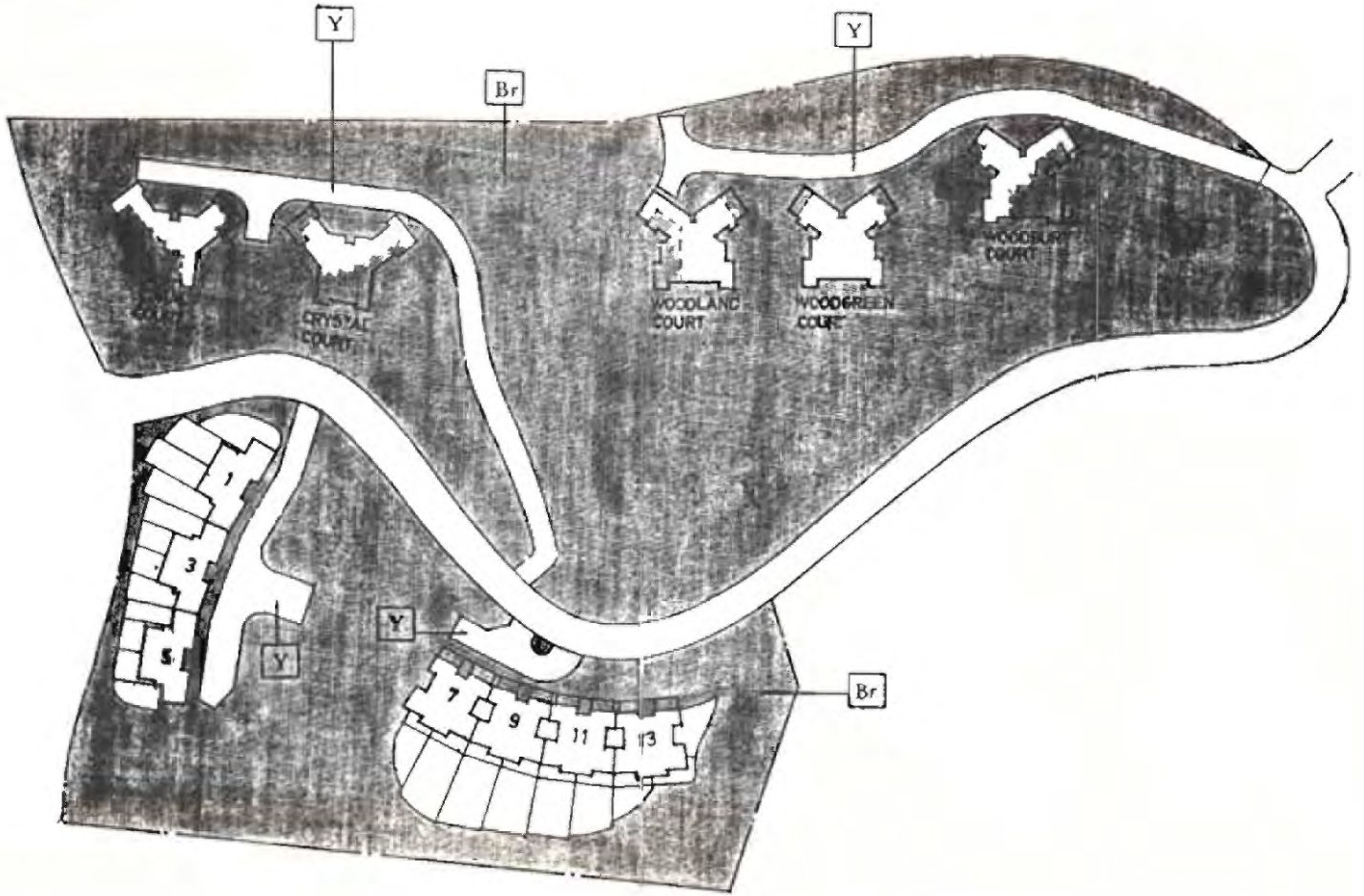


= ORANGE

FOR IDENTIFICATION PURPOSES ONLY

PARKVALE VILLAGE SITE PLAN FOR
SUB-DEED OF MUTUAL COVENANT re PARKVALE VILLAGE
DISCOVERY BAY, R.P. OF LOT 385 IN D.O. 352 & EXTENSION(S)



Br = BROWN

Y = YELLOW

FOR IDENTIFICATION PURPOSES ONLY

PARKVALE VILLAGE PLAN FOR
SUB-DEED OF MUTUAL COVENANT re PARKVALE VILLAGE
DISCOVERY BAY, R.F. OF LOT 385 IN D.O. 352 & EXTENSION(S)

STATE OF CALIFORNIA
COUNTY OF SAN DIEGO
RECORDED
DATE 11/11/04
PAGE 1


S/N 3440A 9

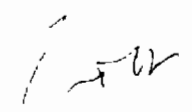
Stamp Duty -- \$
 Registration Fee \$ 30.00

No. 138138

A MEMORIAL required to be registered in the Islands District Land Office ~~New Territories~~, at Hong Kong according to the Land Registration Ordinance (Cap.128) and the New Territories Ordinance (Cap.97).

