any acts, decisions and/or determination of the Hotel Operator in relation to Hotel Matters.

6. USE AND OPERATION OF HOTEL ROOM UNIT AS PART OF HOTEL

6.1 Save as expressly provided otherwise and subject to Clause 6.4, each Owner of the Hotel Room Unit hereby agrees with and undertakes to the Hotel Operator and as a separate covenant covenants with each other Owner that:

- (a) the Owner shall authorise the Hotel Operator to manage and operate the Owner's Hotel Room Unit for and on behalf of the Owner as part of the Hotel and insofar as the law permits as agent for the Owner and in accordance with the Hotel Operation Applicable Conditions without interference from the Owner and/or its agent, attorney and/or representative; and
- (b) the Owner hereby permits the Hotel Operator to make such use of the Owner's Hotel Room Unit as the Hotel Operator considers reasonable for the purpose of managing the same and giving effect to this Agreement; and
- (c) the Owner's Hotel Room Unit shall at all times be used for hotel purposes as part of the Hotel and be operated as a hotel guest room in and as part of the Hotel and shall, unless otherwise agreed by the Hotel Operator, at all times be made available for such purpose on a daily, short term or long term basis as the Owner may inform the Hotel Operator in writing from time to time pursuant to a written notice of such period and in such form as may be prescribed by the Hotel Operator; and
- (d) no person shall use or occupy any Hotel Room Unit unless (i) as a licensee pursuant to and in accordance with the licence granted by the Hotel Operator under the licence agreement referred to in Clause 5.3(c)(iii); (ii) in accordance with the provisions of this Agreement; and (iii) in compliance with all terms and conditions and requirements as the Hotel Operator may impose in its sole and absolute discretion and subject thereto, in accordance with the Hotel Operation Rules; and the person so using or occupying any Hotel Room Unit shall cease to have the right to use, occupy and/or enjoy the Hotel Room Unit if the licence granted by the Hotel Operator for such purpose shall expire or be revoked, terminated or withdrawn due to any reason whatsoever.

6.2 Save as expressly provided otherwise and in addition and without prejudice to the generality of the provisions contained in Clause 6.1 above, the Hotel Operator shall, notwithstanding the Owner may have appointed other person or party as Marketing Agent in accordance with this Agreement, have full power and authority to act as agent for and on behalf of the Owner of the Hotel Room Unit:

- (a) for the granting, revocation, termination, suspension and/or cancellation of licence and/or the giving of consent to guest and/or any other person for the use, occupation and/or enjoyment (with no exclusive possession, use, occupation or enjoyment) of the Hotel Room Unit; and
- (b) for the making of any contract or arrangement whatsoever relating to the Hotel Room Unit (including any use, occupation and/or enjoyment thereof) or as regards any Hotel Matters; and

- (c) for the exercise, pursuit or enforcement of any right or remedy on the part of the Owner of the Hotel Room Unit or performance of obligation on the part of the Owner of the Hotel Room Unit (as owner of the Hotel Room Unit) under or arising from or relating to any such licence or contract or arrangement whatsoever referred to in (a) or (b) above or any Hotel Matters; and
- (d) for attending to, deciding or dealing with all or any matters arising from or relating to any matter referred to or contemplated in (a), (b) or (c) above,

and the Owner of the Hotel Room Unit hereby unconditionally and irrevocably appoints the Hotel Operator for such purposes. The Hotel Operator shall be fully entitled to exercise any power or authority so granted to it in its discretion and upon and subject to such terms and conditions and procedure as the Hotel Operator may in its sole and absolute discretion determine or impose from time to time (including without limitation, the terms and conditions of any such licence, contract, arrangement, conditions for admittance, staying and expulsion of guests, occupiers and/or other persons whatsoever but excluding charges and other charges or amounts whatsoever payable by any such guests, occupiers, contractual parties and/or other persons whomsoever to the Owner) and the Hotel Operator shall have full power and authority and shall be entitled to exercise sole and absolute discretion in respect of all or any such matters (including whether to do any act or take any step or action or enter into or execute any agreement or arrangement whatsoever).

- 6.3 Save as expressly provided otherwise in this Agreement or save where the Hotel Operator may expressly consent otherwise in any particular circumstances (which consent may be given or withheld by the Hotel Operator in its sole and absolute discretion and upon and subject to such terms and conditions as the Hotel Operator may consider appropriate), the Hotel Operator shall not be subject to any obligation to consult or inform the Owner of the Hotel Room Unit or seek any consent of the Owner of the Hotel Room Unit as regards any matter referred to or contemplated in Clause 6.2 above and the Owner of the Hotel Room Unit shall not have any right to give any instruction or direction to the Hotel Operator or to interfere with any such matter and shall not be entitled to decide, deal with or attend to such matter (which by the Owner of the Hotel Room Unit himself or itself or other person authorised by or claiming under the Owner of the Hotel Room Unit).

- 6.4 Notwithstanding the provisions contained in Clauses 6.1, 6.2 and 6.3 herein,

- (a) (i) the Owner of the Hotel Room Unit shall give instruction in writing to the Hotel Operator on such interval basis as the Hotel Operator sees fit as regards the room revenue, charges and other charges or amounts payable by any guests, occupiers, contractors, parties and/or other persons whomsoever for admittance, staying and/or occupying that Owner's Hotel Room Unit ("Licence Fee");
- (ii) in the event that the Owner of the Hotel Room Unit has given such instruction in relation to the Licence Fee of the Hotel Room Unit, the Hotel Operator shall adopt the instruction and decision as given by the Owner unless it may lead to any consequence referred to or contemplated in Clause 4(c); and

- (iii) without derogating the provisions contained in Clause 6.6, if the Owner fails to give the instruction in relation to the Licence Fee of the Hotel Room Unit, the Hotel Operator shall be entitled to give recommendation and/or advice or to inform the Owner of the Hotel Room Unit or to seek any consent from the Owner of the Hotel Room Unit on such interval basis as the Hotel Operator see fit as regards the Licence Fee of the Hotel Room Unit. If the Hotel Operator receives no response in writing from the Owner regarding the Licence Fee of the Hotel Room Unit, the Hotel Operator shall be entitled, where it may consider appropriate at its sole and absolute discretion, (1) to notify the Owner in writing that the Hotel Operator may adopt such Licence Fee which the Hotel Operator has recommended and/or advised the Owner or (2) not to enter into or renew any licence agreement with any licensee in respect of the use of the Hotel Room Unit; and the Hotel Operator shall not be held liable for any claim, losses or damages whatsoever arising from or in connection with the Licence Fee so adopted by the Hotel Operator and/or the Owner failing to give the instruction in relation to the Licence Fee and/or the Hotel Operator refusing to enter into or renew any such licence agreement.
- (b) (i) the Hotel Operator shall give recommendation and/or advice and inform the Owner of the Hotel Room Unit in writing of such recommendation and/or advice on such interval basis as the Hotel Operator sees fit as regards the choices of furniture layout, internal layout, design and material of furniture, fittings, beddings, mattresses, divans, bed bases, upholstered furniture (if any) and such items to be used or placed in the Hotel Room Unit which are required to meet specified standard as prescribed by any of the Hotel Operation Applicable Conditions and /or any other applicable laws and regulations including but not limited to the Fire Safety (Commercial Premises) Ordinance (Cap. 502, Laws of Hong Kong) in respect of that Owner's Hotel Room Unit (the "Furnishing") and the recommended suppliers or products and their respective quotations. If the Hotel Operator receives no response in writing from the Owner regarding the Furnishing of the Hotel Room Unit within such period of time as set out in the Hotel Operator's written recommendation and/or advice, the Hotel Operator may adopt such Furnishing which the Hotel Operator sees fit and procure such Furnishing for and on behalf of the Owner. The Hotel Operator shall be fully entitled to, in its sole and absolute discretion, determine the amount of any charges or sums to be charged to the Owner in relation to the Furnishing of his Hotel Room Unit and the Owner shall pay to the Hotel Operator such amount as determined and requested in writing by the Hotel Operator within such prescribed period of time and the Hotel Operator shall not be held liable for any claim, losses or damages whatsoever arising from or in connection with the Furnishing so adopted by the Hotel Operator;
- (ii) If the Owner of the Hotel Room Unit does not want to adopt the Furnishing as recommended by the Hotel Operator or the Owner wishes to change or replace any Furnishing, the Owner shall inform in writing to the Hotel Operator as regards his choices of the Furnishing in respect of that Owner's Hotel Room Unit, and shall obtain the prior written consent from the Licensing Authority through the Hotel Operator at the costs of the Owner (as may be charged at such rate as the Hotel Operator sees fit) and the Hotel Operator shall have the

absolute right and discretion to reject or suspend the Owner's choice of Furnishing (including, without limitation, not to allow any works relating to the installation, fixing or replacement of such Furnishing to be made or carried out in the Owner's Hotel Room Unit and/or to stop the making or carrying out of any such works therein) until the Licensing Authority's written consent is obtained.

- 6.5 The Owner of the Hotel Room Unit hereby acknowledges and agrees that if, apart from the Hotel Room Unit of which the Owner is the registered owner, any other Hotel Room Units may be or become available for the use, occupation and/or enjoyment by guests and/or other persons, the Hotel Operator shall be entitled to determine, in its sole and absolute discretion, the priority for making available the Hotel Room Unit and other Hotel Room Units or any one or more of them for the use, occupation and/or enjoyment by guests and/or other persons (including the priority for granting licence of the Hotel Room Unit and/or other Hotel Room Unit(s) for such purpose to any guest and/or any other person) and the Hotel Operator's decision in this respect shall be final and conclusive and be binding on the Owner. The Owner of the Hotel Room Unit shall not challenge any decision or determination of the Hotel Operator in this respect or make any claim or demand in relation thereto due to any reason or on any ground whatsoever (irrespective of whether or not the Hotel Room Unit shall have been made available for use, occupation and/or enjoyment by any guest or other person or whether the Owner of the Hotel Room Unit may suffer any losses as a result).
- 6.6 The Owner of the Hotel Room Unit further acknowledges and agrees that no warranty, representation, agreement or undertaking has been or shall be made by the Hotel Operator as to whether or not and if so, when and for what period the Hotel Room Unit shall or can be licensed to any person as hotel guest room or the amount of revenue, income, profits, charges or other amounts whatsoever (if any) which may directly or indirectly arise or derive from the Owner's ownership of the Hotel Room Unit or any operation, management, work, activity, licence, contract or arrangement whatsoever in relation to the Hotel Room Unit or the Hotel or any part thereof or any control, management, supervision or operation of Hotel Matters by or on the part of or on behalf of the Hotel Operator and the Owner of the Hotel Room Unit shall not (and shall not be entitled to) bring, make or threaten any claim or demand whatsoever against the Hotel Operator in relation to any such matter due to any reason or on any ground whatsoever.
- 6.7 In addition and without prejudice to the generality of the provisions contained in this Clause 6, each Owner of the Hotel Room Unit hereby unconditionally and irrevocably agrees with each other Owner and the Hotel Operator that the Hotel Operator shall be entitled to exercise, enforce or pursue all or any rights or remedies against any guest and/or any other persons as regards any failure to make payment of room revenue or other amounts payable to the Owner of the Hotel Room Unit or any breach of any term or condition of any licence, contract or arrangement relating to the Hotel Room Unit (including the commencement, conduct, defence, discontinuance or settlement of the relevant legal proceedings), and the Hotel Operator shall be entitled to do so in each case in such manner and to such extent as the Hotel Operator in its sole and absolute discretion considers appropriate and the Hotel Operator shall be entitled to take any step or action as the Hotel Operator in its sole and absolute discretion

considers appropriate in relation thereto (including the termination of licence and expulsion of such person from the Hotel or any part thereof).