Name and object of Instrument.	Sub - Deed of Mutual Covenant (in duplicate) :- - a copy whereof is annexed hereto
Date of Instrument.	Dated the 6 th day of January 1988.
Names and additions of parties.	HONG KONG RESORT COMPANY LIMITED (香港興業有限公司), whose registered office is situate at 1st Floor, Commercial Centre, Discovery Bay, Lantau Island, Hong Kong of the first part "the Registered Owner", LAW, SHUN FOON ANNA (羅順寬) of Flat A, Ground Floor, No.3 Parkvale Drive, Parkvale Village, Discovery Bay City, Lantau Island, Hong Kong Married Woman of the second part "the First Purchaser" and DISCOVERY BAY SERVICES MANAGEMENT LIMITED whose registered office is situate at 1st Floor, Commercial Centre, Discovery Bay, Lantau Island, Hong Kong of the third part "the Manager"
Description of land or premises affected and where situate.	11,500/250,000th parts or shares of and in The Remaining Portion of Lot No.385 in D.D.352 and The Extensions Thereto (Parkvale Village, Discovery Bay City).
Consideration and to whom and how paid.	Nil
Particulars of incumbrances to which the premises are subject, and other special covenants or particulars mentioned in the Instrument.	Please see copy annexed hereto.
Name and additions of witnesses.	Please see copy annexed hereto
Signature of parties signing Memorial	<i>Anna Law</i>

I, Peter Y. W. Lee of Messrs. Woo, Kwan, Lee & Lo duly admitted and enrolled as a solicitor in Hong Kong, hereby certify that according to Section 7 of the Land Registration Ordinance (Cap.128) the foregoing Memorial contains a just and true account of the several particulars therein set forth.
 Dated the 14 JAN 1988 day of 19...

 Solicitor,
 Hong Kong.

Received at the Islands District Land Office ~~New Territories~~ at Hong Kong, and Registered by Memorial No. 138138 on 15 JAN 1988

 P. Land Officer, ~~New Territories~~
 SDR 105
 SDR 91, 92, 93, 94, 95, 96 & 97
 Vol. 465 Fol. 56
 "A" Book Vol. Page

THIS INSTRUMENT made this *6th* day of *January*
One thousand nine hundred and eighty-eight
BETWEEN HONG KONG RESORT COMPANY LIMITED (香港興業有限公司)
whose registered office is situate at 1st Floor, Commercial
Centre, Discovery Bay, Lantau Island, Hong Kong (hereinafter
called "the Registered Owner") of the first part, LAW, SHUN
FOON ANNA (羅順寬) of Flat A, Ground Floor, No.3 Parkvale
Drive, Parkvale Village, Discovery Bay City, Lantau Island, Hong
Kong Married Woman (hereinafter called "the First Purchaser"
which expression shall where the context so admits include his
executors administrators and assigns) of the second part and
DISCOVERY BAY SERVICES MANAGEMENT LIMITED whose registered
office is situate at 1st Floor, Commercial Centre, Discovery
Bay, Lantau Island, Hong Kong (hereinafter called "the Manager"
which expression shall have the meaning assigned to it in
Recital (1) (a) of "the Principal Deed") of the third part.

WHEREAS :-

(1) This Sub-Deed of Mutual Covenant (hereinafter called
"this Sub-Deed") is supplemental to a Deed of Mutual Covenant
dated the 30th day of September 1982 and registered in the
District Land Office, Islands by Memorial No.112018
(hereinafter called "the Principal Deed").

(2) In this Sub-Deed:-

(a) The expressions contained in Recital (1) (a) of the
Principal Deed shall apply to this Sub-Deed whenever
the context permits.

(b) The expressions following shall have the following
meanings ascribed to them whenever the context
permits:-

"The Village"

All that part of the Lot as is
shown on the site plan attached to

this Sub-Deed and thereon coloured orange and the buildings now or hereafter constructed thereon to be known as PARKVALE VILLAGE.

"The Village Retained Areas" All those portions of the Village as are shown and coloured brown on the Village Plan annexed hereto and the storerooms in each Low Rise Building and the covered landscaped areas on the ground floor of the High Rise Building.

"Passageways" All those portions of the Village as are shown on the Village Plan annexed hereto and thereon coloured yellow.

"Low Rise Building" A building erected or to be erected in the Village in accordance with the Master Plans with two or more residential units intended for domestic use by two or more owners.

"High Rise Building" A high rise building erected or to be erected in the Village in accordance with the Master Plans with multiple domestic units therein and car parks on the ground floor (if any) or any other buildings to be hereafter erected thereon.

"Buildings" Those High Rise Buildings and Low Rise Buildings erected or to be erected in the Village in

accordance with the Master Plans
or any other buildings to be
hereafter erected thereon.

"Flat Roof" shall mean the roof area
appertaining to each penthouse
flat of a Low Rise Building.

"Roof" shall mean the Low Rise Building
Common Areas on top of a Low Rise
Building or the High Rise Building
Common Areas on top of a High Rise
Building.

"Terrace" shall mean an open area
appertaining to a flat on the
first floor of the High Rise
Building or to the ground floor of
the Low Rise Building.

"Management Units" Units allocated to the Residential
Units in the Village in accordance
with the provisions of Clause 1 of
SECTION VIII of this Sub-Deed.

"Owners of the Village" All the Owners having the right to
the exclusive use occupation and
enjoyment of a Residential Unit or
car parking space in the Village.

"Low Rise Building
Common Areas" The entrances and halls passages
staircases landings portions of
roof and the Outer Walls of each
Low Rise Building.

"Village Common Areas" Those parts of the Village
Retained Areas as shall be
designated Village Common Areas by

the Registered Owner from time to time in accordance with the provisions of the Principal Deed or this Sub-Deed.

"Village Common Facilities" shall mean and include (subject to the Principal Deed):-

(a) Such of the sewers, drains, water courses, pipes, gutters, wells (if any) wires and cables and other service facilities whether ducted or otherwise which are or at any time may be in, under or over or passing through the Village through which water, sewage, gas, electricity and any other services are supplied to the Village or any part or parts thereof.

(b) Transformer rooms main distribution frame rooms (for telephone), pump houses, switch rooms, mechanical rooms and mechanical ventilation rooms for the use and benefit of the Village and not for the use or benefit of a particular Building.

(c) Lamp posts and lighting within the Village.

(d) Communal television antennae for the use and benefit of the Village.

(e) Any other facilities

installed for the use and benefit of the Village and not for the use and benefit of a particular Building.

"High Rise Building
Common Areas"

shall mean and include (subject to the Principal Deed) the entrances and halls, lift lobbies, roofs, staircases, corridors, landings, passages and the exterior walls of each High Rise Building.

"High Rise Building
Common Facilities"

shall mean and include :-

(a) Water pipes, drains, wires, cables, tanks, pump houses, fire services water tanks, lift machine rooms and other mechanical rooms inside each High Rise Building and for the use and benefit of the particular High Rise Building.

(b) Lifts inside each High Rise Building.

(c) Communal television antennae for the use and benefit of each High Rise Building (if any).

(d) Store rooms in each High Rise Building, if any.

(e) Caretakers and/or watchmen's rooms in each High Rise Building, if any.

"Low Rise Building
Common Facilities"

shall mean and include :-

(a) Water pipes, drains, wires, cables, tanks, pump houses, fire

services and water tanks for the use and benefit of the Low Rise Building.

(b) Communal television antennae (if any) for the use and benefit of each Low Rise Building.

(3) In this Sub-Deed references to the singular shall include the plural and vice versa and references to the masculine gender shall include the feminine or neuter gender.

(4) Prior to the date of the Assignment to the First Purchaser next hereinafter recited the Registered Owner was the Owner of the Village subject to and with the benefit of the Principal Deed.

(5) By an Assignment bearing even date herewith and made between the Registered Owner of the first part, New World Development Company Limited of the second part and the First Purchaser of the third part the Registered Owner assigned unto the First Purchaser All That the estate right title benefit and interest of the Registered Owner of and in All Those 6 equal undivided 250,000th parts or shares of and in the Lot and All Those 6 equal undivided 11,500th parts or shares of and in the buildings and other structures and ancillary works erected on the Village together with the full and exclusive right and privilege to hold use occupy and enjoy All That Flat A (including the Terrace and Garden appurtenant thereto) on the Ground Floor of No.3 Parkvale Drive of the Village.

(6) In accordance with the provisions of Section 2A of the Multi-Storey Buildings (Owners Incorporation) Ordinance Cap.344 the Registered Owner has given an Undertaking to the Government either itself or by its subsidiary to manage the City which Undertaking was registered in the District Land Office, Islands

by Memorial No.102012.

(7) The parties hereto have agreed to enter into these presents for the purpose of making provisions for the management, maintenance, insuring and servicing of the Village and its equipment, services and apparatus and for the purpose of defining and regulating the rights, interests and obligations of the Owners in respect of the Village and to provide for a due proportion of the common expenses of the Village to be borne by the Owners of the Village.

(8) The provisions of this Sub-Deed have been approved by the Registrar General (Land Officer) for and on behalf of the Director of Buildings and Lands (being the successor to the Secretary for the New Territories in this regard), pursuant to the Conditions.

NOW THIS DEED WITNESSETH as follows :-

SECTION I

UNDIVIDED SHARES

A. There shall be sub-allocated to the Village 11,500th Undivided Shares which shall be allocated as follows :-

Units	Undivided Shares of and in the Lot	Undivided Shares of and in the buildings and other structures and ancillary works erected on the Village
(a) Residential Units Nos.1, 3, and 5 Parkvale Drive (particulars of the number of undivided shares of and in (i) the Lot and of and in (ii) the buildings and ancillary works erected on the Village allocated to each Residential Unit are contained in the Second Column and Third Column of the Schedule hereto)	340/250,000th shares	340/11,500th shares
(b) Residential Units (under construction) Nos.7, 9, 11 and 13 Parkvale Drive, Coral Court, Crystal Court, Woodland Court, Woodgreen Court and Woodbury Court (particulars of the number of undivided shares of and in (i) the Lot and of and in (ii) the buildings and ancillary works erected on the Village allocated to each Residential Unit are contained in the Second Column and Third Column of the Schedule hereto)	4,388/250,000th shares	4,388/11,500th shares
(c) Car Parking Spaces	606/250,000th shares	606/11,500th shares
(d) Village Retained Areas	4,933/250,000th shares	4,933/11,500th shares
(e) Village and Building Common Areas and Facilities	1,233/250,000th shares	1,233/11,500th shares

B. There is reserved unto the Registered Owner the following rights and privileges :

The Registered Owner shall have full power at any time hereafter and from time to time to enter into and upon all parts of the Village with all necessary equipment plant and materials for the purposes of constructing the other stages of the Village in accordance with the Master Plans or such other plans or amendments as may hereafter be approved by the appropriate Government Authorities or any part thereof. The right of the Registered Owner to enter the Village to carry out such works shall extend equally to all necessary contractors agents workers and other persons authorised in writing by the Registered Owner. The Registered Owner in pursuance of such works may from time to time issue in writing to the Owners instructions as to the areas or parts of the Village on which the Buildings are to be erected that the Owners their servants agents or licensees may or may not use while such works are being carried out Provided that the Registered Owner in exercise of its rights under this Clause shall act with all due expedition causing as little disturbance as possible and making good any damage caused thereby.

C. The Registered Owner reserves the right to enter into a Sub-Sub-Deed of Mutual Covenant with the first purchaser of the other stages of the Village for purposes similar to this Sub-Deed PROVIDED ALWAYS that such Sub-Sub-Deed of Mutual Covenant shall not conflict with the provisions of this Sub-Deed or affect the rights, interests or obligations of the Owners of the Village.

SECTION -II

EASEMENTS, RIGHTS AND PRIVILEGES THE BENEFIT OF WHICH IS HELD
WITH EACH RESIDENTIAL UNIT OF A LOW RISE BUILDING

1. The Owner of a Residential Unit of a Low Rise Building shall have the benefit of the following easements, rights and privileges Subject to the Principal Deed the City Rules and Village Rules and subject to the rights of the Manager as hereinafter provided and to the payment by the Owner of his due proportion of the Manager's Remuneration and Management Expenses :-

(a) The full right and liberty for the Owner for the time being his tenants, servants, agents and licensees (in common with all persons having the like right) to go pass or repass over and along and to use such of the Low Rise Building Common Areas and other Village Common Areas and Village Common Facilities as shall form part of the Low Rise Building of which the Residential Unit to which he is entitled to the exclusive use occupation and enjoyment (hereinafter for simplicity referred to as "owned") forms part for all purposes connected with the proper use and enjoyment of such Residential Unit Subject as aforesaid.