- 6.8 In addition to and without derogating or prejudice to any other provisions of this Agreement conferring any power, authority or discretion of the Hotel Operator, even if the Hotel Operator is otherwise required under any other provisions of this Agreement to inform the Owner or obtain the relevant instructions from the Owner before it takes any action or step or exercises its powers in relation to any matter or decision, in case of emergency, the Hotel Operator shall be entitled to take such action or step and exercise its power in such manner as it may consider in its sole and absolute discretion necessary or appropriate for the purpose of managing and operating the Hotel (including without limitation, undertaking any emergency maintenance or repair) without first informing the Owner or obtaining the instructions from the Owner, Provided that the Hotel Operator shall, after taking the relevant action or step or exercising its relevant power and as soon as reasonably practicable, inform the Owner in writing of the action or step taken and power exercised and the emergency circumstances involved. All the costs in relation to the action or step taken and power exercised pursuant to this Clause 6.8 shall be borne by the Owners or the relevant Owners in such manner as the Hotel Operator shall in its absolute and sole discretion consider appropriate, and in no event shall the Hotel Operator be subject to any claims, damages, losses, costs, expenses or liabilities resulting from or in connection with the aforesaid.
- 6.9 If any Hotel Unit is co-owned or jointly owned by more than one Owner (whether as joint tenants or tenants in common or otherwise), no instructions from any Owner(s) of such Hotel Unit for the purpose of any provisions under this Agreement shall be regarded as valid and effective unless it is in writing and signed by all co-Owners or joint Owners of the same Hotel Unit.

7. COLLECTION AND PAYMENT OF CHARGES

- 7.1A (a) (i) Subject to the provisions contained in Clause 7.1A(b), (c) and (d) below and other provisions contained in this Agreement, the Owner of the Hotel Room Unit shall be entitled to room revenue payable or paid by guest and/or other person in respect of provision of accommodation to such guest and/or person at the Hotel Room Unit, of which the Owner of the Hotel Room Unit is the registered owner, as part of the Hotel.
- (ii) Subject to the provisions contained in Clause 7.1A(b) and (c) below and other provisions contained in this Agreement, the Owner of the Hotel Room Unit may receive and collect any security deposit for Licence Fee (as defined in Clause 6.4(a)(i)) from any licensee of the Hotel Room Unit, of which the Owner of the Hotel Room Unit is the registered owner, provided that (1) the determination, payment and collection of such security deposit shall be an agreement and arrangement between the Owner and the licensee only; (2) such security deposit shall be collected by the Owner from the licensee, and the Hotel Operator shall not be responsible for the collection; and (3)

nothing in or contemplated under such arrangement, in the sole and absolutely opinion of the Hotel Operator, may adversely affect the operation and management of the Hotel or any particular part thereof or may be inconsistent with other provisions of this Agreement or the Hotel Operation Applicable Conditions. The Owner hereby expressly acknowledges and agrees that the Hotel Operator shall not be required to be bound by or to observe any such arrangement for security deposit between the Owner and the licensee if and to the extent that, in the sole and absolute opinion of the Hotel Operator, such arrangement may adversely affect the operation and management of the Hotel or any particular part thereof or may be inconsistent with other provisions of this Agreement or the Hotel Operation Applicable Conditions; and the Owner undertakes to indemnify and hold harmless the Hotel Operator against all claims, losses, costs, damages, expenses and/or any other liabilities resulting from or in connection with any such arrangement for security deposit.

- (b) (i) Subject to the other provisions of this Agreement and save and except the room revenue and security deposit as referred to in Sub-clause 7.1A(a) above, the Owner of the Hotel Room Unit hereby expressly acknowledges, agrees and confirms that the Owner of the Hotel Room Unit shall not be entitled to any charges and/or amounts whatsoever (as may from time to time be determined by the Hotel Operator) to be payable or paid or reimbursed by any guest and/or person occupying the Hotel Room Unit, of which the Owner of the Hotel Room Unit is the registered owner, and/or any other person whomsoever to any person other than the Owner of the Hotel Room Unit (including payment to the Hotel Operator or any supplier or contractor).
 - (ii) Without affecting the generality of the provisions contained in Clause 7.1A(b)(i) and for the avoidance of doubt, the payment or provision of any monies by any guests, the Owner of the Hotel Room Unit and/or any other owner(s) of Hotel Unit(s) to the Hotel Operator deriving from or for the use of any Hotel Recreational Facilities (as defined in the Sub-DMC) and/or services provided by the Hotel Operator in relation thereto or otherwise (for the avoidance of doubt, other than the room revenue payable or paid by guest and/or other person in respect of provision of accommodation to such guest and/or person at the Hotel Room Unit, of which the Owner of the Hotel Room Unit is the registered owner, as part of the Hotel as contemplated in Clause 6.1(c) of this Agreement) shall be paid into the Hotel Management Fund under the Sub-DMC and shall not be regarded or treated as loan or income to the Hotel Operator in any circumstances whatsoever and the Hotel Operator and/or the Hotel Manager shall not be treated or regarded as indebted to the Owner of the Hotel Room Unit and/or any other owner(s) of Hotel Units for any such monies.
- (c) The parties hereto expressly acknowledge, agree and confirm that the Hotel Operator shall be fully entitled to, in its sole and absolute discretion, determine whether any charges or sums shall be charged to the Owner, guest, occupier

and/or any other person and the amount thereof, and if any such charges shall be charged to the Owner, whether the same shall be borne by the Owner alone or together with other person and whether the same shall be paid or discharged as part of Hotel Operation Expenses or other contributions from the Owner and/or any other person and, where applicable, the proportions in which they shall bear the same and whether any guest, occupier and/or any other person shall be liable to reimburse the Owner and/or any other person in respect of the same or any part thereof; and the Owner shall be bound by any decision or determination of the Hotel Operator over any such matter in all respects.

- (d) The Hotel Operator shall be entitled to, and shall have full power and authority to:
- (i) collect and receive, as agent for and on behalf of the Owner of Hotel Room Unit (and to the exclusion of the Owner unless the Hotel Operator shall agree otherwise in writing), all room revenue, charges and amounts whatsoever payable to or to which the Owner may or shall be entitled (including those amounts as referred to in Clause 7.1A(a)(i) above but excluding the security deposit as referred to in Clause 7.1A(a)(ii) above); and
 - (ii) collect and receive from the Owner and other owners and/or persons charges, expenditures, sums, amounts and/or liabilities whatsoever which, in the sole and absolute opinion of the Hotel Operator, shall be borne solely by one or more particular owner(s) (including the Owner) and/or other persons and shall not be charged as part of Hotel Operation Expenses; and
 - (iii) without affecting the generality of the sub-clause (ii) above, collect and receive from the Owner all charges, expenditures, sums, amounts and/or disbursement for liabilities whatsoever which, in the sole and absolute opinion of the Hotel Operator, are attributable to the Hotel Room Unit of which the Owner is the registered owner, and which in the sole and absolute opinion of the Hotel Operator shall be borne solely by the Owner and shall not be charged as part of Hotel Operation Expenses;

provided that all such amount collected under Clause 7.1A(d)(i) above shall be deposited by the Hotel Operator as an agent of the Owner of the Hotel Room Unit into separate and individual account designated for each owner of the Hotel Room Unit or in any other manner as may be provided in the Hotel Operation Rules and in any event, the Owner shall be solely responsible for bearing any bank charges and/or fees relating to the collection of such amount, whether or not any such amount is payable by way of credit card.

- 7.1B For the avoidance of doubt, the above Clause 7.1A shall not affect any Owner of Hotel Car Parking Space to directly collect and/or receive the rental income and charges for services and/or goods rendered or provided by such Owner or its tenant or agents as service provider or supplier, whether within or outside the Hotel.

- 7.2 The Hotel Operator shall, at such interval as the Hotel Operator sees fit, prepare and issue to the Owner a statement in such form and substance as the Hotel Operator may consider appropriate and the items stated therein may include, inter alia, the following:
- (a) amounts which shall or may then be due or owing from or payable by the Owner (including any advance payment required from the Owner and any amount which may be or become payable by the Owner contemplated under this Agreement);
 - (b) amounts actually received by the Hotel Operator (as agent for and on behalf of the Owner) during such interval;
 - (c) where applicable, any amount to be paid by the Owner; and
 - (d) where applicable, any amount to be paid to the Owner,
- and any such statement shall, save in the case of fraud or manifest error, be final, conclusive and binding on the Owner.
- 7.3 The Owner shall make payment in full to the Hotel Operator of all amounts due, owing or payable by the Owner (including those amounts as referred to in the relevant statement from time to time issued by the Hotel Operator as contemplated in Clause 7.2 or otherwise from time to time demanded by the Hotel Operator) on or before such due date for payment as the Hotel Operator may require.
- 7.4 For the avoidance of doubt, the provisions contained in this Clause shall not prejudice or affect any obligation or liability of the Owner to pay any amount payable, due or owing by the Owner on or before the due date for payment therefor (whether under this Agreement, the Sub-DMC or at law or otherwise).
- 7.5 The Owner acknowledges, agrees and confirms that the Hotel Operator shall not be liable for any duty or obligation to invest any monies from time to time held or received by the Hotel Operator on behalf or for the benefit of the Owner in any circumstances whatsoever and, unless otherwise provided for in this Agreement or in the Hotel Operation Rules, the Hotel Operator shall, as agent of the owners of the Hotel Units, have full and absolute control of each and every account in which any such moneys shall be deposited or held for the time being and each such account shall be operated by such persons and in such manner as the Hotel Operator may in its sole and absolute discretion consider appropriate.
- 7.6 Any payment made or to be made by the Owner to the Hotel Operator or by the Hotel Operator to the Owner shall in each case be made in such manner as the Hotel Operator may from time to time consider appropriate in its sole and absolute discretion and notify the Owner in writing.

8. HOTEL OPERATION BUDGET AND CONTRIBUTION BY OWNERS OF HOTEL UNITS

- 8.1 (a) The Hotel Operator may make such rules and provisions as contained in the Hotel Operation Rules from time to time as regards the Hotel Operation

Budget and contribution to be made by the Owners for, including without limitation, the Hotel Operation Expenses and charges, remuneration, liabilities whatsoever payable under any hotel operation agreement or agreement entered into by the Hotel Operator with the Owner.

- (b) The Hotel Operator shall determine the amount which each owner of Hotel Unit shall contribute towards the Hotel Operation Expenses in accordance with the following principles:
 - (i) each owner of Hotel Unit shall, in respect of every Hotel Unit of which he shall be the owner for the time being, contribute to the amount assessed under Part A of the Hotel Operation Budget in the proportion which the number of the Management Shares allocated to the said Hotel Unit owned by such owner bears to the total number of the Management Shares allocated to all Hotel Units; and
 - (ii) each owner of Hotel Room Unit shall, in addition to the amount payable under this Clause 8.1(b)(i) above, in respect of every Hotel Room Unit of which he shall be the owner for the time being, contribute to the amount assessed under Part B of the Hotel Operation Budget in the proportion which the number of Management Shares allocated to the said Hotel Room Unit owned by such owner bears to the total number of the Management Shares allocated to all Hotel Room Units; and
 - (iii) each owner of Hotel Car Parking Space shall, in addition to the amount payable under this Clause 8.1(b)(i) above, in respect of every Hotel Car Parking Space of which he shall be the owner for the time being, contribute to the amount assessed under Part C of the Hotel Operation Budget in the proportion which the number of Management Shares allocated to the said Hotel Car Parking Space owned by such owner bears to the total number of the Management Shares allocated to all Hotel Car Parking Spaces.
- (c) Notwithstanding the allocation of any charges, expenditures, sums, amounts or liabilities whatsoever to the Hotel or any particular part thereof in the Hotel Operation Budget as prescribed in the Hotel Operation Rules or any contribution made or to be made by owner of Hotel Unit respectively under Clause 8.1(b) above, if in the sole and absolute opinion of the Hotel Operator:
 - (i) any Hotel Operation Expenses should be attributable to any particular part or parts of the Hotel (in this Clause referred to as “**Specific Part(s) of the Hotel**”); and/or
 - (ii) the use and/or application of any Hotel Operation Expenses may confer more benefit or more significant or useful benefit on the owner(s) of the Specific Part(s) of the Hotel than owner(s) of other part(s) of the Hotel;

the Hotel Operator shall have full power and authority and shall be fully entitled to revise any allocation of charges, expenditures, sums, amounts or other liabilities whatsoever between different part(s) of the Hotel or between any particular Hotel Unit(s) and other Hotel Unit(s) and to apply, use or deal with contributions made or to be made by owner(s) of Hotel Unit(s) accordingly and, where applicable, to re-determine and/or revise the contributions made or to be made by owner(s) of Hotel Unit(s) and determine in what manner, shares or proportions such charges, expenditures, sums, amounts or liabilities shall be borne among the owner(s) of Hotel Unit(s) or any one or more of them and in which event each and every owner of Hotel Unit(s) shall be bound by and comply with any such decision and determination of the Hotel Operator in all respects.

- 8.2 (a) Save and except where the Hotel Operator shall at any time or from time to time determine otherwise in its sole and absolute discretion and notify the Owner in writing and subject to Clause 8.2(b) below, the Owner shall, by not later than the first day of each and every calendar month (whether legally demanded or not) pay to the Hotel Operator a sum representing one-twelfth (1/12) of the total amount of Hotel Operation Expenses which the Owner shall be liable to contribute for the financial year concerned.
- (b) Where the date of assignment of the New Owner's Hotel Unit shall take effect on a date falling within the period covered by the first Hotel Operation Budget (being the date of this Agreement until, if such date shall fall on or before 30th June of such year, 31st December of such year, or if such date shall fall after 30th June of such year, until 31st December of the year immediately following the year in which this Agreement shall be dated) or after the commencement of a financial year, as regards such period or year, the Owner shall be liable to contribute Hotel Operation Expenses attributable to the remaining unexpired part of such period or financial year based on the Hotel Operation Budget applicable thereto and the monthly contribution to be made by the Owner shall be a pro rata part of such amount as determined by the Hotel Operator and notified to the Owner in writing.
- 8.3 (a) Without prejudice to the provisions contained in Clauses 8.1 and 8.2 above, in the event of a deficiency occurring or seeming to the Hotel Operator likely to occur or if there shall be any change in circumstances which in the opinion of the Hotel Operator (whose decision shall be final and conclusive save for manifest error) require any revision to the Hotel Operation Budget or any part thereof, the Hotel Operator shall be entitled to prepare a revised Hotel Operation Budget or any part thereof in such manner as more particularly prescribed in the Hotel Operation Rules from time to time. Such revised Hotel Operation Budget shall be subject to review by the Hotel Operation Owners' Committee and the Hotel Operation Rules in relation to any arrangement of the Hotel Operation Budget shall apply mutatis mutandis to the revised Hotel Operation Budget as to the annual Hotel Operation Budget. A revised Hotel Operation Budget may be further revised as often as the Hotel Operator considers necessary.

- (b) Where there shall be any revised Hotel Operation Budget as contemplated in Sub-clause (a) above, the Hotel Operator shall have the power to adjust the amount payable by the owner(s) of Hotel Unit(s) (including the power to increase or reduce any amount to be contributed monthly by any one or more of such owner(s) as required by the Hotel Operator, taking into account, where applicable, the provisions of Clause 8.1, and require any one or more of them to pay such additional amount (whether through their monthly contributions or otherwise as the Hotel Operator may consider appropriate) as may be necessary to meet any increased or revised estimated expenditure as set out in such revised Hotel Operation Budget) and any owner of Hotel Unit so required by the Hotel Operator (including, where applicable, the Owner) shall be obliged to pay such amounts as demanded or required or notified by the Hotel Operator in writing from time to time).
- 8.4 Save as otherwise stipulated in the Hotel Operation Rules and subject to other express provisions contained in this Agreement, the Hotel Operator shall have full power and authority to use, apply and/or otherwise deal with the Hotel Operation Fund at its sole and absolute discretion (including the use and/or application of any such monies for Hotel Units or any one or more of them, irrespective of the proportions or amounts in which such monies shall be or shall have been respectively contributed by owners of the Hotel Units).
- 8.5 Notwithstanding any provision contained herein to the contrary, the Hotel Operator shall be entitled, in its sole and absolute discretion:
 - (a) to charge the Owner such fee for granting or considering any consent as may from time to time be required from the Hotel Operator;
 - (b) to charge the Owner for any temporary use of electricity, water or other utilities arranged by the Hotel Operator and/or for the collection and removal of fitting out or decoration debris; and
 - (c) from time to time to make rules and regulations governing the supply and use of electricity, air-conditioning or water to the Hotel Room Unit and/or any other Hotel Unit(s), the payment and recovery of charges for installation, disconnection, reconnection and readings of meters, damage to meters and default interest.
- 8.6 The Hotel Operator may determine (or where required under the Hotel Operation Rules, subject to the approval by the Corporation (if formed) or Hotel Operation Owners' Committee or in consultation with the Corporation (if formed) or Hotel Operation Owners' Committee) the renovation, improvement, replacement and addition of structures and other items within or relating to the Hotel. Each Owner shall, as regards every Hotel Unit of which he shall be the owner for the time being, be directly liable for such charges, expenditures, sums, amounts or liabilities whatsoever relating to the works in respect of his Hotel Unit and/or the Hotel as a whole and shall pay to the Hotel Operator such amount of sum on or before such date and in such manner as the Hotel Operator shall deem appropriate.

8.7 Where any compensation, losses, charges or other amounts shall be actually recovered and received by the Hotel Operator from:

- (a) (i) any guest or occupier of the Hotel Room Unit and/or other person in respect of room revenue as referred to in Clause 7.1A(a); or
- (ii) any other owner(s) in respect of losses suffered or incurred by the Owner, on behalf and for the account of the Owner (but excluding all or any amounts whatsoever received or recovered or to be received or recovered by Hotel Operator for its own account or benefit or for the account or benefit of other person), the Hotel Operator shall in each case account the net amount thereof, after deducting all charges and other amounts paid, payable or incurred for the recovery of the same and, where applicable, other deductions and/or withholdings made by the Hotel Operator, to the Owner in accordance with Clause 7 hereof; or
- (b) the defaulting Owner in respect of outstanding contributions towards the Hotel Operation Expenses, the net amount thereof, after deducting all charges and other amounts paid, payable or incurred for the recovery of the same and, where applicable, other deductions and/or withholdings made by the Hotel Operator, shall be used and applied by the Hotel Operator as if the same were contributions from the defaulting Owner towards the Hotel Operation Expenses.

8.8 The payment or provision of any monies by the Owner to the Hotel Operator (whether or not by way of contribution towards the Hotel Operation Expenses or any part thereof or otherwise) shall not be regarded or treated as loan to the Hotel Operator in any circumstances whatsoever and the Hotel Operator shall not be treated or regarded as indebted to the Owner for any such monies. Save as expressly provided otherwise in Clause 10 below, no such monies shall be transferable to any person in any circumstances whatsoever.

8.9 For the avoidance of doubt, any obligation or liability on the part of the Owner to pay any amount under this Agreement shall be in addition and without prejudice to any obligation or liability of the Owner to pay any amount under the Sub-DMC or under any other contract or arrangement, including without limitation, the Hotel Operation Rules, which are binding on the Owner or at law or otherwise.

9. REMUNERATION AND OTHER ENTITLEMENTS OF HOTEL OPERATOR

9.1 The Hotel Operator shall be entitled to the remuneration determined in accordance with Schedule 1 hereto.

9.2 In addition and without prejudice to the provisions contained in Clause 9.1 above and other entitlements of the Hotel Operator, the Hotel Operator shall also be entitled to payment and reimbursement in full of all or any charges and other amounts whatsoever payable or paid by the Hotel Operator or which the Hotel Operator may at any time or from time to time suffer, sustain, incur or become liable, directly or

indirectly, arising from or relating or attributable to the performance of any duty or obligation or the exercise of any power, right or remedy on the part of the Hotel Operator in relation to Hotel Matters (whether under this Agreement, the Principal Deed, the Sub-DMC or Hotel Operation Rules or at law or otherwise) or in its capacity as operator or manager of the Hotel or as holder of Hotel Licence.

- 9.3 For the avoidance of doubt, any provisions contained in this Agreement relating to the Hotel Operator's Remuneration and Other Entitlements shall not affect or prejudice the Hotel Operator's entitlement to any charges and other amounts whatsoever under the Sub-DMC, any other applicable hotel operation agreement or any other contract or arrangement or at law or otherwise or in any capacity.
- 9.4 For the avoidance of doubt, any provisions contained in the Principal Deed and/or Sub-DMC relating to the Hotel Manager's remuneration shall not affect or prejudice the Hotel Operator's right or entitlement to any remuneration, charges, or other amounts whatsoever (whether under this Agreement and/or any other applicable hotel operation agreement or any other contract or arrangement or at law or otherwise) or in its capacity as operator or manager of the Hotel or in any other capacity.

10. DEPOSIT AND SECURITY

10.1 The Owner shall:

- (a) pay to the Hotel Operator by way of deposit as security for the due payment of all amounts which may be or become due, owing or payable by the Owner in relation to Hotel Matters or in his capacity as owner a sum not less than the aggregate total of three months' monthly contribution of the Hotel Operation Expenses attributable to the Hotel Room Unit for the time being payable by the Owner and such deposit shall be non-refundable but may be transferable in accordance with the provisions contained in Clause 10.4 below;
- (b) in addition and without prejudice to any obligations and liabilities of the Owner under Clause 10.1(a) above, pay to the Hotel Operator a sum not less than the aggregate total of two months' monthly contribution of the Hotel Operation Expenses attributable to the Hotel Unit as advance payment of the first two months' contribution and such sum shall be non-refundable and non-transferable; and
- (c) in addition and without prejudice to any obligations and liabilities of the Owner under Clauses 10.1(a) and 10.1(b) above, pay to the Hotel Operator a sum of HK\$5,000 as security for the due payment of the utility services which may be utilised by or relating to the Hotel Room Unit and such sum shall be non-refundable but may be transferable in accordance with the provisions contained in Clause 10.4 below provided that the Hotel Operator shall be entitled to, where it considers appropriate in its sole and absolute discretion, to increase the amount of such payment and the Owner shall pay to the Hotel Operator such increase as determined and requested in writing by the Hotel Operator within such prescribed period of time.

The Owner shall make the first payment of each sum referred to in this Clause 10.1 to the Hotel Operator by not later than the date of assignment in respect of his own Hotel Unit.

- 10.2 In addition and without prejudice to any other rights or remedies of the Hotel Operator (whether under this Agreement or at law or otherwise), the Hotel Operator shall be entitled to, where it considers appropriate in its sole and absolute discretion, set off any deposit held in the name of the Owner against any sums due or owing or payable by the Owner (whether under this Agreement or at law or otherwise) and the Hotel Operator shall not be under any obligation to exercise any such right of set-off (whether in any proceedings or otherwise) and the Owner shall not have any right to require the Hotel Operator to exercise such right of set-off in any circumstances whatsoever. If the Hotel Operator considers it appropriate to exercise its right of set-off and shall have done so or if at any time during the continuance of this Agreement the total amount of deposit held in the name of the Owner and attributable to the Hotel Unit shall be less than the amount required under Clauses 10.1(a) and 10.1(c), the Hotel Operator shall be entitled to require the Owner to pay such additional amount so as to ensure that the deposit held in the name of the Owner and attributable to the Hotel Unit shall at all times be not less than the amount required under Clauses 10.1(a) and 10.1(c) for the time being.
- 10.3 If the Owner shall fail to pay any amount due, owing or payable by him to the Hotel Operator (whether under this Agreement or at law or otherwise) when due, he shall be liable to pay to the Hotel Operator on demand from the Hotel Operator:
- (a) interest on the sum due, owing or payable by the Owner which shall accrue from day to day (on the basis of a year of 365 days) for the period from the due date for the payment of such sum to the date of actual payment of such sum in full at a rate per annum equivalent to the prime lending rate for the lawful currency of Hong Kong for the time being quoted by The Hongkong and Shanghai Banking Corporation Limited and which shall accrue as well before as after judgment and shall be compounded on a monthly basis; and
 - (b) a collection charge in an amount equal to ten per cent (10%) of the aggregate amount due or owing or payable by the Owner to cover the cost of the initial extra work which may have to be undertaken by the Hotel Operator occasioned by the default;

and all of such amounts shall be paid by the Owner in addition and without prejudice to any other amounts payable by the Owner to the Hotel Operator (whether under Clause 10.5 or any other provisions of this Agreement or at law or otherwise) and in addition and without prejudice to the foregoing rights or remedies of the Hotel Operator, the Hotel Operator shall have the right to refuse to grant or terminate any grant of consent or licence, or to provide any services, in respect of such Owner's Hotel Room Unit.

- 10.4 Where the Owner shall cease to be owner of the Hotel Unit, any deposit or balance thereof held in his name and attributable to the Hotel Unit shall be transferred into the name of the new owner of the Hotel Unit and the Owner shall not be entitled to request for refund of deposit or make any claim or demand in relation thereto.