(b) The Owner of a Residential Unit of a Low Rise Building shall have the benefit of the following easements, rights and privileges :-

(i) Full right and liberty for the Owner for the time being his tenants, servants, agents and licensees (in common with all persons having the like right) (but subject always as hereinbefore

provided) to go, pass and repass over and along the Passageways for all purposes connected with the proper use and enjoyment of such Residential Unit, Subject as aforesaid.

(ii) The right to subjacent and lateral support from other parts of the Low Rise Building in which the Residential Unit owned by the Owner is situated and the right to subjacent and lateral support from the Buildings or the foundations thereof and all other parts of the Village and all parts of the City Subject as aforesaid.

(iii) Full right and liberty (but Subject always to the rights of the Manager and the Registered Owner hereunder or under the Principal Deed) for the Owner for the time being his tenants, servants, agents and licensees (in common with all other persons having the like right) to go, pass and repass over and along the City Common Areas for all purposes connected with the proper use and enjoyment of such Residential Unit, Subject as aforesaid.

(iv) The free and uninterrupted passage and running of water, sewage, gas, electricity, telephone and any other services from and to the Residential 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 City or the Village or any building for the proper use and enjoyment of the Residential Unit owned by the Owner but Subject always to the rights of the Manager and

the Registered Owner hereunder or under the
Principal Deed.

2. The Owners shall have no right to enter upon any part of the Lot, the City, the Village or the Buildings save as expressly herein provided it being understood that all work necessary for the maintenance and repair of the City and the Village and the Buildings shall be carried out by the Manager who shall have the right to enter in or upon any part of the City and/or the Village or the Buildings for that purpose as herein provided.

SECTION III

EASEMENTS, RIGHTS AND PRIVILEGES THE BENEFIT OF WHICH IS HELD
WITH EACH RESIDENTIAL UNIT OF A HIGH RISE BUILDING

1. The Owner of a Residential Unit of a High Rise Building shall have the benefit of the following easements, rights and privileges Subject to the Principal Deed the City Rules and Village Rules and subject to the rights of the Manager as hereinafter provided and to the payment by the Owner of his due proportion of the Manager's Remuneration and Management Expenses :-

(a) The full right and liberty for the Owner for the time being his tenants, servants, agents and licensees (in common with all persons having the like right) to go pass or repass over and along and to use such of the High Rise Building Common Areas and High Rise Building Common Facilities and other Village Common Areas and Village Common Facilities as shall form part of the High Rise Building of which the Residential Unit to which he is entitled to the exclusive use occupation and enjoyment (hereinafter for simplicity referred to as "owned") forms part for all purposes connected with the proper use and enjoyment of such Residential Unit Subject as aforesaid.

(b) The Owner of a Residential Unit of a High Rise Building shall have the benefit of the following easements, rights and privileges :-

(i) Full right and liberty for the Owner for the time being his tenants, servants, agents and licensees (in common with all persons having the like right) (but subject always as hereinbefore

provided) to go, pass and repass over and along the Passageways for all purposes connected with the proper use and enjoyment of such Residential Unit, Subject as aforesaid.

(ii) The right to subjacent and lateral support from other parts of the High Rise Building in which the Residential Unit owned by the Owner is situated and the right to subjacent and lateral support from the Buildings or the foundations thereof and all other parts of the Village and all parts of the City Subject as aforesaid.

(iii) Full right and liberty (but Subject always to the rights of the Manager and the Registered Owner hereunder or under the Principal Deed) for the Owner for the time being his tenants, servants, agents and licensees (in common with all other persons having the like right) to go, pass and repass over and along the City Common Areas for all purposes connected with the proper use and enjoyment of such Residential Unit, Subject as aforesaid.

(iv) The free and uninterrupted passage and running of water, sewage, gas, electricity, telephone and any other services from and to the Residential 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 City or the Village or any building for the proper use and enjoyment of the Residential Unit owned by the Owner but Subject always to the rights of the Manager and

the Registered Owner hereunder or under the
Principal Deed.

2. The Owners shall have no right to enter upon any part of the Lot, the City, the Village or the Buildings save as expressly herein provided it being understood that all work necessary for the maintenance and repair of the City and the Village and the Buildings shall be carried out by the Manager who shall have the right to enter in or upon any part of the City and/or the Village or the Buildings for that purpose as herein provided.

SECTION IV

EASEMENTS, RIGHTS AND PRIVILEGES SUBJECT TO WHICH EACH UNDIVIDED SHARE OF AND IN THE LOT AND THE VILLAGE IS HELD

1. The following are the easements rights and privileges subject to which each Undivided Share and the exclusive right to hold use occupy and enjoy each Residential Unit or Car Parking 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 each Residential Unit or Car Parking Space for the purposes of inspecting, examining and maintaining such Residential Unit (including the Roof Flat Roof or Terrace thereof, if any) or High Rise Building or Low Rise Building in which such Residential Unit is situated or any part or parts thereof or any Car Parking Space or any High Rise Building Common Facilities or Low Rise Building Common Facilities or Village Common Facilities or City Common Facilities therein or any other apparatus and equipment used or installed for the benefit of the High Rise Building or Low Rise Building or Village or the City or any part or parts thereof as part of the amenities thereof and not by any individual Owner for his own purpose or enjoyment.

(b) Easements rights and privileges over along and through each Car Parking Space or Residential Unit equivalent to those set forth in Clause 1 (b) (ii) to (iv) of SECTION II and SECTION III of this Sub-Deed.

2. Subject always to the rights of the Registered Owner under the Principal Deed and this Sub-Deed the Manager shall have full right and authority to control and manage the City Retained Areas City Common Areas the Major Roads the Passageways the

Village Retained Areas Village Common Areas and High Rise Building Common Areas and Low Rise Building Common Areas and in this connection shall have power

- (a) to licence and control parking thereon and to remove vehicles or other things parked or left thereon or therein not so licensed;
- (b) to licence or let out any part thereof for such sum and for such purposes as it thinks fit, any charges received by the Manager in the exercise of the aforesaid power shall be considered part of the Management Funds.