- 10.5 (a) Notwithstanding the provisions contained in Clause 5.3(c)(ii), the Hotel Operator may take any step or action (including the commencement, conduct, defence, discontinuance or settlement of legal proceedings) if the claim, in the absolute opinion of the Hotel Operator, relates to in any way with or affects the compliance with the User Covenant Provided that the Hotel Operator shall act in good faith and exercise due care and diligence in conducting such action. In addition and without prejudice to the aforesaid, the Hotel Operator shall have full power and authority to commence, institute, conduct, defend, handle or otherwise deal with any legal proceedings and/or to take any step or action whatsoever in relation to the recovery of all or any amounts which may at any time or from time to time become due or owing or payable by the Owner to the Hotel Operator and/or any other person relating to Hotel Matters (including all interest and collection charges referred to in Clause 10.3 and all losses and other amounts whatsoever arising directly or indirectly in connection with any default or breach on the part of the Owner) and/or any breach by the Owner of any provision of this Agreement or any breach of duty or obligation on the part of the Owner arising at law or otherwise and to claim in any such legal proceedings and/or action all legal and other costs and expenses and charges and all losses and other liabilities whatsoever which the Hotel Operator may suffer, sustain, incur or become liable in connection therewith or arising therefrom (and, where the Hotel Operator in its sole and absolute discretion considers appropriate, on a solicitor and own client basis).
- (b) (i) In addition and without prejudice to any other provisions in this Agreement conferring any power, authority or discretion on the Hotel Operator, the Owner acknowledges that the Hotel Operator shall have the power, but not obligation, to notify in such manner as the Hotel Operator absolutely sees fit the mortgagee (if any) of the Owner's Hotel Unit under the subsisting mortgage as appeared in the Land Registry of any material and/or persistent breach of this Agreement by such Owner as the Hotel Operator may in its sole and absolute discretion from time to time consider necessary or appropriate or where, in the opinion of the Hotel Operator, such breach would adversely affect or prejudice the renewal of the Hotel Licence.
- (ii) For the avoidance of doubt, the Hotel Operator shall not be held liable to any person, including the Owner and its mortgagee (if any) for any loss resulting from or in connection with the notification as contemplated herein or any failure of such notification. The Owner further undertakes to indemnify and hold harmless the Hotel Operator against all claims, losses, costs, damages, expenses and/or any other liabilities resulting from or in connection with the notification to the Owner's mortgagee (if any) as contemplated herein or any failure of such notification.
- (c) In any legal proceedings, step or action contemplated in Sub-clause (a) above, the Hotel Operator shall be entitled to pursue, exercise and enforce the rights and remedies against the Owner and, if Hotel Operator considers appropriate or where circumstances permit or require, the Hotel Operator shall also be

entitled to pursue, exercise and enforce all or any rights or remedies as agent for and on behalf of any other owners or any one or more of them and/or any other person and the Owner shall not raise or be entitled to raise any defence of want of authority or take objection to the right of the Hotel Operator to do so as plaintiff or otherwise.

- 10.6 In the event of the Owner failing to pay any amount due or owing or payable by him in relation to Hotel Matters or in his capacity as owner within 30 days of the date on which the same shall become due or payable, the Owner shall be obliged to charge or mortgage or procure to be charged or mortgaged to the Hotel Operator all Undivided Shares allocated to each Hotel Unit as regards which the Owner shall be the owner for the time being, together with such Hotel Unit and all or any revenue, proceeds or income whatsoever arising therefrom (including any sale proceeds or licence fees arising or derived therefrom) as security for the Owner's performance and discharge of his obligations and liabilities. The Owner shall, within fourteen (14) days of the Hotel Operator's written request, enter into and execute or procure the entering into and execution of all or any charge, mortgage and other documents (each in form and substance as the Hotel Operator may in its sole and absolute discretion require) and/or do or procure to be done all acts and things as the Hotel Operator may in its sole and absolute discretion require in order to give full effect to the provisions of this Clause 10.6 and if the Owner shall fail to do so within such 14-day period, the Hotel Operator shall be entitled to enter into and execute such charge, mortgage and other documents and do such acts and things as attorney of the Owner under Clause 10.7.
- 10.7 The Owner hereby unconditionally and irrevocably appoints, and shall be deemed to have unconditionally and irrevocably appointed, the Hotel Operator (and its successor) as his attorney (with full power of delegation and such attorney shall be entitled to act through such officer, employee, agent, representative and/or person as the attorney may from time to time in its sole and absolute discretion consider appropriate) and in his name and on his behalf and as his act or deed or otherwise, to do all or any acts and things and to take all or any steps or action and to approve, date, execute under hand or under seal and/or deliver all or any charge, mortgage, deed and/or any other documents (in each case in such manner and on such terms and conditions as such attorney may in its sole and absolute discretion consider appropriate) (whether or not in conjunction with any other person) for the purpose of implementing or otherwise giving effect to the provisions of Clause 10.6 above. The Owner hereby unconditionally and irrevocably undertakes to the Hotel Operator that he shall approve and ratify and confirm his approval and ratification of all that the Hotel Operator (and/or, where applicable, its successor) as attorney as aforesaid shall do or cause to be done and that such power of attorney so given shall be binding on the personal representative, successor-in-title and/or assignee of the Owner. The Owner further acknowledges, agrees and confirms that the power of attorney contained in this Clause shall be given by the Owner to the Hotel Operator (and its successor) as security for the due performance and discharge by the Owner of his obligations and/or liabilities under Clause 10.6 above owed to the Hotel Operator and accordingly such power of attorney shall not be revocable or revoked by the Owner except with the prior written consent of the Hotel Operator or by the death, incapacity or bankruptcy of the Owner or, if the Owner is a corporation, by its winding up or dissolution.

10A. SET-OFF/REGISTRATION

- 10A.1 In addition and without prejudice to any general or other lien, right of set-off or similar right to which the Hotel Operator may be or become entitled at any time or from time to time (whether under this Agreement or at law or otherwise), the Hotel Operator shall have full right and power and is hereby authorised, at any time or from time to time without notice to or consent of the Owner or any other person (the requirement of any such notice or consent is hereby expressly waived by the Owner), to set off, withhold, deduct, appropriate and/or apply any sums and moneys whatsoever at any time or from time to time held by the Hotel Operator for the credit or on account of or on behalf of or on trust for the Owner or to which the Owner may from time to time be or become entitled beneficially (including, in particular and without limitation, amounts from time to time payable by the Hotel Operator to the Owner), against all or any amounts from time to time payable or due or owing by the Owner or for the settlement or satisfaction of any obligations and liabilities on the part of the Owner (whether actual or contingent).
- 10A.2 The Hotel Operator shall be fully entitled to register or cause or arrange for the registration of this Agreement and/or any other documents with any public registry, court or any authority if the Hotel Operator in its sole and absolute opinion considers appropriate to do so.

11. MANAGEMENT RECORDS AND ACCOUNTS

- 11.1 The Hotel Operator may make such rules and provisions as contained in the Hotel Operation Rules from time to time as regards the keeping of the books or records of accounts and other financial records of monies received or expended by the Hotel Operator in the exercise of its powers and duties under this Agreement.
- 11.2 In addition to and without prejudice to the generality of the power of the Hotel Operator as more particularly prescribed for in the Hotel Operation Rules in relation to the keeping of the books or records of accounts and other financial records, the Hotel Operator shall have power to appoint a firm of certified public accountants to audit the accounts and records of the Hotel Operator concerning the management of the Hotel and to certify the annual accounts prepared in accordance with the provisions of this Clause 11. The Hotel Operator shall further have power to replace such firm and to appoint another firm in their place as it may deem necessary from time to time provided that the Hotel Operation Owners' Committee or the Owners of Hotel Units may at a meeting choose to appoint an auditor of their choice from time to time. If there is a Corporation and the Corporation decides, by a resolution of the Owners of Hotel Units, that any income and expenditure account and balance sheet should be audited by an accountant or by some other independent auditor as may be specified in the resolution, the Hotel Operator shall without delay arrange for such an audit to be carried out by that person.
- 11.3 (a) Subject to Sub-clause (b) of this Clause 11.3, if the Hotel Operator's appointment ends for any reason, it shall, as soon as practicable after its appointment ends, and in any event within 14 days of the date its appointment ends, deliver to the Hotel Operation Owners' Committee or the manager

appointed in its place any movable property in respect of the control, management and administration of the Hotel if and to the extent that the same shall be under its control or in its custody or possession and shall belong to the Corporation (if any) or the Owners of Hotel Units but not belonging to the Hotel Operator.

(b) If the Hotel Operator's appointment ends for any reason, it shall within 2 months of the date its appointment ends:

(i) prepare:

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

(2) a balance sheet as at the date its appointment ends,

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

(ii) deliver to the Hotel Operation Owners' Committee/ or the hotel operator appointed in its place any books or records of account, papers, documents, plans and other records which are required for the purpose of the preceding Sub-clause (b)(i) of this Clause 11.3 and have not been delivered under Sub-clause (a) of this Clause 11.3.

11.4 All costs and expenses of any accountant or auditor (whether or not appointed or selected or chosen by Hotel Operator or pursuant to resolution of Hotel Operation Owners' Committee or Owners of Hotel Units and whether or not before or after the formation of the Corporation) in respect of any works or services provided or to be provided by such accountant or auditor as contemplated in Clause 11.2, 11.3 and/or any other provisions of this Agreement or otherwise relating to Hotel Matters shall be regarded as and shall form part of Hotel Operation Expenses.

12. DAMAGE/DESTRUCTION OF HOTEL

Without affecting the provisions as contained in the Sub-DMC and for the avoidance of doubt, all insurance monies received by the Hotel Operator in respect of any policy of insurance on the damaged part(s) of the Hotel in the event of the whole or any part of the Hotel being so damaged by fire typhoon earthquake subsidence or other causes so as to render the same substantially unfit for habitation or occupation shall likewise be distributed amongst such former owners in accordance with the Sub-DMC. If it is resolved in the said meeting that the damaged part(s) of the Hotel or any part thereof shall be reinstated or rebuilt, each owner thereof shall pay his due proportion of the excess of the cost of reinstatement or rebuilding thereof over and above the proceeds

from the insurance attributable thereto and that until such payment the same will be a charge upon his interest in the Hotel Units and be recoverable as civil debt.

13. ACCESS

- 13.1 Notwithstanding any provision contained in this Agreement to the contrary, the Hotel Operator, its servants, employees, agents and/or any other persons at any time or from time to time authorized by the Hotel Operator shall be entitled to full and unrestricted access to the Hotel Room Unit and/or any other parts of the Hotel for the performance or discharge of any duties or obligations or for the exercise, pursuit or enforcement of any right or remedy on the part of the Hotel Operator (whether under this Agreement or any other hotel operation agreement or the Sub-DMC or at law or otherwise).
- 13.2 In addition and without prejudice to the generality of the provisions contained in Clause 13.1 above, the Owner shall allow access to the Hotel Room Unit to any person as the Hotel Operator may from time to time authorise, require or permit for enabling or facilitating or relating to the Hotel Unit being used as part of or for the purpose of the Hotel or for or relating to Hotel Matters (including without limitation the granting of licence or sub-licence or sub-sub-licence or likewise of the Hotel Room Unit, the application, renewal or compliance with or maintaining the validity of any Permit, compliance with this Agreement and the Hotel Operation Applicable Conditions and all applicable laws or regulations, the undertaking of any works or inspection by the Hotel Operator, the Licensing Authority and/or other Government authority or competent authority).

14. SALE OR OTHER DISPOSAL OF HOTEL ROOM UNIT

- 14.1 The Owner hereby agrees with and undertakes to the Hotel Operator and as a separate covenant covenants with each other Owner that:
- (a) the Owner shall not sell, assign, or otherwise dispose of or deal with the Hotel Unit or any interest therein unless and until the Owner shall procure the subsequent purchaser, assignee or successor-in-title to enter into the sale and purchase agreement and the assignment relating thereto, each of which shall contain (including without limitation) covenants as set out in the Appendix I ("Covenants") and which shall not contain any other covenants or provisions that may restrict in any way or extent the effect and validity of any or all of the Covenants;
 - (b) the Owner shall within 14 days from the entering into of the assignment or other deeds or documents effecting the sale, assignment or otherwise disposing of or dealing with the Hotel Unit or any interest therein, inform the Hotel Operator of such sale, assignment, disposal and/or dealing together with such information of the sale, assignment, disposal and/or dealing (as the case may be) as may be requested by the Hotel Operator.
- 14.2 Any person ceasing to be an Owner of any Undivided Share(s) of and in the Hotel Units shall thereupon cease to have any interest in any funds held by the Hotel

Operator including any deposit and/or contributions (whether in relation to the Hotel Operation Fund) paid under this Agreement to the intent that all such funds shall be held and applied for the management of the Hotel Units irrespective of changes in the ownership of the Undivided Share(s) of and in the Hotel Units PROVIDED that any deposit if any (whether in relation to the Hotel Operation Fund) shall be transferred into the name of the new Owner of the Hotel Unit of such Undivided Share(s) AND PROVIDED further that upon the Land reverting to the Government or no renewal of the Government Grant being obtainable or upon the rights and obligations hereunder being extinguished as provided in Section VII of the Principal Deed or Clause 12.1 hereof, any balance of the said funds or in the case of extinguishment of rights and obligations as aforesaid an appropriate part of the said funds in respect of the Hotel Units shall be divided between the then Owners of the Hotel Units in proportion to the respective contributions made by them or their respective predecessors under the provisions of this Agreement immediately prior to such reversion or in the case of extinguishment of rights and obligations as aforesaid between the Owners of the Hotel Units whose rights and obligations are subject to such deduction of all charges and other amounts whatsoever paid or payable by or to the Hotel Operator (including the Hotel Operator's Remuneration and Other Entitlements) for any works or services rendered in connection with the said division up to the date when the balance of the said funds is completely divided and distributed.

15. MEETINGS AND RESOLUTIONS OF OWNERS OF HOTEL UNITS

15.1 The Owner hereby agrees and undertakes to the Hotel Operator and as a separate covenant covenants with each other Owner that:

- (a) the Hotel Operation Owners' Committee with the same composition as the Hotel Owners' Committee (as defined in the Sub-DMC) shall be formed as soon as practicable after the formation of the Hotel Owners' Committee;
- (b) the provisions and procedures for the meeting and the election of members in relation to the Hotel Owners' Committee contained in the Sub-DMC shall apply mutatis mutandis to the Hotel Operation Owners' Committee;
- (c) the Hotel Operator may make such rules and provisions as contained in the Hotel Operation Rules from time to time as regards the provisions and procedures for the meeting and the election of members in relation to the Hotel Operation Owners' Committee, provisions and procedures for the meeting of the Owners of the Hotel Units and such other provisions relating to the Hotel Operation Owners' Committee and Owners of the Hotel Units as the Hotel Operator sees fit and that such rules and provisions shall be followed by and binding on the Owners;
- (d) in addition and without prejudice to the provisions on the meetings of the Owners and meeting of the Hotel Operation Owners' Committee contemplated under this Agreement and without in any way limiting the generality of the

other provisions of this Agreement, the Hotel Operator shall have the power and duty to, from time to time, compile rules and regulations governing:

- (i) the convening, conduct and procedure of meetings of the Owners under and pursuant to this Agreement, the Hotel Operation Owners' Committee and any sub-committees thereof;
- (ii) the establishment, appointment and constitution of sub-committees of the Hotel Operation Owners' Committee;
- (iii) the conduct of the ballot for the election or re-election of Owners as members of the Hotel Operation Owners' Committee and any sub-committees thereof;
- (iv) all other matters to regulate the meetings of the Owners of the Hotel Units under and pursuant to this Agreement, the Hotel Operation Owners' Committee and any sub-committees thereof and to facilitate the transaction of business thereat.

For the avoidance of doubt, if any rules or regulations made pursuant to this Clause 15.1 shall conflict with the other provisions(s) of this Agreement or the Building Management Ordinance (Chapter 344 of the Laws of Hong Kong), the latter shall prevail;

- (e) subject as otherwise provided in this Agreement, the Hotel Operator shall, convene such meetings of the Owners as may be necessary or requisite or required by the provisions of this Agreement;
- (f) the provisions set out in Clause 15.1 of this Agreement as regards meeting(s) of owner(s) of Hotel Unit(s), Hotel Room Unit(s), Hotel Car Parking Space(s), or Hotel Operation Owners' Committee (as the case may be) and any rules and regulations made by the Hotel Operator under and pursuant to Clause 15.1(c) and (d) shall be deemed to have been incorporated in this Agreement and shall form part of this Agreement and shall be binding on the parties hereto.

- 15.2 Any resolution of owner(s) of Hotel Unit(s), Hotel Room Unit(s) or Hotel Car parking Space(s) (as the case may be) passed in accordance with the provisions contemplated under this Agreement shall, if the same shall be applicable to the Owner or the Hotel Unit or any interest therein or any right or obligation relating thereto or any right, interest, remedy, duty or obligation whatsoever on the part of the Owner as owner, be binding on the Owner and the Owner shall comply with the same in all respects.

16. FURTHER ASSURANCE

The Owner hereby agrees with and undertakes to the Hotel Operator and as a separate covenant covenants with each other Owner that the Owner shall at any time or from time to time do and execute or procure to be done and executed all or any acts, deeds, matters, things and documents whatsoever as the Hotel Operator may at any time or

from time to time require for carrying out, implementing or giving effect to this Agreement, the Hotel Operation Rules or any agreement or arrangement whatsoever from time to time relating to Hotel Matters (including for the purpose of enabling or facilitating the Hotel Room Unit and other Hotel Units to be operated and managed as part or for the purpose of the Hotel or any work or activity or any act or thing to be carried out or done in compliance with all Hotel Operation Applicable Conditions, applicable laws and regulations and any order, direction and requirement of any government or other authority or court).

17. POWER OF ATTORNEY

- 17.1 The Owner hereby unconditionally and irrevocably appoints, and shall be deemed to have unconditionally and irrevocably appointed, the Hotel Operator (and its successor) as attorney of the Owner (with full power of delegation and such attorney shall be entitled to act through such officer, employee, agent, representative and/or nominee as the attorney may from time to time consider appropriate) and in the name of the Owner or, where the Hotel Operator considers appropriate, the name of the Hotel Operator and on behalf of and as the act or deed of the Owner or otherwise, to do all or any acts and things and to take all or any steps or action (including commencement, conduct, defence, discontinuance, settlement of or otherwise handling or dealing with legal proceedings) and to approve, date, execute under hand or under seal and/or deliver all or any deeds and/or any other documents (in each case in such manner and on such terms and conditions as such attorney may in its sole and absolute discretion consider appropriate) (whether or not in conjunction with any other person) for the purpose of carrying out, implementing or otherwise giving effect to all or any provisions of this Agreement, the Hotel Operation Rules and/or any other agreement or document at any time or from time to time to which the Owner is or shall be subject or liable or for performance or discharge of any duty or obligation or exercise or pursuit of any right or remedy on the part of the Owner relating to Hotel Matters (whether under this Agreement or at law or otherwise) or for acting as agent of the Owner in or in relation to any matter provided or contemplated in this Agreement; and the Owner hereby unconditionally and irrevocably undertakes to the Hotel Operator that he shall approve and ratify and confirm his approval and ratification of all that the Hotel Operator (and/or, where applicable, its successor) as attorney as aforesaid shall do or cause to be done in the ordinary course of business of managing and operating the Hotel and that such power of attorney so given shall be binding on the personal representative, successor-in-title and/or assignee of the Owner.
- 17.2 The Owner hereby acknowledges and agrees that the power of attorney referred to in Clause 17.1 above shall be given by the Owner to the Hotel Operator (and its successor) as security for the due performance and discharge by the Owner of his obligations and/or liabilities towards the Hotel Operator under this Agreement, the Hotel Operation Rules and/or any other agreement or document to which the Owner is or shall be subject or liable or at law or otherwise and accordingly such power of attorney shall not be revocable or revoked by the Owner except with the prior written consent of the Hotel Operator or by the death, incapacity or bankruptcy of the Owner or, if the Owner is a corporation, by its winding up or dissolution.

18. INDEMNITY

- 18.1 The Owner hereby agrees with and undertakes to the Hotel Operator and as a separate covenant covenants with each other Owner that the Owner shall fully indemnify and keep the Hotel Operator and every other owner fully indemnified from and against all or any claims, demands, steps, actions or proceedings whatsoever brought or threatened by or against the Hotel Operator and/or such other owner (as the case may be) and all or any losses which the Hotel Operator and/or such other owner (as the case may be) may suffer, sustain, incur or become liable, directly or indirectly, arising from or in connection with any breach by the Owner of any of his duties or obligations under this Agreement, the Hotel Operation Rules, any other agreement or document at any time or from time to time to which the Owner is or shall be subject or liable at any time or from time to time, any Hotel Operation Applicable Conditions or any other applicable laws or regulations or at law or otherwise (and including any duty, obligation or liability in respect of any act, omission or neglect on the part of the Owner or any agent, representative, servant, employee, nominee, or guest of the Owner, or any person or licensee using, occupying or entering into the Hotel Room Unit or any other part of the Hotel pursuant to licence or permission granted in accordance with this Agreement), and the Hotel Operator shall be fully entitled to pursue all or any rights and remedies as the Hotel Operator may in its sole and absolute discretion consider appropriate and to recover all or any losses whatsoever for the Hotel Operator itself or as agent on behalf of any other owner(s). The Owner hereby further agrees with and undertakes to the Hotel Operator and as a separate covenant covenants with each other Owner that the necessary costs for the commencement, conduct and/or defence of the relevant legal proceedings by the Hotel Operator against the licensee or other person pursuant to the licence agreement referred to in Clause 6.7 shall be provided to the Hotel Operator by the Owner prior to taking of the relevant action above, if so requested by the Hotel Operator at its sole and absolute discretion as it considers fit, and if such costs are not provided by the Owner to the Hotel Operator when so required, the Hotel Operator shall be entitled to elect to pursue the relevant proceedings or not, without prejudice to the indemnity given in the above of this Clause 18.1.
- 18.2 The Owner hereby agrees with and undertakes to the Hotel Operator and as a separate covenant covenants with each other Owner that, where the Hotel Operator may suffer, sustain, incur or become liable for any charges or losses or other amounts directly or indirectly in relation to any act, thing or work performed or done or to be performed or done or any step or action taken or to be taken pursuant to or relating to any request of the Owner or for or relating to the Hotel Unit (including the acquisition or installation of structures and other items or the undertaking of any work or activity), and if, in the sole and absolute opinion of the Hotel Operator, such charges or losses or other amounts shall not be charged as part of Hotel Operation Expenses or and shall be borne solely by the Owner alone or together with other person(s), the Hotel Operator shall be fully entitled to hold the Owner alone or, where applicable, together with the said persons liable for the same or the relevant part thereof (and where the same shall be borne by more than one person, on such basis and in such proportions, whether joint, several or joint and several as the Hotel Operator considers appropriate) and the Owner shall indemnify and keep the Hotel Operator fully indemnified from and against the same by payment in cash on demand.

- 18.3 Any amount payable by the Owner under Clauses 18.1 and/or 18.2 above shall be in addition and without prejudice to the Owner's obligations and liabilities to pay any amount under Clause 8 and/or any other provisions of this Agreement and vice versa.