3. The Registered Owner shall :-

- (a) have the exclusive right to erect one or more flush pipes or smoke stacks or chimneys at the rear of any of the High Rise Building(s) from the ground floor or any other level to the roof thereof together with the right to maintain, replace or remove the same provided such erection, maintenance, replacement or removal shall not unnecessarily interrupt the enjoyment of the Residential Units in that High Rise Building.
- (b) have the exclusive right to use the roof(s) of the High Rise Building(s) for advertising purposes and to display, install, erect, affix or permit to be displayed, installed, erected or affixed thereon and thereto such advertising signboards, placards, posters and other dismantling signs or signboards and advertisements (whether illuminated or not) subject to the approval of the Building Authority or other Government Authorities concerned and with the right to remove, repair, maintain, service and replace the same provided that the same shall not unnecessarily interrupt the enjoyment of the Residential Units in that High Rise Building.

SECTION V

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

1. Every assignment of an Undivided Share in the Lot and the Village shall contain an express covenant by the Purchaser thereof to notify the Manager of any change of ownership within one month from the date of the assignment.

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 Village owned by him and shall indemnify the other Owners from and against all liability therefor.

3. Each Owner shall pay to the Manager on the due date his due proportion of the Manager's Remuneration and the Management Expenses payable by such Owner as herein provided.

4. No Owner shall make any structural alterations to any part of the Buildings or Village owned by him which may damage or affect or interfere with the use and enjoyment of any other part or parts of the Buildings or Village whether in separate or common occupation nor will any Owner use, cut, injure, damage, alter or interfere with any part or parts of the Low Rise Building Common Areas, High Rise Building Common Areas, Passageways, Village Common Areas or City Common Areas or any of the High Rise Building Common Facilities, Low Rise Building Common Facilities, Village Common Facilities or City Common Facilities or any equipment or apparatus on in or upon the Lot not being equipment or apparatus for the exclusive use and benefit of any such Owner.

5. No Owner shall permit or suffer to be done any act or thing in contravention of the terms and conditions in the

Conditions or whereby any insurance on the Buildings or Village 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 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.

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

7. Each Owner shall be responsible to the other Owners for the time being for the acts and omissions of all persons occupying with his consent expressed or implied any part or parts of the Buildings or Village 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, neglect or default of any such person. In the case of loss or damage which the Manager is responsible to make good or repair such costs, charges and expenses shall be recoverable by the Manager as hereinafter provided and in the case of loss or damage suffered by other Owners or occupiers of any part of the Buildings or Village for which the Manager is not responsible to repair or make good, such costs, charges and expenses together with all other damages recoverable by law shall be recoverable by the person or persons sustaining the loss or damage.

8. No Owner shall at any time exercise or attempt to exercise any statutory or common right to partition the Lot or the Village or the Buildings or any part or parts thereof.

9. No Owner shall do or permit or suffer to be done and each Owner shall 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 construction of any part of the City at any time in the course of construction and/or the management and the maintenance of the City or the Village or the Buildings.

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

11. No Owner shall use or permit or suffer the part of the Buildings or Village owned by him to be used for any illegal or immoral purpose nor will 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 to the other Owners and occupiers for the time being provided always that nothing in this provision shall restrict the Registered Owner in its development of the Village or other parts of the City in accordance with the Master Plans.

12. No Owner shall use or permit or suffer any part of the Buildings or Village owned by him to be used except in accordance with any applicable Building Regulations or any Ordinances and Regulations or other permit, consent or requirement from time to time applicable thereto.

13. No part of the City Common Areas, City Retained Areas,

the Major Roads, Passageways, the Village Retained Areas or Village Common Areas, High Rise Building Common Areas and Low Rise Building Common Areas shall be obstructed or encumbered save with the licence of the Manager nor shall any refuse or other matter or things be placed or left thereon and no Owner shall do or suffer or permit to be done anything in such City Common Areas, City Retained Areas, Major Roads, Passageways, Village Common Areas or Village Retained Areas or High Rise Building Common Areas or Low Rise Building Common Areas as may be or become a nuisance to any other Owners or occupiers of the Buildings or Village or any other part of the City.

14. The refuse disposal areas (if any) shall be used only in the manner prescribed by the Manager and subject to the City Rules and Village Rules (if any) covering the same.

15. No Owner shall be entitled to connect any installation to any aerial installed by the Manager except with the permission of the Manager and in accordance with any City Rules or Village Rules relating to the same. No Owner shall affix or install his own private aerial outside any part of the Buildings except with the written consent of the Manager.

16. Subject to Clause 3 of Section IV hereof, no external signs, signboards, notices, advertisements, flags, banners, poles, cages, shades, sculptures, or other projections or structures whatsoever extending outside the exterior of any Building shall be erected, installed or otherwise affixed to or projected from any Building or any part thereof except with the written consent of the Manager.

17. No Owner shall do or permit to be done any act or thing which may or will alter the external appearance and facade colour of any Building without the prior consent in writing of the Manager.

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

19. All Owners shall at all times observe and perform the City Rules and Village Rules.

20. Each Owner may at his own expense install in the part of the Building or the part of the Village 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 part of the Buildings or Village and provided further that nothing in this Clause shall inhibit the Registered Owner in proceeding with and completing the construction of the City and the Village and development of the Lot in accordance with the Master Plans.

21. No clothing or laundry shall be hung outside the Residential Unit or any part thereof (other than in the spaces specifically provided therefor) or in the City Common Areas, City Retained Areas, Passageways or in the Village Common Areas or Village Retained Areas or in the Low Rise Building Common Areas and High Rise Building Common Areas.

22. No Owner shall do or suffer or permit to be done anything whereby the flush or drainage system of any Building may be clogged or the efficient working thereof may be impaired.