19. APPOINTMENT OF HOTEL OPERATOR

- 19.1 (a) The operation, keeping, management and other control of the Hotel and every part thereof shall be undertaken by and under the continuous and personal supervision of the Hotel Operator for the upkeep of the hotel operations and the carrying out of Hotel Matters inter alia, the obtaining, maintaining and renewal of the Hotel Licence and for facilitating the Owners in the strict compliance with, implementation and enforcement of the User Covenant, subject to and upon the terms and conditions of this Agreement.
- (b) The appointment of the Hotel Operator shall not be terminated at any time before the 15th anniversary (the "Date") of the date of this Agreement and thereafter the Hotel Operator shall continue to manage the Hotel on the same terms and conditions as provided in this Agreement, unless (i) the Hotel Operator is in material breach of this Agreement with a resolution at a meeting of the Owners of the Hotel Units duly convened is passed by a majority of Owners of the Hotel Units holding MORE than seventy-five percent (75%) of the Undivided Shares in aggregate (excluding the Undivided Shares allocated to the Hotel Common Areas and the Hotel Common Facilities) of the Hotel resolving that the Hotel Operator's breach of its duties or obligations under this Agreement would result in the non-renewal or cancellation of the Hotel Licence (and in each of such event, provisions set out in Clause 19.5(a) shall be applicable notwithstanding any contrary provisions of this Agreement) or (ii) the Hotel Operator commits fraud or dishonesty when exercising or performing its powers or obligations under this Agreement or the Hotel Operator's breach of its duties or obligations under this Agreement is the sole cause of the non-renewal or cancellation of the Hotel Licence or the Hotel Operator is wound up or has a receiving order made against it (and in each of such event, provisions set out in Clause 19.5(b) shall be applicable notwithstanding any contrary provisions of this Agreement), notwithstanding the Hotel Operator ceasing to be the Hotel Manager in accordance with the provisions of the Sub-DMC.
- (c) After the Date (as defined in Clause 19.1(b)), the appointment of the Hotel Operator may be terminated:
- (i) by the Hotel Operator by resignation from such appointment giving of not less than six months' notice in writing to the Hotel Operation Owners' Committee (or where there is no Hotel Operation Owners' Committee, by giving such notice to each of the Owners of the Hotel Units) and by displaying such a notice in a prominent place in the Hotel. Such notice may be given by delivering it personally to the Owners or by sending it by post to the Owners at his last known address or by leaving it at his Hotel Unit or by depositing it in the letterbox of his Hotel Unit if available, provided that if any Hotel Unit

is co-owned or jointly owned by more than one Owner (whether as joint tenants or tenants in common or otherwise), such notice delivered or sent pursuant to Clause 22.3 shall be deemed to be validly served on each co-Owner or each joint Owner of the relevant Hotel Unit;

- (ii) by removal (without compensation) by the Hotel Operation Owners' Committee or the Corporation (if formed) as per Clause 19.5 hereof.

19.2 The Owner shall not be entitled to terminate this Agreement and/or, save as expressly provided in Clause 19.1 above and in accordance with the provisions thereof, to terminate the appointment of the Hotel Operator, whether by any means or in any circumstances whatsoever and this Agreement shall not be construed to contain any implied term or provision allowing the Owner to do so. The parties hereto further acknowledge and agree that in the event that the Owner shall, or shall seek to, wrongfully repudiate or terminate this Agreement and/or the appointment of the Hotel Operator, damages shall not be an adequate remedy and the Hotel Operator shall be entitled to other remedies and relief including specific performance, injunction and other equitable relief.

19.3 Termination of the appointment of the Hotel Operator in any circumstances whatsoever shall not prejudice or affect any right or remedy accrued to or any liability arising on the part of any party hereto prior to the termination of the appointment of the Hotel Operator or any provision of this Agreement which, according to its terms, shall continue to apply notwithstanding such termination.

19.4 The Owner hereby acknowledges, agrees and confirms, for the avoidance of doubt, that any sale, transfer, assignment or other disposition of the Hotel Unit or any interest therein or any agreement to do so shall not affect any obligation or liability on the part of the Owner under or pursuant to this Agreement for any antecedent breach and the Owner shall remain fully liable for the same.

19.5 Subject to the provisions in Clause 19.1,

- (a) the appointment of the Hotel Operator shall not be terminated in any circumstances whatsoever unless the Hotel Operation Owners' Committee or the Corporation (if formed) shall procure that another duly qualified and experienced hotel operator shall be appointed as the new Hotel Operator upon the sanction of a resolution at a meeting of the Owners of the Hotel Units duly convened and passed by a majority of Owners of the Hotel Units holding MORE than seventy-five percent (75%) of the Undivided Shares in aggregate (excluding the Undivided Shares allocated to the Hotel Common Areas and the Hotel Common Facilities) of the Hotel and the Hotel Operation Owners' Committee or the Corporation (if formed) shall on behalf of the Owners of the Hotel Units enter into a confirmation of appointment with such new Hotel Operator and before the giving of not less than six months' notice in writing to the Hotel Operator and such appointment of the new Hotel Operator shall take effect forthwith upon termination of the appointment of the Hotel Operator in accordance with the provisions set out in Clause 19.1(c).

- (b) in the event that the Hotel Operator is wound up or has a receiving order made against it or resigns pursuant to Clause 19.1, or if it is purported to terminate the appointment of the Hotel Operator due to its fraud or dishonesty when exercising or performing its powers or obligations under this Agreement or due to the fact that the breach of the Hotel Operator's duties or obligations under this Agreement is the sole cause of the non-renewal or cancellation of the Hotel Licence pursuant to Clause 19.1(b), the Hotel Operation Owners' Committee or the Corporation (if formed) shall promptly procure that another duly qualified and experienced hotel operator shall be appointed as the new Hotel Operator upon the sanction of a resolution at a meeting of the Owners of the Hotel Units duly convened and passed by a majority of Owners of the Hotel Units holding MORE than fifty percent (50%) of the Undivided Shares in aggregate (excluding the Undivided Shares allocated to the Hotel Common Areas and the Hotel Common Facilities) of the Hotel and the Hotel Operation Owners' Committee or the Corporation (if formed) shall on behalf of the Owners of the Hotel Units enter into a confirmation of appointment with such new Hotel Operator with rights duties and obligations that shall be identical with those out in this Agreement.

19.6 Subject to the other provisions of this Agreement, the confirmation of appointment made between PWL, the Covenantee Owner and the Hotel Operator and any resolution of the appointment of the new Hotel Operator and the entering into a confirmation of appointment by the Hotel Operation Owners' Committee or the Corporation (if formed) pursuant to Clause 19.5 shall be deemed to have been incorporated in this Agreement and shall form part of this Agreement and shall be binding on the parties hereto including the new Hotel Operator for such term during the appointment of that new Hotel Operator.

19.7 For the avoidance of doubt,

- (a) this Agreement shall not be terminated notwithstanding the appointment of the new Hotel Operator pursuant to this Clause 19 or otherwise;
- (b) any terms and/or conditions set out in the confirmation of appointment as referred to in Clause 19.6 shall not be contrary to any terms and/or conditions set out in this Agreement;
- (c) any terms and/or conditions set out in the confirmation of appointment as referred to in Clause 19.6 shall only be valid for such term during the appointment of the relevant Hotel Operator and shall be subject to such change(s) as shall be approved by PWL (only in the event that PWL holds not less than fifty percent (50%) of the Undivided Shares in aggregate (excluding the Undivided Shares allocated to the Hotel Common Areas and the Hotel Common Facilities)) or sanctioned by a resolution at a meeting of the Owners of the Hotel Units duly convened and passed by a majority of Owners of the Hotel Units holding MORE than fifty percent (50%) of the Undivided Shares in aggregate (excluding the Undivided Shares allocated to the Hotel Common Areas and the Hotel Common Facilities) of the Hotel.

20. TAXATION

- 20.1 The Owner agrees with and undertakes to the Hotel Operator that the Owner shall fully pay and discharge all liabilities for Taxation falling on the Owner when due.
- 20.2 In addition and without prejudice to the provisions contained in Clause 20.1, the Owner shall be liable for filing any return or providing any information to any authority relating to Taxation as such Owner may at any time or from time to time be or become obliged or liable or required to do so under applicable laws or regulations or by the relevant authority, provided that the above shall not affect or prejudice the full power and authority of the Hotel Operator to complete, file and submit tax return and provide information to any authority on or relating to Taxation (if any) payable or paid under any applicable laws or regulations as regards Taxation paid or caused or arranged to be paid by Hotel Operator. Each Owner hereby expressly acknowledges and agrees that the Hotel Operator shall owe no duty to any of the Owners to complete, file and/or submit any tax return and/or provide information to any authority on Taxation and the Hotel Operator shall not be liable for any failure or delay to do any such acts and the Owner shall not (and shall not be entitled to) bring, make or threaten any claim or demand whatsoever against the Hotel Operator in relation to any such acts done by or on behalf of the Hotel Operator or any failure or delay to do such acts due to any reason or on any ground whatsoever.
- 20.3 The Owner undertakes to indemnify and hold harmless the Hotel Operator against all claims, losses, costs, damages, expenses and/or any other liabilities resulting from or in connection with that Owner's filing of any return or provision of any information to any authority on or relating to Taxation or that Owner's payment or discharge of any liability for Taxation falling on that Owner or any failure or delay in doing so in accordance with any applicable laws or regulations or as required by the relevant authority.

21. HOTEL OPERATION RULES

The Owner hereby agrees with and undertakes to the Hotel Operator and as a separate covenant covenants with each other Owner that the Hotel Operator shall have full power and authority to make, impose, lay down, prescribe, amend, revoke and/or supplement the Hotel Operation Rules at any time or from time to time in its sole and absolute discretion provided that the Hotel Operation Rules shall not contravene any applicable laws, the provisions of the Government Grant, the Principal Deed, the Sub-DMC and this Agreement. The Owner acknowledges and agrees that the Hotel Operation Rules shall be binding on the Owner and other owners and the licensees, sub-licensees, representatives, employees or agents of or any other persons claiming under or through the Owner and/or other owners respectively and any guest, occupier and/or any other person whomsoever occupying, enjoying, entering into or using the Hotel or any part thereof (including the Hotel Room Unit) or any services or facilities thereat or carrying out any business, operation, work or activity whatsoever thereat or relating thereto and/or any other person whomsoever having access to the Hotel or any part thereof (including the Hotel Room Unit). A copy of the Hotel Operation Rules (or such extracts or parts thereof as the Hotel Operator may in its sole and absolute discretion from time to time consider necessary or appropriate) from time to

time in force shall be available for inspection in the Hotel upon request and during normal business hours.

22. NOTICE

- 22.1 Subject to Clause 22.3, any notice, demand or other communication given or made under this Agreement shall be in writing and delivered personally or sent by prepaid registered post provided that the exhibition of a notice on a public notice boards in the prominent place of the Hotel for three consecutive days shall be due notice of the contents thereof made by the Hotel Operator to each Owner, his licensees, sub-licensees, servants and agents (for the avoidance of doubt, this Clause 22.1 shall not be applicable to the notice given by the Hotel Operator as referred to in Clause 19.1(c)(i)).
- 22.2 Subject to Clause 22.3, each Owner shall notify the Hotel Operator of the name and address of the person authorized by him to accept service of process; and each Owner must provide the Hotel Operator with an address within the jurisdiction for service of notices under the terms of this Agreement, failing which the address of his Hotel Unit shall be deemed to be his address for service.
- 22.3 If any Hotel Unit is co-owned or jointly owned by more than one Owner (whether as joint tenants or tenants in common or otherwise), all co-Owners or all joint Owners in respect of the same Hotel Unit shall provide one (but not more than one) address in writing (as signed by all such Owners) to the Hotel Operator for the purpose of receiving notice, demand or other communication and/or accepting service of process pursuant to this Agreement, and any such communication delivered or sent to such address pursuant to this Agreement shall be deemed to be validly served on all such co-Owners or all joint Owners of the same Hotel Unit. If the co-Owners or joint Owners fail to provide the address as aforesaid, any communication given by the Hotel Operator and delivered or sent to any last known address of any of such co-Owners or any of such joint Owners of the Hotel Unit shall be deemed to be validly served on all such co-Owners or all such joint Owners of the same Hotel Unit. For any change of the address provided by all co-Owners or all joint Owners of the Hotel Unit under this Clause 22.3, no instruction will be regarded to be valid and effective unless it is in writing and signed by all co-Owners or all joint Owners of the same Hotel Unit and given to the Hotel Operator in accordance with this Agreement.

23. MISCELLANEOUS

- 23.1 No failure or delay by the Hotel Operator in exercising any right, power or remedy under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of the same preclude any further exercise thereof or the exercise of any other right, power or remedy. No waiver by the Hotel Operator of a breach of any provision hereof shall be valid unless expressly made in writing and executed by the Hotel Operator and no waiver, even if granted by the Hotel Operator, shall be deemed to be a waiver of any subsequent breach of that or any other provision hereof. The rights and remedies of the Hotel Operator under this Agreement shall be cumulative

and shall not prejudice or otherwise affect any rights or remedies of the Hotel Operator at law or otherwise.