23. No Owner of the ground floor of the High Rise and Low Rise Buildings shall build a swimming pool, sauna, whirlpool, hot-tub or jacuzzi whether portable or otherwise or sink a well or erect on the ground or garden any objects or structures without the written consent of the Manager.

24. The Owner on the ground floor of a Low Rise Building shall at all times keep the garden or ground in a neat and attractive condition. No poultry house shall be constructed or maintained in such garden or ground.

25. Except with the Manager's consent, no fowl or animals, other than a reasonable and usual number of normal household pets, shall be kept in a Residential Unit.

26. The Manager shall have the power and right to remove any animals from a Residential Unit if in the opinion of the Manager, such animals were causing a nuisance to other Owners or occupiers of other Residential Units.

27. Every Owner of a Residential Unit shall be obliged to join and become a member of the DISCOVERY BAY RESIDENTS CLUB and to pay the monthly subscriptions promptly and shall obey the Club Rules and Bye-laws thereof and shall promptly transfer his membership to his purchaser upon the sale of his Residential Unit.

SECTION VI

COVENANTS AND PROVISIONS APPLICABLE TO OWNERS OF A RESIDENTIAL UNIT

1. All Residential Units shall not be used for any purpose other than for domestic purposes and in particular shall not be used as an apartment house or for any form of commercial letting or occupancy in bed spaces or cubicles. No partitioning shall be erected or installed which does not leave clear access for fire exits and no windows shall be wholly or partially blocked or the light and air therefrom in any way obstructed.
2. No Owners except the Owners having the exclusive right to occupy any Flat Roof or Terrace or part of a Flat Roof or Terrace shall have the right to use the Flat Roof or Terrace or part thereof except only for escape in the event of fire or emergency. Subject to Clause 3(b) of Section IV no owner shall erect or place or cause or permit to be erected or placed any advertising sign or illegal structure on any Roof Flat Roof or Terrace or any part thereof and the Manager shall have the right to remove anything erected or placed on any Roof Flat Roof or Terrace in contravention of this provision at the costs and expenses of the Owner(s).
3. No Flat Roof or Terrace shall be enclosed and the Owner for the time being of any Flat Roof or Terrace or any part thereof shall ensure that access to the Flat Roof or Terrace shall at all times remain open and unobstructed.
4. No Owner shall permit or suffer to be erected affixed installed or attached in or on or at the door or doors or entrance or entrances of any Residential Unit 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 High Rise Building Common Areas or Low Rise Building Common Areas. The

design of any metal grille or shutter or gate shall be standard throughout the Village and prior to the installation thereof, the Owner shall first obtain the approval in writing of the Manager.

5. No Owner shall erect, affix, install or attach or permit or suffer to be erected, affixed, installed or attached in or on or to be displayed from any Residential Unit any advertising or other sign of any description (except a small name plate outside the entrance door giving the Owner's or occupier's name) without the previous written approval of the Manager. Any such approval may be given subject to such conditions as the Manager may specify and shall be subject to revocation on reasonable notice.

6. No part of the Village Common Areas or the High Rise Building Common Areas or the Low Rise Building Common Areas or Passageways shall be obstructed or encumbered nor shall any refuse, matter or other thing be placed thereon nor shall any part of such Village Common Areas or High Rise Building Common Areas or Low Rise Building Common Areas or Passageways be used for any business or private purpose and no Owner shall do or permit or suffer to do anything in such Village Common Areas or High Rise Building Common Areas or Low Rise Building Common Areas or Passageways as may be or become a nuisance or cause annoyance to any other Owners or occupiers of the High Rise Building or Low Rise Building of which the Residential Unit owned by him forms a part.

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

8. No door or doors of any Residential Unit (except doors inside any unit) shall be painted in the colour disapproved by the Manager.

9. No Owner shall enclose its own yard balcony or patio.

SECTION VII

COVENANTS AND PROVISIONS APPLICABLE TO OWNERS OF CAR PARKING SPACES

1. The Owners of Car Parking Spaces shall use the Car Parking Space for the purpose of car parking only and shall not place or store goods or other things thereon and shall observe such Village Rules or City Rules as shall affect the same.
2. Except with the written consent of the Manager, no structures of any kind shall be erected on any open Car Parking Spaces.
3. The Owners of Car Parking Spaces shall pay to the Manager such maintenance expenses in respect of the Car Parking Spaces as shall be charged by the Manager monthly in advance.

SECTION VIII

MANAGEMENT EXPENSES

1. For the purpose of determining the contributions to be made by each Owner of a Residential Unit in the High Rise Building/Low Rise Building and the Village to the Management Expenses of the City and to the Management Expenses of the Village and of the High Rise Building/Low Rise Building and to the Manager's Remuneration, there shall be allocated to each Residential Unit the number of Management Units set opposite such Residential Unit in the fourth column of the Schedule hereto.

2. The Manager shall prepare :-

- (a) an annual budget showing the estimated net expenditure in respect of the Village,
- (b) an annual budget showing the estimated net expenditure in respect of the City together with the amount to be apportioned to the Village in accordance with the provisions of Sub-section D of SECTION IV of the Principal Deed.

3. The Owners of Residential Units in the Village shall pay a due proportion of the estimated expenditures contained in Clause 2 (a) and (b) of SECTION VIII of this Sub-Deed according to the numbers of Management Units allocated to the Residential Units owned by them respectively.

SECTION IX

A. MEETINGS OF VILLAGE OWNERS

1. The Owners of the Village shall on or before the last day of December 1988 meet for the purpose of electing a Chairman and a Vice-Chairman and not less than five members to the Village Owners' Committee and transacting business to be tabled at the Meeting.
2. At least once in every calendar year thereafter, the Owners of the Village shall meet for the purpose of electing such officers and members as aforesaid and transacting any other business of which due notice is given in the notice convening the Meeting.
3. The Owners of the Village may further meet from time to time as occasion may require to discuss and decide matters concerning the Village and they shall meet whenever required by the Manager.
4. The Meeting of the Owners of the Village shall be convened by the Manager by at least 7 days' notice in writing specifying the time and place of the Meeting and the subjects to be discussed.
5. The Manager shall send a secretary to the Meetings who shall keep a record of the persons present at the Meetings and the proceedings thereof.
6. (a) No owner who is not also entitled to the exclusive use occupation and enjoyment of a Residential Unit or Car Parking Space in the Village shall be entitled to notice of meetings of the Owners of the Village or to attend or vote at any such meeting.
(b) In the event of an Owner entitled to attend and vote being a corporate body, any representative appointed by such

Owner shall be entitled to attend and vote on behalf of such Owner. Such appointment shall be in writing addressed to the Manager and may be revoked at any time on notice in writing being given to the Manager.

(c) The husband or wife of an Owner entitled to attend and vote or any adult member of the family of such Owner duly authorised in writing by such Owner shall be entitled to attend and vote on such Owner's behalf.

(d) The Manager shall be represented at the Meetings by a duly appointed representative who shall be entitled to vote in respect of any Undivided Share held by the Manager.

(e) The Registered Owner may be represented at the Meetings by a duly appointed representative who shall be entitled to vote in respect of any Undivided Share held by the Registered Owner.

7. In the absence of the Chairman and the Vice-Chairman, the Owners present at the Meeting shall choose one of their number to be the Chairman of that Meeting.

8. The Chairman or 20% of the Owners of the Village may request the Manager to convene a Meeting and the Manager shall upon such request convene the Meeting in accordance with the provisions of Clause 4 hereof.

9. No business shall be transacted at any time unless a quorum is present in person or by duly authorised representative as aforesaid when the Meeting proceeds to business and not less than 20% of the total number of Owners of the Village and the said representative of the Manager shall be a quorum.

10. 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 (or by the representative of the Manager or the Registered 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.

11. On a show of hands, every Owner entitled to be present and present either in person or by a duly authorised representative at the Meeting shall have one vote. In case of a poll, every Owner of an Undivided Share including the Registered Owner and the Manager, shall have one vote either personally or through his duly authorised representative for every Undivided Share held by him.

12. In the case of an equality of votes the Chairman shall have a second or casting vote.

13. An Owner of a Residential Unit in the Village who has failed to pay his due proportion of the Management Expenses and Manager's Remuneration shall not be entitled to be present at any Meetings.

14. All resolutions passed at a Meeting duly convened and held shall be binding on all Owners insofar as the Village is concerned but such resolutions shall not be binding on the Manager or conflict with the provisions of this Sub-Deed, the Principal Deed or the City Rules or any decision of the City Owners' Committee.

15. The purpose of such Meetings, in addition to the election of Officers and members of the Village Owners' Committee as aforesaid, shall be to discuss matters relating to the Village.

16. The Chairman, or in his absence the Vice-Chairman, shall represent the Village in the City Owner's Committee.

17. The Chairman, the Vice-Chairman and any other officer of the Village Owners' Committee shall be elected in the

following manner. The candidates for election shall be proposed and seconded by any Owners present in person or by duly authorized representative at the Meeting. As soon as all candidates have been proposed and seconded and provided that such candidates' consent to be elected their names will be put before the Meeting who will vote thereon.

B. MEETINGS OF THE VILLAGE OWNERS' COMMITTEE

1. The Chairman, Vice-Chairman and members of the Village Owners' Committee (hereinafter referred to as "the Committee") elected in accordance with the provisions of Sub-section A of this SECTION IX and the Manager or its representative shall be the Village Owners' Committee, which shall meet at least six times a year.
2. The Meeting of the Committee shall be convened by the Manager by at least 7 days' notice in writing specifying the time and place of the Meeting and the subjects to be discussed.
3. The Manager shall send a secretary to the Meetings who shall keep a record of the persons present at the Meetings and the proceedings thereof.
4. The Manager may be represented at the Meetings by a duly appointed representative who shall be entitled to vote in respect of any Undivided Share held by the Manager.
5. The Registered Owner may be represented at the meetings by a duly appointed representative who shall be entitled to vote in respect of any individual share held by the Registered Owner.
6. The Chairman or any 3 members may request the Manager to convene a Meeting and the Manager shall, upon such request convene the Meeting in accordance with the provisions of Clause 2 hercof.

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

8. All resolutions put to the vote of the Meeting shall be decided on a show of hands.

9. All resolutions passed at a Meeting of the Committee duly convened and held shall be binding on all Owners insofar as the Village is concerned but such resolution shall not be binding on the Manager or conflict with the provisions of the Principal Deed or this Sub-Deed, the City Rules or any decision of the City Owners' Committee.

10. The purpose of a Meeting of the Committee shall be to discuss matters relating to the Village, to fill any casual vacancy which may occur in the post of Chairman or Vice-Chairman but any person appointed to fill such position shall vacate such position at the conclusion of the next meeting of the Owners of the Village, to give directions and advice to the Chairman or Vice-Chairman on any issue before or expected to come before the City Owners' Committee, to make suggestions for the amendment, deletion or addition to the Village Rules and to decide on and undertaking such duties as the Manager may delegate to the Committee .

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


THE SCHEDULE ABOVE REFERRED TO

<u>First Column</u>	<u>Second Column</u>	<u>Third Column</u>	<u>Fourth Column</u>
Units	Undivided Shares of and in the Lot	Undivided Shares of and in the buildings and other structures and ancillary works on the Village	Management Units
Flats A and D (each with Terrace and Garden) on the Ground Floor of Nos.1, 3 and 5 Parkvale Drive	6/250,000th shares for each flat	6/11,500th shares for each flat	6 management units for each flat
Flats A and D on the First Floor to the Third Floor of Nos.1, 3 and 5 Parkvale Drive	6/250,000th shares for each flat	6/11,500th shares for each flat	6 management units for each flat
Flats A and D (each with Flat Roof) on the Fourth Floor of Nos.1, 3 and 5 Parkvale Drive	6/250,000th shares for each flat	6/11,500th shares for each flat	6 management units for each flat
Flats B and C (each with Terrace and Garden) on the Ground Floor of Nos.1 and 3 Parkvale Drive	5/250,000th shares for each flat	5/11,500th shares for each flat	5 management units for each flat
Flats B and C on the First Floor to the Third Floor of Nos.1 and 3 Parkvale Drive	5/250,000th shares for each flat	5/11,500th shares for each flat	5 management units for each flat
Flats B and C (each with Flat Roof) on the Fourth Floor of Nos.1 and 3 Parkvale Drive	5/250,000th shares for each flat	5/11,500th shares for each flat	5 management units for each flat
Flats B and C (each with Terrace and Garden) on the Lower Ground Floor of No.5 Parkvale Drive	5/250,000th shares for each flat	5/11,500th shares for each flat	5 management units for each flat