- 23.2 The Hotel Operator shall be entitled to give or withhold any consent or waiver in its sole and absolute discretion and in each case upon and subject to any terms and conditions as the Hotel Operator may in its sole and absolute discretion consider appropriate and any reference in this Agreement to any such consent or waiver shall include, where applicable, the terms and conditions upon and subject to which any such consent or waiver may be given, issued, granted or renewed from time to time.
- 23.3 Notwithstanding any provisions in this Agreement to the contrary, the Hotel Operator shall be entitled to delegate all or any of its powers or duties to any person whomsoever as the Hotel Operator may in its sole and absolute discretion consider appropriate in the ordinary course of business of managing and operating the Hotel, and to appoint any agent and/or any other persons whomsoever as the Hotel Operator may in its sole and absolute discretion consider appropriate to provide or perform any services and/or to carry out any duties or obligations on behalf or on the part of the Hotel Operator as operator or manager of the Hotel (whether arising under this Agreement or any other applicable hotel operation agreement or at law or otherwise), in each case to such extent and in such manner and upon and subject to such terms and conditions as the Hotel Operator may in its sole and absolute discretion consider appropriate, provided that save whether the parties may agree otherwise in writing, such delegation or appointment shall not affect any right, remedy, duty or obligation as between Hotel Operator on the one part and the Owner on the other part as provided in this Agreement.
- 23.4 Any due date for payment of any amount or performance or discharge of any obligation or liability on the part of the Owner under this Agreement shall be of the essence of this Agreement. In the event where there is no due date expressly provided in this Agreement for any such payment, performance or discharge, the same shall be due for payment, performance or discharge by the Owner by such due date as the Hotel Operator may require from time to time or, in the absence of any due date expressly required by the Hotel Operator, within 7 days of the Hotel Operator's written demand for such payment, performance or discharge.
- 23.5 The Owner shall not assign this Agreement or all or any of his rights or obligations hereunder except with the prior written consent of the Hotel Operator but, subject thereto, this Agreement shall be binding on and shall enure for the benefit of each party's successors and permitted assigns. Without in any way affecting the provisions set out in Clause 23.3, the Hotel Operator shall not assign this Agreement or all or any of its rights or obligations under this Agreement.
- 23.6 None of the provisions of this Agreement shall be construed or deemed to constitute a partnership relationship between the parties hereto and the Owner shall not have any authority to bind the Hotel Operator in any way.
- 23.7 If any term or provision contained in this Agreement shall be found to be invalid or unenforceable for any reason, such term or provision shall be deemed to have been deleted from this Agreement and the remaining provisions of this Agreement shall continue in full force and effect.

- 23.8 Each party hereto shall bear its own costs and expenses of and incidental to the preparation, negotiation and execution of this Agreement.
- 23.9 Any obligation or liability on the part of the Owner or the Hotel Operator (as the case may be) under this Agreement shall be in addition to any other obligations or liabilities on the part of the Owner or the Hotel Operator (as the case may be) under the Principal Deed and/or Sub-DMC or at law or otherwise and vice versa.
- 23.10 Save as expressly provided otherwise and subject to the Owner's right to appoint Marketing Agent in respect of Marketing Matters in relation to the Owner's Hotel Room Unit in accordance with this Agreement, the Owner hereby acknowledges, agrees and confirms that, notwithstanding any provision in this Agreement to the contrary:
- (a) each and every duty, service or task performed or provided or to be performed or provided by the Hotel Operator as agent or attorney of or on behalf of or for the benefit of the Owner; and/or
 - (b) each and every right, power or remedy pursued, enforced or exercised or exercisable or to be pursued, enforced, exercised or exercisable by the Hotel Operator as agent or attorney of or on behalf of or for the benefit of the Owner;
- shall in each case be so performed, provided, pursued, enforced, exercised or exercisable only by the Hotel Operator or any agent, employee, officer or person authorised by the Hotel Operator; and the Owner shall not (and shall not be entitled to) perform, provide, pursue or exercise the same (whether by the Owner himself or through any person except through the Hotel Operator or its agent, employee, officer or authorised person as aforesaid) unless with the prior written consent of the Hotel Operator.
- 23.11 The laundry service and the swimming pool facilities provided within the designated common area of the Hotel shall be operated by the Hotel Manager (whether or not tenancy arrangement is made) and any income, profit or loss deriving from, arising out of, attributable to and/or in connection with the operation of the aforesaid laundry service and swimming pool facilities shall be attributable to the Hotel Management Fund (as defined in the Sub-DMC) and shall be shared by the Owners of the Hotel Room Units accordingly.
- 23.12 Each Owner shall upon execution of the assignment of the Hotel Unit notify the Hotel Operator in writing of his acquisition of the Undivided Share(s) in the Hotel Room Unit and (if required by the Hotel Operator where it sees fit) shall declare to the Hotel Operator such matters including without limitation the appointment of Marketing Agent for the Hotel Room Unit as the Hotel Operator may require.

24. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the Hong Kong and the parties hereto irrevocably submit to the non-exclusive jurisdiction of the Hong Kong courts.

25. HOTEL OPERATION PARAMOUNT

25.1 Notwithstanding any provisions of this Agreement and/or any other documents to which the Owner is subject to by reason of the Owner's interest in the Hotel Unit under the applicable law, the Hotel Operator shall have the absolute right without incurring any liability to the Owner, to do all such acts and things which they shall in their sole discretion consider necessary or expedient to ensure the upkeep of hotel operation, the obtaining, maintaining and renewal of the Hotel Licence and the compliance with the User Covenant. The Owner undertakes that it will co-operate to effect to the maximum extent the implementation of any such acts and things as stipulated or required by the PWL or the Hotel Operator for the upkeep of hotel operation, the obtaining, maintaining and renewal of the Hotel Licence and the compliance with the User Covenant and shall waive all claims, rights and interest which it may have against the PWL or the Hotel Operator in respect of any such acts or things done or any supplemental agreement or any other measures taken by the PWL or the Hotel Operator in accordance with this Clause 25.

25.2 The Owner shall take all steps to ensure that the upkeep of hotel operation, the carrying out of the Hotel Matters, inter alia, the obtaining, maintaining and renewal of the Hotel Licence and the compliance with, implementation and enforcement of the User Covenant shall in no way be adversely affected and shall procure such person or persons within the power of the Owner to be co-operative with the Hotel Operator to the maximum extent that the operation, keeping, management and control of the Hotel Units and every part thereof shall come under the continuous and personal supervision of the Hotel Operator and the Owner acknowledges that the monetary damages may not be a sufficient remedy for any breach of this Agreement and that each of the other parties hereto (including their respective successors-in-title and persons deriving title under or through him or them and any of their respective chargee who may be appointed under any instrument or by operation of law) shall be entitled, without waiving any other rights and remedies, to equitable relief and injunctive relief as may be deemed proper by a court of competent jurisdiction.

26. COVENANTS

All covenant made by the Owners in this Agreement are made by him on behalf of himself, his successors-in-title and persons deriving interest or title under or through him or them (including without limitation, the registered mortgagee (as defined in the Building Management Ordinance (Chapter 344 of the Laws of Hong Kong)) in possession and chargee in possession who may be appointed under any instrument or by operation of law) in respect of the Owners' interests in the Hotel and in the Hotel Units and in the Hotel generally. All such covenants are intended to run with each of the Owners' interests in the Hotel and in the Hotel Units and generally with the land on which the Hotel (for the avoidance of doubt, all Hotel Units) is erected and burden the same and notwithstanding any terms and conditions contained in this Agreement

providing any contrary intention and/or any documents, circumstances, deeds, acts, omissions of any person providing any contrary indication and/or intention, it is hereby expressly, irrevocably and unconditionally declared and acknowledged and agreed by the Owners that:

- (a) the benefit of each and every covenant and provision contained in this Agreement is annexed to each of the Owners' interests in the Hotel and in the Hotel Units;
- (b) each and every covenant contained in this Agreement relates to, concerns and is capable of actually benefiting each and every part of the land on which the Hotel is erected and without prejudice to the generality of the foregoing each of the Owners' interests in the Hotel and in the Hotel Units;
- (c) it is the intention of each Owner that each and every covenant and provision of this Agreement to which that Owner is subject is to be enforceable by each and every one of the other Owners for the time being (if applicable, through the Hotel Operator subject to and in accordance with the terms and conditions of this Agreement) so that the burden thereof shall run with and burden that Owner's interest in the Hotel or whomsoever may then be entitled to that Owner's interest in the Hotel and so that the said covenants and provisions shall be enforceable for the benefit of each and every part of the Hotel and the other interests therein and by the original covenantee or his successor-in-title or a person deriving title from such covenantee or his successor-in-title and persons deriving title under or through him or them (including without limitation, any registered mortgagee (as defined in the Building Management Ordinance (Chapter 344 of the Laws of Hong Kong)) in possession and any chargee in possession who may be appointed under any instrument or by operation of law);
- (d) it is the intention of each the Owners that any sale, transfer and/or disposal in whatsoever form of that Owner's interest in the Hotel whether by himself, his successors-in-title and persons deriving title under or through him or them (including without limitation, any registered mortgagee (as defined in the Building Management Ordinance (Chapter 344 of the Laws of Hong Kong)) in possession and any chargee in possession who may be appointed under any instrument or by operation of law) shall be subject to the covenants contained in this Agreement with the intention of benefiting each and every other Owner's interest in the Hotel and not merely those of PWL and/or the Covenanting Owner respectively;
- (e) each and every Owner shall be bound by and entitled to the benefit of the covenants and other provisions contained in this Agreement regardless of how or when that Owner acquired that Owner's interest in the Hotel and so that the said covenants and other provisions shall be mutually enforceable between the Owners for the time being but so that the same shall not bind any Owner after he has ceased to have any estate or interest in the Hotel except in respect of a breach of that covenant committed by him before that cessation;

- (f) each and every provision in this Agreement whether expressed to be a covenant or not shall be treated as a covenant between the Owners and by each Owner with each other Owner and separately with the Hotel Operator; and
- (g) each and every Owner shall execute a Deed of Adherence in the form annexed hereto and any Owner for the time being who shall not have executed such a Deed of Adherence shall execute the same forthwith on a request in writing to do so given to him by the Hotel Operator.

SCHEDULE 1

REMUNERATION PAYABLE TO HOTEL OPERATOR

1. The Hotel Operator's Remuneration shall not exceed ten percent (10%) ("**Maximum Percentage**") per annum of the total annual Hotel Operation Expenses of the Hotel (excluding the Hotel Operator's Remuneration itself) and any capital expenditure or expenditure drawn out of the Hotel Operation Fund may be included for calculating the Hotel Operator's Remuneration at the rate applicable under this provision. Payment of the Hotel Operator's Remuneration shall be in advance in the manner as shall be determined by the Hotel Operator. The Maximum Percentage may be increased by a resolution of the Owners of the Hotel Units or the Hotel Operation Owners' Committee or the Corporation if formed. Any over-payment of the Hotel Operator's Remuneration in the year in question shall be refunded and be paid by the Hotel Operator into the Hotel Operation Fund within 21 days of the completion of the auditing of the annual accounts for such year as and any adjustment payment that needs to be made by the Owners of the Hotel Units to bring the amount paid to the Hotel Operator by way of remuneration for the year in question to the correct amount for such year calculated in accordance with the first sentence of this provision shall likewise be made within 21 days of the completion of the auditing of the annual accounts for such year.
2. The sums payable to the Hotel Operator under the provision aforesaid shall be the net remuneration of the Hotel Operator for its services as Hotel Operator and shall not include the costs and expenses for any staff, facilities, accountancy services or other professional supervision for the Hotel which costs and expenses shall be payable out of the Hotel Operation Fund.