Flats B and C on the Ground Floor to the Third Floor of No.5 Parkvale Drive	5/250,000th shares for each flat	5/11,500th shares for each flat	5 management units for each flat
Flats B and C (each with Flat Roof) on the Fourth Floor of No.5 Parkvale Drive	5/250,000th shares for each flat	5/11,500th shares for each flat	5 management units for each flat
Flats A and B (each with Terrace, Yard and Garden) on the Ground Floor of Nos.7, 9 and 11 Parkvale Drive	11/250,000th shares for each flat	11/11,500th shares for each flat	11 management units for each flat
Flat A (with Terrace, Yard and Garden) on the Ground Floor of No.13 Parkvale Drive	11/250,000th shares	11/11,500th shares	11 management units
Flat B (with Terrace and Garden) on the Ground Floor of No.13 Parkvale Drive	11/250,000th shares	11/11,500th shares	11 management units
Flats C and D on the First Floor of Nos.7, 9, 11 and 13 Parkvale Drive	11/250,000th shares for each flat	11/11,500th shares for each flat	11 management units for each flat
Flats E and F on the Second Floor of Nos.7, 9, 11 and 13 Parkvale Drive	11/250,000th shares for each flat	11/11,500th shares for each flat	11 management units for each flat
Flats G and H on the Third Floor of Nos.7, 9, 11 and 13 Parkvale Drive	11/250,000th shares for each flat	11/11,500th shares for each flat	11 management units for each flat
Flats I and J (each with Flat Roof) on the Fourth Floor of Nos.7, 9, 11 and 13 Parkvale Drive	11/250,000th shares for each flat	11/11,500th shares for each flat	11 management units for each flat
Flats A, C and D on the First to Twenty-First Floor of Coral Court	7/250,000th shares for each flat	7/11,500th shares for each flat	7 management units for each flat

Flats B and E on the First to Twenty-First Floor of Coral Court	4/250,000th shares for each flat	4/11,500th shares for each flat	4 management units for each flat
Flats F on the First to Twenty-First Floor of Coral Court	8/250,000th shares for each flat	8/11,500th shares for each flat	8 management units for each flat
Flats A on the First to Twenty-First Floor of Crystal Court	8/250,000th shares for each flat	8/11,500th shares for each flat	8 management units for each flat
Flats B and E on the First to Twenty-First Floor of Crystal Court	4/250,000th shares for each flat	4/11,500th shares for each flat	4 management units for each flat
Flats C, D and F on the First to Twenty-First Floor of Crystal Court	7/250,000th shares for each flat	7/11,500th shares for each flat	7 management units for each flat
Flats A and D on the First to Twenty-First Floor of Woodland Court	8/250,000th shares for each flat	8/11,500th shares for each flat	8 management units for each flat
Flats B and C on the First to Twenty-First Floor of Woodland Court	11/250,000th shares for each flat	11/11,500th shares for each flat	11 management units for each flat
Flats A and D on the First to Twenty-First Floor of Woodgreen Court	8/250,000th shares for each flat	8/11,500th shares for each flat	8 management units for each flat
Flats B and C on the First to Twenty-First Floor of Woodgreen Court	11/250,000th shares for each flat	11/11,500th shares for each flat	11 management units for each flat
Flats A and D on the First to Twenty-First Floor of Woodbury Court	8/250,000th shares for each flat	8/11,500th shares for each flat	8 management units for each flat
Flats B and C on the First to Twenty-First Floor of Woodbury Court	11/250,000th shares for each flat	11/11,500th shares for each flat	11 management units for each flat

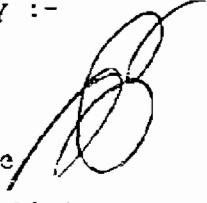
SEALED with the Common Seal of)
the Registered Owner and SIGNED)
by Victor M. Z. Cha - Director)
Barbara A. Culwell - Secretary)
whose signature(s) is/are)
verified by :-)


Peter Y. W. Lee
Solicitor,
Hong Kong.

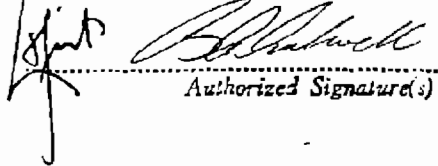
SIGNED SEALED AND DELIVERED by)
the First Purchaser in the)
presence of :-)

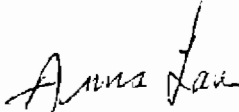

Peter Y. W. Lee
Solicitor,
Hong Kong.

SEALED with the Common Seal of)
the Manager and SIGNED by)
Abraham S. T. Chung - Director)
whose signature(s) is/are)
verified by :-)

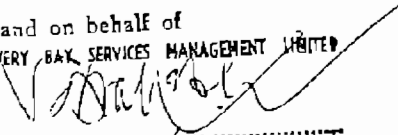

Peter Y. W. Lee
Solicitor,
Hong Kong.

For and on behalf of
HONG KONG RESORT COMPANY LIMITED


Authorized Signature(s)



Holder of Hong Kong Identity
Card No. A903133 (S)

For and on behalf of
DISCOVERY BAY SERVICES MANAGEMENT LIMITED

Authorized Signature(s)