APPENDIX I

**COVENANTS TO BE INSERTED IN THE SALE AND PURCHASE AGREEMENT AND
THE ASSIGNMENT**

1. The Purchaser hereby expressly COVENANTS with the Vendor to the intent that the burden of these covenants shall run with the Hotel Room Unit and be binding on the Purchaser his executors, administrators and assigns or successors in title :-

- (i) to notify the Manager (as defined in the Deed of Mutual Covenant) and the Hotel Manager (as defined in the Sub-Deed) in writing of any intended change of ownership of the Hotel Room Unit within 14 days from the date of the agreement for sale and purchase in respect thereof;
- (ii) to pay all stamp duty or additional stamp duty or further stamp duty due and payable on this sale and purchase and to pay or procure the payment of any special stamp duty and any applicable stamp duty of any sub-sale or nomination (collectively "the Stamp Duty") as may be now or hereafter assessed by the Government of the Hong Kong Special Administrative Region;
- (iii) to indemnify and keep the Vendor indemnified against any loss or damage suffered by the Vendor resulting from any delay or default in payment of the Stamp Duty; and
- (iv) in the event of default in payment by the Purchaser of the Stamp Duty to pay or repay to the Vendor or reimburse the Vendor with the amount of the Stamp Duty paid or advanced by the Vendor on behalf of the Purchaser together with interest thereon at the rate of 4% over and above the Prime Lending Rate quoted by The Hongkong and Shanghai Banking Corporation Limited from time to time calculated from the date of payment or advance by the Vendor to the date of payment or repayment or reimbursement by the Purchaser of such amount together with all legal costs, disbursements and fees incurred by the Vendor in securing recovery of all amounts of the Stamp Duty so paid by the Vendor on behalf of the Purchaser on a full indemnity basis.

2. The Purchaser hereby covenants with the Vendor for itself and as agent for Pearl Wisdom Limited (as the First Owner under the Deed of Mutual Covenant and the Sub-Deed which expression shall include its successors assigns and attorneys) ("the First Owner") and the Hotel Operator to the intent that such covenants shall bind the Hotel Room Unit and the owner or owners thereof for the time being and other person or persons deriving title under the Purchaser (each and all of whom including the Purchaser is and are hereafter included in the expression "the Covenanting Purchaser") and shall enure for the benefit of the Development and be enforceable by the First Owner and/or the Hotel Operator and their respective successors and assigns that :-

- (i) the Covenanting Purchaser confirms and acknowledges the covenants, rights, entitlements, exceptions and reservations granted and conferred on (a) the First

Owner under Clause 2.7 of the Deed of Mutual Covenant and (b) the Hotel Operator and/or other owners as provided in the Hotel Operation Agreement and the Covenanting Purchaser shall not do or permit anything to be done which will in any way affect or hinder the exercise of the said rights (a) by the First Owner under the Deed of Mutual Covenant and (b) by the Hotel Operator and/or other owners as provided in the Hotel Operation Agreement;

- (ii) the Covenanting Purchaser shall, if required by the First Owner and/or the Hotel Operator, do everything necessary, including giving express consents in writing to the exercise of the rights by the First Owner and/or the Hotel Operator and/or other owners as aforesaid, to facilitate the exercise of the rights by the First Owner and/or the Hotel Operator and/or other owners as aforesaid;
- (iii) the Covenanting Purchaser hereby expressly and irrevocably appoints (a) the First Owner to be its attorney and grants unto the First Owner the full right power and authority to give all consents and to do all acts matters and things and to execute and sign seal and as the acts and deeds of the Covenanting Purchaser deliver such deeds and to sign such documents or instruments as may be necessary for the exercise of or incidental to the exercise of the rights conferred on the First Owner as aforesaid with full power of delegation and the Covenanting Purchaser hereby further covenants to do all acts matters and things and to execute sign seal and deliver such deeds and to sign such documents or instruments as may be necessary to give effect to such appointment and grant; and (b) the Hotel Operator to be its attorney and grants unto the Hotel Operator the full right power and authority to give all consents and to do all acts matters and things and to execute and sign seal and as the acts and deeds of the Covenanting Purchaser deliver such deeds and to sign such documents or instruments as may be necessary for the exercise of or incidental to the exercise of the rights conferred on the Hotel Operator and/or other owners as aforesaid with full power of delegation and the Covenanting Purchaser hereby further covenants to do all acts matters and things and to execute sign seal and deliver such deeds and to sign such documents or instruments as may be necessary to give effect to such appointment and grant;
- (iv) in the event of the Covenanting Purchaser selling or otherwise disposing of the Hotel Room Unit, the Covenanting Purchaser shall sell or otherwise dispose of the Hotel Room Unit upon the condition that the purchaser or assignee thereof shall enter into the same binding covenants on terms similar in scope and extent as the covenants (i), (ii), (iii) and (iv) herein contained;
- (v) the Covenanting Purchaser shall maintain the hotel of which the Hotel Room Unit forms part ("the Hotel") as a hotel in accordance with currently applicable laws and regulations for the remainder of the term for which the Land on which the Hotel is erected is held and any extension or extensions thereof;
- (vi) the Covenanting Purchaser shall abide by the provisions in the Hotel Operation Agreement as if the same terms and covenants on the part of the New Owner (as defined in the Hotel Operation Agreement) set out therein are made directly by the Covenanting Purchaser;

- (vii) the Covenanting Purchaser shall upon the Hotel Room Unit being vested in him or them on demand by the First Owner and/or the Hotel Operator take such action and execute such documents including (without limitation) a Deed of Adherence as the First Owner and/or the Hotel Operator may require so that the Covenanting Purchaser shall become bound by the Hotel Operation Agreement as if it were an original party thereto in the capacity and on the part of a New Owner as referred to therein in respect of the Hotel Room Unit ;
- (viii) if the Hotel Operation Agreement shall be terminated for whatever reason the Covenanting Purchaser shall on demand by the First Owner and/or the Hotel Operator enter into a similar agreement with such parties as may then be acting in capacities similar to the Hotel Operator in the Hotel Operation Agreement or take such action and execute such documents as the First Owner and/or the Hotel Operator may require so that the Covenanting Purchaser shall become bound thereby;
- (ix) the Covenanting Purchaser shall notify and furnish full information to the Hotel Operator in writing of any change of ownership of the Hotel Room Unit within 14 days from the date of the assignment in respect thereof or other deeds or documents effecting such change of ownership;
- (x) The Covenanting Purchaser shall not charge, mortgage, assign or otherwise dispose of the Hotel Room Unit and/or any interests therein unless such charge, mortgage, assignment or other disposal is expressed to be subject to and with the benefit of the terms of the Hotel Operation Agreement;
- (xi) in the event of the Covenanting Purchaser selling or otherwise disposing of the Hotel Room Unit, the Covenanting Purchaser shall sell or otherwise dispose of the Hotel Room Unit upon the condition that the purchaser or assignee thereof shall enter into the same binding covenants on terms similar in scope and extent as the covenants (v), (vi), (vii), (viii), (ix), (x) and (xi) herein contained

PROVIDED that upon the Covenanting Purchaser complying with and performing the covenants (iv) and (xi) hereinbefore contained, the Covenanting Purchaser shall not be liable for any breach of the covenants (i), (ii), (iii), (v), (vi), (vii), (viii), (ix) and (x) hereinbefore contained which may happen after the Covenanting Purchaser shall have sold or otherwise disposed of the Hotel Room Unit in respect whereof such purchaser or assignee shall have entered into such covenants similar to scope and extent as the covenants (i), (ii), (iii), (v), (vi), (vii), (viii), (ix) and (x) hereinbefore contained.

IN WITNESS whereof this Agreement has been executed on the day and year first above written.

SEALED with COMMON SEAL OF)
PEARL WISDOM LIMITED and)
SIGNED by [•])
)
in the presence of:)

SEALED with COMMON SEAL OF)
HORIZON HOTELS & SUITES)
LIMITED and)
SIGNED by [•])
)
in the presence of:)

SIGNED, SEALED AND DELIVERED)
by [•])
in the presence of:)
/
THE COMMON SEAL of)
[•] **LIMITED**)
was hereunto affixed in the presence of:)

Dated the _____ day of _____ 20____

- (1) The person or corporation whose name and address or registered office are set out in Schedule 1 as the Purchaser

AND

(2) HORIZON HOTELS & SUITES LIMITED

DEED OF ADHERENCE

WOO, KWAN, LEE & LO
Solicitors & Notaries
26th Floor, Jardine House
1 Connaught Place
Central
Hong Kong

AL/GK/TS/2012

THIS DEED OF ADHERENCE is made on

BY

1. The person or corporation whose name and address or registered office are set out in Schedule 1 hereto (who and whose successors-in-title and persons deriving title under or through it or them are hereinafter where not inapplicable included under the designation “the Purchaser”); and
2. HORIZON HOTELS & SUITES LIMITED, a company incorporated under the laws of Hong Kong with registration no. [●] and whose registered office is situate at 7th Floor, Cheung Kong Center, 2 Queen’s Road Central, Hong Kong (who and whose successors-in-title are hereinafter where not inapplicable included under the designation “Hotel Operator”).

WHEREAS

- (A) The Purchaser has agreed to purchase [the Hotel Room Unit[s] [and] the Hotel Car Parking Space[s]] referred to in Schedule 2 (the [“Hotel Room Unit[s]” [and] the “Hotel Car Parking Space[s]”]).
- (B) It is a condition of the acquisition of the [Hotel Room Unit[s] [and] the Hotel Car Parking Space[s]] that the Purchaser shall on completion take such action and execute such documents as may be required so that the Purchaser shall become bound by the Hotel Operation Agreement referred to in Schedule 3 (the “Hotel Operation Agreement”) as if he were a party thereto.
- (C) Pursuant to such condition the Purchaser now executes this Deed upon the terms and conditions hereinafter contained.

NOW THIS DEED WITNESSETH as follows:

1. The Purchaser hereby confirms that it has been supplied with a copy of the Hotel Operation Agreement and hereby covenants with the Hotel Operator who acts for itself and as agent for and on behalf of every other owner(s) (as defined in the Hotel Operation Agreement) from time to time to observe perform and be bound by all the terms of the Hotel Operation Agreement to the intent and effect that the Purchaser shall be deemed with effect from the Completion Date referred to in Schedule 4 to be a party to the Hotel Operation Agreement in the capacity and on the part of the New Owner as referred to therein in respect of the Hotel Room Unit[s] [and] the Hotel Car Parking Space[s]]_and the Hotel Operator will undertake such duties and powers as provided in the Hotel Operation Agreement directly to the Purchaser as a New Owner in respect of the [Hotel Room Unit[s] [and] the Hotel Car Parking Space[s]].
2. The Purchaser hereby undertakes with the Hotel Operator who acts for itself and as agent for and on behalf of every other owner(s) that it agrees to be bound by the terms of the Hotel Operation Agreement as if it were an original party thereto in the capacity

and on the part of a New Owner as referred to therein in respect of the [Hotel Room Unit[s] [and] the Hotel Car Parking Space[s]] and the Hotel Operator will undertake such duties and powers as provided in the Hotel Operation Agreement directly to the Purchaser as a New Owner in respect of the [Hotel Room Unit[s] [and] the Hotel Car Parking Space[s]].

3. As from the date hereof, the Hotel Operation Agreement shall henceforth be read and construed in conjunction with this Deed.
4. This Deed shall be governed by and construed in accordance with the laws of the Hong Kong Special Administrative Region.

EXECUTED as a deed the day and year first before written.

SIGNED, SEALED AND DELIVERED by)
[•])
in the presence of :-)
/)
SEALED with the Common Seal of)
[•] LIMITED)
and SIGNED by [•])
in the presence of :-)

SEALED with the Common Seal of)
HORIZON HOTELS & SUITES LIMITED)
and SIGNED by [•])
in the presence of :-)

SCHEDULE 1

The Purchaser

[[•] (holder of Hong Kong Identity Card No. [•] of [•])] /

[[•] LIMITED, a company incorporated under the laws of [•] [with registered no. [•]] and whose registered office is situate at [•]]

SCHEDULE 2

[Hotel Room Unit[s] [and] the Hotel Car Parking Space[s]]

Hotel Room Unit No. [•] on the [•] Floor of The Apex Horizon.
Hotel Car Parking Space No. [•].

SCHEDULE 3

Hotel Operation Agreement

The Hotel Operation Agreement means the agreement dated [●] relating to the management, operation and other services in relation to The Apex Horizon made between the parties set out below (as may be amended or supplemented from time to time) [or such other agreement (as may be amended or supplemented from time to time) for the management of The Apex Horizon for the time being replacing the Hotel Operation Agreement (as the same may be amended or supplemented from time to time).]

Parties : Pearl Wisdom Limited, Horizon Hotels and Suites Limited and [●]

SCHEDULE 4

Completion Date

[•] day of [•].